

EPISODE 212

[EPISODE]

[0:00:08] IP: Hello and welcome to episode 212 of AvTalk. I am Ian Petchenik, here, as always with –

[0:00:15] JR: Jason Rabinowitz. Hello, Ian. How's it going?

[0:00:18] IP: Hello, Jason. How are you, sir? How is the Washington DC metropolitan area?

[0:00:24] JR: Oh, that's good. I'm way out there out in Dulles. But the skies are blue, although I didn't fly, because I thought they would be gray and sad. Yeah, the airport's – there's allegedly an airport here in Dulles, though I see very few airplanes ever moving around this airport, very strange. When they say, United runs a heavily banked operation here, they really mean it. You'd be going an hour without seeing a single airplane here in a major international airport. It's very strange.

[0:00:51] IP: Then all of a sudden, there's 25 of them.

[0:00:54] JR: The last departure was over half an hour ago, and there's been nothing since. I'm just staring out the window waiting for something to glide by and just won't happen. But come 6.00 –

[0:01:03] IP: CRJ200.

[0:01:04] JR: - a line of airplanes.

[0:01:06] IP: There you go. Well, Jason's traveling this week. I'm traveling next week. Next week's episode will come to your ears, dear listeners, partially from the head office in Stockholm, Sweden. Looking forward to that. Lots of good stuff coming up and making the trip. I'll be sure to take some notes on my travels. I'm doing the Chicago-Copenhagen, Stockholm-

Chicago triangle this time around. Thanks to Flight Times and the fact that SAS only has a few days a week now, where there's a nonstop between Chicago and Stockholm.

[0:01:39] JR: Oh, that's sad.

[0:01:41] IP: I know. I was hoping that they would increase the frequency and then toss the A321LR on it, so we get to try it. Alas, is not to be.

[0:01:49] JR: Not meant to be.

[0:01:50] IP: Not this time around. Not yet anyway. A good show this week, some very, very not good things have happened and some good things are happening. It's a mixed bag this week. Some very interesting stories to get through. First, the worst news of all, the airspace in Sudan is now closed to commercial aircraft after fighting renewed between the regular army and the rapid reaction forces starting in Khartoum and working its way out. That happened over the weekend, fighting at the airport, unfortunately destroyed at least two commercial aircraft that we know so far.

Based on the images we've seen, also the Sudanese Ilyushin 62 government aircraft. Saudi Arabian Airlines had an A330 on the ground in Khartoum. That was HZAQ30. That was possibly struck by a rocket propelled grenade. The tail fell off and the aircraft burned. That's probably a write off. 99% sure on that one. Then Sky Up had a 737-800 URSQH. You may remember Sky Up from a previous episode.

[0:03:05] JR: Easy come, easy go huh.

[0:03:07] IP: Where we talked about, they were able to get one of their 737-800s out of Kyiv in Ukraine. Sky Up being a Ukrainian low-cost carrier that had aircraft trapped in Ukraine. The ones that weren't stuck in Ukraine from the start of the war, those have been operating on wet lease to a variety of airlines. This particular aircraft was operating for Sun Air, which is a Sudanese-based airline. There is another Sky Up 737 URSQA that's on the ground in Khartoum. No word on whether or not that aircraft has been damaged. As a result of this fighting, airspace over Sudan is closed to commercial aircraft. Not that many commercial aircraft

would take that risk even before it was closed once the fighting started. Aircraft began routing around the airspace.

Longer flight times. There were some diversions to refuel for ship and aircraft. Few Emirates flights had to divert to alternate airports to refuel before they could continue back to Dubai. An ongoing situation and one that devolved rather quickly –

[0:04:18] JR: Very quickly.

[0:04:18] IP: This was over the weekend. On Friday, it sounded like there was going to be a deal between the two sides. On Saturday, that was definitely not the case.

[0:04:28] JR: No. Like we said, Saudia lost one A330. They actually had another one, I believe, on approach to the airport at that time.

[0:04:35] IP: It was nearing final approach before they flew all the way back to Jeddah.

[0:04:39] JR: Yeah, thankfully. I guess, they got word from air traffic control on the ground there saying, “Hey, you already lost one aircraft. Maybe you want to turn around and go home.”

