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Sent: Thursday, June 15, 2006 1:36 PM
Subject: Chambliss F-22 Multiyear Amendment
Importance: High

PLEASE VOTE "YES" ON THE PROPOSED CHAMBLISS AMENDMENT ON F-22 MULTIYEAR PROCUREMENT

We request your vote in supporting the DoD/USAF-requested authorization to produce the next 60 F-22A aircraft under a 3 year multiyear contract and save the American taxpayers \$235M- \$335M!

- Saves a minimum of a quarter of a billion dollars by producing the next 60 aircraft under a multiyear contract, as opposed to three annual buys of 20 each
- This amendment is supported by the Dept of Defense, the USAF, and the nationwide F-22 Manufacturing Industry Team
- The independent Institute fo Defense Analyses (IDA) found the F-22A meets all Title 10 entrance criteria for a multiyear contract

Comparing projected multiyear (MYP) cost savings estimates per jet between what Congress approved 6 years ago for the F-18E/F and this F-22A proposal:

F-18E/F MYP: \$700M divided by 222 a/c = \$3.2M saved per aircraft

F-22A MYP: \$235M-335M divided by 60 a/c = \$3.9M-5.5M saved per aircraft

Why Multiyear Procurement for F-22 Raptor



Background: The FY07 President's Budget requests to begin multiyear procurement for 60 F-22A aircraft over a three year period. Recently, the AF and OSD submitted the final business case and justification package.

Discussion: The AF and OSD are trying to expeditiously complete this process, in order to capture FY07 savings. The AF hired the Institute for Defense Analysis (IDA) to prepare their business case analysis. IDA was chosen because they had just finished the year long Independent Cost Estimate directed by Congress. This made IDA an ideal independent reviewer.

IDA's preliminary analysis showed a multiyear procurement cost avoidance of \$231M (nearly two airplanes) over an annual lot by lot buy. After the AF reviewed the IDA preliminary analysis, an additional \$100M in savings was identified, for a total of \$331M.

Comparing projected MYP cost savings estimates per jet between what Congress approved 6 years ago for the F-18E/F, (even before OPEVAL was finished), and this F-22A proposal:

F-18E/F MYP: \$700M divided by 222 a/c = \$3.15M saved per aircraft

F-22A MYP: \$231M-330M divided by 60 a/c = \$3.8M-5.5M saved per aircraft

Continued procurement of the F-22 represents an urgent imperative to maintain production of the only operational advanced 5th generation tactical aircraft to meet national defense requirements in an uncertain world. The multiyear procurement strategy:

- Extends F-22 production through 2010 (keeping the assembly line open through 2011)
- Mitigates the cost impacts associated with an annual buy due to:
 - Lower annual production rates
 - Increases in raw materials (titanium has increased 300% in the last two years)
 - Increases in supplier prices toward the end of a production run
- Retains 5th generation tactical aircraft procurement options to counter growing proliferation of advanced 4th generation fighter threats and advanced SAMs
- Benefits the F-35 Joint Strike Fighter program by helping reduce supplier overhead rates and retaining technical expertise across the tactical stealth aircraft industrial base.

Recommendation:

Support the Multiyear Proposal in the Defense Authorization Bill vote in order to allow DOD and the AF to continue to produce the F-22A at the lowest practical taxpayer cost

Recommended Report Language:

Sec. XXX Multi-Year Procurement Authority for Air Force Program

- (a) *Beginning with the Fiscal Year 2007 program year, the Secretary of the Air Force may, in accordance with section 2306b of Title 10, United States Code, enter into multiyear contracts for the procurement of F-22 aircraft and F-119 engines.*
- (b) *Notwithstanding section 2306b of Title 10, the Secretary of the Air Force may enter into contracts for advance procurement of an economic order quantity of components, parts, and materials for aircraft or engines programmed under the contracts authorized in subsection (a)*

- Faster to the fight, 2 times more reliable, 1/2 the airlift required, 3 times more effective than the F-15.
- The F-22's expanding information capabilities increase the pilot's, his flight's and other combatants' ability to engage targets with unmatched battlespace awareness.
- The F-22 will fundamentally change how America will fight – shortening wars and saving lives. Dominant for the next 40 years.

The Threat?

The current reality is that the Department of Defense is developing the F-22 and the F-35 to replace an aging fleet of F-15s, F-16s, F/A-18s, A-10's, and A-V8's etc., many of which are more than 30 years old. This process does not happen quickly, and in today's world it can take 10 -20 years to develop and field a new weapons system. Modern air forces cannot be fielded on the spur of the moment when a threat materializes – it's not realistic.

What we do know is that Russia, China and other countries continue to build advanced airplanes, which are equal to, and in some cases superior to our current legacy fighter fleet. These new aircraft are being delivered around the world today. Also being built and delivered are the next generation of surface-to-air missiles. In order for our pilots to survive over the battlefield and accomplish the mission, they need to safely penetrate these surface-to-air missile layers and deal with both current and emerging air and surface-to air threats. Our joint air forces don't want a fair fight. We are building 5th Generation fighters that promise overwhelming air dominance to ensure that any fight we decide to enter is patently unfair – to the other guy.

No matter what you do to any legacy fighter to update it, you can not match the overall capability the F-22 Raptor offers the warfare commander when it comes to stealth (built into the design of the Raptor), speed with its supercruise capability, agility, maneuverability and maintainability. The fly-away cost of new 5th Generation fighters like the F-22 and later the F-35 are not much different that the cost of a new legacy aircraft which offers much less capability dollar for dollar!

The pillars of performance that make the F-22 and F-35 revolutionary, transformational and dominant for the next four decades aren't capabilities you can simply add to an existing platform, but must be part of the design from the beginning.

Brig. Gen. Taco Gilbert, USAF *"We have made it look so easy so long, people don't realize how hard it is to establish air dominance."* (Washington Post, April 19, 2005)