



A few weeks ago, one of our local customers brought in this curious newspaper article. He discovered it in the May 8th, 1994 issue of the Wall Street Journal and felt that many of the rest of you might find it as electrifying as he did.

Pentagon Is Said to Propose Barring Lucas Industries From Future Contracts

by Andy Pasztor

The Pentagon has proposed barring Lucas Industries PLC from future contracts, citing investigators' claims that substandard aircraft parts from the British company pose serious safety hazards for military pilots and industry federal officials said.

The expanding criminal investigation focuses on suspected false testing and chronic quality-control problems afflicting Lucas's aerospace operations in the U.S.

The Navy, which stopped accepting certain Lucas parts for its jets last summer and issued fleetwide notices highlighting potential safety problems, has told criminal investigators that 167 emergency landings of F/A-18 jets in the past year and a half are attributable to Lucas-supplied equipment.

A federal grand jury in Los Angeles is expected to begin hearing testimony about the matter shortly. While the existence of the investigation has been reported previously, the scope and details weren't disclosed before.

The failures "have caused engine fires, aborted missions and were factors in the loss of aircraft," according to a confidential report sent last month by the Pentagon inspector general's office to each of the armed services.

In addition, Justice Department and Pentagon investigators were concerned enough to alert the Federal Aviation Administration about suspected falsified test data, alleged unauthorized repairs, and other problems they discovered in three searches last summer at Lucas plants in California and Utah. The referral letter to the FAA's Western regional office in Los Angeles, according to one person familiar with it, noted the widespread nature of the alleged improprieties and pointed to the use of suspected defective parts in gearboxes built for a number of military and commercial engines.