Thankfully, they were able to actually do that. But losing two A330s in one day would be a not great situation to explain to the insurance **[inaudible 0:04:55]**.

[0:04:56] IP: No, no. Especially having that information on hand.

[0:05:01] JR: Yeah, that sucks. Not good for anyone.

[0:05:06] IP: Last week, Jason and I made the decision to congratulate Boeing on a job well done in its first quarter.

[0:05:15] JR: We shouldn't have done that.

[0:05:17] IP: That was Wednesday.

[0:05:17] JR: That was a mistake. We realized that now, that we should never, never congratulate Boeing –

[0:05:22] IP: We should not have said anything.

[0:05:24] JR: Yeah. Well, we seem to have a jinxing effect, at least on Boeing. Whoops. All that good news we set up a last episode, you could forget about all that.

[0:05:35] IP: Yeah. I mean, everything we said still stands, except the part where Boeing is now firing on all cylinders, because now they're not. As it turns out, there's an issue with MAX 7 and 8 aircraft, not the 9, but it does include the NG-based P8 military version of the 737. That's the P3 replacement based on the 737NG. It's a frank complaint. You take a 737NG and then you make it into a P8. It's not like a one for one thing. This part is included.

On Wednesday, perhaps while we were recording last week's episode, Wichita, Kansas-based Spirit AeroSystems, which builds the fuselage's for the 737 notified Boeing that one of their sub-contractors, so one of the Spirit AeroSystems contractors had used a “non-standard manufacturing process,” making the heavy metal fittings that attach the vertical tailfin to the fuselage.

[0:06:45] JR: Yeah, that's not great.

[0:06:47] IP: Not great.

[0:06:48] JR: Boeing notified the FAA immediately after Spirit notified Boeing. Boeing conducted an analysis. The FAA agreed that it's not an immediate safety of flight issue. The tails aren't going to fall off. The vertical tail fin is not going to come off mid-flight, or anything like that. The issue with the fitting involves two of the eight points of attachment between the vertical tail fin and the fuselage. There's no immediate safety issue, but it's going to need to be fixed. Before Boeing can deliver any new 737 MAX jets that might be affected by this, they're going to have to fix them.

That, says Boeing CEO David Calhoun, will affect, and this was a weird number to use, but I'll go with it because that's what he said. He said it's going to affect 9,000 seats for our customers this summer.

[0:07:41] JR: That's an interesting number.

[0:07:41] IP: That number, 9,000 seats.

[0:07:44] JR: I guess if you take 9,000 seats divided by an average of a 180 seats-ish per airplane, that's about 50 airplanes?

[0:07:52] IP: Yes. It's about 45 to 50 MAX aircraft that will suffer –

[0:07:57] JR: 9,000 seats. Who speaks like that?

[0:08:00] IP: Boeing CEO, David Calhoun.

[0:08:02] JR: That is a strange way to put it.

[0:08:04] IP: Yeah. It looks like it's going to take a couple months to go back to the aircraft, make sure everything is as it's supposed to be and then they can deliver the aircraft.

[0:08:14] JR: It's going to hurt not having those 9,000 seats and/or about 45 to 50 aircraft coming this summer. Airlines are ramping up their summer schedule. They expected to have these aircraft. I know United and its earnings call this week specifically said that Boeing was actually, like we said, firing on all cylinders and actually delivering aircraft early. Who would have guessed? Whatever aircraft it had planned in its schedule for this summer, it's probably not going to happen.

[0:08:42] IP: Yeah. The affected number of aircraft, not just the number of deliveries that will be affected, but the affected number of total aircraft could reach up to 400. They know what the problem is. They know how to fix it, but we don't have details on how long it will take to fix each individual aircraft, but it could be as many as 400 total aircraft. That number includes the in-

service fleet, which doesn't need to be taken out of service right away. It sounds like they can do the rework during scheduled maintenance, but I guess we'll await an airworthiness directive if it comes to that, or at least a service bulletin.

[0:09:16] JR: Yeah. Not great that Boeing seems to get screwed by a sub-contractor yet again.

[0:09:22] IP: A sub-sub-contractor.

