Boeing CEO Updates Employees on Third-quarter Results

CHICAGO, Oct. 28, 2020—Boeing President and CEO Dave Calhoun shared the following message with employees today addressing the company's third-quarter results:

Team,

Thank you for all you're doing for our customers, for our business, for one another and for our communities. As we navigate the current landscape, we're taking actions to become more agile, more resilient and better positioned to capture the long-term opportunities that remain in front of us.

This quarter, we made important progress working closely with global regulators on 737 certification efforts. We also introduced a comprehensive Safety Management System (SMS), which incorporates the many lessons learned from the internal and external investigations surrounding the MAX, and further drives our safety and first-time quality efforts across the enterprise.

We delivered 37 aircraft to our defense customers and secured new services agreements for Boeing Converted Freighters and Australian P-8As. I am proud of the commitment and dedication you've demonstrated in delivering on these accomplishments and more for our customers during these challenging times.

As we share our third-quarter financial results today, the deep impacts of COVID-19 on the commercial aviation market and our business are reflected in lower revenue, earnings and cash flow compared to this time last year. Our overall business continuity efforts and the diversity of our customer base, including our government, defense and space customers, provided some relief as we made difficult decisions and delivered on our commitments.

Since the start of the pandemic earlier this year, we have raised liquidity, reduced spending, simplified reporting structures, and dramatically lowered commercial production rates. We're also transforming Boeing by reshaping our infrastructure, streamlining our overhead and organizational structure, rebalancing our portfolio and investment mix, and strengthening the health of our supply chain. On top of these efforts, we have reprioritized and recommitted our research and development spending to ensure we are well-positioned for a strong recovery.

As we align to market realities, our business units and functions are carefully making staffing decisions to prioritize natural attrition and stability in order to limit the impact on our people and our company. We anticipate a workforce of about 130,000 employees by the end of 2021. Throughout this process, we will communicate with you every step of the way.

Our priorities remain the same — to strengthen our culture, improve transparency, instill operational excellence, rebuild trust, and ensure we always deliver the highest standard of safety and quality. By working together and focusing on these priorities, we will emerge as a stronger company that is competitively positioned to deliver on our commitments to customers and realize new opportunities.

Please stay safe and take good care of yourselves and your families.

Dave