

Congressman Used Position on House Appropriations Subcommittee on Defense to Secure Funds; Company Expects to Save or Create More Than 80 Jobs

Endicott, NY - Congressman Maurice Hinchey (D-NY) today joined Endicott Interconnect Technologies (EIT) officials to announce that he's secured a \$6 million federal investment for the company to develop state-of-the-art microelectronic chips for the U.S. military that will safeguard against foreign tampering of weapons.

"As the tactics of U.S. enemies become more sophisticated, it's imperative that we stay ahead of the curve and develop technology for our military that will be tamperproof and prevent any intentional malfunctioning of U.S. weapon systems," Hinchey said. "Endicott Interconnect Technologies is going to use this federal funding to develop a state-of-the-art microelectronic chip that will help ensure the integrity of the weapons our forces are using so they cannot be electronically manipulated to work against them. By investing this money now, we are helping to protect American forces while also creating and saving jobs in the Southern Tier and promoting economic growth."

EIT expects to create or save more than 80 jobs as a result of the new funding and the subsequent military contracts it anticipates receiving. The company will develop a microelectronic chip that would enable the military to ensure that no foreign government or hostile organization has tampered with U.S. weapons. The microchips are expected to be used for unmanned ground and aerial vehicles, artillery shells, robots, satellites, and other military equipment.

EIT also expects the equipment will be used for non-military purposes, including for laptops, personal computers, Blackberries, and other personal and business electronic gear. Such manufacturing needs could generate even more jobs at the company. "I am extremely pleased that the research we are supporting today has future commercial applications that will benefit Endicott Interconnect Technologies' civilian business operations," Hinchey said.

The company will develop the design structures for the anti-tampering detection technology into EIT circuit boards that will be manufactured and placed into various military weapons and equipment. The microchips will be fully integrated into the weapons' circuit boards in order to avoid an enemy's ability to tamper with just one section of a circuit board. EIT will also develop

equipment that will be used to test the circuit board microelectronic systems in the various military weapons. These tests will be conducted over the life time of the system to ensure it hasn't been altered or tampered at any point over its lifespan.

Over the last two decades, a larger percentage of the U.S.-based circuit board microelectronics industry has moved overseas. In addition to the negative impact on the U.S. economy, this migration presents a national security risk. The Pentagon now has to ensure and certify that advanced microelectronic components (circuit boards) used in U.S. weapon systems are manufactured within the United States instead of nations and foreign organizations that could have an interest in tampering with microelectronic equipment to harm U.S. forces.

This certification must be conducted because the U.S. military cannot trust the reliability of specific foreign made microelectronics components technology in sensitive weapon systems. Foreign made parts from nations that are potential adversaries to the United States can be specifically manufactured to fail to work when they are most needed. Tampered foreign made microelectronic parts can be designed to "turn off" or fail to operate at any time during the 30 year life cycle of the microelectronic package that is placed into a US weapon system. EIT equipment would ensure that U.S. military microelectronic components are certified "tamperproof" before they are placed into weapon systems on which the lives of U.S. forces depend.

"We have an obligation to protect our troops from their own weapons being used against them as the result of equipment being sabotaged by foreign entities," Hinchey said. "The technology that Endicott Interconnect Technologies will develop will enable the military to follow the development of these weapons and to know that they will work the way they were designed and have not fallen into the wrong hands. I am very pleased that work on such an important initiative is being done right here in the Southern Tier."

The implementation of the research and development program with the funds Hinchey secured will create at least 10 new EIT jobs and retain seven other positions. After research and development work is completed, EIT estimates that 17 new jobs will be created for continued tamperproof packaging development and implementation. The company expects that 50 or more manufacturing positions will be retained to support production needs.

EIT will partner with the U.S. Army Research, Development and Engineering Command's (RDECOM) Armament Research, Development and Engineering Center (ARDEC). ARDEC is

the Army's principal researcher, developer and sustainer of current and future armament and munitions systems.

The \$6 million that Hinchev secured is included in the fiscal year 2010 Defense Appropriations bill that the House approved on July 30. The Senate is expected to approve its own version of the bill next month.