



Waiting for the late, late show

Entertainment problem hits delivery of Cathay's A330

DELIVERY OF THE FIRST Rolls-Royce Trent 700-powered Airbus A330 to Cathay Pacific Airways has been delayed by problems with the aircraft's Matsushita inflight-entertainment (IFE) system.

Cathay was due to accept the aircraft in mid-January, but that has slipped to 23 February because of "teething problems with the Matsushita System 2000E IFE," says a Cathay source.

Technical problems are under-

stood to centre on the 2000E's software interface and, more specifically, the inability of the aircraft's cabin public-address system to override the audio-entertainment functions.

Cathay is the first airline to put the Matsushita System 2000E into service on board an A330.

■ Thai International has, meanwhile, delayed delivery of its third Pratt & Whitney PW4168-powered A330 because of fuel seepage from the port wing. □

Swissair strikes blow for satellite links

KIERAN DALY/LONDON

SWISSAIR HAS DEALT with would-be providers of terrestrial-based air-to-ground telephones a major blow by opting to fit its domestic European fleet with satellite communications.

It is understood, however, that Lufthansa is about to sign up to use the competing terrestrial flight-telephone system (TFTS).

Swissair's decision to equip its 29 Airbus narrowbodies with the Racal/Honeywell MCS-6000 multi-channel system makes it the world's first major carrier to put satellite communications (satcoms) on short-haul aircraft and constitutes an explicit rejection of TFTS technology.

The airline says that it turned down offers from TFTS providers which would have effectively given it the equipment for free, in favour of satcoms systems costing \$448,000 per aircraft.

Explaining the airline's decision, Swissair manager of in-flight communications and telematics Karl Laasner says: "It was a clear requirement for us to have gate-to-gate coverage from day one

which is not possible at all airports with TFTS — for example Geneva.

"Secondly, we said we wanted seamless service. Nobody could guarantee us that a handover over all the countries and different antennae and all providers is really going to work. Everybody promises it, but I don't think it is in place.

"Finally, we felt that some airports, especially in Eastern Europe and North Africa, will lack TFTS for a long time to come and we want the entire network covered."

Laasner adds that Swissair believes satcom will eventually be needed for air-traffic-control purposes in Europe, when it will bring extra economic benefits.

Lufthansa began technical trials with single-point TFTS provider Mercury FlightLink in 1994 and is close to a contract to use it on some, or all, of its 150-strong European fleet. Both companies decline to comment, although Mercury says that an announcement is due soon. Only Crossair and Air UK have so far agreed to use TFTS. □

Luxair kills Sabena's Luxembourg pilot-pool plan

HERMAN DE WULF/BRUSSELS

LUXEMBOURG'S LUXAIR has rejected a pioneering proposal by Belgian national airline Sabena to form a joint pool of aircraft and pilots across the border

in lower-cost Luxembourg.

Luxair says that the proposed co-operation, possibly involving an equity stake, would "...involve operational and social risks" and could "jeopardise" its existing alliance with Lufthansa. The German airline, which owns a 13% share in Luxair, is understood to have opposed the deal.

A key element of the plan was to form a joint pool of pilots in Luxembourg. Sabena stood to make substantial savings by removing 450 pilots from Belgium's burdensome employment laws. Social costs in Luxembourg are only one-third of those paid by employers across the border in Belgium.

Sabena would also have regis-

tered Belgian aircraft in Luxembourg, making them available to Luxair to help expand its charter business. In return, Sabena could have used Luxair's charter Boeing 737s during weekdays.

Registering under a flag of convenience is already common practice in the shipping world, with most of the Belgian merchant fleet on the Luxembourg register, but the plan would have marked a new departure in Europe's liberalised airline market.

The prospect was mooted in 1994 during the deliberations of the *Comité des Sages*, a group set up by the European Commission to study the problems facing the region's airline industry. Sabena

president Pierre Godfroid pointed out during the hearings that his airline could have saved around BFr1 (\$316 million) billion a year if, for example, it were operating under the UK's less onerous employment laws.

Sabena's proposal had already received the blessing of Belgian transport minister Elio di Ruppò and the ABPNL pilots union. Pilots could have received a boost in their take-home pay because Luxembourg tax rates are also lower than in Belgium.

ABPNL says that it had earlier proposed a similar plan. Pilots already move freely between the two countries and licensing of Luxembourg pilots is carried out by the Belgium authorities. □

NEWS IN BRIEF

■ **AVIONICS DEAL SIGNED**
Daimler Benz Aerospace and Rockwell-Collins have signed a joint venture deal to develop, produce and market satellite navigation and advanced avionics equipment. The venture will be responsible for marketing.