



UMASS DONAHUE INSTITUTE



New England Defense Contracting Trends

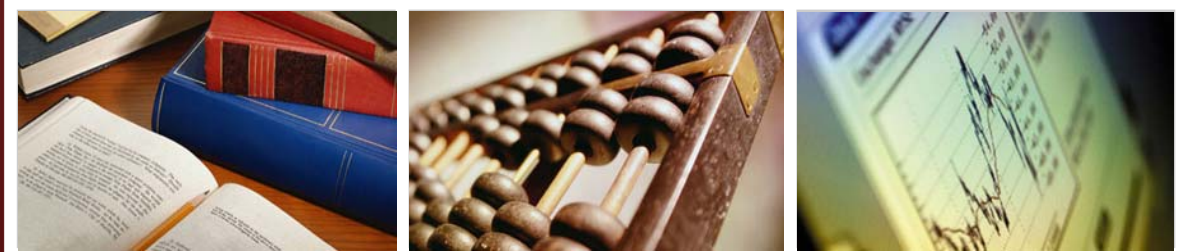
2006 – 2010

Prepared for the Defense Technology Initiative



University of Massachusetts Donahue Institute
Economic and Public Policy Research Unit

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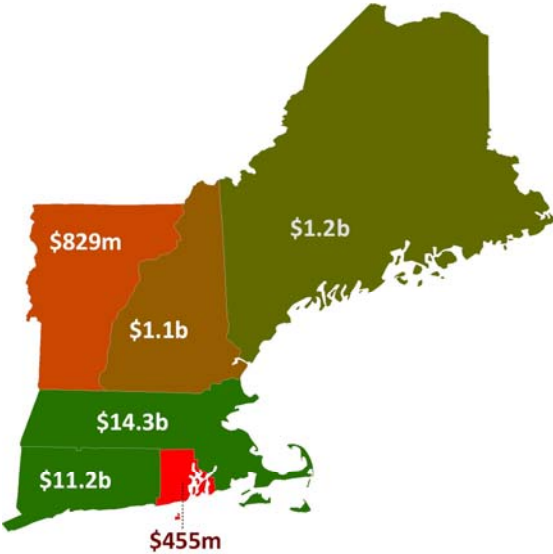
About the Defense Technology Initiative

Founded in 2003, DTI was originally created by the Massachusetts High Technology Council to protect Massachusetts's military technology bases through the 2005 federal Base Realignment and Closure (BRAC) process. Following that successful and nationally-recognized effort, DTI evolved into an economic development and sector advocacy organization that represents the region's leading defense technology firms, research labs, universities and military bases.

Defense Contracts Awarded to New England States, 2006 - 2010

▼ Defense contracts to New England firms and institutions totaled over \$29 billion in 2010.

Total DoD and DHS Contracts to New England States, 2010



▼ Defense contracts to New England firms and institutions increased by 34% since 2006 but contract trends have varied significantly by state.

Total DoD and DHS Contracts to New England States, 2006 – 2010

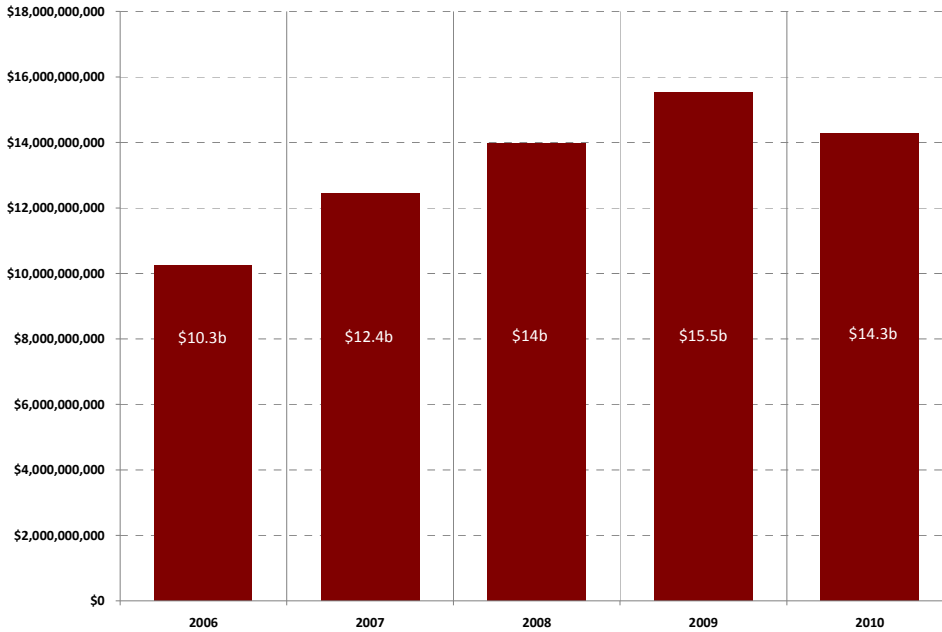
Year	Massachusetts	Connecticut	Maine	New Hampshire	Vermont	Rhode Island	New England
2006	\$10,251,084,529.66	\$7,877,125,402.12	\$915,133,120.96	\$1,248,127,816.84	\$1,026,477,488.00	\$455,621,015.18	\$21,773,573,384.76
2007	\$12,435,878,501.91	\$8,700,574,117.75	\$1,326,673,492.86	\$1,563,022,151.43	\$1,084,487,479.91	\$377,475,957.75	\$25,488,115,715.61
2008	\$13,974,856,000.12	\$12,075,907,064.24	\$706,198,798.93	\$1,724,346,459.24	\$735,063,025.44	\$468,822,096.95	\$29,685,197,460.92
2009	\$15,535,691,353.51	\$12,208,934,618.53	\$1,258,753,974.56	\$1,663,444,686.92	\$820,594,881.31	\$538,812,798.55	\$32,026,236,331.38
2010	\$14,289,675,610.08	\$11,200,126,634.57	\$1,235,191,152.27	\$1,100,745,886.55	\$829,425,131.02	\$455,228,117.00	\$29,110,396,551.49
%	39.4%	42.2%	35.0%	-11.8%	-19.2%	-0.1%	33.7%

Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

Defense Contracting, Five-Year Trend

▼ Defense contracts to Massachusetts have increased by 39% since 2006.

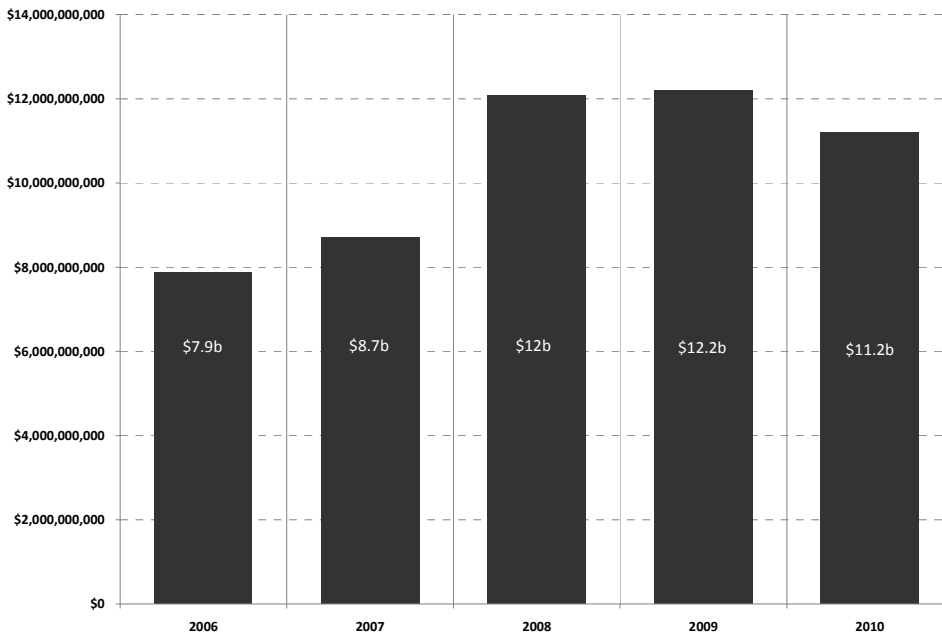
Total DoD and DHS Contracts to Massachusetts Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

▼ Defense contracts to Connecticut have increased by 42% since 2006.

Total DoD and DHS Contracts to Connecticut Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

▼Defense contracts to Maine have increased by 35% since 2006.

