AIR TRANSPORT

China

Southwest

chooses

737-300
BEIJING

Boeing has scored a hat-trick
in airliner sales to China this
year with an order for four
737-300s to new Chengdu-
based regional airline China
Southwest Airlines. The
contract is worth about $104
million.

China Southwest, an airline
set up jointly by the Sichaun
and Guizhou provinces and
the city of Chongguing, will
take delivery of the first -300
in November this year. Nos 2,
3, and 4 will be delivered in
January, February, and June
1986.

This latest acquisition will
see Boeing aircraft based in
five major Chinese cities-
Beijing, Chengdu, Guangzhou,
Kunming, and Xiamen.
The US manufacturer has
now sold more than $1,000
million worth of aircraft
to China since 1972. The
China Southwest sale is its
third in the country this
year. In February Boeing
clinched a deal with the
Yunnan Province for two
737-300s to serve on domestic
and international routes from
early 1986. In June it
announced a major order from
CAAC for five 737-200s plus
two 767-200ERs. A second

747-200B Combi was also
ordered.

With delivery of the China
Southwest aircraft the Boeing
fleet in China will increase to
46 aircraft. Total 737 orders
to date are for 1,323 aircraft,
216 of which are for the -300
model. European, Australian,
and Chinese airlines have
ordered 40 Boeing 737s in the
past month, the manufacturer
reports.

Strike produces
Pride Air

LOS ANGELES ~

Pride Air, Inc, an airline set
up by former Continental
Airlines pilots, will start
operations on August 1, flying
eight Boeing 727-200s and
linking eight western cities
with seven cities in Florida via
its New Orleans hub.
Chairman and chief execu-
tive Paul Eckel, says that
Pride will be based in New
Orleans, offering a coast-to-
coast fare of $199 without
restrictions.

The eight western cities are
Los Angeles, San Francisco,
San Diego, San Jose, Sacra-
mento, Las Vegas, Denver,
and Salt Lake City. Florida
destinations include Miami,
Fort Lauderdale, Orlando,
Tampa, Jacksonville, West
Palm Beach, and Sarasota.

Eckel says that Pride raised
$15 million in start-up capital,
most of the money coming
from 360 former Continental
pilots. One invested $150,000,
and more than 100 others

contributed over $90,000
each.

Pride's 500 employees and
eight 727s will compete with
Eastern, Delta, and
Continental, says Eckel. His
airline will meet the lowest
fare offered by any
competitor, starting with a
$129 advance purchase fare
coast-to-coast.
"Pride Air is not 'Air
Revenge'," observes Eckel,
referring to the origins of the
airline in the continuing US
Air Line Pilots Association
strike against Continental.
"We have only one objective,
and that is to succeed on
economics." Eckel was head of
the Employees' Association at
Continental, and led the
employees' attempt to buy the
airline before Frank Lorenzo
took over.

Eckel says that Pride will be
profitable because its pilots
are now non-Alpa, and will be
paid less than the Alpa salary
scale. But employees have
additional stakes in owner-
ship and profits.
"We don't intend to have
raises at Pride Air on a regular
basis, but we will share profits
with employees in an
Employee Stock Ownership
plan (ESOP)." Under the
ESOP, 15 per cent of pre-tax
profits are slated for distribu-
tion to employees.
"The bottom line is: If we
succeed we will share the
rewards," says Eckel. "But if
we fail, we will share that,
too."

Pilots' seniority is based on
the seniority they held at
Continental, and on how
much money they have
invested in Pride Air.

Maersk is Scandinavia's first customer for the 737-300. China Southwest is the latest of 21 customers who have bought a total of 216 737-300s in the four years since its launch, making it the fastest-selling Boeing except the 727-200

NEWS SCAN

Air New Zealand is to fly a
third weekly service to
London Gatwick following
discussions between UK an
New Zealand authorities. Air
New Zealand and Cathay
Pacific will also resume a
direct link between Hong
Kong and Auckland after
services were suspended la
year following a dispute abou
traffic on the route.

The net profit earned by
Frankfurt Main Airport in
1984 increased by 22 • 4 per ce
to DM 40-5 million (£10-34
million). This followed a 7 per,
cent increase in passenge
traffic to 19 • 03 million, and a
12 per cent rise in cargo traffic
to 772,800 tons.
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Upgrading of the runway at
Vladivostock has allowed
Aeroflot to begin scheduled
services with Il-62s from
Moscow. Vladivostock is the
fifth airfield in the Soviet Far
East with 11-62 capability.

Singapore Airlines has
introduced business class o
its A310 fleet. The newly
configured aircraft carry 12

first-class passengers, 36 busness class, and 140 econom
class passengers.

The Australian Govern-

ment has announced an independent review into Austra-

lia's international air freight
services. The review will exam-
ine whether non-scheduled
operators should cater for an
scheduled capacity shortfalls
for the transport of non-
manufactured produce.

Singapore Airlines is step-

ping up its "percentage catering" policy to cut back on food
wastage. The carrier is preparing fewer meals than there ar
passengers, on the basis th
not everyone wants to eat. I
there is a shortage the fligh

crew are encouraged to surrender their own meals. An SIA
spokesman said there had bee
no complaints by passengers

The British Airports,
Authority's three London
airports passed a milestone i
May by handling a total of 45
million passengers or the firs
time in a 12-month period.

Air France has launched a
second weekly flight to
Beijing leaving Paris on
Fridays with a stop to Delhi.

FLIGHT International, 27 July