

MD-11 supply tightening

There are now less than 90 MD-11s in passenger configuration, and about 30 of these have already been earmarked by several freight carriers, including UPS. These leaves less than 60 available for possible modification by other freight airlines.

The supply of MD-11s that are potentially available to airlines for future use as freighters is diminishing.

Out of a total of more than 200 MD-11s built 194 remain. Of these, 107 are already operating as freighters. This leaves a maximum of 87 aircraft that could possibly be converted, and several of these are earmarked by United Parcel Service (UPS) for conversion. UPS already operates 12 MD-11Fs and has made a commitment to take up to 35 aircraft. This indicates it will convert another 23.

The type is also popular with other major freight carriers. Several passenger-configured aircraft have been stored by a few airlines, however.

Lufthansa Cargo, which already operates 13 MD-11Fs, will convert five more MD-11s, bought from European airlines, during 2004.

Dutch carrier Martinair already operates six MD-11Fs, but plans to add another one during 2004. Aeroflot has also said it wants to replace its four DC-10-40Fs with five MD-11Fs.

One other airline that has expressed an interest in acquiring the MD-11 is DAS Air Cargo of Uganda.

Analysis of transactions within the MD-11 fleet also reveal that passenger-configured aircraft are also in demand. Swiss parked nine of its fleet in October 2003, but still operates five. Four aircraft (serial numbers 48444, 48446, 48456 and 48457) were leased to VARIG in December 2003 and February 2004. These replaced aircraft leased from GECAS. Two of these will now be converted for Lufthansa Cargo. Another ex-Swiss aircraft (serial number 48445) was leased to Martinair.

Alitalia has also stored five CF6-80C2-powered aircraft, and has ordered 777-200s partially to replace them.

Delta has also stored 12 extended range aircraft and sub-leased one (serial number 48475) to World Airways.

China Airlines stored one. Japan Airlines has sold and leased back an aircraft.

In the meantime, China Eastern Airlines, which already operates several MD-11Fs, has converted two of its aircraft to freighter for use on its own cargo network (serial numbers 48495 and 48496).

UPS has taken delivery of a further

two MD-11CFs (serial numbers 48571 and 48574) and acquired another from three from Boeing (serial numbers 48575, 48579 and 48774) which will be converted to freighters.

There are 55 passenger-configured aircraft in active service and another 32 in storage.

The largest fleets in operation are World Airways (seven aircraft), VARIG (15 aircraft), Finnair (five aircraft), KLM (10 aircraft), Swiss (five aircraft), Japan Airlines (three aircraft) and Thai (four aircraft).

Other small passenger fleets are EVA Airways's aircraft, but this will be converted to freighter for its own use. This leaves less than 50 active aircraft for potential conversion to freighter, although UPS will take a portion of these.

Out of the 32 aircraft in storage, the two large fleets are the 12 ex-Delta Airlines fleet and the nine ex-Swiss aircraft. Both fleets are PW4000-powered. Other stored aircraft belong to Airplanes Ltd; which has three, China Airlines; one, Boeing; one and Alitalia; five Combi-configured aircraft. Lufthansa

Cargo will be converting three ex-Alitalia and two GECAS aircraft.

The 23 aircraft that will be converted by UPS, the five by Lufthansa Cargo and one by Martinair leaves the maximum number of aircraft left available for conversion and use by other freight carriers at 58.

The majority of aircraft acquired by UPS are PW4000-powered. UPS will convert aircraft supplied by Boeing which have been acquired from the market as they come available. Aircraft now operated by Japan Airlines will be some of those converted for UPS.

Several US carriers are known to be considering acquiring MF-11s. These include Gemini Air Cargo, World Airways and Centurion. Market values of passenger-configured MD-11s are in the range of \$28 million. Added to this would be conversion at about \$9.0 million, freight handling system at \$1.0 million, weight upgrades at \$0.5 million and maintenance that could be \$4-6 million. This would take total cost to \$41-44 million, which compares to a market lease rate of \$400,000-450,000. [AC](#)

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