Boeing Military Aircraft Realigns to Position for Future Growth

ST. LOUIS, Sept. 7, 2010 -- The Boeing Company [NYSE: BA] today announced changes within its Boeing Military Aircraft (BMA) business, including consolidating the organization from six divisions to four, to continue to position the company for growth in the current business environment. The realignment of the organization will take effect on Oct. 1.

The four new divisions are Global Strike, based in St. Louis, to be led by Shelley Lavender; Mobility, based in Ridley Park, Pa., to be led by Jean Chamberlin; Surveillance and Engagement, based in Seattle, to be led by Bob Feldmann; and Missiles and Unmanned Airborne Systems, based in St. Charles, Mo., to be led by Debbie Rub.

In announcing the changes, Boeing Military Aircraft President Chris Chadwick said the new organization will allow BMA to meet domestic and global defense requirements for the next 10 years and beyond.

"This new structure supports BMA's progression from a product-based business to a capabilities-based business, focusing on supporting our customers in the United States and increasingly important international markets," Chadwick said. "It is consistent with initiatives under way throughout the entire Boeing defense business that will allow us to remain competitive and grow.

"Importantly, our new structure also aligns Boeing resources with our 'BMA 2020' strategic plan to position our military aircraft business for growth over the next decade," Chadwick added. "This alignment is a reflection of our commitment to execution, functional excellence and customer satisfaction."

Chadwick also announced a new BMA leadership team position: Operating Executive. This position, to be filled by Phil Dunford, will be responsible for managing BMA's Engineering, Supplier Management and Production Operations functions.

"This reorganization, coupled with our productivity goals, will reduce organizational complexity and allow us to be more efficient," Chadwick said.

Efficiency improvements achieved through this organizational realignment will result in some work force reductions, beginning with approximately 10 percent of BMA executive positions. Additional reductions across all levels of the organization are anticipated in coming months.

"All staffing decisions will be made carefully and in accordance with current and anticipated customer requirements," Chadwick said.

A unit of The Boeing Company, Boeing Defense, Space & Security is one of the world's largest defense, space and security 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 Defense, Space & Security is a $34 billion business with 68,000 employees worldwide.

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