Airbus Bags Biggest Sale In Aviation History With A320neo

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LE BOURGET, France (AP) — Airbus racked up huge orders for its fuel-saving A320neo jetliner on Wednesday, even bagging the biggest single sale in aviation history, and overshadowing the arrival of Boeing's much-hyped and much-delayed 787 Dreamliner at the Paris Air Show.

As airlines around the world worry about skyrocketing fuel prices, demand has surged for low-consumption planes.

Airbus' A320neo, which the company claims is 15 percent more fuel-efficient than rival Boeing's 737 thanks to an improved engine and modified wingtips, was the undisputed star of the Paris Air Show, the industry's biggest annual event.

Airbus notched an order for 180 aircraft from Indian low-cost carrier IndiGo, the biggest single order a company has received in terms of planes.

Other orders for the A320neo came from Chilean carrier LAN Airlines and Kuwaiti leasing company ALAFCO, while U.S. carrier Frontier Airlines and Latin American carrier AviancaTaca made commitments for 131 more.

Airbus has now racked up more than 600 orders and commitments for the A320neo since it began marketing the jet last December.

Airbus' top salesman John Leahy told reporters that orders for the A320neo could top 1,000 by the time the Paris Air Show ends this weekend, providing powerful confirmation of Airbus' decision to adapt its workhorse A320 to meet airlines' growing concerns over fuel costs.

The jet's success also poses a direct challenge to Chicago-based Boeing, which has yet to decide whether to respond with an upgraded 737 itself or to launch an entirely new aircraft.

Indigo ordered 150 of the A320neos and another 30 of the standard A320 single-aisle short and medium haul jets. The firm order follows a memorandum of understanding signed by the two companies in January. Airbus said then that the deal was worth $15.6 billion at list prices, though airlines usually negotiate discounts.

The deal topped the previous record for biggest aircraft order held by China's Central Aircraft Sales Corp., which ordered 150 aircraft from Airbus and the same number from Boeing in 2005.

Boeing was hoping to draw attention away from the Airbus' order tally to its wide-bodied 787 jets with a launch order from All Nippon Airways, who will take deliver of the first model as early as August.

At a joint ceremony at the Paris Air Show, the two companies showcased the new plane — known as the Dreamliner — saying it will allow carriers to open up a number of new long-haul routes.

"Its delivery is planned for August or September this year," said Shuichi Fujimura, vice president of All Nippon Airways, or ANA.

Developmental problems have delayed the new-generation jet's introduction into passenger service by three years. More than 800 have so far been ordered by over 50 airlines.

Fujimura said ANA expects to receive 14 Dreamliners by next March. ANA has a total of 55 787s on order.

"We have a target to expand our route network, and the 787 will play a significant role in that plan," said Fujimura, who was speaking at a news conference together with Scott Fancher, Boeing's 787 program head.

The twin-engine 787 is made mostly of carbon fiber and other composite materials, which make it lighter and therefore more fuel-efficient than other mid-sized airliners. Its twin-aisle passenger cabin accommodates up to 250 passengers.

Because of the 787's improved range, ANA plans to use it on a number of new long-haul routes that were not previously commercially viable because there were not enough passengers to justify using larger aircraft such as the Boeing 747, Fujimura said.

The plane made its debut at the Paris Air Show when it arrived direct from Seattle late Tuesday.

Airbus' competitor with the 787, the A350, is scheduled to enter service with Qatar Airways in 2013. Airbus has racked up nearly 600 orders for the new jetliner, which is also mainly made out of carbon-fiber polymers.

Boeing expects to deliver up to 20 787s by the end of this year. By 2013, it plans to achieve a delivery rate of 10 planes a month from its production lines in Everett, Washington, and Charleston, South Carolina.

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