

DEFENCE PAUL LEWIS / WASHINGTON DC

BAE pulls out of MMA competition

Lack of US partner prompts Nimrod MRA4 withdrawal

BAE Systems has formally withdrawn from the US Navy's multi-mission maritime aircraft (MMA) programme after failing to secure a local partner to support its proposed Nimrod MRA4 offering. It reduces the competition to just two bidders – Boeing with the 737 and Lockheed Martin pushing a new-build version of the P-3 Orion.

The USN last month awarded Component Advanced Development (CAD) contracts to Boeing and Lockheed Martin, but BAE declined a similar \$7 million pre-development risk reduction and study contract until it could find a partner. The Naval Air Systems Command (Navair), however, stressed that with the 17-month CAD effort already under way, time was running out for BAE (*Flight International*, 17-23 September).

BAE subsequently gave notice that it no longer wished to compete for MMA. Although the UK-owned company is cleared as prime contractor, it recognised that political reality required a local partner to champion and ultimately build

the Nimrod in the USA. "Our experience with the B-57 [Canberra], T-45 [Hawk] and AV-8A/B [Harrier] is that you just have to have the local clout to keep a programme alive," says a company executive.

Approaches were made to a number of companies, including General Dynamics, Northrop Grumman and Raytheon, to team with BAE, but none were prepared to take on the political strength of Boeing or incumbent USN P-3C Orion supplier Lockheed Martin.

A perceived USN preference for a jet-powered P-3/EP-3 replacement, meant Lockheed Martin had also considered supporting the Nimrod MRA4 and a proposed tie-up with EADS on the Airbus A320, which was dropped in favour of sticking with the Orion 21 turboprop.

BAE's decision not to bid effectively eliminates the Nimrod MRA4 from other maritime patrol competitions as aircraft for the UK are based on rebuilding existing aircraft. Without a major order, it is unlikely an economic case can be made for new fuselage production.

DEFENCE

Chilean attack helicopter plan raises doubts about funding

The Chilean army has released an informal request for information (RFI) for new or modernised used attack helicopters. But questions remain about Chile's ability to fund a programme following the air force's Lockheed Martin F-16 purchase. There are also doubts about the US government's willingness to sell precision-guided weapons to arm the helicopters.

Industry sources say Chile has circulated a briefly worded RFI to identify options. The army is understood to be seeking up to 12 machines, but has budgeted only around \$250 million, making most new types too expensive. Kuwait's recent deal for 16 Boeing AH-64D Apache Longbows is worth \$2.1 billion.

Chilean attention is focused on the AgustaWestland A129 Mangusta, Bell AH-1 Cobra and Eurocopter Tiger, but it is also looking at refurbished AH-1s and Eurocopter AS565 Panthers. The US Army has more than 250 AH-1Fs in store, which a number of companies have looked at to modernise and sell, including Boeing and Lockheed Martin.

Bell has promoted the MH-1W "defanged Cobra" in South America for several years. To comply with US government restrictions the MH-1W has no guided weapons and is armed only for defensive escort missions. "We're looking for more information to evaluate and until then we can't say what we could do," says Bell.

Briefing

EU becomes Eurocontrol member

MEMBERSHIP The European Union (EU) will sign up as a member of Eurocontrol on 8 October, joining the 31 single-nation member states. This will radically alter the influence of Eurocontrol within the EU states, enabling it eventually to create and enforce air navigation and air traffic services provision regulation. As a devolved specialist of the European Commission, Eurocontrol will gain the legal power to enforce agreed air traffic management (ATM) standards across the EU. At present Eurocontrol is a forum for formulating agreed standard ATM practices, but cannot enforce the standards in member countries, even those in the EU. **SEE AIR TRANSPORT P11**

SilkAir deal swells A320 fleet to 16

ORDER Singapore Airlines regional subsidiary SilkAir has confirmed its decision to convert six Airbus A320-family options into firm orders (*Flight International*, 24-30 September). SilkAir values the deal for four A320s and two A319s at \$328 million, based on list prices. The aircraft will be delivered over five years and increase the airline's fleet to 16 A320-family twinjets. Subject to traffic rights, the move will see SilkAir increasing frequencies and expanding its route network to more cities in China, India and Indo-China.

Aer Lingus on road to partial sell-off

PRIVATISATION Irish transport minister Seamus Brennan says Aer Lingus may be set for partial privatisation next year, after it forecast a €40 million (\$39 million) profit this year. A share offering planned last year was shelved after the airline market plunged and Aer Lingus sank into the red, showing €140 million losses for the year. But chief executive Willie Walsh says cost-cutting measures have reduced expenses faster than planned, and although the airline lost money in the first half of this year, "the outlook for the year is positive". A further cost-cutting plan will aim to reduce distribution costs by encouraging internet sales and lowering commission rates, saving €130 million. The savings may allow the carrier to reopen services to three European destinations and Baltimore next year.

Bell aiming for BA609 certification in 2007

DEVELOPMENT Bell is planning to certificate the BA609 tiltrotor in 2007. The announcement comes as the joint venture with AgustaWestland prepares for the aircraft's first ground runs this month, followed by low-speed flights at the end of the year. Bell had set a 2002 certification target for the civil tiltrotor, but decided to slow development to keep in line with the US Department of Defense's troubled Bell Boeing V-22 Osprey programme, flight development of which has now resumed after an 18-month grounding, following two fatal accidents and a series of high-level investigations.

JAL picks Boeing to upgrade avionics

MODERNISATION Japan Airlines (JAL) has selected Boeing to upgrade the avionics on up to 35 747-200/300 Classics so the aircraft can continue operating in "preferred" European and Pacific region airspace. Boeing Commercial Airplane Services business unit Technical Services and Modifications will perform the work, which will make JAL's older 747s compliant with Future Air Navigation System, European required navigation performance (RNP) standards, and "emerging terminal-area operational changes". Certification of the avionics on the first JAL aircraft is due to be completed by May next year. Separately, the airline has chosen the General Electric CF6-80C2 to power two 747-400 Freighters ordered last month.

Flying Group orders two Cessna Citations

ORDER Antwerp-based shared ownership operator Flying Group has ordered two Cessna Citation Mustang business jets for delivery in 2007. The €5 million (\$5 million) investment is aimed at the low end of the business jet market as the aircraft will carry four passengers and two crew. Cessna has chalked up over 200 orders for the Mustang in less than a month. The personal jet is scheduled for certification and service entry in 2006.