[0:09:24] JR: Sub-sub-contractor. That the issue would have only presented itself after hundreds of aircraft had been produced and delivered. Perhaps, there are some room to improve quality control, or inspections on their sub-sub-contractors. Yeah, it's Boeing, one of these cases where they just can't catch a break, where they themselves did not get it wrong, but someone, a company that they relied on to get the job done got it wrong. At least they notified them eventually.

[0:09:51] IP: Yeah. Especially since they used a non-standard manufacturing process, which is such a diplomatic way of saying, boy, did they screw up.

[0:09:59] JR: Yeah, that could mean anything from an improper formulation of an alloy, or maybe they used an aluminum screw, instead of a steel screw. I don't think we know those details, but using non-conforming processes, or materials could actually have a major impact on the lifespan, longevity, durability of an aircraft. You definitely don't want to screw that up. I can't think of any examples off the top of my head, but I know we've heard of issues like this in the past, I think around with some composites, where manufacturing was done with improper formulation, or improper procedures. It may take a decade to rear its ugly head, but when it does, it hits them hard.

[0:10:42] IP: Yeah. Hopefully, it's a quick fix and they can get the aircraft reworked and out the door sooner rather than later. This next story is truly a story. This came across as the US Department of Justice posts the one-line tweet, and then it's a link to the indictment. It had air cargo in the tweet and I was like, "Oh, that's interesting." Then I read the indictment and I thought to myself, "Oh, my gosh. This is a story."

[0:11:16] JR: The kind of story that can only possibly come out of New York City, right?

[0:11:24] IP: What happened, innocent until proven guilty. We'll stick there. What the Department of Justice alleges is that executives from Polar Air Cargo engaged in a decade long, multimillion dollar fraud with Polar's vendors and suppliers in a kickback scheme that enriched the Polar executives and the suppliers by funneling kickbacks and contracts both ways. They had side businesses set up. There were secret ownership interests in various companies. This whole thing was just dirty forwards, backwards, sideways, upside down, doesn't matter what. They made, the government says, more than 23 million dollars over the decade as a result of the fraud, and cost Polar more than 50 million dollars.

[0:12:29] JR: 52 million dollars to be precise. This was discovered in summer of 2021, so it's been a little minute. When polar discovered documentary evidence of the conflicted ownership, arrangements and kickback agreements. Somebody, probably ratted them out. Maybe they weren't getting their piece of the pie here, but this doesn't seem like the thing that goes on for a decade that they just stumble upon. Yeah, this was, you may never heard of Polar before, Polar Air Cargo, but they operate, I think, in some agreement with DHL and their aircraft **[inaudible 0:13:05]** all the time.

[0:13:07] IP: They're now owned by Atlas Air. Part of me wonders if as part of the sale process, to Atlas, they discovered this.

[0:13:17] JR: Could be. Could be forensic accounting, may have –

[0:13:21] IP: Somebody was doing their due diligence and –

[0:13:22] JR: **[inaudible 0:13:22]** in the company. Yeah.

[0:13:23] IP: Someone goes, "Wait a minute."

[0:13:26] JR: Yeah. There's all sorts of interesting things about selling cargo space on the aircraft, or holding, giving favorable contracts for cargo space and aircraft going out empty

seemingly, because they promised this space to other companies. Percentages of revenue earned as a result of this was going all sorts of – it's in the indictment, because it's –

[0:13:51] IP: I mean, it's not terribly long. The indictment's not terribly long. It's not very dense. It's just, these guys were enriching themselves and defrauding the company that they were supposed to be working for in a variety of ways. One of them was they gave the ground handling contract and warehousing to a company that had never done ground handling, or warehousing before.

[0:14:16] JR: That is classic New York.

[0:14:18] IP: That was Chicago.

[0:14:20] JR: What? No.

[0:14:21] IP: Yes.

[0:14:22] JR: Wow. Okay. Classic Chicago.

[0:14:26] IP: It was the warehousing in Chicago. It was great. It was great. Yeah, we'll put a link to the full indictment, because I mean, it's just incredible that they were able to get away with this for a decade. I'm using incredible in a variety of both literal and generally accepted terms, because I am a bit incredulous that they were able to get away with this for a decade. I guess, they were able to cover their tracks. Not entirely though.

[0:14:52] JR: Not well enough.

