

Airbus Says Rolls to Ship Engines From A380 Factory

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Nov. 16 (Bloomberg) -- Rolls-Royce Group Plc plans to ship some engines from Airbus SAS's A380 factory to customers replacing units after a turbine explosion on a Qantas Airways Ltd. flight, according to the planemaker.

"Rolls-Royce is arranging for some engines to be supplied to airlines from the production line to replace some engines that have been removed from in-service aircraft," Airbus spokesman Sean Lee said today by phone from Singapore. London-based Rolls-Royce declined to comment in an e-mailed response to Bloomberg News questions regarding Lee's comment.

Qantas, Singapore Airlines Ltd. and Deutsche Lufthansa AG have removed some Rolls-Royce powerplants from aircraft after the mid-air blowup of a Trent 900 engine earlier this month led to the discovery of potential defects. The London-based engine-maker has said it will miss its 2010 profit target and Airbus SAS has said A380 deliveries may suffer next year from the blowout on the superjumbo.

Qantas, Australia's largest airline, kept its fleet of six A380s grounded for the 13th day as it continues to "work closely" with Rolls-Royce, said Simon Rushton, a spokesman for Sydney-based company. Singapore Air pulled three A380s out of service last week to change one engine on each aircraft. The last of the three planes will be back in service today, Nicholas Ionides, a spokesman for the airline, said by phone.

Scheduled Deliveries

Singapore Airlines is due to take delivery of its 12th A380 before the end of March 2011, Ionides said. The carrier hasn't been informed of any delays, he said. Lufthansa, which is taking delivery of its fourth A380 this week, has no new

updates on delivery schedules from Airbus yet, said Frank Puttmann, the airline's Singapore-based spokesman. The carrier is scheduled to take delivery of four superjumbos next year, he said.

Qantas fell 2.2 percent to A\$2.73 at the 4:10 p.m. close of trading in Sydney, while Singapore Air dropped 0.8 percent to S\$15.78 in Singapore. Rolls-Royce declined 2.3 percent in London yesterday, when Lufthansa gained 0.5 percent in Frankfurt. Qantas, which has never had a fatal jet accident, has deployed spare capacity and shuffled its fleet to maintain long-haul operations after the mid-air explosion earlier this month.

Uncontained Failure

So-called uncontained failures occur about once a year on average, while fatalities only happen once a decade, Paul Hayes, director of safety at aviation consulting firm Ascend, said earlier this month. "An uncontained failure is a potentially catastrophic event," Bill Alderman of Alderman & Co. Capital, a broker specializing in the aerospace industry, said in a Bloomberg TV interview. "In a properly designed engine, a small component can still fail and the system will remain contained."

Airbus has 234 orders from 17 customers for the double-decker A380. China Southern Airlines Co. and Korean Air Lines Co. are the only new customers slated to receive A380s next year, with the remainder going to the five existing operators, which also include Air France-KLM Group and Emirates Airline.

Air France and Emirates power their A380s with engines made by a General Electric Co. and Pratt & Whitney venture.