

Boeing, Striking IAM Locals Settle on Contract Offers; Vote Feb. 1

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Boeing [NYSE:BA] and officials from the International Association of Machinists and Aerospace Workers (IAM) have reached an understanding on contract offers for IAM Locals 725, 2766 and 44, representing approximately 1,500 company employees in Alabama, Florida and California.

Ratification votes for each IAM local will take place on Wednesday, Feb. 1, almost three months after the strike began on Nov. 2, 2005. If workers ratify the contracts they would return to work as early as Feb. 6.

The pay and benefits packages are very good given the market environment for each business and location, said Tom Easley, Boeing's lead negotiator. "We worked with the union to address certain medical plan premiums and caps within the benefits package and we encourage represented workers to use the revised online calculators posted on the negotiation Web sites to review their individual choices before they vote on Wednesday."

The contract offers, resulting from weekend meetings in Birmingham, AL., include:

- Lump sum bonuses and wage increases for employees
- A pension increase for employees who retire on or after March 1, 2006
- Lower monthly premiums for some medical plans
- Premium caps (maximum amounts) for the Traditional Medical Plan for each year of the contract
- No retiree medical coverage for new hires after Sept. 1, 2006.

Represented workers voting on the contracts support operations of Boeing Integrated Defense Systems in Huntington Beach, Long Beach, Torrance and Vandenberg Air Force Base, all in California; Huntsville and Decatur in Alabama; and the Space Coast of Florida.

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