

The F-35 Costs Even More When You Fly It

The estimate for keeping the fighter jet airborne is \$1.1 trillion, and climbing

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F-35 Lightning II's from Hill Air Force Base, Utah, fly in formation during a training flight May 2, 2017. F-35 pilots are using the airframe in its first-ever flying training deployment to Europe. (U.S. Air Force photo/Senior Airman Christine Groening) PHOTOGRAPHER: SENIOR AIRMAN CHRISTINE GROENING/DIGITAL

The bad news on the F-35 fighter jet is even worse than it sounds. The cost of the program, already the most expensive weapons system the Pentagon has ever fielded, is estimated to climb further—to at least \$406.5 billion. That's according to a scoop by Bloomberg's Anthony Capaccio, whose defense sourcing yielded advance access to a document called a Selected Acquisition Report. The report, which was submitted to Congress on Monday, estimates that procurement costs for the F-35 will come in about 7 percent higher than the last projection of \$379 billion.

But acquisition—which refers to development and production of the futuristic planes—doesn't tell the whole story. When operations and maintenance of the F-35 are factored in, the total will likely exceed \$1.1 trillion over the decades to come. That reflects an increase of more than \$35 billion. And that larger number could rise significantly if the Pentagon and the jet's manufacturer, Lockheed Martin Corp., don't address the F-35's deteriorating reliability.

The idea that got the F-35 aloft in the first place is that eventually it would replace almost every fighter plane in use by the Marines Corps, Air Force, and Navy. Beginning with a basic model, each service has added special features, such as the ability of the Marines' version to take off with very little runway and to land vertically. The repeated tweaking of the different versions contributed to the program's extraordinary expense.



A F-35A fighter jet, manufactured by Lockheed Martin Corp., performs aerial maneuvers during a flying display at the 53rd International Paris Air Show at Le Bourget, in Paris, France, on Tuesday, June 20, 2017. PHOTOGRAPHER: CHRIS RATCLIFFE/BLOOMBERG

Concern about the F-35's cost overruns and performance dates back more than a dozen years. But it took on renewed urgency when President Donald Trump was elected. Even before taking office, Trump, an aviation buff who campaigned in his own customized Boeing 757, branded the F-35 program "out of control" in a post on Twitter. Then, as president, he boasted in a speech to Congress that by means of personal negotiations, he'd "saved taxpayers hundreds of millions of dollars by bringing down the price of the fantastic new F-35 jet fighter." It isn't clear how, if at all, Trump's intervention in the acquisition process relates to the rising acquisition estimate. "The F-35 program remains within all cost, schedule, and performance thresholds and continues to make steady progress," Vice Admiral Mat Winter, the program's manager, said in a statement after the acquisition report was delivered to Capitol Hill. One factor driving up costs is that the Pentagon plans to seek more planes. The acquisition report tells Congress, for example, that the Marine Corps is adding 13 more copies of its distinctive version of the F-35, a move that will increase the total number of fighters to 2,456. The

estimate for the overall average per-jet program acquisition cost in current dollars rose to \$165 million from \$154 million, according to the Pentagon.

Lockheed “has not had the opportunity to review” the acquisition report, “but cost continues to come down on the F-35 program,” company spokesman Mark Johnson said in a statement. He cited the \$95 million per-unit cost of the Air Force version of the F-35, a price that he said represented a 62 percent reduction since 2010.

Fitted with next-generation sensor systems and designed to be stealthy, the F-35 is versatile but also somewhat delicate. A presentation by the director of the Pentagon’s in-house testing office dated May 8 and obtained by Bloomberg News (Capaccio again) said that the plane isn’t as reliable as expected and is taking longer to repair than planned. The presentation was prepared for defense officials and congressional aides. It explained that about 20 percent of F-35s are stuck in maintenance depots because suppliers can’t keep up with expanding production while also fixing returned parts. The availability of spare parts for the more than 200 F-35s already assigned to bases “is getting worse, affecting fly rates” and pilot training, according to the presentation.

In other words: Don’t be surprised if those total cost numbers keep rising.