



From: Doug Kight
Sent: Saturday, August 23, 2008 7:46 PM
Subject: IAM negotiations update – our continuing dialog is part of the process

****This message is being sent by Doug Kight, vice president of Human Resources, to all managers and HR employees in Washington, Oregon and Kansas****

IAM negotiations update – our continuing dialog is part of the process

Since we presented our [first offer to the IAM](#) on Friday, we have had additional meetings that are part of our main-table negotiations at the hotel. This is a back-and-forth process, as both sides come to the table to discuss challenging issues – issues of great importance to our employees and to the company.

For the past few months, we've kept you updated on our [meetings](#) with the IAM. We reported on how we are taking a new, open and candid approach to the process. Sharing this information openly is a new and different way of conducting these negotiations, and we are taking this risk because we owe it to our employees.

We continue to follow this open and candid process during this final phase of the negotiations at the hotel, and I am pleased that we have been spending hours at a time at the main table with our IAM colleagues in thoughtful discussion about the contract elements.

We delivered Friday's initial offer earlier than ever before in our negotiations history with the IAM, and that's a positive step. By starting earlier, we have spent more time working through much of the contract, allowing us to present a full, detailed offer this early in the process.

This give-and-take is part of every negotiation. Both sides present their priorities and we work to get an agreement. In legal terms this is called bargaining together in good faith, and that's how we operate. The bargaining going on now will be reflected when we deliver the next offer.

I've heard from some of our managers that there is confusion around this first offer. Some employees think this is our final offer, but that is not the case. We have committed to providing our best and final offer before the Labor Day weekend, thereby giving employees and their families the time they've requested – and deserve – to review the offer before voting on the contract.

Please help your teams understand that we are sharing and will continue to share details of Boeing's offers during this bargaining process. We expect the two sides will come closer together as these negotiations move toward completion. We are working with the IAM to reach an agreement that rewards our employees for their contributions while also sustaining Boeing's success for future generations.



As you go around and meet with your teams, you should share information about the continuing negotiations this week. Many of you have asked for specific information about what you should and should not do when talking to your teams, so here are a few bullets:

- Ensure that your employees know about the [Web site](#) and know how to sign up for [alerts](#). Print the [fact sheets](#) and have copies available for meetings or informal discussions. For a reminder on what conversations are the most appropriate, watch this [video clip](#) from Scott Carson's all-managers' meeting on Aug. 13.
- Let your employees know that we are committed to proposing a best and final offer to the union before the Labor Day weekend so that employees have adequate time to review the contract with their families and vote in their best interest on Sept. 3.
- Be sure to keep up to date with developments and educate yourself on the issues. I know you want to do the right thing, and I appreciate that so much. If you do have questions, the 'Contact Us' box on the [Web site](#) has been updated with the Negotiations Call Center phone number which will be available daily until Sept. 3.

This next week is so critical – your leadership, attitude and well-informed discussions with your teams will make a difference, and I know you will do a great job. Working through this process has helped me get to know many of you better and I am so thankful to have such great people leading our outstanding employees.

Thank you for all that you are doing for Boeing.

Doug