Lockheed Martin Awarded $2.9 Billion F/A-22 Raptor Lot 5 Production Contract

Lockheed Martin has been awarded a $2.9 billion fixed-price contract by the U.S. Air Force for continued production of F/A-22 aircraft through November 2007.

"As the Air Force has announced, we have concluded negotiations to produce 24 F/A-22 5th Generation stealth fighter aircraft as previously authorized in the FY-05 Defense Budget. This is great news for the Department of Defense, the U.S. Air Force and the nationwide F/A-22 Raptor team," said Larry Lawson, Lockheed Martin executive vice president and F/A-22 program manager.

The new Lot 5 production contract will increase the total number of contracted aircraft to 107. To date, 53 aircraft have been delivered to the U.S. Air Force and 66 have completed final assembly. The Air Force is flying the F/A-22 Raptor at four bases across the United States and is preparing for Initial Operational Capability in December with the 1st Fighter Wing's 27th Fighter Squadron at Langley Air Force Base, Va.

The F/A-22 Raptor, the world's most advanced and only 5th Generation fighter in production today, is built at Lockheed Martin Aeronautics facilities in Palmdale, Calif.; Meridian, Miss.; Marietta, Ga.; and Fort Worth, Texas, as well as Boeing's plant in Seattle, Wash. The F/A-22 Raptor program also includes 1000 nationwide suppliers and subcontractors in 42 states. Final assembly and initial flight testing of the Raptor occurs at the Marietta plant facilities.

"This Lot 5 production contract sends a great message to the nationwide industrial base for the F/A-22 Raptor," said Lawson. "These are the subcontractors and suppliers who, with Lockheed Martin and Boeing, put their heart and soul into helping reduce the cost of the aircraft to make sure that our nation gets what it needs to defend our freedom for the next four decades."

Through Lot 4, this nationwide production team has achieved Lot to Lot cost reductions greater than 10%. "Our production stride and tempo is high and while there may not be more 10% reductions to achieve Lot to Lot, we're continuing to focus on cost reductions and efficiency improvements. If any team can find cost savings, this team can," said Lawson. "We understand our nation's and the Air Force's need for the F/A-22 and have worked diligently to reduce production costs without sacrificing any capabilities of this airplane. The F/A-22 Raptor has unmatched capability -- stealth, supercruise speed, vectored thrust for agility, and unprecedented situational awareness. This capability is essential to maintain air dominance -- the cornerstone of our national defense capability -- and will ensure our service men and women will still have the edge, regardless of the adversary, for the next four decades," said Lawson.

BACKGROUND INFORMATION

Headquartered in Bethesda, Md., Lockheed Martin employs about 135,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration of advanced technology systems, products and services. The corporation reported 2004 sales of $35.5 billion.

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