

Air Force Investigating Disputed Plane Contract

Roxana Hegeman, Associated Press

WICHITA, Kan. (AP) — The U.S. Air Force said Tuesday it plans to rescind a disputed \$354 million contract for a light air support plane and open an investigation into the award, saying it was not satisfied with documentation supporting the decision.

Wichita-based Hawker Beechcraft Corp. had challenged the award, claiming its own AT-6 aircraft was wrongly excluded from the selection process. The contract was given Dec. 22 to Nevada-based Sierra Nevada Corp., which was to work with Brazil-based Embraer, which makes the Super Tucano airplane.

At stake is which company will build the light air-support (LAS) aircraft, a single-engine turboprop supporting security efforts in Afghanistan. The contract ultimately could be worth nearly \$1 billion, depending on future orders.

Hawker Beechcraft sued after the government dismissed its protest over being blocked from the contract. The Air Force last month halted work on the contract, but said at the time it was confident of the merits of its decision.

On Tuesday, the Air Force said it advised the Department of Justice that it will take corrective action and set aside the contract to Sierra Nevada effective March 2.

Citing the ongoing litigation, Secretary of the Air Force Michael B. Donley would only say that David Van Buren, the Air Force's senior acquisition executive, is not satisfied with the documentation supporting the award decision.

"While we pursue perfection, we sometimes fall short, and when we do we will take corrective action," Donley said in an emailed statement.

Gen. Donald Hoffman, commander of the Air Force Material Command, has initiated an investigation into the matter, the Air Force said.

Representatives for Hawker Beechcraft and Sierra Nevada said the companies would comment on the announcement later Tuesday.

The contract dispute has spilled out of the courtroom with the rival manufacturers publicly arguing about how many people they would employ for the project and which company had the better airplane.

Hawker Beechcraft said had it won the contract, the work would have supported 1,400 U.S. manufacturing jobs, including 800 at the company's facility in Wichita. Sierra Nevada said its work would support more than 1,200 U.S jobs, including 50 new high-tech and engineering positions at its Jacksonville, Fla., facility.

"For months, I have been demanding an explanation from the Air force as to why

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the proven Hawker Beechcraft AT-6 aircraft was excluded from the competition, and it appears the Air Force also has concerns," Republican Sen. Jerry Moran of Kansas said Tuesday. "I fought for Hawker to get a fair shake and I am pleased the Air Force has set aside their decision."

U.S. Rep. Mike Pompeo, whose district includes the Hawker Beechcraft headquarters, issued a statement applauding the Air Force for "starting to remove the veil of secrecy" with regard to the contract.

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