Boeing Begins 2004 with WestJet Order for Seven Boeing 737-700s

Boeing [NYSE: BA] today confirmed that Canadian low-fare carrier WestJet has ordered seven new Boeing 737-700s to add to its all-737 fleet. The airplanes, which have a catalog value of about U.S. $360-million, are scheduled for delivery in 2005.

WestJet, based in Calgary, Alberta, recently celebrated its 27th consecutive quarter of profitability and has consistently recorded 50-percent annual growth as it expanded its routes across Canada.

Founded in 1996, WestJet flew a fleet of 737-200s in its first five years of operation. It began adding Next-Generation 737-700s in 2001. The airline currently operates 44 Boeing 737s, including 26 737-700s.

"The Boeing 737 has played a crucial role in the growth of WestJet," said Clive Beddoe, the airline's executive chairman, CEO and president. "They have helped us lower our cost structure and contributed greatly to our profitability."

Beddoe said the 737-700s have reduced maintenance costs 46 percent and increased fuel efficiency 30-percent compared with the carrier's 737-200s.

WestJet based its business model on that of Southwest Airlines, the U.S. low-fare carrier that operates only Boeing 737s. Airlines in several areas of the world, including Ryanair in Europe, Virgin Blue in Australia and GOL in Brazil, have adopted the Southwest model. All fly only 737s and all three are profitable.

The Next-Generation 737 family of airplanes, which consists of four models, the 737-600, 737-700, 737-800 and 737-900, is 10 years newer than competing single aisle airplanes.

Besides being known for low maintenance costs, the airplanes are a leader in the industry for reliability and are appreciated by customers for their low operating costs.

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