Exhibit 3

U.S. Department of Justice

Antitrust Division

City Center Building
1401 H Street, NW
Washington, DC 20530

May 5, 2003

Roger F. Roberts
Senior Vice President
Space & Intelligence Systems
The Boeing Company
2800 Westminster Boulevard MC SZ-84
Seal Beach, CA 90740-2089

Re: Comment on Proposed Final Judgment in *United States v. Northrop Grumman Corporation and TRW Inc.*, No. 1:02CV02432, filed December 11, 2002

Dear Mr. Roberts:

This letter responds to your March 10 letter, commenting on the proposed Final Judgment submitted for entry in the captioned case. The government's Complaint in the case charged that the proposed acquisition of TRW Inc. ("TRW") by Northrop Grumman Corp. ("Northrop") would combine one of the only two suppliers of radar and EO/IR payloads for reconnaissance satellite systems sold to the U.S. Government (Northrop) with one of the few companies able to act as prime contractor on U.S. reconnaissance satellite programs that use these payloads (TRW). The Complaint alleges that as a result of this combination, Northrop would have the incentive and ability to lessen competition by favoring its own payload and/or prime contractor capabilities to the detriment or foreclosure of competitors, and would harm the U.S. Government by posing an immediate danger to competition in two current or future programs, the Space-Based Radar and Space Based InfraRed System-Low programs (the latter program is now called the Space Tracking and Surveillance System).

Your letter requests that two modifications be made to the Final Judgment. The first, and most substantive, request is that the definition of "Payload" be expanded to explicitly include signal intelligence ("SIGINT") technology, as well as the electro-optical, infrared, and radar technology that is now contained in the definition in the Final Judgment. You state that you believe signal intelligence payloads, which prior to the merger were made only by TRW, and not by Northrop, were probably intended to be included, and that their inclusion must be made explicit to "ensure that TRW SIGINT payloads continue to be made available on a non-discriminatory basis to all potential primes who wish to bid future covered procurements featuring SIGINT systems." A specific concern raised in your letter is the impact of the acquisition on future programs that involve multi-mission satellites combining both SIGINT and radar capabilities.

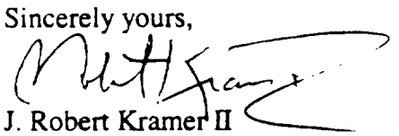
The scope of the proposed consent decree is limited to remedying the anticompetitive effects arising from this transaction. These effects result from the combination of Northrop's payload

capability with TRW's satellite prime capabilities. Your letter states that TRW already possesses SIGINT payload capability. In such event, the combination of this payload capability with TRW's satellite prime capability was pre-existing and did not arise from the merger. Therefore, it is not addressed in the proposed consent decree.

The second request in your letter is that the Compliance Officer be expressly empowered to sponsor potential competitors for access to classified information that might be needed to compete for a given program. Access to classified information is a sensitive issue in any classified program, and detailed procedures have been developed by the appropriate agencies to deal with questions that may arise regarding such access. The United States does not believe that the Final Judgment should be used to modify government procedures, but instead is directed at modifying private anticompetitive conduct. If internal U.S. Government classification procedures restrict the number of potential competitors for a project, it is always in the discretion of the affected agency, after carefully balancing that problem against the need to protect classified technologies, to modify its own procedures.

Thank you for bringing your concerns to our attention; we hope this information will help alleviate them. Pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(d), a copy of your comment and this response will be published in the Federal Register and filed with the Court.

Sincerely yours,



J. Robert Kramer II
Chief
Litigation II Section

Roger F. Roberts, Ph.D
Senior Vice President
Space and Intelligence Systems
Integrated Defense Systems

The Boeing Company
2600 Westminster Boulevard MC SZ-84
Seal Beach, CA 90740-2089

March 7, 2003

Mr. J. Robert Kramer, II
Chief, Litigation II Section
Antitrust Division
U.S. Department of Justice
1401 H Street, NW., Suite 3000
Washington, D.C. 20530

BOEING

Dear Mr. Kramer:

We appreciate the opportunity to comment on the interim consent decree regarding Northrop Grumman's acquisition of TRW. Boeing is pleased the Government has issued this interim decree to ensure competition and sourcing choices continue for reconnaissance satellite systems. Our comments follow.

Definition of Payload to cover Signal Intelligence ("SIGINT") capabilities.

It's almost unquestioned that TRW is considered a "national resource" for its payloads that perform missions gathering information about the origin, nature and content of radio signal transmissions or emanations. Collectively these capabilities are called signal intelligence or "SIGINT." The U.S. Government has spent billions helping TRW develop SIGINT capabilities and these are now a key element of modern orbital satellite reconnaissance. Some of these SIGINT capabilities are highly classified.

There is some question about whether the Consent Decree's definition of "payload" clearly covers this crucial SIGINT technology. Definition H of the Final Judgment defines "Payload" as satellite assemblies "using electro-optical technology, infrared technology or radar technology, [to] enable a satellite to perform a specific mission." This definition "expressly excludes those payloads whose primary mission is communications."

While Boeing concurs with the exclusion of payloads whose primary mission is communications, we do not believe it was intended nor is it prudent to exclude those satellite payloads whose primary mission is signal intelligence reconnaissance. Electronic signal intelligence technology should be added to electro-optic, IR and radar technologies. *We believe the decree must ensure that TRW SIGINT payloads continue to be available on a nondiscriminatory basis to all potential primes who wish to bid future covered procurements featuring SIGINT systems.*

Unless these clarifications are made, the following scenario could occur: A heritage Northrop Grumman ("NOC") division could decide to bid as a prime for a multi-mission satellite that combines NOC radar capabilities and TRW SIGINT technology. While the consent decree requires it to offer use of NOC radar systems on a non-discriminatory basis to other potential competitors, NOC could "lock up" the TRW SIGINT payload for the NOC prime bid. This would deprive other potential primes from using TRW's unique and critical SIGINT capabilities in their own bids for future multi-mission reconnaissance satellite platforms. This is not just a matter of data rights, which the government probably already has as "unlimited" because of its extensive funding of TRW SIGINT technology, but it affects access to cleared personnel with highly specialized knowledge in these areas, facilities and equipment. Boeing expects that increasingly government customers will be seeking multi-mission systems as part of their network centric warfare initiatives.

Accordingly, to preserve potential competition for multi-mission reconnaissance satellites forecast for the future, we recommend that coverage for signal intelligence capability be added to the definition of "Payload" in Definition H of the Final Judgment. The clarified definition would read that "Payload means the assembly or assemblies on a Satellite that use electro-optical technology, infrared technology, electronic signal intelligence technology or radar technology... ." The last sentence of Definition H should be modified to read, "Payload expressly excludes those payloads whose primary mission is communications, but includes those payloads whose primary mission is to gather intelligence through signal interception.

Classified Systems.
Many of the systems covered are likely to be highly classified. If NOC/TRW positions itself for a sole source award, Government agencies may be reluctant to provide security billets to other potentially competing contractors. We would like to see the Compliance Officer specifically empowered by the Final Judgment to sponsor potential competitors for security access to covered programs.

Thank you for considering our comments. Please contact my focal point on this matter, Jeffrey Rohm at 562-797-1143, if you have any questions.

Sincerely,

Roger Roberts

Roger F. Roberts
Senior Vice President
Space & Intelligence Systems