



## Air Canada Office To Prepare Way for Regional Expansion

The newly-opened Air Canada office in Singapore will be involved in laying the groundwork for expansion of the airline's on-line operations to the South-east Asian region.

Vice-President for Europe, Africa, Asia and the Middle East, Mr. David Bryce-Buchanan, said the office will evaluate and assess both the South-east Asian and Indian markets and determine the types of traffic carried by other airlines along the routes to Europe and North America.

"We will collate information about the various markets and types of traffic so that by the time we are ready to come on-line, we will have a strong understanding of airline operations in the region," he said.

### Importance of Asia/Pacific Region

According to Mr. Bryce-Buchanan, the Canadian carrier was gearing up to expand its route network beyond its European gateways of Paris, London, Frankfurt, Zurich and Dusseldorf to South-east Asia, the Middle East and Africa.

"Our conviction is that since more and more foreign airlines are coming into Canada, we quite naturally are also seeking out new markets and the Asia/Pacific region is one of the areas we are interested in. After all, economic indicators seem to point to the fact that it is one of the fastest growing areas in the world today," he noted.



There is quite a substantial amount of VFR-type (visiting friends and relatives) traffic between South-east Asia and India to Canada. "Cathay's strength in operating the Hong Kong-Vancouver route lies in this market, and we are quite certain that once we have secured rights in the region, it will be a profitable run for us."

The next stage of Air Canada's route expansion, Mr. Bryce-Buchanan said, was to secure traffic rights to certain points in South-east Asia and the Middle East.

### Negotiations

Depending on the bilaterals signed with the European countries and taking into account their protectionist restric-

tions, he said the airline will ask the Canadian Government to start negotiating for traffic rights to the region soon.

"Some of the European bilaterals quite naturally have protectionist restrictions relating to routings or frequency. For example, under the UK bilateral, we are not permitted to fly daily from London to Singapore until 1989," he said.

However, the airline hopes to introduce flights to South-east Asia through India as it was recently assigned traffic rights to India by the Canadian Government. "It is not good economic sense to fly to India alone. We would like to fly through India to points in South-east Asia such as Singapore and Thailand."

Meanwhile, an immediate task assigned to the new office, according to Mr. Bryce-Buchanan, was to increase Air Canada's passenger and cargo revenue out of the off-line locations which it oversees.

"We are sharpening our focus on off-line revenue and we expect that the opening of the Singapore office will have a dramatic impact on our off-line revenue," he said.

### Revenue

Hopefully, he added, the office will contribute more revenue to the carrier's North American gateways of Vancouver, San Francisco and Los Angeles as well as its European gateways.

A rule of thumb adopted by the airline in opening an overseas office is that revenue will double by the end of the first year. Last year, Air Canada's off-line revenue from the region amounted to C\$2.8 million (US\$2.3 million) and for this year it expects to hit C\$5 million.

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Mr. W. J. Rowe, Vice-President, Western Region (left) presents a commemorative plaque to Mr. B. Keller, Area Manager, Asia-South Pacific, while Mr. D. Bryce-Buchanan, Vice-President, Europe, Mideast, Africa and Asia and Miss A. Leung, Manager, Hong Kong office, look on.