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To:

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Subject: Boeing South Carolina - October 2014

Attachments: [BSC Update - Oct 2014.pdf](#)

To keep you informed on Boeing South Carolina site activities, milestones, and achievements, you will begin receiving the attached messages on a regular basis. In the text below you will find a smart phone-friendly version of our stories without photos. Attached you will find a .pdf version with photos that you may easily print.

Please feel free to share these stories with those you think may benefit from them.

Thank you for your continued support of our site, our teammates and our mission here at Boeing South Carolina.

Boeing South Carolina - October 2014

Happy Anniversary BSC Final Assembly!

Five years ago, Boeing [announced](#) its decision to place a second 787 final assembly site in North Charleston, S. C. Today, the 787 program has 1,054 orders from 58 customers, and 200 787s have been delivered to 22 customers around the world, from both South Carolina and Everett.

When the announcement was made on Oct. 28, 2009, many said it couldn't or shouldn't be done. Some thought final assembly of the 787 in South Carolina couldn't be done because building a Boeing twin-aisle commercial airplane outside of Washington State had simply never been attempted. But we had our share of supporters as well, including the community leaders and elected officials here in South Carolina, cheering us on and helping to ensure BSC's success.

There was as much skepticism as there was excitement surrounding that decision. And here we are -- five years later -- successfully building and delivering 787 Dreamliners from right here in South Carolina!

We've celebrated some significant achievements together over the past five years, and through it all, each and every day, we've been producing high-quality, high-performing airplanes for customers around the world. All thanks to the dedication and hard work of Boeing South Carolina teammates, and the partnerships we've formed throughout the state, working together to turn that media announcement from five years ago into a reality today.

Thank you for all of your support!

What were people saying five years ago?

Below is a collection of quotes from 2009 published material related to establishing a second line in South Carolina:

- "Establishing a second 787 assembly line in Charleston will expand our production capability to meet the market demand for the airplane." Jim Albaugh, president and CEO of Boeing Commercial Airplanes
- "We are astounded that Boeing has chosen to compound the problems of the 787 program by further fragmenting the supply chain. There was no credible business case for this decision." Ray Goforth,

executive director of the Society of Professional Engineering Employees in Aerospace-IFPTE (SPEEA) Loc 2001, Seattle Wash.

- “This is wonderful news for our region that will benefit this community for generations to come.” Joe Riley, Mayor, City of Charleston
- “The Boeing Co.’s decision to put more manufacturing capacity into South Carolina is just the latest in a long string of bad decisions for the 787, which has already resulted in an over 2-year delay.” Tom Wroblewski, IAM District 751 President
- "Just as the similarly monumental BMW investment catalyzed a now extensive automotive presence across South Carolina more than 15 years ago, we believe Boeing landing decisively in North Charleston will spur on an already growing aerospace hub in our state." Mark Sanford, Governor of South Carolina
- “The more problems Boeing encounters in Carolina, the better our members will look. Perhaps after a couple more years – and a few more missed deadlines – maybe Boeing will start to see the truth of something that Ben Franklin said long ago: ‘The bitterness of poor quality remains long after the sweetness of low price is forgotten’.” Wroblewski
- “Today’s announcement from Boeing must mark the beginning of a new era of economic prosperity in our state.” Gresham Barrett, U.S. Congressman
- “We’re the ones with the knowledge, experience and dedication to fix the mistakes and get the first planes flying and certified. Without us, the Dreamliner is just a pipedream. Let’s make it a reality, and teach those MBAs in Chicago a lesson about how the cheapest option isn’t always the best value.” Wroblewski
- "This is truly transformational. To think that little children from South Carolina will soon point to the sky and say, 'Daddy made that' - that is transformational." Sen. Larry Grooms, State of South Carolina

Boeing, Kenya Airways celebrate first humanitarian flight from South Carolina

Over the past few years we’ve been privileged to celebrate quite a number of significant firsts here in South Carolina. On Sunday, Oct. 19, working in partnership with our Kenya Airways customer, we celebrated another milestone as the first Humanitarian Delivery Flight (HDF) to originate from Boeing South Carolina departed for Kenya.

