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- Performance-based logistics agreement reduces support costs while adding work scope
- Boeing supports global fleet of 275 aircraft operated by the U.S. Air Force and eight global partners

LONG BEACH, Calif., Sept. 29, 2021 /PRNewswire/ -- Boeing (NYSE: BA) will continue assuring the C-17 Globemaster III's worldwide mission readiness through a follow-on contract awarded by the U.S. Department of Defense, valued at up to \$23.8 billion including potential options and incentives over ten years. The program is currently funded through September 2024 with a Phase I award of \$3.5 billion.

Under the agreement, Boeing will continue performing critical sustainment activities, including engineering, field support, and material management, for the global fleet of 275 aircraft. The contract provides additional funding for new work scope such as international staffing to augment maintenance efforts and cyber security work statement.

"The C-17 continues to serve as the strategic airlift workhorse for the nation, as evidenced by its impressive performance in the recent airlift of more than 124,000 evacuees from Afghanistan in an around-the-clock operation," said Brig. Gen. Darren Cole, Air Mobility Command (AMC) director of Logistics, Engineering and Force Protection. "As the command responsible for operating the U.S. Air Force C-17 fleet, AMC looks forward to the continued partnership with our Boeing teammates as we work to keep the Globemaster fleet healthy for years to come."

This performance-based logistics (PBL) contract builds on more than two decades of successful C-17 sustainment, where Boeing has worked closely with the U.S. Air Force and global partners to maintain high mission-capability rates and continuously improve affordability. While sustainment costs typically rise as a fleet ages, Boeing will lower operating cost per-flight-hour for the global fleet under the new agreement.

"We are bending the cost curve on platforms like the C-17 by leveraging the breadth and depth of Boeing's services capabilities and expertise worldwide, and by applying digital tools and analytics to drive predictability and performance into every C-17 mission," said Dan Gillian, vice president & general manager of U.S. Government Services for Boeing Global Services.

"Working in partnership with our military customers, we are deriving data insight from these aircraft that is improving readiness and increasing fleet efficiency," Gillian added. "Analytical insights provide actionable intelligence to predict component failures, troubleshoot errors with greater speed and accuracy, complete repairs faster, and support aircrew decision making."

Boeing has been under contract for PBL support of the C-17 fleet since 1998. This new \$3.5 billion Phase I award is expected to be ordered by the Air Force through 2024. Under a PBL arrangement, a customer receives an agreed-to level of system readiness, as opposed to a traditional contract for specific spare parts and support services. This integrated logistics approach has allowed Boeing to apply innovative tools to maximize aircraft availability while lowering costs.

The global C-17 fleet boasts best-in-class aircraft availability rates while operating as the strategic airlift workhorse for the U.S. Air Force and global partners. In January 2020, the C-17 fleet became one of the fastest to achieve four million flight hours. The United States, Australia, Canada, India, Kuwait, Qatar, the United Arab Emirates, the United Kingdom, and the 12-nation Strategic Airlift Capability all operate the C-17 Globemaster III.

As a leading global aerospace company, Boeing develops, manufactures and services commercial airplanes, defense products and space systems for customers in more than 150 countries. As a top U.S. exporter, the company leverages the talents of a global supplier base to advance economic opportunity, sustainability and community impact. Boeing's diverse team is committed to innovating for the future and living the company's core values of safety, quality and integrity. Learn more at www.boeing.com.

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