



AAPA
SEATTLE

The logo is contained within a dark teal square with a thin white border. The text 'AAPA SEATTLE' is in white, bold, sans-serif font. A green ribbon graphic loops over the 'A' and 'P' of 'AAPA'. Below this, the number '100' is rendered in a large, green, stylized font where the two zeros are interlocking. A small 'TH' is positioned to the upper right of the second zero. Below the '100' is the word 'Convention' in a white, cursive script. At the bottom, the dates 'SEPT. 11~15, 2011' are written in a white, sans-serif font.

100TH

Convention

SEPT. 11~15, 2011





Seaports
Deliver
Prosperity

Aviation, Infrastructure, and Economic Development

Richard Wynne
Director
Commercial Airplanes
Environment and Aviation Policy



Agenda

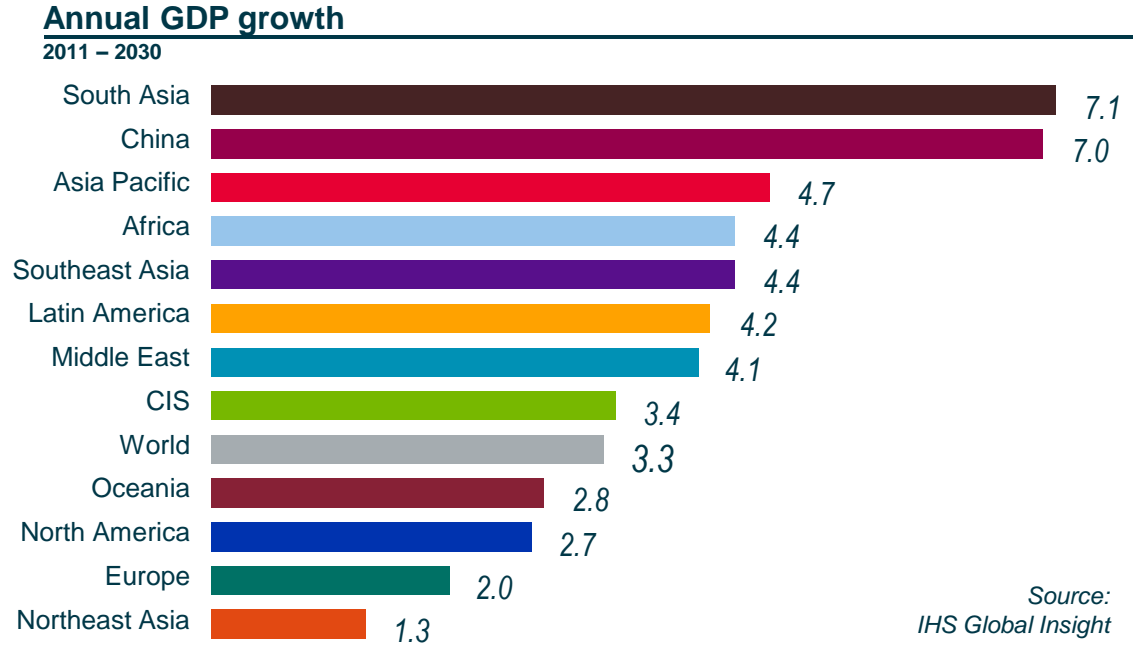
- Global Boeing
- Infrastructure's role in supporting our business
- Aviation infrastructure and the economy



Global Boeing

- Customers in more than 90 countries
 - Total revenue in 2010: \$64.3 billion
 - 70% of commercial airplane revenue historically from customers outside the US
- Partnering worldwide for mutual growth and prosperity
 - Contracts with 22,000 suppliers and partners globally
 - Manufacturing, service and technology partnerships with companies around the world
 - Research, design and technology-development centers and programs in multiple countries
- More than 160,000 Boeing employees in 50 states and 70 countries

