

What's Up

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Industry

Bombardier said that it is studying the market for two new planes, a stretched version of its regional jet offering 90 seats, and a new 100-seat aircraft. Aerospace President Michael Graff said the 90-seater could begin deliveries in 2002, but the larger plane would be “slightly” delayed by a go-ahead on the derivative aircraft. “As we looked at the market we find the stretched aircraft could be very attractive. There is a lot of interest from our customers, the economics are compelling compared to what is out there, and we could develop it very quickly.” Robert Brown, president of Bombardier, said that the company plans to triple its profits while doubling its revenues during the next five years.

(Aviation Daily, Oct. 1)

Fairchild Dornier announced a deal with Israel Aircraft Industries to fabricate the fuselage and assemble the new 428JET regional jet. The potential \$600 million contract follows the \$80 million one signed in June that makes IAI responsible for system engineering and integration, flight testing, and certification support for the 428JET program. At the same time, Fairchild is talking with potential financial backers for both the 428JET and 728JET projects, each of which looks to launch an aircraft in 2002. In the next few years, the company also plans to launch the 928 RJ, with 90 to 100 seats, and the 528 RJ, with seating for 55 to 62.

(Aviation Daily, Oct. 1)

Industry experts testified at a recent meeting of the Senate Transportation Committee in Billings, Mont., that the projected shortage of pilots to serve rural communities is worse than expected. Mike Ferguson, administrator of the State of Montana Aeronautics Division in Helena, said that the expansions of major airlines, due to significant growth in air travel and the economic upturn for airlines, have placed “an alarming hiring demand on the pilot population.” Edward Stimpson, vice chairman of the General Aviation Manufacturers Association, said that Embry Riddle Aeronautical University, which employs 180 flight instructors at its two campuses, has had nearly a complete turnover of instructors during the past year as they moved into pilot jobs. Doug Voss, chairman, president, and chief executive of Great Lakes Aviation, called “relatively futile” his company’s efforts to retain pilots with increased wage and benefit packages. “The pilot pay progression rates at the large unionized jet carriers force pilot candidates to obtain their seniority number as early in life as possible. No independent regional carrier can compete with the earning power of major carrier seniority members.”

(Aviation Daily, Sept. 20)

Rep. James Oberstar of Minnesota, the ranking Democrat on the House Transportation Committee, said that the desire of on-demand air charter operators to be exempt from the FAA's stricter enforcement of its pilot rest rule is "unacceptable." At the panel's hearing on pilot fatigue, Oberstar said FAR Part 135 operators should not put lives at risk so they can "have greater flexibility" and "make more money." James Coyne, president of the National Air Transportation Association, the trade group for two thousand Part 135 companies, said that many of its members will go out of business if they are forced to have twice the pilots they have now.

(*Aviation Daily*, Sept. 16)

Alaska Airlines

The airline saw the first person check in and receive a boarding pass via the Internet using the online check-in process developed by the carrier. Ed White, vice president of customer service, said the new check-in process will be available, after the initial testing phase is completed this month, to customers of Alaska Airlines and its sister carrier, Horizon Air, who have used the Internet to purchase an electronic ticket and receive a seat assignment.

(*Business Wire*, Sept. 17)

American

Flight attendants rejected a proposed new labor contract that would have covered the more than 20,000 members of the Association of Professional Flight Attendants. The proposed six-year deal, which had been reached in May and called for five pay raises over four years totaling 15.9 percent, but an end to a profit-sharing plan, was rejected by nearly three to one. APFA spokesman Greg Pinelo said, "It is too soon to speculate if and what we will change in the contract to make it fit better. ...It is not unusual for airline contracts to be rejected on the first attempt. ...This ... is a clear indication that flight attendants want more from their jobs."

(*Reuters*, Sept. 17)

Delta

The pilots' Negotiating Committee has reached a tentative agreement with Delta on pay rates and work rules for the B-777-200IGW and B-767-400ER. A captain's 12-year pay rate on the B-777 will be \$250 and on the B-767 will be \$230. Other parts of the package apply to all 9,200 Delta pilots. Included are the conversion of the profit sharing plan to a six percent pay raise effective January 1, 2000; a three percent pay raise on the same date for all pilots except those on the B-737G, B-737N, B-767-400ER, and B-777-200IGW; and the elimination of the B-Scale effective May 1, 2000. The tentative agreement must be ratified by the Master Executive Council, and then forwarded to the pilots for a membership ratification vote.

(*PRNewswire*, Sept. 23)

Iberia

Two hundred irate passengers tried to find their own accommodations on a plane after being stranded at the Madrid airport overnight, when their 11 p.m. flight to Barcelona was canceled and Iberia could not find them hotel rooms. The passengers crowded on the loading bridge, beat on the door of the plane they had been scheduled to use, and tried to force it open. One tired passenger was quoted as telling *El Pais* newspaper, "The flight attendants all ran away." An Iberia spokeswoman said, "The plane did not suffer any damage," after security guards intervened and members of the paramilitary Civil Guard sped to the scene.

(*Reuters*, Sept. 23)



Polar Air Cargo

Crew members, represented by the Air Line Pilots Association, International, have given their elected union representatives the authority to conduct a withdrawal of service if contract talks do not reach fruition. Having been in negotiations with the Miami- and New York-based carrier since April 1997, the pilots filed for mediation with the National Mediation Board in April, 1998, citing the lack of progress. When negotiations reached an impasse in early September, the NMB released both sides into a 30-day cooling-off period, which expires on October 2. Dennis Brooks, chairman of the ALPA unit at Polar, said, "Every Polar Air Cargo crewmember is prepared to follow the direction of their elected leaders." The Polar pilot group cast more than 98 percent of ballots in favor of a strike during the union's strike authorization voting.

(PRNewswire, Sept. 27)

Southwest

The carrier will launch its longest nonstop, a flight of 2,277 miles, when it begins daily service between Providence and Phoenix on December 7.

(Aviation Daily, Sept. 24)
