

Friday, 21 October 2011

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TAM finalises A320 family order

TAM Airlines has finalised an agreement for the purchase of 32 A320 aircraft.

The order, which includes 22 A320neo's and 10 A320 family, follows a Memorandum of Understanding announced in February and is worth approximately \$2.5 billion at list prices. Engine choice will be announced “at a later date”.

TAM is one of the largest operators of the A320 family with 30 A319s, 86 A320s and nine A321s in its fleet. *Image courtesy of Airbus*

Southwest posts loss despite record operating revenues

Southwest Airlines has posted a net loss of \$140 million for the third quarter despite achieving operating revenues of \$4.3 billion, an all time quarterly record for the company.

The \$140 million debit, which reverses the year ago profit of \$205 million, was blamed primarily on \$227 million in “unrealised, non-cash markdowns” fuel hedging.

However the low cost carrier pointed out that, excluding ‘special items’, it actually made a net profit of \$122 million.

Operating expenses rose 18 per cent, fuel costs alone increased 40 per cent, which even with the record level of revenue, led to an operating profit of \$225 million, down 45 per cent from a year ago.

Gary C. Kelly, President, and Chief Executive Officer, commented “Despite the cautious economic outlook, our booking trends remain strong. Importantly, business travel has remained stable since spring. Based on October traffic and booking trends, thus far, we expect solid passenger unit revenue year-over-year growth in the fourth quarter..... While it is disappointing to report a decline in earnings excluding special items, I was pleased with our strong third quarter revenue performance”.

Boeing forecasts \$200 billion in new aircraft for Northeast Asia market

Boeing has projected that 1,250 new aircraft, with an approximate value of \$200 million, will be delivered to Northeast carriers during the next 20 years.

Randy Tinseth, Boeing Commercial Airplanes Vice President of Marketing, commented “The combined effect of liberalization and rapid economic growth is driving passenger traffic in the region. In Korea, Incheon International Airport serves as a major hub in the region and the Korean peninsula is perfectly situated between Japan and China – allowing it to continue as a gateway to key markets in Asia. Air travel in Northeast Asia is expected to grow moderately at 4.3 percent annually over the next 20 years. Korea’s dynamic economy as well as the nation’s thirst for air travel will fuel growth for the region.”

Two-thirds of the projected new aircraft deliveries will be for growth and would increase the fleet from the current 690 to 1,520 in 2030.

Night flight ban at Frankfurt could cost Lufthansa Cargo “millions”

A decision by the administrative court in Hesse to implement a temporary night flight ban at Frankfurt from the 30 October, has been strongly criticised by Lufthansa Cargo.

“We’ve managed at great expense to keep our customer services comparatively intact,” said Lufthansa Cargo Chairman Karl Ulrich Garnadt. “The night-flight ban has forced us to lay on a timetable, which in part is economically and ecologically absurd... We will be operating in future with unnecessary take-offs and landings, which will lead to more noise, higher fuel consumption and more costs running into millions.”

The cargo carrier explained that a number of flights have had to be relocated to daytime slots or to the early and late hours of the day or cancelled altogether.

Piece of Aviation History for October 21

1929 - The Dornier DoX established a record by taking off with 169 people on board, including 10 crew, at Lake Constance.

The DoX was initially powered by 12 391 kW (524 hp) Siemens-built Bristol Jupiter radial engines (six tractor propellers and six pushers), mounted in six tower nacelles on the wing, but these proved to be unsuitable and were replaced the following year with 455 kW (610 hp) Curtiss Conqueror water-cooled 12-cylinder inline engines. It had an all-duralumin hull, with wings composed of a steel-reinforced duralumin framework covered in heavy linen fabric and coated in aluminium paint.

Quote of the Day

Talent hits a target no one else can hit; Genius hits a target no one else can see.

Arthur Schopenhauer (1788 - 1860)

A Bit of Light Relief

The health worker said to the old man, "I noticed that when you sneeze, you've learned to put your hand in front of your mouth"
"Of course," he explained "How else would I catch my teeth?"