

**Raytheon**

*Customer Success Is Our Mission*

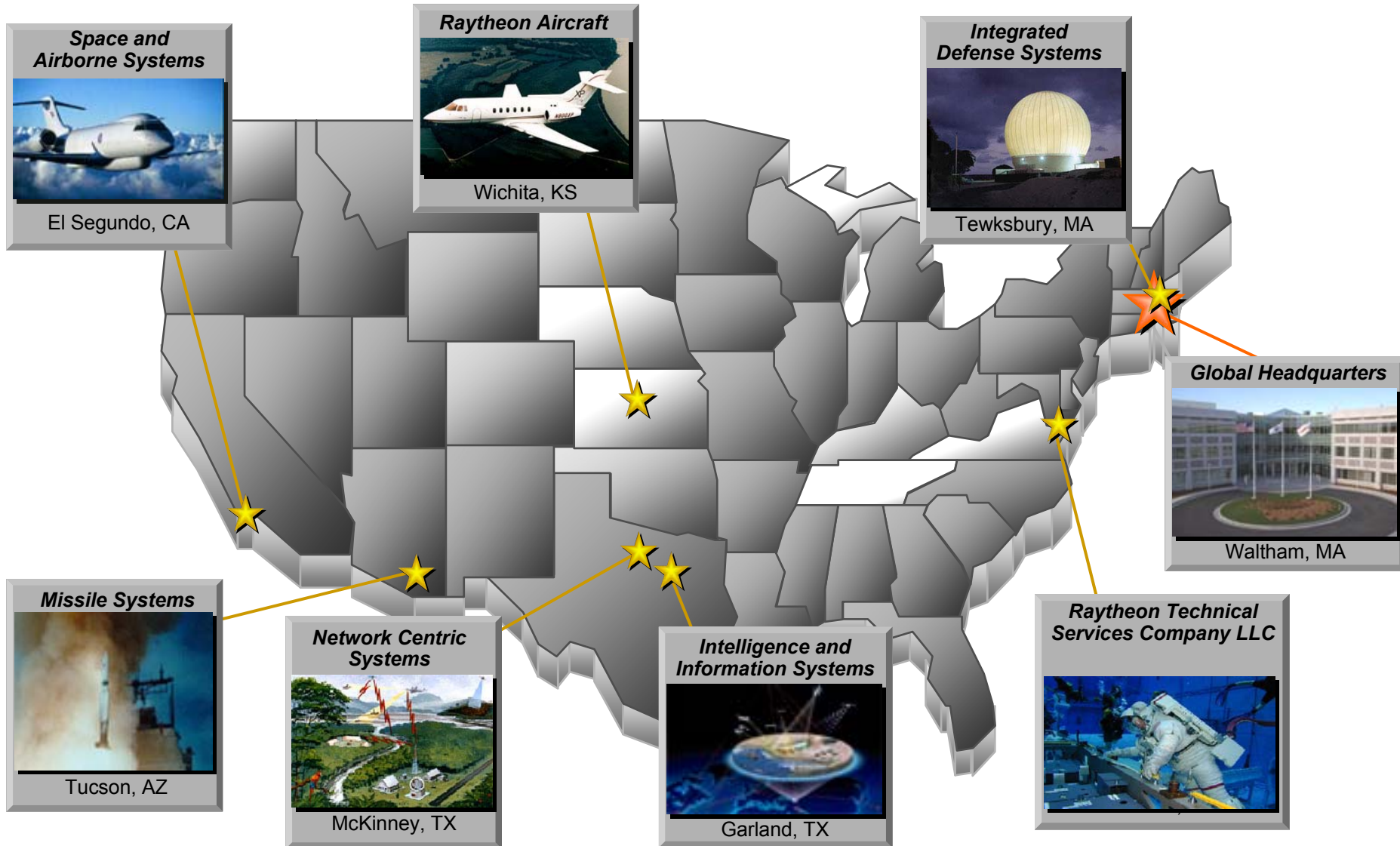
# Raytheon Missile Systems: A Global Perspective