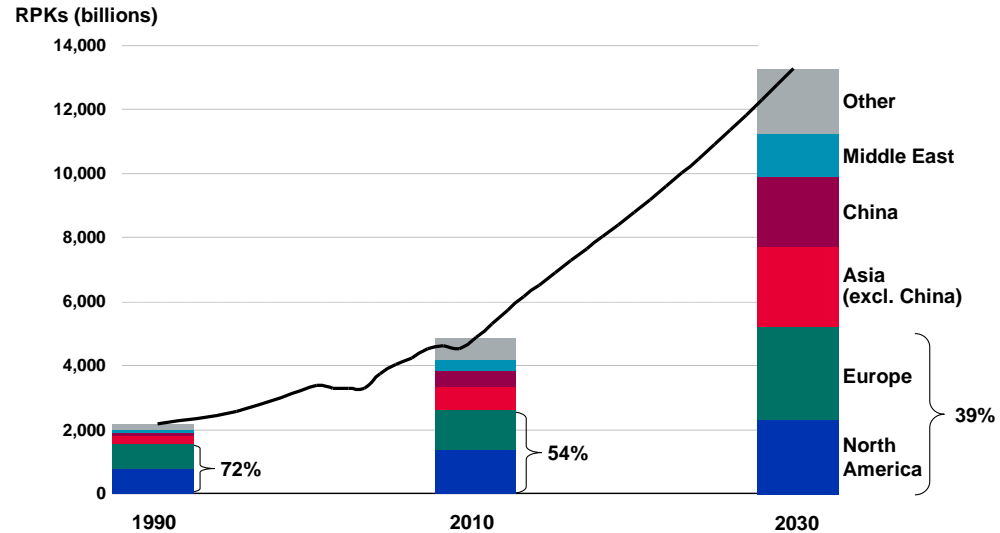
Emerging markets are driving economic growth



Source:
IHS Global Insight

Passenger traffic

- Traffic 1.5X GDP growth
- Trade and globalization
- Route liberalization
- Traffic diversifying
- Frequencies, nonstops increasing



Balanced growth – driven by emerging markets

The Boeing extended global supply chain

>\$30B in purchases annually
5,400 production facilities around the world
Employing 500,000 workers

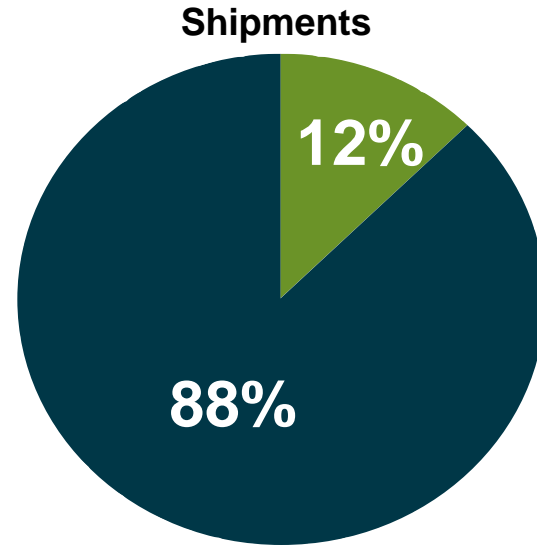
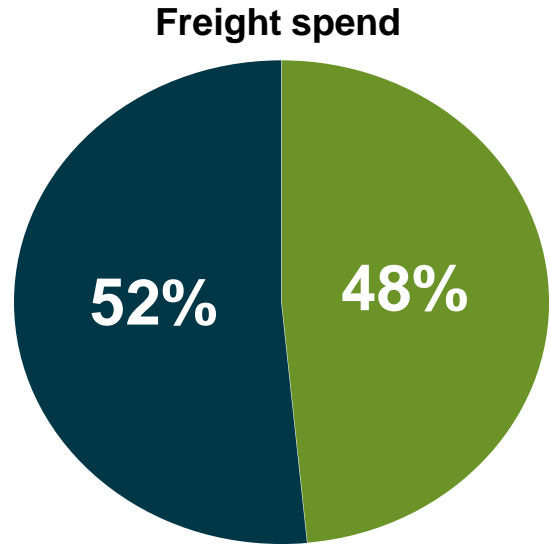
- 737 contains < 1M parts
- 747 contains > 6M parts
- More than 300M components-assemblies purchased/year
- Growing to nearly ½ billion* in 2013



