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P&O Ferries to withdraw from Bilbao service in September

P&O Ferries has given notice that it is proposing to withdraw from the Portsmouth - Bilbao route at the end of September 2010, when the charter of the ship it uses for the service, the *Pride of Bilbao*, comes to an end.

In the meantime, the service will operate normally and bookings up to and including 27 September are unaffected. P&O Ferries will be contacting passengers with bookings beyond that date in order to make alternative arrangements or offer refunds.

The company says that despite a concerted effort to improve the financial performance of its 15-year-old service, losses continue and are unsustainable. Staff are being advised today (Friday) as the company begins consultations with representatives of its workforce in order to mitigate potential job losses. The months ahead will be used to try to offer alternative positions elsewhere in the company's route network. A total of 252 people work on the *Pride of Bilbao* including 130 agency staff. A further 12 staff work in the company's shore operation in Bilbao.

Chief executive Helen Deeble said: "We have examined every option very carefully and have been trying for more than three years to find a suitable replacement ship in order to continue the service profitably. The *Pride of Bilbao* has served us well but is now an old ship nearing the end of her commercial life and needs to be replaced.

"However, we have reached the sad conclusion that such a replacement vessel is not currently available and as this loss-making route is unable to fund the cost of a new purpose-built ship we have no alternative other than to close it."

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