

Company Profile: Boeing

Name of Company: The Boeing Company

Name of CEO: Dennis A. Muilenburg

Board

- Dennis A. Muilenburg, Chairman, President and CEO, Boeing Company
- Robert A. Bradway, Chairman and CEO, Amgen
- David L. Calhoun, Senior Managing Director, Blackstone Group
- Arthur D. Collins, Jr., Senior Advisor, Oak Hill Capital Partners
- Kenneth M. Duberstein, Chairman and CEO, The Duberstein Group; Former White House Chief of Staff.
- Admiral Edmund P. Giambastiani, Jr., Seventh Vice Chairman of the U.S. Joint Chiefs of Staff; former NATO Supreme Allied Commander Transformation; former Commander, U.S. Joint Forces Command (retired)
- Lynn J. Good, Chairman, Chairman, President and CEO, Duke Energy Corporation
- Lawrence W. Kellner, President, Emerald Creek Group
- Edward M. Liddy, Chairman and CEO, Allstate (retired)
- Susan C. Schwab, Professor, University of Maryland School of Public Policy; former U.S. Trade Representative
- Randall L. Stephenson, Chairman and CEO, AT&T
- Ronald A. Williams, Chairman and CEO, Aetna (retired)
- Mike S. Zafirovski, Executive Advisor, The Blackstone Group)¹

Overall Toplines

- Since Trump's election, Muilenburg has cultivated close ties with Trump. He has visited Trump Tower, Mar-a-Largo, and hosted Trump for an event at Boeing's South Carolina factory.^{2 3}
- Muilenburg was appointed to Trump's Manufacturing Jobs Initiative in January 2017.⁴
- Boeing has spent at least \$15 million to lobby the government each year since 2008, ranking among the top 10 special interest groups.⁵ Not surprisingly, Boeing has secured multi-billion

¹ "Corporate Governance" Boeing website, <http://www.boeing.com/company/general-info/corporate-governance.page> (Last visited Apr. 14, 2017).

² Anthony Capaccio, Toluse Olorunnipa, and Julie Johnsson, "Trump Meets Boeing CEO Muilenburg Again Over Air Force One Costs" *Bloomberg*, January 17, 2017, <https://www.bloomberg.com/news/articles/2017-01-17/trump-said-to-meet-boeing-ceo-a-second-time-over-air-force-one>.

³ Richard Clough and Julie Johnsson, "For Boeing chief, how cozy is too cozy in access to Trump" *Chicago Tribune*, February 17, 2017, <http://www.chicagotribune.com/business/ct-boeing-ceo-trump-20170217-story.html>

⁴ The White House "President Trump Announces Manufacturing Jobs Initiative" Press Release, January 17, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/27/president-trump-announces-manufacturing-jobs-initiative>

⁵ Senate Office of Public Records data accessed on January 25, 2017 and aggregated by the Center for Responsive Politics, Open Secrets Database: <https://www.opensecrets.org/lobby/clientsum.php?id=d000000100>; "Top Spenders 1998-2016" based on lobbying expenditures aggregated by the Center for Responsive Politics "Open

dollar government contracts from military and US-Mexico border enforcement agencies, which have totaled over \$80 billion since 2008.⁶

- In 2005, Boeing received a \$67 million, multi-year contract to help build a 2,000 mile “virtual border fence” along the US-Mexico border.⁷ In 2011, after the “virtual fence” cost taxpayers \$1 billion, the Department of Homeland Security cancelled the project amidst delays and significant overspending.⁸ When asked about Trump’s proposed border wall, Boeing’s CEO reportedly said the company was not actively pursuing the project but was open to working with the new administration.⁹
- Boeing employs 30,000 unionized workers in Seattle.¹⁰ After workers went on strike in 2008, Boeing spent \$750 million to build a non-unionized factory in South Carolina.¹¹ In 2015 South Carolina workers cancelled a planned vote on forming a union, after both Boeing and Trump Cabinet member/then-South Carolina Governor, Nikki Haley, launched a union busting campaign.¹² Haley was on record as saying “We’ll make the unions understand full well that they are not needed, not wanted, and not welcome in the state of South Carolina.”¹³ Boeing’s South Carolina workers eventually voted down a union in February 2017.¹⁴

Secrets” database, <https://www.opensecrets.org/lobby/top.php?indexType=s>.

