

BUDGET ITEM JUSTIFICATION SHEET P-40											DATE: February 2004	
APPROPRIATION/BUDGET ACTIVITY Weapons Procurement, Navy BA-2: Other Missiles							P-1 ITEM NOMENCLATURE Evolved SEASPARROW Missile (ESSM) (LI#230700)					
Program Element for Code B Items: 0604755N, Proj. 20173							Other Related Program Elements					
	FY 2002 and Prior	ID Code		FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Complete	Total Program
QUANTITY	45			23	82	71	116	108	137	112	330	1024
COST (\$M)	\$117.1	B		\$42.0	\$102.0	\$80.3	\$99.1	\$99.2	\$115.9	\$98.6	\$338.4	\$1,092.6
Initial Spares (\$M)	\$0.6			\$1.8	\$1.0	\$1.2	\$1.5	\$1.8	\$2.1	\$2.3	Cont.	\$12.3

PROGRAM OVERVIEW:

The Evolved SEASPARROW Missile (ESSM) Program is an international cooperative effort to design, develop, test, and produce a new and improved version of the NATO SEASPARROW missile (RIM-7P) with the kinematic performance to defeat current and projected threats that possess low altitude, high velocity and maneuver characteristics beyond the engagement capabilities of the RIM-7P. The ESSM will provide an evolved kinematically improved aft-end missile section for mating, as an all up round, with the modified RIM-7P forebody guidance and warhead section. The ESSM improvement will provide the capability to counter maneuvering anti-ship missiles, expand battle space, and increase system firepower. The ESSM is designed for "quad pack" use in the MK41 Vertical Launching System.

ESSM is a cooperative effort among ten NATO SEASPARROW nations (Australia, Canada, Denmark, Germany, Greece, Netherlands, Norway, Spain, Turkey, and the U.S.). An addendum to the NATO SEASPARROW Surface Missile System Memorandum of Understanding (MOU), covering the Engineering and Manufacturing Development (EMD) phase of the ESSM was signed in June 1995. The MOU for the cooperative production of ESSM was signed 27 December 1997 with an initial U.S. production intent of 2076 missiles. The current U.S. production intent is 1024 missiles. Authority to enter into Low Rate Initial Production (LRIP) for 207 missiles was granted 07 March 2001.

The FY 05 request will support the first Full Rate Production contract award of 71 missiles plus U.S. share of support as defined in the MOU. Additionally, the U.S. is required to pay its share of non-recurring investment for performance characterization studies.

ESSM RDT&E funding is included in program element 0604755N, Project 20173 and the program element 0604756N, Project 20173.

UNCLASSIFIED

CLASSIFICATION:

WEAPONS SYSTEM COST ANALYSIS P-5			Weapon System Evolved SEASPARROW Missile (ESSM)									DATE: February 2004						
APPROPRIATION/BUDGET ACTIVITY Weapons Procurement, Navy BA-2: Other Missiles			ID Code	P-1 ITEM NOMENCLATURE/SUBHEAD ESSM - 230700									SUBHEAD A2ES					
COST CODE	ELEMENT OF COST	ID Code	TOTAL COST IN THOUSANDS OF DOLLARS															
			FY 2002 and Prior			FY 2003			FY 2004			FY 2005						
			Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost			
ES001	<u>Missile Hardware</u>																	
	MK 41/AEGIS All-Up-Round		35,534				23	903	20,759	63	779	49,059	53	799	42,368			
	MK 29 All-Up-Round									19	676	12,844	18	693	12,480			
	Warhead Compatible Telemeter (WCT)		1,474				12	59	708	21	65	1,356	11	64	709			
	Fuze ECP Backfit		4,700															
	Shipping Containers									19	8	152	18	8	144			
	Radome Life of Type buy		832						2,947									
	HC-434 Propellant Binder (SEASPARROW)		600															
	Rocket motors (SEASPARROW)		1,400							400	15	6,000						
	MK 25 Quadpack Canisters		3,260				6	300	1,800	18	291	5,238	14	351	4,914			
	Total Hardware		47,800						26,214			74,649			60,615			
ES830	<u>Procurement Support</u>																	
	Tooling and Test Equipment		17,486						1,400			2,818						
	Performance Characterization		5,795									10,000			5,000			
	Production Engineering		45,984						14,412			14,542			14,698			
	Total Procurement Support		69,265						15,812			27,360			19,698			
	Total Flyaway Cost		117,065						42,026			102,009			80,313			
ES002	<u>Fleet Support</u>																	
	Total Fleet Support																	
	Weapon System Cost		117,065						42,026			102,009			80,313			
			117,065						42,026			102,009			80,313			

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System ESSM			A. DATE February 2004			
B. APPROPRIATION/BUDGET ACTIVITY Weapons Procurement, Navy BA-2 Other Missiles					C. P-1 ITEM NOMENCLATURE ESSM 230700			SUBHEAD A2ES			
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	SPECS AVAILABLE NOW	DATE REVISIONS AVAILABLE	
FISCAL YEAR - 2003											
MK 41/AEGIS All-Up-Round	23	903	NAVSEA	Oct 2001	SS/FFP	Raytheon Co., Tucson AZ	Dec 02	Feb 05	Yes	Mar 00	
WCT	12	59	NAVSEA	Oct 2001	SS/FFP	Raytheon Co., Tucson AZ	Dec 02	Feb 05	Yes	Mar 00	
MK 25 Canister	6	300	NAVSEA	Jan 2003	SS/FFP	United Defense, Minneapolis, MN	Jun 03	Nov 04	Yes		
FISCAL YEAR - 2004											
MK 41/AEGIS All-Up-Round	63	779	NAVSEA	May 2003	SS/FFP	Raytheon Co., Tucson AZ	Nov 03	Apr 05	Yes	Mar 00	
MK 29 All-Up-Round	19	676	NAVSEA	May 2003	SS/FFP	Raytheon Co., Tucson AZ	Nov 03	Apr 05	Yes	Mar 00	
WCT	21	65	NAVSEA	May 2003	SS/FFP	Raytheon Co., Tucson AZ	Nov 03	Apr 05	Yes	Mar 00	
Shipping Container	19	8	NAVSEA	May 2003	SS/FFP	Raytheon Co., Tucson AZ	Nov 03	Apr 05	Yes	Mar 00	
Rocket Motor (SEASPARROW)	400	15	NAVAIR			Alliant Techsystems , Rocket Center WV					
MK 25 Canister	18	291	NAVSEA	Oct 2003	SS/FFP	United Defense, Minneapolis, MN	Jan 04	Jul 05	Yes		
FISCAL YEAR - 2005											
MK 41/AEGIS All-Up-Round	53	799	NAVSEA	May 2004	SS/FFP	Raytheon Co., Tucson AZ	Nov 04	Nov 06	Yes	Mar 00	
MK 29 All-Up-Round	18	693	NAVSEA	May 2004	SS/FFP	Raytheon Co., Tucson AZ	Nov 04	Nov 06	Yes	Mar 00	
WCT	11	64	NAVSEA	May 2004	SS/FFP	Raytheon Co., Tucson AZ	Nov 04	Nov 06	Yes	Mar 00	
Shipping Container	18	8	NAVSEA	May 2004	SS/FFP	Raytheon Co., Tucson AZ	Nov 04	Nov 06	Yes	Mar 00	
MK 25 Canister	14	351	NAVSEA	Oct 2004	SS/FFP	United Defense, Minneapolis, MN	Jan 05	Jul 06	Yes		
D. REMARKS											
A long lead material contract or the FY-04 procurement was awarded in Nov 2003. Estimated award date of the full contract is Feb 2004.											

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