

EPISODE 304

[EPISODE]

[0:00:07] IP: Hello and welcome to episode 304 of AvTalk. I am Ian Petchenik, here, as always with –

[0:00:16] JR: Jason Rabinowitz. How's it going, Ian?

[0:00:19] IP: It's going well, Jason. It is bitterly cold here in Chicago.

[0:00:22] JR: It is bitterly cold here in New York and it's bitterly cold in places that probably isn't supposed to be bitterly cold, but we'll get to that.

[0:00:30] IP: No. Yeah, it is quite something. It has been well below zero in the past couple of days. We're above zero today, but still below freezing. For our folks in the rest of the world that use the Celsius scale, it's been between minus 16 and minus 14 here the past couple days. That's been fun. But staying nice and warm and planning where to go when it's good to leave the house again. You, sir, did in fact leave the house. If I'm spoiling anything, I apologize, you acquired a house, or two.

[0:01:09] JR: I did. I may have acquired a house in the summer home, because I finally flew a KLM business class for the first time. Finally, got one of the Delft blue, or two of the Delft blue houses. I asked for a second one and they said, "Sure. Why not?" That was exciting. Never had the opportunity to do that.

[0:01:27] IP: Through your travels, you got to enjoy the European fog that has beset many of the airports for weeks now. I mean, this has just been ongoing for weeks.

[0:01:39] JR: It won't stop. Yeah. I flew New York JFK to Glasgow, Scotland via Amsterdam. My way there, actually, I had a pretty long day. It took me 22 hours to get there. One should have been more like, I don't know, nine or 10. Not the fault of the fog in Amsterdam, but the fault of operational shenanigans here at JFK, which always seems to be the case. It was one of those

things where like, a small thing happens, which leads to another thing, which leads to another thing. Then, oh, it's snowed in infinitesimally small amount, but now you need to go get deiced. Two hours later, we're finally on our way and I missed my connection in Amsterdam. Let me tell you, when we on a Delta A330-900neo touched down in Amsterdam, I did not know we were landing, until about five feet above ground. It was quite the scene there.

[0:02:30] IP: Yeah. I mean, it's been affecting Amsterdam, especially and airports all over Europe for just weeks now. Massive numbers of diversions, delays, cancellations, long holding. It has not been a great start to the year as far as efficient and on time operations go, but I'm glad it all worked out.

[0:02:51] JR: It's really bad, at least a week solid there of 100 to 200 level ceilings at best. Thankfully, it's just above the freezing point there, because the only thing worse than a dense fog is a dense freezing fog, which is not good for anyone. Really, hats off to the people at Amsterdam, the nearby airports and air traffic control through the whole region. Because even through that, they're really managing to churn arrivals into Amsterdam and the other airports with somewhere between 30 to 120 minutes of delay, rather than outright canceling everything and say, "Come back tomorrow." Because tomorrow is going to be just as bad.

[0:03:31] IP: More and the same.

[0:03:32] JR: Yeah. I did have a flight cancel on me while I missed my connection, but then the next departure to Glasgow canceled, so I actually ended up flying into Edinburgh instead and taking the bus over, which is you got to do what you got to do. Man, even I was sitting, I had an almost four-hour layover yesterday in Amsterdam and just looking out the window, you could barely see the aircraft in the next gate over. I've never seen fog like that before.

[0:03:57] IP: This isn't actually the weather that I thought we were going to spend time on. We're going to get to the more unusual weather. But I did want to talk about your trip, because you did something that I have not yet done, that I very much wish to do.

[0:04:09] JR: Oh, yeah.

[0:04:09] IP: You flew one of the very special flights out there.

[0:04:13] JR: Yes. I have now been on commercial flights and have landed, obviously, on some form of pavement, also water and grass. Now, I've taken the flight, because I believe there is only one in the world that lands on a beach, on a sandy beach. Not adjacent to the beach. On the beach, Ian. That would be the Loganair Twin Otter flight to Barra Island in Scotland. That was a fun day.

[0:04:42] IP: I'm not jealous. Not jealous.