**Robert D. Salyer**  
Director, Business Development  
Raytheon Missile Systems

**NDIA Symposium**  
**April 27, 2005**



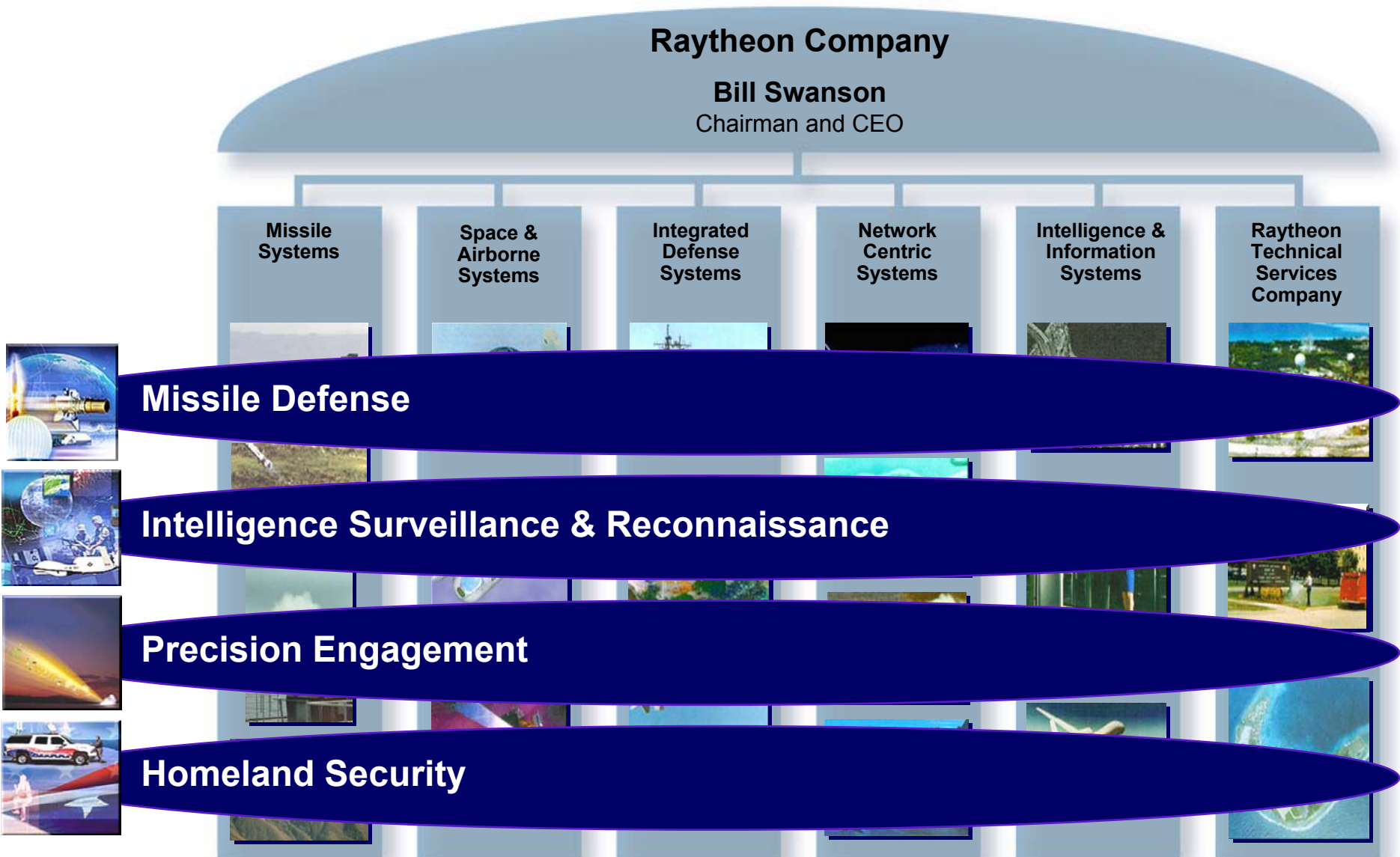
# Raytheon Company



**80,000 Employees; 2004 Revenue: \$20.2B**



# Business / SBA Intersection



# Customer-Focused Marketing



- **Meet our commitments**
- **Actively seek every opportunity to proactively work with our customers to define their needs**
- **Develop and provide the best solutions**
- **Earn the customer's confidence**

