

Department Of War Awards Lockheed Martin \$58.62B For Multiyear PAC-3 MSE Production To Strengthen The Arsenal Of Freedom

DALLAS, July 29, 2026 /PRNewswire/ -- Today, the U.S. government awarded Lockheed Martin (NYSE: LMT) a seven-year undefinitized contract action (UCA) modification for up to \$53.86 billion for PAC-3 Missile Segment Enhancement (MSE) interceptors, supporting the Department of War's Acquisition Transformation Strategy. The award brings the total multiyear contract value to \$58.62 billion, following the \$4.7 billion [UCA awarded in April for year one](#).

The new funding further enables Lockheed Martin to supercharge PAC-3 MSE production and triple capacity by the end of 2030. It also supports a 50% increase in jobs, from 1,200 to approximately 1,850, just in Camden, Arkansas, home to Lockheed Martin's final all-up round production of PAC-3 MSE interceptors.

WHY IT MATTERS

PAC-3 MSE has solidified itself as the most advanced air and missile defense interceptor through proven performance in real-world operations. In recent years, Lockheed Martin proactively increased production of PAC-3 MSE to address the soaring demand from U.S. and partner nations.

Today's multiyear award showcases the Department of War and Lockheed Martin's shared commitment to strengthen the Arsenal of Freedom and deliver the nation's most advanced air-defense capabilities at unprecedented speed and scale.

By embracing a multiyear procurement model, Lockheed Martin is expanding its production footprint, fortifying the defense industrial base and delivering critical interceptors into the hands of warfighters at unmatched speed.

EXPERT PERSPECTIVE

"Today's announcement turns concept into reality, providing industry with the long-term demand signals it needs to build a resilient supply chain, scale production, and deliver critical capabilities to our Warfighters at the speed of relevance," said Michael P. Duffey, Under Secretary of War for Acquisition and Sustainment.

"This is a once-in-a-generation moment, and we are moving with wartime urgency to deliver the Arsenal of Freedom," said Lockheed Martin Chairman, President and CEO Jim Taiclet. "Lockheed Martin is sparing no effort with our investment, hiring and facility upgrades as we deliver on the government's acquisition transformation."

ADDITIONAL CONTEXT

- **Accelerating Munitions Acquisition Reform:** Lockheed Martin was the first in the industry to announce a [framework agreement](#) and one of the first companies to receive a contract for munitions acceleration under the Department of War's Acquisition Transformation Strategy. This contract marks the second major multiyear contract for Lockheed Martin under the DoW's new acquisition model, following the [\\$35 billion contract](#) to accelerate production for Terminal High Altitude Air Defense (THAAD) interceptors.
- **Investing in America's Defense Industrial Base:** Lockheed Martin is investing \$8 to \$9 billion through 2030 to modernize more than 20 U.S. facilities and rapidly scale munitions output. The company has already celebrated two munitions facility groundbreakings this year, including the Munitions Production Center Building 47 in Troy, Alabama, supporting THAAD and future work with Next-Generation Interceptor, and the Munitions Acceleration Center in Camden, Arkansas, supporting PAC-3.
- **Proven, Advanced Technology:** PAC-3 MSE provides an advanced, accurate shield against evolving threats. In operational environments during Operation Epic Fury, Ukraine and missions around the world, PAC-3 MSE performed beyond specifications to protect critical assets.

About Lockheed Martin

Lockheed Martin is a global defense technology company driving innovation and advancing scientific discovery. Our all-domain mission solutions and 21st Century Security® vision accelerate the delivery of transformative technologies to ensure those we serve always stay ahead of ready. More information at [Lockheedmartin.com](https://www.lockheedmartin.com).

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