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In an effort to ensure success of a new joint venture that begins June 30 to provide airline training, partners Boeing and FlightSafety International have added the option of staffing the venture with current Boeing Customer Training employees. Originally the training employees needed for the new venture were asked to leave Boeing and accept employment with FlightSafety, which will manage the venture. The change is intended to expand employee choice in the matter.

The offer was jointly crafted by Boeing management and the Seattle Professional Engineering Employees Association. SPEEA campaigned for retaining employment status on behalf of about 250 SPEEA-represented employees at work in the Boeing Customer Training facility in Renton, Wash.. Since late last week, SPEEA and the company have been in negotiations over the effects of the offer on represented employees. Those negotiations concluded successfully June 13. The offer also applies to non-represented, non-supervisory training employees.

Affected employees will have the choice of leaving Boeing to join the new venture as before or remaining as Boeing employees and then be assigned to the joint venture. More than 400 Boeing people received offers to join the new training company in late April. About half of those have already accepted offers, along with incentive payments made as part of the transition. All impacted employees may reconsider their options and are asked to decide by June 30, when the new venture begins formal operation.

In their negotiations, SPEEA and the company agreed on how the required repayment of those incentives in exchange for remaining at Boeing will occur, as well as how training employees who have transferred to other Boeing jobs will be considered if they wish to return to their former jobs. Employees who wish to work directly for the new venture can do so and receive the accompanying incentives and severance payments negotiated earlier. Those remaining at Boeing will retain their existing wages, benefits and work conditions. The employment option was not extended to supervisors, who will be employed directly by the new venture.

In commenting on the company's offer of the expanded choice option, Tom Schick, Boeing Commercial Airplane Group executive vice president and deputy to the president, said "Boeing and FlightSafety are making this change because it's the right thing to do. We received a lot of mixed reactions to this joint venture and we listened to that input. We re-looked at the business case -- both the bottom line and the people issues -- and decided it was best to change course. What doesn't change is our commitment to deliver world-class training through FlightSafety Boeing Training International and make it the success that we know it can be."

Speaking for SPEEA, President Andre Airut said: "For all those people who spoke out about the creation of the new venture, this is the evidence that the process works. Through SPEEA, we gave voice to our concerns and acted collectively to make positive change. Boeing took a bold step in making this change in direction, and all of us learned lessons in the process. We agree it's the right thing to do, and the people involved can take a lot of credit for helping us get here."

As an outcome of the negotiations, SPEEA agreed to request withdrawal of two unfair labor practice charges related to the new venture's creation now pending before the National Labor Relations Board. Also, the company and SPEEA agreed that Boeing will notify and involve SPEEA, as appropriate, if future new venture activities will impact SPEEA-represented employees.

The focus of the new venture is to both expand the offering of airline flight crew and maintenance training products and services to Boeing customers and to a worldwide airline training marketplace expected to grow significantly over the next decade. The partnership will marry Boeing's widely recognized expertise in airline

customer training with FlightSafety's international network of training centers and its simulator manufacturing capability.

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