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October 26, 2000

BY FEDERAL EXPRESS

Federal Trade Commission  
Office of the Secretary  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580



Re: The Boeing Company  
Federal Trade Commission File No. 001-0092

Ladies and Gentlemen:

We are writing on behalf of our clients Arianespace S.A. and Arianespace, Inc. (hereinafter "Arianespace") in response to the Federal Trade Commission's invitation for public comment on the proposed Decision and Consent Order in the above-captioned matter. Our clients have asked that we provide a few brief comments on market definition. They have also asked that we urge the Commission to extend the term of the Monitor Trustee from ten years to twenty to ensure that the Order have the effect for which it was designed, i.e., the long-term preservation of competition in the markets defined in the Commission's complaint.

Our clients are "launch vehicle suppliers" as that term is defined in the Order. Hence, they compete with Boeing and have a strong interest in the outcome of these proceedings. As the Complaint filed by the FTC makes clear, Boeing's proposed acquisition of certain Hughes Space assets from General Motors Corporation poses a serious threat to competition in several markets, including that for "the research, development, manufacture and sale of Launch Vehicles."

Arianespace believes that this market should be defined to include -- or that the Complaint should recognize a separate market for -- "the provision of satellite launch services." The services provided by Arianespace, Boeing, and the other launch vehicle providers go far beyond the mere sale of launch vehicles. These services include, among other things, engineering and technical support. Most importantly, they actually launch the vehicle containing the customer's satellite. As the capacity of launch vehicles increases, more launch service providers may also, as Arianespace does now, sell launch capacity ("seats")

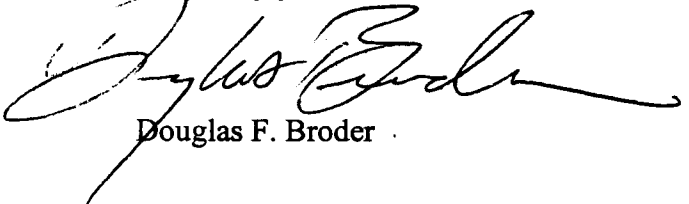
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rather than entire launch vehicles. While this additional market definition may not require changes to the substance of the Order, Arianespace believes it more accurately reflects reality and may prove useful if disputes arise about Boeing's compliance or that require further market analysis.

Finally, Arianespace urges the Commission to extend the term of the Monitor Trustee from ten years to twenty, i.e., co-extensive with the term of the Order. Section XII of the Order indicates, without limitation, that it is to remain in force for twenty years. Yet subsection B.3. of Article VII states that "the Monitor Trustee shall serve for ten (10) years from the date the trust agreement is approved by the Commission." The Order does not provide, and Arianespace does not see, any reason for so limiting the Trustee's term. The Trustee's monitoring function will be just as necessary -- perhaps even more necessary -- to preserve competition ten years from now as it is today

Very truly yours,

A handwritten signature in black ink, appearing to read "Douglas F. Broder", written in a cursive style. The signature is positioned above the printed name of the signatory.

Douglas F. Broder