Boeing Team Wins U.S. Army Joint Tactical Radio System Contract -- Initial Phases Expected to Exceed $2 Billion

The U.S. Army's Communications-Electronics Command today announced The Boeing Company [NYSE: BA] as the prime system engineering contractor of a multi-year, multimillion-dollar contract to develop the Joint Tactical Radio System (JTRS), a revolutionary communications system that will be the foundation for all future Department of Defense tactical radios.

If the contract is fully executed, the baseline plus options could exceed $2 billion for the initial system development and demonstration and low-rate initial production phases of the program, referred to as Cluster 1. The award, coupled with the recent Boeing Future Combat Systems (FCS) win, represents a significant achievement for Boeing in integrated battlespace, a $200 billion addressable market over the next decade, according to Allen Ashby, vice president and general manager of Boeing's Battle Management/Command, Control and Communications (BMC3) and Strategic Systems business unit in Anaheim, Calif., where JTRS program activities will be managed. The Anaheim unit is part of Boeing Space and Communications, headquartered in Seal Beach, Calif.

"This win is a tremendous achievement for the Boeing-led team which has worked diligently to develop an innovative, affordable systems solution that will enhance the effectiveness of tomorrow's warfighter," Ashby said. "We have partnered with the best that industry has to offer, and stand ready to successfully meet the challenges associated with the future battlespace."

The Boeing team, comprised of premier air and ground system integrators and leading hardware providers, was selected based in part on the team's flexible system architecture design, modular approach and Boeing's proven experience in large-scale systems integration. Principal team members include TRW Tactical Systems Division of Carson, Calif.; Rockwell Collins Government Systems Division of Cedar Rapids, Iowa; and BAE SYSTEMS Communications, Navigation and Identification Division of Wayne, N.J. (a division of the BAE SYSTEMS North America Group), which is partnered with Harris Corporation RF Communications Division of Rochester, N.Y.

Communication and sharing information are critical on the battlefield. Military forces need to have access to timely, assured information in order to be effective when conducting operations across military services and platforms, and across continents, Ashby said. The JTRS is a family of software reprogrammable radios, based on an open communications architecture, that will provide U.S. commanders and warfighters with significantly improved simultaneous voice, video and data communications capability for varied mission requirements. The software programmable nature of the JTRS affords users the flexibility to select optimum waveforms to meet mission demands.

Cluster 1 is the first procurement of a number of clusters for the JTRS and consists of U.S. Army, U.S. Air Force Tactical Air Control Party (TACP) and U.S. Marine Corps ground radios, as well as Army rotary wing aircraft radios; and includes the development of a new wideband networking waveform. The total value of the contract will be approximately $475 million for the 44-month system development and demonstration phase. Early operational assessment testing is anticipated during Summer 2004 with low-rate initial production expected to begin in 2005.

As prime, Boeing will be responsible for the design and integration of the JTRS architecture, the integration of legacy and new waveforms, development of a new wideband networking waveform, and the qualification of two hardware production sources for up to 10,000 vehicular and airborne systems through low-rate initial production. Future production quantities generated by the Cluster 1 program are expected to exceed 100,000 units.

Boeing, with proven experience in large-scale system design, development and deployment, will be responsible for the overall systems architecture and design, systems engineering, communications integration and program management. TRW will support Boeing in the systems engineering and wideband network management effort and will be responsible for the integration of ground platforms. Rockwell Collins and BAE SYSTEMS, with support from Harris Corporation, will have responsibility for developing and producing the ground vehicular and airborne systems for the Army and Marine Corps, and the Tactical Air Control Party communications system for the Air Force.

The Boeing Company is the world's leading aerospace company, with its heritage mirroring the history of flight. It is the largest manufacturer of satellites, commercial jetliners, and military aircraft. The company is also a global market leader in missile defense, human space flight, and launch services. Chicago-based Boeing has an extensive global reach with customers in 145 countries.

TRW Systems, a unit of TRW, Inc., is a global information systems integrator offering a broad range of services to civil and federal government, commercial, defense and intelligence markets. Additional information is available at www.trw.com.

Rockwell Collins (NYSE:COL) provides design, production and support of aviation electronics and communications for government and commercial customers worldwide. Additional information is available at www.rockwellcollins.com.

BAE SYSTEMS Communication, Navigation & Identification, headquartered in Wayne, New Jersey provides design, production and support of airborne, maritime and ground communication systems for government and commercial customers worldwide.

Additional information is available at www.baesystems.com.

Harris RF Communications Division, a unit of Harris Corporation, is a leading supplier of secure voice and data communications products, systems and networks to military, government and commercial organizations worldwide. Additional information about Harris Corporation is available at www.harris.com.

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