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Weekly Aviation Headline News

WORLD NEWS

JetBlue and Air Serbia announce new codeshare agreement

JetBlue and Air Serbia announced a new partnership making Air Serbia-operated flights available on JetBlue.com with a new codeshare agreement. Beginning July 26, 2023, JetBlue placed its "B6" airline code on Air Serbia-operated nonstop flights from New York's John F. Kennedy International Airport (JFK) and Chicago's O'Hare International Airport (ORD) to Belgrade's Nikola Tesla Airport (BEG). Additionally, JetBlue plans on placing its "B6" code on other flights between Belgrade and points in Europe soon. Air Serbia plans to add their "JU" airline code to 25 destinations throughout the JetBlue network.

Bengaluru Airport handles record perishable cargo volumes

For three consecutive years, Kempegowda International Airport Bengaluru (BLR) in India has witnessed growth in the export of perishable cargo, handling a record tonnage of 53,751 metric tonnes (MT) in financial year 2022-2023 (FY23). This represents a 3% increase compared to the previous year (FY22) when the Airport handled 52,366MT of perishable cargo. According to BLR Airport, it has maintained its dominant position in the export of perishable goods, with 27% share in total cargo volumes across the Indian air cargo market and 41% share within airports in southern India. Oman, Qatar, Singapore, Maldives, UAE, Kuwait, and the UK emerged as the top destinations for international exports, in FY23.

British Airways adds Latvia and Serbia to European network

British Airways has announced additions to its route network from London, including new destinations Riga in Latvia and Belgrade in Serbia from London Heathrow. British Airways will launch both services initially with three-weekly services operating a mix of A320 and A321 aircraft from the end of October 2023.

Airfreight spot rates between US and China fell 60+% from a year ago. *© United*

Global air freight spot rates continue to fall

Sparking possible 'winter of discontent' for airlines

The latest data released by *Clive Data Services* [part of Xeneta] and seen by *AviTrader Weekly* reveals that falling demand in July saw cargo volumes drop -2% month-over-month, and the general global air freight spot rate decline at a hastening pace of 40% or more for a fourth consecutive month meaning shippers will hold the upper hand in the next round of winter airfreight rates negotiations. More capacity at a time of falling volumes placed added pressure on airfreight rates. The -41% drop in July versus the same month in 2022, pushed the average air cargo spot rate down to USD 2.20 per kg. This compares to a rate of USD 2.31 per kg recorded in June.

"The month of July rarely provides any surprises in terms of unexpected performance levels in the global air cargo market, but what will be concerning airlines and forwarders is the constant month-on-month decline in average rates, and the quickening pace of this fall since the turn of the year," says Niall van de Wouw, Chief Airfreight Officer at Xeneta. "Going into the usually critical winter rates negotiation period, it's clear shippers will have the upper hand. We are already seeing more shippers relaunching contract negotiations with their logistics service providers to push down airfreight rates. Shippers are also looking to agree longer, 12-month commitments to reduce their costs. Airlines will know they can expect the same pricing turbulence from forwarders.

> "Going into the usually critical winter rates negotiation period, it's clear shippers will have the upper hand."
>
> *Niall van de Wouw, Chief Airfreight Officer at Xeneta*

"The airfreight rates merry-go-round will be intense this winter, as we have indicated in previous months' analyses. Many freight forwarders, who at the peak of the pandemic chose multi-year contracts to secure airline capacity, are now reportedly bleeding cash, so they are under significant pressure to renegotiate rates which reflect the reality of today's freight market and the expectation that the current market environment could continue for the foreseeable future into 2024."

Looking closer at the global regions, Northeast Asia (including China) trade lanes registered the biggest rate declines compared to last year. Both China to the US and US to China airfreight spot rates fell 60+% from a year ago. China to Europe and Europe to China took the third and fourth places, with spot rates down over 55% year-on-year. South America to the US and Europe to the Middle East and Central Asia registered the smallest rate declines of 19% and 27% respectively, compared to a year ago.

AIRCRAFT & ENGINE NEWS

Embraer deliveries increased 47% in the second quarter

During the second quarter 2023, Embraer has delivered a total of 47 jets, comprising 17 commercial aircraft and 30 executive jets (consisting of 19 light jets and 11 midsize jets). Throughout the year, the company delivered a total of 62 aircraft, including 24 commercial jets and 38 executive jets. The second-quarter deliveries exhibited a 47% surge when compared to the same period in 2022. Moreover, in the first half of 2023, the volume of deliveries increased by 35% compared to 2022, during which 46 jets were delivered. Breaking down the performance by segment, the deliveries volume in Commercial Aviation saw a 55% increase compared to the second quarter of 2022, while Executive Jets also experienced substantial growth at 43%. The firm order backlog by the end of the second quarter stood at US$ 17.3 billion. In Commercial Aviation, Embraer secured a significant contract with American Airlines for seven new E175s, which will be operated by the carrier's subsidiary, Envoy Air. Starting in the fourth quarter of 2023, Envoy's E-Jet fleet will then expand to over 141 aircraft by the end of 2024. Binter also placed a firm order for six E195-E2s with Embraer, increasing its E2 fleet to 16 jets upon completion of deliveries. However, the order will be officially included in Embraer's backlog once all contractual contingencies are cleared. SKS Airways from Malaysia inked an agreement to acquire ten E195-E2 jets for its fleet. Additionally, it joined the pool programme to avail support for its aircraft operations in Southeast Asia. Furthermore, Scoot, a low-cost subsidiary of Singapore Airlines, is incorporating nine E190-E2s into its portfolio. Meanwhile, Royal Jordanian Airlines reached an agreement to introduce eight E190-E2 and E195-E2 jets into its operations, with deliveries set to commence in the fourth quarter of 2023. Notably, all three agreements involved contracts with the leasing company Azorra. Lastly, Star Air, an Indian airline already operating E-Jets, successfully added four E175s to its fleet, while also extending its pool programme contract to include these additional aircraft. (£1.00 = US$1.27 at time of publication).

TrueNoord strengthens fleet with fourth Embraer E195-E2 delivery

© TrueNoord strengthens fleet with fourth Embraer E195-E2 delivery for Porter Airlines

Specialist regional aircraft lessor, TrueNoord, has recently taken delivery of its fourth Embraer E195-E2 at São José dos Campos in Brazil. This next-generation jet is part of a fleet of six E2s that will be leased to Canadian operator, Porter Airlines, with the fifth and sixth aircraft scheduled for delivery later in 2023. Anne-Bart Tieleman, TrueNoord CEO, expressed delight in adding Embraer's most advanced aircraft to their fleet, expecting more to come in the future. These E2 jets complement TrueNoord's existing portfolio of 39 Embraer E1s, providing customers with a range of high-performing, fuel-efficient and environmentally friendly E-Jets to meet diverse requirements. This acquisition aligns with TrueNoord's long-term strategy to invest in new-generation aircraft in the 50-150-seat category. TrueNoord has enjoyed a strong partnership with Embraer over the years and this transaction further solidifies the Embraerfamily of E-Jets as a cornerstone of its portfolio of modern regional aircraft. The collaboration is set to continue positively as its business and fleet continue to grow.

Boost for Airbus as Wizz Air confirms order for 75 more A321neos

Wizz Air has signed an order for 75 Airbus A321neo-family aircraft *© Airbus*

Europe's fastest-growing ultra-low-cost carrier Wizz Air has now increased its current order with Airbus to 434 A321neos and a total of 565 A320-family aircraft in total. József Váradi, CEO of Wizz Air said; "With today's announcement, Wizz Air further reinforces its position as the largest A321neo Family operator in Europe and the Middle East. More than half our fleet has already been converted to cutting-edge neo technology. The A321neo's unparalleled economic efficiency and remarkably low carbon footprint underpin our commitment to provide affordable and sustainable travel options for our customers. We have enjoyed a longstanding strategic partnership with Airbus and are steadfast in our commitment to this exceptional technology with one of the largest outstanding order books in the world of more than 350 neo aircraft." Currently the airline operates an all-Airbus fleet of 180 A320-family jets. The A321neo is the largest member of Airbus' A320neo Family, offering unparalleled range and performance. By incorporating new generation engines and Sharklets, the A321neo brings a 50 percent noise reduction, and more than 20 percent fuel savings and CO2 reduction compared to previous generation single-aisle aircraft, while maximizing passenger comfort in the widest single-aisle cabin in the sky. Established in 2003, Wizz Air is headquartered in Budapest, Hungary. The parent company, Wizz Air Holdings and Indigo Partners, also operate subsidiaries including Wizz Air Dubai, Wizz Air Malal, and Wizz Air UK.

