Boeing Logs Southwest $19 Billion Order

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Boeing secured the largest single order in its history this week, in both dollar value and number of units, when Southwest Airlines signed a contract covering 150 of the new 737 MAX and 58 Next Generation 737s, the companies announced today.

Worth nearly $19 billion at list prices, the firm order supports the Dallas-based airline's initiative to modernize the world's single largest 737 fleet. As the official 737 MAX launch customer, Southwest expects to take the first of its CFM Leap-1B-powered narrowbodies in 2017.

The new orders augment Southwest's existing firm order book of 142, raising the number of Boeing airplanes on which it holds firm orders to 350. Delivery schedules call for Southwest to receive all the airplanes over the next 10 years.

The firm orders for 58 new 737NGs include the conversion of previously reserved options on 25 airplanes. Southwest has substituted 737-800s for all 737-700NG deliveries scheduled for 2012 and 2013 as well some of the airplanes due for delivery in 2014. For the 737 MAX order, Southwest reserves the option to accept MAX 7 or MAX 8 deliveries. The revised order book also includes options on seventy-eight 737NGs and 150 MAXs, bringing total option positions from 2014 through 2027 to 242.

The 737 MAX has now attracted firm orders and "commitments" for more than 900 airplanes from 13 customers, according to Boeing, while the 737NG family has won orders for more than 6,600 airplanes, more than 3,800 of which Boeing has delivered.

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