Boeing Awarded $19.9 Million Contract to Support U.S. Army Apache Helicopters

The Boeing Company [NYSE: BA] has been awarded a $19.9 million U.S. Army contract modification to expand its support of the Apache Reliability and Safety Recapitalization program.

The Recap program, based in Mesa, Ariz., provides the U.S. Army with a kit of 24 AH-64D Apache Longbow helicopter components that have been overhauled and upgraded to improve reliability as measured by mean time between removals. The parts include the main rotor head, the transmission, gear boxes and much of the helicopter's drivetrain. Boeing is working continuously to increase the parts' reliability and safety as the Army's Apache fleet flies at an accelerated rate in ongoing operations in Afghanistan and Iraq.

The contract modification provides additional kits to Boeing's Apache Longbow production program, which will incorporate the parts into remanufactured AH-64D helicopters. The Recap contract, now valued at $379 million, runs through mid-2010.

The Recap program is one of several Apache sustainment solutions Boeing Support Systems provides the U.S. Army. Under the Apache Performance-Based Logistics program, Boeing provides total logistics support for hundreds of AH-64D components. The program provides total asset visibility for the customer and supply chain management support through best-of-industry practices. Since 2001, Boeing has maintained a material availability rate above 90 percent for more than 1,800 D-model components. Through the Corpus Christi Army Depot Partnership, Boeing works side-by-side with the Army to reduce turnaround time on major helicopter components, including Apache transmissions. The goal is to reduce turn around time by 50 percent over five years.

"The Apache Recap program is an important building block in our comprehensive sustainment solution for the U.S. Army Apache fleet," said Montie Schlotterbeck, Boeing's Apache Recap program manager. "We're focused on providing readiness at the best possible value for our customers, and our Apache sustainment programs continue to do just that."

The U.S. Army uses Apaches to fulfill attack helicopter and reconnaissance requirements. Featuring fully integrated avionics and weapons, plus state-of-the-art digital communications capabilities, the Apache Longbow helicopter can rapidly detect, classify, prioritize and engage stationary and moving opposition targets at standoff ranges in nearly all weather environments.

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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