



News from the Boeing world

February 2012

Boeing Australia & South Pacific



Boeing innovation and productivity key to manufacturing future: PM

Prime Minister Julia Gillard visited Boeing Aerostructures Australia at Fishermans Bend on February 2 to see the work being done to manufacture components for the Boeing 787 Dreamliner in Australia.

The visit came a day after Ms Gillard spoke about the role of manufacturing in Australia's 'new economy'.

"I am very confident that we can build a new Australian economy where manufacturing has its place: where it can be high-wage, high-skilled, high-productivity, and at the forefront of innovation and research," Ms Gillard said during the visit. "I am here today at Boeing and they are showing us how you get that done."

Ms Gillard said Boeing was finding and creating value in Australia "by being smart at what they do, by staying at the forefront of innovation and research, by making sure that they're bringing high-skills to bear as they go about manufacturing."

Ms Gillard was joined on the visit by Senator Kim Carr, Minister for Industry and Innovation, and Michael Danby, Member for Melbourne Ports.

Boeing Aerostructures Australia is manufacturing the moveable trailing edge components for the 787 Dreamliner. It is the largest aerospace contract in Australia, valued at \$4 billion over 20 years.

Boeing and CSIRO studying new sustainable biofuels in northern QLD

Boeing has joined with CSIRO to undertake a comprehensive study to evaluate the potential for growing new biomass feedstocks in northern Australia and turning them into sustainable aviation biofuels.

"Aviation fuels made from biomass have been certified and are already being used on commercial and military aircraft, so the challenge now is to find the right way to scale up feedstock production so these new fuels are both environmentally and economically sustainable," said Michael Edwards, general manager of Boeing Research & Technology-Australia.

The Sustainable Feedstocks for Aviation Fuels program builds on the recommendations of the *Flight Path to Sustainable Aviation* roadmap, released in May 2011.

"The roadmap made a compelling case for the development of a new Australian bio-based aviation fuel industry generating some 12,000 clean energy jobs over the next 20 years, especially in regional areas, cutting greenhouse emissions and reducing Australia's reliance on aviation fuels imports by \$2 billion per annum," said Edwards.

The Sustainable Feedstocks for Aviation Fuels program is being led by CSIRO's Deborah O'Connell, PhD, an internationally-recognised expert in bioenergy and sustainability.

"The Sustainable Feedstocks for Aviation Fuels program will identify and trial new fuel sources that are compatible with existing land uses with the ultimate goal of developing commercially-viable feedstock to fuel supply chains this decade," said O'Connell.

The first phase of the Sustainable Feedstocks for Aviation Fuels program will concentrate on three key elements over the next 12 months, including:

- Assessment of current and new biomass production systems based on feedstocks such as grasses and short rotation trees in combination with grazing or cropping in regional Queensland;
- Assessment of potential fuel conversion technology to convert these feedstocks into jet fuels; and
- Assessment of appropriate production systems and technology types that will match with local infrastructure.

Over the longer term, Boeing and CSIRO hope to attract further investment and partnerships to develop and commercialise the most prospective options, as well as to test and implement sustainability assessment methods and schemes.

More information about the *Flight Path to Sustainable Aviation* roadmap is available on the CSIRO website at <http://www.csiro.au/files/files/p10rv.pdf>



Pongamia is one option being evaluated in the Sustainable Feedstocks for Aviation Fuels study.



Boeing 737 production at 35 a month

Boeing has successfully achieved a production rate of 35 aircraft a month for the Next-Generation 737, with the 35th aircraft to be built at the new rate rolling out of the factory in January, demonstrating successful operation of the production system at the higher rate.

Employees will focus on stabilising the production rate at 35 a month while investments are underway to go up in rate to 38 737s a month in second quarter of 2013 and 42 a month in the first half of 2014.

Leaders of the 737 program acknowledged employees' contributions to achieving the record rate at an employee celebration at the Renton, Washington, factory. Employee teams implemented new lean improvements to create production capacity.

"Working as a team, we have achieved production levels never previously reached," Beverly Wyse, vice president and general manager of the 737 program, told employees.

"It's because of the focus and dedication of 737 employees that we've reduced waste in our production system and identified opportunities to further increase our productivity.

