

# Airways Magazine

## Op-Ed: The New Midsize ABCs: A320, B737, C Series

by Annie Flodin September 20 <https://airwaysmag.com/industry/the-new-midsize-abcs-a320-b737-cseries>



**WASHINGTON** — People love Bombardier’s C Series – pilots, passengers and industry experts alike. It’s efficient, it has low operating costs and it’s comfortable. The Canadian manufacturer touts the jet as the only aircraft purpose-built for the 100- to 150-seat market. Also, the C Series is the first “new” plane to enter the mid-size market in more than 25 years – the 737 entered service in 1967, and the A320 came along roughly 20 years later.

As with any new product, the C Series faced a series of challenges. Bombardier hoped to have the aircraft in service by late 2013, but due mainly to supplier issues, that was put off for another three years. The plane was officially introduced with Swiss Global Airlines in July 2016. Just months after the introduction, however, engine delivery delays by supplier Pratt & Whitney slashed 2016 C Series deliveries in half – seven instead of the planned 15.

Today 15 C Series are in commercial service, nine with Swiss and six with airBaltic. And with firm orders from both Delta and Air Canada, it’s finally Bombardier’s time to shine, right?

Wrong. At least according to Boeing.

Even though the Seattle-based manufacturer is directing its focus to large – more than 150-seat – aircraft, as is Airbus, they saw a threat in the CSeries, so they decided to do something about it.

### **No Mincing of Words: Boeing Calls CSeries a Threat, Charges Bombardier with Dumping**

In April 2017, Boeing filed a petition against Bombardier, charging the manufacturer with a kind of predatory pricing called “dumping” – selling a product to another country at a lower-than-normal price.

Across the industry, that move was mostly viewed as negative – some likening it to a backhanded compliment, others calling it hypocritical. Addison Schonland, partner at the consulting group AirInsight, says that simply put, it’s Boeing versus the rest of the world.

“It’s like getting a shotgun to shoot a fly,” he said.

In their claim, Boeing alleged two things: first, that Bombardier was dumping, and second, that the CSeries was threatening the 737 program.

Boeing cast out a line, and the U.S. Trade Commission bit – voting on June 9 that the U.S. industry could very well be threatened by this plane. The U.S. Department of Commerce is investigating the case and will release initial findings Sept. 25.

In a recent [Washington Times Op-Ed](#), airline analyst Darryl Jenkins noted that this practice of offering new, clean-sheet program aircraft to early customers at a ridiculously low price is commonplace in the industry – it’s something even Boeing themselves have done. He called the complaint “discouraging” to both analysts and consumers, adding that Boeing employed the same strategy for the 787 that Bombardier it is using with the CSeries.

“Simply put, Boeing’s argument represents the biggest case of hypocrisy in the history of the aviation business,” Jenkins wrote.

### **Bombardier Gets Support from... the World**



PHOTO: Bombardier.

Both Sun Country and Spirit Airlines have publically voiced their support for Bombardier, and two other airlines – one being a very significant Boeing customer – have done the same. Support came from more than just airlines, too: U.S. senators, members of Congress, suppliers and industry experts have all voiced concerns.

The UK government recently called for an end to the dispute, and Justin Trudeau, Canada’s Prime Minister, says his government won’t do business with a company he accused of “trying to put aerospace employees out of work.”

Schonland says the fact of the matter is, the CSeries is a really good airplane, and that’s what’s scaring Boeing. “It will eat away at the 737,” he added. And with the 737 being Boeing’s bread and butter, the fact that the MAX9 and MAX10 aren’t doing too well has the manufacturer running out of options.

“Boeing and Airbus are each making 60 airplanes a month... Bombardier can’t even do that in a year,” Schonland said.

So, why is Boeing picking on the Canadian manufacturer?

For the most part, the CSeries and the 737 don’t even compete. The likeliest explanation for the complaint is that Boeing feels threatened by Bombardier’s potential to stretch the CSeries into larger models. That and the fact that the CSeries is more efficient and much more technologically advanced than the Boeing jet.

In an analysis of [Boeing’s 737 delivery history](#), Schonland notes that the 737-700’s primary competitor is the A319, leaving the segment of under 150 seats wide open to newcomers like

Embraer's E2 and, of course, Bombardier's CSeries. "Airbus and Boeing have left this market," Schonland wrote. "Airbus seems to acknowledge this, Boeing not so much," he added.

### **So, Who Will Come Out on Top?**

If it were up to the world, Bombardier would win this, hands down. Alas, it's up to the Department of Commerce, and they may very well rule in favor of Boeing. "They're biased," Schonland said.

"If they come out in favor of Boeing, it will be years before anything really happens," he added. With no planes delivered and no checks cut, Schonland says Bombardier will just come up with something else.

"And in the meantime, Delta will be flying the CSeries and driving competitors nuts," he added.

Delta is heavily invested in the CSeries. As the U.S. launch customer, the airline has a firm order for 75 CS100s and has already taken delivery of a flight simulator.

At this point, only time will tell who will win this debacle that Schonland calls a complete and utter waste of time and resources. "Boeing doesn't have a case... it's political," he said.

Jenkins wrote that the complaint is "a chance to crush a potential future competitor with the blunt instrument of U.S. trade law." And in a few days' time, we'll know if Boeing opted for the right weapon.



0Save

Airways International, Inc © 2017. All Rights Reserved.