Boeing-Siemens Team Wins Contract to Enhance Security at U.S. Airports

The U.S. Department of Transportation today awarded a contract to The Boeing Company [NYSE:BA] and Siemens Corporation to install and maintain explosives detection systems at the 438 U.S. airports serving commercial aviation.

The $1.37 billion contract that will be managed by the Transportation Security Administration (TSA) also calls for the Boeing-Siemens team to train approximately 30,000 airport baggage-screening employees. Legislation enacted by Congress in response to the Sept. 11th terrorist attacks mandates the installation of detection systems in all 438 airports by Dec. 31, 2002. The contract also has options to support the fielded equipment for five years beyond the December completion date.

"Boeing is honored to have been selected by the Transportation Security Agency to perform this important national program," said Rick Stephens, vice president and general manager of Boeing Space and Communications Services. "A safe, efficient commercial aviation system is fundamental to our nation's economy and Boeing is committed to supporting the safety of the airline industry and passengers."

Boeing brings two major attributes to the partnership with Siemens and to the challenge of meeting the December deadline. "We are very experienced at integrating large, complex systems and we know how to work efficiently with multiple suppliers spread all over the world. We do it every day," Stephens said.

Siemens will direct the installation of the equipment, including the positioning of the machines, site preparation and field service. Siemens also will continue to manage the field service through a long-term support agreement.

"More than 570 million air travelers and nearly one billion pieces of checked luggage pass through American airports every year. As the global leader in airport solutions, Siemens has the technological expertise and service resources to manage the logistics of this high level of traffic safely and efficiently," said Klaus Kleinfeld, president and CEO of Siemens Corporation. "Boeing and Siemens together are an ideal combination for the job."

The contract requires the team to complete studies of passenger movement, architectural designs, structural changes and to coordinate the supply of 1,100 explosive detection system (EDS) machines and up to 6,000 explosive trace detection (ETD) devices.

Boeing and Siemens have assembled a team composed of the "best in the business" that includes:

- Preston Aviation Solutions, a Boeing subsidiary, and TransSolutions; both of which provide aviation infrastructure simulation and modeling
- CAGE Inc., which develops cost-effective designs and operational policies for airports
- Turner Construction, supported by Hanscomb, will manage airport site preparation
- Architectural and engineering firms Leo A. Daly, Corgan and DMJM Aviation

Chicago-based Boeing is the world's largest aerospace company with nearly nine decades of expanding the frontiers of flight. It is the largest manufacturer of satellites, commercial jetliners and military aircraft and is also a global market leader in missile defense, human space flight and launch services. Boeing has an extensive global reach with customers in 145 countries. For more information on The Boeing Company, go to www.boeing.com.

Siemens Corporation is a subsidiary of Siemens AG (NYSE: SI), a leading global electronics and engineering company. The United States is Siemens' largest market, with nearly 80,000 employees in 50 states. For more information about Siemens, go to www.usa.siemens.com.

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