**Customer Must View Us As a Valued “Partner of Choice”**

# Raytheon Missile Systems – Who We Are

- 2004 sales: \$3.8 billion
- 11,000 employees
- Headquartered in Tucson, Arizona
- World's largest developer, producer and integrator of weapon systems
  - More than 1 million missiles produced since 1954
  - 70% domestic; 30% international
- Broad weapons portfolio
  - Missiles
  - Smart munitions
  - Projectiles
  - Kinetic intercept vehicle
  - Directed energy weapons
- Customers: all U.S. military services; Allied Forces of more than 40 countries



# **Our Vision**

*Effective*

*Affordable*

*Quick*

*Worldwide*





# Missile Systems



Air-to-Air	Strike	Land Combat	Naval Weapon Systems	EKV	Advanced Missile Defense & Directed Energy Weapons	Kinetic Energy Interceptor	Advanced Programs
AIM-9X	ACM	Javelin	ESSM	EKV	DST	Kinetic Energy Interceptor	AT3
AMRAAM	HARM	Stinger	Phalanx 1B		Advanced KV Technology		Silent Eyes™
ASRAAM	JSOW	TOW	RAM		NFIRE		UAVs
HARM Targeting System	Maverick	NLOS-LS	STANDARD Missile-2 (Block IIIA / IIIB / IV)		HEL		Loitering Weapons
Sidewinder	Paveway™	Excalibur (XM982)	SeaRAM		HPM		Long Endurance Vehicles
AMRAAM P <sup>3</sup> I Phase 3/4	Tomahawk		SM-3		Navy HELWS		Advanced Cruise Missiles
	MALD		SM-6				
	Precision Guided Bomb		Sparrow				
	Tactical Tomahawk		ERGM				

# Comparative Defense Budgets -- 2005

- US: \$401B
- Germany: \$31B
- UK: \$53B
- Australia: \$13B
- Japan: \$46B
- South Korea: \$20B

Note: All Budget Figures above in \$US





# How Defense Sells Into International Market

- **Foreign Military Sales**
- **Direct Commercial Sales**
- **International Traffic in Arms Regulations**
- **Congressional notification**



**Highly Regulated Industry**

# International Challenges

- **Buy European/Buy America**
- **Lack of integration into U.S. markets**
- **Technology transfer**
- **Offsets – desire for “noble” work**
- **Fluctuating exchange rates**



**International Marketplace Complex, Unpredictable**

# Enablers

- **Desire for U.S. products/technology**
- **Workshare opportunities**
- **Innovative contract structures**
- **Co-development opportunities**
- **Economies of scale reduce cost of U.S. production**



**Win-win Solutions Attractive to Buyers**



# Industry Response

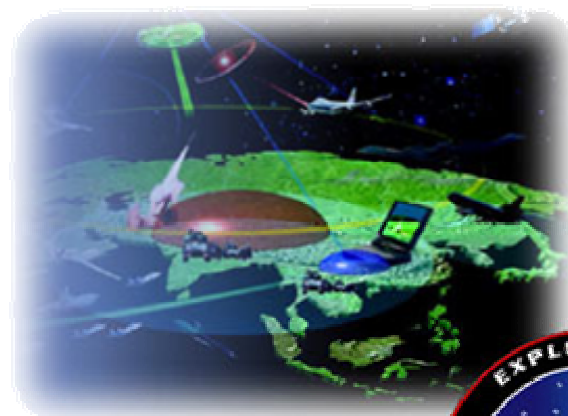
- **Grow international presence**
  - Raytheon International Inc.
  - Regional in-country expertise
  - Business development/program teams on the road
  - Visibility at international trade shows/events
- **Joint ventures**
  - Diehl Raytheon Missile Systeme
  - Thales Raytheon
- **Joint development opportunities**
  - ESSM
  - Excalibur
  - RAM
- **Co-production agreements**



**Relationships are Key**

# Looking into the Future

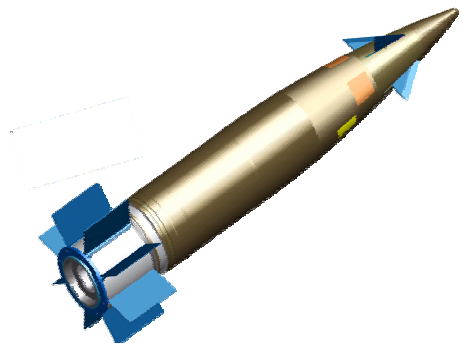
- Future “netted” battlespace
  - “Missile as a Node in the Net”
- Expanding into new markets
  - Directed energy
  - NASA space exploration
  - Guided Projectiles
  - Total life cycle logistics support
- Requires system engineers/  
system architects









