

1time's founders may start flying Skywise

By [Nicky Smith](#)

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High air fares in the domestic airline market were creating the perfect conditions for the launch of a new low-cost airline, Glenn Orsmond, one of the founders of 1time Airline, said on Tuesday (27 November).



"We have identified an opportunity in the market for a low-fares airline. Air fares are very high again; there has been a dramatic increase in fares," Orsmond said.

Airlines have been battling the combination of high fuel prices and surplus capacity as economic conditions have depressed travel demand.

The toxic market conditions have claimed two victims this year with the collapse of Velvet Sky in March and the failure of 1time's business rescue plan, which led to the company being placed in provisional liquidation in November.

The plans for the new airline depend on whether the promoters of the plan receive a licence from the Air Service Licensing Council. The promoters include Orsmond, 1time's former chief executive, Rodney James, the airline's former chief information officer, Michael Kaminski, and former Sunair managing director Johan Borstlap.

The promoters will have their second meeting with the council next week, Orsmond said, adding he was "positive" about the new carrier's prospects of getting a licence.

He declined to provide further details on the plans for the new carrier until a licence had been issued.

Earlier this month, James told tourism news website *Tourism Update* that the new airline would be called Skywise. Flights would initially be offered between Cape Town and OR Tambo international airports using two leased Boeing 737-300s.

Even government-backed South African Airways (SAA) could not escape the adverse trading conditions that have hit the industry hard in the past year. SAA reported a R1.25bn loss for the year ended March, and Comair, which operates British

Airways flights and low-cost carrier kulula.com, reported its first interim-period loss in more than 60 years in February.

However, Orsmond said his team was undeterred by the market conditions but was rather seeing them as an opportunity to design a new business structured to respond to the conditions.

"I am confident in our ability to run an airline (in these conditions). It is a great business and there are a few things that we can do differently from the other airlines.

"When we started 1time there was an opportunity for low-cost flights and for six out of seven years we reported a profit. It is a pity 1time is not around any more," Orsmond said.

"All the airlines have really high costs. Comair is bringing in a new fleet that is going to cost billions and they will need to fund that debt and that will put pressure on their ticket prices.

"We have seen SAA's problems and 1time also had high costs. I am not sure if 1time will emerge from provisional liquidation," he said.

Blacky Komani, the chief executive of 1time who took over from James, declined to comment on the plans for a new airline.

Source: *Business Day* via I-Net Bridge

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