



MOMBERGER

AVIATION CATERING NEWS

25 May 2010

#881.CAT

Caterer news

When Newrest announced that Thai Airways (TG) will join its Paris-CDG unit as a customer as of 1 May 2010, Servair reacted immediately, confirming that it is still the carrier's caterer at CDG Airport until 23 January 2011. TG has daily flights from Paris-CDG to Bangkok with a Boeing 747-400 in a three-class configuration (Royal First Class, Royal Silk, and Economy). -- Thai Airways is already an important client of the Newrest Group at Athens Airport.
#881.CAT1

Newrest Spain has won the bidding process for the catering business of Air Canada departing from Barcelona. Kick-off of this new activity is planned for 6 June 2010. Carrying principally passengers going on Mediterranean cruises - Newrest's Catalan teams will be supplying for six weekly B.737-300 flights.

In 2009, Newrest's Spanish operation had faced several daunting challenges including the integration of the LSG Sky Chefs business in Spain and a massive reduction in volumes from clients partly due to the global crisis and partly due to customer-specific challenges. This negative economic evolution resulted in a reduction of 16% of revenues year-on-year, though 6% of this decline was attributed to the divestment of the LSG Sky Chefs industrial catering business. Nevertheless, through a major project instituted early in the year to adapt the organization to the new environment, and actions focused on all aspects of operational efficiency, the Spanish operation was able to maintain its absolute profit level, and actually improve its operating profit margin by 140 basis points. Significant efforts were put into the improvement of working capital and cash collection in order to reduce the risk of exposure to customer bankruptcy or cease of operations.

Newrest Spain successfully disposed of the Business & Industry Catering acquired from LSG Sky Chefs to Seruni3n, a unit of the Elixor Group. This business offered low growth and profitability perspectives for Newrest, in a highly competitive industrial catering market in Spain. During the year a number of new customers were won, such as Mexicana and American Airlines in Madrid, and new Buy-on-Board concepts for Spanair, Pullmantur and Iberworld were rolled out. Nevertheless, there were major capacity reductions from a number of important clients; the overall Spanish travel market contracted by more than 20% in the year. In Spain, Newrest provides principally in-flight catering services in addition to growing high-speed rail catering.

Management changes in Newrest Spain include the nomination of Olivier Suarez as Managing Director for Spain, Alicia Castaneda as Director Human Relations, Thomas Matthey as General Manager Madrid, Yvon Martinez as Head of Purchasing, and Felipe Martinez with responsibility for the CPU in Palma in addition to his duties as General Manager In-flight PMI. Newrest's global IT system Win-flight was implemented in more than 60% of the units in Spain and the residual units will be complete in 2010. The head office in Spain was transferred to Madrid in keeping with the company philosophy to stay close to the customers – who in the majority now have headquarters in Madrid or Barcelona. Finally, a brand new unit of 4000 m² was built for catering and logistics in Madrid with leading-edge technology for efficient processes and stock optimizing. For the future, the Spanish organization is concentrating on assuring a simple, cost-efficient, high-quality operations process to manage the downturn, as well as focusing on new value-adding opportunities for Newrest clients (BOB, Duty Free, in-flight management, etc.). #881.CAT2

Singapore Airport Terminal Services (SATS) posted a 23.5% on-year increase in its full-year net profit to SGD 181.2 million, while revenues jumped nearly 45% to SGD 1.54 billion for the financial year ending 31 March 2010. Revenues rose due to the full consolidation of its Singapore Food Industries unit and higher aviation income. Its units in Indonesia and Hong Kong also recorded better performance, pushing overseas contribution up by 89% year-on-year to SGD 41.9 million. Separately, SATS says its wholly owned Australian food logistics subsidiary, Primary Industries Queensland, has secured a AUD 224 million contract, winning the five-plus-five year logistics

support contract from the Singapore Armed Forces for its Shoalwater Bay Training Area in Australia. Under the contract, SATS will provide a full range of services, including catering, supplies support and transportation.

