Vietnam poised to wrap up A320 deal

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VIETNAM AIRLINES IS finalising an agreement with Region Air of Singapore to lease ten new-build Airbus Industrie A320s as replacements for existing wet-leased aircraft.

The agreement, expected to be signed as *Flight International* went to press, calls for the delivery of eight aircraft in 1996, starting in June, and the remaining two in early 1997. The ten-year lease agreement is understood to include the option for Vietnam Airlines to purchase some or all of the 150-seat aircraft.

Region Air had hoped to secure a deal earlier this year, but has been delayed by the need to secure financial support and Vietnamese Government approval. The Singapore company has already leased an interim A320 from Oryx and two Royal Brunei-owned Boeing 767s to the carrier.

The new aircraft will replace seven wet-leased A320s, three of which are due to be returned to Air France in March 1996 and two to General Electric Capital (GECAS) in April. The leases on the final two GECAS aircraft have been extended from June to November, to allow more time for the introduction of new aircraft.

Vietnam Airlines, however, still faces a three-month shortfall before delivery of its first Region Air A320. Stopgap options are being discussed, including an interim number of Air France A300B4s or leased A320s.

The new A320s will be among 30 new aircraft planned to be leased or purchased by Vietnam Airlines by the year 2000. With its new fleet, the airline hopes to completely phase out its remaining fleet of 12 Tupolev Tu-134s and one Yakovlev Yak-40 by the end of 1997.

The A320 deal is likely to be followed by replacement of Vietnam Airlines' three wet-leased 767-300s and one -200 aircraft with new 767s. "Our plan is to build up our fleet of dry-lease aircraft in 1996," says Vietnam Airlines deputy director-general Ngyuyen Duc Vinh,

Region Air hopes in the longer term to follow up its A320 deal with the lease of an initial two-to-three Airbus A340s for long-haul non-stop routes to Europe, and possibly the USA, from late-1996/7 (*Flight International*, 1-7 March, P10). Alternative types being considered include the McDonnell Douglas MD-11 and the Boeing 747-400 and 777.

Ultimately, the carrier will require four to six long-haul aircraft, says Vinh, in addition to more A320s and 767s. Other requirements include a further two to four turboprop aircraft to supplement its four ATR 72s. ❑

Tyrolean Airways takes on four Canadair Regional Jets

EXPANDING Innsbruck-based Tyrolean Airways has placed an order for four Canadair Regional Jets, in a contract valued at $80 million. Options have also been secured on a further four aircraft. The first RJ is due for delivery in December.

The Regional Jets will complement the recently acquired Fokker 70 and de Havilland Dash-8 fleet on Tyrolean's domestic and growing international network, and replace Fokker 50 and early Dash-8 turboprops now used on charter routes.

The airline's fleet now consists of four Fokker 70s, three Fokker 50s and 17 DHC-8s (eight -100 and nine -300 models).

Two more DHC-8-300s remain to be delivered. ❑

Skyways uses Saab 340s and Fokker 50s profitably on domestic routes

New identity for Skyways

A NEW CORPORATE identity has been adopted by Swedish airline Skyways. Based at Linköping, the airline has grown in the past two years to become the country's third-biggest airline, expecting to carry 420,000 passengers in 1995, giving it a 9% share of a still-declining domestic market.

Its expansion was aided by the closing down of Swedair and the shedding by Scandinavian Airlines System of its thinner, unprofitable, routes which Skyways, with its lower cost base, has been able to operate at a profit. Skyways operates 13 Saab 340s and three Fokker 50s on a 17-destination network. ❑

Denmark will deregulate, but expects little change

DANAIR, A GROUPING of Denmark's three largest airlines — Scandinavian Airlines System (SAS), Maersk Air and Cimber Air — is to be dissolved as the country deregulates its domestic market on 1 October to comply with European Union liberalisation legislation. The grouping controls around 95% of the market.

Danair's outgoing managing director Gunnar Tietz says that he does not expect a significant change in the 2-million-passengers-a-year domestic market, although he believes that liberalisation may encourage additional flights and more choice. He adds that the new competitive environment will not drive down prices.

Cimber Air's managing director, Jan Nielson, agrees, adding that fares are at a realistic level. The recent co-operation agreement with SAS for additional frequencies on its routes from Copenhagen to Aalborg, Aarhus and Karup, will increase Cimber's market share, now standing at 5%.

There is additional concern among the airlines about the likely effect of the road bridge and rail tunnel being built to link Sjaelland Island, on which Copenhagen is situated, with Funen and the Jutland mainland. Air traffic at Maersk Air's Billund hub and routes to Aalborg and Odense could suffer most.

Among the other, smaller, airlines (Muk Air, Newair and Sun-Air) only the last-named flies domestic routes. Sun-Air may add a new service to Aalborg, but this will be complementary ❑

NEWS IN BRIEF

■ JETSTREAM PURCHASE
Seoul Air International is negotiating to purchase two more Jetstream ATP turboprops for use in Vietnam and two improved Jetstream 61s for new domestic routes in South Korea.