Boeing Contributes $700 Million Annually to Alabama Economy through GMD Program

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ST. LOUIS, May 15 /PRNewswire-FirstCall/ -- The Boeing Company (NYSE: BA), through its work on the Ground-based Midcourse Defense (GMD) program, contributed more than $700 million to Alabama's economy in 2007 and supported nearly 5,600 direct and indirect jobs, according to a new University of Alabama study.

The study, conducted earlier this year, found that Boeing's work on the GMD program contributed $198 million in Alabama household earnings and that the average Boeing GMD worker in 2007 earned nearly twice the average wage of Alabama workers in 2006.

Boeing is the prime contractor for GMD, the central element of the U.S. Missile Defense Agency's overall layered ballistic missile defense architecture.

"As one of Alabama's largest employers, Boeing contributes significantly to our state's booming economy," said U.S. Sen. Richard Shelby (R-Ala.). "Ground-based Midcourse Defense is crucial to our nation's missile defense capabilities, and I am proud of the contribution the people of Alabama have made to this critical asset. I look forward to continuing my strong support of GMD and national missile defense."

Boeing Vice President and GMD Program Director Greg Hyslop said the GMD program's success is due in part to Alabama's business environment. "Since Boeing was awarded the initial contract for the GMD program in 1998, Alabama has led the way in bringing the best work force and supplier base together on this program," Hyslop said. "It's exciting to see that our work has supported the overall growth and health of the state's economy."

The Center for Business & Economic Research (CBER) at the University of Alabama, Tuscaloosa, conducted the study on Boeing's behalf. In operation since 1930, CBER is a major repository for business, economic and demographic data for Alabama and the surrounding region.

The Boeing GMD study looked at payroll, nonpayroll purchases and expenditures, and vendor commitments in the state to determine the overall impact of Boeing's work on the GMD program. Major economic impacts for 2007 include:

-- Nearly 5,600 direct and indirect jobs
-- $80 million payroll
-- $198 million in Alabama household earnings
-- 38 jobs created in the state for every 10 Boeing GMD jobs
-- The highly skilled, high-income GMD program work force earned an average of 1.9 times the average 2006 wage for an Alabama worker.

U.S. Sen. Jeff Sessions (R-Ala.) applauded the release of the economic data. "Boeing is an example of a world-class organization that has enjoyed great success in Alabama, and the company's robust defense activities in the state have played a big role in sustaining Alabama's strong economy," Sessions said. "The economic development numbers released today are evidence of the significant positive impact that the GMD program has in north Alabama."

U.S. Rep. Bud Cramer (D-Ala.) also praised Boeing employees for their work. "Boeing's North Alabama work force has not only significantly impacted the state's economy, but more importantly, it has provided the capability to defend our country from a ballistic missile threat," he said.

A 2006 CBER study determined that The Boeing Company as a whole contributed $1.5 billion annually to Alabama's economy.

A unit of The Boeing Company, Boeing Integrated Defense Systems (http://www.boeing.com/ids/index.html) is one of the world's largest space and defense businesses specializing in innovative and capabilities-driven customer solutions. Headquartered in St. Louis, Boeing Integrated Defense Systems is a $32.1 billion business with 71,000 employees worldwide.

SOURCE: Boeing

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