⁶ Federal procurement data obtained via USAspending.gov:

<https://www.usaspending.gov/Pages/AdvancedSearch.aspx?sub=y&ST=C,G,L,O&FY=2017,2016,2015,2014,2013,2012,2011,2010,2009,2008&A=0&SS=USA&RN=BOEING&AA=1200,1300,9700,9100,8900,7500,7000,8600,1500,1600,1900,1400,2000,6900,3600,6800,4700,8000,4900,3100,2400,7300,2800,7200,9515,9568,9565,9507,955F,6100,9577,9594,9516,9547,9572,9523,4500,1100,8300,2700,9506,9542,5400,6500,9300,9504,2900,0500,9533,9512,0300,4100,9543,8800,9502,2500,5900,6300,9524,9508,9514,6200,4600,7100,959P,6000,9561,5000,9000,3300,9511,100,3400,9580,8400&pidx=1&SB=RN&SD=ASC> (Last visited Apr. 14, 2017)

⁷ Suzanne Gamboa, “Obama admin scraps border fence” *NBC News*, January 14, 2011,

http://www.nbcnews.com/id/41083850/ns/us_news-security/t/obama-administration-scraps-border-fence/#.WO4nbGkrLX4.

⁸ Suzanne Gamboa, “Obama admin scraps border fence” *NBC News*, January 14, 2011,

http://www.nbcnews.com/id/41083850/ns/us_news-security/t/obama-administration-scraps-border-fence/#.WO4nbGkrLX4.

⁹ Danielle Ivory and Julie Creswell, “One Certainty of Trump’s Wall: Big Money” *New York Times*, January 28, 2017

<https://www.nytimes.com/2017/01/28/business/mexico-border-wall-trump.html>.

¹⁰ Alwyn Scott and Harriet McLeod, “Workers at Boeing’s South Carolina plant reject union” *Reuters*, February 17,

2017, <http://www.reuters.com/article/us-boeing-machinists-idUSKBN15V04Q>.

¹¹ Alwyn Scott and Harriet McLeod, “Workers At Boeing’s South Carolina Plant Reject Union Just Before Trump

Visit” *The Huffington Post*, February 16, 2017,

http://www.huffingtonpost.com/entry/workers-at-boeings-south-carolina-plant-reject-union-just-before-trump-visit_us_58a5c213e4b037d17d256052.

¹² Josh Eidelson, “Boeing’s Best Union Buster Is South Carolina’s Governor Nikki Haley,” *Bloomberg*, April 17, 2015,

<https://www.bloomberg.com/news/articles/2015-04-17/nikki-haley-proud-union-buster-at-boeing-south-carolina-i8lpjuao>

¹³ Meg Kinnard, “S.C. Boeing workers reject union” *The Boston Globe*, February 17, 2017,

<https://www.bostonglobe.com/business/2017/02/16/boeing-workers-reject-union/6FRZU4ExfQopOh6qeZWnUM/story.html>

¹⁴ Meg Kinnard, “S.C. Boeing workers reject union” *The Boston Globe*, February 17, 2017,

<https://www.bostonglobe.com/business/2017/02/16/boeing-workers-reject-union/6FRZU4ExfQopOh6qeZWnUM/story.html>

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Connections to Trump

- Boeing CEO Dennis Muilenburg sat on Trump's Manufacturing Jobs Initiative from January 2017¹⁵ until it was dismantled in August 2017.
- Jim McNerney, Boeing's Former Chairman, President, and CEO, sat on Trump's Strategic and Policy Forum ("Business Council").¹⁶
- The Boeing Company donated \$1 million to Trump's inaugural committee in January 2017.¹⁷

How Boeing stands to profit off Trump's policies

- Since 2008, Boeing has received over \$1 billion in contracts from U.S. Customs and Border Protection (CBP) to support the agency tasked with policing the US-Mexico border.¹⁸ Boeing stands to benefit from Trump's ramped up border enforcement activities.
- Boeing received more than \$80 billion in government contracts, many for military and aeronautics work, during that same time period.¹⁹
- Boeing's CEO has cultivated very close ties with Trump (see timeline below).