SATS expects to see an improvement in activity levels in the current financial year because with the economic recovery, airlines will gradually reinstate capacity with increased flights and cargo throughput. Clement Woon, SATS President & CEO, says: "We believed that this year we have to work on expanding the aviation catering because as the aviation (industry) recovers, we feel that we need more capacity to meet these requirements. So we are **making plans to expand our capacity**. At the same time in our country food area as well, we also would like to expand the capacity for hospital catering, making this cook-chill formula viable for hospital catering as well. So we would like to build a separate kitchen somewhere else as part of our operations." #881.CAT3

Airgourmet Catering GmbH was approved on 29 April 2010 by the Federal Air Office as the sole catering supplier at Munich Airport's GAT (General Aviation Terminal). The company had received an EU certificate as an audited foodstuff supplier in January 2010. In addition to Munich Airport, the company provides catering services at the Manching, Oberpfaffenhofen, Augsburg, Nürnberg, and Stuttgart airports.

Company data: airgourmet Catering GmbH, PO Box 241521, D-85327 München/Flughafen/Germany; Tel: <49> (0)89 975 974 80; Fax: <49> (0)89 975 975 30; Mobile: <49> (0) 172 8576594; E-mail: airgourmet@t-online.de; General Manager Ms Manuela Halbinger. #881.CAT4

In addition to the catering contract signed with Emirates by Addis International Catering which started in March 2010 (#878.CAT2), **AIC now also has started cabin cleaning for EK** beginning in May. This adds to the growing number of customers AIC is handling cleaning services for. #881.CAT5

Caterer portrait:

Royalblue Executive Services in London was created in November 2004 by co-founders Aidan McGuinness, Simon Carey, and William Lennard to provide the finest service exclusively to the executive jet industry, operating out of airports in the London region. Having several years of experience in providing in-flight hospitality and specializing in European, Arabic and Asian cuisine, the caterer promises to provide excellent, high-quality food, using only the freshest ingredients professionally prepared to the customer's individual taste and delivered directly to his aircraft. In addition to fine food, the company can provide a full range of in-flight requirements including fresh flowers, international newspapers and magazines. To serve its VIP clients, Royalblue has a license to access secure areas at airports and operates a fleet of four high loaders and five vans. Royalblue's client base is comprised of numerous business and leisure travellers. They include top company executives, business charters, aircraft owners, many top managers of industry, and private charters for top premiership football teams. Included also are royal families, heads of state and government officials from around the world that visit London on a regular basis, as well as a variety of artists, musicians and celebrities of stage and screen.

Royalblue Executive Services Ltd, Unit 5e, Ashford Business Complex, Feltham Road, Ashford, Middlesex TW15 1YQ, United Kingdom; Tel: <44> (0)1784 242 700; Fax: <44> (0)1784 242 704; E mail: info@royalbluecatering.com #881.CAT6

Airport restaurants & lounges

Food travel expert SSP has secured a major new contract to operate six cafes, restaurants and fast-food outlets at Hong Kong International Airport. This will include the re-design of the *Ajisen Ramen* noodle restaurant, fast food concept *Popeyes*, and the *Café Deco* restaurant, together with the introduction of two new brands – Japanese fried pork and rice concept *Saboten* and premium bakery brand *Panopolis*. The design of Café Deco, Ajisen Ramen and Popeyes will be enhanced to improve visibility, accessibility, and seating capacity. At Café Deco, SSP will add a noodle counter at the open kitchen, along with a cheese and wine bar. The main bar area will be re-designed to offer grab-and-go café-style service during the day-time and a tapas offer in the evening.

Commenting on the new contract award, Christina Cheng, Deputy General Manager, Retail & Advertising at HKIA said: "SSP's sound operational and commercial performance, their strong international and local experience, together with their reputation for outstanding customer service made them

front-runners in this latest tender. The improvements that will be made to our current bars and restaurants, alongside SSP's exciting new brands and concepts will undoubtedly help our airport retain its global lead in airport food and beverage."

