



SMARTLYNX AIRLINES HELPS TACKLE AVIATION INDUSTRY CRISIS IN EUROPE

News / Airlines



SmartLynx Airlines provides Aircraft-Crew-Maintenance-Insurance services to help several European airlines deal with a resource crisis caused by the rising passenger numbers, lack of spare parts, and labour shortages. The company currently operates a fleet of 44 aircraft, which is expected to increase to 60 by the end of the summer, making SmartLynx Airlines the operator of the largest aircraft fleet in the Baltic countries.

SmartLynx Airlines CEO Žygimantas Surintas commented: “The aviation market has experienced great fluctuations in the past three years – from the best year in history in terms of passenger turnover to 2020, when this business almost ceased to exist. Currently, airlines around the world are seeing a huge increase in passenger numbers, struggling to meet the demand. Due to disruptions in supply chains, spare parts for aircraft repairs arrive late, there are labour shortages at both airlines and airports, and fuel prices have increased significantly. At the moment, the biggest problems can be observed at the large airports in the Netherlands and Great Britain, where people have to wait in long queues as the airports are short-handed.”

In most cases, Aircraft-Crew-Maintenance-Insurance is a short- or medium-term solution so that

airlines could ensure the necessary number of flights during the high season. Airlines that have large fleets also use this service when an aircraft has technical problems and a quick solution is needed, which also comes with excellent service. SmartLynx Airlines is currently one of the largest ACMI operators in Europe with a 30% market share, and the largest in Great Britain (69%). The expansion in the British market is due to the fact that, in the wake of Brexit, airlines are short of employees as crews of UK-registered aircraft must have British visas, which is why airlines prefer to lease aircraft with crews.

“Buying new aircraft means enormous investment, and for the purchase to be profitable, the plane needs to be up in the air all year round, carrying cargo or passengers. That is why airlines do not purchase additional aircraft for crisis situations, but rather lease aircraft from other airlines when necessary. ACMI operators, or Aircraft-Crew-Maintenance-Insurance companies, offer airlines an alternative to the financial burden associated with long-term aircraft ownership by providing temporary access to aircraft, crews, maintenance, and insurance,” explains SmartLynx Airlines CEO Žygimantas Surintas.

Using the crisis as an opportunity

The carrier offers other airlines to lease its aircraft, providing aircraft alone, aircraft with crew – pilots and cabin crew members, as well as performing technical maintenance of the aircraft. SmartLynx Airlines is to invest a total of EUR 50 million in new and sustainable technologies this year, which will make it even more efficient in the future.

“We also had to downsize our fleet at the beginning of the Covid-19 pandemic, when the aviation business practically came to a halt, but already at the end of 2020 we saw the crisis as an opportunity to increase our fleet with the help of more favourable conditions for the use of the aircraft. We can see that our business strategy has paid off and we can help other European airlines provide passenger transport services in these difficult circumstances – we are able to adapt to the changing economic and geopolitical conditions, to quickly respond to business needs. Although competition in the market is very tough, as many smaller players have entered the market in recent years, we are very flexible and professional, and we expect growth in the ACMI sector to continue at least in the next three to five years. Another advantage of SmartLynx is that the first Boeing MAX 737 aircraft were added to the fleet in addition to Airbus A320 and A321 models this year, reducing costs for customers and lowering CO2 emissions,” explains Žygimantas Surintas.

So far in 2022, leased flights accounted for 75% of SmartLynx Airlines operations, charter flights for 15%, and cargo transportation for 10%. The airline operates from several airports in Europe and Africa.

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