A Timeline of Collaboration with and Capitulation to Trump

- In December 2016, the *Chicago Tribune* published remarks by Muilenburg on the importance of free trade, which some perceived as challenging Trump's anti-trade rhetoric and support for high tariffs.²⁰
- That same day, Trump tweeted: "Boeing is building a brand new 747 Air Force One for future presidents, but costs are out of control, more than \$4 billion. Cancel order!"²¹

¹⁵ The White House "President Trump Announces Manufacturing Jobs Initiative" Press Release, January 17, 2017, <https://www.whitehouse.gov/the-press-office/2017/01/27/president-trump-announces-manufacturing-jobs-initiative>

¹⁶ The White House "Remarks by President Trump in Strategy and Policy Forum" February 3, 2017, <https://www.whitehouse.gov/the-press-office/2017/02/03/remarks-president-trump-strategy-and-policy-forum>

¹⁷ Federal Election Commission Form 13 filings, "58th Presidential Inaugural Committee," Dated April 18, 2017, <http://docquery.fec.gov/pdf/286/201704180300150286/201704180300150286.pdf>, page 120.

¹⁸ Federal procurement data obtained via USAspending.gov: <https://www.usaspending.gov/Pages/AdvancedSearch.aspx?sub=y&ST=C,G,L,O&FY=2017,2016,2015,2014,2013,2012,2011,2010,2009,2008&A=0&SS=USA&RN=BOEING&AA=7000&AB=7014,7012> (Last visited Apr. 14, 2017).

¹⁹ Federal procurement data obtained via USAspending.gov: <https://www.usaspending.gov/Pages/AdvancedSearch.aspx?sub=y&ST=C,G,L,O&FY=2017,2016,2015,2014,2013,2012,2011,2010,2009,2008&A=0&SS=USA&RN=BOEING&AA=1200,1300,9700,9100,8900,7500,7000,8600,1500,1600,1900,1400,2000,6900,3600,6800,4700,8000,4900,3100,2400,7300,2800,7200,9515,9568,9565,9507,955F,6100,9577,9594,9516,9547,9572,9523,4500,1100,8300,2700,9506,9542,5400,6500,9300,9504,2900,0500,9533,9512,0300,4100,9543,8800,9502,2500,5900,6300,9524,9508,9514,6200,4600,7100,959P,6000,9561,5000,9000,3300,9511,1000,3400,9580,8400&pid=x=1&SB=RN&SD=ASC> (Last visited Apr. 14, 2017).

²⁰ Jacob Pramuk, "Trump's Boeing attack follows article with CEO's pro-trade argument" *CNBC*, December 6, 2016, <http://www.cnbc.com/2016/12/06/trumps-boeing-attack-follows-article-with-ceos-pro-trade-argument.html>; "Boeing CEO waits for Trump's trade play" *The Chicago Tribune*, December 6, 2016, <http://www.chicagotribune.com/business/columnists/ct-boeing-china-trump-robert-reed-1206-biz-20161205-column.html>.

²¹ Accessed via Trump Twitter archive: <https://twitter.com/realdonaldtrump/status/806134244384899072>

