



CANADA'S BOEING CHALLENGER MAY BE ABOUT TO MAKE A BLOCKBUSTER DEAL

News / Manufacturer



Shares of Canadian airplane maker Bombardier are surging after reports surfaced indicating Delta Air Lines is close to placing a major order for the company's C-Series airliner.

Bombardier stock is up more than 11% today.

According to Bloomberg's Michael Sasso, Julie Johnson, and Frederic Tomesco, a source familiar with the situation said that Delta is about to buy 75 of Bombardier's critically acclaimed, but slow-selling, C-Series jets.

A Bombardier spokesperson declined to comment on the Delta deal specifically, but told Business Insider that the company is currently in discussion with a number of potential customers.

Representatives from Delta Air Lines were not immediately available for comment.

Delta is believed to be interested in the 160-seat CS300 airliner that could be used to expand the airline's network, as well as help replace its aging fleet of McDonnell Douglas MD88 jets.

Should Bombardier close this deal, it would be the company's first with a leading North American airline that doesn't have ties to the Canadian government.

An order from Delta would be groundbreaking for Bombardier's fledgling mainline business; the company has spent most of the past few decades building regional airliners.

With a list price of \$82 million, the total value of the 75-aircraft order could reach \$6.15 billion. However, Delta is likely to net a healthy discount to the tune of more than 60% off list price.

17 APRIL 2016

SOURCE: BUSINESS INSIDER

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