"The first airplane at the 35-a-month production pace rolled out of the factory the smoothest ever. Only eight jobs were completed outside of our production sequence out of thousands and we only experienced three part shortages during production," Wyse said.

2012 to be 'Year of the 737 MAX'

Boeing booked 805 net commercial aircraft orders in 2011, fuelled by a late flurry of record-breaking deals. The company also delivered 477 aircraft, ending the year with a strong backlog of 3,771 unfilled commercial orders.

"This past year was one of the most exciting and important years in Boeing's history," said Jim Albaugh, president and CEO of Boeing Commercial Airplanes. "By placing record orders, our customers showed their confidence in our products and the quality of work performed by our employees."

The 777 once again led Boeing's twin-aisle programs by setting a new record for orders in a single year at 200, solidifying the company's lead in the widebody segment of the market. Meanwhile, the launch of the

737 MAX spurred historic deals that resulted in more than 1,000 orders and commitments to date from 15 customers.

"The 737 MAX, with its unmatched efficiency, will be a key part of our customers' future fleet needs. As our current commitments become firm orders and we add even more customers, I have no doubt that 2012 will be the 'Year of the 737 MAX'," said Albaugh

On top of a strong backlog, the growing demand for Boeing aircraft is driving production rate increases across most aircraft programs over the next two years. Most notably, 737 will increase production to 38 aircraft per month, 777 to 8.3 aircraft per month (currently at 7 per month), and 787 to 10 aircraft per month (currently at 2.5 per month).

All-black 777-300ER arrives home in NZ



Air New Zealand has taken delivery of its latest Boeing 777-300ER, complete with distinctive livery in recognition of New Zealand's World Cup-winning All Blacks rugby union team.

The all-black livery features an intricately detailed silver fern and the Koru, symbols of New Zealand and the airline.

Painting the aircraft took just over a week – two days longer than it normally takes

to paint a 777 aircraft. Seven hundred litres of chrome-free primer and paint was used and the task involved a total of 14 painters working in shifts 24 hours a day.

The aircraft is the largest commercial aircraft painted in an all-black livery. It touched down in New Zealand on January 12.

Photo: Peter Clark

Boeing, Thales select Eurocopter for helicopter aircrew training bid

Boeing Defence Australia and Thales Australia have announced the Eurocopter EC135 as the preferred platform for their bid on the Australian Defence Force (ADF) Project AIR 9000 Phase 7 – Helicopter Aircrew Training System.

“Boeing and Thales’s individual expertise and shared strengths, as well as a strong working relationship spanning more than 15 years, have enabled the design of a truly integrated, cost-effective, low-risk aircrew training solution for the ADF,” said Kim Gillis, managing director of Boeing Defence Australia. “The Eurocopter EC135 is the ideal helicopter for this mission.”

The EC135 is part of successful training systems in Germany, Switzerland, Spain, and Japan, and in Australia with the Victorian and New South Wales police forces. The 1,000 aircraft fleet worldwide has amassed 2.2 million flight hours to date.

“The EC135 is an ideal training helicopter for defence forces operating new-generation multi-role or combat helicopters, with great maneuverability, high visibility and the most advanced technologies to help instructors perform training missions safely,” said Olivier

Lambert, Eurocopter senior vice president, Sales & Customer Relations.

The Boeing and Thales team conducted a rigorous evaluation of available twin-engine helicopters to identify the aircraft that best met the Commonwealth’s training systems goals.

“Thorough flight and ground assessments of the EC135 and its suitability for both ab initio training and as a lead-in trainer to more complex and larger helicopters made it clear the EC135 was the optimum platform to meet the ADF’s requirements,” Gillis said.

“The aircraft’s support base, both locally and internationally, presents a significant lower cost of operation than other aircraft in its class, reducing project-establishment and through-life-support risk.”

The Boeing and Thales solution draws on Boeing’s sophisticated design tools and extensive aircrew training systems experience, combined with Thales’s simulation capabilities, to deliver an ab initio rotary wing training system for all Royal Australian Navy and Australian Army helicopter aircrew.



