

Doing business globally

Why there's a connection between production stability and BCA's worldwide base of airline customers

Where are our customers based? "Largely outside of the United States," is how Boeing Commercial Airplanes answers that question.

Historically, about one-third of Boeing's airline customers were based in the United States, one-third in Europe and one-third in the Asia-Pacific region. But that has changed.

Through the first quarter of this year, U.S. airlines account for less than 11 percent of Boeing's record backlog of unfilled orders. Airlines in Europe and Russia combine for less than 18 percent, and customers in Asia and Australia comprise about 35 percent.

Middle Eastern and African airlines account for a little more than 16 percent of Commercial Airplane orders. Customers in Canada, Latin America and South America combine for 6.5 percent of the order book.

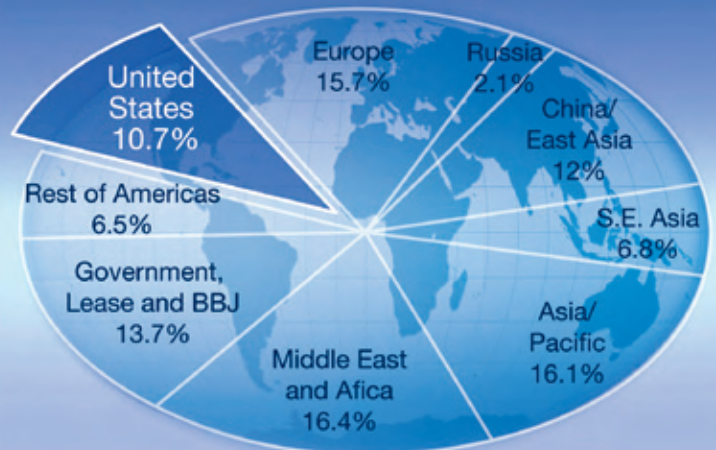
Leasing companies make up a substantial portion of Boeing's backlog of commercial airplane orders. Like Commercial Airplanes, leasing companies place these airplanes with customers around the globe.

"The geographic diversity in our order base is one of the reasons we believe the latest market cycle is fundamentally different than previous business cycles," said Ray Conner, Commercial Airplanes vice president of Sales. "We're less susceptible to an economic downturn in one country or one region of the world. That'll help us be more stable in producing through the cycles."

To maintain market access and sell airplanes around the world, Commercial Airplanes works with some 3,700 suppliers in more than 90 countries around the globe.

Where Our Customers Are

U.S. airlines represent less than 11 percent of BCA's future deliveries



Based on Commercial Airplanes' backlog as of March 31, 2008

"In a global business like ours, it's in our best interest to work with international partners," Conner said. "International sales keep our factories and engineering areas busy."

"Our suppliers are selected based on performance and value—they have to be able to deliver on their commitments," he added. "If they can deliver on commitments and they're based in a country where we have active sales campaigns, that's an added bonus." ■



First 767-300 Boeing Converted Freighter redelivered

The first 767-300 Boeing Converted Freighter (BCF) was redelivered to ANA June 16 at a celebration in Paya Lebar, Singapore—in the hangar of ST Aviation Services Co (SASCO). SASCO, Boeing's partner in the MD-11 and 767-300 BCF programs and the 757-200 Special Freighter program, was a Boeing Supplier of the Year in 2005.

"Our Boeing team is thrilled to deliver the first 767-300BCF, on-time and on-budget," said Lou Mancini, vice president and general manager for Boeing Commercial Aviation Services. "Boeing employees and SASCO worked as partners to complete this well-designed and expertly managed conversion."

One of the most versatile converted freighters, the 767-300BCF can fly 3,100 nautical miles (5,741 kilometers) with a full payload and offers cross-fleet compatibility with other 767s. Boeing has 17 firm orders for this airplane.