



*\*\*\*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 – Nov. 4, 2008**

Today Boeing and SPEEA negotiators continued discussions in an afternoon main-table session. The union presented data to support its pay package proposal, which was put forward at the main-table yesterday. We had a good exchange of information as the company asked a number of questions seeking clarification and rationale behind the union's salary proposal.

Boeing presented proposals on contract labor and employment stabilization. The union recognized the movement we've made and we are waiting for SPEEA's response. New language in our proposals framed Boeing's guiding principles regarding the importance of our engineering team and the need to supplement our skills through use of non-Boeing labor. These principles include:

- Our Boeing-direct engineering and technical teams are the foundation of our current and future competitiveness.
- Development of our team is key to retaining the ability to develop future products.
- We must meet our program commitments and this requires that we supplement our team with non-Boeing support.
- Use of non-Boeing support contributes to our objectives for employment stability for Boeing employees.
- Employee engagement and involvement is key to productivity and continuous improvement.

Also in the afternoon session, we reached tentative agreements on two parts of the contract.

Tomorrow, we anticipate continuing the dialog on use of non-Boeing labor. It is important to finish the non-economic features of the contract before moving into pay and benefits. We are still on pace to conclude negotiations next Tuesday, Nov. 11.

### **Actions for managers:**

- Please share and discuss the information in this message with your employees.
- New fact sheets are available. Make sure employees are aware of the updated fact sheets on [health care](#) and [income replacement](#) at retirement. You can print out the fact sheets and use them as a tool in discussions with your team.
- If you haven't already, sign up for [alerts](#) to be notified when updates are made to our Web site.

Thank you for all your support throughout this process.

Doug