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New Organization To Be Catalyst For Vision 2016 Culture

Boeing Chairman and CEO Phil Condit announced today the creation of a new People organization in Company Offices, to be led by Jim Dagnon, currently senior vice president, employee relations for the Burlington Northern Santa Fe Corporation in Fort Worth, Texas. Jim will join Boeing on May 1, and will be a member of the Executive Council reporting to Condit.

"When I first put forth the Vision 2016, I discussed the business, the organization and the people as three elements of that vision," Condit said. "I also said that as critical as the business and organization concepts were, they could not be achieved without people.

"This new organization brings together the major elements that are necessary to the achievement of the cultural objectives defined in Vision 2016, Condit explained. In addition to the traditional Human Resources functions, it also will encompass the Organizational Development function and the Boeing Center for Leadership and Learning, both of which had been in Information & Support Services The Employee Benefits organization that had resided in Company Offices Finance is being combined with the Compensation organization to provide better focus on the interdependencies of pay and benefits.

"Creation of this new People organization is much more than a name change for activities normally residing in Human Resources," Condit said. "It represents our commitment to create a culture which practices all aspects of the Vision 2016. We look to the People organization to be the catalyst to help us all work together and make Boeing a rewarding and enjoyable place to work."

Dagnon brings a wealth of experience to this new assignment; in his current position he helped lead the successful merger of Burlington Northern and Santa Fe. His experience as a leader in a changing business environment will be invaluable to the Boeing-McDonnell Douglas merger efforts. He brings a new perspective with new ideas to Boeing.

Dagnon is a 25-year veteran of the human resources field. He has been at Burlington Northern for almost three decades and has valuable experience with mergers and in working cooperatively with labor unions. He began his career as a union representative, and has worked his way up through the ranks. He is involved in a number of community organizations, and is an active private pilot.

Reporting to Dagnon as senior vice president - People will be: Jerry Calhoun, vice president of Employee and Union Relations; Garry Crocker, director of Workforce Administration; Gary Jusela, director of Organization Development, formerly in Information and Support Services; Peter Morton, vice president of the Boeing Center for Leadership and Learning, formerly in Information and Support Services; Mike Stewart, vice president on special assignment to the Boeing- McDonnell Douglas merger team; Michael Valliere, who has been appointed vice president of Compensation and Benefits, replacing Chuck Hagberg who retired April 1.

Reporting to Valliere will be Nancy Cannon, director of Employee Benefits, which was formerly in the Company Offices Finance organization. The actuarial and accounting function associated with employee benefits remain in Company Offices Finance.

"All of us who have met Jim, and the Executive Council as a group, are very pleased that we have been able to bring him to The Boeing Company," Condit said. "As we continue to capture the synergy between Boeing North American and the Boeing Defense & Space Group, then merge with McDonnell Douglas, effective integration of knowledge and resources around the world will be key to our success. Jim's experience and perspective will allow us to more easily expand the scope of our cultural objectives as defined in the Vision 2016 to include Boeing North American and McDonnell Douglas."

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