



AIRBUS, BOMBARDIER END TALKS OVER C-SERIES JET INVESTMENT

News / Manufacturer



Airbus on Tuesday called off talks with Bombardier over propping up the troubled C-Series [jet](#), leaving the Canadian plane maker facing dwindling options to keep its dream of competing in the aerospace big league alive.

The latest blow to Bombardier, which has been trying to shore up its shrinking cash reserves for months, came after Reuters reported that Bombardier had made an offer to Airbus.

Both companies acknowledged that talks had taken place. A source familiar with the situation said Airbus ended the talks shortly after they became public.

Under the proposed tie-up, Airbus would have helped Bombardier complete development of the troubled aircraft in exchange for a controlling stake in the program, effectively ending Bombardier's independent efforts to break into the lower end of the global airplane market dominated by Airbus and Boeing.

Bombardier shares jumped 13 percent on the Toronto Stock Exchange immediately after Reuters reported the approach, ending the day up 15 percent at C\$1.77. The shares are still worth less than a quarter of their value in July 2008, when Bombardier officially launched the CSeries jet.

After the report, Airbus confirmed that it had been exploring business opportunities with Bombardier but that such discussions were no longer being pursued.

Bombardier then confirmed it had held talks with Airbus about "certain business opportunities," but those discussions were no longer under way. It said it would continue to "explore initiatives, such as a potential participation in industry consolidation," but gave no further details.

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SOURCE: REUTERS

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