

ARCHIVED REPORT

For data and forecasts on current programs please visit

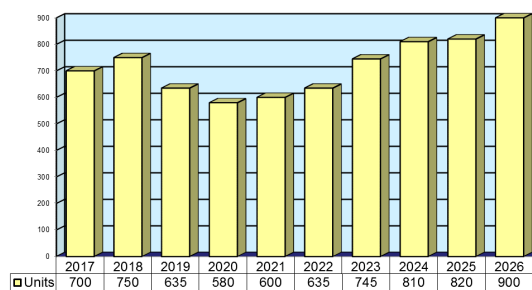
www.forecastinternational.com or call +1 203.426.0800

SpearNet Team Member Radio

Outlook

- No purchases for the SpearNet Team Member Radio have been announced since June 2016. This may be an indicator that sales for the radio are slowing down
- Forecast International projects that defense departments worldwide will buy about 7,175 SpearNet Team Member Radios over the next 10 years

Unit Production Forecast
2017-2026



Orientation

Description. The SpearNet Team Member Radio is a "shirt-pocket-sized" military radio made by Harris Corp (formerly Exelis).

The SpearNet radio uses software to send and receive voice, data, and video communications.

Sponsor

Harris

Night Vision and Communications Solutions

7310 Innovation Blvd

Fort Wayne, IN 46818, USA

Tel: + 1 (260) 451-4600

Website: <http://www.harris.com>

Status. The SpearNet Team Member Radio is available for sale.

Application. Communications.

Price Range. Forecast International estimates that the price of one SpearNet Team Member Radio is \$4,000. This amount is speculative.

Contractors

Prime

**Harris, Night Vision and
Communications Solutions**

<http://www.harris.com>, 7310 Innovation Blvd, Fort Wayne, IN 46818 United States,
Tel: + 1 (260) 451-4600, Prime

Contractors are invited to submit updated information to Editor, International Contractors, Forecast International, 22 Commerce Road, Newtown, CT 06470, USA; rich.pettibone@forecast1.com

SpearNet Team Member Radio

Technical Data

At 11 ounces, the 5-inch-long SpearNet Team Member Radio, made without knobs or displays, is designed for easy use by soldiers. The pocket-sized communications device utilizes ad hoc networking to bring full situational awareness to warfighters without the need to create or monitor communications network operations. In addition, the SpearNet radio automatically organizes,

maintains, and "repairs" itself so that soldiers are free to concentrate on the battlefield.

Because the SpearNet is software-programmable, warfighters can carry one communications device that allows them to collaboratively plan their actions. It also allows them to access such applications as intelligence reports and Blue Force tracking.

Program Review

On October 27, 2004, Exelis (now Harris) unveiled its SpearNet Team Member Radio at the annual conference of the Association of the United States Army (AUSA) in Washington, DC. Exelis introduced the radio as a communications device to immediately fill the network-centric, software-based communications needs of warfighters while the U.S. Joint Tactical Radio System (JTRS) was being developed. The SpearNet radio was demonstrated in June 2005 in Western Europe and the United States. In September 2007, the SpearNet was publicly displayed at the 2007 Defence Systems Equipment International (DSEi) conference.

According to an article in the April 2008 edition of *Jane's International Defence Review*, in February 2008, a live presentation of the SpearNet Team Member Radio was demonstrated to Polish military personnel. The demonstration included live streaming video from a helmet-mounted camera via a SpearNet radio. Exelis announced on July 28, 2008 that the Defence & Security division of EADS (now Airbus Group) had selected Exelis to provide its SpearNet radio system for the full-scale engineering development phase of the Spanish Army's dismounted soldier modernization program, called *Combatiente del Futuro* (COMFUT).

In August 2008, Exelis announced that it had been awarded a five-year Foreign Military Sales (FMS) contract by the U.S. Army Communications Electronics Command for the manufacture and delivery of communications and electronics equipment and services required by U.S. allied nations. Potential products under the contract included, but were not limited to, the export version of the Single Channel Ground and Airborne Radio System (SINCGARS), the High-Capacity Data Radio, the SpearNet Team Member Radio, and the Spearhead radio (see **Contracts/Orders & Options** for contract details).

Exelis revealed in June 2012 that the company had upgraded its SpearNet Team Member Radio with enhancements that further extend its capabilities. The

first enhancement allows the radio to move around the battlefield in a cellular-like fashion while maintaining communications without reconfiguration or dropped calls. The second enhancement increases the SpearNet radio's data transfer rate. For SpearNet radios fielded at that time, the upgrades were made through a simple software download. This download became available in late 2012.

In February 2013, Exelis was awarded a contract to provide a wide range of communications equipment to an undisclosed international customer. This sale included SpearNet radios as well as ancillaries and spare parts (see **Contracts/Orders & Options**). Also in February, the SpearNet radio was showcased at the 2013 IDEX defense exhibition in Abu Dhabi, United Arab Emirates. In September 2013, Exelis was awarded an FMS contract valued at \$115 million to provide an existing international customer with additional communications equipment, spare parts, ancillary devices, and operator training. Communications equipment acquired under the contract included SpearNet radios and accessories, along with training.