* Boeing Commercial Airplane only

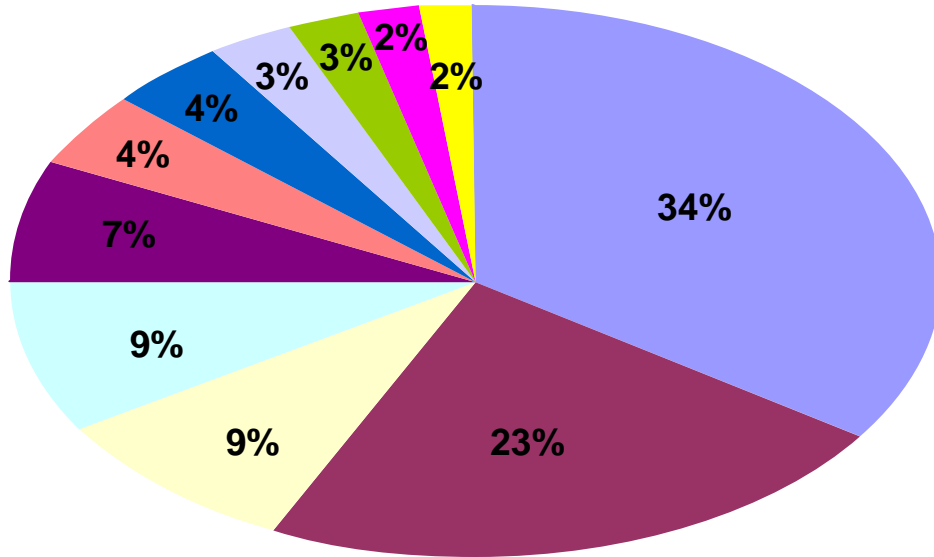
High volume, complex business model

Freight Spend – domestic vs. international 2010



■ International
■ Domestic

2010 average annual freight spend



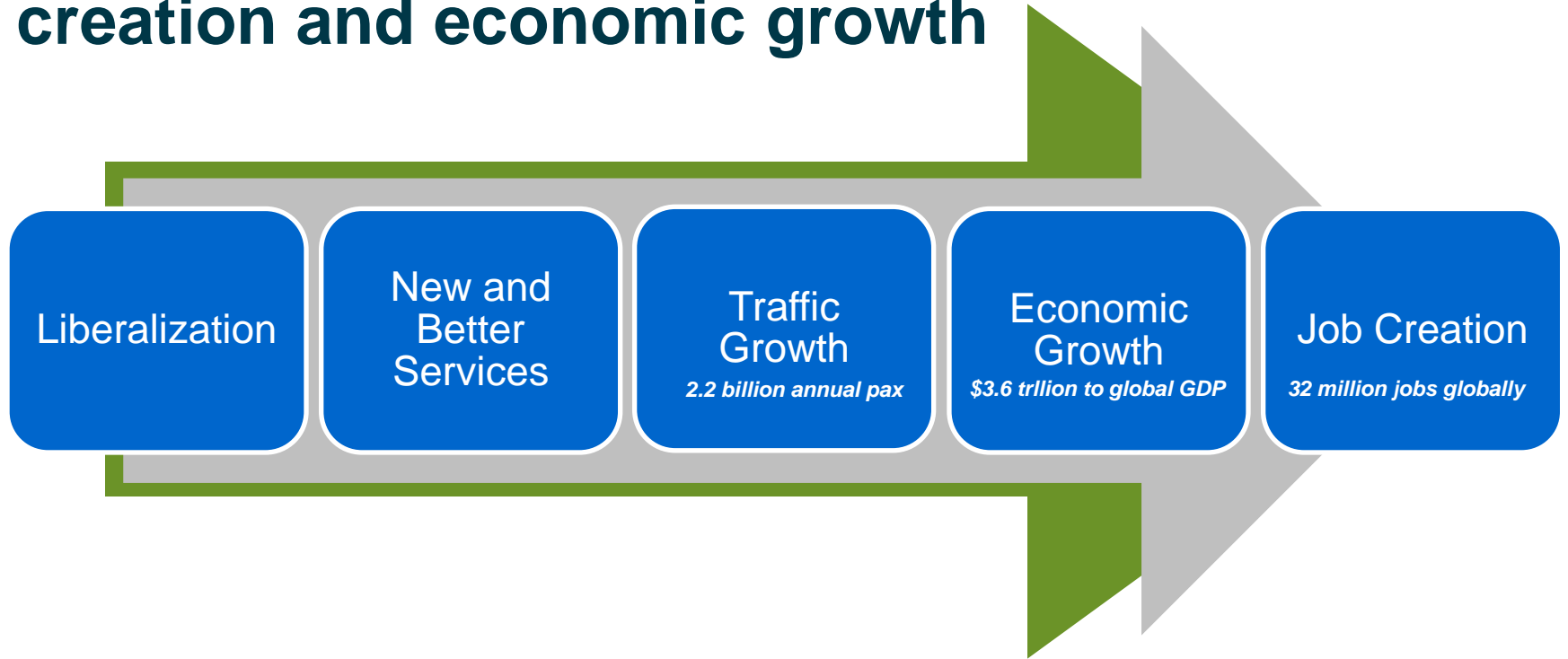
Ports a vital supply chain linchpin



Trains play a role, too...



Air transport is a major contributor to job creation and economic growth



Source: InterVISTAS-ga, *Economic Impact of Air Services Liberalization*; and IATA Annual Report, 2005

Infrastructure: U.S. perspective

- In the US, every \$1B invested in infrastructure creates more than 25,000 new jobs
 - If 10 major projects were implemented, the total direct and indirect impact would be over 10.5m jobs and \$1.4T in economic output
 - Average wage of the created jobs (\$43,000) is almost 43% higher than the average private service sector job
- According to figures from the Texas Department of Transportation, *“The Dallas/Ft Worth airport impacts the North Texas economy by over \$16B annually, while providing more than 300,000 jobs”*

Infrastructure: European perspective

- For every 1,000 airport jobs in Europe, ~2,100 indirect jobs are supported nationally
 - “*The free movement of people, goods and services is a driving force behind the sustained development of the Community*”
 - The number of people directly employed by the air transport industry in Europe was estimated at over 1.5M in 2006
- Paris-Charles de Gaulle’s 90,000 employees are responsible for 270K indirect or inferred jobs in the nearby region
- Amsterdam Schiphol airport accounts for ~2% of Dutch GDP, expected to rise to near 3% by 2015



Observations and conclusions

- Global company, global customer base, global supply chain
- Trends likely to accelerate, not reverse
- Transportation infrastructure of all sorts makes our business run
- Aviation creates significant economic value



Boeing's maritime heritage!







AAPA
SEATTLE

The logo is contained within a dark teal square with a thin white border. The text 'AAPA SEATTLE' is in white, bold, sans-serif font. A green ribbon graphic is draped over the 'A' and 'P' of 'AAPA'. Below this, the number '100' is rendered in a large, green, stylized font where the two zeros are interlocking. A small 'TH' is positioned to the upper right of the second zero. Below the '100' is the word 'Convention' in a white, cursive script. At the bottom of the square, the dates 'SEPT. 11~15, 2011' are written in a white, sans-serif font.

100TH

Convention

SEPT. 11~15, 2011

