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Good morning, and thank you, Chairman Terry, Ranking Member Schakowsky, and committee members. On behalf of his Raytheon constituents, I also want to thank Congressman Harper.

As the president of Raytheon Company's Space and Airborne Systems business, I am honored to be here representing our company and discussing our contributions to America's manufacturing infrastructure. Thank you for the opportunity to share the many ways that Raytheon and, in particular, our Forest, Mississippi Consolidated Manufacturing Center contribute to America's national security, global competitiveness, and economic prosperity.

While my focus will be on Raytheon's Forest operations, I would be remiss if I failed to note that Raytheon's manufacturing footprint covers many other states, and our suppliers' operations expand that economic footprint even further.

As a member of the aerospace and defense industry, Raytheon proudly competes in a market that contributed $218 billion in overall sales to the United

States economy in 2012. Raytheon specializes in defense, homeland security, and related mission support services, providing state-of-the-art electronics, mission systems integration and other capabilities in the areas of sensing; effects; command, control, communications, and intelligence; and cyber security. But more importantly, the work we do and the products we design and manufacture in places like Forest save lives and make the world a safer place.

Raytheon's ability to succeed in the global marketplace requires a skilled, well-trained, and dedicated workforce; a stable fiscal, tax, and regulatory environment; and the ability to export our products to United States allies. In fact, as our domestic budget faces increased pressure, defense exports can help decrease costs and risk associated with technological advances for the U.S. military; support America's industrial base; and strengthen our balance of trade.

Our operation in Forest, Mississippi, contributes significantly to Raytheon's capability and reputation for manufacturing excellence. Our legacy in Mississippi stretches back to 1983, when we opened our doors in support of a single military radar program. Over the years, we have increased the scope and scale of our operations in Forest; expanded our facility; added jobs; and broadened the array of products built.

Today, we have over 700 employees in Forest. They are some of the most skilled laborers in the country. They work in 340,000 square feet of state-of-the-art

manufacturing space, building sophisticated airborne and ground-based radars, electronic warfare technology, and advanced communications systems for use by U.S. and allied warfighters.

Thanks to Forest, we have delivered more than 500 tactical Active Electronically Scanned Array (AESA) radars—an industry first that we will soon celebrate with our Mississippi employees.

The AESA radar is used on our military's fighter planes to greatly increase their ability to detect and track airborne targets. Its capabilities also allow our pilots to identify multiple targets at once. This technology provides game-changing performance and tactical advantages, enabling warfighters to accomplish their mission and return home safely to their families. This radar and the lives it protects are a source of tremendous pride for the Raytheon workers who build it. Our radars have logged more than 400,000 cumulative operational flight hours on Air Force, Navy, and Marine tactical aircraft.

Between 2004 and 2011, Raytheon ramped up its AESA production rates ten-fold, with a 100% on-time delivery rate in 2012. This efficiency supports our customers' growing needs and demonstrates our ability to further increase production and jobs as we win additional contracts. In particular, foreign sales of U.S. military aircraft are an important growth area for Raytheon, the industry, and our country. As of last year, three key military aircraft production lines, the C-17,

F-15, and F-16, were being extended largely by international export demand. These foreign sales drive increased demand for radars built in Mississippi.

Whether driven by domestic or international sales, increased demand for Raytheon's products significantly enhances the economies of the United States and Mississippi. In 2012, Raytheon's operations contributed over $38 million in payroll to employees in the state. In most cases, our employees earned almost double the average annual Mississippi salary. Beyond our employees, we estimate that Raytheon's overall economic activities generated more than 400 additional Mississippi jobs. Much of our success in Forest also is tied to the quality of our local and regional suppliers, who range in size from small businesses to Fortune 100 corporations. In 2012, for example, we spent nearly $6 million with 60 Mississippi suppliers.

Beyond the products we manufacture, Raytheon is supporting the development of our nation's future technical talent pipeline. We have invested more than $72 million in Science, Technology, Engineering and Mathematics (STEM) education through the company's flagship MathMovesU program. This program has touched the lives of more than 3,000,000 American students, teachers, and parents. Raytheon also awards $2,000,000 in scholarships and grants annually, and we partner and collaborate with universities and other educational institutions on workforce development matters. We also are very proud that our employees are

active participants in their communities, contributing many hours as volunteers to the causes they support.

Finally, I want to point out the strong partnership that Raytheon has established with the federal, state, and local officials who count our Forest employees and the facility as their constituents. This partnership is vital to our manufacturing success.

Raytheon, and the men and women of Forest, Mississippi, produce complex and cutting-edge technologies that protect our nation; help our warfighters complete their vital missions; and contribute to our nation's economic prosperity. We are proud of these employees and their many accomplishments.

I thank you again for the opportunity to participate in this hearing and I am happy to answer any questions you may have for me.

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