

# Boeing supplier Spirit AeroSystems to lay off 2,800 workers

January 10 2020



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Spirit AeroSystems, a major supplier for the Boeing 737 MAX, said Friday it will lay off 2,800 employees after Boeing halted production of the plane.

Boeing announced in December it would suspend production after a pair of deadly crashes caused the plane to be grounded worldwide. Spirit said the MAX represents half its annual revenue.

The Wichita, Kansas layoffs are equivalent to 16 percent of Spirit's total workforce, and the firm also expects "smaller workforce reductions" later this month at two plants in Oklahoma, the company said in a statement.

The company, which provides the fuselage for the MAX and other components, said it "has not received notice from its customer, Boeing, on how long the production suspension will last or what the production rate will be in the future."

Spirit said employees will receive compensation for 60 days and workers at the Wichita facility will start exiting the [company](#) on January 22.

Boeing meanwhile said it would continue to pay workers producing the 737 MAX during the production stoppage, though some may be reassigned temporarily.

"Our goal is to support Boeing and a [safe return](#) to service of the MAX," Spirit Chief Executive Tom Gentile said in the statement.

"We continue to work with Boeing to develop a new production schedule for 2020," he said. "When production levels increase sufficiently in the future, we look forward to recalling employees impacted by today's announcement.

Shares of Spirit fell 1.7 percent to \$71.57 in late-morning trading.

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