ITC Inv. Nos. 701-TA-578 & 731-TA-1368 (Final)

PUBLIC DOCUMENT

BEFORE THE

UNITED STATES INTERNATIONAL TRADE COMMISSION

IN THE MATTER OF

100- TO 150-SEAT LARGE CIVIL AIRCRAFT FROM CANADA

PETITIONER THE BOEING COMPANY'S HEARING PRESENTATION

Wilmer Cutler Pickering Hale and Dorr LLP
1875 Pennsylvania Ave., NW
Washington, D.C. 20006

Counsel to The Boeing Company

December 18, 2017

U.S. International Trade Commission – Hearing
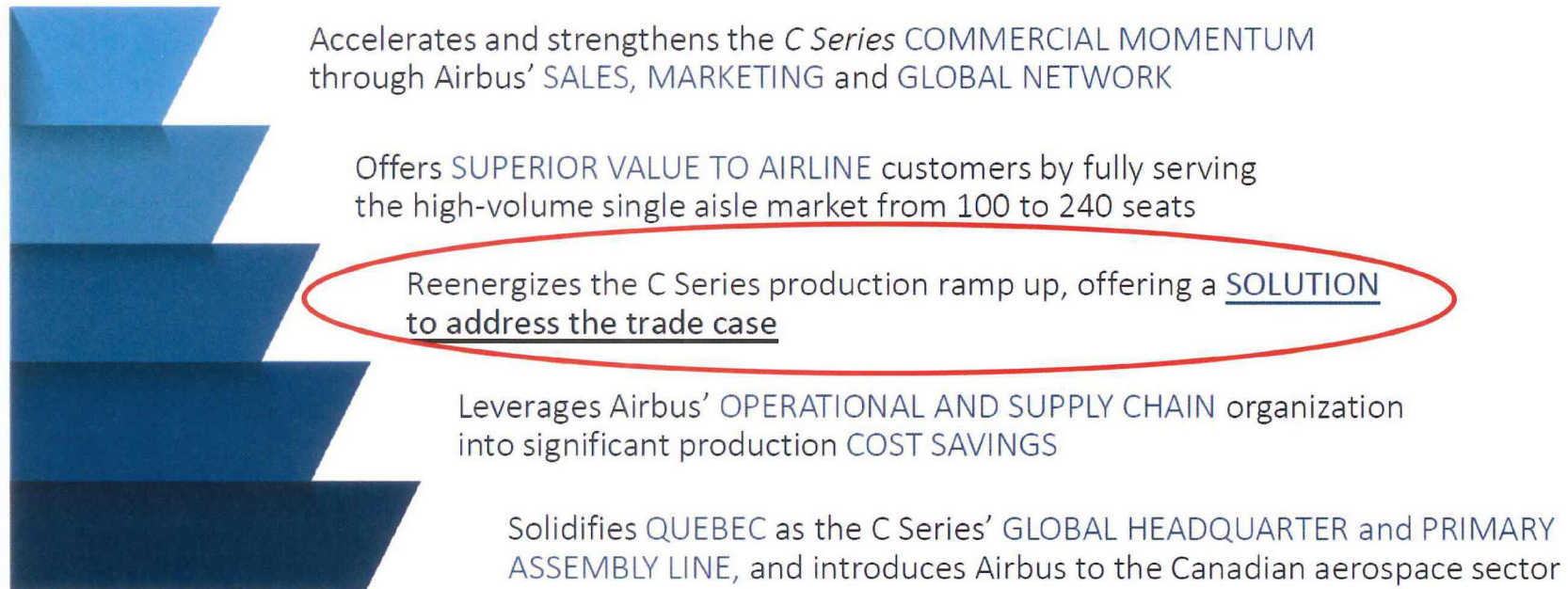
December 18, 2017