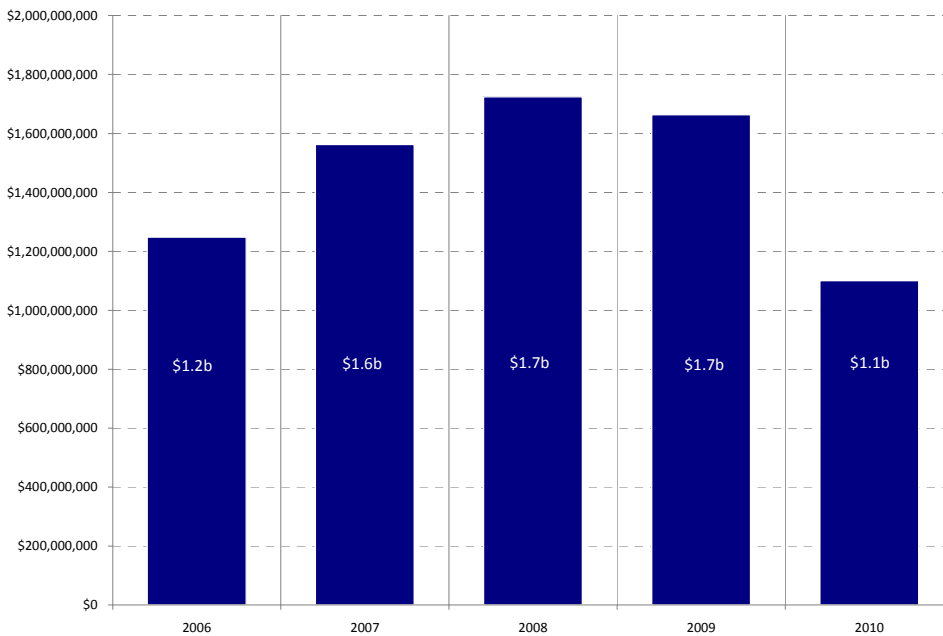
Total DoD and DHS Contracts to Maine Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

▼Defense contracts to New Hampshire have decreased by 12% since 2006.

Total DoD and DHS Contracts to New Hampshire Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

▼ Defense contracts to Vermont have decreased by 19% since 2006.

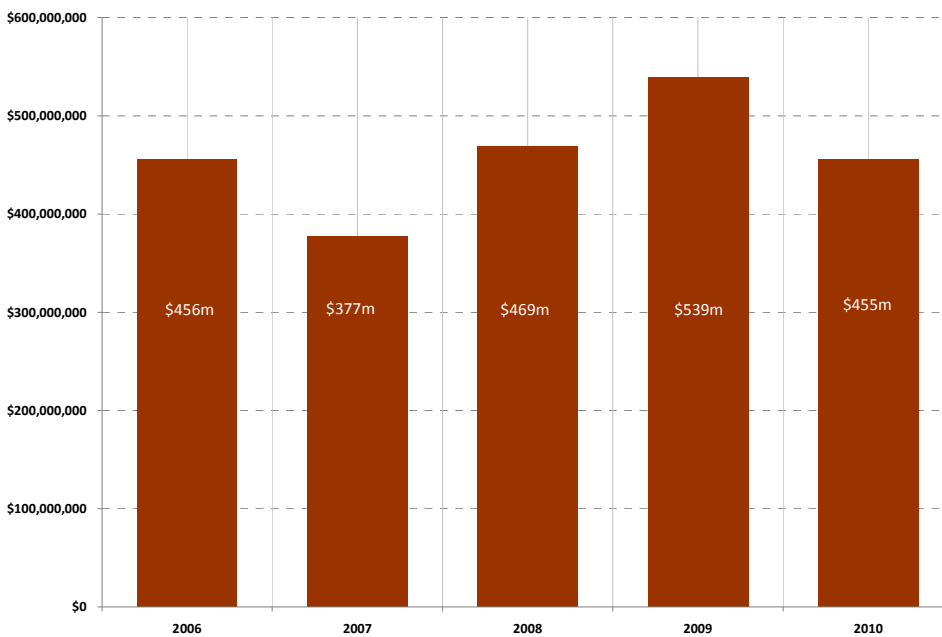
Total DoD and DHS Contracts to Vermont Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

▼ Defense contracts to Rhode Island have decreased by less than 1% since 2006.

Total DoD and DHS Contracts to Rhode Island Contractors



Source: USASpending.gov, data extracted on Sept. 29, 2011 and Oct. 5, 2011

Top Defense Products by State, 2010

▼ Defense contractors throughout New England provide specialized high technology products and services. The top products in New England states are high-value, high tech products.

Top Defense Industry Products, Massachusetts, 2010

Product Service Code	Amount
Gas Turbines and Jet Engines Aircraft; Prime Moving and Components	\$1,313,876,910.93
Guided Missiles	\$1,275,728,577.53
Miscellaneous Communication Equipment	\$1,099,689,927.61
Defense Electronics and Communication Equipment, Basic Research (R&D)	\$885,664,003.02
Engineering, Advanced Development (R&D)	\$659,385,697.08
Defense Missile and Space Systems, Engineering Development (R&D)	\$574,018,221.40
Engineering and Technical Services	\$463,947,735.79
Maintenance Repair and Rebuilding of Equipment, Guided Missiles	\$364,982,383.35
Communications Security Equipment and Components	\$362,457,553.35
Defense Missile and Space Systems, Advanced Development (R&D)	\$334,018,379.41

