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NEWS TRANSCRIPT from the United States Department of Defense

DoD News Briefing
Edward C. "Pete" Aldridge, USD ATL
Friday, October 26, 2001 - 6:35 p.m. EDT

(Live interview with Lou Dobbs, CNN MoneyLine.)

Dobbs: Today's announcement from the Pentagon completes years of competition, and the program to build an aircraft that will be shared by three branches of the military changes the landscape of the defense industry.

Joining me now the man leading many of those changes, the under secretary of Defense for Acquisitions, Technology and Logistics, Edward "Pete" Aldridge. It is good to have you with us, Mr. Secretary.

Aldridge: Hello, Lou. Glad to see you again.

Dobbs: Good to see you.

In this award today, is there a built-in, if you will, provision for the disappointed competitor?

Aldridge: Well, I'd just like to say both teams did a great job on the concept demonstration phase. The winners, of course, have their own teammates. They formed teammates with British Aerospace and Northrop Grumman. But if Lockheed Martin wants to partake of the technology that's available in Boeing, they're permitted to do so. It is their choice of how to proceed. We would not object to anything that they would like to join on any new technology area.

Dobbs: What was, if there was one specific aspect of this competition, that tilted the award in the favor of Lockheed Martin?

Aldridge: Well, Lou, that decision, of course, on the

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source selection was the secretary of the Air Force's, not mine.

I think you heard today the secretary looked at a variety of things. I don't think you can point to any one factor that swung the results one way or the other. The source selection process is very, very thorough. It has many factors that go into the process of deciding, from the performance to the manufacturing, reliability, management, past performance. All those factors go into the decision. I don't think you can point to any one factor that made the choice. It was a combination that said, according to Jim Roche, the best value for the Department of Defense and for the nation; in fact, for the United Kingdom, as well.

Dobbs: How soon will we see these aircraft in operation?

Aldridge: The first flight's about four years away. We're now going through the design, final design of the development program. And so first flight is expected about four years from now.

Dobbs: And how soon will the money start moving from the federal government to Lockheed Martin?

Aldridge: I think Lockheed Martin would like to see some right away. The contract --

Dobbs: I suspect you're right. [Laughter.]

Aldridge: The contracts have been signed. And as soon as the work starts, they can start billing the government for the work that they're producing. And so I would expect it's a matter of a few months away. But very soon.

Dobbs: Okay. Mr. Secretary, good to have you with us.

Aldridge: Thank you, Lou.

Dobbs: Thank you.

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