



From: Doug Kight
Sent: Sunday, August 24, 2008 9:33 PM
Subject: IAM negotiations update – facilities maintenance

****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 – facilities maintenance

We're hearing from managers that employees are asking many questions about Letter of Understanding No. 2, part of the contract dealing with facilities maintenance subcontracting. This LOU has been part of the contract since 1999.

I want to share with you a message that Rick Muttart, Northwest Region leader for Site Services, sent to Facilities managers on Friday. Rick's message does a good job of explaining that Boeing initially didn't intend to propose changes to LOU No. 2. However, we listened to the union during subcommittee negotiations, and we proposed changes in response to the union's request. Please feel free to share Rick's message with employees who have questions about this issue.

We continue to talk to the IAM about this – and other – subjects. As I said in my [message](#) yesterday, negotiations are about give and take. We're confident that we'll reach an outcome that is in the best interest of employees and the company, and we remain committed to providing the union with a best and final offer before Labor Day weekend.

Doug

This message is being sent to all SSG Site Services managers from Rick Muttart, Site Services NW Region leader.

Negotiations: First proposal and maintenance

Facilities Management Team:

I promised to keep you up to date on what is going on with IAM Negotiations. Today we made our first proposal to the IAM. The IAM has gone to the press with comments that we are proposing "outsourcing Facilities Maintenance work." I felt it important that you need to know our position so you can have a good conversation with our employees.

I want you all to know that in our [Platform for Discussion](#) document, we clearly stated that we want "no change" to LOU #2, Facilities Maintenance Subcontracting. During negotiations over the past few months, the IAM proposed more oversight in the subcontracting process, particularly in the area of Facilities Maintenance. In response, we offered a proposal giving the



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IAM the oversight they asked for of all Facilities Subcontracting. This oversight included all work that has not traditionally been sourced. It would allow the union to review work packages that are being considered for outsourcing, and make recommendations about ways to improve productivity and keep the work inside Boeing.

This is a collective bargaining process. By definition there will be an exchange of positions to see where we have common ground. Keep talking with your team. I have all the confidence in the world in each of you as leaders.

Rick Muttart