**Opening Remarks
Robert T. Novick
Wilmer Cutler Pickering Hale and Dorr LLP**

Airbus-Bombardier Seeking to Circumvent AD/CVD Duties

**PARTNERSHIP HOLDS THE RIGHT INGREDIENTS TO
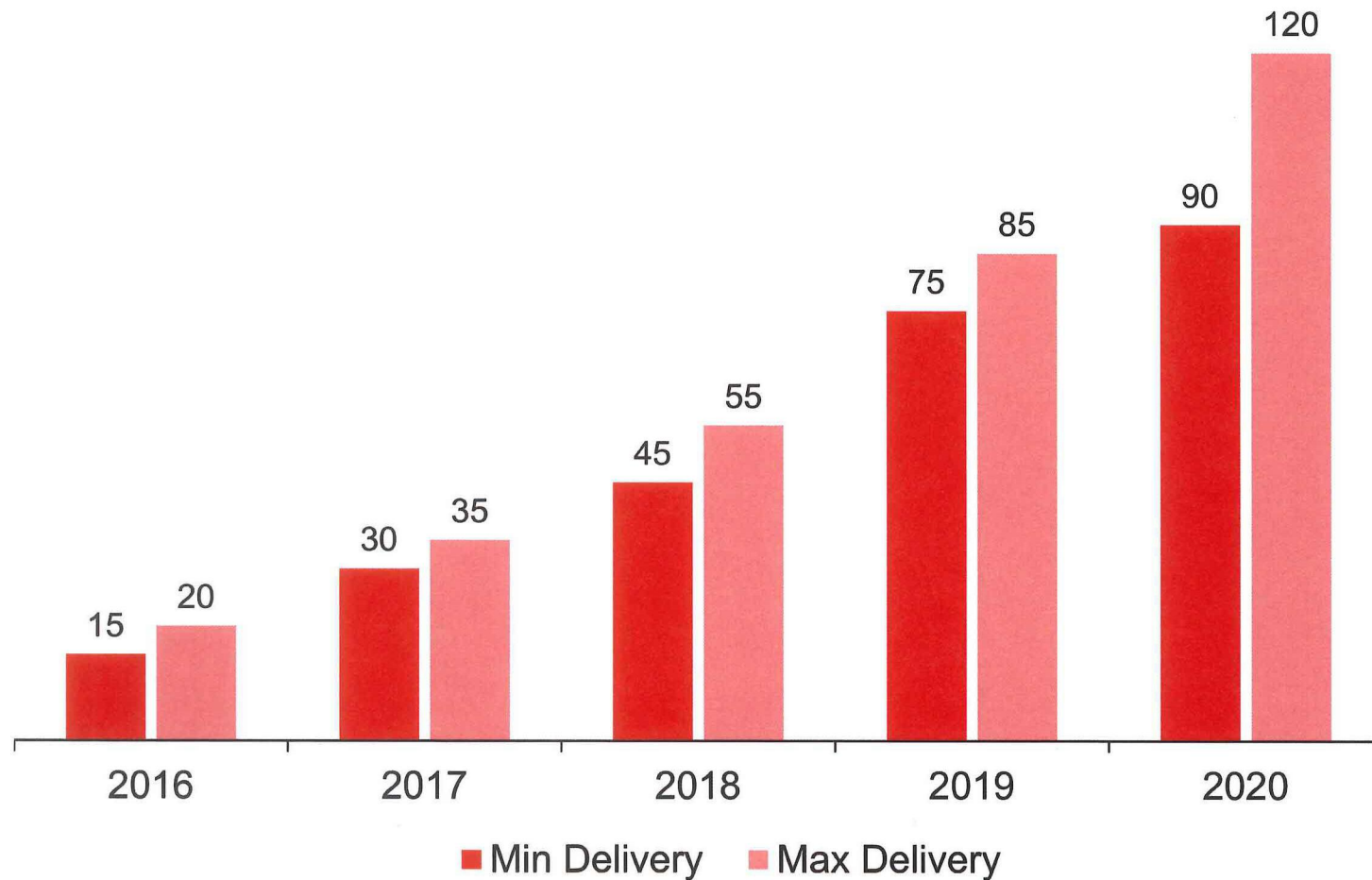MORE THAN DOUBLE THE C SERIES PROGRAM VALUE**

BOMBARDIER

Accelerates and strengthens the *C Series* COMMERCIAL MOMENTUM
through Airbus' SALES, MARKETING and GLOBAL NETWORK

Offers SUPERIOR VALUE TO AIRLINE customers by fully serving
the high-volume single aisle market from 100 to 240 seats

Reenergizes the C Series production ramp up, offering a SOLUTION
to address the trade case

Leverages Airbus' OPERATIONAL AND SUPPLY CHAIN organization
into significant production COST SAVINGS

Solidifies QUEBEC as the C Series' GLOBAL HEADQUARTER and PRIMARY
ASSEMBLY LINE, and introduces Airbus to the Canadian aerospace sector

Source: Bombardier presentation, "Partnering to Realize the C Series' Full Potential" (Oct. 16, 2017) (emphasis added).