- The projected budget for Air Force One is reported to be between \$1.65 billion and \$2.87 billion from FY2015-2021.²²
- According to *CNN*, Muilenburg reportedly called Trump within a few hours of his critical tweet. He congratulated Trump on winning the election, addressed the Air Force One costs, and invited Trump to visit Boeing's factories.²³
- A few weeks later, Muilenburg visited Trump at his Mar-a-Lago resort. After his visit, Muilenburg spoke to reporters on Air Force One costs: "We're going to get it done for less than that, and we're committed to working together to make sure that happens." Muilenburg gave Trump his "personal commitment on behalf of the Boeing Company."²⁴
- Muilenburg visited Trump Tower on January 17, 2017, where he was allowed to listen in on part of a phone call between Trump and Lt. General Christopher Bogdan, who is in charge of the Pentagon's F-35 Joint Strike Fighter program. The F-35 is made by Boeing competitor Lockheed Martin. In Congressional testimony General Bogdan said: "There were no decisions made during those conversations, and it was my belief that President-elect Trump at the time was attempting to gain more information about the F-35's capabilities, relative to the Super Hornet."^{25 26} The Super Hornet is produced by Boeing.
- In February 2017, at Muilenburg's invitation, Trump visited Boeing's South Carolina factory as it rolled out the 787-10 Dreamliner. At the event, the president said that the U.S. is "looking seriously at a big order" of Super Hornets. Trump praised the company repeatedly, closing his speech by saying, "God bless Boeing."²⁷

Outsized access and influence in government

- Boeing's 2016 lobbying expenditures were \$17,020,000.²⁸ Boeing has spent at least \$15 million

²² Steve Schaefer, "Trump Puts The Screws To Boeing Over Air Force One Contract, But Don't Trust His Numbers" *Forbes*, December 6, 2016,

<https://www.forbes.com/sites/steveschaefer/2016/12/06/trump-puts-the-screws-to-boeing-over-air-force-one-contract-but-dont-trust-his-numbers/#1f9aac063151>

²³ Jon Ostrower, "How Boeing got on Trump's good side" *CNN Money*, February 17, 2017,

<http://money.cnn.com/2017/02/17/news/companies/boeing-trump-dennis-muilenburg/>

²⁴ Anthony Capaccio, Toluse Olorunnipa, and Julie Johnsson, "Trump Meets Boeing CEO Muilenburg Again Over Air Force One Costs" *Bloomberg*, January 17, 2017,

<https://www.bloomberg.com/news/articles/2017-01-17/trump-said-to-meet-boeing-ceo-a-second-time-over-air-force-one>

²⁵ Jon Ostrower, "How Boeing got on Trump's good side" *CNN Money*, February 17, 2017,

<http://money.cnn.com/2017/02/17/news/companies/boeing-trump-dennis-muilenburg/>

²⁶ Benjamin Zhang, "Trump's 'America First' policies are catapulting Boeing into dangerous territory" *Business Insider*, February 4, 2017, <http://www.businessinsider.com/boeing-trump-administration-policies-effects-2017-2>,

Rick Clough and Julie Johnsson, "How Close to Trump Is Too Close for Boeing?" *Bloomberg*, February 17, 2017, <https://www.bloomberg.com/news/articles/2017-02-17/for-boeing-chief-how-cozy-is-too-cozy-in-access-to-trump>

²⁷ Richard Clough and Julie Johnsson, "For Boeing chief, how cozy is too cozy in access to Trump" *Chicago Tribune*, February 17, 2017, <http://www.chicagotribune.com/business/ct-boeing-ceo-trump-20170217-story.html>

²⁸ Senate Office of Public Records data accessed on January 25, 2017 and aggregated by the Center for Responsive Politics, Open Secrets Database: <https://www.opensecrets.org/lobby/clientsum.php?id=d000000100> (Last visited

to lobby the government each year since 2008, ranking among the top 10 special interest groups.²⁹

- Muilenburg is on the Executive Committee of the Business Roundtable, an association of nearly 200 Fortune 500 CEOs that spent \$15 million on lobbying in 2016.^{30 31}
- In a February 2017 letter, the Business Roundtable asked the Trump administration to either repeal or extend “compliance flexibility” on over 20 “regulations of concern” that keep workers safe, protect the environment, and promote transparent business practices.³²

Muilenburg’s Views on Trump

- On a January 2017 call with media and company analysts, Muilenburg said: “We’ve had the privilege of having a very open dialogue with him [Trump] on business issues.”³³
- According to *CNN*, Muilenburg said Boeing is “very supportive” of Trump’s plans on manufacturing, trade, regulation and taxes. The company is “very confident that those are headed in the right direction and being done with the right tone and tenor.”³⁴
- After visiting Trump’s Mar-a-Largo resort, Muilenburg told reporters: “It was a terrific conversation. Got a lot of respect for him [Trump]. He’s a good man. And he’s doing the right thing.”³⁵
- On January 17, 2017, as he left Trump Tower, Muilenburg told reporters: “I think Trump is doing a great job engaging with business. We’re all on the same page here.”³⁶

The 2005 Virtual Border Fence

Apr. 14, 2017).

