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IAG eyes bmi slots in airline sale

International Airlines Group, formed by the merger of British Airways and Iberia, is still interested in buying its smaller rival bmi from German carrier Lufthansa to take advantage of its valuable take off and landing slots at London's Heathrow airport. "We have made no secret of our interest in bmi's Heathrow slots," an IAG spokeswoman told reporters on Monday. "Lufthansa said a few weeks ago that they were looking at their options regarding bmi so the ball is firmly in Lufthansa's court, but there's nothing imminent happening from our side." A source familiar with the matter said on Sunday Lufthansa had mandated banks to sound out a potential sale of loss-making bmi, though the process was at an early stage.

Lufthansa was unavailable for comment.

Bmi controls about 11 percent of the takeoff and landing slots at Heathrow, making it second there only to British Airways, which has around 42 percent of the slots. Bmi's slots were valued at GBP£616 million (USD\$977 million) at the end of 2008, down from GBP£770 million a year earlier. A source close to the transaction said selling bmi would be a "mammoth task" for Lufthansa because there was no obvious buyer for the airline. The source also said completion of any sale was unlikely until next year, but that Lufthansa's priority was to sell bmi as a whole, including the slots. The UK carrier will be sold in parts if Lufthansa does not find a full buyer, added the source.

Fed Ex considering fleet upgrade plans

FedEx is considering buying wide-body freighters from Boeing and Airbus as it looks to update its fleet of cargo planes, Bloomberg reported, citing three people familiar with the matter.

FedEx's board may consider an order at a meeting on Wednesday although a final decision may not come for several months, Bloomberg cited two people, adding that a delay could happen due to concerns about weak economic outlook and potential loss of US Postal Service business.

The talks would focus on about 50 of Boeing's 767s and Airbus's A330s, one of the people said,

according to Bloomberg.

Secondhand 767 passenger models may be part of a purchase, allowing FedEx to convert the planes to freighters, Bloomberg reported two people as saying.

Air India in fleet “catch 22”

Indian Minister for Civil Aviation Praful Patel has fired back at a comptroller and auditor general (CAG) report claiming Air India (AI) is in a financial mess largely because of its buying and leasing of new aircraft, according to India’s NDTV.com. In the report, the CAG singled out decisions made by Patel in his previous two terms and the airline’s management for the problems. But Friday, Patel responded in an interview with the Times of India, saying the CAG's observations are with the benefit of hindsight. "Air India was functioning with planes that were 20 years old. We were in a catch-22 situation. If we wanted to do well, we needed new aircraft but were also aware that the company's financial situation would not have permitted it. The old projections were made in very different circumstances,” said Patel.

The TV website also claimed that civil aviation minister Vayalar Ravi admitted the airline doesn’t have funds to pay for the 27 Boeing 787s it ordered in 2006, with deliveries expected to begin late this year. The report also blamed government policies for the hasty ordering of “a fleet that Air India did not need,” an assertion Patel rejected. "The process for Air India estimating its aircraft requirement began in August 2004 and ended with the order being placed in December 2005. If that is fast, I don't know how to define slow,” he said.

Taiwan’s UNI Air signs contract for 10 ATR 72-600s

Taiwan-based UNI Air, a subsidiary of EVA Air, has signed a contract with European regional turboprop manufacturer ATR to purchase 10 ATR 72-600s. Deliveries are scheduled to start in third quarter 2012. The contract was formalized with a ceremony in Taiwan today.

UNI Air will use its new ATR-600s to progressively replace the Dash-8-300 aircraft it now has in its fleet. The regional carrier’s new ATRs will be equipped with advanced technologies such as a glass cockpit avionics suite and redesigned cabin interiors.

UNI Air Chairman Tony Su said, “We are pleased to update our regional fleet with the most modern aircraft on the market. The new ATR -600 series will enable us to give our passengers the highest standards of comfort and, at the same time, optimize our fuel and operating costs. We are looking forward to introducing our new ATR aircraft and operating them in Asia”.

On behalf of the aircraft manufacturer, ATR Chief Executive Officer Filippo Bagnato added, “We are honored to welcome UNI Air among our steadily growing ATR family. This contract confirms the attractiveness of our aircraft in the rapidly growing Asian region. In the last several years, Asia and the Pacific region have represented some 50% of our total order intakes”.

Piece of Aviation History for September 12



1970 - The three airliners (BOAC VC10, a TWA 707 and a Swissair DC8) hijacked on the 6 September are blown up by Palestinians after they release most of the 255 passengers. A Pan Am 747 taken to Cairo is blown up after all aboard have been freed.

These incidents highlight the vulnerability of international air travel as a terrorist target.

Quote of the Day

Great ability develops and reveals itself increasingly with every new assignment.

Baltasar Gracian

A Bit of Light Relief

For their anniversary, a couple went out for a romantic dinner. Their teenage daughters said they would fix a dessert and leave it waiting.

When they got home, they saw that the dining room table was beautifully set with china, crystal and candles, and there was a note that read: "Your dessert is in the refrigerator. We are staying with friends, so go ahead and do something we wouldn't do!"

"I suppose," the husband responded, "we could clean the house."

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