

## Boeing Honors Suppliers For Outstanding Performance

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The Boeing Company announced today that 13 suppliers to its commercial airplane operations have been honored for outstanding performance in 1999.

Alan Mulally, president of Boeing Commercial Airplanes Group, praised the suppliers for their support of Boeing business goals and their ability to add value to Boeing products to better satisfy airline customers.

"These companies have supplied Boeing with superior service and outstanding, high-quality products," Mulally said. "The awards honor their excellence in services and performance, coupled with competitive pricing."

Russell Bunio, Materiel vice president and general manager said that suppliers who focus on quality, cost, delivery and technical excellence are essential to the Boeing commitment to meet or exceed the expectations of its customers and shareholders.

"It is a pleasure to recognize these companies, their employees, and their outstanding work," he said.

Winners of the 1999 "Supplier of the Year" awards are:

- BFGoodrich Aerospace Aerostructures Group, Chula Vista, Calif.
- Bumstead Manufacturing, Inc., Auburn, Wash.
- DME Corporation, Fort Lauderdale, Fla.
- Envirovac Inc., Rockford, Ill.
- Fischer Advanced Composite Components AG, Ried, Austria
- Hamilton Sundstrand, a United Technologies Company, Rockford, Ill.
- Hitco Carbon Composites, Gardena, Calif.
- Koito Industries, Ltd., Yokohama, Japan
- Moog Inc. East Aurora, N.Y.
- Onamac Industries Inc., Everett, Wash.
- Pegasus Northwest Inc., Kent, Wash.
- Toray Composites (America), Inc., Tacoma, Wash.
- Walden's Machine Inc., Tulsa, Okla.

The annual "Supplier of the Year" awards were first issued in 1988.

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## 1999 SUPPLIERS OF THE YEAR - BOEING COMMERCIAL AIRPLANES GROUP

### **BFGoodrich Aerospace Aerostructures Group - Chula Vista, Calif.**

BFGoodrich Aerospace Aerostructures Group, formerly Rohr, Inc., is recognized for its exemplary performance in quality, competitive pricing and on-time deliveries. The company supplies nacelle components, struts and fairings for the 737, 747 and 767 and pylons for the 757. In 1999, it consolidated its six domestic production facilities into three, but still maintained excellent support for spare and production parts. The company was one of the first suppliers to commit to reducing costs under Boeing Commercial Airplanes Group's "continuous cost improvement process" initiative. BFGoodrich Aerospace Aerostructures also has reduced spares and production flow times, making it a model for lean-manufacturing practices.

### **Bumstead Manufacturing, Inc. - Auburn, Wash.**

Boeing recognizes Bumstead Manufacturing for providing top-quality machined detail and minor sub-assembly parts at competitive prices, and for excellent product support. Accelerated schedules present no problem for Bumstead, which has a perfect delivery schedule. The company always has made products of the highest caliber, and its program planning and dynamic ability to perform under pressure place it among a select few. Bumstead exemplifies the meaning of "continuous quality improvement" and exhibits a commitment to excellence by consistently improving processes.

### **DME Corporation - Fort Lauderdale, Fla.**

The DME Corporation is commended for technical excellence, dependable performance, competitive pricing and a highly trained and skilled work force. A supplier of survival kits and equipment, DME had a perfect on-time delivery record for its kits in 1999. The company lends its expertise and support to resolving issues in an efficient manner. Its commitment to price reductions is demonstrated through new programs in lean manufacturing, value engineering and negotiations, resulting in price reductions to Boeing.

### **Envirovac, Inc. - Rockford, Ill.**

Boeing honors Envirovac, a supplier of 717 vacuum waste systems, for excellent product and delivery performance. The company provides a consistently high-quality product and accommodates changing schedules, always staying on top of potential issues and delivering on short notice. It also offers ideas in value engineering to reduce the recurring cost of its product.

**Fischer Advanced Composite Components AG - Ried, Austria**

Fischer is recognized for providing faultless support to Boeing operations in Tulsa, Okla. Fischer manufactures bonded panels and assemblies for the Next-Generation 737 fixed leading edge and supplies interior panels for other airplane models. Despite its location in a non-industrialized area, Fischer maintains a perfect on-time delivery record. Its pricing is very competitive, and the company provides a flawless product.