²⁹ Senate Office of Public Records data accessed on January 25, 2017 and aggregated by the Center for Responsive Politics, Open Secrets Database: <https://www.opensecrets.org/lobby/clientsum.php?id=d000000100>; “Top Spenders 1998-2016” based on lobbying expenditures aggregated by the Center for Responsive Politics “Open Secrets” database, <https://www.opensecrets.org/lobby/top.php?indexType=s> (Last visited Apr. 14, 2017).

³⁰ “Executive Committee,” Business Roundtable website, <http://businessroundtable.org/about/executive-committee>; “Member directory”: <http://businessroundtable.org/about/members> (Last visited Apr. 14, 2017).

³¹ Senate Office of Public Records data accessed on January 25, 2017 and aggregated by the Center for Responsive Politics, Open Secrets Database: <https://www.opensecrets.org/lobby/top.php?showYear=2016&indexType=s> (Last visited Apr. 14, 2017).

³² Business Roundtable, open letter to White House Director of the National Economic Council, Gary Cohn, February 22, 2017: <https://businessroundtable.org/sites/default/files/Regulations%20of%20Concern%20Letter%20and%20List%20170222.pdf>.

³³ Jon Ostrower, “How Boeing got on Trump’s good side” *CNN Money*, February 17, 2017, <http://money.cnn.com/2017/02/17/news/companies/boeing-trump-dennis-muilenburg/>.

³⁴ Jon Ostrower, “How Boeing got on Trump’s good side” *CNN Money*, February 17, 2017, <http://money.cnn.com/2017/02/17/news/companies/boeing-trump-dennis-muilenburg/>.

³⁵ Jon Ostrower, “How Boeing got on Trump’s good side” *CNN Money*, February 17, 2017, <http://money.cnn.com/2017/02/17/news/companies/boeing-trump-dennis-muilenburg/>.

³⁶ “Boeing President Dennis Muilenburg at Trump Tower” *C-SPAN* live feed, January 17, 2017 <https://www.c-span.org/video/?422085-101/boeing-ceo-dennis-muilenburg-speaks-new-generation-air-force-one>.

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- In 2005, Boeing received a \$67 million, multi-year contract to help build a 2,000 mile “virtual border fence” along the US-Mexico border.³⁷
- By 2009, the border fence was costing an average \$2.8 million PER MILE to construct.³⁸
- In 2011, after costing taxpayers nearly \$1 billion, the Department of Homeland Security cancelled the project after delays and significant overspending.³⁹

Trump’s Border Wall: Will Boeing seek to profit from the wall?

- As of January 28, 2017, according to the *New York Times*, “Dennis Muilenburg has been asked whether the company had discussed border security with the president, and whether it could harvest any information from its earlier project for the new wall. He said the company was not actively pursuing anything in that area but was open to working with the government. The company, otherwise, did not comment on its scrapped [2005-2011] project.”⁴⁰

Challenges to Unionized Workers

- Boeing employs 30,000 workers in Seattle who are unionized through the International Association of Machinists.⁴¹ After workers went on strike in 2008, Boeing spent \$750 million to build a non-unionized factory in South Carolina.⁴²
- Boeing Charleston’s Vice President indicated that Boeing considered the business environment, logistics, and infrastructure in South Carolina in its decision, saying “being able to deliver on schedule, the company decided two sites were better than one.”⁴³ According to another senior official at Boeing, “The overriding factor [in moving to South Carolina] was not the business climate. And it was not the wages we’re paying today. It was that we cannot afford to have a work stoppage, you know, every three years.”⁴⁴

³⁷ Suzanne Gamboa, “Obama admin scraps border fence” *NBC News*, January 14, 2011, http://www.nbcnews.com/id/41083850/ns/us_news-security/t/obama-administration-scraps-border-fence/#.WO4nbGkrLX4.

