Boeing Sees Additional Industrial Participation Opportunities in Canada

HALIFAX, NOVA SCOTIA, Jan. 27, 2009 -- The Boeing Company [NYSE: BA] generates approximately US$1 billion in business annually in Canada, but significant opportunities remain for Canadian businesses, Boeing officials told nearly 50 Canadian aerospace and defense companies at the Boeing/Atlantic Industry Days Jan. 22-23 in Halifax, Nova Scotia.

Organized by the Atlantic Canada Opportunities Agency, the event gave Boeing the opportunity to learn more about the capabilities of the Atlantic Canadian aerospace and defense industry.

"We've worked together since 1919, so Boeing has long valued the breadth and depth of the Canadian aerospace industry," said Mark Kronenberg, Boeing Integrated Defense Systems vice president for International Business Development. "With the modernization of CF-18 Hornet fighters, the purchase of four C-17 airlifters and planned acquisition of new medium-heavy lift helicopters, our relationship is set to bring new opportunities to the Atlantic region."

Canada is home to Boeing's third-largest international supplier base, including more than 200 suppliers in every region of the country. In the Atlantic region, Boeing already has awarded contracts worth US$46 million for high-value work, including software, wire harnesses, composites and other aero structures.

Through the Canadian government's Industrial Benefits (IB) Policy, Boeing has committed to reinvest every dollar spent by Canada on the C-17 acquisition and in-service support, valued at US$1.5 billion, into the Canadian economy. Additionally, the IB program for Phase 2 of the CF-18 Fighter Avionics Modernization, valued at US$138 million, is on track for a May 2011 completion. On Jan. 21, Boeing announced the completion, one year ahead of schedule, of its IB program for Phase I of the CF-18 upgrade. That program provided US$398 million of work for Canadian industry, exceeding the company's obligation by US$20 million.

Gwen Kopsie, director of International Industrial Participation and Alliances for Boeing Integrated Defense Systems, said that as the Canadian Forces continue to modernize their defense systems, Boeing anticipates it will sign additional contracts to further expand its supplier base in the region.

"Boeing is an enduring partner to Canada, and we remain committed to developing opportunities that will result in long-term, high-value jobs for the Atlantic Region," Kopsie said.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses specializing in innovative and capabilities-driven customer solutions, and the world's largest and most versatile manufacturer of military aircraft. Headquartered in St. Louis, Boeing Integrated Defense Systems is a $32.1 billion business with 71,000 employees worldwide.
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