

AmWest pilots clear Airbus deal

GUY NORRIS/LOS ANGELES

AMERICA WEST has confirmed a deal valued at \$1.4 billion for up to 46 Airbus Industrie A319-100s and A320-200s after securing a last-minute agreement with the Air Line Pilots Association (ALPA).

The order was initially outlined a year ago, but prolonged negotiations over financing following the airline's emergence from bankruptcy and talks with the pilots union meant that the deal could not be given the firm go-ahead until 15 September. ALPA says that the agreement "...ensures that only America West pilots will fly those

aircraft included in the order that are new-equipment models in the airline's fleet. Additionally, the accord allows America West to operate newly introduced A319s and any A321s acquired through this order under the same pilot contract provisions that apply to the A320."

America West, which now operates 26 A320s, says the firm portion of the order commits it to 22 A319-100s and 24 A320-200s, 12 of which are "subject to reconfirmation". The firm aircraft will be delivered between 1998 and 2001. The order also includes options to purchase an additional 40 A320 "class" aircraft during 2001 through 2005 and

"...certain rights to convert firmly ordered A319s and A320s to larger A321 aircraft", it adds. The A319s will be configured with 124-128 seats in two classes.

William Franke, chairman and chief executive of the airline's parent group, America West Holdings, says that the deal "...replaces the agreements made prior to and during the airline's bankruptcy with an order providing significantly improved commercial terms". The airline adds that the restructured arrangements also cover finance assistance on between 12 and 16 aircraft, "...subject to the conclusion of satisfactory arrangements with an engine

manufacturer". The current fleet is powered by International Aero Engines V2500s, although the language of the airline statement suggests that CFM International may make a strong bid for the order.

America West, which is based at Phoenix, Arizona, is due to decide by the end of the year on where and how the new aircraft will be used. "We're looking at different options ranging from opening services to new cities to increasing frequencies. The Airbus fleet is used for long- and short-haul services so anything is possible," it adds.

The carrier now operates a fleet which includes large numbers of Boeing 737 200/300s and 757s. □

Iberia starts work on American alliance

IBERIA HAS cemented the first element of its recent commercial agreement with American Airlines. The Spanish Government has also reconfirmed that the flag carrier will be "fully privatised" by 1999.

Iberia now has frequent-flyer and codesharing programmes in place with the US carrier, and expects to tie up similar arrangements with its other new commercial partner, British Airways, by the end of October.

American and BA, still awaiting European Union and US Department of Transport approval for their planned alliance, indicate that they each intend to take a 5% stake in Iberia if the alliance is successful.

Iberia says that the arrangements with the two foreign carriers are only part of a wider opening of capital which will result from its privatisation. So far, the workforce has taken a 9% share of the stock. Iberia says that its next step is to create a stockholder base, probably including the Spanish Government, but open to foreign parties with "no limitations".

Remaining shares will be offered on the Spanish stock market after three concurrent years of profitable performance. Iberia is expected to post a profit of Ptas 11 billion (\$73.3 million) for 1997, following a Ptas 3.37 billion profit in 1996. □

Singapore Leasing signs customers for A320s

SINGAPORE Aircraft Leasing Enterprise (SALE) has signed agreements for five new Airbus Industrie A320s, with two aircraft going to Saeaga Airlines of Malaysia and three to TransAer International Airlines of Ireland.

SALE, a joint venture between Boullioun Aviation Services and Singapore Airlines, has signed a

five-year agreement with Saeaga for two International Aero Engine V2527-A5-powered A320s. They are scheduled for delivery in August and September 1998.

The aircraft are intended as an interim step until the carrier can finalise an order with Airbus for a further five A320s, which it plans to add in 1999. Saeaga had originally

signed a letter of intent (LoI) with SALE for five A320s for delivery from January 1998, but economic uncertainties in Malaysia have forced plans to be scaled down.

SALE also announced an LoI from TransAer to lease three A320s for six years. The operator will take delivery of the first in early 1998 and two more in early 1999. □



Liverpool-bound easyJet is adding to its fleet of Boeing 737s with 12-300s

easyJet expands fleet and starts Liverpool operation

EASYJET HAS ordered 12 Boeing 737-300s, for the first time directly from Boeing. The London Luton-based low-cost carrier has previously acquired secondhand aircraft, primarily from leasing companies. The airline had also considered acquiring new-generation 737s and had looked at Airbus narrowbodies.

The new aircraft will be added to the fleet in 1998 and 1999, joining six 737-200/300s. It is likely that some of the present fleet will be replaced as the new aircraft become available.

The order comes as easyJet moves to set up a new operation at Liverpool Airport, in north-west England. The carrier plans to start

operations with services to Amsterdam and Nice, starting in October. A third hub situated in Scotland is also a possibility as the fleet numbers build up.

The airline already operates to several Scottish cities, including Aberdeen and Glasgow, and also flies to destinations in continental Europe. □