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Here's what you should know about the KC-X decision

There's been a lot said and written about Boeing's appeal of the U.S. Air Force's decision to award a contract for refueling tanker aircraft to a team of Northrop Grumman and European Aeronautic Defence and Space Company.

In this special Letters to the Editor section, Boeing addressed these assertions about its tanker proposal—and the bidding process—to help clarify its position and dispel any false notions.

Myth: Boeing is whining because it lost

Truth: After examining the tanker decision, Boeing found "serious flaws in the acquisition process that we believe warrant appeal," the company said. "This is an extraordinary step rarely taken by our company, and one we take very seriously. We found irregularities and inconsistencies in the process that resulted in an unfair application of the procurement rules and the ultimate selection of a higher-risk, higher-cost airplane."

Myth: Boeing didn't listen to the customer

Truth: According to Boeing, the Air Force's Request for Proposal—the formal document that defines the requirements for the tanker-clearly stated a need for a medium air tanker that placed expanded cargo and passenger transport as a secondary consideration. "The Air Force ended up with an oversized tanker that will consume 24 percent more fuel and cost the taxpayer nearly \$29 billion more than Boeing's KC-X tanker over 40 years, as today's oil prices continue to climb," Boeing said. "Our proposal was based on the stated criteria in the RFP. In

this case, the RFP defined a medium-size, low-risk and low-cost tanker. We stand by our offering and believe that it did, and continues, to best meet the requirements and offer the best total value."

Myth: Boeing was arrogant and unresponsive

Truth: Boeing steadfastly denied this assertion. "In light of such media reports, we asked the Air Force during the debriefing if there were any so-called 'relationship issues.' The Air Force has assured us there is no basis for these reports, and such issues did not factor into the evaluation or influence its ultimate decision," Boeing said.

Myth: The competition was not close; Northrop-EADS won four out of five categories

Truth: Boeing and the Northrop/EADS team were assigned identical ratings across all five evaluation factors: Mission Capability, Risk, Past Performance, Cost/Price, and an Integrated Fleet Aerial Refueling Assessment. "An objective review of the data as measured against the RFPs shows that Boeing had the better offering in terms of Most Probable Life Cycle Costs, lower risk and better capability," Boeing said.

For more tanker talk

Want to continue the discussion on tankers? Boeing has established blogs for employees and the public:

- Employee blog: http://kc767tanker.blog.boeing. com on the Boeing intranet
- · Public blog: www.boeing.com/tankerfacts

Letters quidelines

Boeing Frontiers provides its letters page for readers to state their opinions. The page is intended to encourage an exchange of ideas and information that stimulates dialogue on issues or events in the company or the aerospace industry.

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