

Boeing gains altitude on rival

Airbus gets attention but not as many jet orders

By David Field
USA TODAY

Boeing may be losing headlines to its European rival but it's winning the battle of the order books. Airbus Industrie has drawn the imagination of the public and the attention of the press with 32 orders for its proposed A-3XX, which will be the largest airplane ever built. Boeing is still trying to land its first order for an enlarged version of its 747 jumbo, the biggest passenger plane now.

But the superjumbo headlines obscure their real battlefield: the everyday fight for unglaorous work-horse planes, say industry analysts.

Through Sept. 30, Boeing has announced orders for 467 jets compared with 306 for Airbus. By year's end, Airbus expects to pass 400 orders and to reach as many as 500, according to Airbus Chief Executive Noel Forgeard.

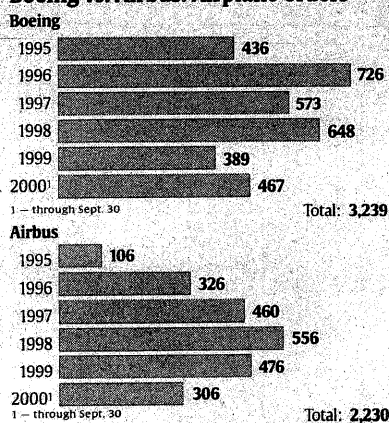
No matter who wins that battle, Boeing is already far ahead of the 389 orders it had in all of 1999, the first year that Airbus beat Boeing in orders.

And as important, between England's Farnborough air show in late July — a favored venue for announcing aircraft orders — and Sept. 30, Boeing has taken as many orders for its 737 model jets alone as Airbus has for all models in its lineup.

During that period, Boeing posted orders for 133 jets. Most are for proven products like its 737 new-generation twin-engine jets.

By contrast, during the same period, Airbus racked up one high-profile order from Singapore Airlines for its 555-seat A-3XX, but beyond that, it won 86 orders, most for its A-320 twins that compete with the 737.

Boeing vs. Airbus: Airplane orders



By Marcy E. Mullins, USA TODAY

"Farnborough and other air shows are scripted set pieces; the real battle is away from the show tents and pavilions," says Teal Group aerospace analyst Richard Aboulafia.

Cynics may say that Airbus is taking all the risk in pushing ahead with its \$20 billion project to launch the superjumbo. But with its focus on selling the A-3XX, "Airbus is, I fear, very much in danger of putting all of its resources in a bid for a speculative market and ignoring bread-and-butter business," Aboulafia says.

Boeing has learned to avoid the kind of risk that dragged it into posting its first deficit in 50 years in 1997.

That's when it tripped over its own promises to build record numbers of airliners and ended up with snarled assembly

lines, embarrassing parts shortages, production mistakes that cost one high-level executive his job and a tarnished reputation.

That has changed. For the year's third quarter, Boeing's net income rose almost a third to \$609 million, up from \$477 million earned in the 1999 period.

That has helped push up operating margins on jets from 6.2% in 1999's third quarter to 9.9% in the quarter just completed, Chief Executive Phil Condit said Wednesday.

Boeing shares rose 25 cents to \$60.75 Wednesday.

As Boeing has overcome production-line problems, it has reduced the worker-hours needed to construct a 737 from 30,000 during the late 1990s to less than 10,000 hours now, Condit said.

With its recovery, Boeing also has been able to take a few risks.

In February, Boeing said it would build two long-range versions of its 777 twin-engine jet even though it didn't have any airlines committed to buy them.

That is contrary to Boeing's stated policy of not committing to a new model until it has firm customers.

Since then, though, Boeing has won orders for the 777 models from key Asian customers such as Japan Airlines. This month, Air France ordered 10.

That's a breakthrough because Air France is perceived as leaning toward Airbus, Lehman Bros. analyst Joseph Campbell says.

Still, Boeing's world is very different from the one of just five years ago, when it could scoff at the Airbus goal of winning half of the world market for airliners.

Airbus is close to that now, and no one at Boeing or anywhere else is scoffing.

American competitor

By Chris Woodyard
USA TODAY

American Airlines soared over other airlines reported mixed results Wednesday as all cope with skyrocketing fuel prices.

American Airlines parent Alst of the group, said its income rose 51% to \$322 million before a purchase of debt cost. Revenue rose to \$5.3 billion.

US Airways, America West and American Trans Air parent Amtran all cited fuel costs as top factor for their results.

American pointed to its competitor United Airlines' troubles over the summer as key reason for its best third-quarter performance ever.

The boost in passengers from those trying to escape United pilot work slowdown resulted in planes flying 76.3% full during the quarter, the airline said. That was a 4.5 percentage point increase over the same year.

"The underlying fundame business — both traffic and maintained solid and combined double-digit revenue growth that offset the effect of the rise in fuel prices," said CEO Don

The earnings increase came as move to increase legroom sections of its domestic fleet, said when the move was announced this year that they feared could mean less profit.

US Airways, which is involved with United, posted a \$30 million during the quarter with the same period a year was \$2.4 billion, up 13.3% quarter results are disappointing.

