

DEFENCE

Canada may face lawsuit over NH90

The Canadian government could be set to face a protracted legal battle, after it disqualified a Lockheed Martin-NH Industries bid to offer the NH90 for its C\$3 billion (\$2.26 billion) Maritime Helicopter Program. The contest to replace the military's fleet of 28 Sikorsky CH-124A Sea Kings, will now be fought by EH Industries' EH101 Cormorant and Sikorsky's S-92 Superhawk.

The government says the NH90 failed to measure up during the contract's pre-qualification phase, although neither party would discuss the matter further. Lockheed Martin's legal team is poring over 50,000 pages of documents in preparation for a likely appeal to the Canadian International Trade Tribunal or legal action in the Federal Court of Canada. "We would be prepared to do whatever we had to, to defend our interest," says Lockheed Martin. "Suing your customers is never a very nice thing."

The disqualification comes as Ottawa formally issued a request for proposals for the requirement, 10 years after former prime minister Jean Chrétien cancelled the original contract, awarded to the Cormorant by the former administration, for being too costly. Canada already operates 15 Cormorants in the search and rescue role. The two finalists must respond to the request for proposals by 30 April to deliver 28 search and rescue and anti-submarine helicopters, with a contract decision in mid-2004.

Under the competition, the contract will go to the lowest bidder for both the new helicopters and a 20-year support programme, which will bring the total price tag to C\$5 billion.

The first aircraft are expected to be delivered within 48 months of contract award, with others following at a rate of two a month. Ottawa says it will award C\$2 million a month for early delivery of the first helicopter and penalties of \$3 million a month for late delivery.

BUSINESS AVIATION JUSTIN WASTNAGE / LONDON

Offshore operator puts Bell 407 back into service

Petroleum Helicopters lifts stand-down, while NTSB probes engine-related crash

US offshore helicopter operator Petroleum Helicopters (PHI) has begun re-introducing Bell 407 single-turbine helicopters following an engine-related precautionary stand-down in mid-December.

PHI suspended operation of its Model 407s following a 2 December fatal crash about 95km (50nm) south of Sabine, Texas, when the helicopter was returning from a Gulf of Mexico oil field.

Air Logistics is believed to have had a similar engine incident on the ground. Bell Helicopter issued an information letter in mid-December stating that preliminary investigation by the National Transportation Safety Board (NTSB) "suggests the incidents may be engine-related".

Rolls-Royce, whose Allison 250-

C47B powers the helicopter, says it is assisting Bell in the NTSB investigation. PHI started returning its 407s to flight in late December after completing inspections recommended by Bell, and the manufacturer says there is not "an immediate need to take further action". There are 548 Model 407s in operation across 41 countries, the company says.

The NTSB investigation taking place in Indianapolis, Indiana is focusing on the 250-C47B for the 407 rather than the -C47M used on the MD Helicopters 600N, due to differences in the engine running speed.

An earlier Bell information letter says the cause of the first incident was the fourth-stage turbine wheel,

which was found to have an over-blended, thin trailing edge. The blade was blended beyond standard requirements, and Bell recommended a one-time inspection to verify the trailing-edge width. Turbine wheels with over 1,000h must be inspected within the next 150h, while those with less than 1,000h need inspection every 300h.

PH says it is returning aircraft to flight as it completes checks on its fleet of more than 30 aircraft. The Bell 407 helicopter fleet has exceeded 1 million flight hours. The milestone comes less than eight years since the light single-turbine machine entered service. More than half the total number of hours has been flown in the past three years, says Bell.

BUSINESS AVIATION

NetJets places Hawker order

US fractional ownership company NetJets has ordered 50 Hawker 400XP light business jets and eight mid-size Hawker 800XPs from Raytheon Aircraft in a deal valued at \$360 million. An option for another 50 Hawker 400XPs takes the potential value to more than \$600 million, says Raytheon.

Deliveries of the Hawker 800XPs begin this month and will continue into 2005, while delivery of the Hawker 400XPs on firm order will begin next year and continue into 2009. NetJets is negotiating a long-term maintenance agreement with Raytheon, expected to be finalised by year-end, that will cover the 75 Hawker 800XPs and Hawker 1000s already in its fractional ownership fleet.

NetJets says the Hawker 400XP will become its new entry-level fractional ownership offering. The current entry-level aircraft is the Cessna Citation Encore, and NetJets placed orders and options



NetJets has orders and options for 100 400XPs

for 100 Citation CJ3 light jets in September last year, for delivery beginning in 2005, but subsequently cancelled a significant number of its Citation orders.

Compared with the \$5.8 million CJ3, the \$6.7 million Hawker 400XP offers a swept wing, larger cabin, higher cruise speed at 465kt

(860km/h), but shorter range at 3,120km (1,685nm).

Raytheon says the NetJets order will stabilise production of the Hawker 400XP, which was certificated earlier this year as an upgrade of the Beechjet 400A. The company has delivered 400XPs to its own Flight Options fractional-ownership programme.

In July NetJets cancelled a long-standing order for 50 Hawker Horizon super mid-size business jets. Raytheon claimed the aircraft's success was not affected.

■ Raytheon has received a \$228 million contract for 47 T-6A Texan turboprop trainers and training devices for the US Air Force and Navy.