**Expanding the Core Beyond the Missile Market**

# RMS Guided Projectile Family

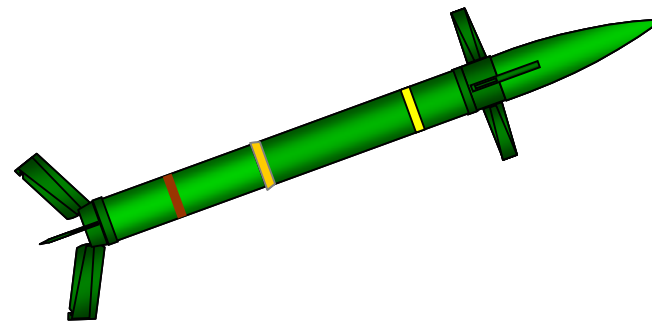
## Excalibur









### Mission

-  Indirect fires for legacy, interim and objective force
-  Paladin, XM777 and NLOS Cannon
-  Extended range munition
  -  39 Cal >37 Km
  -  52 Cal > 47 Km
-  Precision guided, <20m CEP

## Extended Range Guided Munition



### Mission

-  Naval Surface Fire Support
-  DDG81 MK45 MOD4 (5") Gun
  -  Cruiser Conversion
  -  Extended Range Munition
    -  >41 Nmi
-  Precision Guided, <20m CEP



# Phalanx Overview

## Primary Mission:

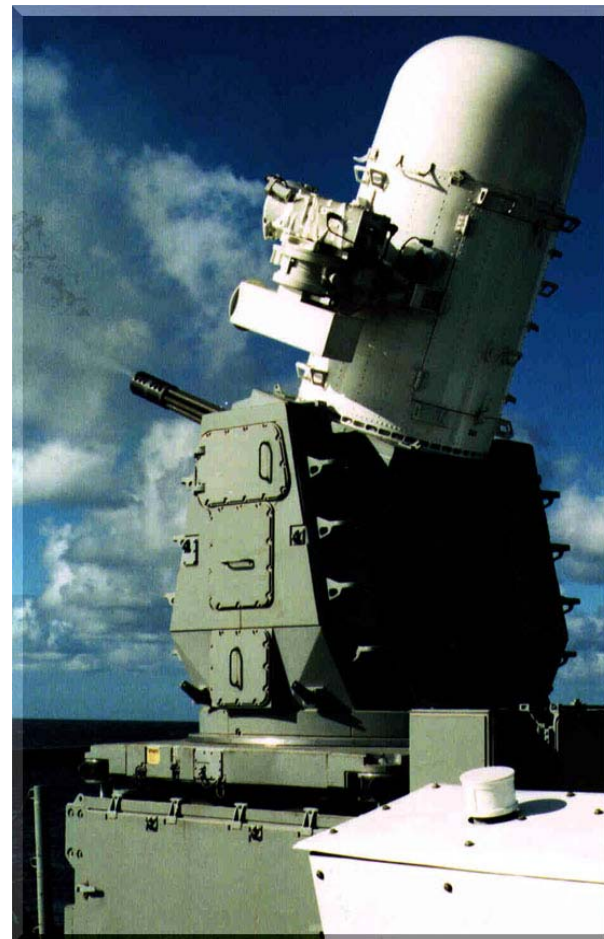
**Terminal Defense Against ASCMs and High Speed Aircraft Penetrating Other Fleet Defensive Envelopes**