NYSE

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52-week	High	Low	Stock	Div	PE	Last Change
209.94	82.00	FranceTel	946	...	083.31	-1.56
25.25	20.81	FronFin	212	8	21.81	+3.3
11.19	6.38	FronCom	...	...	7.13	-25
45.63	24.63	FronRes	94	17	37.22	-73
8.05	6.31	FriUniv	80a	...	7.19	-06
55.75	36.88	FredMac	88	16	51.56	-06
18.75	7.25	FWCC	69	...	7.56	-13
21.44	7.75	FWCC	24	...	8.06	-13
19.31	11.38	FWCC pfa	175	...	01.56	-31
9.63	2.69	Fremont	16m	...	3.19	-06
30.88	22.38	FresMed	21e	...	27.38	-19
9.94	3.69	FdelMet	...	...	03.81	-13
10.88	4.88	Fgoldm	...	...	6.00	-13
19.94	4.38	FriedBR	7	...	6.75	-50
9.13	25	FriInt	...	...	28	-03
9.13	4.68	FriOil	24	...	7.50	-25
22.44	13.94	FurnBrd	7	...	15.06	-06

G

52-week	High	Low	Stock	Div	PE	Last Change
45.19	28.38	GATX	120	13	41.00	...
35.75	1.19	VGCC Cos	...	...	2.30	+13
12.25	3.06	GP Strat	...	...	4.56	-19
34.81	23.44	GPU	218	29	32.38	-11
31.25	14.19	GobellIA	15	...	27.50	-31
12.94	10.61	GobellIET	108	...	11.06	-06
19.75	11.95	GobellIOM	370	...	01.69	-06

52-week	High	Low	Stock	Div	PE	Last Change
27.19	20.13	HighwayP	2281	15	22.31	-06
21.38	14.25	HighwayPfb	200	...	20.25	-06
42.13	24.25	HillRos	48	26	38.50	-31
46.38	27.81	HillRos	80	22	43.25	-94
12.13	6.38	HillRos	08	15	9.50	+19
67.50	18.69	HillBrd	57	20.25	+100	...
164.50	95.00	HillCht	80e	...	114.00	-31.9
17.06	9.69	Hollinger	35	55	16.00	+13
70.00	34.69	Hollinger	16	32	36.50	+138
31.75	24.81	Hollinger	212	19	25.56	-19
4.06	1.44	HomeBose	31	1.88	+13	...
9.75	4.19	Hometek	05	...	04.25	+06
22.88	15.56	Hon Ind	38	12	21.69	-19
60.75	44.50	Honda	40e	...	67.63	-31.31
64.00	32.13	HonWillInl	75	17	33.69	-156
31.00	12.00	HorMon	60	16	14.75	-31
22.13	13.63	Hormel	35	14	18.50	+13
11.75	7.38	HostMarr	84	14	10.06	-25
25.44	17.94	HospPrt	2801	10	21.38	-19
51.81	29.50	HoughMnt	52	19	33.19	-88
97.44	29.50	HoughMnt	76	15	48.75	+125
28.31	14.50	HovEx	16	25.06	-06	...
13.81	5.31	HowCo	16	17	12.19	-38
17.63	6.56	HuanPw	40e	...	15.25	-25
30.31	21.63	HuabB	122	10	22.56	+06
32.88	18.00	HudsonUtd	80b	38	19.00	-25
13.69	3.00	Huffy	...	...	9.69	-69
24.38	14.88	HughSup	34	6	16.21	-23
15.75	7.50	HuqonR	127e	...	15.25	-13
12.38	4.75	Humana	...	...	10.50	-13
5.13	3.44	Huttlig	...	...	4.44	-19
18.63	7.75	Hypercm	...	...	8.13	-163
8.63	7.94	HvT202	32	...	8.63	+06
8.56	7.13	HvT201	87	...	8.25	-06

L

52-week	High	Low	Stock	Div	PE	Last Change
280.94	76.06	Kvccora	59e	...	128.00	-6.50
65.94	34.25	L-3 Com	33	65.31	-44	...
24.81	15.25	LEGE	1311	19	24.50	-06
4.19	7.75	LEE Ry	48e	13	3.88	...
90.38	21.63	LSI Lps	25	23.00	-2.63	...
10.75	2.94	LTC Pro	116	8	3.38	...
17.06	10.25	LTC pfb	225	...	13.25	-18
4.31	1.00	LTV	091	...	1.06	...
20.03	13.00	LoBrich	361	9	3.81	+38
14.94	2.94	LoBrich	16	...	3.88	+38
25.50	15.38	LoBrich	107e	...	15.44	-44
37.50	9.06	LoBrich	23	33.44	+19	...
31.13	16.75	Loforge	26	416.75	-56	...
6.69	1.81	Loforge	071	...	1.81	-25
42.81	32.00	Loforge	350	19	40.63	+13
26.25	4.31	Loforge	5	...	10.19	-13
10.19	6.06	Loforge	10	...	6.75	-13
83.50	16.70	Loforge	11	23.52	+2.02	...
6.50	4.4	Loforge	69	...	4.4	+25
16.13	10.81	LoSoleil	154	22	15.75	+06
60.25	20.63	LoSoleil	366	21	50.25	-150
7.38	4.13	LoSoleil	136	...	4.00	...
13.44	7.13	LoSoleil	11e	...	9.66	...
16.06	5.56	LoSoleil	50e	...	13.56	-13
36.25	19.25	LoSoleil	5	21.56	+31	...
32.25	19.69	LoSoleil	64	14	25.88	+56
7.38	4.13	LoSoleil	136	...	4.00	...
24.19	14.19	LoSoleil	40	10	14.61	-06
161.00	55.94	Loforge	44	9	111.13	-6.88
31.56	13.06	Loforge	05	11	28.88	-38
15.13	7.31	Loforge	38	5	67.63	-19
24.19	19.63	Loforge	182	...	21.88	-38

