

Russia's Sukhoi to sign deals for 30 passenger jets at Farnborough

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MOSCOW: Russian aircraft maker Sukhoi plans to ink deals for 30 of its new regional passenger jets at the Farnborough International Airshow in Britain next week, a company spokeswoman said Thursday.

Sukhoi's civil aviation arm, which is 25 percent owned by Italian industrial group Finmeccanica's Alenia Aeronautica, has orders already for 73 Superjet 100 aircraft, and recently said it would start deliveries by the end of the third quarter of 2009, a year behind schedule.

The plane, which made its first flight on May 19, is seen as key to Russia's attempts to revitalize its civilian aircraft industry.

Sukhoi spokeswoman Olga Kayukova declined to give further details of the prospective deals. The plane's catalog price is US\$29 million (19 million).

Russia's flagship carrier Aeroflot is to buy 30 aircraft, and will receive the first batch. Sukhoi also has orders from AirUnion, Dalavia, Finance Leasing Company along with Italy's Itali and Armenia's Armavia.

The new jet arrives at a time when Russian airlines are facing rising fuel costs, with kerosene costing more than twice what it did a year ago. Analysts say the new jet will be much more fuel-efficient than the aging Soviet regional fleet of Soviet-designed Tu-134s and Yak-42 aircraft.

Derek Wong, an aviation analyst at UK-based Ascend, said the plane is "even more urgent" in Russia, given the current fuel prices.

"In relative terms, its (technology) is not the cutting edge, but there is still room for this aircraft on local markets ... And it will be an improvement for those markets," said Wong.

His comments were echoed by other aviation experts. Pavel Stokov, marketing director at Kortex Information Center, which monitors the aviation market, said the actual fuel efficiency of the jet would only become clear when it starts regular flights.

"The fact that it was designed at a time when fuel efficiency already was an issue ensures that it will be fuel-efficient to some extent," he said.

Sukhoi, which plans to produce at least 800 jets, hopes to tap into Western markets, but analysts are skeptical that it will receive much interest, largely because it lacks the after-sales support of its better-known international competitors.

"There are already established and well-known players on the markets, such as Airbus and Boeing," said Nataliya Vodnyova, an aviation analyst at Deutsche Bank. "It's going to be difficult for Sukhoi to break into the market."

The plane, which made its maiden flight in May, can carry between 75 to 95 passengers, and is the first new passenger aircraft to come out of Russia since the collapse of the Soviet Union.



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