Daren Lau, Managing Director of SSP Asia Pacific, said he was very proud of SSP's multi-award winning operations at Hong Kong and is looking forward to building on this success with the opening of these new outlets at the end of 2010. "Standards are already very high at Hong Kong, and now the introduction of much-loved favourite names and eye-catching new concepts means that eating and drinking at HKIA will be even better. **SSP's latest research has found that consumers are looking for a richer experience when dining at an airport.** The new project - which will take the quality of airport dining at HKIA to an even higher level in terms of both the food that can be enjoyed and the environment in which is served - responds to this demand." -- SSP first began trading at Hong Kong International Airport in 1998, and since that time its operations have expanded to incorporate 29 outlets, accounting for more than 40% of all F&B business at HKIA. The airport was named the world's best for dining in the latest SkyTrax survey. It has received this accolade previously in 2009, 2007 and 2004, and has been in the top three since the survey began. #881.CAT7

South African Airways (SAA) has opened new and revamped airport lounges across South Africa. These include a new International Departures lounge at Johannesburg's 'OR Tambo International Airport' as well as a Platinum and Business Class lounge at Cape Town International for passengers travelling on the airline's domestic routes. **The International Departures Lounge at OR Tambo is situated on the mezzanine floor of the international departures terminal after passport control.** The 2500-m² space is divided into two areas, one for First Class customers, Voyager Lifetime Platinum and Platinum members and the other for Business Class customers, Voyager Gold and Silver and Star Alliance Gold members and SAA/Nedbank Platinum Gold credit card holders. Some customer requirements included a view of the airport runway, wireless and high-speed Internet connection, and an upgraded product, all of which have been incorporated into the design. Another requirement was a 'left-luggage' facility. The lounge includes a view of the runway from a raised platform. Other facilities include rest (snooze) rooms, rainfall showers, an enclosed cigar lounge, an audio-visual entertainment room, dedicated Internet, built-in private entertainment screens, and private boardrooms. There is also a **self-service food area and a served bar.** A children's area offers high-tech entertainment.

The 1180-m² Domestic Departures Lounge at Cape Town International Airport is divided into two areas, one for Voyager Lifetime Platinum and Platinum cardholders and the other for Business Class passengers, Voyager Silver and Gold members and Star Alliance Gold members. Customers have a view of the runway and a variety of facilities are available, including a **self-service food & beverage area,** an audio visual area, an enclosed smokers' lounge, a kids' area, and showers.

At the new 'King Shaka International Airport', Durban an SAA Business Class lounge opened on 1 May 2010 and at OR Tambo, an exclusive kerbside check-in facility and Arrivals Lounge will follow. It will be situated in the area directly after customs and is available to SAA Business Class passengers, Voyager Lifetime Platinum and Platinum and Gold card holders travelling on the airline's international and regional flights. The lounge offers passengers a chance to refresh after a long journey. It is especially useful to passengers transferring on to connecting flights or those arriving for business meetings. The facility offers a food & beverage service, showers and a pressing service for clothes, as well as an e-mail and Internet area and an enclosed smokers' lounge. According to the airline, the **SAA kerbside check-in facility** will be the only one of its kind at OR Tambo and is situated on the kerb when walking towards the new domestic terminal. Here SAA Voyager Lifetime Platinum and Voyager Platinum cardholders can check in for their flights. On arrival, a concierge collects the customer's luggage and then escorts them to a personal check-in desk. #881.CAT8

Seoul's Incheon Airport opened a lounge where passengers, irrespective of their flights or boarding class, can freely enjoy beverages and snacks while doing business in a comfortable environment. Having selected the business lounge operator in May 2009 and set up installations, IIAC announced new opening of its premium business lounge on 16 March 2010 for passengers at the airport. Located in the centre of the passenger terminal's second floor, the 225-m² lounge will be operated by Hyundai Card Company. Hyundai Card Privia members in premium class or over are eligible for free use of the lounge, while non-members, at KRW 10 000 charge per person, can indulge themselves with the most sophisticated business facilities in one-of-a-kind interior. The lounge opens

from 07:00 to 21:00, with operating hours subject to change depending on the flight schedules. The newly opened lounge will satisfy the needs of guests who have not been able to benefit from airline lounges. With a view to continuously expand the business support functions for passengers, Incheon Airport will further upgrade its business-friendly platform. #881.CAT9

Catering staff at Shannon Airport have been retrained in how to make Irish coffee, following complaints from Clare County Council about the poor quality of the famous drink being served at the airport. The Shannon Airport Authority said all catering staff in bar areas had now been retrained in how to make and serve the drink that was popularized by Shannon chef Joe Sheridan in the 1940s. Local county councillor Pat McMahon, who highlighted the issue at a council meeting in March 2010 said standards had improved immensely since the local authority complained to airport management. #881.CAT10

