

# Airmail



**PEOPLE**  
Franziska Schneider and  
Martina Decurtins from the  
Sponsoring and Event  
Management Team

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At Zurich Main Station you can fly our Icaros through virtual worlds.  
Photo: SWISS

Transformation of our industry

## SWISS in the digital world

DigitalSwitzerland will be holding its first Digital Day nationwide on Tuesday 21 November. SWISS will be joining over 30 other companies and organizations to show visitors throughout Switzerland what digitalization means for the country and its economy – and what opportunities it offers, too. We asked our CCO Markus Binkert how our company is taking advantage of digitalization and what this megatrend means for the future of the airline sector.

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Nose-to-tail refurbishment

## A facelift for our Airbus A340s

The present SWISS Airbus A340-300 cabin was introduced back in 2003. But with our remaining A340s now expected to stay with us until around 2025, we clearly need to refurbish them if we're to continue to live up to our premium brand positioning. So the entire cabins of the five remaining A340s are to receive a major upgrade to improve our customers' experience and comfort as well as the working conditions for our crews. All the seats in all three classes (First, Business and Economy) will be replaced with up-to-date seating for optimized living space and comfort as well as state-of-the-art IFE, including connectivity. The five A340s will undergo their nose-to-tail refurbishments between spring and summer of next year. And once they've received them, these reliable long-haul workhorses will again have the cabin interiors they deserve.

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CCO Markus Binkert on the digital megatrend

## “Digitalization is a radical transformation”

**From the ‘smart home’ to The Internet of Things, the digitalization of our world is in full swing, substantially changing our working and private lives alike. We asked our Chief Commercial Officer Markus Binkert how our company stands on the digitalization megatrend, how digital products and services and the resulting new market structures are transforming our industry, and why SWISS is so involved in Switzerland’s first Digital Day.**

Tobias Fries and Elena Manzo

**Markus, Switzerland will be holding its first Digital Day on 21 November. And our company will be well represented, with a presence at Zurich and Geneva’s main stations and at Zurich Airport. Why are we so involved here?**

Well, not least because we’re a digital airline already. We have an impressive range of digital services, products and technologies, and we’re taking the opportunity to present these to a broader audience. When it comes to Switzerland and its role as an innovation hub, SWISS doesn’t just help provide the international mobility that people need today in their working and their private lives: we also contribute our own ideas and approaches to our home country’s digital development. And this Digital Day is a great opportunity for us to demonstrate our digital expertise. We want to show the public that SWISS is a true innovator here, and that we’re already working today on the customer experiences of tomorrow.

**SWISS is a founding member of digitalswitzerland, the business and industry association that has organized this Digital Day. How has this collaboration evolved?**

It all began back in 2015, with what was then called Digital Zurich. The name has changed, but the goal has stayed the same: to strengthen Switzerland’s digital credentials. This can only be achieved if the business, political and educational worlds all team up and work out the best approaches together. Digitalswitzerland is designed to promote this collaboration, so it gives us the perfect platform to play a substantive part in the digital community. And if we strengthen Switzerland’s digital and innovation credentials, we strengthen SWISS’s, too. Let’s not forget: digitalization affects and involves us all. So it’s vitally important that Swiss companies and other organizations give themselves the best possible tools and scope to meet and master the challenges that digitalization brings. And as The Airline of Switzerland, we want to play a key part in making all this happen.

**How is digitalization likely to change our industry in the next few years?**

We need to appreciate here that digitalization is not just changing the ways we communicate with each other and perform our daily tasks. It’s a radical transformation that is having a huge impact on society, on companies and on entire business sectors. It’s hit pretty much every aspect of the air transport field. And there’s hardly any area within our company that won’t be changed by it in the next few years.



CCO Markus Binkert: “Big data is the key. By using customer analytics and artificial intelligence, we can determine each customer’s preferences, to personalize and optimize their air travel experience.”

Photo: Luca Negroni

Ten years from now, the airline industry and the technologies and business models it uses will look totally different from the way they look today. What we’re doing at SWISS is preparing for that transformation now. We’re thinking long and hard about what tomorrow’s mobile world will look like – such as what impact platform-based business models like Uber or AirBnB are likely to have. We have no intention of being left behind by this digital transformation: in fact, we want to be among its front runners with our own innovative approaches.

**What does this all mean for the people at SWISS?**

Digitalization is clearly the key to all our futures. And we want to develop and adopt digital tools and processes that will help us all in all our daily SWISS duties, by making our tasks easier and helping us bring more efficiency to our work.

Equipping all our cabin crew members with their new FlyPads is a good example of this. Thanks to the new devices, our CCMs won’t just be able to perform various work tasks more smoothly, with all the data they need at their fingertips; they’ll also be digitally linked in to our company and each other. So we can keep them better informed, and they can contact us more easily whenever they need to. So this FlyPad4All project really is another milestone on our SWISS journey into a digital future and a paperless workplace.

**Isn’t there a danger in all this that we’ll start to neglect the kind of personal touch that’s so vital to any service company?**

I don’t think so. By taking advantage of the opportunities that digitalization offers to make our working day easier, we actually give ourselves more time to devote to our guests. We should always bear in mind, of course, that today’s information technologies will never be a substitute for personal contact. And I’m personally convinced that traditional products, services and values have as much

place in our world today as the latest technologies, processes and lifestyles. In an increasingly digitalized world, our customers will still – and perhaps even more – appreciate their personal contacts with colleagues, family and friends, or even a simple friendly “welcome aboard”. Our goal here must be to connect the physical and the digital experience, because I’m convinced that for all the digital aids that are added to our lives, we’ll always want to have people there, too, to help and advise us.

**Digitalization is also changing our customers’ needs and expectations. How are we responding here?**

You’re right, it is. Market liberalization and the rise of the low-cost carriers have turned air travel into a commodity. It’s a fiercely competitive market, so it’s all the more important that we stand out in it. But often the only way to do so is by offering a truly individual service. Luckily, though, this is precisely where digitalization can help, by enabling us to be even more consistent in addressing each customer’s needs and to incorporate even more personalization into our product and service range.

**So how do we make our products and services even more personalized throughout the customer journey?**

Big data is the key. By using customer analytics and artificial intelligence, we can determine each customer’s preferences over a number of contact points, and then use this information to personalize and optimize their travel experience with us. Data are the new fuel of the business world. And in future, the success of any company will depend to a large extent on how it gathers its data, how it analyzes them and how it applies the results.

