

## **Boeing Launches New Manufacturing Venture**

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As part of its strategy to leverage core competencies into new business opportunities, Boeing [NYSE:BA] announced today that it is using specialized rapid, low-cost manufacturing capabilities to launch a new business called On Demand Manufacturing or ODM.

Based in Camarillo, Calif., ODM will use Boeing selective laser sintering technology to perform rapid, low-cost fabrication of small lots of complex, hard-to-manufacture parts. Its first contract will be to supply parts to Boeing for the environmental control system ducts of military aircraft.

"Using state-of-the-art laser sintering technology, ODM will produce complex parts more quickly and with fewer tools than traditional manufacturers," said Anil Shrikhande, vice president of Boeing Ventures an organization that promotes and funds new ventures based on employee-driven business building concepts. "This will allow ODM to keep acquisition and operation costs low while providing just-in-time manufacturing services that more customers are demanding."

The selective laser sintering process used to manufacture the environmental control system ducting was developed by the Boeing Phantom Works R&D unit in its accelerated digital design and manufacturing technology thrust.

The process begins with a 3-D solid model of a part, which the computer slices into extremely thin (0.003 to 0.010 inch) cross sectional layers. Sent to the selective laser sintering machine, this cross sectional data is used to selectively guide the laser beam over a correspondingly thin layer of powdered material which solidifies under the heat. Layer by layer and feature by feature the digital solid model is recreated into a real part, ready for use in just hours or days, rather than months.

"The process not only saves time and reduces costs in production, it allows manufacturers to accommodate engineering changes quickly and improve supportability after products leave the factory," said John Wooten, general manager of ODM. "This allows customers to make design improvements that were previously considered too expensive and to rely on the quick availability of spare parts without having to buy large inventories of them."

On Demand Manufacturing has been operating as a Boeing subsidiary since June 2002, and currently is operating two Vanguard model selective laser sintering machines from 3-D Systems of Valencia, Calif., with plans to order more.

"As we execute the Boeing contract, we are actively seeking new contracts and investors to help grow the company," said Wooten. "We have listened to what customers say they want, and we are confident we are providing them with a valuable and affordable state-of-the-art service."

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