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BA chief says Asia's turnaround is in sight

AIRLINE traffic and passenger volume in Asia is expected to rise this year in tandem with positive economic growth in the region, British Airways chairman Lord Marshall said yesterday.

He said the first sign of turnaround is within sight and the company remained optimistic that "it is going to continue."

"We are going to see a number of Asian economies back in the growth path albeit with lower growth level. There is also prospect of a more rapid growth next year," he said.

Lord Marshall, who is also the British ambassador for business, was speaking at a Press conference in Kuala Lumpur to announce the results of his three-day working visit to Malaysia.

He had earlier met with Prime Minister Datuk Seri Dr Mahathir Mohamad, First Finance Minister Tun Daim Zainuddin, Minister of International Trade and Industry Datuk Seri Rafidah Aziz and addressed the monthly British Malaysian Chamber of Commerce luncheon.

The objective of his visit is to acquire a comprehensive understanding on commercial and investment opportunities offered by Malaysia.

Marshall, who is also the chairman of Invensys Plc and deputy chairman of British Telecommunications Plc, said however, BA would encounter tough competition from Malaysia Airlines and Singapore Airlines for its London route.

"These airlines, including Qantas, can be seen to represent high standards among the airline fraternity as a whole."

On the tourism front, Marshall said Malaysia is in a good position to see European tourists flocking to the country as it has the attraction of being "a low-cost destination".

"As the country also offers world-class facilities we would do our best to sell Malaysia to mainland Europe through our collaboration with Qantas. If Malaysia's economy can pick up by five per cent, we will be able to see the rebuilding of passenger traffic on the Malaysia-Europe routes."

On SIA's legal action against BA for accusing it of copying BA's first-class reclining seats, Marshall said he hoped to see the issue "being resolved amicably and quickly".

"I do not want to speculate about BA's position... We will have to look at the matter carefully and take it step by step."

BA had asked SIA to rip out its new leather-bound reclining seats claiming patent infringement.

SIA replied it had patented its "skysuites" in Singapore and that they did not infringe the BA patent as claimed.

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