

McDonnell Douglas/Boeing Merger[©]

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Following is an updated version of the ending of a presentation I gave to the Metropolitan Travel Club (MTC) in Stavanger, Norway in early 1997 while I was a McDonnell Douglas Support Service Rep with SAS in Oslo. The title of my presentation was "The Douglas Aircraft Company Commercial Jet Age – Past, Present & Future". The MTC had invited me to attend one of their meetings and give a presentation with a subject of my choice and so I accepted. Following are exact quotes from my presentation – albeit updated to cover post-merger details.

After a series of on-going discussions between McDonnell Douglas and Boeing top management personnel, during August/1997, the Federal Trade Commission granted approval for the companies to merge as the new Boeing Company! Thus, effective in September/1997, all McDonnell Douglas employees then became Boeing employees and work began to combine the "best practices" of both companies. The Douglas Aircraft Company name was suddenly gone!

Following the merger with Boeing, Boeing took a hard look at Douglas airplanes that were still in production: the MD-80, MD-11, MD-90, and 717 – all of whose future final fate was to be determined!

MD-80

At the time of the merger there were a number of MD-80 orders remaining to be filled; as such, to fill these orders, MD-80 production continued until the very last delivery to TWA on December 21, 1999; the program was then terminated. A total of 1194 MD-80's were produced.

MD-11

Shortly after the McDonnell Douglas/Boeing merger, it was decided that MD-11 production would continue, though only for the freighter variant. However, in 1998 Boeing announced they would end MD-11 production after filling current orders. The last passenger MD-11 built was delivered to Sabena in April 1998. Assembly of the last two MD-11 freighters was completed in August and October 2000; they were delivered to Lufthansa Cargo during January and February, 2001. Production ended because of a lack of sales, resulting from internal competition from comparable aircraft, such as the Boeing 777 and Boeing 767-400 and external competition from the Airbus A330/A340. A total of only 200 MD-11's were produced.

MD-90

No MD-90 orders were received after Boeing and McDonnell Douglas merged in 1997 due to internal competition with Boeing's 737. Delta Air Lines had initially placed a large order for the MD-90 to replace some aging Boeing 727s. After the Boeing-McDonnell Douglas merger, Delta canceled their remaining firm 19 MD-90 orders in favor of the Boeing 737-800. A total of 40 MD-90s (later 20) were to be assembled under contract in Shanghai, People's Republic of China under the Trunkliner (MD-90T) program, but Boeing's decision to phase out the MD-90 resulted in only two built by Shanghai Aircraft. Production of the MD-90 in Long Beach, California ended in 2000 with the last airplane being delivered to Saudi Arabian Airlines, and MD-90T production at Shanghai also ended in 2000. With only 117 MD-90 aircraft produced, the MD-90 production run was the smallest amongst the Douglas Aircraft Company's narrow-body (DC-9 type and derivatives) twin-jet family with a combined total production run of 2443 aircraft!

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717

Initially Boeing, like McDonnell Douglas, had little success in selling the 717 and there was no guarantee that the original Valujet (became AirTran) order for 50 airplanes would come to fruition in the erratic post-deregulation United States airline market! However, Boeing's decision to continue production of the 717, together with intensified on-going sales efforts, eventually resulted in a few, but inadequate, additional orders. Only 156 717's (originally the "MD-95") were produced.

On May 23, 2006, Boeing delivered its final two 717's to Midwest Airlines and AirTran Airways during a ceremony in Long Beach, California attended by thousands of employees, retirees, and dignitaries. These were to be the last of the commercial airplanes ever to be produced in Southern California that began in the 1920s with the Douglas Aircraft Co. Although the 717 program resulted in very poor sales, its development and production concepts "pioneered" breakthrough business (major supplier risk sharing) and manufacturing processes (moving assembly line) of great future benefit to Boeing!

There is no question that memories of all Douglas-Long Beach-produced commercial transport aircraft will live on in history – forever!

AND SO IT WAS!

