



ANDOVER, ARKANSAS CITY, AUGUSTA, BEL AIRE, BENTLEY, BENTON, BUTLER COUNTY, CHENEY, CLEARWATER, COLWICH, CONWAY SPRINGS, DERBY, EL DORADO, HALSTEAD, HARVEY COUNTY, HAYSVILLE, HESSTON, HUTCHINSON, KECHI, KINGMAN COUNTY, MAIZE, MCPHERSON COUNTY, MULVANE, NEWTON, PARK CITY, RENO COUNTY, ROSE HILL, SEDGWICK, SEDGWICK COUNTY, SUMNER COUNTY, VALLEY CENTER, WELLINGTON, WICHITA, WINFIELD

**RESOLUTION No. 08-01**

**A RESOLUTION BY THE REGIONAL ECONOMIC AREA PARTNERSHIP  
DECLARING DISAPPOINTMENT IN THE RECENT DECISION BY THE U.S. AIR FORCE TO  
EMPLOY NORTHROP GRUMMAN AS THE SUPPLIER FOR KC-135 TANKERS OVER THE  
BOEING COMPANY.**

WHEREAS, the aviation industry is important to our community, our region, Kansas, and the United States; and

WHEREAS, when our aviation companies grow, the impact is significant in Kansas and in the United States—through jobs for our citizens, the creation of additional supplier companies and the substantial financial contributions to our economies; and

WHEREAS, our Kansas aviation companies can grow through research, development, and use of new technology increasing orders for commercial airliners, general and business aviation aircraft, and military aircraft; and

WHEREAS, Kansas is home to Boeing Integrated Defense Systems and Spirit AeroSystems; and

WHEREAS, an aerial refueling tanker is a critical military asset and essential to our nation's global reach and power projection capabilities; and

WHEREAS, Boeing developed the Flying Boom aerial refueling system in the 1940s and went on to develop the world's first production aerial refueling tanker, the KC-97, and subsequently produced the KC-135, which has been in service for over 50 years; and

WHEREAS, the KC-X Next Generation Aerial-Refueling Tanker competition will replace part of the aging KC-135 fleet; and,

WHEREAS, on February 29, 2008, the U.S. Air Force awarded a \$35 billion contract to the Northrop Grumman/European Aeronautic Defence and Space (NG/EADS) team over the Boeing Company team to provide 179 air-refueling tankers; and

WHEREAS, the Boeing proposal would have provided 3,800 jobs in Kansas, 44,000 jobs in the U.S. and \$145 million in direct benefit to our state; and

WHEREAS, the NG/EADS proposal would result in least 19,000 fewer American jobs than the Boeing proposal; and

WHEREAS, our regional community celebrates our rich history of building aircraft in support of our military, and is extremely disappointed that American military tankers will not be built by American companies with American workers; and

WHEREAS, the NG/EADS award is not in the national security interest of the United States; and

WHEREAS, the decision to outsource aerial refueling tankers will cause the United States to be dependent on a non-domestic supplier as the sole source for a critical national defense asset for the indefinite future; and

WHEREAS, the NG/EADS award is a result of an unfair competition and inequitable procurement process; and,

WHEREAS, the Boeing proposal was at a competitive disadvantage due to the extensive European subsidies given to Airbus; and,

WHEREAS, the NG/EADS proposal is based on the Airbus A-330 aircraft, a heavily-subsidized, European-manufactured aircraft; and,

WHEREAS, Airbus has received approximately \$30 billion in subsidies from European governments, including launch aid, infrastructure support, debt forgiveness, equity infusions, and research and development funding; and

WHEREAS, the benefit of these subsidies to Airbus also includes, at a minimum, the avoidance of \$35 billion in company debt as a result of subsidized loans; and

WHEREAS, these subsidies have lowered development costs and minimized the risk of aircraft development to Airbus, thereby enabling the company to develop aircraft at an accelerated pace and sell these aircraft at prices and on terms that would otherwise be unsustainable; and

WHEREAS, since 2000 Airbus has gained 20 points of world market share and 45 points of market share in the U.S., all at the expense of Boeing, its only competitor; and

WHEREAS, this shift in market share has resulted in the loss of over 60,000 high-paying American aerospace jobs; and

WHEREAS, in 2004, the U.S. Trade Representative filed a complaint at the World Trade Organization (WTO) on the basis that all of the subsidies that the European Union and its member states have provided to Airbus violate WTO rules; and

WHEREAS, we encourage a fair and equitable procurement process, which clearly defines the criteria, establishes a consistent selection process and creates a level playing field, by removing unfair advantages, including subsidies.

NOW, THEREFORE BE IT RESOLVED, that I, Thomas G. Winters, Chairman, and the esteemed members of the Regional Economic Area Partnership, are supportive of our Kansas Congressional delegation and join with the leadership in other communities in the United States in asking the US Air Force and Congress to carefully review this process and consider the strength, quality and value of the Boeing Company proposal in support of our US military men and women.

ADOPTED this 14th day of April, 2008.

Attest:

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Commissioner Tom Winters, Sedgwick County  
REAP Chairman

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Joseph S. Yager  
REAP Chief Executive Officer