

Boeing responds to Wall Street Journal story

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Boeing submitted the following letter today to the Wall Street Journal after publication of a feature story in the August 25 edition:

Dear Letters Editor:

Just as in jet travel, turbulence is a transitory situation. So it is with one portion of Boeing's multi-faceted aerospace business. ("Boeing's Plan to Smooth Bumps...Hits Turbulence," page one, Aug. 25.) The fall of the dot.coms and the unfulfilled expansion goals of the telecommunications industry severely impacted the worldwide commercial satellite and launch market.

The strengths of Boeing's decision to merge its military and space-and-communications segments, and of its vision to diversify by investing in a broad range of new aerospace businesses, will enable Boeing to power through the turbulence and set it on a clear flight path. The revenues for the businesses that now make up Boeing Integrated Defense Systems increased more than 31 percent between 1998 and 2002, from \$19 billion to \$25 billion.

With the collapsed commercial space market at the lowest level in its 40-year history, Boeing has more than offset the downturn by growing into new areas. Its strategy is sound. The company is the industry leader in the evolving business of network-centric operations. Boeing is building and strengthening its management team to drive execution across a wide range of government programs.

As for the legal issues surrounding the Air Force's space launch program, Boeing rejects any assertion that it "solicited" competitive information. In addition, the company filed related documents with the SEC on the appropriate timetable, not in reaction to any Journal story.

As on any flight, you need to have a concise flight plan and an experienced crew. Boeing has both.

Sincerely,

Phil Condit
Text
Chairman and CEO
Text
The Boeing Company
