

# Olympic Airlines



In the 1970s, Olympic Airways, under the stewardship of Aristotle Onassis, had an excellent business reputation. This image of Greek actress Betty Livanou in a Pierre Cardin cabin crew uniform from that decade exemplifies what its new boss Dr Ioannis Benopoulos intends to achieve in his mission to put the smile back on the faces of Olympic Airlines passengers and employees. (Olympic Airlines)

Dr Ioannis Benopoulos was appointed Chairman of the Board of Directors and Chief Executive Officer of Olympic Airlines in October 2007. (Olympic Airlines)



## Flying With a Smile



**Q:** A lot of negative publicity and speculation has appeared in the media over the last few months about Olympic's future, including the suggestion that the airline is about to fold. How do you view this?

**A:** All negative publicity about Olympic Airlines is based on speculation and it does not touch upon the critical functions of our operations or excellent safety record. I want to reassure our stakeholders that we will continue to operate in accordance with our schedule and our commercial priorities until a long-term viable solution is achieved that will guarantee the future of our operations. This is the express will of the Greek government and a view shared by the European Commission. In the meantime, we have no intention of folding our wide network of destinations or giving up valuable market share to our competitors: We operate more than one third of the flights from and to Athens International Airport, while we control 40% of the very competitive lines to Paris, London and New York.

**Q:** You are planning to enlarge your fleet to service your summer schedule. Is this still on track and have you placed any firm orders?

**A:** We have reached an agreement with a US company to dry lease two Boeing 737-400s, a type of aircraft that can best accommodate our mid-range European destinations and our most popular domestic routes. We are planning to add them both to our fleet before the start of the peak summer season. At the same time, we are continuing our negotiations with a number of international aircraft leasing companies to lease additional aircraft to

replace the wet-leases we have been operating with dry leases. We are currently inspecting similar mid-range equipment, either B737s or Airbus A320s, for use in our European and domestic routes.

**Q:** I understand that a way forward for Olympic is restructuring and privatisation. Taking into account the current European Commission court actions brought about by Ryanair, is this possible?

**A:** The will of the Greek Government is to eventually privatise Olympic Airlines. In this direction the State, which is the sole shareholder of the airline, has appointed a high level committee that is responsible for indicating the required steps towards reorganisation in accordance with European law and overseeing the privatisation process. To this

end, it has appointed four financial consultants. Furthermore, it is engaged in intensive technical negotiations with the European Commission for a legally sound solution to the cases still pending at European level. The European Commission has recently reiterated its support for a viable solution to the Olympic Airlines' file. Needless to say, I also believe a viable solution is possible.

**Q:** If the airline was to be restructured how would this affect your current workforce and would it lead to job cuts and the loss of any routes?

**A:** It is unwise to make any assumptions on these matters until the special committee appointed by the government has concluded its studies and made its recommendations. The Greek Minister of Transport has publicly stated that no employee will become unemployed. Restructuring is

Olympic currently operates four Airbus A340-300 models on its long-haul services to North America and South Africa, having previously flown larger Boeing 747-200s on the routes.



a good opportunity to transform us into a dynamic new organisation that will ensure its domestic role while building on its strong presence in valuable international lines.

**Q:** Will your public obligation routes to the Islands be affected in any way?

**A:** Not at all. We are fully committed and capable of performing the domestic and island routes that have been awarded to the company by the Hellenic Civil Aviation Authority for the next three years. The continuation of the seamless air connection of the islands to the mainland is a valuable tool for local and regional development. In total, we operate to more than 18 regional routes of low passenger and cargo traffic rates.

**Q:** What is your vision for the future of Olympic Airlines?

**A:** We have maintained our operations at a satisfactory level over the last couple of years, in spite of adverse publicity, something which is testament to the experience and professionalism of our people. We are focused on keeping our excellent safety record, which is among the best in the world, and meeting the highest international safety standards. These values are at the core of our vision for the future transformation of the company. Furthermore, we have a strong brand which will give us a great commercial advantage – the Olympic circles, which constitute the logo of Olympic. The company is close to the hearts of the Greek people and is synonymous with the development of the Greek economy during the second half of the 20th century. Olympic Airlines is a strong and historic brand and we are committed to achieving and maintaining the highest standards of performance. Hence we are confident and optimistic about the future of the airline.

The new Chairman and Chief Executive of the Greek air carrier, Dr Ioannis Benopoulos, plans to bring a smile back to the faces of its passengers and employees. Martin Foley visited the airline's Athens headquarters to find out more.



Right - Olympic will add two Boeing 737-400s to its fleet to support its summer schedules and is also understood to be looking at two further Airbus models for growth.