Boeing to Consolidate Defense Services and Support Work in Oklahoma City and St. Louis

Changes will align common resources and capabilities

ST. LOUIS, Sept. 29, 2014 – Boeing [NYSE:BA] will consolidate the majority of its defense services and support-related activities from Washington state to other locations in the U.S. as part of efforts to improve the competitiveness of its Boeing Defense, Space & Security unit.

The majority of the work will be relocated to Oklahoma City and St. Louis, where similar activities are performed today. Some additional work will be shifted to Jacksonville, Fla. and Patuxent River, Md. The transition could take up to three years to complete and affect about 2,000 employees. Once completed, approximately 900 positions could be added to Oklahoma City and potentially up to 500 positions to St. Louis.

“The decision to consolidate these activities was difficult because it affects our employees, their families and their communities,” said Chris Chadwick, Boeing Defense, Space & Security president and chief executive officer. “However, this is necessary if we are going to differentiate ourselves from competitors and stay ahead of a rapidly changing global defense environment.”

To the greatest degree feasible, the company will leverage Boeing Commercial Airplanes’ presence in Puget Sound to mitigate the impact of this decision on individual employees. Additionally, the company will provide assistance and resources for employees to help them throughout this transition, including job search resources, retirement seminars, and career counseling services.

Even with the announced moves, Boeing Defense, Space & Security continues a robust presence in the Puget Sound region due to production of the P-8 maritime patrol aircraft and KC-46A Tanker, which are based on the company’s 737 and 767 commercial airplanes. Today the company’s defense business has approximately 5,200 employees in the Puget Sound region.

“We are committed to the long-term success of Boeing in Puget Sound,” said Chadwick. “Both the P-8 and the KC-46A Tanker have decades-long production runs in front of them.”

Programs that will be relocated include services and support work for Airborne Warning and Control Systems, Airborne Early Warning & Control and the F-22 Raptor.

“Consolidating this work will allow the business to more efficiently use the resources and capabilities across the company,” explained Jim O’Neill, president of Global Services and Support for Boeing Defense, Space & Security. “Our goal is to minimize disruption to program execution by making the necessary changes in an orderly transition.”

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 $33 billion business with 56,000 employees worldwide. Follow us on Twitter: @BoeingDefense.

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Contact:

Yvonne Johnson-Jones
Global Services & Support
Office: +1 314-777-8800
Mobile: +1 314-306-2516
yvonne.d.johnson-jones@boeing.com

Paul Guse
Global Services & Support
Office: +1 314-232-1520
Mobile: +1 314-705-6530
paul.guse@boeing.com