

## Site selection exec: Triad in 'enviable position,' could attract more aerospace investment



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by Jason Parker — January 31, 2022

*Editor's Note: John Boyd, Jr. is the principal of The Boyd Company, which assists its clients in navigating the site selection process. Boyd also recently discussed what Toyota's announcement means for the state and the region.*

**GREENSBORO** – With Boom Supersonic and HondaJet operating in the market, the Triad will be in an enviable position to attract additional aerospace industry investment and jobs in the months and years ahead. The aerospace industry is moving into a growth mode as begins it puts the pandemic in the rear-view mirror.

Here in 2022, the aerospace industry is recalibrating pre-pandemic demand projections for new aircraft, parts and maintenance services. Time-lines for recovery are becoming more clear and return to pre-pandemic expectations for the industry are well underway.



Latest estimates by The Boyd Company client Boeing indicate that there are well over 900 airplanes today that are over 25 years old. By the mid 2020's, more than 500 airplanes a year will reach 25 years of age fueling a robust retirement wave. Over 40 percent of

the new airplanes will be needed to cover replacement alone, notwithstanding new demand, however dampened by the pandemic.

*John Boyd, Jr., principal of The Boyd Company. Image provided by The Boyd Company.*

The Concorde, the world's first supersonic airliner, made its last commercial passenger flight, traveling at twice the speed of sound from New York City's John F.

Kennedy International Airport to London's Heathrow Airport 19 years ago. While Concorde was a magnificent feat of engineering, it never turned a profit and was restricted at many airports due to its sonic boom. Boom's goal is to bring supersonic flight back to the mainstream and back profitability. I understand that the company anticipates making its fares equal to that of business class before lowering them to economy-class levels.

### **What's Next in Aviation: Electric**

The significant advancement in batteries, electric motors and other systems now found in electric cars – as well as hundreds of millions of dollars already in aviation applications – have brought electric technology much closer to commercial take-off after years of research. By 2035, investment bank UBS estimates that the aviation industry will be 25 percent hybrid or fully electric. The move to electric will address fuel costs which are one of the largest, most variable airline expenses, representing between 12 and 20 percent of total expenses.

Battery technology – not unlike what will be utilized and further developed by Toyota in the Triad – is the key to electric commercial aviation as it is in the auto industry. Energy density still is not quite there, but it's getting closer. Large commercial aircraft likely aren't going electric anytime soon, but aviation giant Airbus is considering going hybrid for a next-generation passenger jet. The Triad, now with Toyota battery technology as a part of its resume, may find itself in the narrative of the nascent EV industry – both on the ground and in the air.