## Added Missions:

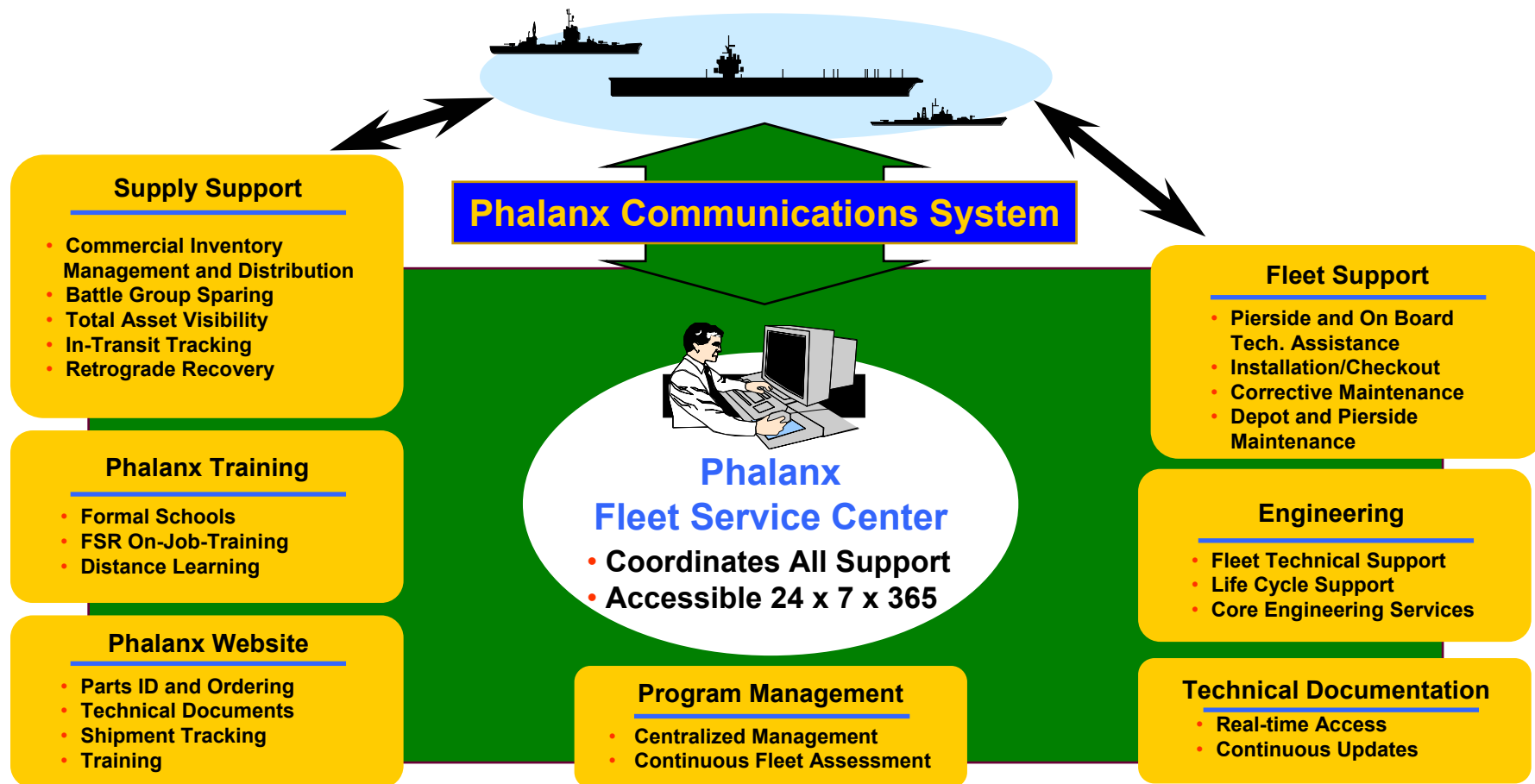
- **Surface Mode**
  - Counter Small, Fast Surface Craft and Slow Flying Helicopters and Aircraft
- **Sensor Support For Close-in Missile Engagements**

## Benefits:

- **Supports Multiple Roles In Ships Self Defense**
- **Man-in-the-Loop, Autonomous or Integrated Operation**
- **Fast Reaction**



# Full Service Contractor Phalanx Life Cycle Support



Raytheon Phalanx Life Cycle Support Provides Continuous, Worldwide, Support for Deployed and Non-Deployed Phalanx Systems

# Engineering Challenges

- **Global competition for talent intensifying as innovation drives job growth in engineering, science fields**
- **In the U.S., fewer young people earning math & science degrees**
- **Generational challenges**
  - Aging workforce
  - Must appeal to younger workforce



