Navy Awards Raytheon $258 Million Contract for SM-2 Missiles



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TUCSON, Arizona – The DoD recently announced that Raytheon has been awarded a $258 million contract for the engineering, manufacturing, and development of SM-2 Block IIICU All Up Rounds. This is a new contract for the follow-on integration

and test phase of a development program we've been in contract for. Majority of work will be performed in Tucson, Arizona and is expected to be completed by September 2031.

"This contract signals the increased demand given the critical role these interceptors are playing for the U.S. and our allies," said Barbara Borgonovi, president of Naval Power at Raytheon. "The SM-2 Block IIICU variant incorporates several upgrades and will provide the U.S. Navy with a more capable and versatile missile for modern naval defense operations."

About SM-2:

- SM-2 is a cornerstone of a ship's layered defense. It provides firepower against high-speed, highly maneuverable anti-ship missiles and aircraft and protects naval assets that give warfighters greater operational flexibility.

- The missile can be launched from the MK-41 Vertical Launcher System (VLS) and MK-57 Advanced VLS. It will remain a primary anti-air warfare effector for USN Aegis destroyers and cruisers for several more decades.

- More than 12,000 SM-2 missiles have been delivered to the U.S. and allied customers. International customers include Australia, Canada, Germany, Japan, Korea, Netherlands, Spain and Taiwan. Chile and Denmark will be the two newest SM-2 missile customers.

- The U.S. Navy confirmed it fired SM-2 to intercept anti-ship missiles and drones in the Red Sea in early 2024 to defend against attacks by Houthi rebels targeting commercial vessels transiting the waterway.