FINANCIAL NEWS

Air France-KLM second-quarter results improved, driven by strong revenue growth

In the second quarter of 2023 (Q2 2023), Air France-KLM's revenues were up +14.1% compared to Q2 2022, driven by a higher capacity (+8%), a higher passenger load factor (+3 pt) and a higher passenger yield (+9%). The operating result improved compared to last year by €347 million while last year the operating result was supported by €42 million furlough contribution. A lower jet fuel price and a higher yield compensating inflation accelerated the growth in operating result and translated into a margin at 9.6%. Compared to last year, net income strongly grew by €280 million, amounting to €604 million, supporting the equity restoration. The adjusted operating free cash flow in the second quarter amounted to €557 million, a reduction of €975 million compared to last year. This different pattern is explained by a catch-up in summer ticket sales in Q2. The net debt ended at €4.9 billion, an improvement compared to year end 2022 of €1.4 billion. In the second quarter 2023, Air France-KLM welcomed 24.7 million passengers which is 8.2% above previous year. As capacity increased by 8.3% and traffic grew by 11.6%, the load factor increased by 2.6 points compared to last year. The Group reached a very strong group passenger unit revenue per ASK, up +12.3% compared to last year. This increase was driven by load factor increase especially on the long-haul network (North America, Africa, Asia & Middle East and Transavia) and yield on the full network except Asia. On July 27, 2023, Air France-KLM announced that it has entered into exclusive discussions with Apollo Global Management regarding the potential financing of €1.5 billion to a dedicated operating affiliate of Air France-KLM. This entity will hold the trademark and most of the commercial partner contracts related to Air France and KLM's joint loyalty programme (Flying Blue) and will become the exclusive issuer of miles for the airlines and partners. This financing would be accounted as equity under IFRS, allowing Air France-KLM to make a further step towards its commitment to restore its equity and strengthen its balance sheet, aside from net profit generation and/or straight hybrid bonds. (£1.00 = €1.17 at time of publication).

DAE posts profit increase before tax of 13%

Dubai Aerospace Enterprise (DAE) and its subsidiaries have reported financial results for the six months ended June 30, 2023. Profit for the six months was US$141.1 million compared to a profit before exceptional items of US$140.1 million for the six months ended June 30, 2022. Operating profit increased by US$65.0 million to US$319.8 million compared to operating profit before exceptional item of US$254.8 million for the six months ended June 30, 2022, which is mainly attributed to increased lease revenue and reversal of loss allowance. Operating profit for the six months was US$319.8 million compared to an operating loss after exceptional item of US$321.7 million for the six months ended June 30, 2022. The exceptional item in 2022 pertains to an asset write-off of US$576.5 million relating to certain aircraft in Russia not in the Group's control. Cash flows from operating activities for the six months decreased by 5.2% to US$643.4 million compared to US$678.5 million the previous year. This is primarily due to higher maintenance reserve receipts in the prior period driven by the drawdown of letters of credit associated with aircraft previously leased to Russian customers. Net cash generated from operating activities increased by US$42.2 million or 7.0% as compared to the prior-year period. Total assets were US$12,224.4 million compared to US$12,709.1 million on December 31, 2022. This decrease was mainly due to aircraft sold and depreciation charge during the period. Available liquidity was US$2,330.7 million compared to US$2,659.9 million in 2022. The Liquidity coverage ratio was 281.0% compared to 341.0% in 2022. Net Debt-to-Equity ratio was 2.50:1 compared to 2.64:1 times the previous year. Total number of aircraft in the fleet at the end of June was 429 (December 31, 2022: 440) which consisted of 322 owned (December 31, 2022: 330), 103 managed (December 31, 2022: 104) and four committed aircraft (December 31, 2022: six). During the six months the company purchased two owned aircraft (June 30, 2022: eight) and five managed aircraft (June 30, 2022: 26) and sold or consigned ten owned aircraft (June 30, 2022: seven) and six managed aircraft (June 30, 2022: 20). The weighted average age of the owned fleet was 7.1 years compared to 6.5 years at the end of 2022. The weighted average remaining lease term of DAE's owned fleet was 6.0 years compared with 6.3 years on December 31, 2022. The ratio of unsecured debt to total debt was 73.3% compared to 69.8% the previous year. (£1.00 = US$1.27 at time of publication).

JetBlue Airways faces challenging 2023 outlook

JetBlue Airways (JetBlue), based in New York, has revised its 2023 outlook, anticipating potential losses in the current quarter due to a surge in travellers choosing international destinations and the conclusion of its partnership with American Airlines in the Northeast. The airline now projects adjusted earnings per share for the year ranging from 5 cents to 40 cents, a significant drop from the previous estimate of up to US$1 per share. During the third quarter, JetBlue could experience an adjusted loss of up to 20 cents, with revenue expected to decrease by 4% to 8% compared to the same period last year. Following the release of second-quarter results, JetBlue's shares

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Canada Jetlines takes delivery of third Airbus A320

Canada Jetlines has taken delivery of its third Airbus A320 aircraft © Canada Jetlines

Canada Jetlines has announced that it has taken delivery of its third Airbus A320-family aircraft. The aircraft has been acquired on lease from a leading global aircraft lessor. This third Airbus A320-family jet is an A320-200, with Canadian registry C-GCJK, equipped with two CFM56-5B4/3 engines. Passenger amenities include galley provisions for hot and cold buy on board refreshments, the installation of Jetlines' complimentary Flymingo wireless inflight entertainment system and a USB charger for personal electronic devices. Canada Jetlines became fully operational in September 2022 and operates out of Toronto Pearson International Airport. The carrier is a subsidiary of Global Crossing Airlines.

FINANCIAL NEWS

plummeted by over 8%. The airline reported net income of US$138 million for the second quarter, a stark contrast to the net loss of US$188 million recorded a year earlier. Revenue rose by 6.7% to US$2.61 billion, approximately in line with analyst predictions. Executives in the airline industry have noted a shift in demand towards long-haul international travel, a segment that suffered during the COVID-pandemic. This change, combined with increased capacity, has contributed to declining domestic airfares as travellers explore new overseas destinations, as highlighted during recent earnings calls. JetBlue's COO, Joanna Geraghty, acknowledged that this shift is impacting demand for domestic travel, particularly during the peak summer season. Despite working towards a profitable year and aiming for record revenue performance, the company is taking action to mitigate challenges and enhance margins by redeploying capacity strategically. Among the difficulties faced by JetBlue are the termination of its alliance with American Airlines at New York-area airports and Boston. The decision came after a judge ruled the partnership anti-competitive and ordered its termination. The alliance allowed both carriers to share passengers and revenue, as well as coordinate routes. The cessation of selling seats on each other's flights began late last month. Additionally, Geraghty cited air traffic constraints in the Northeast, with both JetBlue and United Airlines highlighting a shortage of air traffic controllers as a factor exacerbating flight disruptions caused by thunderstorms in late June and July.

Spirit AeroSystems posts second-quarter loss

Spirit AeroSystems' (Spirit) revenue in the second quarter of 2023 was US$1.4 billion, up 8% from the same period in 2022. This increase was primarily due to higher production deliveries on the Boeing 737 and 787 programmes and increased Defence and Space revenue, partially offset by lower revenue on the Airbus A220 programme. Overall deliveries increased to 342 shipsets during the second quarter of 2023 compared to 318 shipsets in the same period of 2022. This includes Boeing 737 deliveries of 74 shipsets compared to 71 shipsets in the same period of the prior year. Spirit's backlog at the end of the second quarter of 2023 was approximately US$40.5 billion, which includes work packages on all commercial platforms in the Airbus and Boeing backlog. Operating loss for the second quarter of 2023 was US$120.4 million, compared to an operating loss of US$104.7 million in the same period of 2022. The change in operating loss was primarily driven by higher changes in estimates as well as contra revenue recorded for a potential customer claim, partially offset by the absence of losses related to Russia sanctions recognized during the second quarter of 2022 and increased aftermarket segment earnings. Changes in estimates in the second quarter of 2023 included net forward loss charges of US$104.7 million and unfavourable cumulative

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Rex forms partnership with Helicopter Resources for Antarctic tender

© Helicopter Resources

The Regional Express Group (Rex) has announced its collaboration with Helicopter Resources (Heli Resources) through an exclusive teaming agreement. This strategic partnership comes as part of Rex's preparation for the upcoming tender by the Australian Antarctic Division (AAD) later this year, following the recent release of the Request for Information (RFI). The RFI specifically called for the provision of up to four twin-engine helicopters capable of both land and sea operations, including on-board the Division's flagship vessel, the RSV Nuyina. Under the joint venture agreement, Rex will serve as the prime contractor and Heli Resources will be the sub-contractor, working together exclusively to deliver a complementary helicopter solution in response to the Antarctic tender. Heli Resources holds the distinction of being the incumbent provider of similar services to the AAD, with an impressive track record since 1975 of successfully operating helicopters in the Antarctic. Its unparalleled expertise and operational reliability spanning 48 years have earned the company an esteemed reputation within industry and with the AAD. Rex's Antarctic Project Manager, Craig Martin, expressed his confidence in the partnership, stating, "There is no other helicopter operator with as much experience operating in the Antarctic. Heli Resources has demonstrated an outstanding commitment to safety and reliable delivery of helicopter services, earning the trust of the AAD after decades of Antarctic operations. The Rex Group cannot have hoped for a better partner for the complementary helicopter capability elements anticipated in the tender".

