

Top Boeing executives announce early retirements as questions over whistleblower “suicide” remain unanswered

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On Monday, the Boeing corporation announced that several top executives in the company, including the current CEO and the head of the commercial planes division, would be retiring early as a major crisis at the airline manufacturer and military contractor continues to mount.

Among those retiring will be Boeing CEO Dave Calhoun, who will remain in the position until the end of the year. It appears Calhoun's departure was not planned. The *New York Times* reported that in 2021 the Boeing board raised the retirement age for its CEO to 70 from 65, which would have allowed Calhoun, 66, to remain in the position until April 2028.

Stan Deal, the president of the commercial planes division, also announced his early retirement. Boeing has confirmed that Stephanie Pope, previously the president and chief executive officer of Boeing Global Services, will be replacing Deal.

Finally, Larry Kellner, the chair of the Board of Directors, announced he would not stand for reelection at the annual shareholder meeting set for this May.

In Kellner's stead, Boeing announced that Steve Mollenkopf, the former CEO of Qualcomm, will be appointed the new chair at the next shareholder meeting. Mollenkopf, per Boeing, “will lead the board's process in selecting Boeing's next CEO.”

In addition to Boeing, Mollenkopf still holds a high-level position with Qualcomm, is a board member of the US-China Business Council, and has previously held top positions with the Global Semiconductor

Alliance and the Semiconductor Industry Association.

The forced retirement of top Boeing executives comes after the deadly Boeing Max 737 crashes in 2018 and 2019, which killed 346 people, and several major incidents this year that have left millions of people, including the heads of airlines, wary of ever riding a Boeing aircraft again. Boeing stock is down 26 percent, increasing Wall Street pressure on the commercial and military aircraft producer.

Recent incidents include the Alaska Airlines panel blowout in January, the Chile-based LATAM Airlines nosedive earlier this month, and the suspicious death of whistleblower John Barnett on March 9.

The death of Barnett, an over 30-year employee of the company, in a purported suicide has particularly sinister implications. Barnett was in the middle of giving damning testimony in a civil lawsuit alleging that Boeing forced him to retire early for refusing to compromise on safety and quality when he was found dead in a hotel parking lot in South Carolina.

In his lawsuit and testimony, Barnett alleged that “upper management” at Boeing “harassed, denigrated, humiliated, and treated” him “with scorn and contempt” for refusing to compromise his integrity. Barnett asserted that upper management not only wanted him to operate in a “gray area” and not follow Boeing procedures, but also to ignore federal criminal statutes.

The Boeing executives who announced their retirement on Monday, and their replacements, all held “upper management” positions within the company during the

years that, according to Barnett, saw reckless disregard for safety procedures and standards on the part of Boeing.

In a letter to employees Monday, outgoing CEO Calhoun admitted that the “Alaska Airlines Flight 1282 accident was a watershed moment for Boeing.” A preliminary investigation by the US National Transportation Safety Board (NTSB) found that the four bolts that were supposed to keep the panel locked in mid-flight had not been installed, leading to the blowout and emergency landing on January 5.

Just three days before Calhoun announced his abrupt retirement, the *New York Times* reported that the FBI had sent letters to passengers on Flight 1282 making them aware that they may have been “a possible victim of a crime.” The *Times* said the letters were sent from the Seattle FBI office. The letters indicated that while the incident remains under investigation, “for several reasons, we cannot tell you about its progress at this time.”

Boeing has confirmed to the NTSB that the bolts on the Alaska Airline flight were removed at its facility in Renton, Washington after the fuselage was transported there for final assembly last August. However, the airline has not been able to provide any documentation to the NTSB as to who removed the bolts, or why they were not reinstalled.

On Monday, *Fortune* reported that outgoing CEO Calhoun will retire with a “\$24 million payday,” but could collect “about \$45.5 million” if Stephanie Pope, Stan Deal’s replacement, “can boost the stock price nearly 37 percent.”

Ben Silverman of Verity, a firm that researches and analyzes insider stock sales, told *Fortune* that Calhoun could collect \$4.8 million as early as February 2027, followed by \$14.4 million spread out over the next 10 years. *Fortune* estimated that Calhoun collected \$22.4 million in 2023, “including \$8.5 million in options, \$9.5 million in stock and \$3.4 million in an annual cash bonus.”

When Calhoun was elected president and CEO of Boeing in December 2019, the board included language

that would boost Calhoun’s salary by millions of dollars if he could get the 737 MAX plane in the air and production lines churning again.

While Calhoun is leaving with a golden parachute, *Fortune* noted his millions were a “far cry” from that showered on previous CEO Dennis Muilenburg who, despite being fired, still collected \$80 million. Calhoun replaced Muilenburg following the 2018 and 2019 crashes.

No Boeing executives were ever charged in the deaths of the nearly 350 people killed in those disasters. Instead, the US Department of Justice levied a \$2.5 billion fine against the company, which is \$500 million less than the company spent buying back its own stock in March 2018.

Since its 1997 merger with McDonnell Douglas, and prior to grounding the MAX in March 2019, Boeing spent more than \$60 billion in stock buybacks. A majority of these buybacks occurred between 2013 and 2019, with Boeing spending \$43.5 billion on buybacks in just those six years.



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