**Demand Increasing, Supply Decreasing**



# Feeding The Pipeline

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- **Must attract, engage diverse workforce**
- **Industry support/involvement in K-16 math, science education**
- **Partnerships with colleges, universities**
  - **Outstanding graduates**
  - **High-technology research**
  - **Post-graduate education**
  - **Creative continuing education programs**
  - **Outreach to the next generation**

**Industry/Education Partnerships Critical to Success**

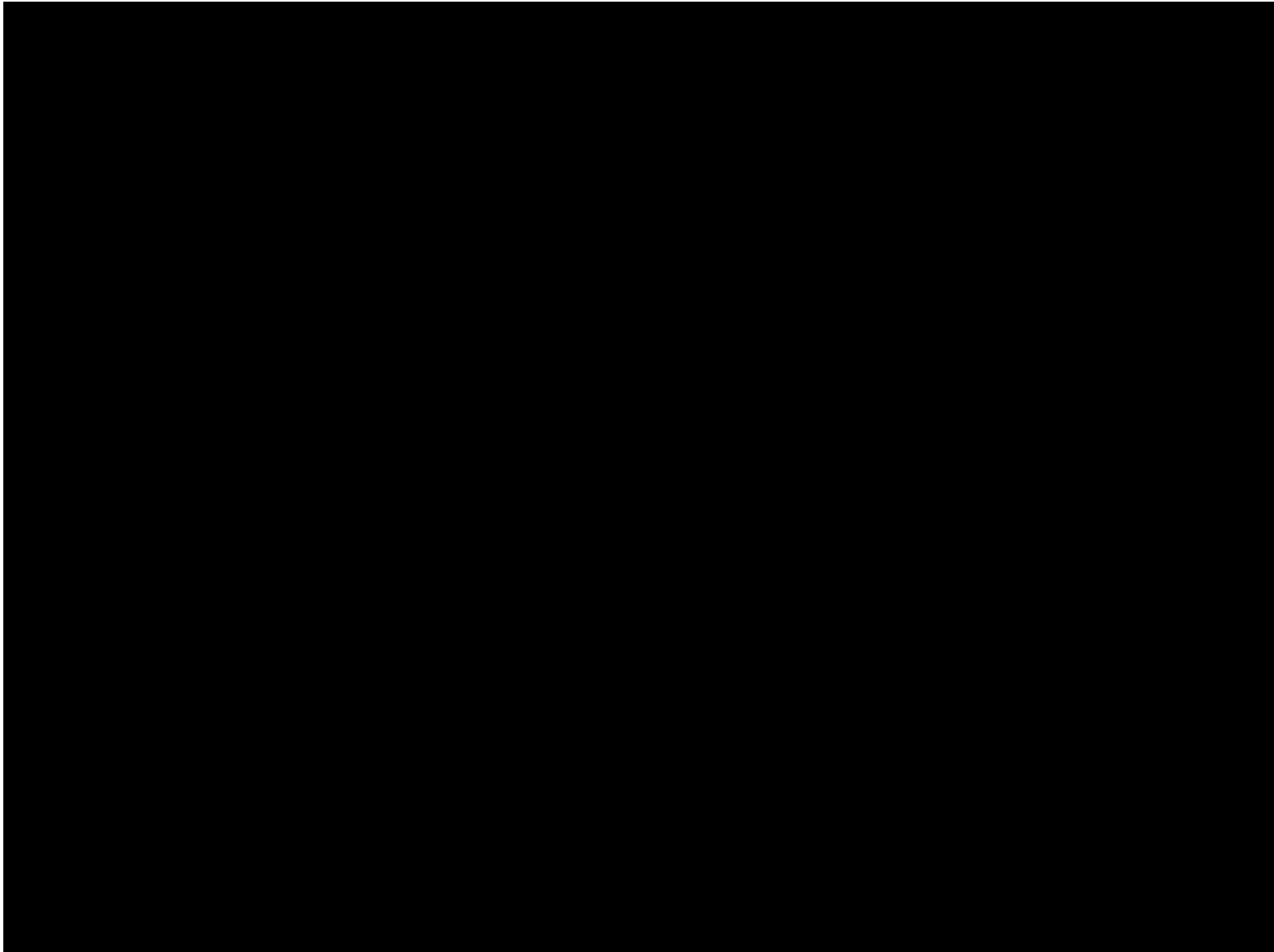


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