Boeing and Suppliers Earn Two National Mentoring Awards

The U.S. Department of Defense today honored Boeing [NYSE: BA] and two of its supplier partners, Missouri's Kemco Manufacturing and Oklahoma's Precision Machine & Manufacturing, Inc., with prestigious Nunn-Perry awards. Kemco, based in St. Louis, is a first-time award recipient; Precision Machine, a repeat honoree from 2004, operates in Grove, Okla.

The Defense Department honored the companies and other award recipients at its annual Mentor-Protégé Conference in Atlanta, Ga. The Nunn-Perry Award recognizes outstanding mentor-protégé teams formed as part of the Department of Defense Mentor-Protégé program. Boeing has received four Nunn-Perry awards in the past three years.

"Helping to equip our suppliers with essential tools and skills is part of Boeing's ongoing push for growth and productivity," said Dan Korte, vice president of Supplier Management for Boeing Integrated Defense Systems. "Teaming with quality suppliers like Kemco and Precision Machine is an important element of Boeing's success."

Kemco Manufacturing, a certified Small Disadvantaged Business founded in 1955, machines and fabricates precision parts for a broad base of commercial and military products, including Boeing's F/A-18 E/F Super Hornet, C-17 airlifter, and Harpoon and SLAM-ER missiles. Using such raw-material starting stock as sheet, plate and tube assemblies, the company's 80 employees manufacture detail parts that are delivered directly to customers' facilities for installation.

The goals of the Boeing-Kemco agreement are to increase Kemco's value as a military supplier as well as to improve the company's capabilities and affordability. Business and technical training provided as part of the program have resulted in reduced cycle times, increased capacity and efficiency, and improved levels of quality and delivery. The agreement with Kemco is one of 10 active mentor-protégé agreements Boeing has with suppliers.

Precision Machine & Manufacturing, a certified small business in northeast Oklahoma, provides Boeing with machined parts for a wide variety of military products, including the F/A-18 E/F Super Hornet and the C-17 airlifter. The company, which also won a Nunn-Perry Award with Boeing in 2004, is one of only a few companies to repeat as a DOD protégé winner.

As mentor, Boeing provided on-site training to help the company become more productive and profitable. Boeing staff assisted with Total Productive Maintenance, kitting and machine standardization as well as in leadership development and strategic planning. Boeing also teamed with Florida International University to help the company achieve ISO certification. The agreement between Boeing and Precision Machine & Manufacturing ended Sept. 30, 2005.

'It's been a very positive experience," said Tony Caudill, Precision Machine & Manufacturing president. "We've had nothing but benefits from the training. We're confident the assistance and development we've received will help us better serve Boeing and the industry."

Winners of the Nunn-Perry Award are selected based on the companies' success in creating cost efficiencies, enhancing the protégé company's capabilities and increasing business opportunities for DOD suppliers.

The DOD Mentor-Protégé program, established in 1990, encourages defense contractors to work closely with small disadvantaged businesses, small women-owned businesses and organizations that employ the severely disabled. The goal: to help the companies develop needed technical and business capabilities. The Nunn-Perry award, introduced in 1995, is named after former Sen. Sam Nunn and former Secretary of Defense William Perry. Both men were instrumental in creating the Mentor-Protégé program.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a $30.5 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in sustainment solutions and launch services.
###

For further information:
Steve Miller
The Boeing Company
(314) 232-0442
steve.miller7@boeing.com