The Boeing Humanitarian Delivery Flight program began in 1992, and since then we have worked in partnership with nearly 50 different carriers worldwide to transport more than one million pounds of relief items over 150 humanitarian flights. On this HDF, Kenya Airways and Boeing partnered to send examination tables and other medical equipment given by a nonprofit agency in Baytown, Texas, to the [Africa Inland Church Childcare Center](#) in Kajiado, Kenya. The Center provides care and treatment for children with cerebral palsy and other disabilities.

We’re proud of the partnerships we’ve developed here in our local community, and that’s due in large part to our teammates’ commitment and willingness to be involved. In introducing the HDF program here in South Carolina, we can say that our community’s spirit to improve the lives of others now has global reach. That’s something we can all be proud of.

Boeing announces new R&D Center facility lease in North Charleston

Boeing announced on Sept. 22 a lease agreement for 100,000 square feet of office and lab space for a new research and technology center in North Charleston. The Boeing Research & Technology-South Carolina center

will be located in Crosspoint at Palmetto Commerce Park, adding to Boeing South Carolina's North Campus, along with the Interiors Responsibility Center South Carolina and Propulsion South Carolina.

The center, [announced](#) in December 2013, is scheduled to open in the fourth quarter of 2014 and will focus on advanced manufacturing technology and composite fuselage manufacturing. When fully operational, scientists, technologists, technicians and engineers will work at the center, leading R&D efforts in automation and assembly, systems installation, chemical technology, non-destructive evaluation, composite fabrication and repair, and electromagnetic effects, modeling and characterization. The center will also include an autoclave, paint booth and a clean room lab.

Latinfest and Salsapalooza highlight BSC's celebration of Hispanic Heritage Month

Boeing South Carolina celebrated Hispanic Heritage Month on Tuesday, Sept. 30, with its annual Latinfest event. Sponsored by our BSC Hispanic Employees Network affinity group, More than 300 of our teammates took part in this year's music, food, festivities and fun.

One of the highlights of BSC's Latinfest each year is the Salsapalooza competition, where teammates bring their best homemade salsa and event attendees pick their favorites. This year's winners were "Josh's Dad's Salsa," entered by teammate Jason Pogar, and "Remember the Alamo," entered by teammate Larry Givens.

Boeing affinity groups are teammate-led associations designed to further personal and professional development, promote diversity within the company and strengthen networking. Diversity and inclusion are part of Boeing's values at the highest level; our commitment to diversity means providing a work environment for all employees that is welcoming, respectful and engaging, with opportunities for personal and professional development. This in turn increases productivity, quality, creativity and innovation.

Boeing's growing – and conserving! – in South Carolina

Construction crews continue to make solid progress on our new Decorative Paint Facility. At the end of September, crews began preparing for the new facility's utility requirements. When complete in mid-2016, we'll have the ability to apply our customers' paint schemes – called their liveries – to our "Made With Pride In South Carolina" 787 Dreamliners right here in North Charleston.

If you've driven by our facility on International Blvd. lately, you've almost certainly noticed the activity. It's pretty hard to miss! While we're excited by this expansion, we're equally excited about the conservation plan we announced over the summer that allowed it to happen. To find out more, visit www.boeinglowcountryconservation.com.

We also believe in conserving in our day-to-day operations. We became a Zero Waste to Landfill operation in 2011, meaning that no waste generated at the site ends up in a landfill. We make that happen by reducing, reusing and recycling whenever possible. Since 2011, we've also operated as a 100 percent renewable energy site thanks to our energy partnership with SCE&G. Inside our Final Assembly building we build the world's most advanced commercial airplane, while on its roof is the state's largest solar energy installation, capable of generating enough electricity to power up to 250 South Carolina homes!

Let's keep Boeing South Carolina union free!