[0:14:53] IP: Yeah. One of the things is that one of the people charged was living in Thailand, and they went and arrested him in Thailand, and they're extraditing him. I thought that was – I'm like, good, good on you guys taking this seriously.

[0:15:04] JR: Yeah. Someone got a nice trip.

[0:15:07] IP: A couple of US marshals is like, "All right, I'll go get them." Or maybe the FBI. I'm not sure exactly who arrested him, but there you go. What's next? Oh, Fort Lauderdale is, well was underwater. That was a lot of water. Fort Lauderdale got nearly 30 inches of rain over a 24-hour period.

[0:15:28] JR: That's 76.2 centimeters, by the way.

[0:15:33] IP: Just completely flooded. Just completely flooded.

[0:15:35] JR: Yes. 76.2 centimeters of rain in a day. Insane. I know –

[0:15:41] IP: Could have landed a sea plane on the runway.

[0:15:45] JR: Easily. Yeah. South Florida is obviously well-known for their thunderstorms and the rain, and it comes and it goes. This, it's like a cloud just parked itself.

[0:15:54] IP: That's exactly what happened.

[0:15:56] JR: Specifically, the airport and just what loose, say they. Just cut loose and dumped pretty much a lake's worth of airport on Fort Lauderdale. I'm sure, Fort Lauderdale airport of any in the US has exceptionally good draining, because it rains there all the time. Whatever situation they had set up, even on their new runway, with their recently reconstructed runway, I'm sure, is state of the art drainage and pumping. But it was not enough. The airport, a major US hub for Spirit, at least, JetBlue has a massive hub operation there as well. The airport was closed for two full days, I believe, which is pretty remarkable, seeing it wasn't even a hurricane. It was just a thunderstorm that wouldn't go away.

[0:16:40] IP: It was just a heavy rain over the airport.

[0:16:44] JR: Yeah. Doesn't seem like any aircraft were lost. A whole lot of cars were lost, but no aircraft appeared to have been lost, because they're obviously a bit higher up off the ground, but it did make for some pretty dramatic images of, I think that resident 727 they have there just seemingly parked. The waters exceeded. Flight operations resumed with a little barren single-

engine aircraft taking off first. I don't know. Got to get out of there. It did create havoc a little bit for a bunch of flights, because this wasn't something you can really predict. You can predict it's going to rain, but you're not going to predict that the storm is not going to move for two days.

A lot of flights were caught off guard, one in particular that someone pointed out to me and that I get out to everyone else. They ran out of options. They were almost to Fort Lauderdale, and Fort Lauderdale was inundated and ended up closing. Then I'm sure, all of the other airports in the Florida region were overwhelmed with diversion. Miami, Orlando, Tampa, Jacksonville, they all filled up as well. A very rare case where a domestic US flight had to divert to an international destination in Nassau Bahamas, which is just operationally, I'm sure, a major headache, because you can't just take a plane full of domestic passengers that almost certainly don't have passports and let them into the country. They had to, unfortunately, hang out on the ground for a few hours and then they went back to Newark. All the way back to Newark after gassing up, which just got to be the worst possible outcome.

[0:18:16] IP: Just adding insult to injury.

[0:18:18] JR: Thinkable. Not only do you not get to go to your destination, but you have to go back to Newark. That's just insult to injury. Two days later, the airport opened up and I feel like this is not the last time we will see something of this nature occurring in South Florida in the near future.

[0:18:35] IP: You're probably right.

[0:18:37] JR: Unfortunately.

[0:18:37] IP: It's something that the airports, not just in Florida, but I mean, it's something that airports have been dealing with for a while. Flooding has become more common at a number of airports. A lot of older airports are built red on the water, because those airports were used by seaplanes and flying boats. Then, eventually were turned into the airports they are now. There's no shortage of airports, especially older ones, that may not have been purpose-built with rising sea level, or just dealing with water in general in mind. I think it's going to be really interesting. How those airports deal with the growing threat of just being inundated with water more often.

[0:19:27] JR: Yeah. I mean, I'm sure there's still stuff out at JFK that has not been fully repaired since Sandy. At least in this case, in Fort Lauderdale, it was fresh-ish water. It was just rain water, so it wasn't salt water, which is, if this was salt water in Fort Lauderdale, that would have been a whole other situation, because that just destroys anything electrical. It comes in contact with, corrodes it over years. Thankfully, this was just fresh water and pretty much when it recedes, you just repair whatever happened to short out, I guess, and move on with your day.

