

LEASING NICHOLAS IONIDES / SINGAPORE

MIAT seeks to secure Boeing lease

But rival Airbus tries to thwart Mongolian carrier's bid to revamp ageing fleet with GATX deal

MIAT-Mongolian Airlines, badly in need of fleet modernisation, is working to finalise a deal with GATX covering the lease of Boeing 737-800s, as Airbus attempts to overturn any agreement, and persuade the airline to switch to the A320.

Industry sources say the carrier has tentatively agreed to lease one 737-800 from the second quarter of 2002, and plans to add a second of the type from around 2005. But the deal is not yet finalised, and could be overturned.

The carrier already operates an Airbus A310-300 leased from Airbus on international routes, and the European manufacturer is trying to engineer an A320 deal at the airline. MIAT confirms it has been approached by other lessors.



The 737-800 is favourite to replace MIAT Mongolian's ageing 727s

MIAT's Ulan Bator-based foreign relations executive, SH Altantsetseg, says the carrier intends to use the new narrow bodies on its international routes

to replace its two ageing Boeing 727-200s.

MIAT is planning for short-term leases as the carrier is being prepared for privatisation, he adds.

The government decided around a year ago that MIAT should be partially privatised, and Altantsetseg says work is progressing in the hope that new investors can be found within 12-18 months. The carrier has been in financial difficulty for years, and is suffering huge losses on its domestic network, which it operates using five ageing Antonov An-24 passenger aircraft and An-26 freighters.

The carrier's international network extends to Berlin, Beijing, Huhhot, Irkutsk, Osaka, Moscow and Seoul.

Altantsetseg says the airline has finally secured rights to operate to Tokyo's Narita airport once a second runway opens in April 2002, after which Osaka services will be dropped.

SAFETY

NTSB heads up transatlantic co-operation on A300 crash

Airbus, French accident investigators, NASA Langley and the US National Transportation Safety Board (NTSB) are to work together on the 12 November crash of an American Airlines A300-600R, Flight 587, soon after take-off from New York Kennedy.

The A300 went out of control after its tail fin separated (*Flight International*, 20-26 November 2001). The team aims to examine the A300's rudder systems and the structure of its carbon fibre-reinforced plastic tailfin.

Meanwhile, United Airlines is examining three A320s which, like the crashed American A300, had undergone repairs to composite tailfins before delivery, when delamination was discovered. United reports that ultrasonic and visual checks on the first of the three found that the structure in the repaired area had not degraded.

The NTSB records that in the technical log of the crashed aircraft, just before the fatal flight, a mechanic had reported that "a pitch trim control and the yaw damper would not engage during a pre-flight check". The mechanic re-set the computer controlling these functions "which resolved the problem".

The board also stresses that the metal lugs and pins which secure the fin to the rear fuselage were found intact.

Airbus is refurbishing a systems test simulator at its Toulouse, France, base to assist the NTSB in "simulating possible malfunction scenarios within the rudder system of the aircraft".

Also, NTSB structures group staff have travelled to an Airbus site near Hamburg, Germany, to work out ways of testing the fin structure for possible failure modes.

In the USA forensic work has continued at NASA Langley on the crashed aircraft's rudder-system actuators. On completion of the forensic tests, the system will be shipped to Toulouse for testing under NTSB supervision.

CAPACITY GROWTH PAUL LEWIS / WASHINGTON DC

Southwest to add 737s

Southwest Airlines, encouraged by the resurgence in passenger traffic, is to begin adding small numbers of 737-700s to its fleet, bucking the trend set by other major US carriers, which are drastically cutting back capacity and deferring deliveries of new aircraft in the wake of 11 September.

The carrier has now decided to take delivery of two more aircraft from early February to bolster services out of Baltimore and Islip, New York.

The aircraft are among 19 new 737s that Southwest has deferred since September, some of which were already completed and then parked in the desert.

This will boost the number of new 737-700s the carrier plans to add this year to 11, out of the 27 that were originally on order for 2002 delivery.

Southwest, however, confirms that it is seeking to push back delivery of 113 aircraft over the next seven years. It has a fleet of 358 aircraft, which has remained static since September, and 436 on order up to 2012.

The airline's growth in available seat kilometres for the full 12 months of 2001 was around 5% compared to 13% in 2000, with an historic growth average of between 8% and 10%.

Traffic figures for November showed a load factor of 65.3% compared to 70.7% in 2000, but unlike most other US carriers the airline has not rushed to shed capacity and lay off staff.

But the carrier admits that the pick-up in traffic has come at the expense of seat yields, which have, however, recovered slightly from being as much as 25% down in mid-October.

Meanwhile, American Airlines plans to further reduce the size of its fleet by 24 aircraft to 688 by the end of 2002, with the retirement of 33 727s and the delivery of only three 777s and six 757s. The combined American/TWA fleet will also contract to 854 aircraft by the end of 2002, from the current 881.

American estimates traffic in the fourth quarter fell by over 21% compared to 2000, while capacity contracted 14%.