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## **Boeing plant soaring**

Site of former air base in Heath does \$100 million in business

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BY PAUL WILSON THE COLUMBUS DISPATCH

HEATH, Ohio -- The future of Newark Air Force Base was cloudy before it was privatized about a decade ago.

The converted base, now leased by Boeing Co., has surged forward in recent years thanks to increased military spending. Yesterday, Boeing was awarded a three-year, \$20.6 million contract to build airborne surveillance systems there for the U.S. Air Force.

The contract will increase the plant's business to more than \$100 million.

"There were a lot of eyes on us and there was a lot of uncertainty" a decade ago, said Mike Emmelhainz, director of Boeing's guidance repair center in Heath. "I consider this to be an incredible success."

The contract means antenna radio frequency processors and related parts for the Airborne Warning and Control System will be built in Heath.

The U.S. military puts the systems on planes "to find out where the bad guys are," Emmelhainz said.

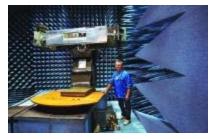
The AWACS work is the most recent addition and smallest part of Heath's portfolio. It came to Ohio in 1999 when Boeing closed an operation in Corinth, Texas. Last year, Boeing installed a \$4.5 million soundproof room in Heath where AWACS antennae are tested. The antennae are attached to the nose of the E-3 spy plane.

From Heath, Boeing also repairs, tests and builds military equipment. That includes testing parts of intercontinental ballistic missiles and repairing guidance systems for B-52s and numerous other planes.

Military budgets have increased thanks to wars in Afghanistan and Iraq and increased emphasis on homeland security after the Sept. 11 terrorist attack.

That has provided some stability at the Boeing operation while manufacturing jobs dried up across the state this decade.

Even without the terrorist attack, it's likely that military contractors would have had strong business this decade, said Ken Mayland, president of ClearView Economics, outside Cleveland. In the 1990s,



CHRIS RUSSELL | DISPATCH

Technician Craig Mills, at the Boeing plant in Heath, works on antenna units for the Airborne Warning and Control System.





## **Boeing's Heath operation**

- Employs 600 at the former Newark Air Force Base
- Will generate sales of about \$100 million a year
- Tests, repairs and calibrates guidance and aviation systems
- Manages repair and

military spending fell.

"We were in the post-Cold War era where there was less of a need," he said. "But a lot of the stuff got old, and, even before 9/11, I was expecting big increases in military spending."

replacement work on the Airborne Warning and Control System

• Assembles and tests Minuteman III guidance replacement systems

If you thought Chicago-based Boeing only made airplanes, you'd be wrong.

The company is the world's second- largest manufacturer of commercial jets, behind Airbus. But it's also the No. 2 defense contractor, trailing only Lockheed Martin.

Mayland described Boeing as "a company that's firing on all cylinders."

Boeing raked in more than \$1 billion in profit during the first half of the year. That's led by the commercial aviation division and orders for the new 787 Dreamliner.

But the company's military work also is growing and helped Boeing through tough years in the aviation business after 9/11, Emmelhainz said.

"The business cycles between commercial airplanes and defense are out of phase," Emmelhainz said.
"When you're up in commercial air, you're typically down in defense -- and vice versa."

Emmelhainz, originally from Galloway, worked at the base after the Air Force turned it over to the Heath-Newark-Licking County Port Authority. In 1996, Rockwell International won a contract to take over work previously done at the base, and Boeing bought Rockwell later that year.

After working for Boeing in California for several years, Emmelhainz returned to Heath in 2006. The AWACS contract is an added assurance for Boeing's 600 workers in Heath, Emmelhainz said.

"By and large, folks here should have confidence that things should be pretty stable," he said.

"Most employees are always concerned about the stability of their work environment. When you're able to capture (a contract like this), it's significant for their security."

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