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Defense Industry Products, Connecticut, 2010

Product Service Code	Amount
Submarines	\$3,037,472,580.00
Aircraft Rotary Wing	\$2,246,313,918.00
Gas Turbines and Jet Engines Aircraft; Prime Moving and Components	\$1,352,660,775.00
Defense Aircraft, Operational Systems Development (R&D)	\$890,512,689.70
Maintenance Repair and Rebuilding of Equipment, Engines Turbines and Components	\$519,563,946.80
Helicopter Rotor Blades Drive Mechanisms and Components	\$230,781,424.30
Miscellaneous Aircraft Accessories and Components	\$186,024,894.20
Aircraft Landing Gear Components	\$147,925,719.60
Logistics Support Services	\$146,990,618.00
Airframe Structural Components	\$142,590,482.80

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Defense Industry Products, Maine, 2010

Product Service Code	Amount
Destroyers	\$503,089,944.00
General Health Care Services	\$240,696,068.10
Defense Ships, Basic Research (R&D)	\$101,086,668.00
Aircraft Maintenance and Repair Shop Specialized Equipment	\$75,515,097.34
Clothing Special Purpose	\$55,477,373.85
Construction of Structures and Facilities, Other Administrative Facilities and Service Buildings	\$27,524,345.00
Construction of Structures and Facilities -- Miscellaneous Buildings	\$23,511,417.88
Combat Ships And Landing Vessels	\$22,716,089.00
Logistics Support Services	\$19,807,897.79
Construction of Structures and Facilities, Other Residential Buildings	\$18,833,476.00

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Defense Industry Products, New Hampshire, 2010

Product Service Code	Amount
Electronic Countermeasures and Quick Reaction Capability Equipment	\$139,358,430.88
Optical Sighting and Ranging Equipment	\$89,723,021.40
Night Vision Equipment Emitted and Reflected Radiation	\$88,450,274.75
Technical Representation Services, Weapons	\$58,727,773.98
Defense Electronics and Communication Equipment, Advanced Development (R&D)	\$53,389,574.37
Engineering and Technical Services	\$48,315,908.45
Miscellaneous Aircraft Accessories and Components	\$47,667,341.15
Miscellaneous Communication Equipment	\$35,824,318.61
Underwater Sound Equipment	\$26,818,698.64
Visible and Invisible Light Communication Equipment	\$24,464,796.96

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Defense Industry Products, Vermont, 2010

Product Service Code	Amount
Guided Missile Warheads and Explosive Components	\$276,604,029.05
Miscellaneous Ammunition	\$156,428,228.64
Aircraft Propellers and Components	\$93,924,616.00
Guns through 30 mm	\$93,152,179.36
Miscellaneous Weapons	\$35,279,805.61
Airframe Structural Components	\$20,352,482.00
Ammunition over 125 mm	\$16,378,125.06
Household Furnishings	\$11,477,469.40
Construction of Structures and Facilities, Restoration	\$11,100,549.90
Fire Control Directors	\$10,802,653.50

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Defense Industry Products, Rhode Island, 2010

Product Service Code	Amount
Underwater Sound Equipment	\$79,524,162.40
Systems Engineering Services	\$79,414,971.34
Miscellaneous Aircraft Accessories and Components	\$68,817,355.19
Maintenance Repair or Alteration of Real Property, Restoration of real property	\$15,563,079.00
Miscellaneous Weapons	\$13,572,030.00
Guided Missiles	\$13,231,731.63
Launchers Guided Missile	\$13,074,482.00
Engineering, Advanced Development (R&D)	\$12,753,123.00
Construction of Structures and Facilities, Miscellaneous Buildings	\$12,580,867.00
Other ADP and Telecommunications Services	\$10,322,474.96

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors by State, 2010

▼ Defense contract awards to New England states tend to be focused towards several dominant industry sectors. In most cases, these dominant industry sectors are high-tech, knowledge-intensive sectors.

