

Boeing CEO sees fresh demand in China for planes

March 24 2020



Boeing has begun talks with China over new plane orders following the country's economic shutdown over the coronavirus, the company's chief executive said

Boeing has begun talks with China over new plane orders as the country emerges from the economic shutdown caused by the coronavirus, Boeing Chief Executive David Calhoun said Tuesday.

"Already China's returning," Calhoun said in an interview on CNBC that focused on Boeing's efforts to win \$60 billion in federal government support for the US aerospace industry to help with the disruptions caused by the COVID-19 pandemic.

China is "talking to us about their orders and they are talking to us about future orders," Calhoun said, adding that he expects for the market to "slowly steadily recover" once Western economies get through the coronavirus.

Boeing's efforts to win the massive public package have been strongly endorsed by US President Donald Trump and others, but some lawmakers want to impose restrictions, such as outlawing on [stock buybacks](#) on companies that accept federal support.

And Boeing still faces skepticism on Capitol Hill over its development of the 737 MAX plane, which has been grounded for more than a year due to two fatal plane crashes.

Calhoun said the aerospace giant, which has not laid off workers, would lean on its defense business if Congress does not approve a federal bailout.

"We'll find our way to the other side" regardless of what Washington does.

But key Boeing suppliers face difficulties accessing the private credit market where there is little liquidity, he said.

"We need to know the credit markets are open, not just for us, but for the whole supply chain."

On the MAX, Calhoun said the company continues to work with the Federal Aviation Administration and was targeting mid-year to win approval for the [plane](#) to resume service.

However, demand for commercial planes remains highly uncertain due to the suspension of much of the economy because of the virus.

© 2020 AFP

Citation: Boeing CEO sees fresh demand in China for planes (2020, March 24) retrieved 6 May 2024 from <https://techxplore.com/news/2020-03-boeing-ceo-fresh-demand-china.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.