



British Caledonian

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Sir Adam Thomson, C.B.E.
Chairman

10th June 1985

The Rt. Hon. Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1

112/6
Prime Minister (2)
*I will acknowledge and thank
Sir Adam for this explanation
of B Cal's decision.*
ST 12/6
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Dear Prime Minister,

I am writing to tell you that the Board of British Caledonian has decided to sell our Airbus A310 aircraft and replace them with DC10s and 747s. This decision has been made because the number of medium haul flights that we operate has reduced in recent years, particularly in Libya. It is not economically sensible to operate a two aircraft fleet. Our network, for which we ordered the A310s five years ago, justified three A310 aircraft and we envisaged adding other medium haul routes and increasing the fleet to six A310s. There is now little prospect of obtaining these additional routes.

We have however been extremely pleased with the performance of our A310 aircraft, both technically and financially and we believe them to be excellent aircraft for medium haul operations.

We have on order 7 A320 aircraft and we are very much looking forward to the delivery of these beginning early in 1988. They will be used for our existing short haul operations and will replace our BAC 1-11 aircraft.

Yours sincerely,