As Lufthansa Group projects like SMILE and Customer Retention Score show, we’re pretty good at handling these data already, and we’re well on track here. But we need to make sure that our revenue management tools and our distribution channels are up to the new challenges, too, and we need to modify them if they aren’t. Still, with the introduction of NDC, new sales channels and new distribution partners we’re well on course in this area, too.

It all only works, though, if our customer trusts us with their personal data. And here we have to emphasize that for all the technical possibilities that digitalization offers, data protection and data security remain paramount SWISS priorities. 🇨🇭

### Digital Day on 21 November

Digitalswitzerland will be holding its first Digital Day nationwide on Tuesday 21 November. And SWISS will be prominently involved, with a presence at Zurich Main Station, Geneva Cornavin Station and Zurich Airport.

At Zurich Main Station we’ll be teaming up with the Swiss Federal Railways and PostAuto to present the digital “Mobility” world. The highlight here will be Icaros, an aircraft that can take you on a flight through virtual worlds.

At Zurich Airport we’re joining Flughafen Zürich AG to offer a behind-the-scenes glimpse of the airline and airport worlds. How does SWISS’s Mission Support work? What’s SMILE all about? And why do all our flight attendants need their own iPad?

Our presentation in Geneva will be focused on our new Bombardier C Series aircraft.

New Zurich-Wroclaw service begins

## Dzień dobry we Wrocławiu!

**Our inaugural flight to Wroclaw in Western Poland took place on 30 October. In addition to its cultural attractions, our new destination has been developing into a key centre of business and industry.**

Lisa Altorfer

“Drodzy Panstwo – Dzień dobry we Wrocławiu,” said First Officer Mateusz Krakowiak as our flight LX 1376 from Zurich touched down in Wroclaw on 30 October. That the “Ladies and gentlemen, welcome to Wroclaw” announcement was made specially by the co-pilot and in the local language was not without reason: this was our very first flight on our new Zurich-Wroclaw route. “It’s quite a feeling to be part of our SWISS history,” Mateusz mused.

With Mateusz in the cockpit was Captain Sven Thaler, our Bombardier C Series Deputy Fleet Chief, who performed the landing superbly. “I’m very happy with our first Wroclaw flight,” said Sven. “My crew did an excellent job. And the icing on the cake, of course, has been having Mateusz with us, who’s from Poland and was able to welcome our passengers and the journalists on board in his mother tongue. I have to say, too, that Wroclaw Airport has really treated us well. It’s also a special day for them in that we’re the first C Series they’ve handled.”

In honour of the occasion, our CS100 was treated to a water salute by the airport fire service as it taxied to its stand. Then the media and airport representatives had the opportunity to visit the aircraft, take their photos and conduct their interviews. One special guest was Switzerland’s Ambassador to Poland Andrej Motyl, who had made the trip from Warsaw to take part in the festivities.

For the flight’s Maitre de Cabine Susanna von Vacano, too, an inaugural flight like this is still a special event, even after 33 years aloft. “I was very impressed by all the media interest and the great organization,” Susanna said. “We set ourselves high standards here; and we met them, too.”

### City facts

**Population** (as of 2016): around 638,000

**Area:** 293 square kilometres

**Currency:** While Poland is an EU member, its currency remains the zloty (PLN).

**Best time to visit:** between April and October

**Airport:** Wroclaw Copernicus Airport is about 10 kilometres outside the city.

**Fun fact:** Wroclaw is also known as “The Venice of Poland”, on account of its numerous bridges.



Wroclaw from the air, on approach to the city’s Copernicus Airport. Photos: Lisa Altorfer

### WrocLove

Adding Wroclaw to our network makes economic sense. With the Swiss-Polish business community continuing to grow, this city in Western Poland has become a key location and destination for many Swiss companies. Our current timetables provide a thrice-weekly service to and from Zurich (on Mondays, Wednesdays and Fridays) throughout the year.

It’s not just in business terms, though, that Wroclaw has its attraction. Poland’s fourth city was named a European Capital of Culture in 2016, and is fast catching up with bigger sisters Warsaw and Krakow in tourist travel terms. It’s lively, colourful and romantic; and it’s a paradise for architecture buffs with its historic buildings and picturesque lanes. “WrocLove”, as it’s affectionately named by the locals, also has a sizeable student population... and more than 300 metal dwarves scattered all over the city! In short: it’s an interesting destination that’s well worth a visit. ✈️



Happy landing. From left: Bombardier C Series Deputy Fleet Chief Sven Thaler, Swiss Ambassador to Poland Andrej Motyl and First Officer Mateusz Krakowiak.



The press conference at the airport generated a lot of media interest.

Recruiting processes at SWISS and groupwide

## Group opportunities bring responsibilities, too

**Tobias Bartholomé has been our SWISS Head of Recruiting & Talent Scouting and Head of Recruiting & Sourcing for the Lufthansa Group since August. We asked him what sort of start he'd had, what expertise he had found here on the recruiting front and what he expects of our intragroup collaborations.**

Vera Spring

### **Tobias, how have your first few months with us been?**

Very good! I really like the friendliness and the openness I've found among my colleagues: we're a young and dynamic HR team. I truly feel – and this goes for both HR and the company in general – that people are passionate about what they do. I was met with a lot of openness and willingness right from the start. And this helped me rapidly gain an insight into the recruiting process at the broader group level. It was only my IT onboarding that seemed to take a while...

### **SWISS has taken on the process ownership for Lufthansa Group Recruiting & Sourcing. So how is our recruiting seen within the Lufthansa Group?**

It's felt to be very professional, with a strong focus on the candidate. Our recruiters really see themselves as ambassadors of the SWISS employer brand. And they put a strong emphasis on giving every candidate a good application experience. Also, the close ties between recruiters and consultants help to make the process as professional as possible, and help us put a firm focus on the business, to achieve the best possible fit between the candidate and the work and business concerned.

### **What does this process ownership mean for SWISS?**

It means we can contribute substantially to the whole development process. We can take those issues where we've had good experiences and feel we have a best practice



Tobias Bartholomé, Head of Recruiting & Talent Scouting for SWISS and Head of Recruiting & Sourcing for the Lufthansa Group. Photo: Luca Negroni

and feed them into the Group – not least because we're more a part of the Group than we were in the past. SWISS now “owns” part of the group processes, which means we're in charge of designing the way they work. But this opportunity to design also comes with a responsibility to perform this role for the Group, and to do so successfully, of course. So all in all, it's another big step in SWISS becoming a strong and integral part of the Lufthansa Group.

