Boeing Settles Discrimination Suits; Condit Calls for Company of Inclusion

The Boeing Company today announced it plans to settle for $15 million two nationwide class action lawsuits that alleged employment discrimination. The announcement was made by Boeing Chairman and CEO Phil Condit in a joint news conference here with Reverend Jesse Jackson, and Oscar E. Desper III and Bruce A. Harrell, class counsel for the plaintiffs.

"The company is taking this action to further our goals of encouraging diversity and promoting equal employment opportunity at Boeing," Condit said.

"We believe the terms of the settlement, along with the valuable help Reverend Jackson has provided, create an opportunity for Boeing to move forward with its vision. We need to be a global company of inclusion, where diverse groups and ideas flourish. We all have to work together to make Boeing more competitive." he stated.

"This settlement ensures further expansion of our efforts to improve our promotion processes, enhance training opportunities and ensure employees have avenues available to address their concerns. It resolves pending disputes in a fair and equitable manner and avoids expensive, protracted litigation that might have distracted us from building a better company for all employees," Condit explained.

"Any common ground between workers and the company, to give workers more security and to heal ancient wounds is the way to building bridges for the future," Reverend Jackson said. "Now we must engage with Boeing in the broader range of unmet challenges; the diversity of its infrastructure, its board, its procurement practices, its pension fund management and the broad range of opportunities that Boeing has to offer all Americans."

Counsel for the plaintiffs, Oscar Desper, said, "I am very pleased for all African-Americans who have and are currently working for Boeing. They earned and deserve this action. We are optimistic that Boeing will follow through on its commitment to implement the changes in the consent decree and continue to make Boeing a work environment that is beneficial for all people."

Attorneys for Boeing and the plaintiffs filed a motion in federal court seeking preliminary approval of the consent decree pending notice to the class members, and a fairness hearing. For purposes of the consent decree, the federal court has been asked to certify a nationwide settlement class of all African-American employees throughout Boeing's U.S. operations. The settlement class also includes all African-American employees who worked for Boeing during the past one to six years, depending upon state statutory limitations periods, including those who worked during that time at Rockwell or McDonnell Douglas facilities which have since become part of Boeing. Eligible employees and former employees will receive information about how to apply for monetary relief. They also will have the opportunity to opt out of the proposed decree or submit objections to the court as to the terms of the decree. Boeing currently has approximately 12,900 African-American employees.

Over the next several months Boeing will be implementing some new programs and enhancing others as a condition of the settlement. The company will create programs to improve hourly employees' understanding of the promotion process. It will provide channels for those not selected for promotion to develop themselves to be more competitive for future opportunities. Additionally, Boeing has begun implementation of a revised selection process for first-level managers and has made systemic changes to its EEO complaint procedure and investigation process.

In its filing, Boeing denies that there has been any pattern or practice of racial discrimination at the company.

The preliminary consent decree was filed jointly today in Seattle in the United States District Court for the Western District by Boeing and plaintiffs' counsel. The court must determine that it is fair, adequate and reasonable to the class as a whole before giving its final approval. This process will include formal notice to the class, an opportunity for members of the class to opt out of the settlement with respect to monetary relief, an opportunity to submit timely objections to the decree and a hearing on the fairness of the settlement. The process may take several months.

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