Obama Budget: New Sikorsky Helicopter Funded But Not Guaranteed

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

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

In it, the **Pentagon** plans to buy more Black Hawk helicopters than last year and to move forward with a new multibillion-dollar program for a combat rescue helicopter, the competition for which Sikorsky was the sole bidder.

Increased demand for Black Hawks — the major product of the company's Stratford plant — follow budget cuts that depressed orders, from 100 helicopters two years ago to 70 this year. The president's

budget for the next fiscal year, beginning Oct. 1, asks for 79 Black Hawks, with the possibility for 28 more.

"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.

Although the budget proposal, which was hailed for reducing **the Army** to pre-World War II force levels, continues spending on other Connecticut interests such as the Joint Strike Fighter and nuclear submarines, concerns remain about the Sikorsky helicopter program.

"We could still face significant challenges to keeping this effort on track," Air Force Secretary Deborah Lee James said in a statement. If the sequester cuts are reinstated in two years, she said, "this program, along with many others, will need to be re-evaluated."

Defense Secretary **Chuck Hagel** said the cuts "would mean that [the Department of Defense] would be unable to fulfill its defense strategy, and it would put at risk America's traditional role as a guarantor of global security."

Raymond Jaworowski, rotorcraft analyst with Forecast International, an aerospace consultancy based in Newtown, said: "This whole budget request is based on the sequester not reoccurring. If it does, everything goes back on the table."

These warnings come as the Air Force finally made progress on the long-delayed Combat Rescue Helicopter program needed to replace its aging fleet of Pave Hawks, a Sikorsky aircraft built in the late 1980s and primarily used in special operations and search-and-rescue situations.

Sikorsky had lost an earlier competition for the combat rescue helicopter in 2006, when the Pentagon chose Boeing and its Chinook for the program, which was then valued at $15 billion. The Pentagon canceled the contract in 2009 after losing bidders, including Sikorsky, protested.

The decision to fund the program came only Tuesday, when Pentagon officials found a way to pay for the program with both leftover funds from last year and funds shifted from other programs. The last-minute news was a surprise because officials had earlier hinted that the program would be delayed.

Sikorsky, a division of **United Technologies Corp.**, said in a written statement it was "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 the 112 combat rescue helicopters by the end of June. The helicopters are expected to be a variant of the Black Hawk, analysts said. United Technologies has projected the program's value to be about $7 billion.

Under a separate budget provision, 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.

Analysts, however, tempered hope for the additional Black Hawks, one putting its chances for approval at a bleak 25 percent.

"There's a very big question mark over that Opportunity, Growth and Security Initiative," said Jaworowski. "I think its future is very questionable at this point."

Source: http://www.courant.com/business/hc-sikorsky-helicopter-budget-20140305,0,5337322.story