

## Technology Development

**Through the effective application of innovative technologies and common processes and systems, Boeing is honing a sharper edge for future global competition.**

Innovative people, technologies, processes and systems are the lifeblood of continuous growth and productivity improvement in every company. Boeing is developing leaders who will ensure that a healthy flow of these vital resources is provided to every business unit and function to help guarantee their continuing success.

In 2005, for example, we infused a broad spectrum of innovative materials, manufacturing and avionics

technologies and processes into our commercial and military programs to significantly reduce their design and production cycle times and cost while improving the quality and performance of their products. Programs of particular focus this year were the 787, Future Combat System (FCS), V-22 Osprey, and Multi-mission Maritime Aircraft (MMA).

The business units also gained a variety of advanced systems programs to help grow their top lines. These included the Apache Block III helicopter, Space-based Surveillance System, Optical Deep-Space Imager, and some significant proprietary programs.

More promise for future growth was demonstrated by

strengthening our ability to establish a single IT architecture for the enterprise and deploy common processes and systems to enhance the efficiency of our business operations and ability to design and build products anywhere in the world. New programs like MMA, FCS and 787 have been early beneficiaries of this effort to demonstrate its power in transforming Boeing into a global, network-centric enterprise.

**We continually assess the future needs of our customers to ensure that we are developing the right skills, technologies and processes to meet their needs with the best possible solutions.**

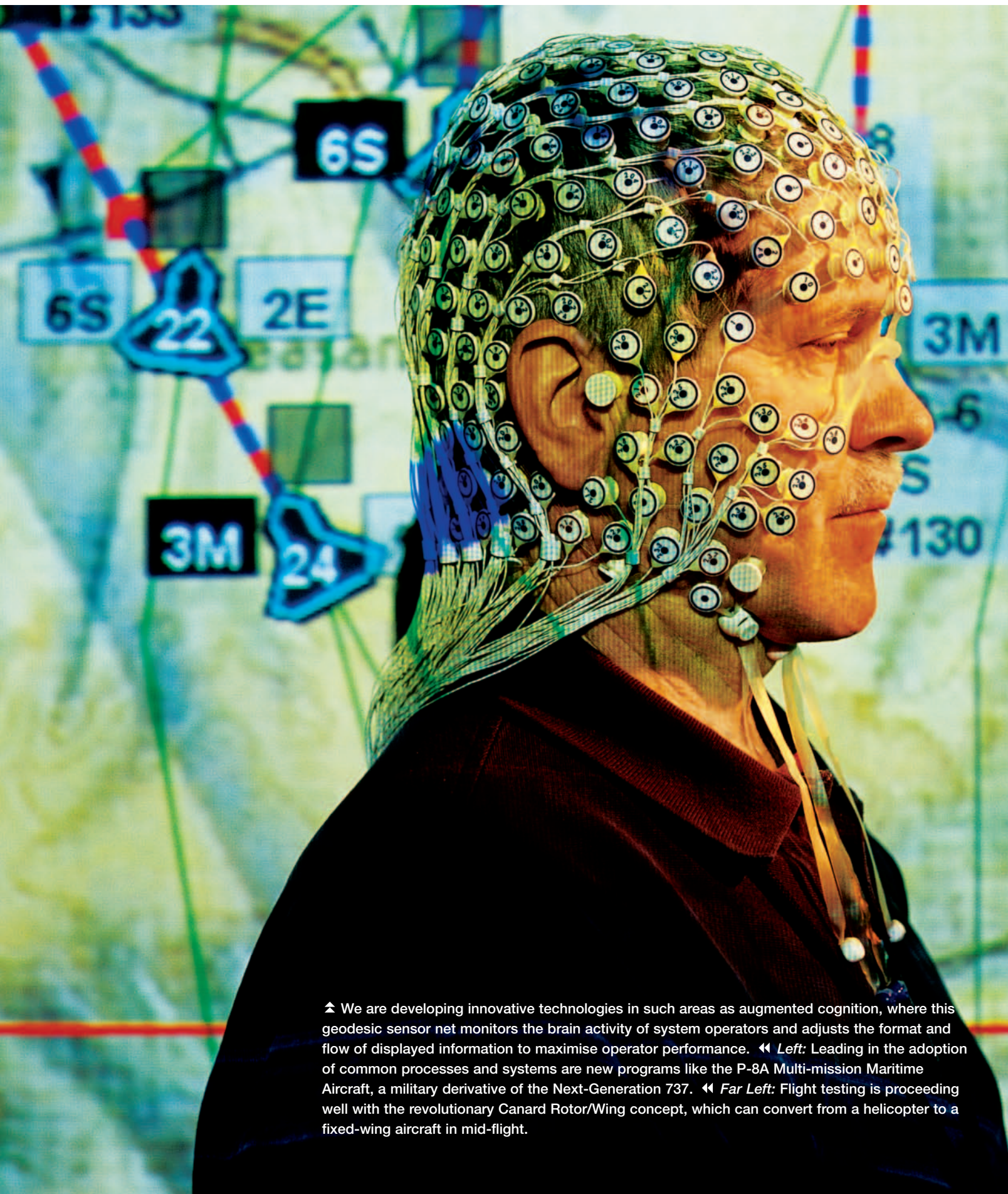
# advancing faster

significant progress in flight testing of the ScanEagle, X-50 Canard Rotor/Wing, and A160 Hummingbird advanced unmanned air vehicles. We also captured 18 key new programs in such areas as advanced unmanned systems, space-based surveillance and air traffic management.

To further sharpen our competitive edge, we have consolidated all our information technology (IT) programs and initiatives into a single, integrated organization. This is

Finally, we have established a new enterprise initiative called Development Process Excellence. By focusing on maximizing the yield on Boeing's R&D investments and improving the productivity and effectiveness of all development programs, this long-term initiative — like our technology initiatives — is designed to enhance Boeing's growth and productivity year after year for decades to come.





⤴ We are developing innovative technologies in such areas as augmented cognition, where this geodesic sensor net monitors the brain activity of system operators and adjusts the format and flow of displayed information to maximise operator performance. ⤴ Left: Leading in the adoption of common processes and systems are new programs like the P-8A Multi-mission Maritime Aircraft, a military derivative of the Next-Generation 737. ⤴ Far Left: Flight testing is proceeding well with the revolutionary Canard Rotor/Wing concept, which can convert from a helicopter to a fixed-wing aircraft in mid-flight.