

Qatar may be close to buying CSeries jets

Conflicting reports. Aviation publication says order is imminent for Bombardier; another magazine disagrees

BY FRANCOIS SHALOM, THE GAZETTE FEBRUARY 3, 2011

So is Qatar Airways finally about to place its infamous order for the CSeries, or are the fractious talks between the Doha-based carrier and Bombardier Inc. "off the table" -again?

Depends on which aviation publication you believe.

Aviation Week concluded on Tuesday that Qatar Airways "is close to placing" its much-postponed order for Bombardier's future airliner. The only question, the magazine said, is how the plane will be deployed within Qatar Airways' network.

AvWeek quoted Qatar Airways chief executive officer Akbar Al-Baker as saying: "I will leave that question to be answered in Le Bourget," the air show in Paris in June.

But ATW (Air Transport World) drew a rather different conclusion from the same meeting with Al-Baker on Tuesday in Belgium, where he was inaugurating his carrier's five-times-weekly flights on A-330s from Doha to Brussels (and announced a new Doha-Montreal route starting in June -see story on Page B2).

ATW said that Al-Baker was "non-committal about the much-speculated order for the CSeries, which seems to be off the table in light of the launch of the A320neo."

In December, Airbus launched a re-engined version of its A320 model, the narrow-body aircraft family against which the CSeries will compete.

The 320neo is meant to ward off the threat from the CSeries which, if it lives up to billing, is expected to deliver fuel-burn savings of 20 per cent and overall operating-cost cuts of about 15 per cent compared with its rivals.

A CSeries order was deemed imminent last July at the large Farnborough air show in England, and Bombardier appeared to be stoking the anticipatory buzz that a much-needed deal was in the offing. That coup d'eclat fizzled at a scheduled news conference when Al-Baker instead announced a business-jet order.

Bombardier needs the tonic of a fresh CSeries order, say analysts, particularly since later this month will mark a full year without one. Meanwhile, Airbus's 320neo corralled 180 orders within weeks, 150 from India's IndiGo discount carrier and 30 from Virgin America. IndiGo's order, however, is a softer memorandum of understanding rather than a firm order.

Aerospace watchers could not say one way or the other.

Scott Hamilton of Seattlearea consultancy Leeham LLC said that "as far as I know, negotiations continue."

Bombardier Aerospace spokesperson John Arnone confirmed that his company is still negotiating with Qatar Airways.

But he added that "it sounds as if (Al-Baker) is not being very committal in terms of specifics."

Bombardier only comments on talks once the customer has made its order public, Arnone said.

At Farnborough, Al-Baker disclosed that the longstanding bone of contention centred on guarantees for the CSeries's engine performance. The Pratt & Whitney geared turbofan motor is new technology untested in market conditions, particularly maintenance issues in sweltering desert conditions like in Doha; and there also appears to be a disagreement as to who would provide the guarantees, Pratt & Whitney or the CSeries's general contractor, Bombardier.

Ray Jaworowski of Forecast International in Newtown, Conn., said that a Qatar deal is "still being rumoured. But so far, it's not a promise of an order as far as I can see."

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