Boeing, Japan Aircraft Development Corporation Finalize 787 Agreements

Boeing [NYSE:BA] and Japan Aircraft Development Corporation (JADC), representing its three Japanese 787 structure partners -- Fuji Heavy Industries, Kawasaki Heavy Industries and Mitsubishi Heavy Industries -- have signed formal contracts detailing their work agreements for the all-new 787 Dreamliner.

The companies have been working together on the project through memorandums of understanding since November 2003.

"These agreements detail how our companies will work on the 787 for many years to come," said Mike Bair, vice president and general manager of the 787 program. "It has been important that we get the details correct so that we're clear on the arrangements and comfortable that we have created contracts that will allow us all to be successful."

As previously announced, Mitsubishi Heavy Industries will design and build the airplane's wing boxes -- the largest structural elements of the wings. The boxes will be flown to Everett, Wash., on specially modified 747 Large Cargo Freighters for completion, including the installation of systems, fixed leading and trailing edges, and control surfaces.

Fuji Heavy Industries will handle detailed design and assembly of the center wing box and integration of the center wing box with the main landing gear wheel well.

Kawasaki Heavy Industries will provide part of the forward fuselage, the main landing gear wheel well and the main wing fixed trailing edge.

Specific terms of the agreement are not being discussed.

"We are proud of our long, successful relationship with these companies," said Bair. "The 787 will be a dramatic step forward in creating an even stronger bond between Boeing and its Japanese partners."

Twenty-one airlines have already announced orders and commitments for 261 Dreamliners. Japan's ANA (All Nippon Airways) will take first delivery of the super-efficient jetliner in 2008. ANA and Japan Airlines (JAL) have ordered a total of 80 787 Dreamliners.

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