### **Where do you feel SWISS can bring particular expertise into the overall process?**

In cabin recruiting, for instance. SWISS has been a pioneer of the cabin crew casting approach. And it's helped us turn a staffing shortage into comfortable crewing levels. I also feel that SWISS can contribute a lot of know-how in the areas of recruiter roles, the collaboration between recruiters and consultants that I mentioned earlier, and having such a clear focus on the business concerned. And speed, simplicity and a strong commitment to making it all happen: they're all further areas where we have a major contribution to make.

### **What would you say is most important to you when it comes to this future intragroup collaboration?**

A trusting relationship. That needs to be built up, of course, which is why I'm currently visiting all our colleagues at our other group member companies. I've been to a SWISS casting in Lausanne, a Lufthansa one in Ulm and an Austrian Airlines one in Vienna. I'm genuinely interested in how we all currently go about our various tasks. I want to understand how these processes work, so we can all jointly analyze them and determine where we can generate added value for the Group. This is also the basic attitude and approach here: trusting in and being open about the expertise we have within the Group, and then extracting the very best solutions from this – for the Group and all its constituent companies, SWISS included.

There's a flip side to this too, of course: being able to acknowledge when a colleague from another group company has a good idea or already has a good solution in place. Here we need to be able to say: Can we share that, please? Having each of us devise our own solution simply makes no sense. So we need to be able to support ideas from colleagues at other companies if those ideas are good.

### **What do you feel you personally bring to further developing the Group's Recruiting & Sourcing?**

Recruiting is something I care deeply about. My first job after I'd earned my doctorate was in recruiting cabin personnel. I loved it: finding the right fits between the candidates and the roles they would play in the company. Deciding who suits us and who we suit is so challenging and motivating – and such a responsibility!

I also feel that I can contribute my previous experience in groupwide projects. I helped set up the Matrix organization for our HR processes, and I was the project leader for the HR International part of this. In both these projects I learned a huge amount about how to work successfully with people with different backgrounds, attitudes and areas of expertise. I also find it rewarding to work as a team on a particularly tricky issue and develop a solution together. And I just like designing things, too! 🇨🇭



Integrated campaigns abroad

## Times Square!

It glows, it flashes, it shimmers and it whirrs around. Everything's in motion. Not just the locals, the tourists, the cars and the famous yellow taxis: the buildings themselves seem to move, with their fronts plastered with shrill, brash and often highly quirky adverts of various kinds. And in the midst of all this craziness, you'll currently find our company, SWISS, across 13 of the myriad screens.

Needless to say, having your brand “make it” to Times Square is quite an achievement, and the dream of any management, advertising agency or marketer..

Raising our brand awareness – as the first step towards selling more tickets – can't be done by advertising in Times Square alone. And that's why we, as always, have adopted an “integrated campaigning” approach here, conveying our core messages to our target group via a range of communication channels. So in addition to this out-of-home advertising, we're using various digital channels, social media and magazines, too, to get the message across. 🇨🇭

**You can read the full story on My SWISS.**



Departing CFO Roland Busch looks back on his time at SWISS

## “It’s been a genuinely enriching experience”

**Roland Busch handed the SWISS financial reins over to his successor Michael Niggemann at the end of last month. In his four-and-a-half years as our CFO and a member of our Management Board, Roland was instrumental in our business success. We asked him how he had experienced his time with us and in Switzerland.**

Reto Hoffmann

**Roland, you were part of our SWISS family for four-and-a-half years. How do you feel when you look back on that time?**

They were four-and-a-half very happy years! I’m pleased I was able to spend that time in this wonderful country and working for this wonderful company. First and foremost, I feel really happy that I was part of such a friendly and professional team. This was my longest spell in a position in my Lufthansa Group career to date. And I can honestly say that it’s one I totally enjoyed.

**Where do you feel you left your mark on us as our CFO?**

Well, one thing I’m particularly proud of is how we all, as a team, have been able to implement our “Next-Generation Airline of Switzerland” strategy over the past few years and help equip ourselves to cope with whatever the future may hold – with our fleet renewal programme, our new airport lounges, the various product innovations and more. Plus, of course, the improvements we’ve made for our people, like the refurbishment of our Obstgartenstrasse premises.

I’m proud of my Swiss WorldCargo team, too, who are back on budget this year after some really difficult times. And I’m equally pleased that our colleagues in Geneva have got themselves closer and closer to a breakeven result – a year ahead of our timeframe target here. And as CFO, of course, I’m proud of the good business performance that we’ve all delivered over the past five years, including three annual EBIT margins in a row of over eight per cent. And this year we should even be able to improve on that!

**What’s been the most important thing in all of this for you?**



CFO Roland Busch: “I’ve made so many good friends during my time in Switzerland, at work and outside it. I’ll miss them most of all!” Photo: Reto Hoffmann

The people who have worked together to make it all happen. Being part of the SWISS team has been a genuinely enriching experience.

**And the toughest moments?**

There were a few of them, sure. As our CFO I’ll always remember 15 January 2015, the day the Swiss National Bank suddenly abolished its minimum Swiss franc/euro exchange rate. We lost about 15 per cent of our competitiveness virtually overnight! That was heavy.

**Now you’re leaving us to go back to the Lufthansa Group. What will your new duties be there?**

Well, for the first time after more than 12 years as CFO at three different group member companies, I no longer have any operational responsibility. I’m now the Head of Future Finance for the Lufthansa Group, and I’ll be involved in a number of projects here to help our new Group CFO Ulrik Svensson realign his Finance Division.

I’m looking forward to going back to a more conceptual role, and one where I’ll be able to draw on my operational experience, too. And I’m glad it’s one where I’ll still be concerned with SWISS’s development and success.

