Boeing Commercial Airplanes CEO Says Products, Strategy Will Lead Industry

LE BOURGET, France, June 20, 2011 /PRNewswire/ -- Boeing (NYSE: BA) Commercial Airplanes President and CEO Jim Albaugh said the company is poised for future growth as it prepares to deliver the 787 Dreamliner and 747-8, increases production rates to respond to strong customer demand and develops the market-leading technology and products of the future.

"Airlines today worry about their environmental footprint, fuel efficiency and sustained profitability," said Albaugh. "Our family of ultra-efficient products directly support these customer needs."

Albaugh made the remarks in a briefing at the49th Paris Air Show, which features an unprecedented five Boeing commercial airplanes on display.

"We are positioned for future growth as we near delivery of our two revolutionary, 21st-century airplanes," Albaugh said. "We are building tomorrow's airplanes today and driving value and fuel-efficiency that help our customers compete in the global marketplace."

Boeing announced last week its 2011 Current Market Outlook, which forecasts a market for 33,500 airplanes worth $4 trillion over the next twenty years. With continued strong demand driven by economic growth, Boeing plans to increase production rates for its highly efficient and reliable Next-Generation 737 family to 42 airplanes per month by the first half of 2014. Boeing also has announced future production rate increases for the 747, 777 and 787 programs.

Albaugh outlined the company's disciplined process to determine whether to re-engine the 737, which could enter service in the 2017 timeframe, or introduce a transformational new airplane by 2020.

"Re-engining the Next-Generation 737 is technically viable and a real option for us. What we are working on now is whether that's a good enough answer for the next decades in light of the rising cost of fuel and emerging environmental regulations," Albaugh said. "One thing is certain: we will always provide more value to our customers than our competition."

By improving aerodynamics and engines, Albaugh said Boeing can deliver a new small airplane that's 20 percent more fuel efficient than its predecessor. "When our competitor says they don't have the technology for a new small airplane until 2030 or even 2035, we believe them," Albaugh said. "We do have the technology as a result of developing the breakthrough 787."

The company also will continue to improve the Next-Generation 737 and reduce fuel burn by an additional two percent this year. "The 737 is a great airplane, and it will remain the leader in the single-aisle market for years to come," Albaugh said. "We will compete vigorously for the heart of this market in the future."

Boeing's efforts to reduce commercial aviation's environmental impact are highlighted by the first transatlantic biofuel flight by a commercial airplane – a new Boeing 747-8 Freighter – which is scheduled to arrive in Paris Monday afternoon. All four engines are being powered by a fuel blend containing 15 percent camelina-based biofuel.

"Boeing is taking aggressive action to reduce global warming. It's good for our customers and for passengers, and it's the right thing to do," Albaugh said. "We're committed to make each generation of airplane more efficient by improving aerodynamics, using lighter materials like composites and better engines and making aviation biofuels a priority."

Contact:
Marc Birtel
Boeing Commercial Airplanes
+1 206-390-4115
marc.r.birtel@boeing.com

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