

Stelios creates an atmosphere over easyJet's new planes

Agenda

The airline's combative founder has forced a meeting this week in which he will try to dismiss four directors, reports *Simon Goodley*

Video conferencing may have shown it can replace plenty of physical business gatherings over the past couple of months, but there are some occasions when it just doesn't cut it.

Take this week's easyJet general meeting, part of the latest in the series of sensational scraps between its founder, Sir Stelios Haji-Ioannou, and the budget airline's board. It is hard to see how something will not be lost with everyone out of lapel-grabbing reach.

Something, but maybe not quite all. Such is the level of mutual loathing, one can almost sense the hostility emanating from a computer screen. For months Haji-Ioannou, whose family owns 34% of the airline, has been attempting to persuade easyJet's "scoundrel" board to cancel the company's 107-plane order from Airbus, saying the £4.5bn deal will leave the carrier without enough cash to survive the coronavirus crisis.

Last month, in a strongly worded attack, he forced a shareholder meeting for this Friday with the aim of removing four of easyJet's directors – chairman John Barton, chief executive Johan Lundgren (whom Haji-Ioannou describes as an "overpaid holiday rep"), finance director Andrew

Findlay, and independent non-executive director Andreas Bierwirth – if the airline does not cancel the orders.

Then, last week, the tycoon went further, offering £5m in cash to any "whistleblower" providing him with information that scuppers the budget airline's 107-plane order from "the masters of bribery".

Certainly easyJet appears to have ties to Airbus, and the airline insists, despite woeful industry projections for the coming years, that the order for new aircraft is "vital to ongoing operations today and remains an integral part of the company's future strategy". A cancellation, easyJet says, would also trigger penalty clauses that would be "hugely detrimental".

Haji-Ioannou says these are urban myths and that, despite easyJet's position, it is not completely obvious why these planes are needed in the current climate.

Nor is it clear which of these numbers is larger: the amount of Haji-Ioannou/easyJet spats, or the tally of countries where Airbus has admitted bribery. In January, Airbus paid £3bn in penalties after admitting it had paid huge bribes on an "endemic" basis to land contracts in 20 countries.

However, that settlement did not

say that Airbus had bribed anyone in western Europe – while easyJet says it "rejects any insinuation that easyJet was involved in any impropriety".

If you ask Haji-Ioannou about this – and specifically whether he had any prima facie evidence of Airbus bribing easyJet before announcing his £5m reward – he becomes remarkably sensitive for a man who likes dishing it out. "Most of your questions appear to me to be dictated to you by Airbus," the tycoon emails. "If

you accepted any of their infamous hospitality or other enticements you should declare it in the article. Or in the time honoured tradition of the [Observer], you should give me the information and win some of the 5 million yourself." (Disclosure: at a Toulouse press conference circa 2002, there was a press lunch with then Airbus boss Noël Forgeard. Drink was taken.)

So is there any way in which Haji-Ioannou thinks his offer to pay £5m for information could also be viewed as a bribe?

"I was shocked that [an Observer] journalist regards paying a whistleblower in the public interest as a 'bribe'. Only Airbus would say that."



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And so to Friday's vote, where Haji-
Ioannou requires more than 50% of
shares voted. Developing ...

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**Stelios Haji-
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described
easyJet's chief
executive as
an 'overpaid
holiday rep'.
Eddie Keogh/
Reuters