

Boeing Airplane Services Responds To Growing Aviation Services Market

- Two German Airlines Contract for Winglet Retrofits From Aviation Partners Boeing
- Boeing And Aeronavali Team Up On 767-200 Conversion Program
- Boeing Helps South African Airways Get A New Look

Boeing Airplane Services, the new business dedicated to providing customer-focused service solutions for commercial airplanes, today announced several new programs and customer orders.

In the Boeing Current Market Outlook 2000, the services market is forecast to be more than \$2.6 trillion over the next 20 years, with annual revenues considerably more than that for the new airplane market. Boeing Airplane Services is focused on seizing the opportunities of this growth market and responding with new programs, while building upon existing offerings. In 1999 alone, airlines spent about \$330 billion on operating expenses, with roughly \$87 billion spent on support services.

"Our primary goal is to help airlines reduce their operating costs and help them operate more efficiently and effectively," said Joseph Gullion, president of Boeing Airplane Services. "These agreements truly demonstrate the value that Boeing Airplane Services can bring to our customers in this growing market."

Two German Airlines Contract For Winglet Retrofits From Aviation Partners Boeing

German airlines Hapag-Lloyd and Air Berlin today announced their commitment to blended-winglet technology on the Next-Generation 737-800 airplane. Hapag-Lloyd launches the winglet retrofit program through a contract with Aviation Partners Boeing for 26 blended winglet kits. Air Berlin ordered 19 blended winglet kits for its 737-800s.

The retrofit involves removing a 737-800's wingtip, replacing two wing ribs, and strengthening several stringers and skin panels before attaching the winglets. The modifications take about seven to eight days to complete. Hapag-Lloyd will decide where the retrofit modification work will be performed.

Hapag-Lloyd is the launch customer for the 737-800 and, in 1999, teamed up with Boeing by allowing one of its 737-800s to test the blended-winglet technology. In addition, a Hapag-Lloyd 737-800 airplane will be used for flight-test certification. The retrofitted airplane is expected to go into service early next year, making Hapag-Lloyd the first airline to commercially fly a 737-800 with winglets.

Other operators who have committed to retrofitting their 737-800 airplanes with blended winglets include GATX, Flightlease and South African Airways. Lauda Air and Transavia also have expressed strong interest in winglets.

The blended-winglet technology was developed by Aviation Partners Inc. of Seattle, Wash. In 1999, Boeing and Aviation Partners, Inc., formed Aviation Partners Boeing, a joint venture that offers blended winglet technology for in-service Boeing commercial airplanes.

Winglets will extend the 737-800's range by more than 150 miles. The airplane's cruise fuel mileage will improve by up to six percent, resulting in nearly a five percent reduction in gate-to-gate fuel consumption. It can carry up to 6,000 pounds more payload, and climb more efficiently while using less thrust -- creating less noise and emissions and providing lower engine maintenance costs through greater engine derate utilization. Other benefits include improved take-off performance at high altitude airports, in hot climate conditions, or at obstacle-limited airports. The 737-800 already is well below the current environmental standards for emissions and the winglets will even further enhance the airplane's environmental performance.

Boeing And Aeronavali Team Up On 767-200 Conversion Program

Boeing Airplane Services and Aeronavali, a Finmeccanica company coordinated by Alenia Aerospazio, today announced the signing of a Memorandum of Understanding under which Aeronavali will become a partner on the development and modification of the 767-200 Special Freighter program.

With 100 percent of the engineering complete on the 767-200 Special Freighter, Aeronavali will provide passenger-to-freighter modifications, modification kits, tool design and fabrication, and engineering support. Aeronavali is a member of Boeing Airplanes Services' international network of modification and engineering facilities, and currently modifies DC-10, MD-10 and MD-11 airplanes from passenger to freighter airplanes for Boeing.

About 226 767-200 airplanes are in service. Boeing Airplane Services estimates that approximately half of those airplanes will be converted to freighters during the next 20 years.

The converted 767-200s will be capable of carrying approximately 88,000 pounds (39,916 kg) of revenue payload and have a range of approximately 3,200 nautical miles (5,559 km).

Boeing Helps South African Airways Get A New Look

Boeing Airplane Services and South African Airways (SAA) today announced their intention to reconfigure up to eight SAA 747-400s with the airline's new Millennium interior. An agreement is expected to be signed next month. The Millennium interior includes a complete reconfiguration of the cabin interior, featuring new first, business and economy class seating. The entire airplane will be fitted with Sony's P@ssport™ In Flight Entertainment (IFE) system.

In a separate agreement, Boeing Airplane Services and Sony Trans Com Inc., announced that they have signed a contract under which Sony will install its P@ssport™ system on up to 50 747s, with the first six going to launch customer SAA. The P@ssport™ system is an in-seat, full digital video on-demand entertainment system designed for full commercial airplane installation.

For the interior upgrade program, Boeing Airplane Services will team with FLS Aerospace in Europe. FLS Aerospace has major maintenance facilities in Dublin, Ireland; Stansted, Manchester, England; and Copenhagen, Denmark, and will perform the interior modification work at their Dublin facility.

Under the P@ssport™ program, Boeing Airplane Services will design upgraded environmental control systems, interior structural modifications and systems wiring, and will be responsible for the airplane certification. FLS Aerospace will perform the installation activities at their Dublin facility and Sony will provide expertise in the design of sophisticated IFE.

Boeing Airplane Services provides customer-focused service solutions designed to meet an airline's individual requirements. Offerings include engineering retrofit packages, avionics upgrades, in-flight entertainment systems integration, cabin management solutions, passenger-to-freighter conversions, recovery and repair services, and airplane performance improvements for Boeing commercial airplanes. In addition, Boeing Airplane Services has the most comprehensive spare parts distribution system in the industry, with a worldwide network of distribution and service centers. It also provides technical consulting and general contracting support for passenger and cargo airlines.

Boeing Airplane Services is a unit of the Boeing Commercial Aviation Services organization, which offers the aviation industry's broadest array of support resources. As part of The Boeing Company, Boeing Airplane Services has access to the experience and technical capabilities of the world's largest aerospace company. More than 11,000 Boeing airplanes are in operation today around the world.

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