

Boeing Team to Pursue Multibillion-Dollar U.S. Navy Satellite Contract

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The formation of an industry-leading communications team strongly positions Boeing Space and Communications (S&C) to pursue a potential multibillion-dollar contract for the U.S. armed forces' next-generation satellite-based mobile communications system.

The Mobile User Objective System (MUOS) will provide global communications to all U.S. forces in such hard-to-reach places as thick jungle, urban canyons, mountainous terrain or at sea. In Boeing's vision, MUOS would provide warfighters with a key interoperable link to an "integrated battlespace" of networked terrestrial, airborne and satellite communications systems.

MUOS will replace the U.S. Navy's current narrowband mobile communications satellite system known as UHF Follow-On (UFO), which provides tactical global communications for all U.S. forces including those engaged in Operation Enduring Freedom. The UFO fleet was built by Boeing S&C, a unit of The Boeing Company [NYSE:BA].

Boeing will lead a team comprising ViaSat, Hughes Network Systems (HNS), TRW Inc., Harris Corp. and Science Applications International Corp. (SAIC).

"The Boeing team possesses the right mix of expertise and future focus to deliver the best MUOS solution for the warfighter," said Randy Brinkley, president of Boeing Satellite Systems. "We successfully developed and deployed the current UFO fleet and we are the developer of commercial voice and data systems such as Thuraya and the Spaceway satellites for Hughes Network Systems. Boeing is totally committed to the vision of providing U.S. forces integrated information superiority, which is critical to success on the battlefield of the future."

As team lead and prime contractor, Boeing would be responsible for the entire MUOS system: a constellation of geosynchronous satellites plus associated network management and ground infrastructure.

The Navy will select two teams to receive \$40 million, 14-month Component Advanced Development contracts. One of those teams will be selected for a multibillion-dollar production contract late next year. Initial operational capability is expected in early 2008, with full capability by 2013.

Boeing Space and Communications (S&C), headquartered in Seal Beach, Calif., is the world's largest space and communications company. A unit of The Boeing Company, S&C provides integrated solutions in launch services, human space flight and exploration, missile defense, and information and communications. It is NASA's largest contractor; a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; and a leading provider of intelligence, surveillance and reconnaissance. The global enterprise has customers worldwide and manufacturing operations throughout the United States and Australia.

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