Federal Court Judge Grants Boeing A-12 Motion

The U.S. Court of Federal Claims today issued a stay of its August 2001 decision in the long-running A-12 aircraft case, ruling that the immediate collection action proposed by the government of $2.3 billion from Boeing and General Dynamics is not in the national interest and that the companies have raised substantial issues in the appeals process.

"We have stated consistently that we feel we have a strong legal case in the A-12 litigation, and we are pleased that our focus can now shift to the merits of our case on appeal," said Doug Bain, Boeing senior vice president and general counsel.

At issue is how the government terminated the A-12 military aircraft program in 1991 and whether Boeing and General Dynamics owe the government money as a result of the contract termination. The Court of Appeals for the Federal Circuit is scheduled to hear oral arguments in the case on January 9 with a decision expected later in the year.

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