FINANCIAL NEWS

catch-up adjustments for periods prior to the second quarter of US$21.6 million. The forward losses related primarily to the Boeing 787, Airbus A350 and Airbus A220 programmes. The forward loss on the Boeing 787 programme of US$37.5 million was driven by the impacts of the new IAM union contract as well as increased supply chain and other costs. The Airbus A350 programme forward loss of US$27.5 million was primarily due to increased costs related to production rate recovery efforts, including freight, as well as unfavourable foreign currency movements. The Airbus A220 programme forward loss of US$27.4 million was driven by higher estimates of supply chain costs and unfavourable foreign currency movement. The unfavourable cumulative catch-up adjustments related primarily to the Boeing 737 program, reflecting increased labour costs resulting from the IAM union negotiations as well as higher supply chain costs. Additionally, strike disruption charges of US$7.3 million were recorded to other operating expense on the Consolidated Statements of Operations. Excess capacity costs during the second quarter of 2023 were US$53.2 million. In comparison, during the second quarter of 2022, Spirit recognized US$63.7 million of net forward loss charges, US$8.0 million of unfavourable cumulative catch-up adjustments and excess capacity costs of US$44.9 million. Additionally, in the second quarter of 2022, in relation to the sanctioned Russian business activities, Spirit recorded net losses of US$28.1 million. Spirit estimates that Boeing has completed approximately half of its required rework on the 737 vertical fin attach fittings issue. The Company has recorded US$23.0 million of contra revenue in the second quarter of 2023 to account for a potential claim from Boeing for repair work to date at their facility. This estimate represents what Spirit believes to be the low end of the range of potential liability and the company cannot reasonably estimate the total potential claim it may receive from Boeing to complete the required repairs. Cash used in operations in the second quarter of 2023 was US$183 million, compared to cash used in operations of US$62 million in the same quarter of 2022. Cash used in operations during the second quarter of 2023 reflects the negative impacts to working capital resulting from the rework and disruption related to the vertical fin attach fittings issue, the work stoppage caused by the IAM strike, and the preparation for increased production on the Boeing 737 programme. Additionally, the second-quarter 2023 cash used in operations included customer advances of US$50 million, as well as an excise tax payment of US$36 million related to the termination of the Pension Value Plan A (PVP A). Free cash flow in the second quarter of 2023 was a usage of US$211 million, as compared to a usage of US$79 million in the same period of 2022. (£1.00 = US$1.27 at time of publication).

MRO & PRODUCTION NEWS

VoltAero establishes long-term relationship with Avidyne

VoltAero's Cassio 330 full-scale cabin mock-up includes a flight deck equipped with Avidyne's Quantum 14-inch displays in the dual PFD/MFD configuration *© VoltAero*

VoltAero has selected Avidyne for the development and supply of avionics to equip the Cassio 330 in an exclusive agreement, establishing a long-term relationship that includes customised software specifically tailored for the electric-hybrid operations of this clean-sheet design aircraft. The Cassio 330 will be equipped with a glass cockpit incorporating Avidyne's new-generation Quantum 14-inch displays in a dual PFD/MFD (Primary Flight Display/ Multi-function Display) configuration. In addition to the screens' significant size, the Quantum displays provide brightness and synthetic vision system (SVS) capabilities at 4K resolution, as well as processor performance improvements over legacy systems. Avidyne will customise the avionics' human-machine interface (HMI) specifically for the Cassio 330's flight operations, significantly facilitating the pilot workload while managing the aircraft's electric-hybrid propulsion system. By accumulating and processing all aircraft information and delivering it in an intuitive manner, the avionics suite will simplify the pilot's decision-making process, as well as improve flight safety and simplify pilot training. Additionally, the avionics are designed for the connected aircraft environment. "In developing an all-new airplane family to set the standards for electric aircraft, our exclusive agreement with Avidyne ensures that Cassio's avionics are just as advanced, innovative and capable for the future operators," said Jean Botti, VoltAero's CEO and Chief Technical Officer. Avidyne Corporation is a market leader in the design and manufacturing of integrated avionics systems for the aviation community. All of its products are designed and manufactured in the U.S., with the company's headquarters in Melbourne, Florida.

DHL Express to invest US$192 million in aircraft maintenance facility at CVG Airport

© DHL Express

DHL Express has announced a significant investment of US$192 million to construct an aircraft maintenance facility at Cincinnati/Northern Kentucky International Airport (CVG). The purpose of this facility is to support the growth of its expanding fleet at its primary U.S. air hub. The Kentucky Economic Development Finance Authority has given its approval for US$1 million in incentives for the 305,000-ft² maintenance facility. It will encompass dedicated space for aircraft parts storage, three maintenance parking gates and eight new aircraft gates. The new maintenance centre will be situated adjacent to DHL's existing cargo operations on 50 additional acres leased from the airport. The facility will accommodate two Boeing 777 wide-body freighters side by side. The company aims to complete the project by the end of 2025. CVG Airport serves as the central connection point for DHL's express network to the rest of the world. With a fleet of 60 aircraft, DHL operates 130 daily flights. The facility is also crucial for partner airlines and joint venture Polar Air. Currently, the super-hub spans 194 acres, featuring 67 aircraft parking gates and 6.4 million-ft² of ramp area. Annually, it processes approximately 50 million international shipments destined for the U.S., Canada, Mexico and Latin America. In recent years, DHL has invested over US$250 million in hub upgrades since 2015, focusing on aircraft handling equipment, auto-sort systems and renovated interior sections. The company also operates hubs in Germany and Hong Kong. Currently, DHL Express conducts some of its repairs on the tarmac at CVG. However, larger tasks are outsourced to FEAM Aero, which is in the process of constructing a second maintenance hangar. This expansion initiative aims to provide sheltered line maintenance activities for DHL's fleet of Boeing 737, 767, and 777 aircraft. A combination of in-house and FEAM technicians will be responsible for maintaining the fleet. (£1.00 = US$1.27 at time of publication).

FINANCIAL NEWS

LHT increases revenue and earnings by more than 20%

Lufthansa Technik (LHT) can look back on a very successful first half of 2023. After a strong start into the year, the MRO company had an even stronger second quarter. The half-year results show an overall increase of more than 20% in revenue and earnings compared to the same period of the previous year. Earnings (adjusted EBIT) at LHT increased by €50 million to €291 million (+20.7%), the best first half-year in the company's history. Revenue until the end of June was €3.1 billion (previous year: €2.6 billion, +20.8%). LHT is investing heavily in materials to safeguard the company's business for the future. One example here is the increased procurement of Used Serviceable Material (USM), i.e., used parts that can be refurbished and subsequently reused. This alone is where Lufthansa Technik's investments have doubled compared to the time before the pandemic. Demand has not only increased in specific areas, but for almost all of Lufthansa Technik's products. Since last summer, employees in the aircraft component services segment have already been experiencing a steady increase in repair business. The increased travel at present is intensifying this trend. Lufthansa Technik's second major traditional business unit also has good news to report: effective immediately, LEAP-1B engines can also be processed at the Hamburg site. This step is important because the Boeing 737 MAX engine is expected to account for the largest market volume in the future. Success is also evident in the digitisation efforts across all segments which are transforming LHT at its core, but which will also have a positive effect on earnings in the triple-digit million range in the future. (£1.00 = €1.16 at time of publication).

