United invests \$100m in Azul Brazilian Airlines

United Airlines is buying a 5% share in Azul Brazilian Airlines (ABA) for \$100m in exchange for a seat on the board and a code share partnership to offer more flight choices to destinations between Brazil and the US.



Significantly, ABA already serves more destinations in Brazil than any other Brazilian carrier, including more than 50 daily flights from Sao Paulos Guarulhos International Airport and both parties also plan to codeshare on other routes in both North and South America – subject to government approval.

In addition, the partnership will enable United and Azul to provide an improved transfer process at Guarulhos for timely connections for customers and their baggage.

The airlines announced plans for United to place its code on flights in Azuls extensive network from Guarulhos to key destinations throughout Brazil, as well as on Azuls flights to Florida; Azul plans to place its code on United routes throughout North America and the Caribbean, pending government approval. *(United and Azul will also expand their frequent flyer loyalty agreement).*



This new investment looks like a shrewd shopping trip by United and if approved could be great news for the DF&TR buiness generally in terms of expanding the number of US cities where Brazilians will be able to fly directly.

PARTNERS WILL DELIVER HIGH SPENDING BRAZILIANS

Brazil is an important market in Uniteds global route network and this partnership with Azul further strengthens our ties to the region, said Jim Compton, Uniteds Vice Chairman and Chief Revenue Officer. Together we will offer our mutual customers more choice and convenience when travelling to and from

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destinations across Brazil.

David Neeleman, Founder and CEO of Azul added: "This will be great for customers. Through this partnership, Brazilians will have access to destinations in Uniteds worldwide route network, while US customers will be able to fly conveniently to famous destinations in Brazil such as Belo Horizonte, Iguazu Falls and the Amazon.



Multiple award-winning airline, Azul Brazilian Airlines (Photo credit: Mario Roberto Durán Ortiz).

It is little realised that Azul – the largest airline in Brazil by the number of cities it serves – offer more than 900 daily flights to over 100 destinations. With a fleet of 145 aircraft and more than 10,000 crew members, the company operates approximately one third of the daily departures of the Brazilian aviation market.

In 2015, Azul was named by Skytrax World Airline Awards, for the fifth time in a row, as the 'Best low-cost airline in South America.' The company also received the FlightStats Award as the 'Airline with best on-time performance in South America,' and was recognized as the most on-time airline in Brazil, in 2014, according to Infraero criteria. Still in 2014, the airline was named the 'Best low-cost carrier in the world' by CAPA – Centre for Aviation.