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C Series Production Ramp-Up Plan for Mirabel, Quebec

Sources: Stephen Trimble, *Bombardier details five-year CSeries ramp-up*, Flight Global (2015) (Petition Exhibit 103)
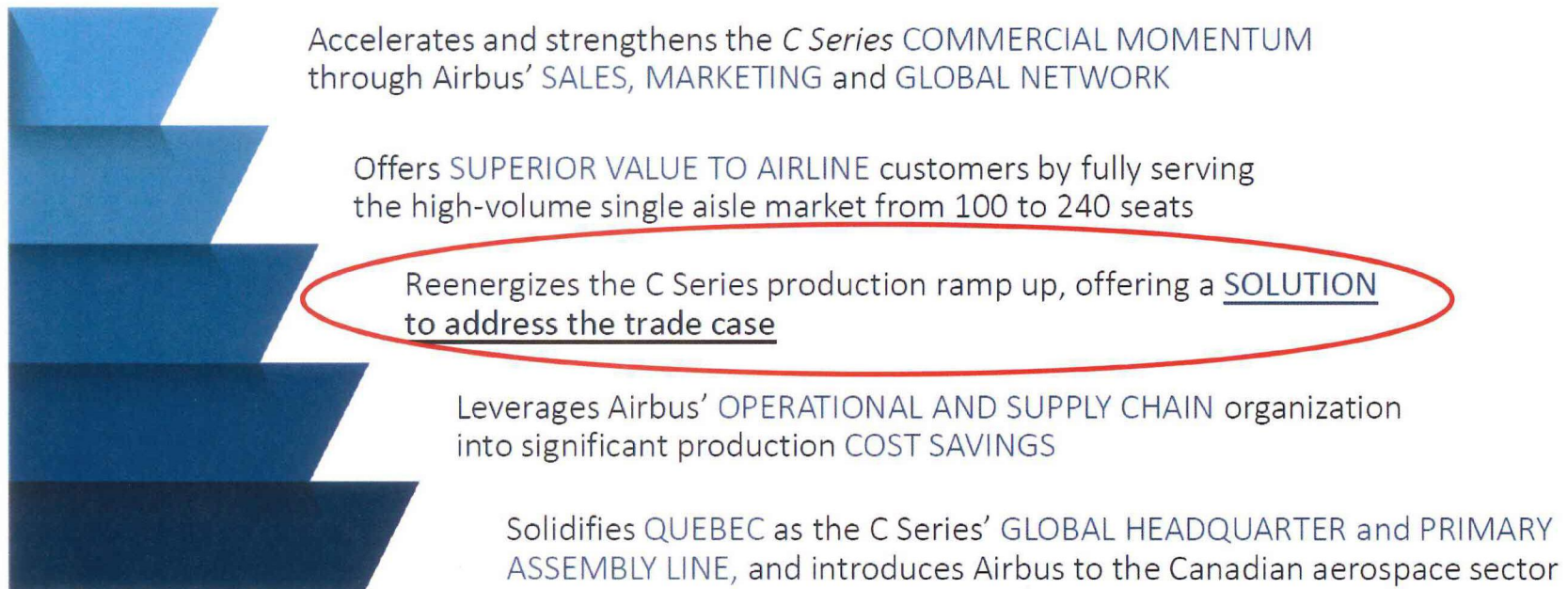
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**Presentation of
Robert T. Novick
Wilmer Cutler Pickering Hale and Dorr LLP**

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BOEING

How Bombardier Has Defined the Market

Source: Bombardier website, Commercial Aircraft, http://www.bombardier.com/en/aerospace/commercial-aircraft.html (last accessed December 17, 2017) (emphasis added).

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**Presentation of
Jerry Nickelsburg, Ph.D.
Professor of Economics, UCLA**

# Airbus Enhances C Series Commercial Momentum

PARTNERSHIP ACCELERATES THE PLAN / OPENS NEW OPPORTUNITIES   **BOMBARDIER**

PROGRAM CERTIFICATION	CS100 and CS300 CERTIFIED	✓	**ENHANCED WITH AIRBUS**
SUCCESSFUL EIS	~20 AIRCRAFT IN SERVICE	✓	Capacity Ramp-up
BACKLOG BUILDING	▲ DELTA ✦ AIR CANADA	✓	Commercial Momentum

Source: Bombardier, Investor Presentation, "Partnering to Realize the C Series' Full Potential (Oct. 16, 2017) (emphasis added).