[0:19:59] IP: And move on they did. Hopefully, that doesn't happen anytime soon. This is a very interesting story, because hopefully after we talk about it, I'll have more clarity about how I feel about it. I'm curious, I'll say this from the outset, I'm curious to hear what our listeners think. Email us, podcast@fr24.com. Here's the deal. On February 26th, 2022, a day after Russia invaded Ukraine, a Russian Antonov An-124 operated by Volga-Dnepr Airlines landed in Toronto.

Canada closed its airspace to Russian aircraft, which meant that that Antonov An-124 was now stuck in Toronto. Fast forward a year later, the aircraft, or Volga owes \$300,000 to the Toronto airport in parking fees. As part of a new round of sanctions, the Canadian government is planning to seize the aircraft and transfer it to Ukraine.

[0:21:09] JR: Huh, that's interesting. We actually did have a listener email us this past week, asking to discuss this. Provide our insights. I really don't have insights on this. I'm not sure I agree with this move. I don't know the legality behind this, but it sure is interesting.

[0:21:29] IP: First of all, I don't know Canadian property law. I was going to say, well enough, but at all.

[0:21:39] JR: At all?

[0:21:40] IP: I was going to say, I don't know Canadian property law well enough, but that would give the impression that I am somewhat familiar with Canadian property law. I know that you can't own a moose, or maybe you can, but I'm pretty sure you can't.

[0:21:55] JR: You can't own a moose.

[0:21:57] IP: Moose. That's the extent of my Canadian property law.

[0:22:02] JR: We'll have to fact check to see if that's true.

[0:22:05] IP: Even that could be wrong.

[0:22:05] JR: There's got to be some laws around maple syrup, too. I don't know.

[0:22:09] IP: Obviously. We said, you can't move the aircraft, so then we're going to start charging you parking. Then we're going to seize it, and then we're going to give it to you. Morally **[inaudible 0:22:19]** with this. But I'm interested to understand the legal framework that gets this done.

[0:22:30] JR: I feel like he said, maybe a questionable precedent as well. I'm not sure we want to see other countries do the same thing. I don't know, if another country that doesn't agree with US policy knows that a US aircraft has diverted to their country for whatever reason, then suddenly, they close their airspace to the US, and that aircraft is now unrecoverable forever. I don't know. We have not done the research to know if something like this has happened before. Probably has. Maybe it hasn't. I don't think I agree with this move.

[0:23:03] IP: Yeah. If you have insight into the legal framework here, please, please, please email us, podcast@fr24.com. Or if you just have thoughts on what's happening here, we'd love to hear those as well, and we can incorporate that into next week's show.

Let's talk about some airlines that are doing – actually, no. Let's stick with Ukraine and Russia real quick, because we do have one story that relates to what we talked about a few weeks ago, where Russia sent an A330 to Iran for maintenance. This week, Belavia, the Belarusian airline, announced that they have now been certified by the Russian authorities to perform maintenance on Russian airlines' aircraft themselves. Belavia, obviously, operates multiple fleet types, Boeing aircraft, Embraer aircraft. Certainly, they have experience working on these aircraft.

Getting the parts, I guess, will be interesting to see how they do that, but they say that they've been certified for regular line maintenance all the way up through D-Check. It'll be interesting to see how that all works out. Good luck to them. Look for, I guess, Russian airlines to begin sending their aircraft there for maintenance as well.

[0:24:29] JR: All right. Belavia was also sanctioned by the EU, right? Their fleet has been more or less not in Europe at all for the last year, if I recall correctly?

[0:24:38] IP: The sanctions on the Belarusian aircraft, those stem not from the Russian invasion of Ukraine and Belarusian support of that, though they have done that. The initial sanctions on Belarusian aircraft began after the forced landing of a Ryanair flight. When there was a Ryanair flight flying from, I believe it was Athens to one of the Baltic states, either Latvia, or Lithuania, and they were nearing their destination, and the Belarusians faked bomb threat, and then forced the aircraft to divert to Minsk, which was much further away than – can't remember whether it was Riga in Latvia, or where the aircraft was destined to. But Minsk was much farther away than their intended destination. That's where all those sanctions come from.

