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Bombardier boosts forecast for C Series market

Says demand for new airplane segment will rise to 6,700 from 6,000

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Bombardier ([BDD.B-T](#) 4.78 0.13 2.80%) has raised its estimate of the size of the global market for its new C Series jet by more than 10 per cent, bolstering its case that expanding its offerings by investing \$2.4-billion in a new airplane will pay off.

“The number you’ll see from us [Wednesday] is 6,700,” Gary Scott, president of Bombardier Commercial Aircraft, said in an interview Tuesday. “That’s our number.”

Earlier this week, the company said it expected airlines to purchase 6,000 planes in the 100- to 149-seat segment of the market during the next 20 years.

The new outlook will form part of Bombardier’s 20-year forecast, which will be released Wednesday at the Farnborough International Airshow. The company believes it will win 50 per cent of the orders in the segment over the next 20 years.

It fits with the optimistic buzz at the show that the airline industry is beginning to recover from the recession of 2008-09 and the more recent battering it took from a volcano in Iceland that caused the cancellation of thousands of flights, disrupted travel for weeks and led to huge and costly refunds for airlines.

The recovery is beginning to extend to business jets, another key market for Bombardier and for Pratt & Whitney Canada, which will assemble the engines for the C Series and, as Bombardier is doing with planes, is trying to move up a notch in the aircraft engine business by developing a new engine for larger business jets.

One sign that the business jet market is turning around is the fact that new orders are outpacing cancellation of existing orders, Pratt & Whitney president John Saabas said in an interview at the show.

“Last year, cancellations exceeded orders for the first three quarters of the year,” Mr. Saabas said. “Now we’re starting to turn around.”

Bombardier announced orders for about \$700-million worth of new business jets Tuesday.

“We see a market that’s strengthening,” said Steve Ridolfi, president of the company’s business aviation division.

There are no new orders yet for the C Series beyond the three airlines that have already agreed to buy 90 aircraft, Mr. Scott said.

“We haven’t tried to target any order for Farnborough.

We just think that’s not productive. If you set an arbitrary deadline like that, you tend to end up with lower-quality orders than if you just let them evolve naturally.”

He noted that the C Series will not be delivered until 2013 and its first flight is not scheduled until 2012.

There are a handful of discussions with customers that are at the advanced stage and the company could make an additional announcement “in the not-too distant future.”

There was lots of pre-show hype about the C Series, said aerospace industry analyst Paul Sheridan of aerospace information provider Ascend Worldwide. The company was expected to announce new orders at the show.

“Time will tell if this is a setback or something more serious, but now the pressure is on to produce other orders,” Mr. Sheridan said.

Boeing Co. and Airbus SAS have announced new orders worth several billion dollars this week at the show, but have so far held off announcing what they intend to do to counter the arrival of the C Series and other potential newcomers in the 100- to 149-seat airplane segment.