We're well aware of the IAM's efforts to try to unionize the Boeing South Carolina workforce. We assure you that we're not sitting idly by. Boeing is taking a strong stance against the IAM's efforts to organize our

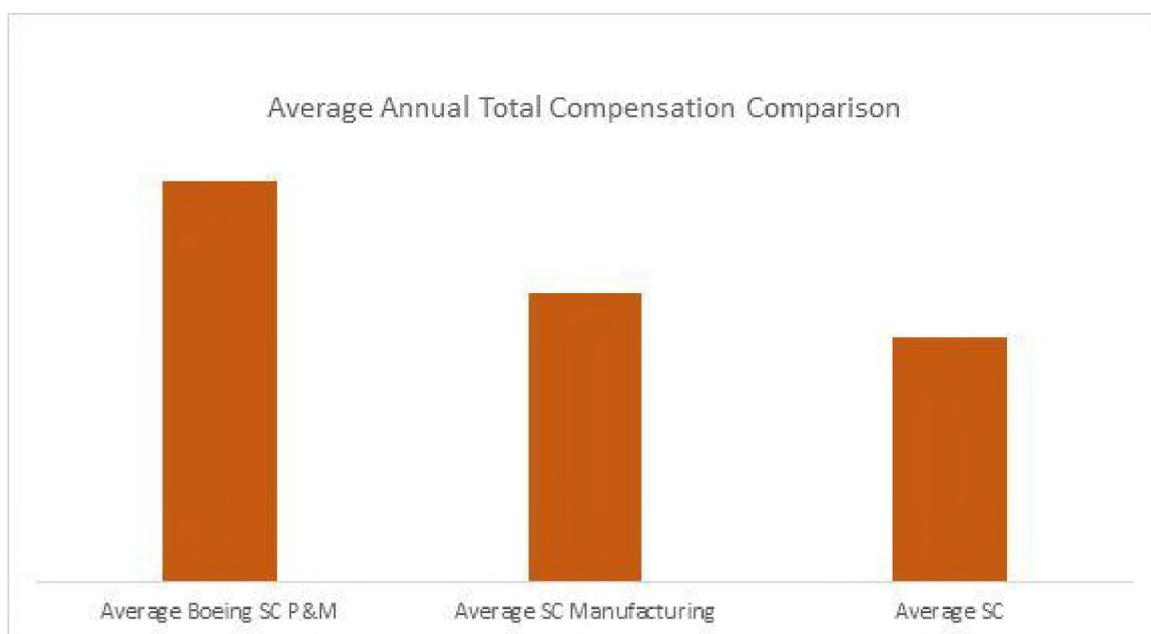
teammates. Quite simply, we firmly believe that union representation in South Carolina is not in the best long-term interest of our teammates, the company, our state or community. We've said that for the past five years in the media and we've said it directly to our teammates.

You may hear about BSC teammates working some overtime. They are. The fact is, 787 employees in Everett, those already represented by the IAM, are working at similar overtime hours as we are here in South Carolina.

It's not uncommon on a new program, especially one as technologically advanced as the 787, to see surges in overtime as new models are introduced or engineering changes are incorporated into the airplane build process. It is a natural part of growing new business as vibrantly as we have here in South Carolina.

Nevertheless, we are strongly committed to finding ways to improve work/life balance for our teammates.

We understand the union is pointing out that BSC teammates have different wage rates than employees on the other side of the country in Washington State. The truth is our BSC teammates have a great total compensation package – one that's higher than the market average for this region. Comparisons from recent published data sources show that Boeing South Carolina production & maintenance teammates earn a higher average total compensation than the average worker and the average manufacturing worker in South Carolina.



We'll continue to fight for our BSC teammates' rights to keep their own individual voices.

The IAM has begun a public campaign in the Lowcountry, purchasing billboard and radio advertisements to encourage BSC teammates to sign union authorization cards and build support for their cause. We'd just like to remind everyone who sees one of these billboards or hears one of these radio spots that the IAM is the same union that tried to shut down 787 final assembly and delivery in South Carolina by filing charges against Boeing with the NLRB in March 2010. This is the same union who just last month, criticized South Carolina workers' abilities to build the new 787-10. We take exception to criticisms like that because we see Boeing South Carolina teammates building and delivering high quality 787s to customers from around the world every day without the need for union representation.

Everyone in South Carolina needs to take a hard look at the IAM's track record in the state. The IAM has not contributed to job growth in South Carolina and they've repeatedly insulted our teammates, their experience and capabilities. Boeing South Carolina teammates have not only built new airplanes over the past five years, but also a new site, and new opportunities here in South Carolina by working together as a team, without the distractions of a union.

Boeing South Carolina teammates are making history every day that a 787 Dreamliner or aft and midbody component delivers from this site, and they're doing it successfully – together as one BSC team -- without the IAM.