

Air Travel Six Months After 9/11: Working Towards Recovery

Panel Discussion 2: Airline Operations

Notes – Antony Evans and Stephane Bratu

James DeLong, Louisville Regional Airport

- Presented 10 opinions:
 1. Carriers will bypass hubs, and shift more to point-to-point operations.
 2. Passenger travel habits are changing, because of the increased travel times induced by security.
 3. Ticket counters have become important again. The terminals should not be changed for new security changes yet, but rather when the changes are set.
 4. RJs are proliferating, but this will not continue.
 5. In the future bags may be handled by cargo carriers instead of the airlines.
 6. Remote terminals may be developed in the future.
 7. Security is not as big an issue now as it was 2 months ago. People adjust and return back to normal very quickly.
 8. Security is likely to increase at spoke airports particularly, and less at hub airports.
 9. The government has gone in the wrong direction by making flyers pay for the added costs, as it should be covered by all taxpayers.
 10. ADSB could be a revolutionary step in safety.

Al Spain, JetBlue Airways

- Change is typical of the airline industry. Not all change however is to our schedule. Technological change has been, but other changes, such as those required of security, have not.
- The new norm has yet to be defined, but the quicker it is defined, the quicker we will be able to return to previous levels of operation.
- Security and safety are different, and have been separated at the vice president level at JetBlue Airways.
- There is a need to find a balance between safety and security.

David Plavin, Airports Council International

Capacity

- There is a false sense that capacity isn't as big an issue as it was.

- We are now operating smaller aircraft, which is not the best way to utilize a congested airspace.
- The respite in congestion issues may allow us to respond.
- Congestion has moved from the airside to the terminal, but it will return, in both areas.
- The passenger pays for everything in the system, and everyone is hurting. This means that fares are too low. However because we are already adding hassle, we cannot raise fares.

Security

- Will the security changes work? Will it be feasible to allow operational and seasonal changes to the security system?
- If there are not enough resources for security, the system can slow down (the FAA approach) or people can be refused access (INS approach).
- If the December 31 deadline is met, because of a lack of space it will be messy, and it will have to be redone as it is not possible to develop an adequate system by then.

The big questions are:

- Are [the passengers] going to come back?
- Will we have done any of the capacity congestion responses by then?

John Hansman, MIT

- The recovery after 9/11 can be compared to that after the Gulf war, for some insight into recovery.
- One of the primary airline responses in reducing their schedules has been to remove their last bank of the day.
- Delays are less now than before 9/11, which is helped slightly by passengers arriving early because of heightened security. Delays will return though.
- Before 9/11 the bottleneck in capacity was the runways. Security has now become the bottleneck, and thus airplane delays are down but passenger delays are up.
- Terminal dumping is now one of the key disturbances identified.
- Combat air patrol operations have disturbed operations, and it is also unclear what the abnormal behavior that they are looking for is.
- Fleets have been updated indirectly, as older aircraft have been sat.
- Fuel prices are down, but are climbing again.

Discussion

Question from Michael Clarke of Sabre, relating to fractional ownership of corporate jets.

- John Hansman: The clear uptake in corporate travel and the use of RJs will lead to blockages in mid to high altitude ATC. It will also lead to a revenue problem, as high revenue passengers may not come back, using corporate travel instead.
- David Plavin: Corporate flight departments are flying a lot more. This will lead to congestion in the air but also into airports.
- John Hansman: Security protocols for corporate jets are unclear. Policy changes here may reduce the attractiveness of corporate travel.
- James DeLong: It is cheaper for the office to lease a citation than to fly Northwest.

Follow-up comment from Oakley Brooks of Bombardier: The economic downturn has affected the corporate jet industry far more than any increase in the use of corporate jets over airlines.

Question relating to the need to maintain encouragement for smaller aircraft to continue service to small communities.

- David Plavin: Political carving out of markets for new entrants and service to small markets will continue. However, the current penalizing of large aircraft was designed for an uncongested market. In congested markets it is unclear that such bonuses should be given to small aircraft. Airlines are increasing frequency. Highly congested airports may need a different approach.

Question relating to expanding capacity and streamlining of environmental issues

- David Plavin: The notion of more capacity to solve congestion increases demand. E.g. LaGuardia in the summer, 2000. Maybe larger aircraft should be let in, and not smaller. But if capping capacity kills demand there is also a problem.

Question relating to the small aircraft versus large aircraft argument having a political side and an economic side. Small aircraft are needed to serve small markets.

- David Plavin: Firstly, it is a network. Secondly, small airports are part of the national economy, so they should be allowed a slice of a rare commodity. Thirdly, not every flight in a small plane is from a small community (e.g. IAD – LGA)

Follow-up comment: Aren't 2 RJs from NW Arkansas to LGA better than 2 more 170 seat shuttles from BOS to LGA?