

Mesa plans Embraer order to boost Eastern US market

PAUL LEWIS/WASHINGTON DC

MESA AIRLINES expects to firm up orders for more Embraer ERJ-145s to bolster its presence in the eastern USA, after ordering 40 Bombardier CRJ700/900s to expand its America West Express operation in Las Vegas and Phoenix.

According to chief executive Jonathan Ornstein, Mesa expects to convert some of the 64 options currently held with Embraer "within the year". The carrier operates 14 of 36 ERJ-145s ordered last year and plans to increase this to 51 aircraft.

Mesa says it needs 19 more 50-seat jets to serve the planned DC Air start up, which is awaiting approval of the United Airlines-US Airways merger. It has secured an agreement to place 32 ERJ-145s with US Airways Express, with an option to add four more, while United will "backfill" any spaces created by the transfer of jets to DC Air, says Ornstein.

A top-up Mesa ERJ order will



An order for Embraer ERJs will follow Mesa's deal for more CRJs (above)

serve as a consolation for the Brazilian manufacturer which lost out to Bombardier on an order for 20 CRJ700s and 20 stretch CRJ900s. Deliveries are due to start in early 2002 and early 2003 respectively. In addition, Mesa has taken options on 40 more of the 70 and 86-seat jets, exercisable from 2004, and rolling options for a similar number of jets again.

The long-awaited order, revealed by *Flight International* last year (18 - 24 April 2000), will be the basis of a threefold expansion

of its America West regional feed, now totalling 22 CRJ200s. The new contract extends to at least 2012. "It will be valid for eight years after the last CRJ delivery and could go to 2015," says Ornstein.

This forms part of a wider restructuring of America West's Express codeshare network. Mesa, in return for accelerated growth at Las Vegas and Phoenix, was forced to relinquish its Columbus, Ohio, regional operation, which America West has transferred to newcomer Chautauqua Airlines. □

Chautauqua strikes deal with America West

PAUL LEWIS/WASHINGTON DC

CHAUTAUQUA AIRLINES has struck a 10-year deal to provide a regional feed for America West Airlines as a hedge against continuing uncertainty about the carrier's future with Trans World Express after the latter is taken over by American Airlines.

Indianapolis-based Chautauqua replaces Mesa Airlines as America West's regional feed into Columbus, Ohio, from August with an initial four newly delivered Embraer ERJ-145s.

The revenue-sharing-based deal calls for the Chautauqua operation to expand to 12 ERJ-145s by next year, with an option

to add a further 12 50-seat jets.

Chautauqua is simultaneously negotiating with American to continue serving TWA's main St Louis hub beyond 31 December. "One aspect of the America West deal is if things do not work out with American, we can move our jets to Columbus," says Chautauqua chief executive Bryan Bedford.

Eight ERJ-145s are operated on behalf of TW Express and this arrangement had been due to expand to 20 aircraft under a 10-year deal struck in November 1999. American has since amended the contract to terminate it from the end of this year unless a fresh agreement can be reached with Chautauqua.

The situation is complicated by American's own scope clause agreement with its pilots, which, in the absence of a new contract, limits the carrier to 67 regional jets of 45-seats and larger.

This is fully accounted for by American Eagle's own fleet of ERJ-145s and planned Bombardier CRJ700s.

To overcome this, American Eagle has ordered additional shortened 44-seat ERJ-140s. "We have conversion rights to the ERJ-140s and will do something depending on the outcome of the American talks," says Bedford.

Chautauqua has ordered a total of 45 ERJ-145s including 26 for its US Airways Express operation. □

China Eastern seeks approval for Boeing 737-700 leases

CHINA EASTERN Airlines has requested government approval to lease 10 Boeing 737-700s as it awaits a ruling on its purchase of Bombardier CRJs.

The Shanghai-based carrier has filed the 737 request with the State Development Planning Commission. Although it will not confirm which lessor is the most likely supplier, supervisor of investor relations Daniel Song says: "We will probably choose GE Capital Aviation Services because we have a very good relationship with them."

The carrier says that, if approved, 737-700s will be used on domestic and short-haul international routes, although some may be operated by Great Wall Airlines, which China Eastern expects to acquire by the middle of this year.

China Eastern has seven 737-300s in service with its Shanxi province branch carrier, and flies 17 Airbus A320s and four A319s.

Meanwhile, China Eastern is hoping to soon win approval to order 50- and 70-seat CRJs. It filed a request for government approval to order up to 30 earlier this year in a deal that could cover firm orders for 15 CRJ200s and five CRJ700s, plus options for five of each type.

Song says the carrier will probably start with a firm order for 10 regional jets for delivery from late this year or early next year. □

NEWS IN BRIEF

■ 'AIR GRIDLOCK BY 2005'

The European airport and air traffic management (ATM) infrastructure will face gridlock by 2005, and by 2015 will only be able to service 75% of travel demand, warns a new study commissioned by the 38-state European Civil Aviation Conference (ECAC). The announcement came at a 22 March Paris meeting of ECAC's Collaborative Forum of Stakeholders, which urged that action to boost the system's capacity must start now.