

EXHIBIT R-2a, RDT&E Project Justification		DATE: February 2004
APPROPRIATION/BUDGET ACTIVITY RDT&E,DW/BA-5	PROJECT NUMBER AND NAME MIDS-LVT P773	
<p>D. Acquisition Strategy: USD(AT&L) approved the FY00 procurement of MIDS terminals based on the favorable LRIP DAB review on 27 April 2000. The approval included procurement of 70 MIDS terminals and associated spares and an additional 11 terminals for emergent lab and test requirements. This decision was consistent with the Acquisition Strategy Report (ASR) approved by USD(AT&L) in November 1999. The FY00 MIDS LRIP terminals were equitably split between the two US-led contracts. FY01 and out-year quantities are being competitively procured. USD(AT&L) has directed that after completion of the US-led and European-led MIDS terminal production qualification efforts, the production requirements of all MIDS participants will be combined and competed among the US and European qualified MIDS manufacturers. For LRIP Lot 2, on 10 August 2001 the OIPT met and approved a two-phased LRIP buy and recommended to USD(AT&L) to proceed with the acquisition without a formal DAB. The first phase was approved for 59 terminals and spares in September 2001. The second phase provided for 60 terminals and emerging requirements, and occurred in November 2001 after USD(AT&L) reviewed DOT&E's assessment. For LRIP Lot 3, USD(AT&L) authorized the procurement of 208 MIDS terminals, plus spares and emergent requirements on 11 June 2002, and delegated the MS III Full Rate Production decision scheduled for July 2003 to ASN(RD&A). The LRIP Lot 3 ADM was signed 26 June 2002. The Program Decision Meeting held 25 Sep 2003 with ASN(RD&A) resulted in a Full Rate Production decision for the MIDS-LVT(2) Army unique variant and FRP for the USAF MIDS-LVT. The USN only received LRIP Lot 4 authority with direction to resolve open F/A-18 MIDS deficiencies prior to the next planned contract award. The ADM was signed 8 Dec 2003.</p> <p>E. Major Performers: BAE Systems, Wayne, New Jersey, Systems Engineering & Integration contract awarded June 2000.</p>		