

DOCUMENT RESUME

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Status of the F-18 Naval Strike Fighter Program. B-163058;  
PSAD-77-24. March 1, 1977.

Report to the Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Federal Procurement of Goods and Services: Notifying  
the Congress of Status of Important Procurement Programs  
(1905); Science and Technology (2000).

Contact: Procurement and Systems Acquisition Div.

Budget Function: National Defense (050); National Defense:  
Weapon Systems (057).

Organization Concerned: Department of the Air Force; Department  
of the Navy; Department of Defense.

Congressional Relevance: Congress; House Committee on Armed  
Services; Senate Committee on Armed Services.

The F-18 is a Department of the Navy fighter/attack aircraft being developed by the McDonnell-Douglas Corporation, with engines developed by the General Electric Corporation. The F-18 fighter aircraft's primary mission will be fighter escort, and its secondary mission will be fleet air defense. The attack aircraft's mission will be interdiction and close air support. The Navy plans to produce 800 F-18 aircraft: 430 fighters, 310 attack aircraft, and 60 two-seat trainers. The program will cost about \$13 billion for development and production. Unit procurement cost was estimated at \$13.7 million on September 30, 1976. Findings/Conclusions: The F-18 development program appears to be on schedule. However program changes could occur because (1) letter contracts with McDonnell-Douglas and General Electric were not definitized as planned due to cost problems; (2) cost could increase \$86 to \$196 million if electronic countermeasures are replaced by new systems; (3) program cost could increase if the Navy decides to develop a reconnaissance version of the F-18; and (4) procurement costs may be reduced if a land version of the F-18 is developed for sale to foreign governments. (RRS)

01167

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a report containing classified security information.

MAR 1 1977

COMPTROLLER GENERAL'S  
REPORT TO THE CONGRESS

STATUS OF THE F-18 NAVAL  
STRIKE FIGHTER PROGRAM  
Department of the Navy

D I G E S T

The F-18 is a new Department of the Navy fighter/attack aircraft being developed to replace the aging F-4 and eventually, the A-7 aircrafts. The McDonnell-Douglas Corporation is developing the single-seat, carrier-suitable F-18 that can be configured as a fighter or attack aircraft. The engines for the F-18 will be developed by the General Electric Corporation.

The F-18 fighter aircraft's primary mission will be fighter escort and its secondary mission, fleet air defense. The F-18 attack aircraft's mission will be interdiction and close air support.

The Navy plans to produce 800 F-18 aircraft-- 430 will be fighters, 310 will be attack aircraft, and the balance, 60 aircraft, will be two-seat trainers. The Navy will use 178 fighters with the remaining 252 going to the Marine Corps.

The F-18 program is estimated to cost a total of about \$13 billion (then year dollars) for development and production. Unit procurement cost was estimated at September 30, 1976, at \$13.7 million (then year dollars).

GAO's review of the system included an evaluation of its current status in terms of cost, schedule, and performance.

No major problems were noted during the review. The F-18 development program appears to be on schedule. However, program changes could occur due to the following:

--Letter contracts with McDonnell-Douglas and General Electric were not definitized as planned because of cost problems. The contracts were definitized in December 1976,

but the details of the negotiations were not available for inclusion in this report. GAO was told that the Navy was prepared to accept reduced performance and/or schedule revision to keep within approved program cost. (See p. 12.)

--Cost could increase \$86 to \$196 million if electronic countermeasure systems planned for the F-18 are replaced by new systems. (See p. 13.)

--Program cost could increase if the Navy decides to develop a reconnaissance version of the F-18. Eighty additional F-18s may be built for this purpose. (See p. 13.)

--F-18 procurement costs may be reduced if Northrop proceeds with development of a land version of the F-18 (F-18L) for sale to foreign governments. (See p. 13.)

A draft of this report was reviewed by agency officials and their comments were incorporated as appropriate.