The Dine Boston section, located in the airside AIRMALL® in Terminal E at Logan International Airport will feature the creations of Jose Duarte, the chef and owner of the city's Taranta restaurant, for a three-month period. Duarte fills the role of headliner for the Dine Boston Visiting Chef Programme. At his restaurant, he has created "a spin-off of tradition of southern Italian and Peruvian cuisine with tastes that have certainly intrigued and appealed to restaurant goers in the Boston area," said Mike Caro, Vice President of Development for BAA Boston, who run the Visiting Chef Programme. He has operated Taranta in Boston since 2000 out of the city's historic North End," said a release from the airport. At Dine Boston, Chef Duarte's menu will feature pan-roasted mussels and an organic baby aragula salad; cassava root gnocchi with Peruvian-style slow braised Chica de Jora green lamb ragout with spicy shaved parmesan and; macadamia-crusted Atlantic salmon fillet over herbed risotto cake. Also, there will be Peruvian asparagus and pisco-Sicilian blood orange with and organic Incan golden berries sauce. For dessert, there will be guava and ricotta mini cannolis with pistachio brittle. -- Through the Dine Boston programme, chefs 'moonlight' at the restaurant, showing off the city's culinary talent to passengers passing through the city. #881.CAT11

Airline News

Since 1 April 2010, Japan Airlines has been offering passengers on south-east Asian routes in its Executive Class Seasons a selection of choices that includes a regional Japanese meal, a 'casual western diner', and 'contemporary French' offer. Cities now served the new menus are Singapore, Kuala Lumpur, Bangkok, Jakarta, Den Pasar (Bali), and New Delhi. Passengers to these six cities from Japan are now enjoying these meals. Other cities on JAL's medium-haul routes will also get the service.

Japanese offerings include dishes from the Kagoshima, Miyazaki, Kumamoto and Kyushu regions of Japan and will be boarded through June 2010. **JAL is replacing its traditional Kaiseki style course-by-course meal service with the new dishes that it has named 'Samuari Zen'.** The meals consist of one main dish, freshly cooked rice, and six to nine accompanying side dishes that can be best enjoyed with a glass of complementing sake or wine. The other choices include hamburger steak and stew made with Japanese beef. The French meals will be served with small side dishes such as snow crab with avocado salad and beef pies and classic French wines. #881.CAT12

The executive committees of the U.S. carriers United Airlines (UAL) and Continental Airlines officially announced on 3 May 2010 that their two companies will merge in a USD 3.2 billion deal. The merger will result in annual synergy savings of over USD 1 billion by 2013. The new service provider will bear the name United Airlines and use the Continental-brand design. The merger should be completed in the fourth 2010 quarter. However, shareholders and the regulating authority still have to agree to the establishment of what will be **the world's largest airline with a fleet of more than 700 aircraft carrying an estimated 144 million passengers a year to 370 destinations in 59 countries.** The combined company would have annual revenues of USD 29 billion based on last year's results, with USD 7.4 billion in cash on the balance sheet. The boss of United, Glenn Tinton, will become Chairman of the enlarged group, and Jeff Smisek, his opposite number at Continental, will take over as Chief Executive. Its headquarters will be kept on the premises of United Airlines in Chicago, IL (USA). #881.CAT13

The first Airbus A380 delivered to Lufthansa will start regular flight operations on 11 June 2010 on the Frankfurt to Tokyo route. The aircraft bears the name 'Frankfurt am Main' and will take off from Frankfurt to Tokyo's Narita International Airport under flight number LH 710, replacing the current Boeing 747-400. Beijing and Johannesburg will be included as destinations as further aircraft are delivered. #881.CAT14

The U.S. government is proposing to award Delta Air Lines Inc., AMR Corp.'s American Airlines and Hawaiian Holdings Inc.'s Hawaiian Airlines with routes to Tokyo-Haneda Airport, according to the Department of Transportation. Access to what has been primarily a domestic airport near downtown Tokyo is much coveted by U.S. carriers, who for years had been limited to serving Narita Airport, which is far from the city and was the major international airport. As a result of a new, liberalized air treaty concluded by the U.S.A. and Japan in December 2009 and an expansion of Haneda, **four daily roundtrip flights between the U.S. and Haneda opened up to U.S. carriers.**

The DOT said it proposes letting Delta operate one flight a day from Los Angeles and another from Detroit. American would get a flight from New York-JFK International and Hawaiian Airlines one from its hub in Honolulu. The department said the selection of Hawaiian would add a new competitor to the U.S.-Tokyo market as that carrier currently does not fly to Japan. Delta's Los Angeles flight would serve the West Coast market, and the Detroit flight would provide Tokyo access to the central U.S. American's New York flight would serve the second-largest mainland U.S.-Tokyo market.