Lufthansa captains could get 25% pay boost as Group posts record Q2 results

Lufthansa Group has released details of recent pay offers submitted to cockpit crew. These offers, incremental over the next three years, will see base pay rates increase by 18%. When lump sums and inflation bonuses already on the table from last year, captains would likely see a pay raise of over 25%, while co-pilots would see a wage hike of between 33% and 50%, according to Reuters news agency. A vote on the offer is expected to be held between now and August 12, involving some 5,200 pilots from the German flagship carrier and Lufthansa Cargo. Lufthansa's Chief Operations Officer Karl Brandes said in the memo that the offered pay hikes would mean notable cost burdens and less flexibility in operations. "Nevertheless, we consider the result justifiable, because it offers an opportunity for a solution without conflict," he said. Pilots' union

MRO & PRODUCTION NEWS

EirTrade Aviation offers CFM56-3 teardown capabilities

EirTrade Aviation has invested in tooling to offer complete CFM56-3 teardown capabilities *© EirTrade Aviation*

EirTrade Aviation, the global aviation asset management and trading company headquartered in Dublin, has invested in tooling to offer complete CFM56-3 teardown capabilities at its new facility in Dublin. This means that the experienced team at EirTrade can now provide the service alongside the CFM56-5A, -5B, -7B, -7BE engine types. Steven Trowell, VP Technical at EirTrade explains that this new capability rounds out the Company's focus on providing a complete disassembly solution for lessors, airlines, and MROs across its two facilities in Ireland. "We can now provide continuous line maintenance, parking and preservation for narrow-body aircraft at Ireland West Airport in Knock though EirTrade Aviation Maintenance. We also have the capability to disassemble both wide- and narrow-body airframes and CFM engines at the asset owner's request, simplifying logistics and making it much easier for ferry flights from Europe/Africa/Middle East. In addition, we can offer free parking on site for multiple aircraft of all sizes for lessors and airlines." From an engine teardown market perspective, Trowell observes that more CFM56-3s will be coming up for disassembly over the coming years as many of the freight B737 Classics are retired and replaced with B737NG BCFs. "We have invested to prepare our facility to provide a seamless service as the requirement for USMs ramps up and engine feedstock becomes available. However, there is currently a shortage of material for these engines as freight and PAX operators continue to extend the usable life of these reliable engines and this is driving up the price of some of these USM components."

Astronics confirms orders from ten eVTOL manufacturers

Image of eVTOL aircraft *© Shutterstock*

Headquartered in New York State, Astronics Corporation (Astronics) has announced that the company is in receipt of firm orders from ten eVTOL manufacturers who are developing electrical aircraft for emerging air mobility missions. Astronics is responsible for providing advanced technologies for global aerospace, defence, and other mission-critical industries. The ten orders also include Astronics' contract to provide its enhanced CorePower® electrical power distribution system for the Lilium Jet. In total the orders have a value of approximately US$20 million (£15.6 million) during the period to certification and consist of hardware deliveries along with engineering support to achieve aircraft certification. Once certified, Astronics anticipates these initial sales will result in long-term production contracts. The company has developed a set of capabilities and a family of products which provide a broad range of electrical power management solutions specifically for eVTOL aircraft. This includes high-voltage conversion from 800 VDC (Volts Direct Current) through 1000 VDC converted down to 28 VDC, as well as low power distribution throughout the aircraft. The hardware is designed to be compact and lightweight, ensuring reliable power management from the aircraft batteries to flight-critical end-use systems, including flight controls, avionics, navigation, communication, sensors, lighting, and passenger comfort systems. Jon Neal, President of Astronics Advanced Electronic Systems, said "Over the last few years Astronics has expanded its CorePower® product offerings to include a suite of high-power electrical power management capabilities that are critical to the safe and efficient operation of small, electric aircraft. Our OEM customers have chosen Astronics because of our breadth of products, our technical expertise, and our commitment to supporting them through certification. Astronics is excited to be part of the electrification of aircraft moving towards more sustainable and cleaner modes of transportation."

FINANCIAL NEWS

Vereinigung Cockpit (VC) is yet to comment on details of the wage offer. An agreement between the union and Lufthansa would mean the airline and its passengers would be protected against walkouts by pilots for a three-year period. In the meantime, Lufthansa Group has achieved record results in the second quarter of 2023. The Group has seen continued strong demand for air travel and high yields. Adjusted EBIT in the second quarter saw a record €1.1 billion. The figures include the highest second-quarter result ever for SWISS, Austrian Airlines, Brussels Airlines, Eurowings and Lufthansa Technik. Additionally, three M&A transactions have made the second quarter a milestone in the transformation process to an Airline Group, while net debt has now been reduced to below pre-crisis level. The Lufthansa Group has also specified its full-year outlook and expects Adjusted EBIT of at least €2.6 billion for 2023. (£1.00 = €1.16 at time of publication).

IAG posts record profits of nearly £1.1 billion for first half of 2023

International Airlines Group has announced an operating profit of approaching £1.1 billion for the first half of 2023. The group owns British Airways, Aer Lingus, Vueling, Iberia, Iberia Express, IAG Cargo, LEVEL and others. By the end of 2023 the Group expects flight capacity to reach pre-pandemic levels. Last year the Group posted an operating loss of £383 million. French air traffic control strikes have continued to cause disruption, with BA primarily affected because its flights out of Heathrow and Gatwick rely heavily on having access to French airspace. With chaos reigning during the summer of 2022 and BA forced to cancel thousands of flights due to labour shortages, especially at its main Heathrow hub, this year the carrier has set about 4,000 people so far in 2023, mainly in ground operations, and leasing additional aircraft with crew to avoid similar problems. BA Chief Executive, Sean Doyle, said the airline was not yet seeing any effects on bookings from the summer heatwave, which has brought extreme temperatures to much of southern Europe and the US. He said the coronavirus pandemic had taught BA to be "agile" in rerouting but added: "I think it's too early to gauge if fundamental demand patterns are changing. Traditional markets of southern Europe are very, very strong this year and actually they continue to book strongly." IAG said leisure demand remained strong across all its airlines – which include Aer Lingus and the Spanish carriers Iberia and Vueling – for the summer months, with about 80% of seats already booked until the end of September. While capacity has returned across the group, the number of long-haul and premium seats flown by BA is expected to remain below pre-COVID levels until 2025 and 2026,

Nordica initiates turnaround process

Nordica has began the process of turning the company around © Nordica

On August 1, Nordic Aviation Group (Nordica) began its turnaround efforts by enlisting the expertise of an international consulting company to guide the airline back to profitability. David O'Brock, Chairman of the Board of Nordic Aviation Group, acknowledged the severe deterioration in Nordica's economic situation in the preceding months. Revenues fell significantly below expectations, while expenses surpassed revenues. Several factors contributed to this predicament, including delayed delivery of leased planes, shortage of personnel and equipment, increased maintenance times and rising input costs. Consequently, Nordic Aviation Group reported a consolidated six-month turnover of €54.9 million and a loss of €7.2 million, according to preliminary data. To ensure the company's sustainability, the council, in coordination with the general meeting, decided to bring in top international aviation expertise from Knighthood Global. The consulting company's primary task will be to restructure the airline's operations in a financially viable manner. The contract with Knighthood Global is set for up to six months, during which the entire company's operations and cost structure will be reviewed. The challenging situation was also attributed to an overly optimistic expansion strategy adopted at the end of the previous year, which adversely impacted the company's financial health, as mentioned by the Chairman of the Council. The turnaround team, led by Remco Althuis, former executive at KLM, Etihad Airways and Air Seychelles, began its work on August 1. The council expects the team to propose a viable plan to steer the company towards profitability by the end of September this tear. Positive cash flows are also expected to be achieved in the coming months. Additionally, a special inspection will be conducted at Nordica to assess the current activity and situation, following the instruction of Climate Minister Kristen Michal during the general meeting of shareholders on July 27. Nordica aims to appoint a special inspection executor by the end of August and expects the interim report to be delivered by the end of September. Last week, Jan Palmér, the current Chairman of the Board, asked to resign and the council approved his resignation. In response, Remco Althuis has been appointed as the new Chairman of the Board of Nordic Aviation Group. With his extensive experience in the aviation industry, Althuis is expected to lead the company through its turnaround efforts.