[0:04:44] JR: You should be. But you should also go. Yeah, I went with the dot signs and destinations podcast crew. Shout out to them. Thanks for the invite and having me along for the second year for their annual January shenanigans, somewhere cold and rainy. It was a lot of fun. Well, we initially had planned to spend a couple hours on Barra, but Loganair had canceled the earlier flight, so we did a very quick out, go to see the cute little airport building, which is really nice and then turn right back around. The Loganair Twin Otter was not only unique in landing on a beach, but also, has a fully glass cockpit on a Twin Otter, which has got to be rather unique as well.

[0:05:24] IP: I mean, they know how to do it right is what I'm saying.

[0:05:26] JR: Right. It was really fun. I got on the flight there. I had a front row seat. Maybe we could link to my YouTube video of the landing, because it was fun. I talked to the captain before we departed and said, "Hey, how's the weather? Because it was due to be quite windy." It was interesting that the wind isn't really an issue there, because they can land in virtually any direction, because there's no runway at the beach. What I was told is that it was optimal tidal conditions for our arrival and that the water was way out, so we had a lot of beach to work with. It made my brain fritz out a little bit when he said that.

[0:06:02] IP: You're like, "Wait, wait a second. I'm not used to checking tidal charts for an approach."

[0:06:06] JR: No. But that indeed they do. There's runways. I mean, they have designated runways and numbers and signs out on the sand. But they can land in pretty much any direction, which is interesting. Yeah, they actually have to worry about the tides.

[0:06:20] IP: I mean, it makes perfect sense.

[0:06:22] JR: Yes.

[0:06:22] IP: Yeah. We'll toss a link to the video in the show notes. The weather that I did want to talk about, because it is so unusual is the massive winter storm making its way across the southern US. It really impacted Houston on Tuesday. The airport was closed for 24 hours. Actually, both Houston airports were closed for 24 hours, both Bush and Houston Hobby were closed for the entire day, because the city got roughly three inches of snow. But when you're not equipped for really any snow, three inches is a lot of snow. That storm continued to work its way east, or continues to work its way east. By the time the podcast comes out, New Orleans, Louisiana is slated to have upwards of four and a half inches of snow on the ground.

[0:07:16] JR: Ooh, around these parts that is fairly insignificant. But New Orleans, four and a half inches of snow, that's something. I wanted to read this very funny national weather service posting from Mobile, Alabama that a buddy of mine, Phil Nickinson posted on Blue Sky, some excerpts out of it detailing now what happens. Basically, this is uncharted territory. The quotes from them are, they're talking about the weather, what happens. The quote is, which then leads us to our next situation. What the heck is going to happen to all of this snow? They don't know. They've never had this level of snow. What happens when it melts? They go out to say, "Given this historic storm, we are in some way, figuring things out as they happen, given we have never experienced this." It ends with saying, "Don't worry, we will eventually thaw." That is official guidance from the National Weather Service in Mobile, Alabama, reassuring people that –

[0:08:11] IP: All right.

[0:08:12] JR: - it's snow. It will thaw. It will melt. It will go away and things will be back to normal soon.

[0:08:17] IP: All right, then.

[0:08:18] JR: It's true.

[0:08:18] IP: There you go.

[0:08:19] JR: We've experienced it here in the Northeast many times.

[0:08:21] IP: Yeah. Many places around the world, it snows and then thaws out.

[0:08:24] JR: Then it goes away.

[0:08:26] IP: How about that? All right. Well, disruptions along the Gulf Coast throughout the week, but things slowly getting back to normal. I did live up to the stated editorial policy of FlightRadar24. It's one that I made up, so I suppose I should live up to it that we do, in fact, reshare any video, or photos of snow clearance shared by an airport. Houston shared some video yesterday, so that has been duly reshared. I'm living up to my end of the bargain. I think the folks on social media who are holding us to that by sharing that footage with us to make sure that we see it and can reshare it. Because I will never pass up a good snowplow.

We now go to an update at Muan Airport, which will remain closed until at least mid-April now, as the airport undergoes work in progress, according to a NOTAM. That work in progress includes both the complete removal of all the wreckage from the crash 737, but also replacing the ILS localizer array. One can only assume that they're going to rebuild it a bit differently when it's put back up.

[0:09:39] JR: You could only imagine.

