

# BOEING REPORTS DOWNWARD TRENDS DUE TO CORONAVIRUS AND B737 MAX



Boeing registered more than 350 cancellations of B737 Max aircraft during the first quarter of the year, a burden that has put the company into negative figures.

Boeing is trying to leave behind one of the worst periods in its history, hit by the coronavirus crisis and by a **plane that hoped to break all records, but instead plunged the company into a downward trend from which it may never recover.**

In the first semester of the year, various Boeing customers canceled 355 orders for the Boeing 737 MAX, the single-aisle plane that has been banned from flying since March last year. However, different outlets such as Airline Geeks raise the staggering number to 462 units.

## **An Unrelenting Crisis**

Just in June, the manufacturer had to cancel another 60 orders. This situation is followed by suspended flights due to the coronavirus pandemic, and consequently, of commercial operations. Between January and June, Boeing only delivered 70 aircraft, a 71% drop compared to the first half of last year.

So far this year, Boeing has reported a negative balance of 784 aircraft, a decrease in operations so substantial that just in May the company had registered a deficit of 602 lost orders.

## **The Biggest Cancellations**

Among the largest failed business operations of the B737 MAX are those of Norwegian Air Shuttle, which canceled the purchase of 92 planes. Irish leasing company Gecas canceled its 69 orders, and Avolon, another charter company in the same country, canceled 75.

The list keeps growing with GOL Airlines, which scrapped 34 orders, China Development Bank Financial with 29, and American Airlines with 17. The downward trend is unstoppable.

## **Accidents Hitting the Company**

The two fatal accidents of the B737 MAX that occurred in an interval of five months (in October 2018 and February 2019) led Boeing into a crisis that resulted in a flight ban worldwide, triggering a wave of cancellations that completely stopped its manufacturing operations. Incidentally, the company also faced backlash after Dennis Muilenburg, CEO of the company, announced his resignation amid ongoing problems.

The cancellations are driven by a clause that states that if Boeing does not deliver the promised aircraft within one year, the customer can cancel the order without financial penalties, and can even file charges against the company for the delay.

**A few weeks ago, Federal Aviation Administration technicians conducted test flights of the**

**B737 MAX** to decide whether its flight ban should be lifted. The decision won't be disclosed until September, but it is Boeing's last hope for the unluckiest aircraft in aviation history.

\*\*\* facebook video \*\*\*

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