

Plane-Maker Says Lost Contract Supports 1,400 Jobs

Roxana Hegeman, Associated Press

WICHITA, Kan. (AP) — A dispute between two companies over a halted \$354 million contract for an Air Force light air support plane spilled into the public arena Friday, with the rivals arguing about how many people they would employ for the project and which one had the better U.S.-built airplane.

The Air Force issued a temporary stop order on Wednesday on the contract, which was awarded last month to Nevada-based Sierra Nevada Corp. The order came amid a lawsuit filed by Hawker Beechcraft over the government's dismissal of its protest over being blocked from the contract.

At stake is a contract that could ultimately be worth nearly \$1 billion, depending on future orders.

Sierra Nevada Corp. was to work with Brazilian-based Embraer to supply the first 20 Super Tucano planes.

"The only competitor in this competition is Sierra Nevada, a U.S. company that is in essence giving legitimacy to Embraer's claim that they are a U.S. supplier," Hawker Beechcraft CEO Bill Boisture said Friday.

Boisture said that if his company had won the contract, it would have supported 1,400 U.S. manufacturing jobs, including 800 at the company's facility in Wichita.

"Obviously if our production base shrinks as a result of not winning this competition, if that is what happens, then we will have to adjust to that and we will have to yet again have to pare down our workforce," Boisture said. "That is not our desire. We don't intend to do that."

The employment number he cited represents 500 engineering and 300 assembly jobs at Hawker Beechcraft's plant in Wichita plus contract-related jobs with 82 suppliers in 39 states that would provide parts for its AT-6 aircraft. Boisture said no layoffs are imminent.

Taco Gilbert, a vice president of business development at Sierra Nevada, said in an emailed statement that the number of U.S. jobs supported by his company's win of the contract is more than 1,200. Those include 50 new high-tech and engineering positions in Jacksonville, Fla., and those supported through its network of 70 U.S. suppliers in 21 states. He said 88 percent of its Super Tucano is made from parts supplied by U.S. companies or countries that qualify under the Buy America Act.

""It will be a U.S.-built aircraft and it represents a significant boost to the aerospace

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industry in Florida and Colorado," Gilbert said.

Embraer has had U.S. operations for more than 30 years and has about 800 U.S. employees, Gilbert said. While other companies have been exporting jobs, Embraer has been expanding its U.S. presence by opening a new production facility in Melbourne Fla.

Hawker Beechcraft said it invested more than \$100 million over four years to compete for the project before learning in November it was excluded from bidding on it. The company and the Kansas congressional delegation have demanded an explanation from the Air Force as to why Hawker Beechcraft was excluded, leaving only Sierra Nevada to bid in the final selection process.

U.S. Rep. Mike Pompeo, a Republican whose Kansas district includes the Hawker Beechcraft plant, said that the Air Force should sit down with the company and explain its decision.

"This is too important — too important to our war fighters, too important to our manufacturing base in America," Pompeo said. "It is too important to our community and it is way too important to taxpayers to not get an answer."

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