

Maunu von Lueders (CEO of FlyNordic) July 2007

Interview of Maunu von Lueders (CEO of FlyNordic)

What is the difference since Norwegian has acquired FlyNordic?

First of all, our previous owner is a traditional airline and a member of a global alliance. We were a strategic tool for them, but now for Norwegian, we are a tool for expansion and to broaden their scope. Because FlyNordic and Norwegian are very similar in the way they function and in their business model, there are a lot of synergies. I think we are going to expand and grow much faster now than with our traditional owner. We will also gain from joint network, distribution and things like that.

As now you are a big player in Scandinavia, which carriers are your tougher competitors in Scandinavia?

We are competing with any carriers, not only LCCs, so SAS is our biggest competitor. We will definitely be a big opponent to SAS. First, we are going to cover some routes that they have, we will have some routes they don't have, and we will have a very customer friendly proposition. For a lot of customers, the choice between FlyNordic and SAS will be based on price, schedule; I cannot see what we couldn't do that SAS is doing.

How do you explain the collapse of FlyMe?

It was an overcapacity from them; you cannot swallow a bigger piece than your mouth. It was an expecting thing, and we were wondering how they survive so long. You cannot keep growing without the resources necessary to grow and without knowing if the grow will ever be profitable. Growing for the sake of growing doesn't make sense.

How do you see your expansion in Scandinavian countries? Outside Scandinavia?

We are already in the Scandinavian countries. Denmark's market is very small while Norway domestic is huge. Swedish domestic market is important too, but only half of Norway. So by having our stronghold in Norway and in the Swedish market, it is a very powerful thing. Denmark is interesting essentially because Copenhagen generates some traffic and we can capture business travel there. As we are focused on business travel, our schedules are designed to fit to these passengers. I'm sure Norwegian and FlyNordic will cover major cities in Scandinavia any time soon.

We don't have any long-haul projects for the moment. The growing markets are Asia and Eastern Europe, so I'm sure Central and Eastern Europe will be part of our expansion strategy. It's not much about regional targets but more about specific interesting destinations, but definitely Eastern Europe is interesting. Local carriers there are more known in their home base, and in Scandinavia FlyNordic and Norwegian are well known, so if you talk about traffic from Scandinavia to Eastern Europe, we have the strength. It mainly depends on the direction of the market.