

New Sikorsky Rescue Helicopter Funded By Defense Budget



A CRH-60 Black Hawk helicopter. (Courtesy of Sikorsky / March 5, 2014)

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The president's \$496-billion budget for the military has nothing but good news for Sikorsky.

In it, the Pentagon would not only buy more Black Hawk helicopters than last year, but it would also move forward with the \$7 billion combat rescue helicopter program that Sikorsky is set to win.

"With the overall budget, if it's untouched, Sikorsky comes out smelling like a rose," said analyst Mark Bobbi of MB Strategy Consulting, an aerospace firm in Florida.

The Pentagon needs the combat rescue helicopter program to replace its aging fleet of Pave Hawks, a Sikorsky aircraft built in the late 80s and primarily used in special operations and search and rescue situations. In November, the Air Force approved the Sikorsky bid, with its offering pending "budget availability."

On Tuesday, Pentagon officials explained the helicopter program would be paid for by leftover funds from last year and other funds shifted from other programs. The last-minute news came as a surprise after officials earlier hinted that the program would be delayed.

Sikorsky, a division of United Technologies Corp., said in a written statement it is "honored to be part of the sacred mission of leaving no combatant of the U.S. armed forces or its allies behind on the battlefield."

Pending a cost review, the Air Force expects to award the contract for 112 combat rescue helicopters by the end of June.

The budget also increases demand for Black Hawks, which are made in Sikorsky. The Pentagon cut demand for the helicopter through the sequester, when the federal budget was cut across the board. When the cuts were later lifted, the order number from Black Hawks remained at their sequestration lows at 70, down from 100 aircraft the year before. The president's budget for the next fiscal year asks for 79 Black Hawks.

Under a separate budget initiative from the president called the Opportunity, Growth and Security Initiative, the Pentagon would have funds for 28 more Black Hawks, putting the overall orders higher than they were before the across-the-board defense cuts.

Defense analysts called the budget's appetite for helicopters healthy, though questions remained about the how future budget negotiations could impact the programs.

"They're in pretty good shape in this budget, but the longer term remains to be seen," said Raymond Jaworowski, rotorcraft analysts for Forecast International, an aerospace consultancy based in Newtown.

While officials gave the go ahead for the combat rescue helicopter program, Air Force officials said it would be vulnerable to a review if future federal budgets were again subject to the sequester.

"They will be more at risk than an ongoing program," Jaworowski said.

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