

Boeing KC-767 Tanker Win Would Benefit California Economy

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The Boeing Company [NYSE: BA] today announced that Californians will fill more than 4,000 direct and indirect jobs if it is selected to build the U.S. Air Force's new tanker aircraft fleet. The economic activity generated in California will exceed an estimated \$175 million annually.

"California has a long history of supporting our armed forces and fostering the defense and aerospace industries that sustain our nation's military," said California Gov. Arnold Schwarzenegger. "I applaud Boeing's intention to continue this proud tradition, by selecting California-based companies to help supply the military's newest generation of tanker aircraft."

Boeing formally submitted its proposal to the Air Force on April 10. The offering, the KC-767 Advanced Tanker, is designed for aerial refueling of other aircraft, but also is able to move cargo, passengers, patients and medical crewmembers. These capabilities, combined with best-in-competition fuel efficiency, global flexibility and optimum size, provide a strong value proposition to the Air Force.

"California's talented workers will play a critical role in producing the KC-767 Advanced Tanker," said Ron Marcotte, vice president and general manager of Boeing Global Mobility Systems. "Boeing has a long, proud history in the Golden State. If we have the privilege to build the next generation tanker for the Air Force, California will be an important partner."

Companies in both central and southern California may provide KC-767 hardware and software development, manufacturing, test and evaluation, support for advanced refueling components like the Hose Drum Unit and Wing Air Refueling Pods, environmental control systems, as well as work on other systems and components.

Nationwide, the Boeing KC-767 Advanced Tanker will be designed, built and supported by 44,000 Americans and 300 U.S. suppliers.

Boeing will assemble the tanker at its facilities in Everett, Wash., using many of the same manufacturing processes that produced almost 1,000 highly reliable and maintainable commercial Boeing 767s. Installation of military refueling systems and flight test activities will take place at the company's finishing center in Wichita, Kan.

The Boeing Global Tanker Team producing the KC-767 Advanced Tanker includes GE Aviation (through its Systems division, formerly Smiths Aerospace), Rockwell Collins, Vought Aircraft Industries, Honeywell, Pratt & Whitney, Spirit AeroSystems and Delta TechOps. This experienced group of partners has proven expertise in aerial refueling systems, network centric operations, integrated avionics solutions and lean manufacturing concepts, which will offer the Air Force high levels of reliability and unique technical advancements.

Boeing has been designing, building, modifying and supporting tankers for nearly 75 years, with hundreds of KC-135s and KC-10s currently in service with the Air Force. The company is flying KC-767s today and has logged nearly 1,000 hours on the tanker platform. Recently, Boeing demonstrated its advanced air refueling systems by transferring fuel through its fifth-generation boom and extending and retracting the fuselage-mounted and wing-mounted air refueling hoses, both critical milestones for the KC-767 program.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses specializing in innovative and capabilities-driven customer solutions. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$32.4 billion business with 72,000 employees worldwide.

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