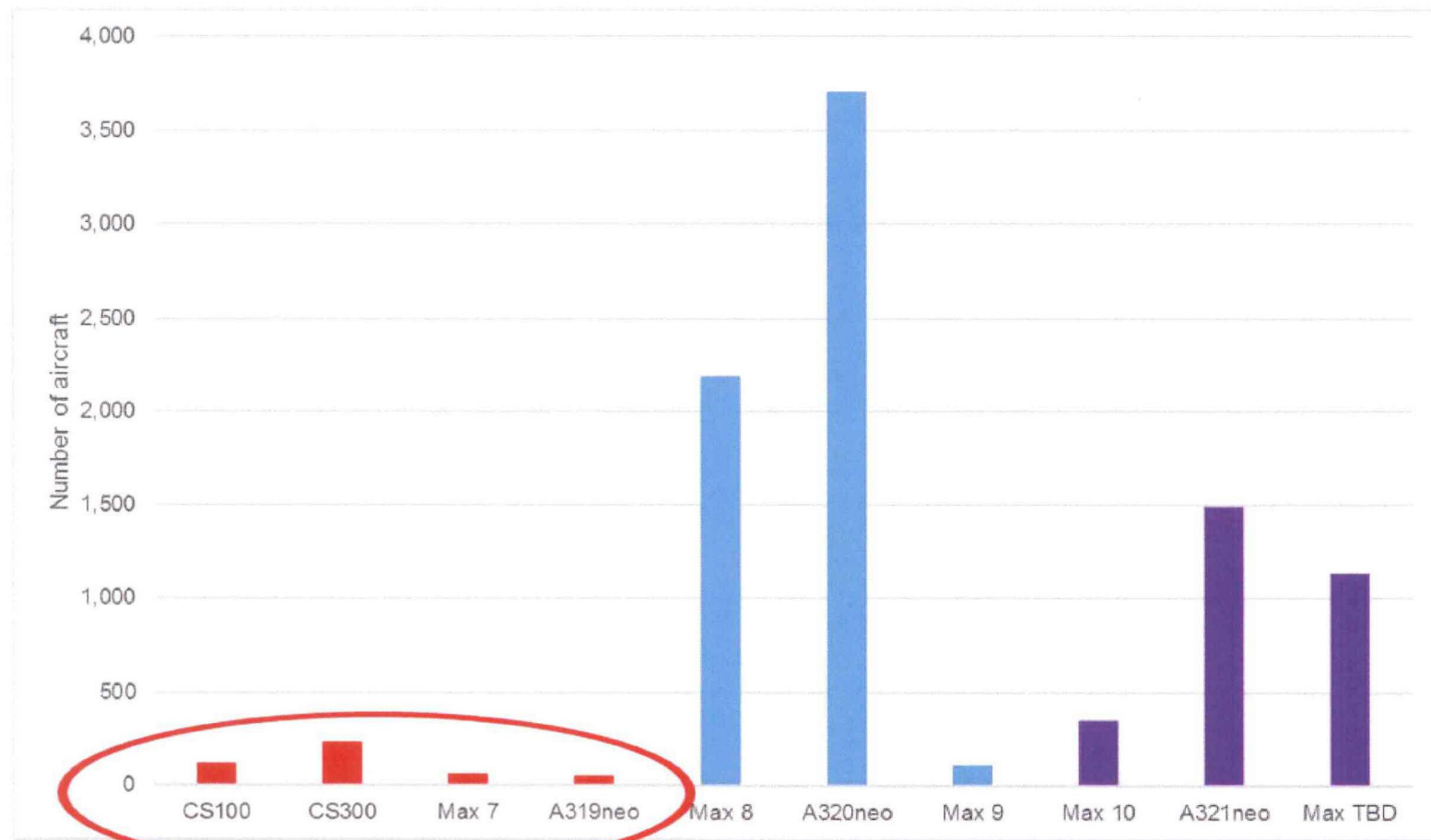# C Series Production Ramp-Up Plan for Mirabel, Quebec
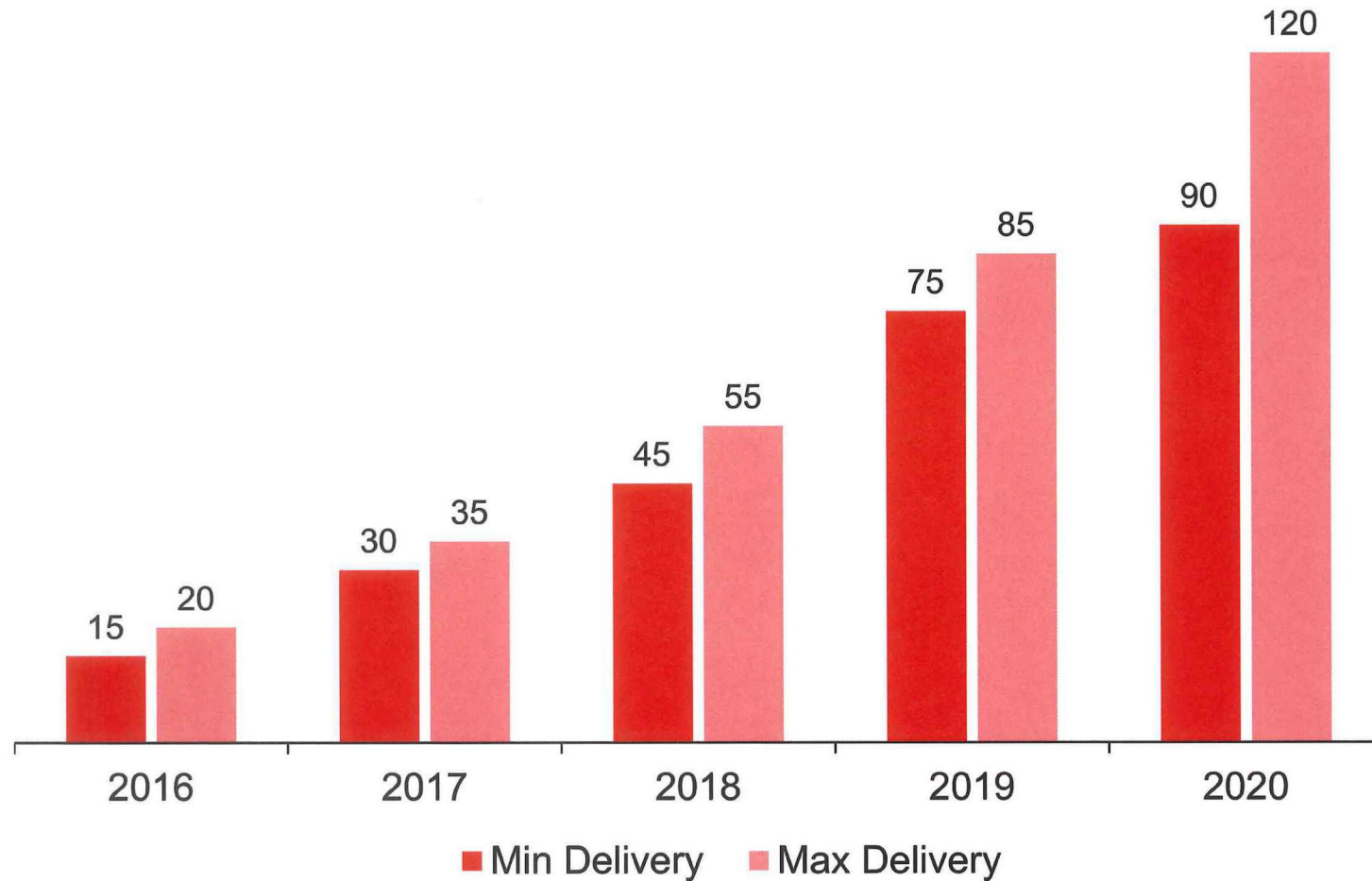
Sources: Stephen Trimble, *Bombardier details five-year CSeries ramp-up*, Flight Global (2015) (Petition Exhibit 103)

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**Presentation of
Charles Anderson
Principal, Capital Trade**

Source: Flight Ascend Expert Report, Chart 9 at 26 (Attachment A to Bombardier Pre-Hearing Brief) (emphasis added).

Commonality Does <u>Not</u> Equal Interchangeability

- **From Airbus Website:**

"Fifteen of the company's aircraft models, <mark>from the 100-seat A318 to the double-deck A380</mark> . . . feature nearly identical flight decks and similar handling characteristics. <mark>This commonality</mark> enables Cross-Crew-Qualification of pilots . . ."

Source: Airbus website, "Passenger Aircraft – Commonality" http://www.airbus.com/aircraft/passenger-aircraft/commonality.html (last accessed December 17, 2017) (emphasis added).