[0:09:41] IP: This comes after we talked last week about the fact that nine instances of ILS localizers across seven airports in South Korea have similar designs, so it's unclear if any of those will be reconfigured in the near future, or if that's a longer term project.

[0:09:59] JR: Surprising, that's going to take this long to reopen the airport, because it doesn't need an ILS system to operate, but I guess, they want it.

[0:10:07] IP: I'm not sure exactly. They haven't said exactly why it's going to take so long to reopen the airport. But I guess, we'll see what they end up doing as we near the reopening at the airport. The Boeing 777X is finally back in the air. This comes after the damaged thrust links were discovered on all of the 777X test aircraft. This was discovered after an August 15th flight by the number three flight test vehicle, N779XY. Then, they subsequently checked all the other aircraft and found either severed, or broken thrust links on the engines. Those have apparently all been repaired as they've worked through a redesign on that particular part. Now the aircraft is flying once again. It has flown twice now, the 16th and the 19th of January. That's progress.

Boeing for its part has not really said much of anything, but about what they did to solve the issue, but they gave a non-answer answer of we continue to work towards certification of the 777X, which will now hopefully, be delivered to the first airline customer in 2026. I'm not sure how many years now, Jason, delayed, we are. At least six?

[0:11:38] JR: There's no way to calculate it, but I guess no news is good news. No word is good word from Boeing. Just keep going, focus on it.

[0:11:46] IP: Keep on going. Yeah.

[0:11:47] JR: Fingers crossed that there's nothing else, because I know there are a number of airlines who would really like this airplane one day.

[0:11:53] IP: Yes. Maybe they'll eventually get it.

[0:11:56] JR: Maybe.

[0:11:58] IP: Boeing for the 737-7 MAX and 737-10 MAX has requested an additional temporary exemption. This is one of those time limited exemptions from federal regulations regarding the certification of aircraft. This is related to the stall management yaw damper system on those particular aircraft, saying that it needs an exemption from the now current, but recently revised

standards in order to certify the aircraft, because they are working on the updated angle of attack system that will be available in the 737 MAX 7 and 10 initially and then retrofitted to the 8 and 9. This is part of the software and hardware fixes that are coming to the MAX family after the two crashes in 2018 and 2019.

These are planned enhancements that Boeing has been working on. If they don't get an exemption for this, they have to redesign the angle of attack system differently. Boeing saying that there's no impact on safety here, it's an equivalent level of safety, it just doesn't align with the standards that the FAA has laid out. This is one of those things where it doesn't sound like the fix is a less safe fix. It's just a different way of getting to the same system.

[0:13:39] JR: All right. Whatever they got to do, with the 777X here, just I want it to be done with already. This airplane's going to enter service. It's going to be certified at some point. I just want to stop talking about it.

[0:13:53] IP: Yeah. I would like to talk about the airline's taking delivery and going on from there.

[0:13:59] JR: I guess, this is progress. This is something good. But man, this is just such a silly thing at this point.

[0:14:06] IP: We'll get there eventually, right?

[0:14:07] JR: We'll get there. Yeah, we've got more silly things to talk about.

[0:14:10] IP: We do. How about Lufthansa and ITA Airways?

[0:14:14] JR: That's the silliest of silly things.

[0:14:16] IP: Lufthansa, for reasons I'm still not quite sure, has finalized –

[0:14:22] JR: They know. They must know. They're the only ones.

[0:14:26] IP: Has finalized its acquisition, or major investment in ITA Airways, spending upwards of, let's see, more than 300 million dollars for a chunk of the Italian carrier. They're moving forward. There were some interesting graphics put out that relegated Brussels Airlines to what seemed like a background role. It's like, "We've got ITA now, and you can go away."

[0:15:01] JR: That feels like, Brussels Airlines has always been the also ran with the Lufthansa group. I think, like it's Air Dolomiti, Brussels and Edelweiss is also there somehow in the Lufthansa group. It's just, yeah, poor Brussels.

[0:15:14] IP: They're just hanging out. But they now have a fifth network carrier and a sixth hub, that being the Lufthansa group. This all plays into the background of the investigation by the European Commission of the Lufthansa Group's joint ventures. We'll see how this all fits together at some point. But good luck to them. Maybe they'll see reason and bring back Alitalia.