[0:25:34] JR: Right. I feel like, Iran might just be the better choice for maintenance on these aircraft, since they have so much experience with these particular aircraft in these exact situations. I guess, Belavia will be able to source the parts that Aeroflot and the other Russian airlines need as well. I don't know. I'm sure they'll take any option they can get right now.

[0:25:54] IP: Speaking of running an aircraft and sourcing parts, Mahan Air has inducted its first ERJ-145 into service this week.

[0:26:02] JR: Dare I ask, how the aircraft arrived?

[0:26:05] IP: No idea. Still don't know the MSN. But as soon as I do, I'm going to – I'm looking into it now. But I saw yesterday, we got our first image of the aircraft into the jet photos catalog. Still trying to find out exactly where it came from. Yeah, now they have an ERJ-145.

[0:26:23] JR: Well, I'm sure it was just happen to –

[0:26:24] IP: Surprise.

[0:26:26] JR: - flying over the country. Had a surprise mechanical issue and whoops, now I'm Mahan Air aircraft.

[0:26:33] IP: It fell off the back of a C-130. Yeah. I don't know. But I do want to find out where it came from. Okay, now we can talk about some airline stuff. In the age of state-owned airlines seeking privatization, or governments seeking to get rid of their state-owned airlines, first on tap is Tap. The government of Portugal is nearing a sale of tap. All of the big three European airline conglomerates are interested in the tap sale. IAG being the loudest showing interest. Lufthansa Group and Air France KLM also are interested in purchasing Tap.

Portugal for its part says, IAG is probably not the way that they want to go, given Iberia's close Madrid hub. They think it could negatively impact Tap's Lisbon hub, so that would leave Lufthansa Group. Tap already being in Star Alliance, perhaps that makes the most and easiest commercial sense, but Air France KLM for its part also interested in purchasing Tap. Jason, I know you love Tap. It's your absolute favorite airline in the world, so I'll defer to you for any –

[0:27:52] JR: More dangerously, we seem to be inching ever closer to just there being one airline in Europe, two airlines between ITA possibly going to Lufthansa Group and Tap maybe going to IAG. That certainly feels like consolidation and Western Europe is running amuck at this point. We're going to end up with just three or four major airlines and then also appearing the ULCCs that pick up the scrap. Not pick up the scraps, but pick up the more cost-conscious customers, but really not liking this level of consolidation, because we've seen it here in the US. Once you head that way, it's very difficult to undo that.

[0:28:34] IP: Yeah. Until it's undone in a major way, and that's all kinds of badness in its own right. It'll be interesting to see what happens, but it sounds like Tap's going to go the way of one of the big three at this point. On a different note, at least so far, Air Malta will be dead by the end of the year, but then it'll be alive again the next day.

[0:28:56] JR: Wait, I've heard this story before.

[0:28:58] IP: I know. Air Malta is going to Poland Alitalia, where they're most likely going to Poland Italia. Air Malta is state-owned. They've already received government funding. They requested more. The European Commission is looking at this saying, "Well, you've already got money. If we give you any more, if you get any more from the Maltese government, it'll be breaking all types of competition rules." They say, "Okay. Well, what about what Italia did where it's basically the same airline with the same people, the same planes, the same everything, except we'll call it a different name and start up the next day?"

It sounds like, that's what they're going to do. By the end of the year, it looks like Air Malta could be dead, and Air Maltas, Maltese, I don't know, whatever they were going to call it, it'll be back the next day. One of those, no, of course, we're not the same airline. How silly.

[0:29:51] JR: They can't just flip the words around, because it's already a Malta Air, like a subsidiary of Ryanair that doesn't even really operate any flights, or something. It's just a holding corporation. I don't know.

[0:30:02] IP: It does. No, no, no. They've got planes. They've got planes. They operate flights. They're not necessarily all to Malta, but they've got planes in a livery.

[0:30:10] JR: They're pretty much all not to Malta. It was interesting that Malta Air – wait. Sorry, who are we talking about here? I'm already getting my –

[0:30:17] IP: Air Malta.

