Boeing FIRST Program Awarded $995 Million Long-Term Contract

The U.S. Navy has awarded Boeing [NYSE: BA] a long-term performance-based logistics contract valued at $995 million for the F/A-18E/F Integrated Readiness Support Teaming (FIRST) program.

In addition to substantial savings, the new contract will allow the U.S. Navy to consolidate the separate contracts the FIRST program currently operates under into a single contract overseen by the Naval Inventory Control Point, NAVICP. The contract also adds features not currently covered, including automated maintenance environment, an integrated software program that improves maintenance data, fault diagnosis and decisions, and integrated electronic technical manuals for F/A-18A-D models.

"This contract allows the Navy and Boeing to continue providing the proven F/A-18 sustainment that has become a model for system support," said Pat Finneran, vice president and general manager, Logistics Support Systems, for Boeing. "By working together we will ensure the F/A-18 meets the warfighter's needs both today and in the future."

FIRST is a performance-based logistics contract to provide support to the F/A-18E/F Super Hornet. The objective is to improve fleet support and aircraft readiness while reducing costs. The contract provides asset management (spares and repairs), supportability improvements, obsolescence management, technology insertion and integrated logistics support.

"This milestone is the result of the type of cooperation that makes the FIRST program such a success," said Chris Chadwick, vice president, F/A-18 Program, for Boeing. "FIRST continues to offer the Navy affordable and reliable logistics support, which helps them sustain one of the highest readiness rates of any tactical aircraft in service."

As part of FIRST, Boeing provides field support representatives on site at fielded aircraft bases in California and Virginia under the Hornet support network concept. Boeing utilizes several original equipment manufacturer suppliers along with Navy depots in California, North Carolina and Florida to perform repairs as part of FIRST.

FIRST began in 2001 with annual contracts. The program is projected to provide approximately $1.0 billion in cost avoidances and savings over the 30-plus-year life cycle of the Super Hornet. FIRST was nominated for the Department of Defense awards program for excellence in performance based logistics by the Navy's Program Executive Office for Tactical Aircraft, Patuxent River Naval Air Station, Md.

Boeing Integrated Defense Systems, a unit of the The Boeing Company, 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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