

Boeing prepares to swap engines from MAX inventory to new production aircraft

Planning is underway to take engines from the large inventory of stored 737 MAX aircraft to install on new production airplanes, Leeham News has confirmed.

BAINBRIDGE ISLAND, WA, US, August 15, 2022 /EINPresswire.com/ -- © Leeham News: Boeing CEO David Calhoun says the company won't build 737 gliders. That's what airplanes are called as they exit final assembly without engines. The mitigation, to use



Boeing had 290 737 MAXes stored on June 30, leftovers from the 2019 grounding. Now, this inventory may be the source for engines for new production aircraft.

Calhoun's word, ironically comes from a circumstance that bedeviled Boeing since March 2019.

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Turning to the supply chain, we continue to experience real constraints. We're taking action to mitigate risk in a number of areas including engines."

David Calhoun, CEO of The Boeing Co.

Boeing is producing 20-30 ship sets of counterweights, LNA is told. The counterweights are yellow blocks hung from the pylons to which engines are attached. The weights are needed to prevent the airplanes from sitting on their tails without the heavy engines installed. The counterweights will be installed on the stored airplanes when the CFM LEAP-1B engines are removed to install on new production aircraft as they roll off the final assembly line in Renton (WA).

Inventory gives flexibility

There were 290 MAXes in inventory at the end of the second quarter, June 30. This figure includes an unidentified number of new production aircraft that were awaiting delivery, but which are counted as inventory. There are about 140 aircraft built for Chinese airlines. The large inventory gives Boeing the flexibility to make deliveries when it needs to make them, a source with direct knowledge of the situation tells LNA.

Swapping engines before delivery is not unheard of. Boeing and Airbus have done so in the past. When Airbus was faced with churning out scores of gliders in the early days of the neo program, engine swaps were not uncommon. During the period with Pratt & Whitney GTFs were being removed from in-service aircraft at high rates as parts wore or failed prematurely, Airbus swapped engines from new production aircraft to service their customers. At one point, Airbus had more than 100 neos stored in Toulouse and Hamburg without engines.

Whitetails

During the MAX grounding, 450 aircraft were built before production was suspended. These entered storage at Boeing's facilities in Renton (WA), where the assembly line is; at Boeing Field in Seattle, where the delivery center is located; and at Boeing's facility in San Antonio (TX).

Boeing also stored aircraft at Moses Lake in Central Washington, where Boeing often performed flight testing; and in Victorville (CA), a popular graveyard for retired aircraft and for the temporary storage of surplus aircraft during recessions or the COVID pandemic.

The MAX grounding initially was thought to be of short duration, measured in months. The grounding eventually ran 21 months before regulators recertified the aircraft. The COVID pandemic, beginning in March 2020, exacerbated the impact on the intended operators.

During the grounding, airlines and lessors canceled some 100 orders for aircraft already built. Boeing resold these, but over time additional white tails were created as customers canceled additional orders or some airlines ceased operations. Some lessors canceled orders when their intended lessees evaporated.

Boeing retains title to the airplanes until delivery. It's free to swap engines as needed until then. Boeing also has taken seats from some aircraft to install on new production airplanes, LNA is told by multiple sources. Supply chain shortages prompt this action.

Contingencies

Boeing Commercial Airplanes declined to comment about its contingency plans. Instead, BCA referred only to a general statement made by Calhoun, CEO of The Boeing Co., during the 2Q2022 earnings call.

"Turning to the supply chain, we continue to experience real constraints. We're taking action to mitigate risk in a number of areas including engines, raw materials, and semiconductors. To stabilize production and support our supply chain, we're increasing our on-site presence at suppliers, creating teams of experts to address industry-wide shortages, utilizing internal fabrication for surge capacity, and managing inventory safety stock levels and growing where needed," Calhoun said.

A longer version of this information may be found at www.leehamnews.com.

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