**Hamilton Sundstrand, a United Technologies Company - Rockford, Ill.**

Hamilton Sundstrand, the leading producer of airplane electrical systems, is commended for a consistently excellent delivery rating, quality products and competitive pricing. Its 717 integrated electrical power system decreased the number of components traditionally found in electrical systems from 60 to 9 and eliminated more than 150 wires, resulting in a weight reduction of 47 pounds and making it easier and faster for maintenance personnel to correct a problem and return an airplane to service. The simpler design also met the criteria that it be inexpensively built, highly reliable and easy to maintain.

**Hitco Carbon Composites - Gardena, Calif.**

Hitco Carbon Composites, which supplies flap track fairings for the 767, is lauded for exceptional product quality, outstanding schedule performance in both spares and production hardware, and lean-manufacturing principles that have allowed it to maintain the same pricing for 19 years. The company provided excellent support for the delivery of the first 767-400ER; Hitco responded promptly to problems outside its control, so that its shipment still was delivered on schedule.

**Koito Industries, Ltd. - Yokohama, Japan**

Koito, a supplier of passenger seats, is recognized for excellent product quality, exceptional delivery performance, and lean-manufacturing efforts. Koito's commitment to quality is indicated by a defect average more than 40 percent below the industry average. Its commitment to on-time delivery is equally exceptional. The company's commendable delivery and defect record has benefited Boeing with substantial reductions in cost; fewer defects result in less rework, and on-time deliveries eliminate costs caused by compressed flow times and out-of-sequence installation.

**Moog, Inc. - East Aurora, N.Y.**

Boeing commends Moog for being a customer-focused company that embraces Boeing initiatives. A supplier of flight control actuators, Moog initiated a major engineering program in 1999 to cut product development time in half. It has actively supported Boeing efforts to reduce costs through a "continuous cost improvement process." The company has aggressively pursued improvement opportunities through management leadership and a lean enterprise program. It continues to deliver an outstanding product on schedule at a competitive price.

**Onamac Industries, Inc. - Everett, Wash.**

A supplier of spare parts for Boeing in-service airplanes, Onamac Industries offers excellent customer service, quality products and on-time delivery performance. It has established lean manufacturing work cells in its factory to reduce set-up time and costs, has installed an internal tracking system that identifies quality discrepancies, and assists in training and educating its employees. The company has also taken steps to control and lower its costs and provided price reductions on its parts - thereby helping Boeing meet its cost improvement goals.

**Pegasus Northwest, Inc. - Kent, Wash.**

Pegasus Northwest is honored for outstanding commitment to quality, pricing, customer support and perfect on-time delivery performance. The achievements of this supplier of cargo liners are especially significant because the company's work statement nearly quadrupled in 1999. Pegasus has standardized many jobs and implemented improved technology to streamline production, allowing the company to reduce the product price to Boeing by 20 percent. Reductions in manufacturing costs were provided to Boeing even before cost improvement and lean manufacturing processes were established. The company is an example of a true Boeing partner, striving for continual incremental improvements in all activities involved with design, cost and delivery.

**Toray Composites (America), Inc. - Tacoma, Wash.**

Boeing honors Toray Composites for perfect delivery performance, exceptional product quality and cost reductions of several years' duration. The quality of Toray products to Boeing - graphite tape and fiberglass fabric - is the standard against which other suppliers are measured. Of the thousands of rolls received each year, less than one-tenth of one percent has had to be reworked or replaced - far below the industry average. The company has an exceptional staff of technical experts who maintains an exemplary relationship with manufacturing and engineering areas at Boeing, providing excellent support in resolving any issues that arise.

**Walden's Machine, Inc. - Tulsa, Okla.**

Boeing lauds Walden's for exceptional reliability in scheduled deliveries, excellent product support, consistently outstanding quality and receptivity to Boeing initiatives. The company supplies machined parts for the 737 and

747 that are almost uniformly perfect. The quality of Walden's products is so high that the parts have been packaged together in kits and shipped just-in-time. Walden's long-standing relationship with Boeing also has been marked by unusual openness to initiatives, such as the "continuous cost improvement process," making the company a model Boeing partner.

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