United States Senate

WASHINGTON, DC 20510-4704

APPROPRIATIONS
BUDGET
HEALTH, EDUCATION, LABOR,
AND PENSIONS
RULES AND ADMINISTRATION
VETERANS' AFFAIRS

COMMITTEES:

April 6, 2010

The Honorable Robert Gates Secretary of Defense 1000 Defense Pentagon Washington, DC 20301-1000

Dear Secretary Gates:

We believe in a fair and open competition for the next generation of aerial refueling tankers. The tanker proposal must be based on a level playing field and not construed to accommodate the business needs of an illegally subsidized company.

As you and other senior military officials have stated, replacing the Eisenhower-era KC-135 tankers in service with the Air Force is a top acquisition priority for the Department of Defense. This acquisition process has already been prolonged by years, and it should not face further delay. The Air Force has laid out clear requirements and timelines for the KC-X competition, and the potential bidders have already had ample time to study the Final Request for Proposals and to prepare competitive bids. Moreover, compressing the bid evaluation timeline given the problematic history with this source selection process concerns us greatly.

EADS already enjoys the benefit of an illegitimate handicap over other competitors. As the World Trade Organization has found in a recent final ruling, its commercial subsidiary Airbus has received billions of dollars in illegal subsidies from European governments. Now EADS seems intent to use illegally subsidized aircraft to significantly increase its presence in the U.S. defense market. While this may represent a sound business strategy, it does not represent the best interests of the American warfighter, worker, or taxpayer.

We have every confidence that American workers have the skills and the experience to compete successfully against the Air Force's rigorous requirements for the new tanker. Our warfighters deserve new tankers delivered as expeditiously as possible, and we see no valid reason to postpone the tanker acquisition process any longer.

Accordingly, we express our deep concern about the possible extension of the tanker bid date by an additional sixty days.

Sincerely,

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