Seven new Chinooks for Australia

The Australian Defence Force will receive seven Boeing CH-47F Chinook helicopters as part of a larger US Army contract valued at approximately US\$370 million for 14 aircraft. Six of the helicopters are intended for the United Arab Emirates and one for the US Army.

“This new aircraft sale brings our Chinook backlog to more than 200 aircraft for both domestic and international customers worldwide,” said Leanne Caret, H-47 Programs vice president. “This sale is indicative of the tremendous interest from customers around the world who need best-in-class, multirole heavy-lift capabilities for military and humanitarian missions.”

The aircraft will be delivered to the US Army beginning in 2014.

Australia first to ‘hear’ from satellite

A ground station in Dongara, Western Australia, was first to receive on-orbit signals from the fourth Wideband Global SATCOM satellite Boeing is delivering to the US Air Force.

Controllers confirmed initial contact with the satellite on January 19, 58 minutes after its launch from Cape Canaveral Air Force Station in the US. The signals indicated the satellite is healthy and ready to begin orbital maneuvers and operational testing.

The satellite joins WGS-1, which entered service over the Pacific Ocean in 2008; WGS-2, which began operations over the Middle East in 2009; and WGS-3, which entered service over the Atlantic Ocean in 2010. Together, the four satellites will provide assured access to high-data-rate, jam-resistant communications for US forces and allies around the world.



Chris Jenkins, CEO Thales Australia, and Kim Gills, managing director of Boeing Defence Australia, mark the announcement at Pacific 2012 Maritime Conference last week.

Boeing reports US\$68.7 million revenue for 2011, plans for 2012

The Boeing Company reported net income for 2011 increased to US\$4 billion on revenue of US\$68.7 billion. Revenue guidance for 2012 is between \$78 and \$80 billion.

“Strong fourth-quarter operating performance, record revenue and backlog, and expanded earnings and cash flow capped a year of substantial progress for Boeing in 2011,” said Jim McNerney, Boeing chairman, president, and chief executive officer.

“Major accomplishments of our team during the year included certifying and delivering the first 787s and 747-8s, winning the US Air Force Tanker program, launching the 737 MAX, and securing both an important US missile defense contract and a key agreement for F-15s to Saudi Arabia.

“We enter 2012 with renewed momentum, and proven business and product strategies.

“Our priorities for the year are to continue with disciplined increases in production rates for our commercial airplane customers, and to build on our strong position in defence, space and security with aggressive pursuit of growth in core, adjacent and international markets,” he said.

Boeing helps bring new life to flood-devastated Queensland

In January 2011, Boeing played a vital role in responding to the devastating floods that affected Queensland, supporting the Australian Defence Force in their recovery and evacuation efforts.

Twelve months later, Boeing Australia is playing an important role in rebuilding the region, joining with Global Corporate Citizenship partner Greening Australia to revegetate the native landscape.

“Boeing is a longstanding partner of Greening Australia, supporting a range of environmental programs,” said Ian Thomas, president of Boeing Australia & South Pacific.

“This particular project is a great opportunity for us to support the Queensland community in its ongoing efforts to restore an ecosystem that continues to be under significant pressure after the devastating floods.”

More than 40 percent of the Lockyer Valley’s regional economy is based on horticulture, so helping the community to restore the land is a priority.

“The \$100,000 donation from Boeing will go toward helping revegetate parts of the Lockyer Valley to help reduce the weeds, erosion and sediment

runoff that are continuing to impact the environment,” said Craig Deveney, project manager with Greening Australia.

“More and more landholders are contacting us asking for assistance to revegetate, and with the support of Boeing, we have started this much-needed work along Murphy’s Creek.”

Resident Wayne Foster and his family live on the banks of Murphy’s Creek. They lost everything in the floods.

“The creek was one of the reasons we bought this place, and we cannot wait for it to be back to its original state, if not better,” Foster said. “It’s great to see our children also involved with the revegetation as it helps heal the damage caused both physically to the environment and emotionally to our family.”

Under the revegetation program, more than 1,000 trees will be planted on banks of Murphy’s Creek.

Boeing employees will join members of the local community to collect seeds that will be propagated for replanting. Community planting days will be held throughout the year.



Residents clear debris from a flood-affected property in Queensland’s Lockyer Valley. Photo: Terranean Mapping Technologies.

Velocity

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