

Vacationers Stranded as Airline Fails

By Roland Oliphant

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After starting as a Norilsk-based charter service in 2007, Continent airlines came to an unexpected end Friday. **Maxim Stulov**

Hundreds of holidaymakers spent the weekend stranded at airports on the Black Sea coast and in the Amur region after the mysterious collapse of Continent airlines on Friday.

Regional authorities were left scrambling to find replacement routes and airport operators after Continent declared itself bankrupt — even drafting aircraft from the government's Rossiya squadron, which usually flies top officials, to get people home.

Norilsk-based Continent unexpectedly announced that it was ceasing operations Friday when it ran out of money to pay airports to refuel its planes.

News agencies reported that the Federal Air Transportation Agency revoked the airline's operating license at the request of Continent chief executive Vladimir Krasilnikov. Online business magazine Marker identified the majority owner of the airline as Stanislav Leichenko, a former military pilot who founded Atlant-Soyuz airlines, which was later taken over by the

Moscow city government.

The company owes some 32 million rubles (\$1.16 million) to Russian airports, RIA-Novosti reported.

The Transportation Ministry said the company was so short of money it could not even contribute to providing the stranded passengers with food or water.

Transportation Minister Igor Levitin on Saturday ordered the seizure of Continent's aircraft and asked the Federal Air Transportation Agency to forward information to prosecutors to investigate the company for "non-provision of passenger services."

Continent was founded in 2007 as a charter flight company, but started scheduled flights between Norilsk and Moscow last winter, according to its web site.

The company started scheduled flights connecting Norilsk and Krasnoyarsk with Black Sea resorts on April 26 this year. It had a fleet of nine Tu-154m aircraft.

It is not clear what went wrong, though sources in the Amur region administration told RIA-Novosti that they had been concerned about the "stability of the company's work" for the past two weeks.

There were more than 600 passengers still stranded in Sochi, Anapa, Krasnodar and Gelendzhik by Sunday afternoon, Sergei Lekharev, chief executive of airport operator Basel Aero, told Interfax. Others were stranded in Simferopol in the Crimea.

The government has promised to compensate airlines that help return the stranded passengers.

The Transportation Ministry on Sunday urged passengers to avoid travel and try to redeem tickets for cash at travel agencies, or buy new tickets on other airlines. The company is believed to have sold tickets for flights up to September this year.

"The general director of Continent airlines has said the company is ready to sell its aircraft in order to refund the tickets," the ministry said.

Meanwhile, regions are looking for new operators to take over routes operated by the defunct airline, presenting an opportunity for domestic carriers to expand.

Officials in the Amur region, where Continent airlines ran regular flights to southern Russian resorts including Sochi as well as connections to Vladivostok, told RIA-Novosti that "we have begun looking for new companies. In particular we are in negotiations with UTair."

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