**You must have got to know Switzerland and the Swiss pretty well during your time with us. Any particular impressions there?**

It’s been a privilege to work in such a beautiful country. A country where I feel that so many things are just the way they should be – which is probably why so many other countries are a little bit envious! Things like the social institutions, from the direct democracy to the company pension funds. I also really appreciate the Swiss hospitality, which we also embody at SWISS, of course. And what I’ve really valued among my Swiss colleagues at SWISS has been the way you combine a pragmatic and results-driven approach with a more direct and less hierarchical manner – pretty much everyone being on first-name terms, for example. 🇨🇭

Swiss WorldCargo

## Belly Carrier of the Year!

**Our Swiss WorldCargo division has been named “Belly Carrier of the Year” in the 2017 Payload Asia Awards.**

Payload Asia magazine honours excellence in the air cargo supply chain. The 20 award categories in this year’s Awards attracted over 90 nominations.

There are two Payload Asia Awards in each award category: the Customer Choice Award, which is based on popular votes, and the Industry Choice Award, which is based on a detailed assessment by senior executives. And Swiss WorldCargo earned the 2017 Industry Choice Award as “Belly Carrier of the Year.” 🇨🇭



Victors all: the various winners of this year’s Payload Asia Awards. Photo: Swiss WorldCargo

Total cabin refurbishment for our A340 fleet

## A facelift from nose to tail

The SWISS Airbus A340-300 cabin was introduced back in 2003. After 14 years in service, the interior and inflight entertainment (IFE) are now showing their age. And the galleys, which are still with the old KSSU standard, need an update to the ATLAS Lufthansa Group standard. The need to change the IFE in particular means a complete recertification of the seats in all three classes.

Christoph Kienast

Our remaining Airbus A340-300s are now expected to stay with us until around 2025. So we clearly need to replace all the seats in their current aircraft cabins if we're to continue to live up to our premium brand positioning.

### Complete refurbishment

We currently have seven A340-300s still in operation. But two of these will be handed over to Edelweiss by next year. The five remaining aircraft will undergo a complete cabin refurbishment. And a double-digit-million-Swiss-franc budget has been approved for this complex and challenging project.

The entire cabin of the five remaining A340-300s will receive a major upgrade to improve our customers' experience and comfort as well as the working conditions for our crews. All the seats in all three classes (First, Business and Economy) will be replaced with up-to-date seating for optimized living space and comfort as well as state-of-the-art IFE, including connectivity.

After their modification, our A340s will seat 223 passengers: eight in First, 47 in Business and 168 in Econo-



Our five remaining Airbus A340s will have their cabins totally refurbished between spring and summer 2018.

Photo: Markus Guler

my. This is four more Economy Class seats than at present, thanks to cabin layout optimizations.

### Improvements for our crews, too

All the galleys are being exchanged. The new galleys have been developed in close collaboration with our cabin crew representatives and the kapers union to ensure

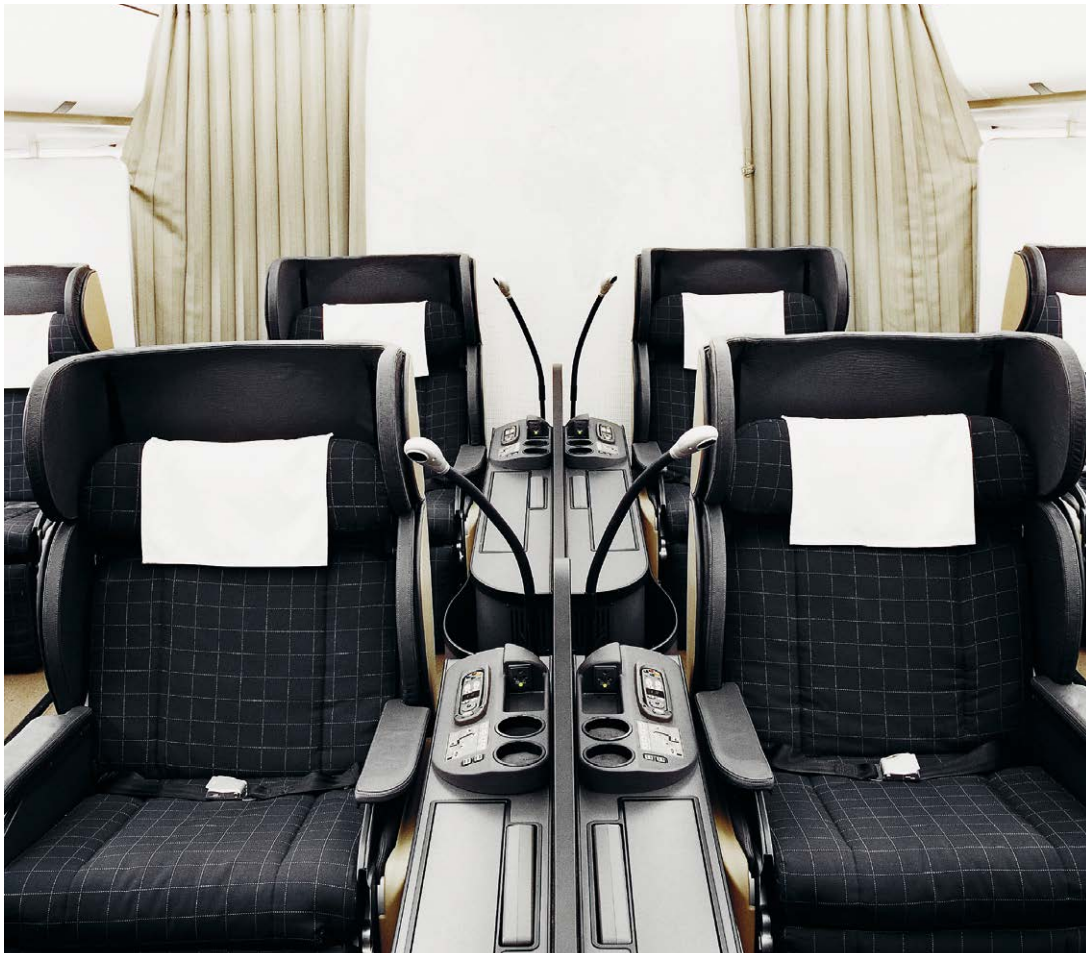
both high efficiency and optimum working conditions. The flight crew rest compartment will also undergo a noise-reducing modification, while new mattresses selected together with AEROPERS and kapers will be provided for all crew members.

The First Class seats are being designed as closely as possible to those installed on our Boeing 777s, while a second lavatory is also being considered for the new A340 First Class cabin. There'll also be a new VCC Welcome Desk at the entrance by Door 2L like on our Triple Sevens, including an additional attendant seat certified for taxi, takeoff and landing.

