Boeing Takes Additional Steps To Strengthen Production

Continuing to make full use of its companywide resources, Boeing Commercial Airplane Group (BCAG) announced additional steps today to strengthen its production situation.

BCAG intends to fly some 737s to its Douglas Products Division in Long Beach, Calif., for specialized work. Five airplanes are Next-Generation 737s that will be converted from a flight-test configuration to a customer configuration in preparation for delivery. Five additional 737s will receive "finishing," which can involve a range of tasks, including interior installation. All of the airplanes will return to Seattle for painting and delivery.

In addition, BCAG will begin transferring delivery work on some 757 airplanes from Renton and Boeing Field in Seattle to its Everett, Wash., facility. The first 757 will fly to Everett next week to be readied for customer delivery. With this move, crews normally assigned to 757 delivery tasks will be able to assist with 737 pre-flight and delivery work. Some 757s will continue to be delivered from Boeing Field.

BCAG also announced that it is considering starting a Next-Generation 737 production line in Long Beach. The initial plan is that this production line would focus primarily on final assembly of airplanes that have significantly different configurations than Next-Generation 737s ordered by most airline customers. For instance, Boeing Business Jets and 737-700C (convertible freighter version) airplanes might be assembled on this line. The main 737 production lines in Renton would be able to focus on high-volume production of airplanes for commercial passenger transport.

This capability would also provide additional flexibility for accommodating future changes in production rates and model mix. As a result, the company indicated that it is possible BCAG would assemble other Next-Generation 737 models in Long Beach.

"We're reviewing the business case for establishing a Next-Generation 737 line in Long Beach and we expect to make a final decision by this summer," said Fred Mitchell, BCAG executive vice president - Airplane Production.

"Our employees have been doing a great job in an extremely demanding period," said Mitchell. "So we've been aggressively studying how to better balance our work load and meet customer commitments. This is an excellent opportunity to use all of the resources and facilities available to us as we continue to focus on improving production."

Mitchell added, "We'd like to be able to take advantage of the well-trained and experienced work force at Douglas Products Division, which has a long and distinguished history of commercial airplane production."

These steps outlined here would not be expected to result in layoffs in Puget Sound, and may mean recalling some people in Long Beach.

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