[0:15:41] JR: We talked about this already. Alitalia branding is still there, front and center with ITA. It is certainly not forgotten.

[0:15:50] IP: It is not. An interesting development, not entirely unexpected, but Lufthansa Group has also allocated the 737 Max order to get rid of Eurowings' ancient A319s and A320s. This will include 40 aircraft being delivered between 2026 and 2032. Big points here for getting rid of those elderly aircraft. But as far as Lufthansa, or Eurowings is concerned, it also enlarges its fleet because that's an extra 40 seats on the MAX over the A319s.

[0:16:31] JR: Yeah.

[0:16:32] IP: Not bad.

[0:16:33] JR: Or at least Lufthansa Group says the delivery of the first one will be in 2027, actually. Maybe it's already delayed since the first time you read.

[0:16:40] IP: Sorry. My apologies.

[0:16:42] JR: Yeah, things move fast. 2027, 40. It's the 737 MAX 8. Of course, this is from the larger master Lufthansa Group order, but they didn't specify at the time where these aircraft will actually be going. Now, that's finally happening. They're divvying out these aircraft, and 40 of them, we know for a fact now will go to Eurowings to replace its elderly, like you said, 319 and 320 fleet, which honestly, they're not that old. The average age of the Eurowings fleet is only 12.7 years. It's not Delta old, but some of these aircraft are getting there.

[0:17:20] IP: To be fair, I'm not referring to the actual age of the aircraft, because as regular listeners of the podcast know that the age of an aircraft is really irrelevant, and that's the next story we'll talk about. The age of the aircraft is really irrelevant to the operations. That being said, if you don't necessarily love the interior as much as you should, you end up with the Eurowings A319 fleet.

[0:17:44] JR: Oh, yeah. I don't know if you're going to love the interior of the MAX much more than you do.

[0:17:49] IP: No. But it'll be a new thing to not like.

[0:17:53] JR: Sure. You got that right. It'll be an even narrower thing to not like.

[0:17:58] IP: Exactly.

[0:17:59] JR: Yes, that is it. I think Lufthansa still has a whole lot more MAXs to divvy out. 40 is not all that many, and it certainly doesn't replace the entire Eurowings fleet. That's for sure. They have far more aircraft than that.

[0:18:13] IP: Yeah. That was, yeah, just the oldest ones.

[0:18:15] JR: To taste.

[0:18:16] IP: Yeah. There you go. Speaking of old aircraft, this is an exciting story, because I'm glad it's finally happening. Lufthansa Technik has completed assembly and restoration of the Lockheed Starliner that began in the mid-2000s, early to mid-2000s. The project kicked around

between various – the actual airline and then people working for the airline starting in 2007. It went on for over a decade and nothing really happened, because it was so incredibly expensive to try and get this aircraft back in the air. They said, “We're not going to do that, but we are going to restore it and we'll put it on display.” The restoration has been completed and they rolled out the aircraft this week in Hamburg with a bunch of other elderly ground equipment surrounding it.

[0:19:22] JR: Yeah, that picture is great. There's like a –

[0:19:24] IP: Which is just fantastic.

[0:19:24] JR: - a tractor in the front, a VW bus, the original one, probably a fire truck. But they missed all the way away in the back, there's a modern Peugeot ramp vehicle. Come on.

[0:19:36] IP: Follow me car just hanging out back there.

[0:19:38] JR: You were so close.

[0:19:40] IP: A little bit of, hey, can you move, please, would have gone a long way. This particular aircraft will eventually end up in Frankfurt for the celebration of Lufthansa's Centennial, which is taking place next year. The Starliner, which is the upgraded version of the Lockheed Constellation, will be on display with the Junkers Ju 52 at a conference center, which I'm not exactly sure if that's just a general conference center in Frankfurt near the airport, or if it's something specific to Lufthansa Group's conferences. Hopefully, in any case, the aircraft will be easily accessible and viewable. But it needs to go off to Munster for paint first. Then they're going to – not that they've assembled the thing, they're going to take it apart again, ship it to Munster, paint it and then ship it to Frankfurt. Then it'll be on display by October of this year, ahead of the Centennial celebrations.