The refurbishment will also standardize our A340 cabin layout. As you may know, we're currently operating with two slightly different cabin layouts, as we have two versions (classic and enhanced) of the aircraft in service. After the modification, all our A340s' cabin layouts will be the same, further harmonizing our fleet, streamlining the processes for our cabin crews and giving us one consistent product for our customers.

The 17-month project timeframe from kick-off to the first planned refurbishment has been and still is very challenging, and has called for great teamwork throughout our company. The modification extends to every aspect of the cabin from the cockpit to the rearmost galley, so almost every SWISS division is involved. From Asset Management to Engineering, Planning, Product, Procurement, Cabin Crew, Flight Deck Crew, Safety & Security, Network and more, everyone's playing their part. The Lufthansa Group Matrix is a vital element, too, with both workloads and experience being shared to ensure a successful cabin modification and comfortable and maintainable passenger accommodation.

Our five A340s will undergo their nose-to-tail cabin refurbishments between spring and summer of next year. And once they've received them, these reliable long-haul workhorses will again have the cabin interiors they deserve. 🇨🇭



The refurbishment will also extend to the First Class cabin, which is starting to show its age.

Photo: SWISS

Swiss Aerospace Forum in Lucerne

## Aerosuisse sees change at the top

**There was a popular winner of the Aerosuisse Award at this year's Swiss Aerospace Forum, which was held at Lucerne's Museum of Transport on 20 October. The distinction went to the Patrouille Suisse, the Swiss Air Force's aerial display team. The event also saw long-serving Aerosuisse President Paul Kurrus hand the controls to National Councillor Thomas Hurter, who is also a pilot within our ranks.**

Claudia Krahe

After 26 years on the Aerosuisse Committee and 14 of these as President, former National Councillor Paul Kurrus handed over the leadership of the umbrella association for the Swiss aerospace sector to National Councillor Thomas Hurter at this year's Swiss Aerospace Forum, which was held in Lucerne last month. Thomas, who was born in 1963 and is a native of Schaffhausen, is one of our SWISS Airbus A330/340 captains. He is married and has two daughters, and has been a National Councillor representing the Swiss People's Party (SVP) since 2007.

Thomas and his Aerosuisse Committee will continue to do their utmost to ensure that Swiss aviation, which generates over CHF 33 billion in value a year and accounts for some 190,000 jobs, continues to develop in response to demand, as is envisaged in the Swiss Federal Council's Aviation Policy Report. The capacity shortages at Switzerland's international airports are a particular issue here, jeopardizing (as they do) Swiss aviation's development prospects in the mid-to-long term.

Aerosuisse, which was founded in 1968 as the Swiss aviation sector's umbrella association, aims to protect and promote the interests of Swiss aerospace. To take one example, the association strives to help shape the legal foundations on which the Swiss aerospace sector rests. Aerosuisse today has some 150 member companies and organizations.

The association also presents its annual Aerospace Award to a recipient that has contributed to meeting these objectives. And this year's Award went to the Patrouille Suisse, the Swiss Air Force's aerial display team. Not only does the team serve as an ambassador of



Your controls! Departing Aerosuisse President Paul Kurrus (left) hands over to his SWISS colleague Thomas Hurter.  
Photos: Aerosuisse

Switzerland and Swiss values in and outside the country: as the judging panel put it, "its skilled pilots promote the fascination of flying, are powerful role models for young people seeking their future professions, and further enhance the favourable light in which the Swiss Air Force is held."

The special guest at this year's Forum was Swiss Economics Minister Johann Schneider-Ammann, who also voiced his confidence in the growing aerospace market and the opportunities it offers Switzerland. "Aviation and space have long been drivers of innovation," he

pointed out. "They also help create highly skilled jobs; and passenger volumes are set to double again in the next 20 years."

"This expansion is not only being witnessed in traditional aviation," Minister Schneider-Ammann continued. "We're also seeing growth in the number of drones, which will offer opportunities for developing new business models. Some regulation may be needed, too," he concluded. "But this should not be allowed to weaken the Swiss aerospace sector's innovative flair and its competitive credentials." 🇨🇭



Ambassadors of Swiss values. The Patrouille Suisse were the recipients of this year's prestigious Aerosuisse Award.



Swiss Economics Minister Johann Schneider-Ammann took the opportunity offered by the Forum to warn against excessive regulation that might weaken the Swiss aerospace sector.

Europe's airline sector

## An industry in upheaval

**Air Berlin, Alitalia, Monarch and most recently Swiss regional carrier Skywork: all financially unable to keep their aircraft flying. The insolvency of Air Berlin in particular, once Germany's second-biggest carrier, is an unmissable sign that Europe's air transport sector is getting tougher and tougher, and that the competition within it has never been so intense.**

Tobias Fries

An era came to an end two weeks ago: after just under 40 years, long-struggling Air Berlin ceased operations. The last AB-numbered flights landed in Berlin and Düsseldorf on 27 October. Following its negotiations with the Lufthansa Group, the carrier has now reached agreement with Easyjet over the remaining parts of the company. These latest sector developments raise several questions. What does Air Berlin's collapse mean for the industry? And how does the future look for Europe's airlines?

### Air Berlin disappears, the industry reshuffles

Air Berlin has been broken up and will disappear from Europe's skies. The Lufthansa Group is investing EUR 1.5 billion in acquiring parts of the company. Some 81 aircraft and 3,000 employees will move to the Lufthansa Group, or more precisely to Eurowings. Assimilating them all is a major challenge for our Eurowings colleagues: there are personnel to train, aircraft to transfer and negotiations to conduct with the leasing companies. And it will be some time yet before all the aircraft involved are flying in their new Eurowings colours.

The demise of Air Berlin underlines once again that the airlines of Europe aren't earning enough money. The sector is clearly undergoing radical change. The days of glorious growth are gone. Air Berlin's disappearance is part of the next unavoidable consolidation phase in the European air transport industry. And Air Berlin is probably only the beginning. The race to secure the best positions in Europe's skies has only just begun. The Lufthansa Group has been consistently preparing for these developments. And as a result, it's well equipped to play an active part in shaping the new European air order.

