

Superjet launches sky wars

Level 3 | Advanced

1 Key Vocabulary

Fill the gaps using these words from the text.

icon derivative eclipse hype spoiler
disastrous scathing relaunch

1. In business a _____ is a product launched by a company simply to prevent another company's product being successful.
2. An _____ is a well-known symbol that represents a particular idea.
3. If you _____ a product, you advertise and sell it again in a slightly different way from before.
4. A _____ product is something that has been developed or adapted from something else.
5. _____ is an adjective that means 'criticising someone or something in a very strong way'. It goes with words like 'remark' and 'comment'.
6. If something is _____ it causes a lot of damage or harm.
7. _____ is the use of an excessive amount of publicity to influence or interest people.
8. If you _____ a competitor, you make them seem less successful or important by becoming more successful and important than they are.

2 What do you know?

1. What is the A380?
2. Where are Airbus's headquarters?
3. Where are Boeing's headquarters?
4. Which company currently sells more planes, Airbus or Boeing?
5. Which of the two companies will produce the 787?
6. Which new plane will be bigger, the A380 or the 787?

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Boeing rubbishes Airbus's A380 but seems to be hedging its bets on future Oliver Morgan

The world's largest airliner, the A380, took off from its base in Toulouse last week for a test flight before landing safely four hours later. It was as easy, said the pilot, as riding a bicycle. The senior management at Airbus' owner, the European Aeronautic Defence and Space Company (Eads), declared the flight a triumph of European cooperation. A press release said: "Airbus has created something that is both marvellous for today and will also be an aerospace icon for decades to come."

Across the Atlantic, Airbus' arch-rival, Chicago-based Boeing, revealed first-quarter profits that were down 14% on last year. Boeing's 40-year dominance of civil aviation has slipped away. For the past two years it has been outsold by Airbus, and its forecast of 320 plane deliveries this year compares with 350 to 360 for the European manufacturer. So, do those two events tell us what we need to know about the direction of the aircraft industry? With its \$15bn giant -- providing the cheapest flights on the busiest routes -- will Airbus eclipse Boeing forever? The hype last week made that seem a foregone conclusion. But might the Europeans be flying too close to the sun? Might Boeing's less eye-catching strategy, using small, hyper-efficient aircraft - such as its 787 Dreamliner, carrying 200-250 people - be the better one?

In the past year each company has begun to market a variant of one of its existing products to challenge a new model launched by the other. Airbus is planning its A350 - a derivative of its A330 series, carrying 245-285 people long-haul - to take on Boeing's 787, while Boeing is planning an ultra-efficient version of its 40-year-old 747. The moves raise two questions. Are the manufacturers losing confidence in their views of the market? And, given that both proposed planes are variants of existing models, are they not

simply cheap spoilers aimed at reducing the other side's advantage.

Airbus insists its numbers on the A380 are correct. It claims that, out of the market for some 16,000 passenger jets over the next 20 years, 1,400 will be planes with more than 500 seats. On paper the A380 has no competition in this category and, if Boeing stops production of the 747, which carries some 420 people, the next biggest plane will be the Boeing 777 with only 380 seats. Boeing reckons there is barely a market for 350 planes above 500 seats. It believes demand will be in long-range, ultra-efficient planes flying 200 to 250 people up to 13,000km. It predicts demand for some 3,100 787s over the next 20 years.

Observers are sceptical that A380 sales will hit the top end of its target range, though they will not write it off. Chris Avery, an aviation analyst, says: "It is hard to believe the forecasts but don't forget they are talking about 20 years. They might do it." He thinks Boeing's forecast is more solid. "There are around 2,000 757s and 767s that all need to be replaced over the next 20 years. If you add on growth, a market of 3,000 sounds sensible, and with a new product Boeing should get half of that." But Sandy Morris, of ABN Amro, says: "Boeing's is a good model in a growth environment. But what are the costs going to be? In the A380 you have a plane making 1.5 trips a day, carrying, say, 675 people, looking to get a return on \$225m. On the 787, it is 375 [people] on \$150m. What looks easier to you?"

If Airbus has its sums wrong, the costs could be disastrous. Already they are creeping up - in December Eads admitted the A380 was \$1.9bn over budget, at \$16bn. It needs to sell 250 planes to break even. So far, there are orders for 154. Boeing continues to criticise the A380. Orders for the 787 have flooded in and now stand at about 250. In the past two weeks it has taken orders from Air Canada, Air India and Air Korea. So why is it considering a lightweight version of the 747, carrying up to 450 passengers?

