

Comair 'cautious' over new African routes

By [Nicky Smith](#)

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Comair, which operates some British Airways flights as well as budget airline kulula.com, plans to take a "cautious approach" to other new routes in Africa. Comair's new service to Maputo starts operating in May.



Emirates, one of the world's largest airlines, is offering flights on a number of routes in southern Africa and this move has caused some alarm bells to ring at Comair.

"Africa is looking a bit shaky at the moment," said Comair's chief executive Erik Venter.

"With Emirates flying directly to Harare, Lusaka and Luanda and offering flights through its hub in Dubai we have seen a drop in traffic through Johannesburg," said Venter.

Africa's economic growth and growing middle-class have captured the attention of airlines from all parts of the world.

Struggling South African Airways and its smaller sibling South African Express are both planning to more effectively target the African market and the continent's demand for air travel.

UK-based Fastjet, which is majority owned by diversified African investment company Lonrho, has plans to be the first pan-African low-cost airline operator with hubs across sub-Saharan Africa.

"If SA wants to stay on top as transport hub and remain the gateway to the continent there are going to have to be some changes," Venter said.

"Compounding the problem created by increased competition was SA's insistence that all passengers have transit visas to move through OR Tambo International Airport. They must also be inoculated against yellow fever, making Johannesburg less attractive than Dubai where these are not needed," said Venter.

Earlier this week, Comair reported profits of R79m for the six months ended December contrasting with the R33.8m loss it made for the same period the year before. Comair's revenue increased by 20% to R2.4bn

Commenting on the results, Venter said that more than half of the profits came from the new inventory management system

implemented by kulula.

The software allows for better dynamic pricing of tickets and also means that any tickets booked but not paid for are immediately placed back into the inventory system so they can be sold.

Moreover, the introduction of the airline's four new fuel-efficient Boeing 737-800s had contributed to Comair's improved performance.

Turnover for the airline more than doubled to R529.4m from R254.8m last year. Cash from operations and investing activities rose 62% to R262.7m.

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