The current industry consolidation is gaining more momentum through the continued growth of the low-cost carriers and the competition from airlines based in the Middle East. A glance at the US market is all it takes to see where Europe is headed: after years of fierce competition, countless insolvencies and innumerable mergers, there are now just three large carriers – United, American and Delta – sharing the bulk of the market. But after this major consolidation, the three airlines left are now all doing great.

It could well be a taste of what Europe has ahead. As in the USA, the experts predict that, alongside the low-cost carriers, the European market could well be left with just three airline groups – IAG, the Lufthansa Group and Air France/KLM – sharing its traditional air travel market. What is clear in any event is that the market will be dominated by large operators.

The Lufthansa Group intends to be one of them – as it has made clear with its recent offers to acquire parts of Air Berlin and Alitalia. The assimilations involved will take a lot of money, and a lot of time, too: the assets and businesses taken over cannot be newly integrated until



Our company has been taking a long and careful look at the insolvency of Air Berlin and the further companies involved (especially Zurich-based Belair) over the past few weeks.

Photo: Internet

their acquisition has been approved by the European Union's competition authorities. And not until then will we know what takeoff and landing rights and slots can also be acquired under these deals.

### Competition concerns

Higher fares, poorer service and minimal opportunities for smaller competitors: industry observers have been warning in the media for weeks of the dangers posed by a Lufthansa Group 'monopoly'. The criticism shows no sign of abating, either. But is it warranted? SWISS and the Lufthansa Group have no broad-scale plans to increase their fares, though these may rise on a few routes in the shorter term as a result of the higher demand (and/or the reduced capacity available). "The fact is that flying has never been as inexpensive as it is today," Lufthansa Group CEO Carsten Spohr told the media recently. "And there's no way we'll see a reversal of this long-term trend."

Eurowings CEO Thorsten Dirks is equally adamant that "no broad-based fare increases are planned". Europe has been witnessing intense competition and (as a result) steadily falling fares for some time now: ticket prices have declined some 40 per cent in the last ten years. There is also very little willingness among customers to pay an adequate price for their flight, so the general fare declines look set to continue even after these latest industry casualties.

Basically, it would be a good thing if a European market still suffering from overcapacities were to see air fares rise again. The excessively low ticket prices offered by Ryanair & Co. make very little sense in either economic or ecological terms. Nobody, after all, has an automatic right to cheap air travel. And it's to be hoped that the current industry consolidation may help bring air fares back to reasonable levels and keep them there, too. But the competitive battles that our industry has been seeing for years now are sure to continue even after the departure of Air Berlin. And Europe's competition authorities are bound to cast a very critical eye over all future industry developments, too, on both the acquisition and the fare pricing front.

### What does it all mean for SWISS?

SWISS is not involved directly in the Lufthansa Group's acquisition of parts of Air Berlin. We are increasing our frequencies on our Berlin and Düsseldorf routes, but this is primarily in response to higher demand. We have, however, been taking a long and careful look at the insolvency of Air Berlin and the further companies involved (first and foremost, of course, Zurich-based Belair) over the past few weeks. When a major player like Air Berlin disappears from the scene, it goes without saying that, both on our own behalf and as a member of the Lufthansa Group, we have no desire to see the resulting opportunities in our home market snapped up by our remaining competitors.

Belair operated five Airbus A320 and A321 aircraft from its Zurich base under wet-lease agreements with Air Berlin and Niki. But the company did not have either its own aircraft or its own slots for us to take over. In view of this, our Management Board has decided that three of our Airbus A319s which were to be phased out next spring will now be kept in service for a further two years or so. Edelweiss will also be adding two more A320s to its fleet.

To ensure that we can operate this additional capacity from the start in cockpit crewing terms, we will also be taking over 16 Belair captains to serve as such on our A320-family fleet on an interim basis, and will be offering former Belair pilots eight further first officer positions. Edelweiss, for its part, will be recruiting nine captains from the former Belair ranks, and will also be keeping the application window open for first officer positions. Needless to say, former Belair cabin crew members are also welcome to apply to become SWISS or Edelweiss cabin crew via the standard application procedure.

The pressure on air fares in Europe is sure to persist in the longer term, because the market still has too many airlines. Too many airlines means too many seats – overcapacity – and thus too low fares. What is interesting to note is that as they continue their fight to attract their passengers, the industry's various players are adopting increasingly similar business models. The low-cost carriers have had the continent's more conveniently-located major airports in their sights for some time now: Ryanair, for instance, started serving Lufthansa's Frankfurt hub earlier this year. At the same time, the established network carriers are increasingly taking on their low-cost rivals with budget products and subsidiaries of their own – even on the long-haul front, as the examples of Eurowings, Joon and Level confirm.

It's sure to remain interesting: world air traffic volumes are expected to double again between now and 2030. The key thing, of course, will be to ensure that SWISS also benefits from such growth and secures an adequate share of the resulting market. We're well positioned as a premium carrier; and by the end of next year we'll have one of Europe's most advanced aircraft fleets. We're also benefiting tangibly from the strengths and the synergies we derive from being part of the Lufthansa Group; and with the profits we are earning, we can finance our sizeable investments, too. So all in all, SWISS is in very good shape to meet and master the industry challenges ahead. 🇨🇭



Hub Airlines ProShow

## En route to a process-oriented HE organization

**ProShow? It's an invention. It's an amalgam of Process Orientation and Roadshow. And it's a day-long employee-oriented action at all our hubs that has a clear but ambitious goal: to raise awareness of our process orientation in an original way.**

Johanna Brugger, VIE HE

The storyline of our ProShow was a simple one: to send everyone within our Passenger Experience & Product Management Hub Airlines unit (HE) on a global "process journey" which would provide them with process-oriented content on six "continents" in a fun and playful way. Each waypoint was to take no more than an hour; and what the participants would take home with them at the end of the day would be not just a wealth of process knowledge but also holiday snaps, a glimpse into the future, flip flops, a travel snack and – if they were good at making paper planes – a brand-new Austrian Airlines case or an exclusive Lufthansa or SWISS amenity kit.

### Sign the HE Globe!

The key element (and the star) of our ProShow was the HE Globe, which was signed by every HE employee at our various hubs. The Globe now stands outside the office of Andreas Otto, Process Owner Product Management Hub Airlines (VIE HE), as a symbol of the commitment of our HE community to a process-driven organization.

