Cargolux reassesses
LUXEMBOURG

Luxembourg's all-cargo air-
line Cargolux has carried out
several measures to improve
profitability and operations
and is planning more as the
airline industry continues to
struggle through the reces-
sion.
The airline has refinanced
its two Boeing 747-200
freighters, changing its finan-
cial basis from US dollars
and associated high interest
rates to Japanese yen. And
in an attempt to strengthen
the airline in line with the
increased turnover over the
past years, shareholders have
increased its capital to Fr
Lux 400 million (£4-8 mil-
lion).
To reduce costs the airline
has been forced to reduce
staff at its head office in
Luxembourg by 20 per cent
— mostly from within its
maintenance sections—while
other important measures to
cut costs have been agreed
upon.
Cargolux is continually ex-
ploring new routes and ex-
pansion possibilities. The
company currently operates
almost every day of the week
to and from some of the key
gateways in the Middle and
Far East and is planning to
increase the frequency when
an anticipated increase in
market demand is foreseen.

A lease agreement with
China Airlines of Taiwan
earlier this year has proved
valuable, enabling Cargolux
to offer weekly freighter ser-

vices to Jeddah. Traffic rights
to and from Japan are being
negotiated with the Japanese
authorities an d Cargolux
hopes to begin operations
shortly.
The airline is planning a
long-term lease to an inter-
ested carrier for one of its
three DC-8-63s, while the
other two are being operated
on a charter basis for
general cargo, as well as sub-
charters for other airlines.

Cargolux president E.
Olafsson is confident that the
airline has a satisfactory
new financial basis on which
to consolidate and then ex-
pand, and has made public
his plans because of nervous-
ness about the state of the
pure cargo market.

MARKETPLACE

US Air has sold its only
Boeing 727-100QC to Alaska
Airlines. Alaska will lease
the aircraft to Arco in combi
layout.

The Congo Government has
bought a Boeing 727-200
from AiResearch Aviation.
The aircraft is ex-Republic
Airlines.

Air Atonabee has signed a
letter of intent for five de
Havilland Canada Dash 8s.
The letter specifies a further
three possible options. De-
liveries would be made no
later than 1986. Air Atona-
bee recently claimed that the
new City Center Air-

ways-Canavia Transit joint
stol operation linking Tor-
onto, Ottawa, and Montreal
would put it out of business
if the new service was given
the go-ahead.

Air Canada has announced
that it is phasing out its
DC-8-60 passenger aircraft
between September 1982 and
May 1983.

Overseas National Airways
is 'to wet lease its two
DC-8-7U to Four Seas Air-
lines, a new charter carrier
formed jointly by ONA and
the Four Seasons Group. The
airline will fly from the USA
to the Western Pacific.

Martinair has decided to de-
lay delivery of its third Air-
bus A310 from 1985 to 1987.
But the Dutch charter car-
rier will take its first two
A310s in 1984 as originally
planned.

Setair, a Melbourne passen-
ger and cargo charter opera-
tor, will put two Fokker F.27s
into service in the near
future. The first is likely to
be an F.27-200 obtained from
East-West Airlines. It will be
used for newspaper and
parcel-delivery schedules, and
for passenger charters when
not operating these services.
Setair has an existing fleet
of three operational and two
reserve DC-3s and a Mitsu-
bishi MU-2.

Toa Domestic Airlines is sel-
ling two more NAMC YS-
11 As to Hawaiian carrier
Mid-Pacific Airlines for just
under $1 million each, and
another DC-9-41 to Finnair.
Japanese sources report the

AIR TRANSPORT

asking price for the DC-9 is
about $6-5 million.

TAP-Air Portugal is begin-
ning a large-scale restructur-
ing of its fleet in preparation
for the arrival of seven
Boeing 737-200s and five Tri-
Star 500s beginning in 1983.
The airline is disposing of
several aircraft, including
one or more Boeing 747s,
Boeing 707s, and Boeing 727-
100s. The airline is willing
either to lease or to sell the
aircraft, and will provide
training and maintenance
services if required.

Interlease of Beverly Hills
has completed contract nego-
tiations for the sale of a
third ex-Air New Zealand
DC-10-30 to American Air-
lines. It will be delivered in
mid-October.

People . . .
Heinz Ruhnau, previously
State Secretary in the West
German Transport Ministry,
is the new chairman of Luft-
hansa's executive board. He
succeeds Dr Herbert Cul-
mann who has been chair-
man for almost ten years.
Ruhnau, who has been
deputy chairman of the air-
line's executive board since
April, has been succeeded
by Reinhardt Abraham.
Abraham has been on the
board since 1972 with res-
ponsibility for technical mat-
ters.

Lindsey N. Pollock has been
appointed senior vice-presi-
dent, marketing, for
Hawaiian Air, heading a new
division in the airline.

The Sultanate of Oman has taken delivery of this re-engined DC-8-73

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