[0:20:46] JR: Yeah, I found that funny. It says, they painstakingly put together this aircraft precisely assembled. It was their words. Now, they have to take it apart. But they're taking it apart in bigger chunks.

[0:20:57] IP: Precisely disassemble it.

[0:20:58] JR: Yeah, and precisely disassemble it and put it back together. They do say in larger segments, so they're not going piece by piece. But I do love that they're also putting an interesting twist on the cabin on the inside. They say, the cabin is based on the style of the 1950s, but with modern technology. The seats, for example, come from an earlier, I'm not going to say it, Ian, of all of the aircraft in the world, that could possibly be appropriate for the Lockheed L-1649A, what seats would you put on from what other aircraft?

[0:21:29] IP: I mean, I would do my best to find seats that were age appropriate, or if I've gone through all of this trouble of restoring the aircraft, I would just manufacture new seats that were appropriate.

[0:21:40] JR: Best we could do is an A340 with a reupholstered wine-red leather seats. That'll be pretty cool. Basically, they yanked some seats off an A340 that that's probably out of service and reupholstered it, which, hey, that'll work, I guess. It's just, wow, an A340 mixed with a Lockheed super. Wow.

[0:22:03] IP: They're good for something.

[0:22:04] JR: Okay. You said it. As long as it's an A340-300, you're a lot –

[0:22:08] IP: I'm sure that's where these came from. I'm sure that's where these came from. I would never say such things about the 500 or 600. Never.

[0:22:15] JR: Ooh, the 500. Yes.

[0:22:18] IP: Yeah, I'm looking forward to seeing how they've done it. Also, worth mentioning is that everything works. I mean, you can't fly the aircraft, but all of the controls are functional. I don't know. You'll be able to move the rudder if you sit in the flight deck. I think you could do that.

[0:22:33] JR: The lights work. Yeah, it'll be parked next to the Ju 52, which unfortunately is no longer airworthy. I believe, both of these at some point, the J 52 was only grounded somewhat recently in the last few years. But at some point, the Lockheed, it was the plan to get this thing airworthy and flying, for both of these aircraft.

[0:22:55] IP: I think the original plan was – so, they founded this aircraft in Maine, and I think the original plan way, way back when was to rebuild it and then fly it across the Atlantic.

[0:23:07] JR: Yup. It is obviously prohibitively expensive to do any of that. Both of these aircraft will be in good shape, but grounded.

[0:23:15] IP: It'll be fun to see, but that's all you'll be able to do. Following up on last week's discussion about a recently announced merger between two lessor, aircraft lessors, we have news that Avalon has completed its acquisition of Castlake. This is a completely separate transaction from the one we talked about last week. But this one is now complete. That adds 106 aircraft from Castlake to Avalon's portfolio, bringing the total number of aircraft under ownership, or management to 665.

Then now combined lessors also have an order book of 465 aircraft ready, or not ready, but will be delivered in the future. That's not an insignificant number of aircraft. It's not insignificant that we continue to see consolidation among lessors, larger lessors picking up smaller ones and increasing the size of their order book, which is a bit interesting, because there's an interesting quote from the folks at Avalon, basically saying, "This is really good for us, because there are a lot of airlines who didn't order enough aircraft and we're going to be able to charge them higher rates." I'm paraphrasing, but that's basically what they're saying. They used much more financial speak and I'll quote them. "Order books have consolidated around a smaller number of lessors who will benefit from higher placement returns as under-ordered airlines compete for scarce aircraft."

[0:24:45] JR: Under-ordered. That's tough, because even if you're not an under-ordered airline at this point, there's probably a good chance you have fewer aircraft than you're supposed to have right now.

[0:24:55] IP: Yeah. We can talk about that in context with the recent NTSB final report coming out about the United Airlines 767 hard landing that happened in Houston in 2023. This was a hard enough landing that the fuselage buckled, and United repaired the aircraft. This happened on the 29th of July of 2023. The aircraft was repaired enough to be ferried to Wilmington on the 23rd of December. Went to Lake Charles in March of 2024 and returned to service on the 27th of March. This is the oldest aircraft in the United fleet and it's still kicking around.

I mean, just keeping around as many aircraft as you possibly can, including aircraft that have been physically damaged, what the NTSB determined was not great landing skills on the part of the first officer.