Our ProShow kicked off in Frankfurt, had a stopover in Zurich and ended in Vienna: three hubs in four days with 150 participants. The journey itself began with a boarding pass and a baggage tag: all you need, really,



The ProShow featured various destination stands (pictured is Las Vegas) at which participants could find out more about our new process alignment. Photo: Johanna Brugger

for a trip around the world. (The flip flops were missing, but they were later provided.) At the ProShow check-in everyone was issued with a passport and some travel money in the form of HE Dollars. And then they were off: to South America first, to learn about Basics, Benefits and "Evil P", the main character in a short animated film about process orientation.

### Cardboard customer centrestage

Armed with a snack for their travels, our participants set off for North America next. Where else but Las Vegas could you put your knowledge at stake? The win-

nings? They could be exchanged at the Candy Bar for some sweet delights. And duly fortified, our participants headed to Europe, where the difference between a process and a structural organization was explained using the examples of soccer and the European Parliament, and was consolidated via a puzzle.

The next stop (after a chance to send a postcard to an HE colleague) was Asia, where the participants were familiarized with the Process House of the Lufthansa Group. Australia offered the opportunity to focus on all the roles involved. And Africa was the place for attendees to assimilate the "Plan-Build-Run" HE high-level process – by creating their own pair of flip flops.

Duly armed with these, our participants proceeded to the Future Map: a chance to consider the prospects ahead under the motto of "Don't look back – you're not going that way", and to take a picture on the beach for those left at home. Then it was time to sign the HE Globe before moving on to the finale, the Paper Plane Challenge. And where was the customer in all this? Right in the middle, as a cardboard cutout for everyone to focus on, just as we need to in all our daily business.

The global trip through our HE process world had come to an end. What stays with us, though, are the memories and the takeaways – and a few work assignments, too. Because while we're reflecting on ProShow 2017, the HE/BP Team are already following up on the results and planning and conducting further workshops. After all, every process can always be improved. ✈️

Advertisement



## A warm welcome to Switzerland

Moving to Switzerland?  
What you as a newcomer need to know about insurance and pensions.

**«I've just arrived in Switzerland and know next to nothing about the country's social insurance system. What measures do I need to take, and what do I need to know about pensions?»**

Especially in the case of newcomers who have only been paying contributions to Swiss pension funds since their arrival, Adnan Kordic, Insurance Advisor at the Helvetia Airport specialized agency, recommends analysing their pension situation and clarify their needs in detail. This is because, despite the good benefits provided by the Swiss social insurance system, a lack of contributions may result in gaps. It is therefore even more important to review your personal needs and make the appropriate provisions.

### Essential points to consider.

- It is vital to carry out a professional analysis of the pension situation, focusing on protection in the event of invalidity or an earning disability.
- The younger you are, the lower the premiums to insure a risk.
- Young people also tend to be in better health, which is an advantage in terms of the health-related questions when taking out a policy.
- The earlier you start paying into a private pension, the higher the payout thanks to the effect of compound interest.
- Those with private pensions also save tax.
- A precise assessment gives you certainty or a good idea of what is available and what needs to be done.

### Your personal contact with a specialized advisor

The team at the Airport specialized agency looks forward to providing you with personal advice.

**Helvetia Insurance**  
**Airport specialized agency**  
Obstgarten – Office M-11  
Operation Center 1 – Office D1 0-218  
8058 Zurich Airport  
T 044 564 24 24 (extension 4-2424)  
[www.helvetia.ch/swiss](http://www.helvetia.ch/swiss), [swiss@helvetia.ch](mailto:swiss@helvetia.ch)



High Five

# "We share the same spirit"



Franziska Schneider (left) and Martina Decurtins with "Kenny", their new event minibus. Photo: Rea Vogel

A few words with Franziska Schneider and Martina Decurtins of Sponsoring & Event Management

Rea Vogel

### Franziska and Martina, you're both part of our Sponsoring & Event Management team. What does that involve?

Franziska: We're a kind of in-house service provider. We arrange events, mainly, on behalf of other units. We also look after our various sponsoring partners, and we arrange whatever has to be arranged for whatever event – the SWISS Lounge at the Lauberhorn Ski Races, our SWISS Bar at the Montreux Jazz Festival and more.

Martina: We've divided up the "sponsoring" and the "events" activities within our team, so everyone has their own area. Franziska focuses more on the sponsoring, and I'm more on the events.

### And what would you say are the biggest challenges in your work?

Franziska: I'd say that sensitivity is pretty high on the list. Every unit that approaches us has its own needs. So the challenge is to address these requests while still paying due regard to all our branding guidelines. You sometimes need to have pretty good powers of persuasion there...

Martina: I'd say the challenges vary depending on the event. For some, if the budget permits, we may come up with some pretty crazy ideas. Like asking our Network colleagues if we can borrow one of our Boeing 777s for a whole evening for a food tasting. That can cause a few furrowed brows! Luckily, though, SWISS is a really team-minded company, so we can usually see our ideas through in some form or another.

Franziska: Our brand gives us so many ways to lend a particular topic an emotional twist. And that enables us to make some great ideas happen with our sponsoring partners, too.

### Do you also have a lot of say in the events yourselves?

Martina: As we're an in-house function, our colleagues from other units usually come to us with pretty rigid

parameters about their budgets and their communications objectives. So with some events it's clear from the start how we have to do it all. With others, though – like our Staff Parties, our Agent Workshops and our own sponsoring events – we can contribute more of our own ideas.

Franziska: I'd say it's the variety here that makes our job so interesting. Sometimes we're quite pleased when our colleagues from another unit have such a clear idea of what they want. But it's exciting for us, of course, when we can give rein to our creativity, too.

### You seem to work well as a team...

Franziska: That's probably because we're very similar, by nature and by looks: Martina often gets called Franziska by our receptionists, and a lot of people think we're sisters.

Martina: Even my Mum got us mixed up once. There was an article about our unit in the SWISS Magazine, and the picture she thought was of me was actually of Franziska...

Franziska: We're also very similar character-wise. We both really enjoy working with our colleagues in other units and with our further partners, too. Also: we're both very open, but like to keep a good grip on things behind the scenes. And we both love our job, of course.

Martina: It's as if we share the same spirit. Not just the two of us, actually: our whole team works really well together. And even when the stress levels are high because of all the ongoing projects, we still all help each other out as much as we can.

