

T U R N K E Y

Real Estate is Still an Investment Turnkey rentals with 10-15% ROI

GULF NEWS AVIATION

January 30, 2017 | Last updated 2 minutes ago

DUBAI 3678.79

USD 1 USD 67.95 INR

22K GOLD 135.50 AED

UAE NEWS BUSINESS SPORT OPINION LEISURE LIFE&STYLE CULTURE GUIDES MULTIMEDIA YOUR SAY IN FOCUS

DATA GOLD RATE SECTORS RENEWABLES AVIATION ECONOMY PROPERTY MONEY VISAS ANALYSIS

Etihad Airways chief to step down amidst European investment troubles

Hogan leaves in second half of 2017, to join an investment company with airline CFO James Rigney - also to leave company later this year



Image Credit: Courtesy Etihad Airways

James Hogan, President and Chief Executive Officer of Etihad Aviation Group, and James Rigney, CFO of Etihad.

Published: 10:57 January 24, 2017
Shweta Jain, Deputy Business Editor

+MGN [Email] [Print] [Share] AA+

DUBAI: After a decade of holding fort, James Hogan will step down from his position as the President and Chief Executive Officer of Etihad Airways in the second half of 2017, the Etihad Aviation Group Board of Directors announced on Tuesday in a statement.

The move comes as the Abu Dhabi carrier continues to suffer massive losses from its investments in European airlines Air Berlin and Alitalia.

FOLLOW US [Social Media Icons]

MOST POPULAR

VIEWS COMMENTED GALLERIES VIDEOS

- 01 Emirates changes pilot, crew rosters
- 02 Dubai Duty Free eyes new airport for growth
- 03 Airlines eye higher fares after travel surge
- 04 United plans Los Angeles push in comeback effort
- 05 Emirates cuts fares for US flights

EXPLORE THE UAE

FIND THE RIGHT AIRPORT

FILED UNDER

GulfNews > Business > Aviation

TAGS

ABU DHABI

ALSO IN AVIATION

Hogan led Etihad's expansion into Europe, buying a 29-per cent stake in Air Berlin in 2011, followed by Air Serbia stake in 2013 and a 49-per cent stake in Alitalia shortly after. Etihad's losses in Europe were led by Air Berlin alone having been €477 million in the red in 2015.

A company-wide strategic review is next on cards for the airline, according to Mohammad Mubarak Fadhel Al Mazroui, Chairman of the Board of the Etihad Aviation Group. "We must ensure that the airline is the right size and the right shape," he said in a statement. "We must progress and adjust our airline equity partnerships even as we remain committed to the strategy."

Along with Hogan, the company's chief financial officer, James Rigney, would be stepping down too later this year. Etihad said that Hogan will join an investment company along with Rigney, adding that a global search for a new Group CEO and a new Group CFO is already underway.

"His successor will have a few issues to address, including trying to make sense of, and to tidy up, the various investments they have, but a volte face will be difficult, at least in the short term," says Andrew Charlton, managing director of Geneva-based Aviation Advocacy.

He was though quick to add that Hogan can take a lot of credit for putting Etihad on the global map.

Echoing his view is John Strickland, aviation expert and director of UK-based JLS Consulting. "Under James Hogan Etihad has placed itself firmly on the aviation map and established a reputation for service excellence.

"The strategy of establishing minority equity stakes has successfully accelerated the airline's growth. However, it has also brought challenges with Air Berlin and Alitalia incurring heavy losses. It seems probable that the growth strategy will be reviewed and modified by his successor," he told Gulf News. While some industry talks suggest that Hogan's European investment strategy could have led to his departure, Addison Schonland, Partner at US-based AirInsight differs. "I don't think we can blame him [Hogan] for this - these airlines have had problems long before Etihad took a stake. The strategy itself was a masterstroke - it provided Etihad EU-wide access as well as instant feed. Since the long term impact of the strategy is still playing out, it is still too soon to be critical," he told Gulf News.

Owning stakes in seven airlines globally – Alitalia, Air Berlin, Air Serbia, Air Seychelles, Virgin Australia, Etihad Regional in Switzerland and Jet Airways in India – Etihad has in the last 10 years grown from a 22-aircraft fleet to 120 aircraft (with another 178 on order) today flying to 112 destinations.



Trump ban: Emirates changes flight crews

BUSINESS GALLERY



Highlights: SIHH luxury watch show

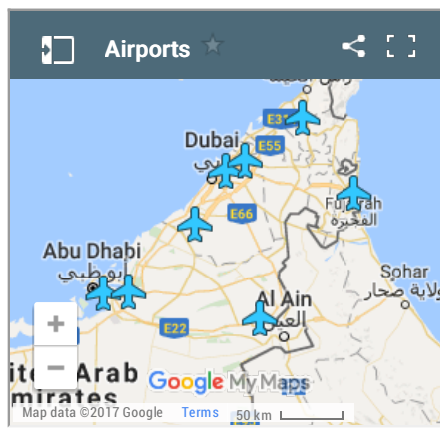
Highlights: Detroit Auto Show

BUSINESS VIDEOS



Abu Dhabi Ship Building enjoys growing success

Strata UAE leads aerospace manufacturing



CURRENCY CONVERTER

1 AED = 0.27 USD

+MGN [Email icon] [Print icon] [Share icon]

- MORE FROM AVIATION**
- Trump ban: Emirates changes flight crews
 - Emirates changes pilot, crew rosters
 - Airlines eye higher fares after travel surge

TAGS FROM THIS STORY

ABU DHABI

United plans Los Angeles push in comeback effort



Japan's ANA profit soars



Dubai Duty Free eyes new airport for growth



Qantas to expand international unit



Dreamliner turns rainmaker for Boeing



MOST POPULAR ON GULF NEWS



Shaikh Mohammad surprises Dubai diners



Trump ban: US embassy in UAE stops visas



Mohammad Bin Rashid offers funeral prayers



Mohammad Bin Zayed receives Trump call



6 killed in Canada mosque shooting



Trump to hold talks with Mohammad Bin Zayed



Expect traffic delays for 5 days from Tuesday



US blacklist strands Dubai transit flyers



New drivers killed 49 people on Dubai roads



6 killed in Canada mosque shooting



FEEDBACK



GET THE PAPER



OUR APPS



MOBILE FRIENDLY VERSION



OUR LOCATION



ADVANCED SEARCH



SITMAP

MY GULF NEWS

GulfNews.com is the most widely read newspaper, and online site in English in the Middle East. With a daily BPA audited paid circulation of over 108,000, and an online audience of 3.5 million uniques every month, it is your go to source for information on the region. Sign up below to begin personalising your experience

REGISTER NOW

News

Leisure

Multimedia

Culture

Business

Guides

In Focus

Your Say

Sport

Opinion

Life&Style

Search Gulf News



FOLLOW US



SIGN UP FOR NEWSLETTER

SIGN UP





© Al Nisr Publishing LLC
2016. All rights reserved

[GN Media](#)

[How to follow Gulf News](#)

[History of GulfNews](#)

[Key Dates](#)

[Community](#)

[Advertise](#)

[Print](#)

[Direct Marketing](#)

[About Gulf News](#)

[Journalism ethics](#)

[Privacy Policy](#)

[Readers' Policy](#)

[Open Calais](#)

[Ethics Policy](#)

[Terms & Conditions](#)

[FAQs](#)

[Careers at Gulf News](#)

[How To Find Gulf News](#)

[Contact Us](#)

[Print Subscriptions](#)

[MGN](#)

[New GulfNews.Com: A Considerable Step Forward In Terms Of User Experience](#)