

Microsoft Outlook

From: David Campbell [campbell@workerlaw.com]
Sent: Thursday, January 27, 2011 2:13 PM
To: Willen, Debra L; Ahearn, Richard L.
Cc: Carson Glickman-Flora; Jude Bryan
Subject: FYI McNearny Conference Call From Transcript

On to Everett and Renton:

Operator

(Next question is) from the line of Mike Mecham with Aviation Week.

Michael Mecham

One thing you haven't talked about in quite some detail is just how productivity is there, how your development for your production lines is going. You're working on Charleston, you're a slowly developing a backup line for 787 there in Everett, and of course, 767 lines coming on. Can you just go through how Charleston's coming along and your whole outlook on your production lines?

W. McNerney

Well, Charleston is going along well. The final assembly capability we're building there for the 787 is actually ahead of schedule. We're feeling good about its construction and the **hiring** of the people that we are currently training to work in that facility. You're right, we have a **surge line** in Everett, which is a **temporary line** to give us the flexibility to make sure we **move** the work properly to Charleston that we're going to **move**. So that's all working well. The 767 line is, I guess, that really depends on tanker, yes or no. I think in either case, we have a plan for that line to either morphed into a tanker line, and as you can imagine, spent a fair amount of time planning on how we would do that and feel very confident of that move. And if we do not end up winning the tanker competition, we think there's commercial demand that can keep that line open for a somewhat longer. But I think everything's sort of in front of us. I think the bigger question is implementing all these rate increases that really are a tremendous economic opportunity for the Boeing Co. over the next two or three years. And we feel equally confident there. So production plan, you're on an important issue, production planning and execution. We're spending a lot of time on it and we feel great about the opportunity in front of us.

Thanks, Dave

Sincerely, David Campbell
campbell@workerlaw.com

Schwerin Campbell Barnard Iglitzin & Lavitt
18 W Mercer Suite 400

Seattle, Washington 98119-3971

Phone (206)285-2828; FAX (206)378-4132

This communication is protected by the attorney client and attorney work-product privileges. Please do not copy, forward or append.