IBA strengthens aviation intelligence with acquisition of Fleetwatch


IBA to acquire Fleetwatch to enhance insight capabilities © IBA

IBA, a renowned aviation market data and intelligence company, announced on August 1 that it intends to acquire the Fleetwatch application from Aeromanage. Fleetwatch is a mobile application that caters to the aviation leasing and finance community by delivering real-time alerts to mobile devices, linked to aircraft flight events and status changes using ADS-B data. This innovative tool enhances visibility for key stakeholders, offering valuable insights into aircraft operations. It empowers proactive and reactive portfolio management, playing a vital role in its risk mitigation toolkit. The acquisition and integration of Fleetwatch into IBA's portfolio further showcase the company's commitment to providing its clients with superior insights. This integration complements IBA's recently launched Data and News Alerting from its IBA Insight aviation intelligence platform, equipping clients with powerful resources to manage risks effectively and drive value creation. Phil Seymour, President of IBA, expressed excitement about the acquisition, stating that Fleetwatch will now become an essential component of their suite of News and Alerting solutions. This will deliver top-notch insights and live updates about fleets to key industry stakeholders, including lessors, banks, investors and insurers. Subscribers to the IBA Insight platform will now benefit from Fleetwatch's array of information delivered through daily notifications. These notifications will highlight various significant aircraft use scenarios, empowering clients with critical data for informed decision-making.

FINANCIAL NEWS

after the airline retired its 747 jumbos during the pandemic. BA announced it was ordering another six Boeing 787 Dreamliners to meet returning demand. Luis Gallego, the chief executive of IAG, said: "Our strong profits since the start of the year are helping to fund investment for our customers and to improve our balance sheet by reducing debt. We don't see any sign of a slowdown in the demand."

Rolls-Royce posts significantly higher profit

Rolls-Royce's underlying operating margin demonstrated significant improvement, reaching 9.7% compared to 2.4% in the previous period. This positive change was fuelled by continuous revenue growth and early transformational benefits, particularly in commercial optimisation and cost efficiencies across the group. Civil Aerospace achieved an operating margin of 12.4% (versus (3.4) % in the prior period) due to higher aftermarket profitability, increased sales of large spare engines, and successful cost efficiencies and commercial optimization efforts.

The Defence segment also performed well, achieving a robust operating margin of 13.6%, attributed to strong revenue growth and effective cost efficiencies. Although Power Systems' margin of 7.0% was lower than the previous period, the company expects better performance in the second half of the year, thanks to pricing actions, cost efficiencies, and an anticipated increase in seasonal volumes. New Markets experienced increased losses as expected, mainly due to planned growth activities. Rolls-Royce also witnessed a notable improvement in cash flow, with free cash flow from continuing operations amounting to £356 million, a significant turnaround from the (£68) million outflow in the prior period. The

MILITARY AND DEFENCE

U.S. Air Force partners with Archer Aviation in US$142 million contract

U.S. Air Force and Archer enter into contracts worth up to US$142 million representing landmark investment in eVTOL technology by U.S. Military © Archer Aviation

Archer Aviation, a pioneer in electric vertical take-off and landing (eVTOL) aircraft, has achieved a significant milestone by entering into new contracts with the U.S. Air Force, amounting to a total value of up to US$142 million (£111 million). This landmark investment by the U.S. military underscores the transformative potential of Archer's innovative eVTOL technology for the country's Armed Forces. The expanded partnership with the U.S. Air Force involves several key aspects. Archer will deliver up to six of its advanced Midnight eVTOL aircraft to the Air Force. Additionally, the partnership entails the sharing of crucial flight test data and certification-related test reports, pilot training and the establishment of maintenance and repair operations. Through these contracts, Archer aims to provide cutting-edge capabilities that will fortify the national defence of the United States.

Archer has been collaborating with the Department of Defense since 2021 through the U.S. Air Force's AFWERX programme. The partnership aimed to assess the transformative potential of eVTOL technologies and vertical flight for military purposes within the AFWERX Agility Prime programme. Now, with the successful completion of the manufacturing of its first Midnight aircraft with its vertical take-off and landing capabilities, target payload of approximately 1,000 lbs, proprietary electric powertrain system, and low noise profile present a potential paradigm shift in military aviation and operations. Archer's Midnight aircraft hold great promise in enhancing rapid response, agility and operational effectiveness across various mission profiles. These applications range from personnel transport and logistics support to rescue operations and more. Furthermore, the aircraft's safer and quieter nature, in comparison to helicopters, makes them a cost-effective and practical solution for transportation operation, and maintenance in the field for the U.S. military.

Adam Goldstein, Founder and CEO of Archer, expressed excitement about the historic agreement and the Armed Forces' commitment to embracing cutting-edge eVTOL technology. He emphasised the national priority placed on the development and commercialisation of such advanced aircraft. Archer looks forward to collaborating closely with the U.S. Department of Defense and the U.S. Air Force to seamlessly integrate the Midnight eVTOL into their operational fleet, with a primary focus on transport, logistics, and rescue operations.

FINANCIAL NEWS

underlying operating profit also saw substantial improvement, rising from £125 million to £673 million during this period. A long-term service agreement (LTSA) balance change of £727 million (compared to £433 million in 2022 H1) can be attributed to substantial EFH (engine flying hour) growth, reaching 83% of 2019 levels, and successful commercial optimization actions, including increased pricing and the anticipated collection of overdue debts that were previously accounted for. However, a portion of the LTSA receipts is payable to risk and revenue sharing partners (RRSPs), which reduces the net cash retained. Out of the total LTSA balance growth, approximately £0.5 billion positively impacted cash flows in the period. Working capital proved to be a challenge with an outflow of (£576) million in the first half of the year (compared to (£269) million in 2022 H1), largely influenced by a (£0.6) billion outflow from higher inventories due to supply chain difficulties and the need to meet volume growth demands in the second half of 2023. Despite these challenges, net debt improved to £2.8 billion (compared to £3.3 billion in 2022 FY), and Rolls-Royce remains committed to achieving an investment-grade credit rating. The accelerated financial delivery can be attributed to improved end-markets, aided by early transformational benefits and effective performance management. Rolls-Royce has been proactive in managing its cost base to counter inflationary pressures. Pricing strategies implemented across the Group have already started to show positive results, with further improvements anticipated in the second half of the year. Each business unit has diligently worked on plans to enhance performance and achieve a significant step-change in both operational and financial aspects.

MILITARY AND DEFENCE

Pratt & Whitney's F135 engine receives full funding support

Pratt & Whitney continues to receive positive support for various F135-related programme items on the path toward finalizing the 2024 appropriations bill. On July 27, the Senate Appropriations Committee passed a bipartisan bill that included US$497 million for the development of the F135 engine core upgrade (ECU), the DoD's chosen F-35 engine modernisation effort; US$264 million above the President's budget request for F135 engine spares and repair parts, a prohibition against integrating any alternate engine on any F-35 variant and a US$280 million for the development of future engine technology that could be used on sixth-generation tactical

MILITARY AND DEFENCE

GKN Aerospace and Airbus Helicopters sign MoU on industrial participation

Airbus H225 multi-role helicopter *© Anthony PECCHI*

GKN Aerospace and Airbus Helicopters have signed a Memorandum of Understanding (MoU), marking a significant step in a long-standing partnership. This collaboration follows the recent pre-selection of Airbus Helicopters to deliver 14 H225M helicopters for Special Operations to the MoD of the Netherlands. Under the MoU, GKN Aerospace will provide essential support in areas such as engineering, electrical wiring interconnections systems (EWIS) design and manufacturing, as well as maintenance, repair and overhaul (MRO) activities. It will also lead potential innovation projects and aero structures design and manufacturing, with a particular focus on composite structures. The collaboration will strengthen the aerospace industry in the Netherlands and foster innovation within the Dutch Aerospace eco-system. Airbus Helicopters and GKN Aerospace have a long history of collaboration. They are both partners in NHIndustries, the NH90 manufacturing consortium, together with Leonardo. Shawn Black, President Defence Airframe of GKN Aerospace, said: "We have been working closely with Airbus Helicopters as partners on the NH90 programme since 1992 and have actively supported them during the pre-selection phase with the Dutch MoD. The signing of the MoU represents a significant milestone in our collaboration, reinforcing our partnership and setting the stage for future industrial participation. With our combined expertise and unwavering commitment, we will deliver advanced solutions and provide exceptional support to the Netherlands' helicopter fleet."

