18 RIGH T International, 3 January 1981

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Operating efficiency, typified by these two British One-Eleven airlines, should be independent of ownership

performance here is impressive.
This measure is one indication of good marketing—flying the right ser-vices to the right places at the right times, with a smile.

Utilisation: Again, the usual disparity between the Europeans and the Ameri-cans does not appear in this criterion of efficiency, which tends to favour the longhaulers. Indeed, the typical European charter airlines—Britannia being a notable example with around 4,000hr a year per 737—probably con-cedes nothing to any world airline in this respect,
Outstanding "utilisers" among the Europeans are Lufthansa and Alitalia; both outfly Delta, who again leads the American pack with the expected ex-ception of Pan American (exclusively long-haul international until its mer-ger with National). The two British carriers are no slouches here, British Airways and British Caledonian better-ing Northwest and United.

Cost level: Unit production cost, say US cents per capacity tonne-km, is also often quoted as a measure of transport-industry efficiency. Common sense suggests that high-productivity airlines are low-cost airlines. But "cost per ton-mile" has to be qualified as much as do other efficiency criteria. An airline can skimp on maintenance, training and safety activities; it can cut staff and facilities to a degree affecting efficiency and even morale and safety. And it is easier for an operator of 747s on long sectors to

show lower cost per ton-mile than an operator of 748s on short hops. Such extremes do not characterise our league members, so cost level is a valid comparator.
The disparity between the European and American airlines is strongly marked. Shown in black are the pro-portions spent on maintenance and en-gineering, activities central to operat-ing efficiency and safety. Some airlines do more than others by way of con-tract maintenance, though this is usually a way of using excess man-power and capacity.
Northwest and Delta come top (or rather bottom) in total cost-level and in maintenance cost-level. The best European, BCal, comes close to the formidable Delta. The Scottish air-line's recent inauguration of a heavy-engine maintenance factory could, de-pending on how the accounting is done, change BCal's place in this league; in the longer term is should increase that other but more fickle efficiency measure, profit.
Conclusions: American airlines are more efficient than European airlines, markedly so by most measures. Delta emerge s as the efficiency-league leader, the. undoubted gold-medallist. The airlines appearing most often in our charts as "below average" are the Europeans. The most consistently below-average is British Airways. BCal is more efficient than BA, and compares well with the best Euro-peans, though not often with the Americans.
JAL is more efficient than the Euro-

peans, appearing below average only in cost-level and departures per air-craft. American airlines appear be-low average very rarely—Pan Ameri-can, for example, in departures per aircraft.

British Airways is consistently be-low average in the world airline effi-ciency charts. The single most signifi-cant reason is overmanning. This is partly the inheritance of the BOAC-BEA merger, but mostly it is the effect of heavy unionisation.
Other British airlines, BCal in-cluded, fly without union drag, and the most efficient airline to emerge from our study—America's Delta—is not unionised. Though Delta has 36,000 staff, and is not a small company, management has succeeded in achiev-ing an industrial spirit in which pilots will help with the baggage-handling. Some American airlines are union-ised—United for example; but our charts may help to convince some of the more blinkered British Airways union officials of the gross extent to which overmanning is a problem.
On the plus side for BA is its un-disputed authority in the professional world in flight operations, engineering, technical innovation and safety, British Airways' people make massive contributions to the international air-line industry—more than does Delta, well known in the trade for keeping its technical excellence to itself. British Airways shares and contributes its technical excellence — another aspect of efficiency which cannot be defined. S3

"Delta emerges as the efficiency league-leader, the undoubted gold-medalist"

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