



BOEING • SPEEA
2008
labor negotiations

****This message is being sent by Doug Kight, vice president of Human Resources, to all managers and HR employees in Washington and Oregon.****

SPEEA negotiations update – October 16 steering team meeting

The joint SPEEA/Boeing negotiations steering team met today to discuss progress to date, review what we need to accomplish during the next two weeks before moving to the hotel, and plan our work statement for the hotel phase of negotiations, which is scheduled to run from Oct. 28 until Nov. 11.

The steering team meeting is part of an ongoing effort to get a better understanding of the union's and the company's perspectives on the issues so we can work toward a thoughtful resolution. At times the talks have been difficult – as is the case in most contract negotiations – but we also believe that we have made substantive progress. That said, a lot of hard work remains to be done.

The joint subcommittee leaders reported today that they have been reviewing contract language and identifying sections where we agree. The subcommittees have reached tentative agreement on 28 of 55 contract articles and letters of understanding in the Professional Unit contract, and 28 of 56 on the Technical Unit side – all focused on non-economic issues. The subcommittees are scheduled to continue meeting throughout the next two weeks before we move to the hotel.

We also have been discussing the economic issues of pay, pension, health care and other benefits in subcommittee, and they will be the focus of negotiations during the hotel phase as planned. At the end of this process, Boeing will offer a comprehensive contract that rewards employees with enhanced pay and benefits, while allowing the company to remain competitive.

Today, we also talked about the work we intend to accomplish at the hotel and started developing a plan for completing this work statement. We outlined an approach similar to the process that worked well in the past two negotiations with SPEEA, resulting in contract offers that employees supported by well over 80 percent in 2002 and 2005.

Later today we will post this message on our negotiations Web site (www.boeing.com/2008negotiations/). We ask that you take a few minutes to update your teams.

Also, please visit the innerViews blog (<http://innerviews.blog.boeing.com/>) for answers to questions about ongoing negotiations. If you are curious about any negotiations-related issue, feel free to submit a question and I will answer it as soon as I can.

Thank you for your support.

Doug