

U.S. Air Force, Boeing Extend C-17 Flexible Sustainment Contract

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Through a follow-on contract awarded to The Boeing Company by the U.S. Air Force, the C-17 Flexible Sustainment program will continue through the year 2003.

The three-year performance-based contract, which includes one basic year and two option years, has a total potential value of \$1.5 billion. This contract follows a transition phase which began in 1998.

Under flexible sustainment, Boeing and the Air Force have built an integrated support package that includes program management, sustaining engineering and maintenance management, and heavy maintenance services. The majority of the work on the program is performed at the Boeing Aerospace Support Center in San Antonio, Texas; the Boeing C-17 facility in Long Beach, Calif.; and at the three Air Force operating sites for the aircraft: Charleston Air Force Base, S.C.; McChord Air Force Base, Wash.; and Altus Air Force Base, Okla.

The Air Force serves as a subcontractor on the program, as well. Through a subcontract awarded by Boeing in October 1999, Warner Robins Air Logistics Center in Georgia is performing a procedure known as analytical condition inspections, part of the regular maintenance of the C-17.

"The flexible sustainment program is serving as a template for how innovative, affordable and effective support can be provided for military aircraft, both those in development and production, as well as for those that have been in service for almost 40 years," said David Spong, president of Military Aerospace Support for Boeing.

"Since its inception, flexible sustainment has proven to provide outstanding warfighter support in terms of readiness and cost benefits," said Gus Urzua, Flexible Sustainment program manager.

Boeing has delivered 70 C-17 airlifters of the 120 currently on order. The United Kingdom has agreed to lease four additional Globemaster IIIs, which also will be supported through the Flexible Sustainment program.

By focusing its modernization and upgrades capabilities; maintenance and modification centers; training services; logistics personnel services; and sustainment data and supply chain management support competencies in the Military Aerospace Support business, Boeing is the only major airframe manufacturer with an integrated organization structured to provide total life-cycle customer support for military aircraft and weapons systems.

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