

New Hampshire Economic Conditions

February 2011

New Hampshire Employers with Defense Contracts

From 2000 through 2009 in the U.S. there were a total of 530,375 defense contracts awarded worth \$362,699,709,828. Of those, 1,274 awards worth \$9,859,436,738 were given to New Hampshire employers. One hundred ninety-six New Hampshire companies were awarded \$1 million or more in contracts and 68 exceeded \$10 million.¹

The single largest recipient of defense contracts in the state during the decade was BAE Systems, which specializes in defense, security and aerospace.² The company had 1,120 contracts totaling \$5,244,719,538 during the decade. These were awarded to four

different BAE facilities, but over \$5 billion went to the facility on Spit Brook Road in Nashua.

As the decade progressed the value of contracts to BAE Systems ratcheted up. BAE did not exist in New Hampshire until 2001. That year it received \$21.7 million in defense contracts. The amount has increased by an average of about \$130 million each year until 2009 when the company received \$1.067 billion.

The second largest New Hampshire recipient of defense contract money over the decade was Insight Technology, Inc. in Londonderry. On the

company's web site is this description: "Insight develops and produces highly sophisticated laser aiming and illumination devices, night vision devices, laser rangefinder systems, computerized fire control systems, thermal imaging systems and sensor fusion systems."³ Insight received 793 contracts totaling \$1,050,155,922 over the decade. In 2009 Insight received awards totaling \$146 million. This is considerably higher than the \$24 million in 2000 but below the 2007 peak of \$236 million.

The third largest recipient of defense dollars in New Hampshire between 2000 and 2009 was Lockheed Martin

¹ GovernmentContractsWon.com. "New Hampshire Defense Contractor Lists by County United States Government Contracts." *Defense Contract Totals in 2009*. 20 Jan 2011. <www.governmentcontractswon.com/departments/defense/new_hampshire_counties.asp>.
² BAE Systems. *Key Facts*. 20 Jan 2011. <www.baesystems.com/AboutUs/FactSheet/>.
³ Insight Technology, Inc. 20 Jan 2011. <www.insighttechnology.com>.

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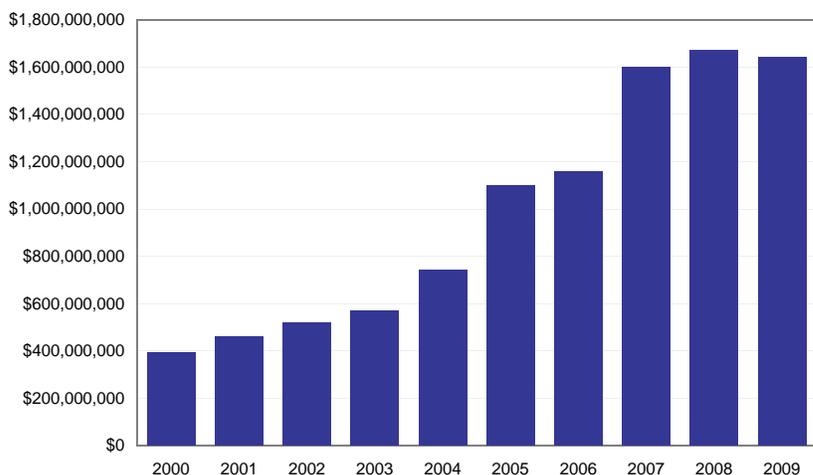
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Total Dollar Value of Defense Contracts Awarded to New Hampshire Companies, 2000-2009



Source: GovernmentContractsWon.com

at \$584.8 million. The company describes itself as “engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services.”⁴ Its New Hampshire presence has virtually disappeared as a result of the November 2000 sale of its Aerospace Electronics Systems businesses to BAE Systems. Existing contracts were credited to Lockheed and the result was that over \$578 million of Lockheed’s New Hampshire contracts were in the first three years of the decade. BAE Systems now inhabits the Spit Brook Road facility formerly occupied by Lockheed Martin.

