

# Alcoa To Expand Alloy Production For Aircraft

NEW YORK (AP) — Alcoa will build a new plant in Indiana and expand two other facilities to increase production of aluminum-lithium alloys to meet rising demand from the aerospace industry.

The aluminum company, which operates out of Pittsburgh, has begun work on a 115,000-square-foot plant near its current facility at Lafayette, Ind. It will have the capacity to produce more than 20,000 metric tons of aluminum lithium.

New alloys, introduced last year, allow manufacturers to build much lighter aircraft, which are selling at a premium because of the potential cost savings on fuel, one of the airline industries' biggest costs.

Orders for manufacturers like Boeing Co. are on the rise. The company posted a 20 percent jump in net income Wednesday, driven by orders from the commercial aircraft industry. The company delivered 128 commercial planes during the quarter, up from 116 a year ago.

Also on Wednesday, Budget carrier Norwegian Air Shuttle ASA on Wednesday said it has ordered 222 new aircraft from Boeing and Airbus in separate deals with a combined worth of \$127 billion in list prices.

Alcoa Inc. plans to begin production at the plant in Indiana by the end of 2014. It is spending more than \$90 million to build it. Alcoa will hire about 150 workers during the construction phase.

The manufacturer also will expand aluminum-lithium capacity by 30 percent at its facilities near Upper Burrell, Pa., and add casting capacity at the Kitts Green plant in Birmingham, United Kingdom. Alcoa spokesman Kevin Lowery stated in an email that these expansions will add an incremental number of jobs but declined to release costs for the two projects.

He said the bulk of Alcoa's investment in the expansions will be incurred at the Indiana plant.

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