[0:25:58] JR: Yeah. The 767 has a habit of this with the skin buckling, wrinkling thing. But is United to become the new Delta? And no aircraft left behind.

[0:26:09] IP: Absolutely not. Keep them all in. Keep them all in the fleet.

[0:26:12] JR: We always joke about Delta being able to fix anything out there. Even things you would think are well beyond the point of saving. But United also, kind of doesn't have a choice in the matter right now, does it?

[0:26:24] IP: They do not. They repaired the aircraft and it's been back in service. It's currently in the air right now on its way back to Houston. The aircraft touched down multiple times. The nose wheel came down at 1.4Gs the first time. The entire aircraft bounced. It came down again at 1.6Gs. The first officer applied thrust reversers, which automatically activated the speed brakes, which had not been set during the landing configuration. The NTSB report says that the deployment of the thrust reversers and the speed brakes, while the nose wheel was still in the air, this is after the aircraft bounced, "Likely contributed to the second abnormal runway contact of the nose wheel and the subsequent damage to the airplane, again, at 1.6Gs." That was a bumpy landing.

The NTSB report details the first officers training and flying career with United. United hired the first officer in February of 2023, where he had logged 3,001 hours, including 129 hours in 767s, receiving an unsatisfactory performance rating due to deficiencies with takeoffs and aircraft

control during an April 2023 check ride. Then after a second check ride, the first officer received a satisfactory performance rating, but a minimum grade in three areas, one of which was landing.

[0:28:06] JR: Then confirm.

[0:28:08] IP: Yeah. Then, they were put on a short cycle designation, which means they had to complete another evaluation 90 days after their last evaluation, rather than what is a standard nine months. No word on the current employment of this particular pilot.

[0:28:27] JR: Oh, good to see a final report, regardless.

[0:28:29] IP: Yeah. Yeah. We'll toss that one in the show notes for your perusal at your leisure. Spirit Airlines has received 300 million dollars in debt financing as it charts a path out of its chapter 11 bankruptcy process. They are nearing the end and the light at the end of the tunnel, dim as it may be, will likely come at the end of the month when Spirit announces what it plans to do for this summer.

It will announce on the last day of January, what and where it will fly for the months of April through October. That'll give us a good understanding of what the airline expects to accomplish and how it plans to chart the new path that it is on. Though, it still remains in a very precarious financial position.

[0:29:23] JR: Yeah. It's the last of its A319s, apparently retired on January 6th. That happened really quickly. There were 35 in the fleet, not all that long ago and other none. Wow.

[0:29:36] IP: Yeah. They are gone and flown out to a desert airport that I had not heard of before. Coolidge Municipal Airport out southeast of Phoenix and judging by the satellite photos, there are at least two, four, six, eight former Spirit aircraft there.

[0:30:01] JR: Hmm. Probably more now.

[0:30:03] IP: Yeah. Probably more now.

[0:30:04] JR: That's a large chunk of the fleet removed, which now is interesting because the 319s, of course, were all COs, not neos, or exceedingly few A319neos out there. Now the bulk of Spirit's fleet is 320 and 321neos. Some of which don't work. A lot of them don't work. While Spirit's fleet may actually show something like a 193, almost 200 aircraft, far fewer than that are actually in operation. Plainspotters.net shows only 163 in actual operation right now. Man, Spirit has really, really shrunk in the last year.

[0:30:46] IP: Part of the criticism of Spirit was that they had grown too quickly. Now, perhaps, even though the aircraft are grounded for reasons not necessarily under Spirit's control, maybe that's not such a bad thing.

[0:31:02] JR: Yeah, sure. I mean, they're still paying for them and they can't use them. Might actually be bad.

[0:31:09] IP: Well, they're paying for the aircraft, but also, and we'll talk about this in our next story as well, they're being paid for the aircraft.

[0:31:19] JR: Yes.

