Boeing to Close Operations in Arkansas

The Boeing [NYSE:BA] Company announced today that it will cease operations at its facility located in Melbourne, Ark. Boeing expects to complete the closure of the facility sometime in the second quarter of this year.

"We have made a difficult decision to close the Boeing facility in Melbourne, Ark., which has seen its work statement steadily decline," said Joy Romero, director of the Boeing Commercial Airplanes Salt Lake City facility which has oversight of the operations in Melbourne. "We deeply appreciate the professionalism and the outstanding performance by the Boeing employees in Melbourne in supporting our customers. However, this decision reflects the unfortunate business realities facing the Melbourne operations."

The 103 employees currently working at the Melbourne facility were informed of the decision today at an employee meeting. The reasons cited for the decision to close the operations were the lack of enough work to sustain current employment levels, the expiration of a key contract supporting the U.S Navy's E-6 Program and the limited potential for future business. Boeing will transfer the remaining work performed at the Melbourne facility to its operations in Salt Lake City.

Boeing will assist its employees with finding jobs at other Boeing operations. In addition, Boeing is providing career transition services to help its Melbourne employees find employment opportunities outside Boeing.

The Boeing facility in Melbourne, Ark. serves as a repair station, certified by the Federal Aviation Administration, for MD and -700 series Boeing doors and flight controls - providing maintenance, repair and overhaul services. It is part of the Fabrication Division for Boeing Commercial Airplanes. The facility began in 1966 as part of Douglas Aircraft and became part of Boeing in 1997 with the merger of McDonnell Douglas and Boeing.

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