



# Intel Restart

## Questions loom for Emarss as Boeing finally OK'd to design the new intel system

AMY BUTLER/WASHINGTON

**T**he U.S. Army's new intelligence-collection aircraft program has reemerged from a gauntlet of protests only to be confronted with suggestions to fold it into a similar Air Force project.

After nearly nine months of complaints about selecting Boeing to build the fleet of Enhanced Medium-Altitude Reconnaissance and Surveillance System (Emarss) aircraft, the Army finally directed the company to restart work on the contract.

But a proposal on Capitol Hill calls for the U.S. Air Force to transfer MC-12W Project Liberty aircraft, similar in design to Emarss, to the Army. Industry officials suggest that if the transfer occurs, the Army would be hard-pressed to buy a new fleet, as modifications could be made to the MC-12W instead to handle the Emarss mission.

Boeing won the \$323 million development contract for Emarss in late November over bids from Northrop Grumman, L-3 Communications and a Lockheed Martin/Sierra Nevada team. Raytheon and SAIC were eliminated earlier. The win was somewhat unexpected by onlookers because Northrop conducted legacy work on the Guardrail fleet and L-3, the prime contractor for Project Liberty, had recent experience in this area.

Lt. Col. Dean Hoffman, project manager for the Army's Medium-Altitude Reconnaissance and Surveillance System, says a stop-work order, which was put in place after the bid protests were originally filed, was lifted June 16. Another period of potential protests closed July 11 at midnight without objection from the losing bidders. And the Army kicked off its planning meetings with Boeing on July 12.

In the interim, Boeing had purchased a Hawker Beechcraft King Air 350 ER, the platform selected to host Emarss and the MC-12W. Hoffman says the company is now "demodding" it in order to establish a baseline for the aircraft and start using it as a flying testbed as early as August. The aircraft will be used to

gain approval from the FAA for the altered nose and radome features needed for the platform's mission systems, including electro-optical and infrared (EO/IR) sensors, communications intelligence collectors, data links and survivability equipment.

The contract calls for four development aircraft (which are slated for deployment to Afghanistan). There is an option for two additional aircraft that could be used for developmental test and limited user testing stateside, Hoffman says. The plan is to buy two in low-rate initial production and conduct a competition to build 28 more in the future.

Emarss was the Army's most recent strategy to purchase a new intelligence-collection fleet following the demise of the Aerial Common Sensor (ACS) program, which called for a larger jet-powered platform. ACS, a Lockheed Martin-led design based on an Embraer 145, was terminated in 2006 after weight and integration problems. The service struggled with a Guardrail replacement strategy even as demand for intelligence collection grew substantially owing to wars in Iraq and Afghanistan.

The Emarss plan originally intended to field the first aircraft for operations in Afghanistan within 18 months of contract award; however, nine months have passed as the government reviewed protests from the losing bidders. Hoffman says his team is assessing how soon the deliveries can be made. Contractually, there is financial incentive if Boeing delivers within 15 months, but it is unclear how contracting officials account for the lost time during the protest period.

The Government Accountability Office (GAO), which adjudicates protests, found that the Army likely accounted improperly for the past performance of a Boeing subcontractor; the office's review was triggered by protests from each losing bidder. Additionally, the GAO attorney on the case "expressed concerns over the adequacy of the agency's evaluation of the performance of the EO/IR sensors as part of the of-

**Army officials intend for Emarss to be flexible enough to accommodate new sensors as requirements change over time.**

ferors' proposed Emarss system," according to the GAO's June 15 decision.

The Army's remedy was to reevaluate Boeing's bid without considering the past performance of the subcontractor in question, and the service also agreed to reexamine the EO/IR portion of all bids. This would lead to a new source-selection decision.

Northrop, however, found this solution inadequate and filed another protest. The GAO denied the claim and found that "nothing in Northrop Grumman's protest demonstrates that the agency's approach was an abuse of discretion" in selecting the remedy.

Hoffman declined to discuss the topic owing to a protective order from the GAO.

Boeing won in the end despite submitting a development bid \$50 million higher than L-3's (*AW&ST* Dec. 20, 2010, p. 28). The ultimate discriminator was "best value for the government," Hoffman said, not simply lowest price.

Last year, Roger Krone, who heads Boeing Network and Space Systems, which will oversee the work, said a key discriminator for his bid was the fusion of work from Defense Receiver Technology, a signals intelligence equipment firm purchased by Boeing, and Argon ST, which specializes in communications and intelligence.

Though the Army has finally moved forward with Emarss work, the path ahead is not necessarily free of turbulence.

If the proposal by some lawmakers to transfer the Air Force's MC-12Ws to the Army succeeds, the Army could be forced to modify the MC-12Ws to the Emarss standard far more cheaply than buying a new fleet. And some Pentagon officials suggest that the Army should cancel the program outright because of budget pressures. This issue will likely be addressed as the Pentagon crafts its fiscal 2013 budget proposal, due to Congress in February. ☐