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Boeing (NYSE: BA), teamed with Science Applications International Corporation (SAIC) as the Lead Systems Integrator (LSI) for the U.S. Army's Future Combat Systems (FCS) program, today awarded four multimillion-dollar contracts to three premier industry partners to participate in the first phase of development for two classes of Unmanned Aerial Vehicles (UAVs). The UAVs -- a key battlespace asset and integral part of the FCS system-of-systems solution -- are slated for fielding in 2014 with the first fully-equipped FCS brigade-sized combat teams.

The contracts, range in value from \$3 million to \$5 million dollars. Piasecki Aircraft Corp. received a contract for development of its Class II UAV Air Scout system. Contracts for development of the larger Class III UAV system were awarded to Teledyne Brown Engineering Inc. for its Prospector, AAI Corp. for its Shadow III and to Piasecki Aircraft Corp. for its Air Guard.

The contracts were based on technical, management, schedule, past performance and cost criteria following a thorough source selection process in which the Army and the LSI acted as 'honest brokers' to ensure fairness in the review process and to secure the most qualified contractors. The comprehensive process was accomplished in record time, demonstrating the LSI's ability to rapidly execute complex tasks in a collaborative environment.

"In keeping with a key tenet of the FCS program, the selected companies represent the very best among industry, and the FCS LSI is confident that the ensuing competition will result in two superior UAV systems to meet future Army battlefield requirements," said Mark Franzblau, Boeing director, FCS UAV Integrated Product Team. "As we continue to meet cost, schedule and performance parameters, our main focus is ensuring these critical UAV technologies are successfully integrated into the FCS network."

Class II and III UAV development will be carried out in three phases, with the FCS LSI and Defense Advanced Research Projects Agency (DARPA) developing different technologies in tandem until a final candidate system is selected for both FCS UAV classes. For the Class II solution, DARPA initiated the Organic Air Vehicle II (OAV II) program, strictly focused on ducted fan technology, while the LSI will evaluate an alternative non-ducted fan approach. Similarly, for Class III, DARPA is investing in rotorcraft technology while the LSI will be investigating gyrocopter and fixed wing designs.

Phase 1, lasting approximately 10 months, will include requirements assessment and risk reduction trade studies on initial UAV concepts. This will lead to a down-select in mid-2006 to one candidate for the Class III system and a decision on how best to proceed with development of the Class II system. Selected LSI and DARPA candidates will then be evaluated for their suitability to meet FCS requirements during a 24-month concept maturation phase, culminating in a flight assessment of developmental prototypes in 2008. A down select will then occur for the final System Design and Development (SDD) phase when the LSI, Army and DARPA will select the best-value solutions for each class of UAV. First delivery of FCS integrated UAV systems to support FCS system-of-systems testing will occur in 2010, with fielding of both class systems slated for 2014.

The Army's concept of FCS comprises various systems linked through the network including four UAV platform types, which are integral to the FCS system-of-systems construct. UAV classification is determined by platform capability, mission and operational requirements. The Class II UAV system will provide reconnaissance, security/early warning, target acquisition at the company level in support of line-of-sight, beyond-line-of-sight and non-line-of-sight engagements including target designation for beyond-line-of-sight engagements. It will be vehicle mounted, capable of taking off and landing in unimproved areas and provide enhanced dedicated imagery, accomplishing its mission while being autonomously controlled or cued remotely by Army personnel.

The larger Class III UAV system will have greater endurance and a larger payload-carrying capacity than the Class II system. It will be a multifunction aerial combat support system capable of providing reconnaissance, communications relay, security/early warning, target acquisition and designation and minefield detection at the battalion level. The Class III UAV system also will provide remote reconnaissance and terrain information, and be capable of taking off and landing in unimproved areas.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$30.5 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; 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 sustainment solutions and launch services.

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