

**MARKETPLACE**

**++ C-S Aviation Services** has placed five Airbus A300B4 freighters with **Grupo TACA**, for delivery at the end of this year, plus lease options for two more aircraft. C-S has also placed an A300B4F on a five-year lease with **International Cargo Charters** of Canada. The airline operates Emery Worldwide services from Vancouver. **++ British Aerospace Asset Management-Jets (AMJ)** has sold two 11-year-old British Aerospace 146-200s, which are leased to Eurowings, to **Lombard Asset Finance** for over \$22 million. **++ Antwerp-based VLM** expects to add a seventh Fokker 50 in January on lease from debis Airfinance to enable it to expand its scheduled services. **++ Midway Airlines** has placed orders worth \$64 million for three additional Bombardier Canadair Regional Jet (CRJ) Series 200ERs for delivery in December 1999, February and March 2000. **++ Kalahari Express** has acquired two Fokker F28 Mk3000s from **Ansett Australia** for operation on services between Windhoek and Johannesburg. **++ Singapore Aircraft Leasing Enterprise (SALE)**, the Singapore Airlines (SIA)/Boullion leasing joint venture has purchased two Boeing 737-300s from SIA's regional carrier **SilkAir**. The 737s will be leased back to the carrier until April and October. **++ Cargolux** has ordered two more Rolls-Royce RB211-524G/HT-powered Boeing 747-400 freighters for delivery in late 1999 and mid-2002. **++ UK-based African cargo carrier DAS Air Cargo** will add an ex-Malaysia Airlines McDonnell Douglas DC-10-30 freighter in April on lease from **Finova Capital**, following conversion by Aeronavali. It replaces a Boeing 707. **++ Airborne Express** will boost its Boeing 767-200 cargo fleet to 23 aircraft, with the addition of 11 more ex-**All Nippon Airways** examples. **++ The board of Austrian Airlines** has approved an order for seven more Airbus A320 family aircraft, six A320s and one A321, for delivery between March 2001 and June 2003.

# Japan Airlines edges towards oneworld tie-up with BA talks

ANDRZEJ JEZIORSKI/TOKYO

**JAPAN AIRLINES (JAL)** is to explore a passenger codeshare agreement and a merger of frequent flier programmes with British Airways as another step towards eventual possible membership of the growing oneworld alliance.

According to airline sources in Tokyo, a verbal agreement to hold talks on passenger co-operation was struck by JAL president Isao Kaneko and BA chief executive Bob Ayling at a meeting on 7 December. JAL has existing or developing codeshare and frequent flier co-operation agreements with the other four founder members of oneworld: American Airlines, Canadian Airlines, Cathay Pacific Airways and Qantas.

Until now, however, co-operation with BA has been restricted to a joint Boeing 747 freighter service between London-Heathrow and Tokyo-Narita. "We met with BA, and in view of our long commercial

association with them in air cargo ...we are both going to explore the possibility of expanding the areas of mutual co-operation," says Kaneko.

Ayling adds: "We would be happy to see these relations [with JAL] develop if it were in the interest of both companies, but it would be premature of me to speak further [about this]." He adds that apart from Finnair, which has just joined the oneworld alliance, there is one other unnamed carrier which is expected to join "soon".

Kaneko remains cautious in his approach to oneworld, however, stressing the airline's traditional preference for bilateral agreements where the benefits and costs to each partner are clearer, and which do not force a new member to sever other co-operative links with conditions of exclusivity.

All Nippon Airways (ANA) executive vice-president Koji Yamashita, for example, admits that ANA will inevitably be forced to terminate existing frequent flier

co-operation with BA and Delta Air Lines as a result of its plan to join the Star Alliance in October 1999.

"First of all, we are thinking of whether co-operation is truly beneficial. My target is to make JAL a profitable and healthy company, and to join an alliance or not is just one possible strategy," Kaneko says.

According to JAL senior managing director Shinzo Suto, some concern remains about the effect of merging JAL's frequent flier programme with those of the other oneworld airlines. Passengers will then be able to collect JAL air miles without actually flying on a JAL service, while other programme members will be able to collect on other schemes while flying with the Japanese carrier.

Other JAL concerns about an alliance include maintaining its corporate identity and independence, and the cost of sharing airport facilities, as well as the demand for exclusivity as a condition of alliance membership. □

## Finnair's northern links bolster global alliance

**THE BRITISH Airways/American Airlines-led oneworld alliance** has added its second European member, with the confirmation that BA partner Finnair has joined the group.

The global alliance also includes Canadian Airlines, Cathay Pacific Airways and BA associate Qantas. The introduction of Finland's Helsinki-based flag carrier provides oneworld with important northern European links to counter the SAS component of rival Star.

"Joining an alliance has been a vital part of Finnair's long-term plans and we are extremely pleased to confirm our participation in oneworld so early on," says Finnair chief executive Antti Potila. BA chief executive Bob Ayling adds that the airline is "...extremely pleased to welcome Finnair to the



*Oneworld is looking to Finnair to provide its northern European links*

group. Its extensive network in northern Europe will further enhance what oneworld will offer."

Finnair is a leading player in BA's Nordic Alliance and was always expected to join oneworld. It is likely to be followed by Iberia, in which BA and American are taking a 10% shareholding.

The Finnish carrier is examining the time required to retrain employees. It says it plans to be able to participate fully in the alliance from the latter half of next year. Finnair carries about 7.2 million passengers a year and operates to 60 destinations in 27 countries with 58 aircraft. □