Boeing Hires African American-Owned Firms to Manage Investments of Its Employee Benefit Plans Trusts

The Boeing Company announced today that it has awarded two $200 million contracts to two firms to manage part of its benefit trusts assets. Boeing also has increased funding to an existing money management firm and initiated a commission recapture program with a brokerage firm. All of these firms are owned by African Americans.

Pugh Capital Management, of Seattle, and MDL Capital Management, of Pittsburgh, Pa., will each manage $200 million broad-spectrum fixed-income portfolios. Tiffany Capital, of Philadelphia, will manage an additional $95 million, bringing its total to $300 million, of a growth equity strategy. Boeing initiated a commission recapture program with the brokerage firm MAGNA Securities, located in New York City.

"These firms have a history of solid financial performance, and we're delighted that they will manage funds for Boeing," said Phil Condit, Boeing chairman and chief executive officer. "We want suppliers who help us strengthen our company performance and who will work together with us to achieve aerospace leadership and build the future of flight together," he added. "I'm also pleased that we have this opportunity to diversify and broaden our group of money managers and appeal, as a company, to a diverse population of investors."

The additions and changes are in conjunction with a consolidation of money managers from the Boeing, McDonnell Douglas and Rockwell pension funds. While Boeing is hiring some new managers, it is also reducing the total number of managers it does business with in investing its funds.

Boeing has $38 billion in defined benefit trusts assets and $20 billion in defined contribution assets.

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