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Southend Airport set for funding boost following Stobart sale

12:00pm Sunday 9th March 2014 in [News By Ian Weinfass](#), Senior reporter



Southend Airport

NEW routes and airline operators could be coming to [Southend Airport](#).

That's the aim of owner the [Stobart Group](#), which has sold a 51 per cent stake in the famous trucking business, Eddie Stobart, to clear debts and focus on other parts of the empire.

Stobart will get £195.6million for the Eddie Stobart operation, as well shares worth £44.1million in the new venture, as it is sold to a management company.

A statement pledged the money would enable it to focus on other parts of the business, including passenger growth at the airport.

It said it will be looking to "secure new airline operators serving London and the South East" and use Aer Lingus owner Aer Arann to bring new destinations to the airport.

There was aviation industry speculation earlier this year that the airport's 15 routes could be extended with Copenhagen, in Denmark, Frankfurt, in Germany, Glasgow, Madrid, in Spain, and Zurich, in Switzerland, the likely new destinations.

David Burch, director of policy at the [Essex Chambers of Commerce](#), said: "If the decision releases further investment in the airport, that can only be good news.

"They've already created several hundred jobs there and revitalised it, and if this brings in more investment, it is certainly to be welcomed."

Stobart chairman Iain Ferguson said the deal was an important step in generating value for its shareholders.

He said: "These proposals allow us to repay debt, make a return of capital to shareholders, stimulate the growth of our biomass business and bring the group's businesses together in a coherent, medium-term value creation plan."

The company's share price fell by 7.75p on the day of the announcement.

Comments (5)

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12:20pm Sun 9 Mar 14

paintlad3 says...

good investment if you get it right!

- Score: 6

2:14pm Sun 9 Mar 14

jayman says...

Money pit....?

- Score: -13

3:56pm Sun 9 Mar 14

carnmountyouknowitmakessense says...

YEAH FANTASTIC Bring 'Em on Down

6:42pm Sun 9 Mar 14

Joe Clark says...

jayman wrote:

Money pit....?

Big Yawn!

6:52pm Sun 9 Mar 14

maxell says...

I wonder If they are shifting the debt on to southend airport, the headline reads that stobart has sold half the company, but who is the buyer yes you got it stobart from an over seas

company in jersey , problem is they lost 4.3 million 2012 and 5,5 million 2013 , they boasted that they nearly hit I million passengers last year so that means that each passenger cost stobart £5.00 thats hardly a profit making company if they are investing in to the airport they will need profit not deficit for the aiport to survive there is an awful lot stacked against this airport success I wonder if southend will buy it back for the value they placed on it of 1 million, with tinker and willy up in court soon and the investors looking to recover 11 mil also industrial action from the lorry drivers , stobart has just recently stumped up 30,000 euros for driver compensation. easy jet has shares in stobart cant think why. maybe they are taking there share up front with free parking, the future is not so bright with the orange flyers, Oh and not forgetting easy jet are replacing the fleet to ones that cant fly properly from southend.