## Friday, February 21, 2003

**AMERICAN** pilots (APA) authorized negotiations with AMR on contractual relief. **DELTA** pilots (ALPA) say they will not negotiate with management without specific proposal as their agreement is not amendable until 2005.

UNITED AIRLINES issued plan to reduce CASM to \$0.088 (\$0.0342 for labor) by 2005 from \$0.1026 in 2002 (\$0.0477). It plans for low-cost unit to have CASM of \$0.0713 by 2005 with a fleet of 134 aircraft serving 37 cities.

**LOS ANGELES WORLD AIRPORTS** plans to negotiate to acquire 1m sq ft former SR Technics America MRO facility at Palmdale, CA for up to \$3m, and to seek operator. SR Technics America plans to close by the end of February.

HONEYWELL acquired the assets of SENSOTEC, OH (test and measurement sensors; \$30m sales in 2002).

PRESIDENTIAL AIR, La Jolla, CA completed acquisition of CERTIFIED AVIATION PARTS, San Diego, CA (aircraft disassembly management and parts distribution services; \$4.4m in assets).

MESSIER-BUGATTI-TRACER was formed by Messier-Bugatti (Snecma) and Tracer Repair & Overhaul to offer commercial and military aircraft wheel and brake repair and overhaul at Milwaukee, WI and Miami, FL.

BOEING invested \$10m in TECHNOCAP, PQ, a venture capital firm focusing on Canadian technology companies.

N3 ENGINE OVERHAUL SERVICES (site TBD in 2004) is being formed by Rolls-Royce and Lufthansa Technik to offer repair/overhaul in Europe of Trent 500/700/900; it expects to initially handle 50 engines in 2007, growing to 200 per year.

AIRBUS selected MAKINO MILLING MACHINES, Japan to provide machining centers for precision parts for A380 wings, and YOKOGAWA ELECTRIC, Japan to provide display modules for A380 cockpit. CASIO COMPUTERS, Japan is to provide 6" x 8" liquid crystal panels to Yokogawa. Airbus projects \$2.15b in A380 work for Japan.

HINDUSTAN AERONAUTICS, India has Snecma Moteurs contract for forged aluminum parts for CFM56s.