M

52-week	High	Low	Stock	Div	PE	Last Change
15.50	8.94	Mattel	36	...	11.06	+25
36.50	18.00	MediTube	...	...	20.31	-1.25
4.88	2.31	Movesta	09e	9	4.06	+19
38.94	18.50	Maximus	12	...	01.88	-13
37.38	19.19	MayDS	93	8	20.94	-06
50.25	25.00	MayDS	72	7	25.25	-19
45.13	28.75	McClatchy	40	17	33.81	-75
36.56	23.75	McClatchy	76	16	30.25	-44
20.13	7.19	McClatchy	151	...	10.19	-75
49.56	26.38	McClatchy	29	19	26.06	-06
67.69	41.88	McClatchy	94	23	59.38	-25
33.69	16.00	McClatchy	24	12	30.50	-25
20.00	11.63	McClatchy	...	...	01.75	-06
45.13	21.63	Med	68	14	02.63	+1.69
9.25	3.06	Med	4	...	5.00	+1.63
6.63	1.81	Med	...	...	2.44	-06
26.00	23.63	Med	226	...	24.75	-19
68.50	22.75	Med	45	63.69	-2.06	...
8.63	4.75	Med	05	...	5.13	-06
57.88	31.94	Med	20	57	53.94	-06
49.44	26.81	MellonFnc	88	20	39.13	-131
34.88	17.25	MellonFnc	72	15	26.69	-19
8.19	6.94	MellonFnc	72	...	8.19	+06
81.13	52.00	Merck	136	29	78.19	-19
30.25	20.94	Merck	136	29	78.19	-19
42.00	22.38	Meredith	32	21	28.13	+25
7.75	4.75	Meredith	05	...	5.13	-13
8.13	2.56	MeridRes	10	...	7.44	+13
22.88	14.44	MeridRes	202	10	17.25	+19
34.83	31.19	MerrLyn	64	16	29.25	+1.44
20.50	12.31	MLGLN	239	...	01.13	-1.19
10.63	8.75	MLGLN	...	...	9.06	-06
22.88	12.75	MerL	136	29	78.19	-19
23.00	19.06	MerL	05	11	28.88	-38
23.44	19.63	MerL	182	...	21.88	-38

N

High	Low	Stock	Div	PE	Last Change
21.13	13.19	NCL Bid	5	13.63	+25
47.00	26.75	NCR Co	12	39.69	+50
24.38	9.75	NL Ind	14	9	20.75
37.50	15.75	NORCO En	...	...	30.94
21.38	4.50	NORCO En	...	...	9.00
29.06	8.19	NorfolkCo	49	35	26.75
54.19	26.75	Norfolk	75	35	54.00
44.94	7.75	Norfolk	44	...	07.50
63.06	61.31	Norfolk	358e	...	70.56
31.44	16.00	Norfolk	...	...	1.14
43.00	20.75	Norfolk	31	38	33.50
21.38	4.50	Norfolk	21	27	31.00
59.63	39.38	Norfolk	59.63	1.92	16.55
23.13	18.38	Norfolk	23.13	18.7	20.31
17.22	8.88	Norfolk	17.22	8.88	20.31
14.88	7.13	Norfolk	14.88	7.13	20.31
21.25	8.01	Norfolk	21.25	8.01	20.31
33.00	17.81	Norfolk	33.00	17.81	20.31
8.63	2.44	Norfolk	8.63	2.44	20.31
24.19	20.63	Norfolk	24.19	20.63	20.31
8.63	2.44	Norfolk	8.63	2.44	20.31
14.88	7.13	Norfolk	14.88	7.13	20.31
6.75	2.50	Norfolk	6.75	2.50	20.31
43.38	19.50	Norfolk	43.38	19.50	20.31
17.06	9.56	Norfolk	17.06	9.56	20.31
24.19	20.63	Norfolk	24.19	20.63	20.31
48.00	29.63	Norfolk	48.00	29.63	20.31
71.75	2.94	Norfolk	71.75	2.94	20.31
37.19	19.38	Norfolk	37.19	19.38	20.31
15.31	18.63	Norfolk	15.31	18.63	20.31
70.75	2.94	Norfolk	70.75	2.94	20.31
4.00	2.50	Norfolk	4.00	2.50	20.31
21.13	13.19	Norfolk	21.13	13.19	20.31