### What part of your work do you enjoy the most?

Franziska: The greatest reward for me is when you've spent so much time and energy on an event and then you see how happy everyone is with it – the people attending and the SWISS colleagues who've asked for our help. So I'd say the highlights are that, the diversity of the job, and the camaraderie within our team.

Martina: For me the best thing is working with so many different SWISS units, further partners and external agencies, and doing it all as a team. These collaborations, and the feeling you get when you've made something happen together: they give us so much satisfaction time and time again. 🍷

People

# Special moments



### Love above the clouds

First and foremost, our cabin personnel are there to keep our passengers safe and comfortable. Sometimes, though, they find themselves playing some unusual roles at 37,000 feet...

That was what happened in mid-October on one of our LX 180 services from Zurich to Bangkok. Frederik, who is from Sweden, was on his way to visit his Swiss girlfriend Brenda, who lives in the Thai capital. And on his phone he had a text message from her. It was in Swiss-German, though (which he doesn't understand), with the instruction to show it to the flight attendant on board. Which he did, with a slightly funny feeling...

Our flight attendant Anouk Werder realized straight away what the text was about, and promptly disappeared. A short while later she came back and surprised Frederik with a bag of Lindt chocolate pralines and a handwritten letter sealed with a lipstick kiss. The letter was a translation of the message on his phone: "My dearest, while you are cruising through the shining stars, I just wanted to tell you that I love you to the moon and back, forever and beyond. From all my heart, Brenda."

"It was a real goosebumps moment for both of us," says Anouk. "And I'd do the same thing tomorrow. This kind of personal touch is what we're all about at SWISS: going the extra mile, and doing it with all our heart." 🍷

Upgrade or offload

## Flights planned over 27 years

How many flights did Werni Eicher plan in total during his 27 years at Flight Dispatch in Zurich?  
Correct answer: 15,000

**Flights planned in total during 27 years**

Next question: How many balloons were used to decorate the ceiling at this year's SWISS Summer Party?

Dining and overnighting in a grounded aircraft

## The total aviation experience

Many a withdrawn airplane has found a new lease of life in the hands of a visionary restaurateur. All over the world you'll discover former aircraft that have been transformed into hotels, eateries and bars. And we'll be presenting a selection of them in this and coming Airmails.

Teuge Airport in the Netherlands is home to an Ilyushin Il-18 that has had several former lives. Constructed in 1960, the four-engined turboprop was first used as a government transport of the German Democratic Republic. After that it was put into service with Interflug, the GDR's airline.

Following German reunification, the plane's 120 seats made way for tables and chairs as it was turned into a restaurant. And in 2007 the aircraft became even more exclusive when it adopted its present guise as a luxury suite for two with whirlpool, shower and infra-red sauna. An overnight stay in it will cost you between EUR 365 and 395. And the experience can be further expanded to include a sightseeing flight or even a flying lesson. ✈️

<http://www.vliegtuighotel.nl/en>



Welcome aboard: Teuge Airport's converted Ilyushin Il-18.



The romantic bedroom. Photos: hotelsuites.nl



The stylish dining room...



...and the shower and sauna.

Advertisement

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Digital news

## Apps



### CalConvert

Need to convert the local-currency prices on your travels? Or change the distances or areas into units you're more familiar with? With its expanded functions, the CalConvert scientific calculator and currency/unit converter can do all this and more.

#### Impressum

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Data Quest's extensive range of Apple products are all available at special SWISS staff rates. Photo: Apple

Data Quest

## Multiple benefits

**Data Quest offers all SWISS personnel a wide range of discounts on Apple computers and more.**

All SWISS employees enjoy multiple benefits with the Data Quest online shop. Data Quest offers a whole range of discounts on its wide selection of Apple items and accessories. The special SWISS staff offers also extend to:

- sizeable discounts on ink, toner and other consumables;
- free delivery or collection from a Data Quest outlet (for online orders)
- payment by invoice for amounts up to CHF 2,000 (for registered customers).

Data Quest doesn't just offer these discounts on work purchases, either. SWISS employees enjoy the same benefits on items they buy for their personal use. And close relatives – partners, children, siblings and parents – are entitled to all these benefits, too.

To take advantage of these various benefits, just register with the Data Quest online shop ([shop.dataquest.ch/b2b](http://shop.dataquest.ch/b2b)) using your SWISS email address. 🇨🇭

Do you have a great picture to share?

## SWISS Pixels



This original image was captured by Paralegal Team Leader Christina Kobel during a team drinks event on the old terrace of our Kloten Obstgartenstrasse premises.

### Win an Apple-Watch!

Data Quest is giving away an Apple Watch Series 3. If you'd like to win it, just answer this question:

Which function is new with the Apple Watch Series 3?

- A: the front camera
- B: the UBS-C port
- C: the integrated cellular connectivity.

Send your answer in an email using your SWISS email address to [order@dataquest.ch](mailto:order@dataquest.ch). Deadline for entries: 31 December 2017.



"Up in the Sky 2018"

## Great calendar, good cause

Once again this year, our Senior First Officer Sales Wick has selected the finest of all the photos he has taken from his cockpit seat and put them together in a spectacular illustrated calendar. All the images featured in "Up in the Sky 2018" were captured by Sales on his various SWISS duties over the last year. So take your seat in the cockpit and enjoy these fascinating vistas and views throughout the year ahead.

By buying Sales's calendar, you'll also be supporting our SWISS Staff Foundation for Children in Need: with every calendar sold, CHF 5 of the proceeds will go to the Foundation. As a SWISS employee you can also obtain the calendar at a special staff rate of CHF 35 (a 20% discount on the regular price of CHF 43).

"Up in the Sky 2018" can be ordered now at [www.beyondclouds.ch](http://www.beyondclouds.ch). Orders will be delivered from the end of November. To benefit from the special SWISS employee rate, please enter "Fly SWISS" in the "Gutschein" box.

"Up in the Sky 2018" will be available for purchase at our Product Hub, too, from the end of November. The calendar can also be sent to you if you prefer: free of charge via comail, or for CHF 7 postage for mailing to your home address.

### Calendars to win!

We have three copies of Sales's latest calendar to give away. If you'd like to win one, just send an email with the subject "Up in the Sky 2018" to [airmail@swiss.com](mailto:airmail@swiss.com). Deadline for entries: Wednesday 27 December. 🇨🇭



The cover of the 2018 calendar. Photo: Sales Wick