Boeing Receives FAA Engineering Contract Worth up to $1.7 Billion for Next-Generation Air Transportation System

CHICAGO, June 3 /PRNewswire-FirstCall/ -- Boeing (NYSE: BA) has won a major research & development support contract worth up to $1.7 billion for the Next-Generation Air Transportation System (NextGen) from the U.S. Federal Aviation Administration.

Prime focus areas of the contract include air traffic management modeling and simulation as well as the full integration of ground and airborne technologies and operations across all vehicle types, including commercial and military aircraft, general aviation, unmanned aerial systems, and rotorcraft. Boeing will perform work that will demonstrate NextGen procedures in real time on a large scale within the current air traffic system.

"This is a great example of Boeing joining with the best of industry to provide a world-class team for the next generation of air traffic management," said Greg Deiter, Boeing vice president of Defense & Government Services. "By applying fully integrated solutions – from concept development to full-scale flight demonstrations – our team is ready to assist the government in developing and testing advanced air traffic management concepts that will improve safety, reliability and efficiency."

The comprehensive industry team Boeing has assembled for SE2020 includes airframers Airbus and Cessna, and the strongest ground infrastructure provider, Lockheed Martin, to provide the effective systems engineering support needed to ensure that aviation stakeholders see the benefits of NextGen as quickly as possible.

The Boeing team also includes Adacel, Ensco, Embry-Riddle Aeronautical University, Harris, Honeywell, Jeppesen, Jerry Thompson & Associates, Mosaic ATM, Spectrum Software Technology Inc., Tetra Tech AMT, and the Washington Consulting Group.

Currently, Boeing has agreements in place with both Airbus and Lockheed Martin to jointly work NextGen solutions. Boeing and Airbus both have a vested interest in harmonizing air traffic systems globally. And the Boeing partnership with Lockheed Martin enables the two companies to fully address the critical integration of ground systems and airborne platforms.

All of the partners on the Boeing team were carefully selected to leverage their experience and expertise in advanced air traffic management research. The team intends to fully apply integration solutions – from concept development to full-scale flight demonstrations – to assist the FAA in taking these concepts to the next phase.

"This is an unprecedented industry response to support the FAA on NextGen," said Gene Hayman, Boeing's SE2020 program manager. "NextGen is a national imperative and delivering early benefits are vitally important to our customers. This team has the right breadth and depth of capabilities to ensure the FAA's success in delivering these NextGen benefits."

The FAA has structured SE2020 as a set of multiple-award, 10-year umbrella contracts. The contract to Boeing has a five-year base with additional options for another five years. In addition to the Boeing contract, the FAA also awarded SE2020 contracts to General Dynamics and ITT. Total worth of these three contracts is potentially $4.4 billion. Two more contracts are expected to be awarded under SE2020, which has a ceiling of $7 billion, making it the largest set of awards in FAA history.

An audio file of a June 3 media roundtable on this topic is availablehere.

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