U.S. Coast Guard, Lockheed Martin Reach Agreement On Path Forward For National Security Cutter Command And Control Systems

The U.S. Coast Guard and Lockheed Martintoday completed a consolidated contract action (CCA) regarding the shipboard command and control systems for the first three National Security Cutters as part of the Coast Guard's Deepwater fleet modernization program. The Lockheed Martin portion of a $592 million contract awarded to Integrated Coast Guard Systems is valued at $82.7 million.

"The consolidated contract action agreement announced today marks the culmination of more than a year's worth of painstaking work to put the Coast Guard's fleet modernization program on the right track," said Coast Guard commandant Adm. Thad Allen in a Coast Guard statement. "It clearly reflects my commitment to getting this program right as we address those concerns expressed by the Congress, the Government Accountability Office and the DHS Inspector General."

The National Security Cutters are built by Northrop Grumman Ship Systems in Pascagoula, MS. Lockheed Martin is building and integrating the command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) capabilities onboard the cutters.

The C4ISR system aboard the NSC is critical to assuring the crew can see vessels in distress or targets of interest; collaborate with other Coast Guard assets at sea, in the air and ashore; and take action on the most current and pertinent information available. The interoperability provided by the C4ISR system also helps assure the cutter can work with 117 agencies and organizations in achieving robust homeland security.

The CCA closes out a $12.1 million request for equitable adjustment from Lockheed Martin for post 9/11 changes to NSC 1 and NSC 2. The government- required changes include enhanced interior voice communications, added C4ISR systems and equipment associated with classified information handling and messaging, and updated C4ISR system performance specifications as well as modifications associated with government furnished weapons systems.

"Ultimately, this agreement will improve accountability and help control costs as we work toward building and modernizing the Coast Guard's entire fleet of offshore cutters, aircraft, and command and control systems," said Adm. Allen.

The CCA also converts the NSC 2 contract from firm fixed price to cost plus incentive fee and awards full funding for NSC 3 C4ISR.

"The contract award for the third National Security Cutter is a significant milestone for the Coast Guard," said Rear Adm. Gary T. Blore, Assistant Commandant for Acquisition, in a Coast Guard statement. "This agreement ensures that the NSC will meet our demanding, post-9/11 operational requirements. We are very pleased that the negotiating teams from the Coast Guard and our industry suppliers were able to derive best value for the American taxpayer, to bring these vital platforms to the fleet."

"We remain fully committed to our Coast Guard customer to deliver comprehensive command and control capabilities aboard its fleet of new National Security Cutters," said Leo Mackay, vice president and general manager of Lockheed Martin Coast Guard Systems. "This third cutter promises to join Bertholf and Waesche as the most capable surface vessels in the history of the Coast Guard."

Development of the NSC command and control system is 90 percent complete. Shipboard integration and test is well underway on the first National Security Cutter, USCGC Bertholf, leading up to third-party acceptance trials at the end of the calendar year. Equipment for NSC 2, USCGC Waesche, is now available and being delivered to the shipyard for installation.

The crew of the Bertholf has completed initial C4ISR operations training at the Coast Guard's training center in Petaluma, CA, and is preparing for live shipboard training.

Integrated Coast Guard Systems, a joint venture of Lockheed Martin and Northrop Grumman, was awarded the Deepwater contract in June 2002 and has been renewed through January 2011.

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