

## MANUFACTURING

## Airbus wins orders for A321neo business jet, Boeing loses one

By Andrew McIntosh Staff Writer, Puget Sound Business Journal Aug 14, 2020, 2:41pm PDT

Airbus Corporate Jets said Friday it has won its first order for two A321neo long-range business jets.

The buyer is Lufthansa Technik and the new aircraft will be operated by the German air force (Luftwaffe), Airbus said. The European-based jet maker did not release the terms of the deal, which offered a rare bit of good news for the aerospace world.

A basic model of the jet sells at a list price of \$115 million each, making it at least a \$230 million deal plus add ons, but the German government would typically receive a lower price. (Neo stands for new engine option.)

A government-backed order for A321 jets is good news for the more than 100 Puget Sound aerospace suppliers who make parts and components for Airbus as local suppliers battle a drop in airline orders that has hit both Airbus and Boeing, triggering worldwide order cancellations and production cuts that triggered thousands of layoffs in the sector. The Airbus deal comes the same week that Boeing itself revealed it had <u>scrubbed a luxury Boeing Business Jet 737 Max order</u> from its books in July. The buyer who canceled the order was not identified.

Airbus said the new aircraft will be multirole capable and can be equipped for various types of missions, such as troop transport, as well as different medical evacuation roles and setups.

AirInsight analyst Michel Merluzeau said the deal was smart by the German government and offered several benefits.

"The timing is favorable to process those aircraft over the next calendar year, with some Neo manufacturing slots on the assembly line open, and this helps maintain production rates at Airbus," Merluzeau said.

"The Luftwaffe aging fleet of A310s very much needed a replacement and the A321s very much fits the bill in terms of capabilities and availability," Merluzeau said. "Since the Luftwaffe already operates A321s, it is a logical addition to the fleet."

Merluzeau said France used similar though larger A330 aircraft with Medevac configurations during the early months of the Covid-19 crisis to efficiently and safely move critical patients to other less busy hospitals in other parts of France.

Lufthansa Technik has now ordered five Airbus aircraft for the German government: three ACJ 350-900s and two A321LRs.

The jet maker said its specially made A321LRs for the Luftwaffe will be able to fly up to 163 passengers, six intensive care patients and a dozen medium care patients, depending on the installed airplane cabin configuration used by the German air force.

The A321 long-range jet has a maximum range of 4,200 nautical miles, or about 9.5 flight hours, Airbus says.

"We are thrilled Lufthansa Technik has become the launch customer for the ACJ long-range version of the world's bestselling A321neo," Airbus Corporate Jets President <u>Benoit Defforge</u> said in a news release.

The normal airline version of the single-aisle jet has a range of 4,000 nautical miles with 206 passengers, and Airbus has also started making an extra-long-range version of the A321. It also sells a luxury version that has been bought by the Four Seasons hotel chain for luxury travel.

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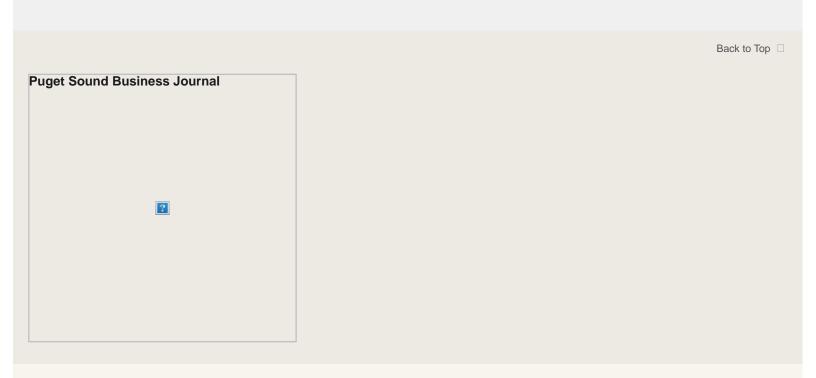












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