[0:30:18] JR: Air Malta. Air Malta a couple years ago, I guess, during COVID went full low-cost carrier. They went from having free meals to having you pay for meals and charge them for all this and that. They at least, they made a concerted effort to write this ship and cut costs and increase profits. I guess, it's unlike Alitalia of old that never really actually tried that. Air Malta did try it, then I guess, it just wasn't enough. The European Commission said, "Okay, you're done."

[0:30:49] IP: It'll be interesting to see what new name they choose and what new livery they choose.

[0:30:54] JR: Air Malta 2.

[0:30:57] IP: Airs Malta. Austrian, no real surprise here, but we now have firm plans. Austrian Airlines is getting ready for its 787s. It's going to take delivery of 10 787-9s. We're still waiting for the official word on the narrow body order that they're going to use to refresh their fleet. That will be, I assume forthcoming, but 10 787-9s for Austrian to replace, finally, a lot of their aging aircraft.

[0:31:30] JR: Yeah, Austrian's got one of the probably oldest fleets of any of the major European airlines looking at plainotters.net, the average fleet page is 17.2 years. Their 76 is to no surprise, are up there in the 20s. Their 321's average age is 25 and a half years old. Yeah, their 777s, 22 years on average. It's like the boneyard of the Lufthansa group at this point. Good to see that they'll finally be getting some, let's say, more modern, less geriatric aircraft in the near future.

[0:32:07] IP: Less geriatric aircraft. Yeah, their youngest A320 is nine-years-old. Their oldest A320 is 23-years-old, 25-years-old.

[0:32:20] JR: That's not terrible. I know Lufthansa proper has them that are over 30. The original A320, I think.

[0:32:27] IP: Yeah, there you go. Their A321, their oldest A321 is 27-years-old. That's got to be one of the original A320s, or A321s.

[0:32:40] JR: Yeah. Lufthansa, as I mentioned, they have one A320 still in service that is now 30.3-years-old. Yeah, Lufthansa group, they've got some conkers.

[0:32:51] IP: It's not going anywhere.

[0:32:51] JR: No.

[0:32:53] IP: That one is just going to stick around forever. I just had a moment where I thought about how long ago – You know when you think about, when you say the number 27-years-old

sounds like a long time ago. But then when you look at the year and realize that 27 years and four months ago is 1995 and you go, "That doesn't seem that long ago," in comparison to my frame of reference. That's how I know I'm getting old right there.

[0:33:22] JR: Yes, that was a long way to get around to just saying, we are both now old.

[0:33:28] IP: Let's end the show with this bonkers statistic and we can figure out whether or not it's feasible, or if this is just some good marketing on their part. Turkish Airlines wants to double its fleet size over the next 10 years. They currently have 300 – more than double really. They currently have 390 aircraft in their fleet and they want to go to 435 by the end of the year. By 2033, they want to have a total of 800 aircraft in their fleet, including 200 for the low cost AnadoluJet, which is not quite its own airline, or not – it's definitely not its own airline at this point. But by then, will most likely be a separate airline separate from Turkish Airlines. Right now, it's just the service and the paint, but it's still Turkish Airlines as far as the technical aspects of it are concerned. By then it will likely be its own airline. That's a lot of planes.

[0:34:31] JR: That's a lot of aircraft. We'll have to see if Airbus and Boeing can even feasibly deliver just that amount of aircraft to Turkish Airlines, a little on the entire industry, but at this rate, yeah, some very ambitious plans for an airline that is already quite large and serves probably, what do they say? More destinations than any other airline in the world?

[0:34:54] JR: Yeah. I think Turkish has the most the most varied route network in the world. Doubling the fleet size, they also want to double the number of passengers carried. In 2023, which is this year. This year, they've got a passenger capacity of about 86 million passengers. They want to go all the way up to a 170 million passengers in 2033.

[0:35:23] JR: Well, they got that mega airport there and it's –

[0:35:25] IP: They're just doubling everything. They also want to double the cargo operation. They want to just double everything.

[0:35:31] JR: Sure, why not? Hopefully, they can improve some of their backend technology processes before they decide to double their size, since I know, historically, Turkish Airlines has

a tendency to fall over sideways anytime it snows, or rains heavily, or is windy in Istanbul. Maybe they can look within to improve some things before they start taking a bazillion new aircraft from Airbus and Boeing. Who knows –

[0:35:56] IP: The icing procedures maybe as well.

