



Bombardier to spend \$300M on C Series assembly line in Alabama

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The company said the assembly line will create 400 to 500 direct jobs in the U.S. and more than 1,500 indirect and induced jobs.

European aircraft-maker Airbus acquired a majority stake in the C Series program in mid-October. However, under the terms of the deal, Bombardier is responsible for any cash shortfalls incurred by the joint venture, C Series Aircraft Limited Partnership, during the first three years of the deal, up to US\$700 million.

Airbus already has a facility in Alabama, and the ability to start manufacturing C Series planes there has been touted by Airbus and Bombardier as an advantage of the deal because it will allow the companies to avoid duties on imports of C Series planes to the U.S.

The U.S. Commerce Department has placed preliminary duties of almost 300 per cent on imports of the plane.

Originally described as a final assembly line, the proposed assembly line in Alabama was described as a full assembly line by Bombardier president and CEO Alain Bellemare earlier this month, on a conference call to discuss the company's quarterly results.

Boeing has argued that duties should still apply on any imported C Series parts and, in a submission to the Commerce Department filed on Tuesday, Boeing's lawyers argued that the U.S. facility was a deliberate attempt to skirt the U.S. tariffs.

"Other than as an attempt to avoid U.S. trade remedy duties, a C Series production facility in Mobile, Alabama is unnecessary and brings no added value to the program," the statement said.

A final decision on the duties is expected to come in January.