The selection of these carriers also would promote competition among the global airline alliances. Delta is a member of SkyTeam, and Northwest Airlines, which Delta acquired in 2008, already has a big presence at Narita and throughout Asia. American is a member of Oneworld and co-operates with Japan Airlines Corp. Hawaiian is unaligned, but Hawaii is an important destination to Japanese travellers. Also applying for the four Haneda take-off and landing slots were United Airlines and Continental Airlines, which have announced plans to merge. They are in the Star Alliance and both serve Japanese markets on their own. Japan's No. 2 carrier, All Nippon Airways Co., also is a member of Star and has extensive flight operations at Haneda. #881.CAT15

Suppliers

At a time when airlines and their caterers try to save money wherever possible, the B&W Engineering think tank proposes financial advantages resulting from the use of its A-LogEqu EVO II high-end thermally insulated containers, based on experience gained in more than 500 000 in-service hours. In a fleet of 199 aircraft, some 2400 tonnes of CO2 can be saved per year and economies of between EUR 2 million and 20 million be made by using the lightweight A-LogEqu EVO II (#877.CAT21) in 50% of all aircraft. **Double-digit amounts otherwise spent on dry ice can be reduced by one fifth to one tenth.** The number of operations in loading catering supplies can be reduced significantly and the A-LogEqu EVO II can be used without the need to re-certify the galley. **There is also no need to clean smelly and dirty drawers or inserts.** A return on investment can be achieved in 0.8 to 1.7 years, even if the equipment is leased. Contact via: www.bw-forschung.de #881.CAT16

Just one year after LSG Sky Chefs and Norduyn had entered into a partnership to develop a thermally efficient lightweight trolley in May 2009 (#855.CAT17), the trolley, named Quantum, received the TSO C175 airworthiness certification from the Civil Aviation Authority of Canada, allowing it to be used on board by airlines worldwide. By applying the technology and production capabilities of Norduyn, while drawing on LSG Sky Chefs' practical experience in airline catering, crew handling, and the management of over 60 000 trolleys for major airlines worldwide, Quantum's design has been finely tuned to meet the daily needs of airlines and their crews. The lightweight composite material selected for the new trolley has achieved weight savings of 40% compared with traditional aluminium-frame trolleys. A lighter trolley means reduced-fuel burn and a smaller environmental footprint. The material also provides a high level of insulation, requiring far less dry ice. Further benefits include a reduction in inventory and maintenance costs through significantly fewer parts and improved fleet management and tracking with fitted RFID chips.

The design and production concept is set up to meet individual airline needs. The trolley can, therefore, be adjusted according to airline specifications, for example the features, colours and

branding. Production has begun with the ATLAS half-size and full-size trolleys, and further models will be added to the series in 2011. #881.CAT17

Events

14 - 16 September 2010, Long Beach, CA/USA

IFSA Annual Conference & Exhibition, co-located with the Aircraft Interiors Expo which will have a dedicated Inflight Services Zone. Details online: www.aircraftinteriorexpo-us.com or www.ifsanet.com

31 Oct. – 2 Nov. 2010; Dubai/UAE

ITCA Dubai Exhibition & Conference at the Dubai World Trade Centre. Details online: www.itcanet.com

15 - 17 February 2011, Nice/France

ITCA 2011 Conference & Exhibition.. Details online: www.itcanet.com

<p>Editors/Publishers: Karin & Manfred Momberger Editorial office/subscriptions: Momberger Aviation Catering News, D-71277 Rutesheim/Germany Phone: <49> (7152) 997 760 Fax: <49> (7152) 55 005 e-mail: info@AviationCateringNews.eu Internet: www.AviatioCateringNews.eu</p>
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