

two options: a new mission system for the Atlantics; or new P-3 airframes with a European mission system. "Our European partners call the shots," he stresses. "We can proceed in either direction."

The P-3 Orion production line, now dormant, is expected to be restarted following receipt of a South Korean request for proposals for an additional four to eight aircraft, he says. South Korea has eight P-3Cs, and a requirement for 24. The improved Orion 2000, offered unsuccessfully to the UK, is "...still alive and well", and available "almost off the shelf" at a lower price than for a new maritime-patrol aircraft, Blackwell says.

The backbone of Lockheed Martin's international presence remains the F-16 fighter, and Blackwell acknowledges that the United Arab Emirates (UAE) fighter competition "...is a critical programme for us". A UAE contract would underwrite development of an advanced, 'Block 60', F-16 of interest to other potential customers, including Norway, which has already shortlisted the F-16 for its next fighter purchase. "We have a firm backlog of over 400 aircraft, but if we want to go another 700-1,000 aircraft we need the Block 60. We'd like to see it developed with the UAE," he says.

Lockheed Martin's bid to win the UAE contest has been set back by an apparent dispute over technology transfer, and the Arab nation is now openly considering the Eurofighter EF2000 in addition to the Dassault Rafale originally shortlisted against the F-16. Blackwell is hopeful of overcoming the latest obstacles, but acknowledges: "The UAE is very demanding, on the aircraft, the financing and industrial participation. We will have to wait and see...it's too close to call."

Saudi Arabia, meanwhile, is working towards the purchase of F-16s to replace its Northrop F-5s and Israel is in the early stages of planning its next fighter competition, codenamed Peace Marble V. In Latin America a new market has opened up, with the US granting permission for pricing data to be supplied to Chile, and Blackwell says that Brazil is also interested in the F-16.

Follow-on orders are critical to the F-16's continued success, and



*The New Strategic Airlifter could presage a new strategic partnership*

Blackwell lists Bahrain, Egypt, Thailand, Singapore, Venezuela and the US Air Force among operators with extra requirements.

Further F-16 sales would bridge the gap until F-22 production gets under way, and would help offset any reduction in F-22 deliveries which might emerge from the USA's Quadrennial Defence Review (QDR), to be completed this month.

Blackwell believes that the F-22 development programme is now "...on a very solid foundation" following a cost review which added funds and extended flight testing. "For the first time, the programme has reserves," he says. Blackwell

also believes that F-22s will be delivered for "much lower" than the estimated average production unit-cost of \$71 million, through cost-reduction initiatives agreed by industry and the US Air Force.

Blackwell says that the agreement gives contractors increased profits in return for taking on the added risk associated with bringing down the aircraft's price to offset budget overruns, mainly inflation-related. He says the team will receive "not unreasonable profits" for delivering the aircraft "...cheaper than when we won the competition."

Admitting that he was previously sceptical that the requirements of three US services could be combined in the Joint Strike Fighter,

Blackwell says that he is now "totally disabused" of his doubts. "We can do it. We can build one aircraft for three services. The possibilities are there and the economies are staggering," he says.

While previous joint programmes have collapsed, the JSF will survive "...because [the services] need each other. There's not enough money to do it by themselves," Blackwell says. While the QDR may change the timing of the programme, there is "...enough merit, rationale and desire for the services to stay together," he says.

The JSF is a key programme for Lockheed Martin Skunk Works, where the two X-35 concept demonstrators will be built. Blackwell says that recent organisational changes have integrated the Skunk Works into the company's aeronautics sector. The Skunk Works is Lockheed Martin's lead site for stealth technology, which Blackwell describes as a "core capability": it is developing the airframe for the missile sector's Joint Air-to-Surface Stand-off Missile competitor and leading the company's space sector in development of the X-33 reusable launch-vehicle.

The Skunk Works is also Lockheed Martin's lead site for development of unmanned air-vehicles (UAVs), Blackwell says. The company sees a strong future in unmanned aircraft and has developed a detailed strategic plan

for "...a whole family of UAVs". Problems with the Lockheed Martin/Boeing Dark Star "Tier 3 Minus" technology-demonstrator UAV have been rectified, and flight-testing is expected to resume "later this summer," he says.

Blackwell sees "Tier 3 Minus or something like it" replacing the Lockheed U-2 reconnaissance aircraft. He says that the company is confident it can build the UAV for "close to \$10 million a copy". Looking ahead 20-30 years, he foresees fighter UAVs and says the company has already proposed unmanned derivatives of the F-16.

While UAVs form an area of potential long-term growth, Lockheed Martin Aeronautics is looking nearer-term at growing through partnerships, joint ventures "...and small acquisitions." Blackwell says. The latter are likely to be in aircraft maintenance and modification, a business sector which the company has completely restructured ready for expansion, he reveals.

"There is more money in maintenance, repair and overhaul than in any other line of business - it's bigger than tactical aircraft," Blackwell says. The company has consolidated its interests in this sector into Lockheed Martin Aircraft and Logistics Centers, at Greenville, North Carolina.

This unit encompasses aircraft maintenance and modification, nacelle and aerostructures manufacture and airbase support, and manages the company's maintenance ventures in Argentina, China and Hungary.

Maintenance and modification plants in Ontario, California, and Tucson, Arizona, have been closed while the Greenville site is to be expanded, Blackwell says. "We are aggressively pushing to get back all Lockheed Martin aircraft," he says. At the same time, the company is pursuing maintenance business on other manufacturers' military and commercial aircraft, both in the USA and at its overseas sites.

Lockheed Martin already handles P-3 depot maintenance and is bidding for the same role on Lockheed C-5s. Lockheed F-117 maintenance is to be moved back to the Skunk Works and the F-22 avionics depot will be provided by industry, at least for the first few years. □

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