

# Air Europe throws down the gauntlet



Air Europe opened its first scheduled service in 1985, but its real challenge to established scheduled operators started this winter with increased frequencies, a new business class, and an innovative fare structure. **Mark Blacklock** talks to chairman Harry Goodman about Air Europe's development strategy.

**L**ord Bethell, the prominent campaigner for unrestricted low fares in Europe, and a member of the European Parliament, has described Air Europe as a "buccaneer of the air". But can the carrier survive against the massed dreadnoughts of the European majors? The short answer is that Air Europe, which carried 1.64 million passengers last year, intends to become a major itself, in a unique way.

"Before 1992 we intend to have a series of Air Europes in all the main European countries," says the carrier's chairman, Harry Goodman. "We will take the maximum shareholding permitted to a foreign company under each country's current law, and will control the standards and philosophy of each

airline." By introducing this concept of franchising to the airline industry, Air Europe aims to be the first airline group to operate a cross-European network of scheduled services.

Goodman acknowledged that the movement towards scheduled deregulation is a gradual one, so each new Air Europe will start off in the deregulated charter market before applying for scheduled routes. "Over the next three years we see most of the countries in which we are setting up having to allow their independent airlines to become scheduled operators," he says.

Goodman explains that Air Europe's parent, the International Leisure Group (ILG), is setting up a Dutch holding