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# Boeing contract means jobs for LI companies

March 17, 2011 by JAMES BERNSTEIN / [james.bernstein@newsday.com](mailto:james.bernstein@newsday.com)



For [Long Island](#), jobs and contracts will finally result from the U.S. Air Force's nearly decade-old effort to award a \$35-billion contract to replace refueling planes that have been in service since the Eisenhower administration, Boeing Co. said Thursday.

Boeing, which in February was declared the winner of the competition to build the KC-46A tankers, said that as many as six Long Island companies will work as subcontractors on the program. That

should support about 286 direct and indirect jobs on the Island, some of which would be new and some of which would be jobs that will be "saved" from elimination, Boeing said. The [Chicago](#)-based company said the six companies would receive a total of \$14.7 million in contracts.

Boeing is to build as many as 179 new tanker planes over more than a decade.

According to Boeing, two of the Island-based subcontractors are Telephonics Corp. of [Farmingdale](#) and Cox & Co. Inc. of [Plainview](#). Boeing is in final negotiations with four others on the Island and is not yet ready to name them.

Steve Landry, president of Cox & Co., which has about 155 employees, said the subcontract work could mean a 20 percent increase in the company's staff. "The jobs would probably be permanent," Landry said.

The KC-46A is going to be based on Boeing's commercial 767 passenger jet. Cox & Co. already makes temperature control systems for the 767.

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Mike Canders, president of Telephonics' communications division, said the company would be working on internal communications systems for the tanker program. He said it was too early to say whether it would mean new jobs for Telephonics.

Rep. Steve Israel (D-Dix Hills), who along with other members of the Island's congressional delegation has fought for local defense companies, said the work has paid off. "Our local companies will see millions of dollars in new business because of this project and hundreds of jobs will be created or saved."

The project's history is complicated. In 2002, Boeing was selected to lease tankers to the Air Force, but Sen. John McCain (R-Ariz.) protested that the lease contract was wasteful.

The Pentagon froze the lease deal the next year while it investigated corruption allegations against one of its own procurement officers, who was subsequently jailed.

In 2007, a team of Northrop Grumman Corp. and EADS, the European company that builds the Airbus commercial airplane, competed against Boeing in a new contract award. The Northrop Grumman/EADS team won, but Boeing protested that decision. Northrop Grumman later dropped out, citing financial concerns, before the final decision was made last month.

[< back to article](#)