[0:31:20] 1 In the case of the Pratt & Whitney engine issues. That leads us to India, because this week, an Indian tribunal ordered the liquidation of Go First's assets. This is the Indian low-cost carrier that had ordered, I think, something like 900 million A320neo family aircraft and nearly all of them had engine issues. The airline basically shut down and then they said, "Oh, we're going to start back up again." That obviously didn't happen. The first travails, and this goes back to many, many episodes ago, was that lessor said, "Okay, give us our planes back." They said, "No, no, no, no. They're our planes. You can't have them back." An Indian court said, "They're the airlines planes. You can't have them, lessors." Then the lessors said, "But, please, can we have it?" There was a whole court case through that.

Now all of their creditors said, "You know what? Just give us our money. Just sell whatever you can that belongs to Go First and we'll take whatever comes our way and we'll be done with this." That is what the Indian tribunal has ordered. Go First is done. They will be no more very soon.

[0:32:34] JR: Rest in peace.

[0:32:35] IP: In a very real sense. This next story, I don't know how I should feel about it. I know how I do feel about it, but I don't necessarily know enough about the mechanics of it to know how I should feel about it. So, maybe Jason, you can help me out. My first instinct is that JetBlue now accepting Venmo for ticket payments is kitschy, but not actually beneficial to anyone purchasing airline tickets.

[0:32:58] JR: I am not sure I even understand the need for such a thing. Why? I get PayPal. PayPal is actually quite an important thing for some people. Because you can aggregate all your bank accounts, or credit cards. Venmo, isn't it, doesn't have to be linked to a bank account? Why not just pay with that debit card? I don't even understand this. All I know is that Venmo is the thing I used to, when I forgot to pay someone back for something and maybe I'll forget in the future. Can I just say, I'll Venmo JetBlue for a flight and then forget to do it? Because that's how I typically use it.

[0:33:36] IP: There you go.

[0:33:37] JR: Yeah. I'll Venmo you back the 250 for that size of pizza. Can I just say to JetBlue, "I'll Venmo you back for that \$190 flight and just forget to do it"?

[0:33:46] IP: Somehow, I don't think that will be called out.

[0:33:49] JR: Look, if there's somebody out there who wants to pay for a flight using Venmo, whatever. Better to take it than to not take it, even if I don't understand it.

[0:34:00] IP: Yeah, I don't quite understand it. I will say that our friend, Seth Miller, brought up an interesting point. That's, if you use this, you have no purchase protection.

[0:34:11] JR: Oh, it's the same thing using like a debit card. I don't think that has any protection.

[0:34:17] IP: No. But if you use a credit card, any credit card, you have much more purchase protection for anything you buy. I guess, I just don't understand why this is necessary, even quite a good idea.

[0:34:28] JR: I don't know. I'm trying to load up the press release real quick and see if there's anything that says like, why they would do this. But the press release is so short that it doesn't really –

[0:34:37] IP: Yeah, it's not.

[0:34:39] JR: It doesn't even give a reason.

[0:34:40] IP: It just is.

[0:34:41] JR: You can use your Venmo balance. I guess, there are some people out there who just for whatever reason, don't cash out their Venmo balance into their bank account. You can use it to pay for a flight. But you could do that by just withdrawing the money to your bank account. It doesn't actually say in the release why this is a thing anyone would do. Okay.

[0:35:04] IP: Okay.

[0:35:04] JR: Whatever.

[0:35:05] IP: We'll go with it.

[0:35:06] JR: Ah, wait. Here it is. The added ability to pay with Venmo for flights on JetBlue and managed travel costs during the trip through groups help solve the pain points of shared expenses from the time of booking to returning home. I guess, just some shared play here. If you're booking in groups, you can maybe book a flight and then divvy out part of the pay. I don't know. I don't care.

[0:35:30] IP: We got there in the end. We got there in the end by just not caring. I guess, it makes some sense if you're splitting things up. But I still don't. JetBlue doesn't have to be involved.

[0:35:44] JR: I don't know.

[0:35:45] IP: You just do with it with Venmo amongst yourselves.

[0:35:49] JR: I don't know.

[0:35:51] IP: All right. Email us, podcast@fr24.com if you have any insight into why this needs to be a thing. United Airlines issued their fourth quarter and full year 2024 financial results this week. Boy, did they have a good year.

[0:36:11] JR: And they don't even accept Venmo and they still broke records.