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The company explains that, without the 747, there would be a gap in the market between the 777 and the A380. It insists that the intention is not to compete directly with it. It denies that it is trying to persuade airlines such as British Airways and Cathay Pacific which are considering the A380 to buy 747s instead. Airbus is scathing. A company official says: "Boeing has been talking about relaunching its 747 for 10 years. What it shows is they still believe there is a market for large aircraft."

The question is which package of new plane and spoiler will work best. The A380 is the new icon of the air. The 787 is an attractive prospect for airlines seeking flexibility and low cost in a stable market. But the A350 could deliver the same combination, and it is a more modern "derivative" than the 747 Advanced. The outcome will depend on costs and the prices both companies can charge airlines. We will not know those numbers until the profit and loss figures appear - in about 15 years' time.

The Guardian Weekly 06/05/2005, page 26

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3 Comprehension check

Choose the best answer.

1. Which of these statements best reflects the overall meaning of the text:
 - a. The A380 will be more successful because it will carry more passengers.
 - b. The 787 will be more successful because it will be more flexible.
 - c. It will be about 15 years before we know which product has been more successful.

2. Why, according to market analysts, is Boeing relaunching the 747?
 - a. To fill a gap in the market.
 - b. To act as a spoiler, competing with the A380.
 - c. To cut costs.

3. What is the main selling-point of the A380?
 - a. Its price.
 - b. The number of passengers it can carry.
 - c. The fact that it is as easy to fly as riding a bicycle.

4. What is Boeing's attitude to the A380?
 - a. It doesn't believe there is a market for such huge planes.
 - b. It believes its planes are more modern than the A380.
 - c. It believes American planes are more popular than European ones.

4 Vocabulary - phrasal verbs

Match the verbs with their meanings.

- | | |
|--------------|--|
| 1. take off | a. to disappear gradually |
| 2. slip away | b. to arrive in large numbers |
| 3. take on | c. to rise slowly but steadily |
| 4. write off | d. to leave the ground |
| 5. creep up | e. to decide that something will not succeed |
| 6. flood in | f. to challenge |

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5 Vocabulary - idioms

Fill the gaps using one of these expressions from the text:

a foregone conclusion
eye-catching
flying too close to the sun
to break even
to have one's sums wrong

1. If you are _____, you are taking a great risk.
2. If you _____, you cover your costs but you don't make a profit.
3. If you _____, your calculations are not correct.
4. A _____ is a result you can be certain about before it happens.
5. If something is _____, it is attractive or unusual and therefore easily noticed.

6 Grammar/ vocabulary - prefixes

What is the meaning of these prefixes? Choose the best answer.

- | | | | |
|----------------------------|--------------|--------------|--------------------|
| 1. arch -rival | a. worst | b. best | c. main |
| 2. ultra -efficient | a. best | b. extremely | c. worst |
| 3. hyper -efficient | a. strongest | b. biggest | c. more than usual |
| 4. re -launch | a. back | b. again | c. up |
| 5. outsell | a. more than | b. away | c. less than |
| 6. cooperation | a. off | b. together | c. in |

7 Discussion

Which option is better for the environment, business, travel and trade – larger aircraft carrying more than 500 passengers or smaller, more flexible aircraft? Make a list of points for and against each option.

Should air travel be restricted in order to save the environment?

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KEY

1 Key Words

- | | | | |
|-------------|---------------|-------------|---------------|
| 1. spoiler | 2. icon | 3. relaunch | 4. derivative |
| 5. scathing | 6. disastrous | 7. hype | 8. eclipse |

2 What do you know?

- | | |
|--|----------------------|
| 1. The world's largest passenger airliner. | 2. Toulouse (France) |
| 3. Chicago | 4. Airbus |
| 5. Boeing | 6. The A380 |

3 Comprehension Check

1. c; 2. b; 3. b; 4. a

4 Vocab - Phrasal verbs

1. d; 2. a; 3. f; 4. e; 5. c; 6. b

5 Vocab - Idioms

- | | |
|--------------------------------|------------------------|
| 1. flying too close to the sun | 2. break even |
| 3. have your sums wrong | 4. foregone conclusion |
| 5. eye-catching | |

6 Grammar/Vocab - Prefixes

1. c; 2. b; 3. c; 4. b; 5. a; 6. b