Boeing Business Jet Announces 11 New Orders At NBAA '98

Customer response to the Boeing Business Jet (BBJ) continues to be positive as 11 new orders were announced today by Boeing Business Jets President Borge Boeskov, increasing the total number of sales to 46.

The announcement was made at the 1998 National Business Aviation Association (NBAA) show in Las Vegas, where the new long-range executive jet is on display. Fresh from its successful first flight Sept. 4 the airplane is expected to receive certification next month.

"We are extremely pleased with customer response to the BBJ," Boeskov said. "These new orders are confirmation that we are offering a new dimension in executive travel, which the global business environment needs at this time."

Executive Jet and Boeing Business Jets announced the formation of a joint venture last October that will introduce the BBJ into Executive Jet's NetJets® fractional ownership program. The 11 new orders include nine airplanes purchased for the NetJets fractional ownership program, with the remaining two BBJs ordered by unidentified customers. Boeing has committed 16 more airplanes to this program over the next four years. The first "green," or unfurnished, versions of these airplanes will be delivered in mid-1999.

Executive Jet was purchased by Berkshire Hathaway Inc. last July. Richard Santulli, chairman and CEO of Executive Jet, and Warren E. Buffett, chairman and CEO of Berkshire Hathaway, participated in today's press conference.

"The BBJ is going to be a huge attraction when it's a part of the NetJets® program and we're looking forward to the first deliveries." Buffet said.

On display at the NBAA show was the newly completed BBJ NetJets full-scale mock-up interior, which will tour the United States in 1999. This interior is the largest business aircraft interior ever constructed and accurately depicts the BBJ's roomy 807-square-foot passenger cabin, which is about three times more spacious than some comparably priced business jets.

Boeing Business Jets also announced that each BBJ now will come with a special five-year subscription to MedAire, Inc.'s MedLink Wordwide Service, an exclusive set of medical services created specifically for crew and passengers who travel globally. The BBJ will be the only aircraft in the world to offer defibrillators as standard equipment.

The BBJ's cabin interiors are highly flexible and can be designed as in-flight business centers, complete with conference rooms and telecommunications links, or large, comfortable private suites with showers and exercise rooms. Boeskov said the possibilities are almost endless, dictated only by the travel and business needs of the customer.

Boeing Business Jets is a joint venture launched in 1996 by Boeing and General Electric Co. (GE). The BBJ, a special high-performance derivative of the Boeing Next-Generation 737-700, is specifically designed for VIP and executive customers. It combines the size of the 737-700 fuselage (110 feet, 4 inches) with the strengthened wings and landing gear used by the larger and heavier 737-800.

The airplane has a range of 7,140 miles (6,200 nautical miles, 11,480 kilometers) and can cruise at speeds up to .82 Mach, equivalent to a ground speed of 550 miles per hour.

Boeing Commercial Airplanes provides airplanes to Boeing Business Jets, which delivers them to PATS Inc. in Georgetown, Del., to have supplemental fuel tanks installed. From there, the airplanes are flown to customer-selected centers around the world for interior installation and exterior paint. Five such centers include Associated Air Center in Dallas; The Jet Center in Van Nuys, Calif.; Raytheon in Waco, Texas; Lufthansa Technik in Hamburg, Germany; and Jet Aviation in Basel, Switzerland. Other completion centers are available and may be used at the discretion of the customer.

The unfurnished or "green" airplane is comparably priced to existing executive jets, selling for $33.75 million (1998 dollars). A completely furnished and equipped BBJ costs approximately $40 million to $45 million at delivery.

The first BBJ is being used by Boeing as a demonstrator model. After 18 months, it will be incorporated into the Boeing fleet. On display at the NBAA exhibit is the No. 1 BBJ with prototype winglets. This aircraft will be fitted with auxiliary fuel tanks at PATS before interior completion during the first half of 1999.

The prototype winglets on the static-display airplane were designed and built by Aviation Partners Inc. of Seattle. These prototype winglets were used in a flight test program in June of this year after being attached to a Boeing 737-800. The airplane on display was not flown to Las Vegas with winglets but the 8-foot-3-inch high devices are the same prototypes used in the June test program. They were attached to the BBJ after arrival in Las Vegas to show how the winglets will look on the finished Boeing Business Jet.

"Many of our customers have expressed a strong interest in winglets for the BBJ," Boeskov said. "They provide a distinctive look and our initial flight tests have shown positive results in all areas. So we are moving ahead with additional testing and we expect to have winglets available to BBJ customers next summer."

Eight BBJs are scheduled for delivery to customers by the end of 1998.

The Boeing Company is the largest aerospace company in the world, including the world's largest manufacturer of commercial jetliners, military aircraft and the nation's largest NASA contractor. In 1997, company revenues were $45.8 billion.

Boeing has customers in 145 countries, employees in more than 60 countries and 27 states. Worldwide, Boeing and its subsidiaries employ more than 234,600 people. Over production history and as of Sept. 30, 1998, more than 14,000 Boeing commercial airplanes have been ordered and more than 12,000 have been delivered. Of these totals, more than 4,000 of these orders and more than 2,000 of these deliveries have been model 737s, the airplane upon which the Boeing Business Jet is based and the world's best-selling and industry's most reliable commercial jetliner.

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