

BEHIND THE CURTAIN: DRUG AND DEVICE MAKERS PAYMENTS TO WASHINGTON DOCTORS

LIMITED TIME OFFER

LOGISTICS & TRANSPORTATION
 Hanjin subsidiary could bail on Seattle lease if Hansen arena is built

TECHNOLOGY
 Redapt's Cantu brothers go for \$1 billion

TECHNOLOGY
 Seattle aerospace startups compete for a slice of \$200M Starburst fund

COMMERCIAL REAL ESTATE
 Chinese real estate investors grow wary of U.S. market

MOST POPULAR

INDUSTRY NEWS > **MANUFACTURING**

Analyst: Trump tweet unlikely to kill Boeing's Air Force One project, but could force it to tweak budget

Dec 6, 2016, 3:36pm PST

INDUSTRIES & TAGS Manufacturing, Government & Regulations, Aerospace, Aviation

SHARE

Order Reprints Save Article Print

Get Seattle Newsletters and Alerts Morning Edition >> Afternoon Edition >> Breaking News

Enter your email address

[Sign Up](#)

Andrew McIntosh
 Staff Writer
 Puget Sound Business Journal

President-elect Donald Trump isn't questioning "the operational value" of Boeing 747 presidential Air Force One jets – just the final bill attached to the aircraft, an aerospace analyst says.

As a result, analyst Michel Merluzeau predicts the U.S. Air Force's presidential aircraft replacement program will likely move ahead, despite Trump's call for it to be canceled due to high costs.

RELATED CONTENT

Boeing challenges Donald Trump's 747-Air Force One attack

A Trump tweet casts doubt on Boeing order for Air Force One 747s

Boeing's UK ad campaign boasting job gains upsets Washington workers

Boeing breaks ground on \$17M training center in Auburn (Video)



Michel Merluzeau thinks the Air Force One 747 replacement program will go ahead despite... more
 STEVE WILHELM PHOTO

BIZSPACE SPOTLIGHT



Property Spotlight: PV1303 - Arizona's Rising Hub For Business Expansion

[See All Bizspace Properties](#)

"I expect this program to move forward regardless, but perhaps with a slight re-examination of the budget," Merluzeau said. "Trump is a big proponent of business aviation and the time/value proposition that comes from flying these around the world. He knows the value of them."

He said the \$4 billion price tag cited by Trump in his tweet "seems on the higher side of the estimates."

The price for an Air Force One is considerably higher than an ordinary 747 because of the specialized systems the jet is equipped with to protect the president and facilitate communication from the air. Those costs can only be spread over the purchase of two or three aircraft, increasing the price even more.

Merluzeau, a Seattle-based director of aerospace market analysis with Air Insight Research, said he thought Trump's tweet – which attacked the Air Force One replacement costs as "ridiculous," and his subsequent remarks to reporters that "Boeing is doing a little bit of a number" on U.S. taxpayers – shows Trump is still operating in "candidate mode, not fully yet in presidential mode." Trump will be sworn in Jan. 20.

Boeing's (NYSE: BA) current presidential aircraft are 30-plus year-old jets. The existing pair are worn out and expensive to support with spare parts as they fly around the world, Merluzeau said.

Air Force One aircraft represent a cornerstone of U.S. government operation and continuity in the event of a war or terror attack, Merluzeau added.

"The mission assigned to the USAF (presidential jet) is a complex one," he said. "You are not just building a VIP bird – this is a communication node, a command post, an aircraft that needs to be capable of operating from the Sahara to the North Pole, in airspace that may be adverse, can refuel in mid-air, and that has systems that can survive electromagnetic pulses triggered by nuclear blasts."

Merluzeau noted the special 747 airplanes undergo extensive modifications at the Pentagon's request, including systems one does not typically see on a civilian commercial passenger jet.

"Virtually all leading systems suppliers to the Department of Defense will have a share of the pie," he said. "Northrup Grumman, Raytheon for ECM (electronic counter measures equipment), L-3 for communications, Rockwell Collins for navigational/communications systems, and interiors suppliers.... It is a very unique integration exercise."

Boeing, as the aircraft supplier and the prime contractor, has the responsibility to integrate all those systems. The jetmaker must then validate their functioning and effectiveness, and complete testing before turning the aircraft over to the government.

"This is no small task," Merluzeau said. "This is not your everyday business aircraft."

Andrew McIntosh covers aerospace and manufacturing for the Puget Sound Business Journal.

FEATURED JOBS

Financial Controller
 Pacific Project Management

Senior Ruby on Rails Developer
 Ben Kinney Companies Tech Division

Bookkeeper I
 MacDonald Hoague & Bayless

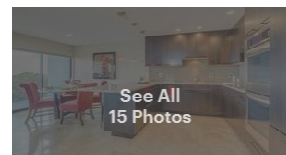
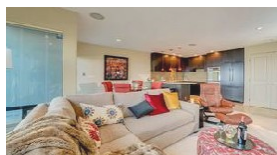
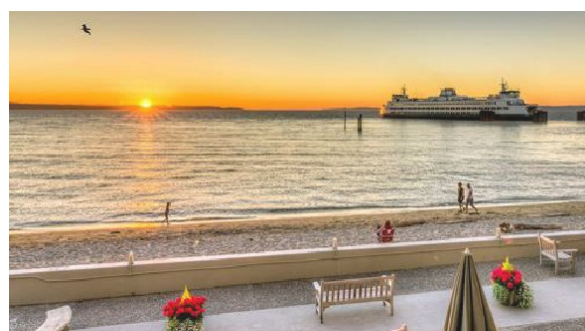
[Post a Job](#)

[See More Jobs >](#)

SUGGESTED READING

HOME OF THE DAY

SPONSOR LISTING



Updated 2BR Condo Sits Literally on the Beach In Downtown Edmonds

[See All Homes of the Day](#)

[Back to Top](#)

PUGET SOUND BUSINESS JOURNAL

Home News Lists & Awards People Companies Events Jobs Store

SUBSCRIBERS

- [Start a Subscription](#)
- [Subscriber-Only Content](#)
- [Digital Edition](#)
- [The Book of Lists](#)
- [Manage your Account](#)



ABOUT & CONTACT

- [About Us](#)
- [About The Business Journals](#)
- [Advertise](#)
- [Help & FAQs](#)
- [Contact Us](#)
- [Call Center Directory](#)

APPS & SYNDICATION

- [Newsletters](#)
- [Mobile Apps](#)
- [Syndication/RSS](#)

FOLLOW US



ACBJ

- [Upstart](#)
- [Hemmings](#)
- [Sports Business Journal](#)
- [Inside Lacrosse](#)
- [BostInno](#)
- [DCInno](#)
- [ChicagoInno](#)
- [AustinInno](#)