Army, Boeing-SAIC LSI Team Complete Core Future Combat Systems Team

The U.S. Army and its Lead System Integrator (LSI) team of Boeing [NYSE: BA] and Science Applications International Corporation (SAIC) today completed a precedent-setting process designed to bring the "best of industry" to the U.S. Army's Future Combat Systems (FCS) program.

The three partners announced today bring the number selected to join the team since July 10 to a total of 21. These companies have identified more than 100 additional firms that will contribute to the success of FCS, the Army's key transformational program.

The selection process conducted by the LSI included the Army and members of other government agencies in full compliance with the Army acquisition-authority approved source selection plan. That plan defined government participation and specific protections to ensure the evaluation process was equitable and would produce a standard-setting FCS team.

"From the beginning of our involvement with FCS, we aimed at assembling an industry team composed of the best in the business," said Dennis Muilenburg, vice president and FCS program manager for Boeing. "We used an innovative and very efficient approach to put our FCS One Team together, entirely in keeping with the goals we share with the Army."

The FCS One Team is composed of the representatives of the government, the LSI and industry partners.

"Forming the One Team in accordance with our overarching strategy and top-level tenets will enable our unencumbered reach into the very best talent industry has to offer. I am more encouraged than ever," said Brigadier General Donald Schenk, program manager for Future Combat Systems.

"We are pleased to have completed the source selection and can now bring the full team together and execute the program," said John Gully, SAIC vice president and FCS deputy program manager. "The process was demanding and rigorous for everyone concerned but the result is a terrific team to work with the Army in developing FCS."

On May 14, the Defense Acquisition Board approved the FCS program's entrance into the System Development and Demonstration (SDD) phase. The SDD phase takes the program into Initial Production and Initial Operational Capability in the latter part of this decade. The SDD contract is valued at \$14.9 billion, approximately two-thirds of which is expected to flow through to subcontractor partners.

As the LSI team, Boeing and SAIC are responsible for total systems integration, as well as acting in a role similar to a "general contractor." The LSI team manages the identification, selection and procurement of the major systems and subsystems.

FCS is a networked "system of systems" combining advanced communications and technologies to link soldiers with both manned and unmanned ground and air platforms and sensors. Soldiers in the FCS will control 18 individual systems through an integrated network. As the basis for the Department of Defense's visionary transformation plan, FCS will significantly increase the Army's agility, allowing it to go anywhere and to overcome any adversary. FCS is also designed from the ground up to enhance coordination among all U.S. forces as well as between U.S. and coalition forces.

	Supplier	Package	Description
1	Northrop Grumman Systems Corporation, 17066 Goldentop Road, San Diego, CA 92150	Class IV Unmanned Aerial Vehicle (UAV)	UAV System controlled and operated at the Brigade level. Performs target acquisition and designation, reconnaissance, surveillance, and communications relay.
2	United Defense, L.P., Ground Systems Division, 1205 Coleman Avenue, Santa Clara, CA 95050-4368	Armed Robotic Vehicle (ARV) Engineering Study Contract with an option to enter into full Systems Development and Demonstration (SDD)	Unmanned reconnaissance and surveillance vehicle with semi-autonomous or operated-controlled capability. Two different variants provide Intelligence, Surveillance, Reconnaissance/Target Acquisition (ISRTA) and direct /indirect fires in support of mounted and dismounted operations.
3	The Boeing Company, McDonnell Douglas Helicopter Co., 5000 E. McDowell Road, Mesa, AZ 85215- 9797	Warfighter Machine Interface (WMI)	Provides customized situational understanding and warfighter collaboration tools for all platforms across the Unit of Action.

A unit of The Boeing Company, Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$25 billion business. It provides systems solutions to its global military, government and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in launch services.

SAIC is the nation's largest employee-owned research and engineering company, providing information technology, systems integration and eSolutions to commercial and government customers. SAIC engineers and scientists work to solve complex technical problems in national and homeland security, energy, the environment, space, telecommunications, healthcare, transportation and logistics. With annual revenues of \$5.9 billion, SAIC and its subsidiaries, including Telcordia Technologies, have more than 40,000 employees at offices in more than 150 cities worldwide.

###

Note to Editors: For July 10 announcement visit: here For August 7 announcement visit: here

For further information: Randy Harrison Boeing contact (206) 655-8655 Zuraidah Hoffman SAIC contact (703) 676-2541 David Georgi Army contact (703) 693-6667