For the past 40 years, Dr. Thomas Kennedy has held many different roles – serviceman, engineer and head of Raytheon Company – but each has had a common goal: protecting the United States and its allies. Kennedy became Raytheon’s chairman and CEO in 2014 and during his career with the company, he has left a mark through many leadership positions and his work to advance radar and electronic warfare systems. He has earned several patents, as well as the Aviation Week Laureate Award for his achievements on the Active Electronically Scanned Array program. Prior to Raytheon, Kennedy served in the U.S. Air Force, where he attained the rank of captain. He will become chairman of AIA’s Board of Governors at the beginning of 2018. He recently shared with the Executive Report his views on our industry’s key issues.

As the incoming AIA Chairman, you will be a leading voice for American industry and for AIA. As Chairman, what goals do you have for AIA and American aerospace and defense in 2018?

AIA and our member companies are the heartbeat of the American economy. We are engines of R&D, innovation and manufacturing, and we are one of our nation’s great sources of rewarding, good-paying, noble jobs that help millions live the American Dream. That makes the role of AIA and what it does so important. Today, our focus is on strengthening our competitiveness and addressing some of the core, structural issues important to all of us and our customers, to propel our industry forward.

Our No. 1 issue today is the lack of a formal budget, and the need to repeal or raise the Budget Control Act caps. Industry needs a stable budget so it can make reliable long-term plans around capital, programs and research, among other needs. More importantly, the Department of Defense needs to improve the state of readiness of our armed services and ensure they can maintain technical overmatch. The same applies to civil agencies like NASA, NOAA and the FAA. They are critical to the nation and our industry, and they also need robust and predictable funding.

In 2018, AIA will be at the forefront of driving change to help member companies be more competitive. A more progressive tax rate, for example, will help U.S. industry better compete at a global level. So will reducing red tape; working with the government to cut down on unnecessary regulations and requirements. When our member companies do business internationally, we compete against countries, not companies. As a result, we need continued export reform, U.S. government advocacy on behalf of the industry abroad and expedited approvals for exports.

Lastly, we want to help resolve key issues slowing down progress on critical programs and technologies, such as the backlog of security clearances. We are backing initiatives that improve the security clearance process. This backlog is stifling industry’s ability to recruit top talent for national security programs and creating unnecessary delays and costs for these programs. We plan to work hard in the year ahead to find effective solutions to this key issue.

“Together we are shaping an exciting future, one where we will lead the way in exploring new frontiers, safeguarding our way of life and engineering solutions to the great challenges of our time.”

Thomas Kennedy: Champion of Aerospace and Defense
You have been outspoken about the importance of cybersecurity in American industry. How do you assess the current nature of the threat and industry’s response and preparedness for it?

I absolutely believe that cyber risk is the most critical threat facing our economy, businesses and government today. Every time I attend a dinner or an event, at least one C-suite or board executive comes up to talk to me about the growing cyber threat. Everyone is facing it, but what they don’t realize is that they’re only seeing the tip of the iceberg. When everything is connected, everything is vulnerable.

Fortunately, our industry is ahead of the curve. We’ve dealt with these threats for decades. But whether you’re in the A&D industry or the auto industry, financial institutions, energy or frankly any industry, the risks are the same. We’re all facing a more sophisticated and aggressive threat coupled with increased vulnerability due to the rapidly expanding Internet of Things.

As I think of the three things we can do to strengthen our response and preparedness as an industry, it would start with building cyber resiliency into the A&D supply chain – making sure we’re helping our smaller suppliers meet their Defense Federal Acquisition Regulation Supplement requirements. Then, we need to continue a program of cyber hardening our nation’s defense systems, both legacy systems in the field and those being developed. And third, we need to work together to recruit and train the cybersecurity workforce of the future.

Just as you take over as Chairman, AIA will also shift in its presidency. How has Dave Melcher’s tenure as CEO set up Eric Fanning for success in taking AIA forward?

Dave was a strong leader for AIA, and we thank him for his hard work, strong advocacy and many accomplishments. He did a great job streamlining AIA and sharpening its focus. And this has significantly increased its effectiveness to speak on our behalf with one voice. I look forward to working with Eric to build on Dave’s work and take AIA to the next level. Eric’s strong leadership experience in government and national security will be invaluable. He knows the key issues relative to defense, space and civil aviation thoroughly, inside and out, as few do. That means he’ll be able to hit the ground running in helping influence the conversation around ending sequestration, reducing regulations, tax reform and security cooperation reform. We look forward to having his strong advocacy on all critical issues going forward.

As AIA prepares to celebrate its centennial what trends do you see in the century ahead?

As we look at future trends, technology is at the top of the list. We’ve been on a linear path relative to technological change, and now we’re pretty close to an inflection point where change will be exponential. As a result, we’re going to be seeing dramatic advances in areas like AI, nanotechnology, quantum computing and additive manufacturing (3-D printing). Our industry needs to embrace these changes to not just survive, but thrive.

This includes investing in R&D today for the technological breakthroughs our customers will require in 2030-2050.

I mentioned cybersecurity earlier. Because lives depend on virtually every product our industry provides, we know how to do cybersecurity. What we have to do is help other industries, since from my vantage point, the commercial sector, for one, is underprepared. When you consider that 85 percent of networks and internet infrastructure are in private hands, you see the vital need for our defense-grade cyber expertise, as well as for a strong public-private partnership. This has now become a global security imperative.

This is an exciting time for our industry. The rapid pace of technological change is challenging us to develop new, advanced capabilities to maintain the U.S.’s operational and technical dominance. And this is the area where AIA member companies thrive. The technologies we are developing today will continue to support a strong U.S. employment and manufacturing base for decades to come.

Together we are shaping an exciting future, one where we will lead the way in exploring new frontiers, safeguarding our way of life and engineering solutions to the great challenges of our time.