

ORDER MICHAEL PHELAN / LONDON

EasyJet requests stretched A320

UK low-cost carrier follows US operator JetBlue in call for extra capacity as it commits to 240 Airbus aircraft

Airbus is coming under increasing pressure to develop a larger version of the A320, following its commitment last week from EasyJet for 240 A319s. The hitherto all-Boeing 737 operator has immediately become one of Airbus's larger cus-

tomers, and is pushing for a slightly stretched version of the 180-seat A320.

Although the London Luton-based low-cost carrier's 120 firm orders are for the smaller 150-seat A319, the airline can take later

deliveries, as well as a second batch of 120 aircraft as the larger 180-seat A320 or 220-seat A321. However, EasyJet has followed the lead of US A320 operator JetBlue Airways, which earlier this year called for Airbus to develop a variant in between these models.

"Ideally we would like two additional seat rows on the A320," says EasyJet chief executive Ray Webster. This would increase one-class seating to around 192, giving Airbus a direct competitor to the Boeing 737-800, which seats 189 passengers.

These words echo earlier comments by David Neeleman, chief executive of New York-based JetBlue. The low-fare airline, which has 31 A320s in service and a further 54 on order, wants something bigger but feels the 40-seat step up to the A321 is too ambitious.

Responding to Webster's comments, Airbus executive vice-president customer affairs John Leahy says there are "no immediate plans to increase capacity on the A320".

Contract details for EasyJet's firm order, which is worth about \$6.1 billion at list prices, are being

finalised. The selection was made after an intense battle with Boeing, and Webster says the purchase price per seat is 30% less than that paid for the 737-700s it ordered four years ago, adjusted for inflation.

Deliveries of the firm orders will take place over five years starting next September. CFM International and International Aero Engines are locked in an engine competition, which should be finalised by the end of next month. The second batch of 120 aircraft, which can be ordered before 2012, are price-protected delivery positions, rather than options, and not subject to deposits or cancellation penalties.

The all-Boeing 737 operator flies 64 737s (45 -300s and 19 -700s - including those operated by subsidiary Go) and has 14 more -700s on order. The airline intends to retain 32 -700s and 12 -300s, but will phase out its 10 owned -300s by 2004.

EasyJet says it has no plans to move to an all-Airbus fleet and will continue with a dual supplier strategy for future aircraft tenders to ensure that bids are competitive.

Concessions key to order

The key to Airbus's success at EasyJet was the level of concessions and guarantees it was prepared to offer. However, Airbus chief executive Noel Forgeard insists that "the deal is profitable for Airbus, and is cash positive".

The European manufacturer will ensure the airline makes a smooth transition to the A319, by investing heavily in retraining EasyJet pilots, assisting with maintenance and building the airline's spares inventory before service introduction. It has guaranteed that the "cost of operation will be lower than that of the competition, evaluated on seat-mile costs".

As part of the deal, Airbus will help EasyJet "reduce residual value risk" on the 10 737-300s the airline owns, and this could involve Airbus remarketing them if required.

Boeing claims it was not prepared to match Airbus's pricing strategy, but does not expect to be undercut elsewhere. "It was a unique order, and our dominant position [in the low-cost market] caused our competitor to work aggressively to achieve that," says Boeing chief executive Phil Condit. He adds: "There are no examples of a low-cost carrier successfully operating a mixed fleet."

MODIFICATION

APB readies 737 Classic and 747 winglets

Aviation Partners Boeing (APB) will begin flight tests of a winglet-equipped Boeing 737 Classic next month with supplemental type certification (STC) expected around mid-January.

The first flight of the winglet equipped aircraft, an ex-TAP Air Portugal 737-300 leased through UK-based Aircraft Leasing and Management, will take place in mid-November. The composite blended winglets are 2.1m (7ft) tall, slightly shorter than those on the Next Generation 737, and weigh around 66kg (145lb) each. "We expect to produce a 6.5% drag reduction," says Aviation Partners vice-president of programmes Jay Inman.



The winglet for the 747-400 was tested on a 747-200 proof-of-concept flight in 2000

The drag reduction equates to a 5% block fuel reduction on a 2,780km (1,500nm) sector. Other expected improvements, including enhanced field performance, higher operating weight capability and better time-to-climb, will be assessed during flight tests. A winglet STC effort for the 737-400 is due to start early next year, with certification scheduled for June and retrofits offered from the third quarter.

Meanwhile, the joint venture has realigned its 747 winglet design study on the -400 variant. The company hopes to launch the programme next year, and says initial retrofits could start in the third quarter of 2004. Based on the unit tested on a 747-200 proof-of-concept flight in 2000, the -400 unit could be between 3.05m and 4.4m tall, says Inman. Two main concepts are being evaluated, one of

which would effectively replace 747-400 winglets with the new blended composite design, while the other would involve adding a wingtip growing overall span to around 66.1m.

The company estimates block fuel savings over the 747-400 of around 4% from the modification based on the initial -200 results. APB winglets studies are also under way for the 757, 767 and MD-80.