In May 2016, Harris Corp received a five-year, \$405-million-ceiling, single-award, indefinite delivery/indefinite quantity (IDIQ) contract from the U.S. Army Communications-Electronics Command under the FMS program. Under the contract, Harris will provide a wide range of tactical communications equipment, including export versions of its SINCGARS, ground and airborne configurations of the SpearNet radio, associated products and spares, and training, installation, and field service support.

In June 2016, Harris received a \$15 million order to provide tactical radios, management systems, training, and field support services to a nation in the Middle East as part of an ongoing modernization program. Under the contract, Harris will provide SpearNet radios and SINCGARS.

SpearNet Team Member Radio

Funding

Harris.

Contracts/Orders & Options

<u>Contractor</u>	<u>Award (\$ millions)</u>	<u>Date/Description</u>
Exelis	490	Aug 2008 – A five-year FMS contract from the U.S. Army Communications Electronics Command for the manufacture and delivery of communications and electronics equipment and services required by U.S. allied nations. Potential products and services under this IDIQ contract included communications systems, radios and associated products, and components, as well as services such as installation, training, and engineering support. Products included the export version of the SINCGARS, the High-Capacity Data Radio, the SpearNet Team Member Radio, and the Spearhead radio. This contract contained an option for a sixth year and had a potential value of \$490 million over its lifetime.
Exelis	11.6	Feb 2013 – A direct commercial contract to provide a wide range of communications equipment to an undisclosed international customer. This sale included SpearNet radios in both vehicle-mounted and soldier-wearable configurations, as well as ancillaries and spare parts.
Exelis	115	Sep 2013 – FMS contract to provide an existing international customer with additional communications equipment, spare parts, ancillary devices, and operator training. Communications equipment acquired under the contract included the SpearNet radio with accessories, the RT-1702 SINCGARS in the VRC-90 system, and the VRC-92 dual long-range radio system, plus installation kits and spares. Also included in the purchase were PRC-119 manpack radio systems with GPS and Spearhead handheld radios with accessories.
Harris	405	May 2016 – A single-award follow-on IDIQ contract from the U.S. Army Communications-Electronics Command, awarded under the FMS program. See the Program Review for details.
Harris	15	Jun 2016 – An order for tactical radios, management systems, training, and field support services from a nation in the Middle East. See the Program Review for details.

Timetable

<u>Month</u>	<u>Year</u>	<u>Major Development</u>
Oct	2004	Exelis (now Harris) unveils SpearNet Team Member Radio
	2005	Demonstrations of SpearNet conducted in Western Europe and U.S.
Sep	2007	Exelis conducts demonstration of SpearNet at 2007 DSEi conference
Feb	2008	Exelis conducts live presentation of SpearNet for Polish military personnel
Aug	2008	Exelis receives FMS contract from U.S. Army to provide SpearNet for U.S. allied nations
Jun	2012	Exelis announces upgrade of SpearNet
Feb	2013	Exelis awarded contract to provide SpearNet and other equipment to an international customer
Sep	2013	Exelis awarded FMS contract to provide existing international customer with additional communications equipment; contract includes SpearNet
Jun	2016	Harris (receives a \$15 million order to provide tactical radios, management systems, training, and field support services to a nation in the Middle East; contract includes SpearNet

SpearNet Team Member Radio

Worldwide Distribution/Inventories

In the October 2007 issue of *BATTLESPACE*, an Exelis executive said that the SpearNet Team Member Radio had been sold to a **European army**. In July 2008, Exelis announced that the SpearNet radio was in full-scale engineering development for the **Spanish Army's** dismounted soldier modernization program. Forecast International believes that **U.S. allied nations** have purchased the SpearNet radio, including a nation in the **Middle East**.

Forecast Rationale

The SpearNet Team Member Radio is a "shirt-pocket-sized" military radio made by Harris Corp (formerly Exelis). The SpearNet radio uses software to send and receive voice, data, and video communications.

FI estimates that defense departments worldwide will procure more than 7,000 SpearNet Team Member Radios over the next 10-plus years. This forecast is being driven by the ad hoc networking communications needs of militaries throughout the world.

From FY21 through FY26, sales of SpearNet Team Member Radios are expected to rise. Look for sales to peak in FY26.

No purchases of the SpearNet Team Member Radio have been announced since June 2016. With activity in Afghanistan and Iraq being relatively light, the need to replenish radios may be light as well.

That said, FI believes that Harris will make a strong effort to push the SpearNet radio to non-U.S. buyers, as Exelis did in the past. In this regard, in 2016 Harris received a contract from an unnamed nation in the Middle East for the SpearNet. Furthermore, FI believes the capability improvements made to the SpearNet in 2012 increased the marketability of the radio.

Ten-Year Outlook

ESTIMATED CALENDAR YEAR UNIT PRODUCTION												
Designation or Program	High Confidence					Good Confidence			Speculative			
	Thru 2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Harris (Prime)												
SpearNet Team Member Radio Military <> Worldwide <> Department of Defense												
	735	700	750	635	580	600	635	745	810	820	900	7,175
Total	735	700	750	635	580	600	635	745	810	820	900	7,175