Top Funded Industry Sectors, Massachusetts, 2010

NAICS	Description	Amount
336414	Guided Missile and Space Vehicle Manufacturing	\$1,546,236,605.56
541330	Engineering Services	\$1,423,527,574.95
336412	Aircraft Engine and Engine Parts Manufacturing	\$1,223,126,281.49
541990	All Other Professional, Scientific, and Technical Services	\$1,188,601,720.58
541710	Research and Development in the Physical, Engineering, and Life Sciences	\$1,180,780,621.85
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$799,911,922.18
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing	\$777,650,585.45
334111	Electronic Computer Manufacturing	\$606,991,140.66
236220	Commercial and Institutional Building Construction	\$399,671,508.52
334290	Other Communications Equipment Manufacturing	\$364,316,256.38

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors, Connecticut, 2010

NAICS	Description	Amount
336611	Ship Building and Repairing	\$2,980,456,264.35
336411	Aircraft Manufacturing	\$2,667,770,397.83
336412	Aircraft Engine and Engine Parts Manufacturing	\$1,284,645,641.17
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	\$741,258,902.04
541330	Engineering Services	\$696,090,509.73
488190	Other Support Activities for Air Transportation	\$603,568,550.82
541710	Research and Development in the Physical, Engineering, and Life Sciences	\$471,785,049.75
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	\$278,288,012.44
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$180,465,208.22
236220	Commercial and Institutional Building Construction	\$139,099,574.74

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors, Maine, 2010

NAICS	Description	Amount
336611	Ship Building and Repairing	\$644,964,465.89
621491	HMO Medical Centers	\$240,696,068.07
236220	Commercial and Institutional Building Construction	\$98,520,911.63
333298	All Other Industrial Machinery Manufacturing	\$75,515,097.34
315999	Other Apparel Accessories and Other Apparel Manufacturing	\$50,055,133.23
541990	All Other Professional, Scientific, and Technical Services	\$19,811,319.19
315211	Mens' and Boys' Cut and Sew Apparel Contractors	\$19,798,468.00
333612	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing	\$12,177,357.99
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$8,753,755.41
315299	All Other Cut and Sew Apparel Manufacturing	\$6,704,865.34

Source: DoD contracts only, USA Spending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors, New Hampshire, 2010

NAICS	Description	Amount
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing	\$334,610,418.11
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	\$120,103,933.96
541330	Engineering Services	\$86,648,346.49
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$78,169,413.99
333314	Optical Instrument and Lens Manufacturing	\$56,347,236.62
335999	All Other Miscellaneous Electrical Equipment and Component Manufacturing	\$52,426,490.13
541519	Other Computer Related Services	\$31,875,240.73
334519	Other Measuring and Controlling Device Manufacturing	\$29,883,176.50
334290	Other Communications Equipment Manufacturing	\$20,777,495.53
324110	Petroleum Refineries	\$20,397,195.40

Source: DoD contracts only, USA Spending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors, Vermont, 2010

NAICS	Description	Amount
332993	Ammunition (except Small Arms) Manufacturing	\$284,637,368.58
332995	Other Ordnance and Accessories Manufacturing	\$159,760,362.27
332994	Small Arms Manufacturing	\$142,872,367.46
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	\$128,569,675.98
236220	Commercial and Institutional Building Construction	\$13,675,990.63
337122	Non-upholstered Wood Household Furniture Manufacturing	\$13,109,015.25
334111	Electronic Computer Manufacturing	\$10,791,156.00
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$9,823,424.40
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	\$7,871,749.00
511210	Software Publishers	\$7,250,743.00

Source: DoD contracts only, USA Spending.gov, data extracted on Sept. 29, 2011

Top Funded Industry Sectors, Rhode Island, 2010

NAICS	Description	Amount
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	\$140,322,460.08
541330	Engineering Services	\$100,454,773.47
334511	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical System and Instrument Manufacturing	\$55,422,347.45
236220	Commercial and Institutional Building Construction	\$32,173,064.71
336414	Guided Missile and Space Vehicle Manufacturing	\$18,292,009.00
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$12,071,686.14
541519	Other Computer Related Services	\$10,472,889.76
336419	Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing	\$9,204,085.00
237990	Other Heavy and Civil Engineering Construction	\$4,724,900.00
315228	Mens and Boys' Cut and Sew Other Outerwear Manufacturing	\$4,305,999.18

Source: DoD contracts only, USASpending.gov, data extracted on Sept. 29, 2011

▼ Technical Note

This memo presents information on contract spending by the Department of Defense and the Department of Homeland Security to firms and institutions located in each of the six New England states. The data set was extracted from the website www.USAspending.gov, a searchable database that is updated on a rolling basis to reflect contract transactions, including contract revisions. For this reason, annual totals cited in this memo may vary from totals calculated at earlier dates. Total spending (the sum total of all contract transactions made within the fiscal year) is the basis for the analysis. Years cited are federal fiscal years, that is, 2010 represents contracts reported for federal fiscal year 2010. The federal fiscal year begins on October 1 and ends on September 30 of the following calendar year. Transactions each have a specific date upon which they took place and are assigned to the appropriate fiscal year based on that date, even if they were part of a multi-year contract or grant that started years earlier.