

Boeing Teams Up with BFGoodrich Aerospace and ICAS on 737 Conversion Program

the Boeing Company, BFGoodrich Aerospace and InterContinental Aircraft Services (ICAS) today announced a Memorandum of Agreement under which all three companies will work together in a partnership to develop a 737 passenger-to-freighter conversion program. This will be the first Boeing conversion program for the 737 family of airplanes.

Both BFGoodrich Aerospace and ICAS, an alliance of major Taiwanese companies -- including Air Asia, China Airlines, Evergreen Aviation Technologies, and Aerospace Industrial Development Corp. -- are members of Boeing Airplane Services international network of modification and engineering facilities.

"A 737 freighter modification program is a natural extension of our freighter conversion capabilities," said Joe Gullion, president of Boeing Airplane Services. "The 737 also is the best-selling jetliner of all time and is an ideal airplane to meet the needs of the feeder and niche freighter markets. BFGoodrich and ICAS are both premier modification facilities and we are thrilled to work with them on this program."

Representatives from all three companies currently are co-located in Everett, Wash., where they are jointly developing the configuration and engineering statement of work for modifying both the 737-300 and -400 model airplanes. In addition, a "quick change" option is being evaluated, which allows airlines to convert from freighter to passenger operations in a short period of time. For example, an airline would be able to carry passengers in the morning and then switch its operation to carry cargo that night.

Converting a 737 passenger airplane to a freighter requires the removal of passenger features, such as galley, lavatories, and overhead stowage. The airplane then is modified by adding a cargo door, reinforcing the main deck floor structure and installing freighter-unique systems for main deck cargo handling and smoke detection.

The converted 737-300/-400s will be capable of carrying approximately 39,200 pounds (17,780 kg) of revenue payload with a range of more than 1,500 nautical miles (2,778 km) with full payload.

The worldwide fleet of all freighter airplanes is expected to double during the next 20 years with more than 2,600 airplanes added. Of those 2,600 freighter fleet additions, nearly 70 percent will come from modified passenger and combi airplanes. Boeing expects that approximately 250 737-300/-400 passenger airplanes will be converted to freighters during the next 20 years.

"ICAS is proud to be establishing a partnership with both Boeing and BFGoodrich," said Dr. Alex Tong, ICAS president. "Our premier facilities in Taiwan provide the partnership with a critical strategic advantage to meet the needs of the growing Asian market."

Under the agreement, the partnership will be led by Boeing Airplane Services, which will provide proprietary data and technical expertise in order to develop a safe and reliable modification that is easily maintained and supported. The partnership will work jointly to produce the engineering for a FAA Supplemental Type Certificate (STC). The STC will then be owned by Boeing, ensuring customers can obtain around-the-clock support from the Boeing global network of Field Service representatives.

ICAS and BFGoodrich will perform airplane modifications at their facilities in Taiwan and the United States. The first 737 freighter conversion will be performed at the BFGoodrich facility in Everett and is expected to be ready for delivery as early as summer 2002.

"We have 30 years experience supporting 737 airplanes and this program enables us to grow our world-class maintenance and modifications business," said Marshall Larsen, BFGoodrich Aerospace president. "BFGoodrich is delighted with this opportunity to continue expanding our relationship with Boeing Airplane Services."

BFGoodrich Aerospace provides an expansive range of aerospace components, systems and services to the aerospace industry through a network of manufacturing, engineering and assembly plants as well as service centers, including the largest independent airframe maintenance facility in North America.

ICAS represents the alliance of major Taiwanese aircraft maintenance resources, including Air Asia, China Airlines (CAL), Evergreen Aviation Technologies (EGAT), and Aerospace Industrial Development Corporation (AIDC). ICAS provides aircraft manufacturing, engineering, tool design and manufacturing, parts fabrication, assembly, maintenance, modification and flight support for the global market.

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 all 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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