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# BOEING MACHINISTS STRIKE - STRIKE'S EFFECT MIXED SOME LOCAL SUPPLIERS FEEL PINCH OTHERS OK

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The Boeing Machinists strike is having a mixed effect on local suppliers and subcontractors. Today marks the 23rd day of the strike, which has forced Boeing to halt commercial aircraft production and closely follows a four-week strike by about 4,500 Hawker Beechcraft workers in Wichita.

Area suppliers say they've cut out overtime and shortened workweeks. At least one has cut staff.

Other suppliers say they haven't yet felt much of an impact.

"We're just starting to see a trickle of a slowdown related to the Boeing strike," said R&R Aerospace president Brett Jacobson. "But we haven't seen a whole lot yet."

The company is evaluating the potential effects should the strike linger. About 30 percent of

R&R's business is Boeing-related.

There are no plans for layoffs or shortened workweeks, he said.

"We're in the hunker-down phase," Jacobson said.

Boeing and the union continue to meet separately with a federal mediator. But no talks are scheduled, Boeing spokesman Jarrod Bartlett said Friday afternoon.

The strike has had the biggest impact at Spirit AeroSystems, Boeing's largest supplier.

Spirit suspended its financial guidance and quickly placed most of its workforce on a three-day work schedule to slow production of some Boeing products after the strike started Sept. 6.

Many suppliers in Wichita have contracts either directly with Boeing, or with Spirit or other companies that supply Boeing with parts.

How much the strike affects suppliers depends on how diverse the customer base is and how long the strike lasts, they say.

A broad base of customers has helped mitigate the strike's effect at Exacta Aerospace, which has cut overtime.

"We're lucky to be diverse in our statement of work," said Exacta marketing director KayLene Haug.

Exacta also does work for Cessna, Bombardier Learjet, Gulfstream, Bell Helicopter and Hawker Beechcraft.

But the company is keeping close tabs on the Boeing strike.

"Boeing and Spirit are both important customers of ours," Haug said.

"We're certainly watching it."

Cox Machine, which employs 185 people, laid off 16 people in Wichita and seven at a facility in Harper on Sept. 18.

The strike, along with a market beginning to soften, were reasons for the cutbacks, said Jason Cox, Cox Machine chief technical officer.

"Everybody is eligible for recall," Cox said.

When the strike started, FMI immediately cut overtime, said president Rick Nutt. Spirit is a primary customer of FMI, which employs about 130 people.

The company told employees this week that it is going to a four-day work schedule, Nutt said.

Employees can use their vacation on the days they are off, he said.

"Nobody complained," Nutt said.

"The weather's good. They'll go fishing and to football games."

In the meantime, the company will take advantage of a slowdown to catch up on some projects, such as putting in a new computer system, Nutt said.

FMI has put itself in a financial situation to be able to weather the storm by not carrying a lot of debt, he said. It's a lesson the company learned after the Sept. 11 terrorist attacks.

Still, the strike has FMI's attention, Nutt said.

"It's got us nervous," he said. "We're wanting the strike to be over."

The Boeing strike has not affected business at Aero-Mach Labs, which does only a small amount of work for Boeing, said company president Chuck Perkins.

But a four-week strike resolved last month by Machinists at Hawker Beechcraft had an impact.

"Hawker just asked us to push back schedules to comply with the four-week shutdown during the strike," Perkins said. "We're working with them."

Reach Molly McMillin at 316-269-6708 or [mmcmillin@wichitaeagle.com](mailto:mmcmillin@wichitaeagle.com).

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