

Singapore Airlines and Lufthansa sign Alliance Agreement

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After a year of discussions, Singapore Airlines and Lufthansa announced the formation of a strategic alliance that will provide passengers of both carriers with a wide range of enhanced benefits.

A Memorandum of Understanding confirming the alliance was signed in Singapore by Dr Cheong Choong Kong, deputy chairman & chief executive officer of Singapore Airlines (SIA) and Juergen Weber, chairman and chief executive officer of Lufthansa. It covers a wide area of commercial co-operation including code-sharing, network and schedule development, frequent flyer programs, product development, ground-handling, customer service, information technology and cargo operations.

From April 1998 each airline plans to increase its frequencies between Singapore and Frankfurt to 10 flights per week from the present seven, offering passengers alternative daytime departures from both cities, along with the current late-night service.

Lufthansa will use Singapore as a primary hub in South East Asia and Australia, while SIA will use Frankfurt as its hub in continental Europe.

From July 1998 the two airlines will share codes on flights between Singapore and Frankfurt, and on services beyond both international hub airports, including SIA's service between Frankfurt and New York. SIA's code share services beyond Frankfurt will also extend to destinations within Germany and throughout continental Europe (including Eastern Europe). Likewise Lufthansa's code share services beyond Singapore will cover destinations in Asia and Australasia.

Other important customer benefits of the alliance include access for qualified customers to airport lounges of both carriers, ticketing and service assistance for all passengers at the two airlines' sales and service locations worldwide, and co-locations of airport facilities in Frankfurt and Singapore to reduce transit times.

The carriers are also adapting their frequent flyer programs to allow members

traveling either airline to collect and redeem mileage on all routes worldwide beginning in July 1998.