INFORMATION TECHNOLOGY

SAF production at the Haltermann Carless site in Speyer to start in 2026 with a volume of 60,000 tonnes per year *© LHG*

The **Lufthansa Group** and **HCS Group** have signed a Letter of Intent (LoI) to join forces in producing and supplying Sustainable Aviation Fuel (SAF). Starting from the beginning of 2026, the HCS Group aims to provide the Lufthansa Group with SAF produced through the innovative Alcohol-to-Jet (AtJ) technology. The SAF will be derived from biogenic residues sourced from agriculture and forestry and its production will take place at the HCS Group's facility in Speyer, managed by Haltermann Carless. The adoption of SAF is crucial for promoting more sustainable aviation and supporting the aviation industry's decarbonisation efforts. By partnering with the HCS Group, the Lufthansa Group is actively supporting the concept of SAF 'Made in Germany,' in compliance with Europe's Renewable Energy Directive RED II. The strategic location of the production site near the Lufthansa Group's Frankfurt hub provides logistical advantages. The HCS Group, known for providing sustainable hydrocarbon solutions, has ambitious plans to become the first large-scale producer of biogenic SAF in Germany, with an initial production target of 60,000 metric tonnes per year. This LoI underscores the Lufthansa Group's commitment to driving the market ramp-up and adoption of Sustainable Aviation Fuels as a core component of its sustainability strategy. The Lufthansa Group currently stands as one of the world's top-five SAF customers and is investing up to US$250 million (£197 million) in procuring SAF over the coming years. Additionally, the Group is actively engaged in various global projects to enhance SAF availability and is continuously exploring further opportunities for long-term purchase agreements. HCS Group is a leading international supplier of high-value hydrocarbon speciality solutions – a company formed from two of the oldest chemical producers in the world, Haltermann and Carless. Today, the combined business consists of three strong brands: Haltermann Carless, ETS Racing Fuels and Electrical Oil Services (EOS), with worldwide distribution channels in more than 90 countries. HCS Group has seven production sites: three in Germany, two in the UK, one in France and one in the U.S.

MILITARY AND DEFENCE

aircraft. The F135 supports nearly 55,000 jobs across 41 states and more than 260 domestic suppliers. In March 2023, the U.S. Air Force, U.S. Marine Corps, and U.S. Navy chose to upgrade the F135 versus replace it with an entirely new engine. The decision was announced as part of the administration's 2024 budget proposal. "The Senate Appropriations Committee's full funding of the Engine Core Upgrade programme, its addition of US$280 million for future-generation propulsion technologies, and language prohibiting integration of an alternate engine on any F-35 variant are critically important," said Jill Albertelli, President of Military Engines at Pratt & Whitney. "Our collective focus should be on maximising the performance of all three variants of the F-35, while prioritising the advancement of sixth-generation solutions that serve our highest, most urgent national defence priorities." (£1.00 = US$1.28 at time of publication).

INFORMATION TECHNOLOGY

Air transport industry IT provider **SITA** and **Envision Digital**, a Singapore-headquartered global net-zero partner and Artificial Intelligence of Things (AIoT) technology leader, have signed a new partnership agreement to help airports reduce operational costs and support their net-zero ambitions. The companies have developed solutions that allow real-time data IoT flows, enabling airports to monitor and report their energy

OTHER NEWS

SITA will deliver 400 new TS6 kiosks to Air France-KLM Group © SITA

SITA, a leading technology provider in the aviation industry, is set to enhance the passenger experience for **Air France-KLM Group** at major European airports. The Group will be upgrading its existing line-up of 400 self-service kiosks in Charles de Gaulle Airport in Paris, Schiphol Airport in Amsterdam and other hub airports across Europe. These upgraded kiosks will come with new functionalities, including the convenience of contactless payments for passengers. Air France-KLM's self-service kiosks have become an essential part of the airline's digitalization efforts, playing a pivotal role in streamlining the check-in process for travellers. With SITA's new TS6 kiosks, passengers will enjoy improved payment options and a host of advanced features, including seamless integration with mobile devices. The new kiosks are equipped with a secure payment service that complies with Payment Card Industry (PCI) standards. This allows passengers to make ancillary fee payments through contactless cards and smartphones. Notably, SITA's kiosk payment service is designed to meet the EU PSD2 SCA law, ensuring robust two-factor authentication. Furthermore, the solution stands out as it is also PCI Point-to-Point Encryption (P2PE) compliant, boosting security and saving airlines valuable time and costs associated with PCI Data Security Standards (PCI DSS) compliance. One of the key benefits for Air France-KLM is the customisation flexibility of these new kiosks. Thanks to the TS6's modular design, the airline group can easily tailor the kiosks to meet specific customer needs without introducing complexity and additional expenses. This adaptability extends the longevity of the kiosks, providing a seamless pathway for Air France-KLM to introduce new functionalities, like biometrics, in the future.

INFORMATION TECHNOLOGY

usage, emissions from aircraft and other vehicles and their carbon footprint. Airports can use insights from these data feeds to take action to reduce consumption costs and resulting emissions. In future, the above solutions will allow airports to harness and orchestrate renewable energy sources. These solutions will be pivotal to SITA's Total Airport Management concept, which will help airports manage every aspect of their operation and bring sustainability into the heart of holistic operational decision making. Drew Griffiths, Head of SITA AT AIRPORTS, said: "Today, SITA works with nearly 1,000 airports globally to manage every aspect of their operations, from baggage and passenger processing to airside and aircraft operations. Supporting airports to reduce costs and cut their greenhouse gas emissions is a natural extension of this offering and one our customers have asked for. We look forward to working with Envision in delivering this new capability as part of our wider airport offering." As part of the partnership, SITA will create a new Centre of Excellence to accelerate product development and customer project delivery. The partnership harnesses Envision Digital's strengths in energy management and smart building solutions, with SITA's strengths in air transport technology and operations to support airports and make their operation more efficient and sustainable.

OTHER NEWS

Southwest Airlines Mechanics and Related Employees, represented by the **Aircraft Mechanics Fraternal Association** (AMFA), have given their approval to a new collective bargaining agreement, marking the seventh contract ratified between Southwest Airlines® and its union partners since October 2022. Adam Carlisle, Vice President of Labour Relations at Southwest Airlines, praised the expertise and dedication of the Mechanics and Related Employees, emphasizing that the agreement ensures they receive competitive compensation while supporting the airline's operational needs. Both negotiating committees received commendation for their hard work in reaching the deal, according to Bret Oestreich, AMFA National President. He expressed pride in re-establishing a mutually beneficial relationship with Southwest Airlines, acknowledging the members' professionalism and efforts. The newly inked agreement offers industry-leading wage increases that recognise the Boeing 737 knowledge and skill sets of the employees. Oestreich highlighted that these wage hikes will help attract and retain a skilled

OTHER NEWS

Heathrow becomes one of the first airports to trial the use of lower carbon concrete
© Heathrow Airport

Heathrow Airport has launched an innovative trial to explore the feasibility of using lower carbon concrete, boasting a remarkable 50% reduction in emissions compared to conventional concrete. This ground-breaking initiative stems from Heathrow's sponsorship of a PhD candidate at the University of Surrey, who dedicated three years of lab work to achieve this milestone. The trial aims to assess the concrete's durability and longevity in a real airport environment, making it one of the pioneering projects of its kind worldwide. In line with Heathrow's comprehensive sustainability strategy, known as Heathrow 2.0, the airport is committed to reducing both on-ground and in-air emissions. As concrete production accounts for at least 6% of global carbon emissions annually, the collaboration with Ecocem and Cemex to develop this innovative concrete solution has the potential to significantly curb carbon output in airport infrastructure projects. The trial's results are intended to form a blueprint that other airports can follow, enabling them to reduce carbon emissions across all aspects of their operations. Furthermore, Heathrow is planning to conduct additional trials to test and assess other low carbon concrete materials available in the market. These trials' outcomes will contribute to reducing embedded carbon in various projects undertaken by Ferrovial Construction and Dyer & Butler at Heathrow. The project, led by Jacobs and implemented by Cemex and Ecocem, involves testing four different concrete applications at a pouring site situated near the control tower. These applications replicate typical airport infrastructure uses, such as airfield pavements, runways, taxiways, reinforced pit cover slabs, and other ancillary concrete types. Given the heavy air traffic at Heathrow, with aircraft taking off and landing every 45 seconds, the concrete must undergo rigorous testing to ensure it can withstand the demands of one of the world's busiest airports. Nigel Milton, Chief of Staff and Carbon at Heathrow, expressed his enthusiasm for the project, stating that Heathrow once again takes the lead in testing ground-breaking technologies, exemplifying global leadership in sustainable travel. The airport is committed to reducing carbon emissions not only in the air but also on the ground, and this trial is expected to play a significant role in transforming the built environment at Heathrow in the years to come.

