

First flight of Boeing's 777X set for Thursday: sources

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Following months of delay, Boeing plans the first flight for its new long-range 777X on Thursday

Following months of delay on a plane under development, Boeing plans the first flight for its new long-range 777X on Thursday, two people with knowledge of the matter said Tuesday.

The progress on the 777X comes as Boeing's broader prospects remain clouded by the crisis surrounding the 737 MAX, which has been grounded since March following two deadly crashes.

The date for the first flight, a key step before Boeing seeks federal certification on the new wide-body plane, could still slip depending on weather, the sources said.

The aerospace giant is also seeking to raise at least \$10 billion from leading banks due to increased costs connected to the MAX situation, banking sources told AFP.

The 777X flight had initially been planned for summer 2019 but was shifted back due to a number of issues, including with a new engine built

by General Electric.

The flight is scheduled to take place in Seattle, the sources said.

A spokesman for the US Federal Aviation Administration said the 777X flight was expected soon "but the timing is entirely up to Boeing."

There have been 340 orders for the 777X, mostly from giants such as Emirates, Lufthansa, Cathay Pacific, Singapore Airlines and Qatar Airways. The plane is a rival option to the Airbus A350.

If all goes well with the first flight, Boeing will then submit documents to the FAA as part of the formal certification process, which includes a test flight.

Boeing is now pointing to early 2021 for first commercial deliveries of the plane, later than the mid-2020 timeframe previously targeted.

Development of the long-range aircraft, which can take between 384 and 426 passengers, hit a snag in September when the fuselage of the plane split during a stress test.

MAX costs keep rising

Meanwhile, Boeing is seeking some \$10 billion in loans to deal with swelling costs for the MAX. Those costs have reached \$9.2 billion based on company disclosures thus far but the number is expected to be greater when the company reports earnings later this month.

Boeing's MAX bill includes compensating airlines for delayed deliveries and lost service on thousands of MAX flights, paying out legal settlements to victims, storing and maintaining hundreds of MAX planes that have been built but not delivered and managing production costs across the MAX program during the period before Boeing halted output completely.

Boeing has for now received assurances of about \$6 billion in lending credits from leading banks. The group includes JPMorgan Chase, Bank of America Merrill Lynch, Citigroup and Wells Fargo.

Moody's in December cut Boeing's debt rating after the company announced it would halt production on the MAX amid delays in winning regulatory approval for the plane.

Last week, Moody's placed Boeing under review for another potential downgrade, citing continued uncertainty about the company's prospects following the production shutdown and after Boeing endorsed simulator training for MAX pilots, a move that could delay the commercial return of the planes.

Shares of Boeing fell 0.6 percent to \$322.21 in early afternoon trading.

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