



For Immediate Release

Raytheon's Maritime Mission Center in Portsmouth, Rhode Island Wins 2007 Gold Medal for Excellence in Lean Manufacturing

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Raytheon Integrated Defense Systems' (IDS) Maritime Mission Center in Portsmouth, Rhode Island, is a 2007 Gold Medal recipient of the Northeast Shingo Prize for Excellence in Manufacturing. The Prize is administered by GBMP, Inc. at the College of Management at the University of Massachusetts Boston.

The Maritime Mission Center is a 768,000 square foot multidiscipline manufacturing, engineering and program support facility employing close to 1,600 people. The Maritime Mission Center is IDS' mission center dedicated to the development and delivery of highly capable, advanced naval and maritime solutions for U.S. and allied Navies.

Dubbed the "Nobel Prize of Manufacturing" by Business Week, the Shingo Prize is recognized as one of the premier manufacturing awards and recognition programs in North America for the practice of lean manufacturing, a methodology that eliminates waste from business processes. Raytheon's Maritime Mission Center is one of two 2007 Northeast Shingo Prize awardees and is the first company in Rhode Island to receive the Gold Medal.

The Northeast Shingo Prize recognizes increasing levels of lean implementation through a four-tier system: Bronze, Silver, Gold, & Platinum. Eight other state level awards are committed to carrying on the mission of the North American Shingo Prize throughout North America.

Raytheon was founded in 1922 in Cambridge, Massachusetts. Its Integrated Defense Systems business, headquartered in Tewksbury, Massachusetts, is currently a leader in mission systems integration, providing integrated air and missile defense, and naval and maritime fighting solutions. IDS had 2006 sales of \$3.8 billion and employs 13,300 highly trained technical personnel.

In 1997 the Maritime Mission Center recognized the importance of Lean manufacturing and began to implement best practices in all of its manufacturing and business processes. Raytheon sustains its continuous improvement culture and the elimination of waste through its Lean Initiatives for Value Excellence, Raytheon Six Sigma, and the Manufacturing Excellence Model (MEM). Their Lean Manufacturing Strategy includes the use of: integrated product teams, flexible and decentralized facilities, and the integrated product development system. As a result of these and other Lean methodologies, Raytheon consistently reduces waste and increase quality throughout its operations. The Maritime Mission Center can boast a 99% customer acceptance rate, a 95% first past yield rate and a 40% increase in sales per square foot. In addition, this Raytheon center has seen a 136% increase in operating income on manufacturing assets ratio since 2002 and a 42% increase in operating income on sales ratio since 2003. These and other successes achieved by Raytheon are indicative of the potential world-class results that can be achieved through the Shingo model.

"We have been involved in the National Prize for many years and are thrilled to be the administrators for the Northeast Prize," said Bruce Hamilton, President, GBMP and administrator of the Northeast Shingo Prize. "We are so pleased to have Raytheon's Maritime Mission Center win the first Gold award in Rhode Island and share their model for continuous improvement and world-class results with the rest of the Northeast. Shingo Prize recipients have differentiated themselves for years across North America, and the time has come now for the manufacturers of the Northeast to be proud of their accomplishments. Especially where our economy has wavered during the past three years, here is an opportunity to celebrate the successes and highlight the excellence that exists right here in our region. We congratulate all the Raytheon employees at the Maritime Mission Center, for building and sustaining a strong, world-class manufacturer in Rhode Island and on a job well done."

Raytheon will be officially presented with their Northeast Gold Shingo Prize at the third annual *Northeast Shingo Conference Awards Presentation Banquet* on Thursday, October 4, 2007 in Boston, Massachusetts. The 2-day conference, starting on October 3rd, will highlight how industries in the Northeast are implementing lean manufacturing and features many nationally renowned lean leaders. For more information on the conference or to register, please call Chris Martin at (617) 287-7648, or visit www.neshingoprize.org.

About GBMP:

Created in 1994 within the College of Management at UMass Boston, GBMP has helped hundreds of manufacturers reduce costs and remain competitive in this global economy. GBMP provides expertise in Lean manufacturing and Six Sigma through education, training and shop floor implementation of these tools. GBMP administers The Northeast Shingo Prize for Excellence in Manufacturing. GBMP's staff includes five Shingo Board examiners and two Vice Chairs. For more information, please visit www.gbmp.org.

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