[0:36:17] IP: Oh, boy. Pre-tax margin in the fourth quarter, up 3.2%. Full year pre-tax earnings of 4.2 billion dollars on a 7.3% margin. Let's see. Just trying to pick out some numbers that might mean something to some of our listeners. Earnings per share of \$9.45. This is where it gets interesting to me. In the fourth quarter, premium revenue was up 10%, corporate revenue up 7%, and revenue from basic economy was up 20% year over year.

[0:36:54] JR: Man, a lot of basic people out there.

[0:36:58] IP: Yeah. Cargo growth, 30% year over year. Loyalty, so the mileage plus plan making money off of that, up 12%. I mean, United has been charting its course since the depths of COVID, when United CEO Scott Kirby and his team developed this plan that they've called United Next. They're just executing on it. Things are going well for them.

[0:37:30] JR: United Next is what they call their unique plan throughout COVID to basically change, not a whole lot. They're the only airline that in the US that didn't retire and then outland a size of their fleet. Only a couple of the 757s were retired. They decided to go all in on being a

premium airline, or with Delta. That seems to have really paid off. But man, they have really figured out what they want to be when they grow up, and it is paying off in literal dividends.

[0:38:01] IP: Yeah, good for them. Hopefully, the growth for the airline continues, because we like to see people succeed.

[0:38:07] JR: We like when airlines make money and don't just disappear overnight, or having their fleets grounded. United's got a lot going on. Hopefully, they can keep up that momentum.

[0:38:18] IP: In other airline news, or perhaps airlines one day news, the first supersonic flight of the Boom XB1, the demonstrator for the eventual Boom overture supersonic aircraft, that's coming up within the next couple weeks. They have completed all of the test flights they say they need to now go supersonic. Looking forward to tracking that particular flight out of Mojave in the weeks to come. We'll definitely have more about that when they take to the air. They're also planning on doing a live stream of the flight. That'll be interesting.

[0:39:00] JR: Okay. That's all I have to say about that.

[0:39:03] IP: Even more okay news, the Global Airlines A380 has been ferried from Dresden, where it was at the EFW facility being worked on to Beja, Portugal, where it will continue to be worked on. It has received heavy maintenance, as well as a partial livery. The tail has been decaled. Most of the China Southernness from the aircraft has been removed, though the cheat line still remains, so you can definitely tell who used to operate the aircraft. It's going to go to Portugal for the cabin outfitting, and one can only assume a full paint job, where Global Airlines says that they are expecting to have additional flights this year in anticipation of beginning actual service. We'll see how that one goes.

[0:39:56] JR: Sure. Definitely, going to happen.

[0:39:59] IP: We end the show with some fantastic news. A baby was born on a Hi Fly A330 in route between Dzaoudzi and Nairobi.

[0:40:13] JR: Hey, that's fun.

[0:40:14] IP: There you go.

[0:40:15] JR: Operating for Air Austral. What a fun day.

[0:40:18] IP: Yeah, exactly. Operating for Air Austral. This happened aboard one of Hi Fly's A330s. The newborn is doing well, says the airline. Both mom and baby are doing well. Lots of smiling faces and a great story for everyone onboard.

[0:40:36] JR: Free flights on Hi Fly for that child forever. I don't know how you book flights on Hi Fly, or whatever. Maybe that gets you free flights from Hi Fly for any airport they operate.

[0:40:47] IP: You can charter an A330 any time you want.

[0:40:50] JR: Perfect. That's a nice cheat code. If you're not familiar, Hi Fly is a charter airline that other airlines call in for wet, or dry leases. I don't think Hi Fly operates any commercial flights of its own, or used to. I don't think it does, but that would be fun.

[0:41:08] IP: Yeah, that would be an interesting way to go about it. I like the ACARS message sent to the dispatch, "We have a birth onboard continuing to Nairobi and we will request medical assistance upon arrival." Great.

[0:41:18] JR: Very factual.

[0:41:21] IP: Good on them. Congratulations to everyone who made it a successful delivery. I think we've successfully delivered another podcast episode.

[0:41:30] JR: Nicely done.

[0:41:32] IP: This has been episode 304 of AvTalk. I am Ian Petchenik, here, as always with –

[0:41:40] JR: Jason Rabinowitz. Thanks for listening.

[END]