Delta and LATAM's first new joint venture route from São Paulo landed in Los Angeles on August 1 *© Delta*

Delta and **LATAM's** first new joint venture route in the Brazilian market has landed in Los Angeles (LAX). The Boeing 777 aircraft departed São Paulo (GRU) on Tuesday, August 1, and turned the largest city in California into LATAM's 22nd international destination from Brazil. It is also LATAM Brazil's fifth destination in the U.S. after Miami (MIA), Orlando (MCO), New York (JFK) and Boston (BOS), adding to Delta's daily flights from São Paulo to Atlanta and New York and, as of December, from Rio de Janeiro to Atlanta and New York (seasonal operation). Currently, LATAM is the major Brazilian airline connecting Brazil with the world, accounting for the most passengers flying Brazilian airlines to or from the country, according to Brazil's National Civil Aviation Agency. "The United States is one of the most sought-after international destinations for Brazilian travellers, so we are very excited to launch this route between São Paulo and Los Angeles in partnership with LATAM. This is the only direct flight to the West Coast from Brazil, which, in addition to being the fastest and most comfortable option for customers to explore this region of the United States, complements the numerous reciprocal benefits for frequent flyers, whether traveling for business or pleasure," said Danillo Barbizan, Delta Sales Manager in Brazil. The new route will be able to transport an average of 110,000 travellers per year directly between the destinations, representing nearly 65% of the number of Brazilian tourists the Los Angeles Tourism Economics Forecast predicts will visit the city in 2024.

OTHER NEWS

workforce, contributing to the company's growth and success. The approved agreement covers a total of 2,870 Mechanics and Related Employees at Southwest, including Aircraft Maintenance Technicians, Aircraft Inspectors, Maintenance Controllers, Training Instructors, and Ground Support Equipment Technicians. The contract is valid until August 16, 2027.

ANA Holdings has unveiled its latest airline brand, **AirJapan**, dedicated to serving medium-haul international routes. The airline will take to the skies with its inaugural flight on the Tokyo Narita-Bangkok route, commencing on February 9, 2024. Departing from Narita Airport's Terminal 1, AirJapan promises seamless connections to ANA Group airlines, ensuring a smooth and hassle-free travel experience. Likewise, Suvarnabhumi Airport in Bangkok will provide easy access to connecting flights and the vibrant urban area. President Hideki Mineguchi expressed his enthusiasm, saying, "With AirJapan, we aspire to showcase the very essence of Japan, elevating the travel journey for our passengers from inside the cabin and beyond." Anticipation is high as the airline eagerly awaits welcoming its first passengers on board to experience the exceptional journey that AirJapan offers.
Catering to the diverse needs of both leisure and business travelers, AirJapan will offer an array of services and fare options. The airline has set its sights on supporting the Japanese government's ambitious goal of attracting 60 million foreign visitors to Japan by 2030. Embodying the concept of "Fly Thoughtful," AirJapan invites travellers to embrace a new style of travel, allowing them to freely select and customize their services. The airline seamlessly combines ANA Group's renowned quality as a full-service carrier (FSC) with the convenience and value of a low-cost carrier (LCC).

INDUSTRY PEOPLE

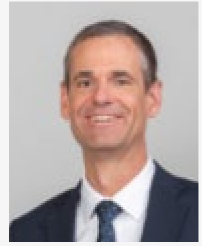

Johann Bordais

• Embraer has released that **Johann Bordais** will transition from President and CEO of Embraer Services & Support to assume the role as CEO of Eve Air Mobility, effective September 1, 2023. The new Services & Support leadership will be announced in the coming weeks.

"I am very grateful for Johann and his exceptional leadership, relentless focus on the customer experience and excellent results achieved in his 23 years dedicated to the Services & Support area," said **Francisco Gomes Neto**, President and CEO of Embraer. "I am sure he will add significant value to Eve's team during this new phase of the company and will consolidate Eve as a leading player in the new UAM industry." Having been with Embraer since 2000, Bordais has played a key role in transforming the services area into a global, fast-growing, and profitable business. During his tenure, Services & Support became Embraer's fast-growing and most profitable business of the company, with reported revenues of US$1.27 billion (£1.00 billion) in 2022, accounting for 28% of Embraer's total revenue. Since the creation of the Services & Support unit in 2016, Bordais has been responsible for integrating various service activities, structuring a global support network and providing a broad portfolio of solutions for Commercial Aviation, Executive Aviation and Defence customers, with more than 2,300 people dedicated to serving its customers and their more than 5,700 aircraft worldwide.


Kairat Asenei

• Ontic, a licensor and manufacturer of complex engineered parts for the aerospace and defence industries, has announced the appointment of **Kairat Asenei** as its new VP of Revenue Management. With seven years of experience at McKinsey, Asenei brings valuable expertise in revenue management execution and business strategy design to the senior leadership team. In his new role, Asenei will be responsible for leading and further developing Ontic's global revenue management processes. His arrival comes at a time of rapid growth for Ontic, with a strong pipeline of opportunities ahead. **Gareth Hall**, CEO of Ontic, expressed confidence that Asenei's knowledge will contribute to advancing revenue management, enhancing customer outcomes, and capitalizing on future prospects. As the aerospace market recovers and flourishes, Asenei sees significant opportunities at Ontic and is eager to join the company during such an exciting period. He is set to assume his post on August 1, 2023, and will be based at Ontic's New York site.


Travis Brassington

• WestJet has announced the appointment of **Travis Brassington** to the role of Vice-President, Group Safety. With more than ten years' experience working across various flight operation functions at the WestJet Group, Brassington will join WestJet's operational leadership team effective immediately. Brassington joined WestJet in 2011 after more than 20 years in the Royal Canadian Air Force as a senior officer and CF-18 fighter pilot. He is a Calgary-based Captain on the 737 and has been instrumental in WestJet's recruitment efforts as a member of the Pilot Selection Team since 2014, most recently as Pilot Hiring Manager. Additionally, Brassington also holds a Master of Business Administration from the University of Fredericton.

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THE AIRCRAFT AND ENGINE MARKETPLACE

Commercial Jet Aircraft

Aircraft Type	Company	Engine	MSN	Year	Available	Sale / Lease	Contact	Email	Phone
A319-100	FPG Amentum	V2527M-A5	3705	2008	Now	Sale / Lease	Eoin Kirby	eoin.kirby@fpg-amentum.aero	+353 86 027 3163
A320-233ceo	FPG Amentum	V2527E-A5	4457	2010	Now	Sale / Lease	Lei Ma	ma.lei@fpg-amentum.aero	+852 9199 1875
A330-200	Doric	Trent 772B-60	1310	2012	Q2/2024	Sale / Lease	Maurick Groeneveld	maurick.groeneveld@doric.com	+49 69 247559-931
A330-200 EFW	ALTAVAIR	Trent 772B-60			Now	Sale / Lease	Clive Bowen	clive.bowen@altavair.com	+44 7899 892493
B737-800 SSF	GA Telesis		29884	2002	Now	Sale / Lease		aircraft@gatelesis.com	
B737-900	BBAM	CFM56-7B26/3	34953	2007	Now	Sale / Lease	Steve Zissis	info@bbam.com	+1 787 665 7039
B777-300ER	BBAM	GE90-115BL	39237	2013	Feb 2024	Sale / Lease	Steve Zissis	info@bbam.com	+1 787 665 7039

Regional Jet / Turboprop Aircraft

Aircraft Type	Company	Engine	MSN	Year	Available	Sale / Lease	Contact	Email	Phone
SAAB 2000	Jetstream Aviation Capital	AE2100A	031	1996	Now	Sale / Lease	Donald Kamenz	dkamenz@jetstreamavcap.com	+1 (305) 447-1920 x 115
SAAB 340B CRG	Jetstream Aviation Capital	CT7-9B	224	1990	Now	Lease	Bill Jones	bjones@jetstreamavcap.com	+1 (305) 447-1920 x 102
SAAB 340B Plus	Jetstream Aviation Capital	CT7-9B	450	1998	Now	Lease	Bill Jones	bjones@jetstreamavcap.com	+1 (305) 447-1920 x 102