The fourth company to exceed a quarter of a billion dollars in defense contracts in the 2000s was Kollsman, Inc., procuring \$360.8 million from 291 contracts. Kollsman’s contracts remained relatively constant throughout the first half of the decade, floating between \$14 and \$29 million. Then in 2006 the amount jumped to \$99.7 million. It has subsequently trended downward and, in 2009, returned to \$21.5 million. The company manufactures avionics and electro-optic systems.⁵

Top 8 New Hampshire companies with defense contracts exceeding \$100 million over the decade

Rank	Company	Defense Contract Totals
1	BAE Systems, Inc	\$5,244,719,538
2	Insight Technology, Inc	\$1,050,155,922
3	Lockheed Martin Corporation	\$585,753,924
4	Kollsman, Inc	\$360,802,925
5	Weston Solutions, Inc	\$233,090,019
6	Impact Science & Technology, Inc	\$210,941,465
7	Red River Computer Company, Inc	\$182,788,680
8	DCI, Inc	\$123,213,501

Source: GovernmentContractsWon.com

As the decade progressed, the value of defense contracts to New Hampshire facilities grew steadily. In 2000 contracts totaled \$393 million. By the end of the decade the amount had more than quadrupled to \$1.641 billion. The 2009 figure was down slightly from 2008 with \$1.673 billion, but every other year of the 2000s saw impressive increases. The largest over the year jump was in 2006 when contracts expanded by \$437 million. Close behind was 2004 with a \$355 million increase.

With Nashua as home to four of the top six companies receiving defense

contracts and Manchester adding a fifth, it is no surprise that Hillsborough County leads the other nine counties by a significant amount. During the decade three out of four dollars went to Hillsborough County-based organizations. Rockingham County on the back of Insight Technology, Inc. of Londonderry, Sig Sauer, Inc in Exeter; and the Irving Oil companies in Portsmouth came in second. Red River Computer Co, Inc. in Claremont and DCI, Inc. in Lisbon pushed Grafton County to third. The remaining seven counties combined have yet to reach a total of \$40 million in any given year.

Martin Capodice

⁴ Lockheed Martin Corporation. *About Us*. 20 Jan 2011. <www.lockheedmartin.com/aboutus/>.

⁵ Kollsman, Inc. *Company Overview*. 20 Jan 2011. <www.kollsman.com/company/index.asp>.

Defense Contracts Awarded to New Hampshire Companies by County, 2000-2009

	Hillsborough	Rockingham	Grafton	Belknap	Merrimack	Cheshire	Strafford	Carroll	Coös	Sullivan
Decade Total	\$7,398,557,121	\$1,572,545,804	\$614,841,879	\$82,445,181	\$78,281,560	\$58,260,374	\$35,765,557	\$8,781,025	\$6,943,393	\$2,637,123
2009	\$1,222,511,447	\$296,245,077	\$89,649,155	\$10,287,695	\$7,430,652	\$7,814,799	\$3,995,199	\$894,244	\$2,269,130	\$319,373
2008	\$1,349,372,387	\$221,320,415	\$72,872,162	\$5,749,971	\$9,615,210	\$8,844,478	\$3,067,791	\$778,166	\$1,645,822	\$182,222
2007	\$1,219,506,525	\$280,382,914	\$69,637,541	\$5,227,908	\$9,218,994	\$8,278,739	\$3,631,682	\$333,609	\$1,548,544	\$347,568
2006	\$860,141,172	\$175,187,171	\$85,808,883	\$13,070,139	\$11,673,327	\$9,286,184	\$3,770,990	\$407,918	\$525,529	\$832,066
2005	\$760,794,900	\$239,714,345	\$59,023,582	\$12,934,369	\$6,875,351	\$7,382,598	\$7,054,828	\$5,224,543	\$305,636	\$156,082
2004	\$546,662,697	\$116,230,773	\$54,290,754	\$6,540,303	\$12,965,575	\$3,340,963	\$3,552,023	\$283,787	\$137,449	\$259,827
2003	\$410,381,405	\$79,749,066	\$58,606,865	\$4,820,693	\$7,707,099	\$3,030,866	\$3,091,713	\$610,724	\$75,809	\$351,796
2002	\$378,017,156	\$71,609,899	\$49,482,382	\$8,307,361	\$5,309,147	\$3,169,503	\$3,279,828	\$160,299	\$32,718	\$157,977
2001	\$350,355,593	\$49,552,507	\$38,921,433	\$11,433,259	\$4,748,788	\$2,304,922	\$3,138,584	\$0	\$0	(\$288)
2000	\$300,813,839	\$42,553,637	\$36,549,122	\$4,073,483	\$2,737,417	\$4,807,322	\$1,182,919	\$87,735	\$402,756	\$30,500

Note: Totals reflect net amounts including contracts that expire early or that funding is stopped, sometimes resulting in negative balances.

Source: GovernmentContractsWon.com