

## SAA mulls ways to cut extra kilograms on flights

By <u>Andiswa Maqutu</u> 2 Mar 2015

Used blankets, magazines and left-over food are some of the items South African Airways (SAA) is considering leaving behind in return long-distance flights to make an aircraft lighter and save on fuel costs.



On Tuesday, 24 February, the airline removed magazines, used linen, toiletries and leftover food from a A340-600 aircraft on its way back from Munich to reduce extra weight.

According to SAA head of fuel Mark Vaughn, for every extra kilogram on a long-haul flight, about one-third of a litre of fuel is used. Fuel continues to be SAA's biggest cost, accounting for about 35% of the group's cost base. SAA consumed more than 120-million litres of jet fuel a month in the 2014 financial year.

However, Vaughn said that while removing excess weight was necessary, optimising operations was still the best way to reduce fuel costs. He said that the airline was looking at ways to shorten routes, optimise landing and take-off techniques to minimise fuel costs without compromising safety.

According to SAA acting CEO Nico Bezuidenhout, "every kilogram of weight we carry more than we need to is more fuel cost on an aircraft that is already expensive to operate," said Bezuidenhout. "This won't turn around an airline itself but every bit helps."

However, Vaughn said the biggest savings were on operations. "Getting to your flight level optimum quicker and also shorten routing, if you can optimise that, that is where your biggest savings come in."

SAA is considering a number of cost-cutting measures as part of its 90-day action plan, and its greater long-term turnaround strategy. Bezuidenhout said the airline was targeting R250m in savings from renegotiating contracts with suppliers when it completed the 90-day plan on March 21. So far it has saved R91m from the contracts in the past 60 days of the plan.

Bezuidenhout said the executive team had identified a further R1bn to R2bn in savings that could be realised from cost compression in maintenance and engine agreements.

Transport economist and aviation expert Joachim Vermooten said many airlines were looking at introducing measures to save weight and that SAA could "get somewhere with these types of measures".

Vermooten said SAA could realise the biggest savings from monitoring its costs and adjusting for increases.

"If you look at that then its easy to accommodate cost increases and its not that difficult to do," said Vermooten.

Source: Business Day

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