Commercial Engines

AE3007Engines	Sale / Lease	Company	Contact	Email	Phone
(2) AE3007A1E	Now - Sale	Aircraft and Engine Lease Corp.		fleetmanager@aelc.aero	
CF34 Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
CF34-8E5	Now - Lease	Lufthansa Technik AERO Alzey	Kai Ebach	k.ebach@lhaero.com	+49-6731-497-368
CF34-10E5	Now - Lease				
CF34-8C5	Now - Lease				
(2) CF34-3A	Now - Sale	GNS	Shlomi Levi	shlomi@g-n-solutions.com	+972-52 850 8511
(2) CF34-10E5	Now - Sale / Lease	DASI	Joe Hutchings	joe.hutchings@dasi.com	+ 1 954-478-7195
(1) CF34-10E6	Now - Lease	Willis Lease	Jennifer Merriam	leasing@willislease.com	+1 (561) 349-8950
(1) CF34-10E7	Now - Lease				
(1) CF34-8C5A1	Now - Sale/Lease/Exch.	Magellan Aviation Group	Bradley Hogan	bradley.hogan@magellangroup.net	+1 980.256.7120

Commercial Engines

CF6-80 Engines	Sale / Lease	Company	Contact	Email	Phone
(4) x CF6-80E1A4B	Q4/2023 - Sale	ALTAVAIR	Clive Bowen	clive.bowen@altavair.com	+44 7899 892493
CFM Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(1) CFM56-5B3/3	Now - Lease	FTAI Aviation LLC	Mark Napoles	mnapoles@ftaiaviation.com	+1 786-785-0777
(1) CFM56-5B4/P	Now - Lease				
(1) CFM56-5B3/P	Now - Lease				
(1) CFM56-5B1/P	Now - Lease				
(1) CFM56-7B26	Now - Lease				
(1) CFM56-5B4/3	Now - Lease	Willis Lease	Jennifer Merriam	leasing@willislease.com	+1 (561) 349-8950
(3) CFM56-5C4	Now - Lease				
(1) CFM56-7B26/3	Now - Lease				
(1) CFM56-7B27/3	Now - Lease				
(1) CFM56-5B4/P	Now - Sale/Lease/Exch.	AeroDirect	Sean Miller	SMiller@aerodirect.com	+1.404.229.3723
(1) CFM56-5B2/P	Now - Sale/Lease/Exch.				
(4) CFM56-5B5/P	Now - Sale / Lease	BBAM	Steve Zissis	info@bbam.com	+1 787 665 7040
(1) CFM56-5B4/P	Now - Sale / Lease				
(5) CFM56-5B6/P					
(2) CFM56-7B26/3	Now - Sale / Lease				
(1) CFM56-5A3	Now - Sale	Royal Aero	Gary MacLeod	gary@royalaero.com	+44 (0)1357 521144
(1) CFM56-7B24/3	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
(1) CFM56-7B26/3	Now - Lease				
(1) CFM56-7B26	Now - Lease				
(1) CFM56-7B27/B	Now - Lease				
(2) CFM56-5B3/3	Now - Lease				
(1) CFM56-5B4/3	Now - Lease				
(2) CFM56-5B4/3	Now - Sale / Lease	GA Telesis		engines@gatelesis.com	
GE90 Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(1) GE90-94B	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
(2) GE90-94B	Now - Sale/Lease/Exch.	BBAM	Steve Zissis	info@bbam.com	+1 787 665 7039
LEAP Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(3) LEAP-1B28	Now - Lease	Willis Lease	Jennifer Merriam	leasing@willislease.com	+1 (561) 349-8950
(1) LEAP-1A26	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
PW1100G Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(1) PW1100G-JM	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
(1) PW1521G-3	Now - Lease				
PW 4000 Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(2) PW4168A	Now - Sale / Lease	GA Telesis		engines@gatelesis.com	
(1) PW4168A	Q4/2022 - Sale	ALTAVAIR	Clive Bowen	clive.bowen@altavair.com	+44 7899 892493

Commercial Engines

PW Small Engines	Sale / Lease	Company	Contact	Email	Phone
PW121	Now - Sale	Lufthansa Technik AERO Alzey	Kai Ebach	k.ebach@lhaero.com	+49-6731-497-368
PW127F	Now - Sale				
PW150A	Now - Sale / Lease				
PW127M	Now - Lease				
(1) PW150A	Now - Sale/Lease/Exch.	Willis Lease	David Desaulniers	leasing@willislease.com	+1 (561) 349-8950
Trent Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(2) Trent 772B-60	Now - Sale/Lease/Exch.	Rolls-Royce & Partners Finance	RRPF Marketing	RRPFMarketing@rolls-royce.com	+44 7528975877
(1) Trent XWB-84	Now - Sale/Lease/Exch.				
(1) Trent 556-61	Now - Sale/Lease/Exch.				
(3) TRENT-772B-60	Q4/2023 - Sale / Lease	ALTAVAIR	Clive Bowen	clive.bowen@altavair.com	+44 7899 892493
(1) Trent 772B-60	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
V2500 Engines	**Sale / Lease**	**Company**	**Contact**	**Email**	**Phone**
(1) V2527-A5	Q3/2022 - Sale/Lease/Exch.	Rolls-Royce & Partners Finance	RRPF Marketing	RRPFMarketing@rolls-royce.com	+44 7528975877
(1) V2533-A5	Now - Sale/Lease/Exch.				
(1) V2527-A5	Now - Sale/Lease/Exch.	AeroDirect	Sean Miller	SMiller@aerodirect.com	+1.404.229.3723
(3) V2533-A5	Now - Lease	Willis Lease	Jennifer Merriam	leasing@willislease.com	+1 (561) 349-8950
(1) V2527-A5	Now - Lease				
(1) V2533-A5	Now - Sale/Lease/Exch.	BBAM	Steve Zissis	info@bbam.com	+1 787 665 7039
(1) V2533-A5	Now - Lease	FTAI Aviation LLC	Mark Napoles	mnapoles@ftaiaviation.com	+1 786-785-0777
(1) V2527-A5	Now - Sale/Lease/Exch.	Magellan Aviation Group	Bradley Hogan	bradley.hogan@magellangroup.net	+1 980.256.7120
(1) V2533-A5	Now - Lease	Engine Lease Finance	Declan Madigan	declan.madigan@elfc.com	+353 61 291717
(1) V2527-A5	Now - Lease				
(2) V2527-A5	Now - Sale / Lease	GA Telesis		engines@gatelesis.com	

Aircraft and Engine Parts, Components and Misc. Equipment

Description		Company	Contact	Email	Phone
(2) GTCP331-200ER, (2) GTCP131-9A,	Now - Sale	Setna IO	David Chaimovitz	david@setnaio.com	+1-312-549-4459
(1) GTCP131-9B					
(1) A321 Enhanced Landing Gear 2020 OH					
(1) GTCP36-150	Now - Sale	GNS	Shlomi Levi	shlomi@g-n-solutions.com	+972-52 850 8511
(5) A320 LG Shipsets, (1) A320 NLG, (5) A340 LG Shipset		GA Telesis		landinggearsales@gatelesis.com	
(1) A321 LG Shipset, (2) 767 LG Shipset					
(1) 777-200 LG Shipset, (1) A330 LG Shipset, (2) 737 LG-Shipset					
GTCP131-9A (2), GTCP131-9B(2)	Now - Lease	REVIMA APU	Olivier Hy	olivier.hy@revima-apu.com	+33(0)235563515
GTCP331-200, GTCP331-250	Now - Lease				
APS500C14(3), APS1000C12(2), APS2000	Now - Lease				
APS2300, APS3200(2), APS5000(2)	Now - Lease				
PW901A(4), PW901C(2)	Now - Sale / Lease				
TSCP700-4E	Now - Sale				
(1) GTCP331-500B	Now - Sale/Lease/Exch.	BBAM	Steve Zissis	info@bbam.com	+1 787 665 7039
(2) APS2300, (1) APS3200	Now - Sale / Lease	DASI	Chris Glascock	chris.glascock@dasi.com	+1 954-801-3592
(1) GTCP331-350		GA Telesis	Jay Meshay	apu@gatelesis.com	+1-954-849-3509
(2) APS3200B, (1) APS3200C					
Engine stands: CF6-80C2, CFM56-3, CFM56-5A/B/C, PW4000			Ricky Torres	stands@gatelesis.com	+1-954-676-3111
(3) APU GTC131-9B	Now - Sale / Lease	Willis Lease	Gavin Connolly	gconnolly@willislease.com	+44 1656 765 256
Engine stands now available	Now - Lease				
(2) PW901A, (1) PW901C(1), PW125B RGB	Now - Lease	Lufthansa Technik AERO Alzey	Kai Ebach	k.ebach@lhaero.com	+49-6731-497-368

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