Boeing puts on hold discussions for Arrow Program co-production

The Boeing Company (NYSE: BA - news) has put on hold discussions aimed at establishing co-production of the Israeli Arrow Weapon System (AWS) until technology transfer issues are resolved. The company has been working with the Israeli Ministry of Defense and Israel Aircraft Industries (IAI) to explore possible co-production opportunities of the Israeli national missile defense system. Boeing is a leading producer of missile defense systems and components.

"Boeing and IAI have worked together on many programs over the years," said Jim Albaugh, president, Boeing Space & Communications Group. "We look forward to continuing our positive relationship through a variety of opportunities."

"IAI is appreciative of the professional approach the Boeing team used to evaluate the potential co-production of the Arrow missile in the United States," said David Onn, President of IAI International.

The Government of Israel and the U.S. Government jointly fund the AWS program. IAI was awarded the prime contract for the AWS in June 1988. The first of three AWS batteries became operational last year. In an effort to reduce missile cost and increase production rates, IAI began discussion of co-production opportunities with U.S. defense contractors in early 2000.

The Boeing Company plays a major role in missile defense activities, including serving as prime contractor for the U.S. National Missile Defense program, team member on Airborne Laser, as well as providing key components and technologies for Patriot Advanced Capability - 3, and Navy Theater Wide and Theater High Altitude Area Defense programs.

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