Boeing Helicopter Support Program to Provide Lift for Canadian Industry

OTTAWA, Jan. 29, 2010 -- At a supplier conference today in Ottawa, Boeing [NYSE: BA] outlined its proposed subcontracting plan for in-service support (ISS) of 15 Boeing CH-47 Chinook Medium-to-Heavy Lift Helicopters (MHLH), designated CH-147 for the Canadian Forces.

Through the performance-based ISS program for the CH-147 fleet, Boeing could provide industry benefits of approximately $2 billion over 20 years. The program provides work packages in areas including engineering support; logistics support analysis; supply chain support; aircraft maintenance training systems and services; technical publications; ground support equipment; and maintenance site operations.

“Boeing has single-point accountability to manage the MHLH fleet’s overall performance while reducing overall life-cycle cost,” said Barry Wolff, MHLH ISS program manager for Boeing. “Ultimately, we are responsible for flawless execution of the MHLH ISS Program to meet or exceed the Canadian government’s Performance Based Accountability metrics and to ensure the level of readiness that Canadian Forces deserve.”

At today’s conference, Boeing reviewed the initial ISS structure and the company’s transition plan for the 20-year ISS phase, including the schedule and process to competitively bid work packages.

“Today’s conference is one of the first steps for the MHLH ISS Program,” said H.W. “Pete” Peterson, country director and vice president in Canada for Boeing Defense, Space & Security. “This is a chance for us to meet with potential suppliers to explain our proposed approach to compete and award long-term support work for the Canadian Chinook, and to give them the opportunity to ask questions and provide input. Our final plan for the ISS competition will reflect improvements based on industry feedback.”

Through Canada’s Industrial and Regional Benefits (IRB) Policy, Boeing’s IRB commitments on the MHLH ISS Program will allow Boeing to continue its long-standing relationship with the aerospace and defense industry in Canada.

“The Chinook fleet, operated or selected by nearly 20 international defense forces around the world, is in high demand,” Peterson said. “Canadian suppliers who offer the best value will have an opportunity to be part of the global support network that ensures these workhorses are ready to meet transport, humanitarian and supply needs in a variety of operational environments.”

Boeing has been a major contributor to the Canadian economy since 1919, generating approximately $1 billion in business annually. The company employs highly skilled workers in Nova Scotia, Quebec, Ontario, Manitoba, Alberta and British Columbia in support of its commercial and defense business units. Canada also is home to one of Boeing’s largest international supplier bases, with more than 200 suppliers in every region of the country, providing a diverse mix of high-value goods and services to Boeing and its customers.

A unit of The Boeing Company, Boeing Defense, Space & Security is one of the world’s largest defense, space and security 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 Defense, Space & Security is a $34 billion business with 68,000 employees worldwide.

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