Airbus Soars Past Boeing With $72 Billion In Orders

Greg Keller, AP Business Writer

LE BOURGET, France (AP) — Airbus is trouncing Boeing in the race to be the world's biggest planemaker, claiming over $72 billion dollars worth of orders and commitments at the Paris Air Show, where the popularity of its new fuel-efficient jets twice broke records for the largest order ever.

Airbus' success cast a long shadow over Chicago-based Boeing, which recorded only $22 billion in orders and commitments, and raised questions over the U.S. planemaker's ability to compete in a market dominated by concerns over high fuel prices.

Airbus CEO Tom Enders and AirAsia CEO Tony Fernandes signed off Thursday on an $18.5 billion order for 200 of Airbus' new A320neo aircraft, which has proven to be the star of the aviation industry's premier event.

The order is the largest ever, eclipsing the previous record set just Wednesday by another A320neo customer, Asian carrier IndiGo. Airlines often negotiate discounts on large deals.

The recipe to Airbus' gains over Boeing is deceptively simple. It modified its existing workhorse jet, the A320, with improved engines and modified wingtips to make it allegedly 15 percent more fuel-efficient than Boeing's 737.

The plane will only start delivering in 2015 but Airbus is using it now to cash in on airlines' need to reduce sky-high fuel costs and cut carbon dioxide emissions.

Airbus' Enders said the A320neo was now "by far the best-selling airliner in the history of commercial aviation."

The company has over 1,000 orders or commitments for the plane, including 667 during the air show's first four days.

Airbus' success increases the pressure on its U.S. rival to respond to the challenge with either a revamped version of its own 737 or an entirely new aircraft. Boeing says it will make that decision in the coming months.

It played down the orders rivalry, saying it doesn't keep deals in reserve just to announce them at air shows.

It recorded orders and commitments for 142 aircraft worth $22 billion at catalog prices during the show. That includes a commitment from an undisclosed customer for it's hulking new 747-8 Intercontinentals worth $4.7 billion.

At this pace, Airbus looks likely to retain its position as industry leader for a fourth year running. Last year, it took in orders for 574 new aircraft worth $74 billion at list prices, more than Boeing's 530.

The biggest orders for Airbus planes this week have come from the fast-growing countries in Asia and the Middle East.

Besides AirAsia and IndiGo, Airbus also nabbed orders and commitments from the U.S. airline JetBlue and Garuda of Indonesia.

Boeing's highlights included a $1.7 billion order for 6 777 long-haul aircraft from Qatar Airways and 10 737s from Malaysian Airlines.

Though Airbus was ending the show with a bang, it had started off with a series of embarrassing gaffes before the opening.

Its A380 double decker superjumbo was briefly grounded after it clipped a wingtip while maneuvering on a taxiway at the Le Bourget airport outside Paris, where the air show is held every two years.

Airbus' long-overdue and over-budget military transporter, the A400M, was unable to perform a scheduled demonstration at the show because of what Airbus called a minor gearbox problem.

And the Airbus A350 long-range widebody had a new disappointment with the announcement that two versions of the jet would be delayed by about two years, so that the jet's exclusive engine supplier Rolls Royce can develop a higher powered motor for the stretched version of the aircraft, something Airbus said customers had demanded.

Although deals are typically announced during the first four days, before the opening to the general public on Friday, the planemakers held out hope for some last-minute surprises, possibly more orders.

"The show's not over yet," said Airbus CEO Enders.

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