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Boeing, You're Grounded By David Fang, J.D. Candidate 2021 | March 17, 2019

In October 2018, a Boeing 737 Max 8, operated by Lion Air, crashed soon after takeoff and killed 189 people. In March 2019, another Boeing 737 Max 8, operated by Ethiopian Airlines, crashed soon after takeoff and killed all 157 people on board. In response to the two crashes, safety regulators in <u>42 different countries</u> banned all flights of the 737 Max 8. Initially in the U.S., the FAA stood firm behind Boeing, a U.S. company, asserting no systemic performance issues that would require grounding all 737 Max 8 planes. However, on March 13, 2019, President Trump went against the FAA's stance and announced the grounding of all Boeing 737 Max in the U.S.

<u>Investigators fear</u> that both the Boeing 737 Max 8 planes crashed due to a malfunction in Boeing's Maneuvering Characteristics Augmentation System (MCAS). The MCAS system was added when Boeing updated the 737 Max 8 with more fuel efficient engines <u>to compete with</u> the Airbus A320. However, these engines were also larger and could cause the plane's nose to pitch dangerously upward. Therefore, Boeing added MCAS, an <u>automated system</u> that would push the plane's nose down when necessary.

As the investigation continues, Boeing's relationship with the FAA will be under scrutiny as well. When MCAS was added to the 737 Max's flight control system, Boeing and the FAA determined that pilots <u>did not need</u> additional training. Boeing's <u>main reason</u> for not training the pilots was to minimize costs. However, this oversight may have left pilots without a full understanding of how to address the MCAS malfunction, which likely contributed to the crashes.

The proximity of the Lion Air and Ethiopian Airlines crashes have put <u>Boeing on the defensive</u>. Airlines plan to <u>seek compensation</u> from Boeing because of the 737 Max groundings. The surviving families likely will file lawsuits against Boeing as well. Further, the 737 Max is Boeing's best-selling jet ever and the crashes have put <u>4600 unfulfilled plane</u> orders or \$550 billion in future revenue at risk. The disasters will also cause significant damage to Boeing's brand and reputation. Hopefully in the future, other industry leaders will learn from Boeing's mistakes and err on the side of caution when balancing safety and costs.

