Boeing Awarded Production Contract for US Navy Shipboard Network

HUNTINGTON BEACH, Calif., Aug. 17, 2009 -- The Boeing Company [NYSE: BA] has been awarded a $14.6 million U.S. Navy contract to produce the information transfer system that controls mission-critical capabilities on guided missile destroyers.

The production of six shipsets of the Gigabit Ethernet Data Multiplex System (GEDMS) AN/USQ-82(V) further strengthens Boeing's support for the Navy's modernization efforts on DDG 51-class warships.

The equipment will be retrofitted on the USS *Barry* (DDG 52), USS *Stout* (DDG 55), USS *Benfold* (DDG 65) and three foreign navy vessels. The U.S. Naval Surface Warfare Center, Dahlgren Division, Dahlgren, Va., awarded the contract, which also includes spares.

Boeing's partnership with the Navy on GEDMS and its predecessor systems spans more than 35 years.

"This equipment represents the most current version of the information transfer system Boeing has been providing to the Navy for many years," said Jay Nieto, GEDMS program manager for Boeing. "It enhances reliability, maintainability and survivability by managing data from the ship's most basic systems, including navigation, steering control, damage control, machinery control, combat and internal communications."

Boeing has previously delivered GEDMS modification kits for the USS *Spruance* (DDG 111) and USS *Michael Murphy* (DDG 112), which are under construction, and is on track for delivery to the USS *John Paul Jones* (DDG 53) later this year for the start of this phase of the DDG modernization program.

In addition, Boeing recently received a separate contract from the Navy's Dahlgren Division to continue providing the network design and technical engineering services for GEDMS.

"We are delighted to ramp up our production efforts on GEDMS with this six-shipset order," Nieto said. "As the design agent, we strive for continuous improvement in our services to our customer, and this additional work on the production side of the house will allow us to further strengthen that commitment."

Boeing's Command, Control and Communications (C3) Networks division will perform design and production in Huntington Beach, Calif. Boeing field service representatives are based at manufacturing and modernization shipyards across the United States in order to provide the Navy with seamless hands-on support during GEDMS system installation and checkout.

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, and the world's largest and most versatile manufacturer of military aircraft. Headquartered in St. Louis, Boeing Integrated Defense Systems is a $32 billion business with 70,000 employees worldwide.

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