³⁸ “Secure Border Initiative Fence Construction Costs GAO-09-244R” U.S. Government Accountability Office, Published: Jan 29, 2009. <http://www.gao.gov/products/GAO-09-244R>.

³⁹ Suzanne Gamboa, “Obama admin scraps border fence” *NBC News*, January 14, 2011, http://www.nbcnews.com/id/41083850/ns/us_news-security/t/obama-administration-scraps-border-fence/#.WO4nbGkrLX4.

⁴⁰ Danielle Ivory and Julie Creswell, “One Certainty of Trump’s Wall: Big Money” *New York Times*, January 28, 2017 <https://www.nytimes.com/2017/01/28/business/mexico-border-wall-trump.html>.

⁴¹ Alwyn Scott and Harriet McLeod, “Workers at Boeing’s South Carolina plant reject union” *Reuters*, February 17, 2017, <http://www.reuters.com/article/us-boeing-machinists-idUSKBN15V04Q>.

⁴² Alwyn Scott and Harriet McLeod, “Workers At Boeing’s South Carolina Plant Reject Union Just Before Trump Visit” *The Huffington Post*, February 16, 2017, http://www.huffingtonpost.com/entry/workers-at-boeings-south-carolina-plant-reject-union-just-before-trump-visit_us_58a5c213e4b037d17d256052.

⁴³ John McDermott, “Boeing lands in North Charleston” *The Post and Courier*, October 27, 2009, http://www.postandcourier.com/business/boeing-lands-in-north-charleston/article_5c5460e2-028c-599a-849a-81a7bb991cc1.html

⁴⁴ Pat Garafalo, “Gov. Haley Defends Boeing’s Union-Busting: ‘It’s Called Capitalism’” *ThinkProgress*, April 29, 2011,

- In 2010, the National Labor Relations Board (NLRB) filed a legal complaint against Boeing. The NLRB's chief prosecutor charged that Boeing moved to South Carolina in order to retaliate against its union workers in Seattle.⁴⁵ The complaint was later dropped after the Seattle union negotiated a four-year collective bargaining agreement with Boeing.⁴⁶
- Trump Cabinet Member and Ambassador to the United Nations, Nikki Haley, was previously the Governor of South Carolina. She's on record as saying:
 - "In choosing to manufacture in my state, Boeing was exercising its right as a free enterprise in a free nation to conduct business wherever it believed would best serve both the bottom line and the employees of its company. This is not a novel or complicated idea. It's called capitalism."⁴⁷
 - "We have a reputation internationally for being a state that doesn't want unions, because we don't need unions....I have every confidence that the Boeing workers in Charleston will see this play for exactly what it is and reject this union power grab."⁴⁸

<https://thinkprogress.org/gov-haley-defends-boeings-union-busting-it-s-called-capitalism-7fbc917bfaa3>.

⁴⁵ National Labor Relations Board, Boeing and the International Association of Machinists and Aerospace Workers, Case 19-CA-32431, https://www.nlr.gov/sites/default/files/attachments/basic-page/node-3310/cpt_19-ca-032431_boeing_4-20-20_11_complaint_and_not_hrg.pdf.

⁴⁶ Ben James, "NLRB Drops Boeing Case On Heels Of Union Deal" *Law360*, December 9, 2011, <https://www.law360.com/articles/292202>.

⁴⁷ Nikki Haley, "Obama's Silence on Boeing Is Unacceptable," *Wall Street Journal*, April 29, 2011, <https://www.wsj.com/articles/SB10001424052748703778104576287290266016016>.

⁴⁸ Josh Eidelson, "Boeing's Best Union Buster Is South Carolina's Governor Nikki Haley," *Bloomberg*, April 15, 2017, <https://www.bloomberg.com/news/articles/2015-04-17/nikki-haley-proud-union-buster-at-boeing-south-carolina-i8lpjuao>.

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