[0:35:59] JR: Yes, them and Southwest.

[0:36:01] IP: Do you remember that from a few years ago?

[0:36:02] JR: The one in, what was it? Iraq with the water –

[0:36:05] IP: No, no, no. It was Turkish Airlines. It was an outstation in Turkey. It had snowed and then they had taken an office water cooler bottle.

[0:36:14] JR: Yeah, that's what I'm talking about.

[0:36:16] IP: Yeah, yeah. It was Turkish Airlines and it was an outstation. It wasn't Istanbul, but it was an outstation in Turkey and they just rolled it down the wind.

[0:36:22] JR: That's the one where they dropped the big water jug and it rolled all the way down the wing and hit the fuselage. I remember that. That is surprisingly not an authorized deicing procedure.

[0:36:32] IP: Not an SOP. No.

[0:36:35] JR: Even if you're doing the best you can with what you have available, don't do that.

[0:36:39] IP: Just park the aircraft in the sun at that point and call it a day. Here's the thing, even if they don't double in size, even if they only grow by 50%, that's still a really big airline.

[0:36:54] JR: Yeah, yeah. I have nothing to add to that. That is just a fact. It will be a mammoth airline.

[0:37:01] IP: It says a lot about the market and the ability. I mean, if they can pull that off, I think it says a lot about where Turkey's positioned itself and where Turkish has positioned itself. Because when we talk about these crossroads airlines, we talk about Emirates, we talk about Etihad to a much lesser extent these days and we talk about Qatar. We've had this conversation before, if not on the podcast, then at least among ourselves, where Turkish is really well positioned and really acts as a transit airline. I think, it gets short shrift sometimes, because it almost markets itself less as that than Emirates and Qatar, but almost acts more based on their short-haul proximity to Western Europe.

[0:37:56] JR: Yeah. Don't forget, this expansion plan at Turkish is also in addition to everything else that every other airline is doing. It's not like Emirates is going to get smaller next week. It's not like Saudi Arabia is probably not going to turn around on its plan to open an entirely new, completely focused airline on connecting passengers. It'll be very interesting if Turkish is actually able to come through with these doubling the size of its own airline, considering all of the external market forces of all of the other airlines in the region, not just continuing to do the same thing, but also expanding and spinning up entirely new airlines focused on doing the exact same thing.

[0:38:38] IP: Yeah. I mean, with Riyadh Air, that huge 787 order and from what it sounds like, and we'll talk about this when and if it does actually happen, but it sounds like they're also talking to Airbus now as well. Airbus is gearing up for an order from them as well. I mean, just these massive airlines. I know that there's forecast growth, but is this realistic? I mean, I don't even want to ask, they have a discussion about the sustainable question, because the answer is no. I mean, pure and simple, the answer is no.

This growth, even realistic long-term. Because planes don't get delivered overnight and growth doesn't happen overnight. You can say whatever you want, I guess, is my point here. You can say, we're going to grow – I'm going to grow the Petchmo Air fleet over 10 – I'm going to double the fleet size from zero –

[0:39:29] JR: It's going to be the world's largest airline in no time.

[0:39:32] IP: Zero plus.

[0:39:33] JR: We will have to wait and see.

[0:39:35] IP: I don't want to wait and see. I'm tired of waiting and seeing. I want to know now.

[0:39:40] JR: Oh, life is all about waiting and seeing. We can't –

[0:39:42] IP: I know. Okay, let's call it an episode then and we'll have more to talk about in a future episode. Thank you, everyone, for listening. We really, really appreciate it. If you have enjoyed the podcast, continue to enjoy multiple episodes of the podcast, or have a bone to pick with us, let us know by emailing us at podcast@fr24.com. If you're so inclined, we would love for you to leave a rating and review. It helps other people who may have not heard Jason and I talk before. Make a decision whether or not they want to click that download button, subscribe or play. Wherever you get your podcasts, please let other people know through a rating or review. We greatly appreciate it. This has been episode 212 of AvTalk. I am Ian Petchenik, here, as always with –

[0:40:33] JR: Jason Rabinowitz. Thanks for listening.

[END]