

BUSINESS ALEXANDER CAMPBELL / LONDON &amp; GRAHAM WARWICK / WASHINGTON DC

# Boeing and Finmeccanica link up

Partnership is first broad alliance between US prime contractor and a European aerospace manufacturer

Boeing has signed a wide-ranging alliance with Italian aerospace and defence state holding company Finmeccanica that should broaden co-operation in defence, space and aerospace manufacturing.

Details on the partnership are scarce as the pair have initially agreed only to form a committee to examine opportunities for further co-operation.

However, the tie-up is significant as it is the first between the Chicago-based giant and a European manufacturer; previous deals were on a project-by-project basis.

Boeing and Finmeccanica already collaborate on a range of projects, including Boeing 767 in-flight refu-

elling aircraft, aerostructures production for Boeing airliners, modules for the International Space Station and the inflight datalink business Connexion.

The deal is Finmeccanica's third attempt to form a major alliance with another aerospace prime contractor in the last three years. Talks with BAE Systems collapsed in 2000, probably because Finmeccanica felt the deal undervalued its civil aerospace activities. A subsequent effort to forge a military aircraft tie-up with EADS also failed due to disagreements over valuations (*Flight International*, 29 January - 4 February 2002).

A change of management at

Finmeccanica in mid-2002 was followed by major acquisitions, including satellite operator Telespazio in December 2002 and Aermacchi in January this year.

The Boeing move was presaged by Finmeccanica's decision this month not to take up a 5% stake in Airbus. Although European collaboration is in vogue, a move closer to Airbus would have gone against Finmeccanica's strategy of divesting non-defence interests.

Boeing is also keen to increase its defence interests, with the civil aerospace slump set to continue for at least the next 12 months, and access to Finmeccanica's technology will help it do so.

In the shrinking space market the de facto consolidation will also strengthen Boeing's grip on the satellite services and manned spaceflight sectors. Giorgio Zappa, president of Finmeccanica subsidiary Alenia Aeronautica, has reportedly said Alenia will invest in the Boeing Super Efficient Airplane project to the same extent as the Airbus A380. In December 2001 Alenia took a 4% risk share in the A380 programme.

Finmeccanica's European rivals BAE and EADS have significant links with Boeing and Northrop Grumman, respectively, but these tend to be on a project-by-project basis.

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## SAFETY

## Transcript indicates ice build-up was factor in TransAsia accident

The cockpit voice recorder (CVR) transcript from the TransAsia Airways ATR 72-200 that crashed on 21 December reveals the pilots discussed ice build-up on the aircraft 20min before it went out of control and dived into the sea.

The freighter, bound for Macau from Taipei, crashed into the Taiwan Strait 47min after take-off,

30km (16nm) south-west of Penghu Island.

Taiwan Aviation Safety Council investigator Tracy Jen says CVR and flight data recorder readings show the aircraft was cruising at FL180 (18,000ft/5,500m) at 01:32:34 when the co-pilot told the captain about ice build-up. About 1min later the captain also referred to icing.

At 01:34:40, the crew manually selected the aircraft's wing de-icing system, says Jen. The autopilot was engaged at the time and the outside air temperature (OAT) was -2°C. The de-icing system shut off automatically at 01:37:31 after the OAT increased to 0°C. The crew activated the system again at 01:41:32 when the temperature fell

to -1°C. At 01:51:50 the crew requested descent to FL160 and clearance was granted. Jen says that 20s later, when the aircraft was passing 17,853ft, stall warning and stick shaker sounds were recorded. After 2s, the autopilot disengaged and the aircraft banked sharply left and right. Over the next 35s the aircraft plunged towards the sea.

## AIR TRANSPORT

## EVA declines Airbus proposal

Taiwan's EVA Air is to acquire significantly more Boeing 777-300ERs than originally planned, ending efforts by Airbus to have an order for seven long-range 777s overturned in favour of the rival A340-500/600.

Industry sources say EVA has, after a year of studies, decided to acquire eight more 777-300ERs than originally planned. Boeing's official order backlog shows an order for eight 777-300ERs was placed by an undisclosed customer on 31 December.

EVA denies it placed any such order with the manufacturer. It often acquires new aircraft on a mix of lease and purchase arrangements, however.

Early last year the carrier began



EVA Air is to add another eight Boeing 777-300ERs to its existing order, scuppering Airbus plans to sell it A340s

reconsidering its commitment to the long-range 777 variants as it was unhappy being the only launch customer for the smaller -200LR. It placed firm orders for three -200LRs and four larger -300ERs, and took options on eight more, in mid-2000.

It is unclear whether EVA will maintain its original order for -200LRs. It is one of only two customers for the smaller variant, following a recent order from Pakistan International Airlines.

Boeing has been trying to kill off EVA's 777 order for more than a year.

In mid-2002 it tabled an offer to EVA for 15 A340-500/600s, some of which would be acquired by leasing companies on the airline's behalf.

Boeing also put an offer to the airline for the eight 777 options to be firmed up at more favourable prices.