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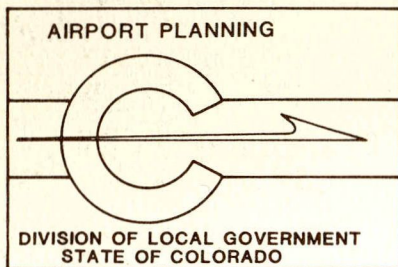
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The Colorado Community Air Service Assessment



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First Printing August 1984

The Colorado Community Air Service Assessment



The State of Colorado Department of Local Affairs, Division of Local Government, after determining that interest existed throughout the state with regard to the impact of airline deregulation, and what, if anything, a community could do to solve today's associated air transportation problems, initiated a Colorado community air service assessment. It was conducted as an integral part of the State of Colorado's Continuing Airport System Planning Program.

It is important to recognize that the primary objective of the study is not to attempt to provide a specific solution to the question of what a community can do to solve its air service problems. This simply could not be achieved since there is no one single answer to solving the wide variety of problems associated with deregulation of the airline industry. Instead, we have tried to look at and expound on the new philosophy or "ground rules" which the airlines are now employing. If one does not

clearly grasp the parameters and constraints which tend to drive the manner in which the industry does business today, then it is most difficult to comprehend why the airlines might change their schedules, route structures, equipment, etc. By closely examining current trends in the airline industry, several options for dealing with existing and future air service problems were identified. Any one of these alternative approaches, or a combination thereof, could prove to be the right solution to those problems facing your own community.

As in any study of this nature, the first task was to collect as much known information available concerning the subject matter. In this case, the information compiled principally related to such factors as the impact of deregulation, the changing face of the airline industry, and the air transportation system within the State of Colorado today. Additionally, state aviation officials and their consultants held extensive interview sessions at

strategic points around the state with local community elected officials and business leaders, airline industry representatives, and other interested citizens. The Colorado Department of Local Affairs, Division of Local Government, and the consultants wish to express their sincere gratitude to all those individuals who took time out of their busy schedules to attend these discussion sessions. The names of the members of the State's Advisory Committee, and those other individuals and their affiliations, across the state who participated in the numerous interview sessions are listed on the following page.

Lastly, the consultants feel it is important to note that, in their opinion, special credit should be given to Phil Schmuck and Dennis Mewshaw of the State of Colorado Department of Local Affairs, Division of Local Government Airport Planning Staff, for structuring a somewhat unusual approach to this study. Reports of this nature have historically been written essentially in a quantitative manner with heavy emphasis placed on statistical analysis. Since typically there are only one or two airports which represent the vast majority of air traffic activity within any given state, those major hubs then logically form the focal point for the study. Consequently, the many smaller airports located in the outlying communities of the state frequently are unable to benefit in any significant sense from the final report. In this case, however, while in no manner ignoring the vital importance of Stapleton International Airport as the region's primary air transportation hub, the end result of this study is designed to be, we hope, both informative and useful to each community in the state, regardless of its airport's status.

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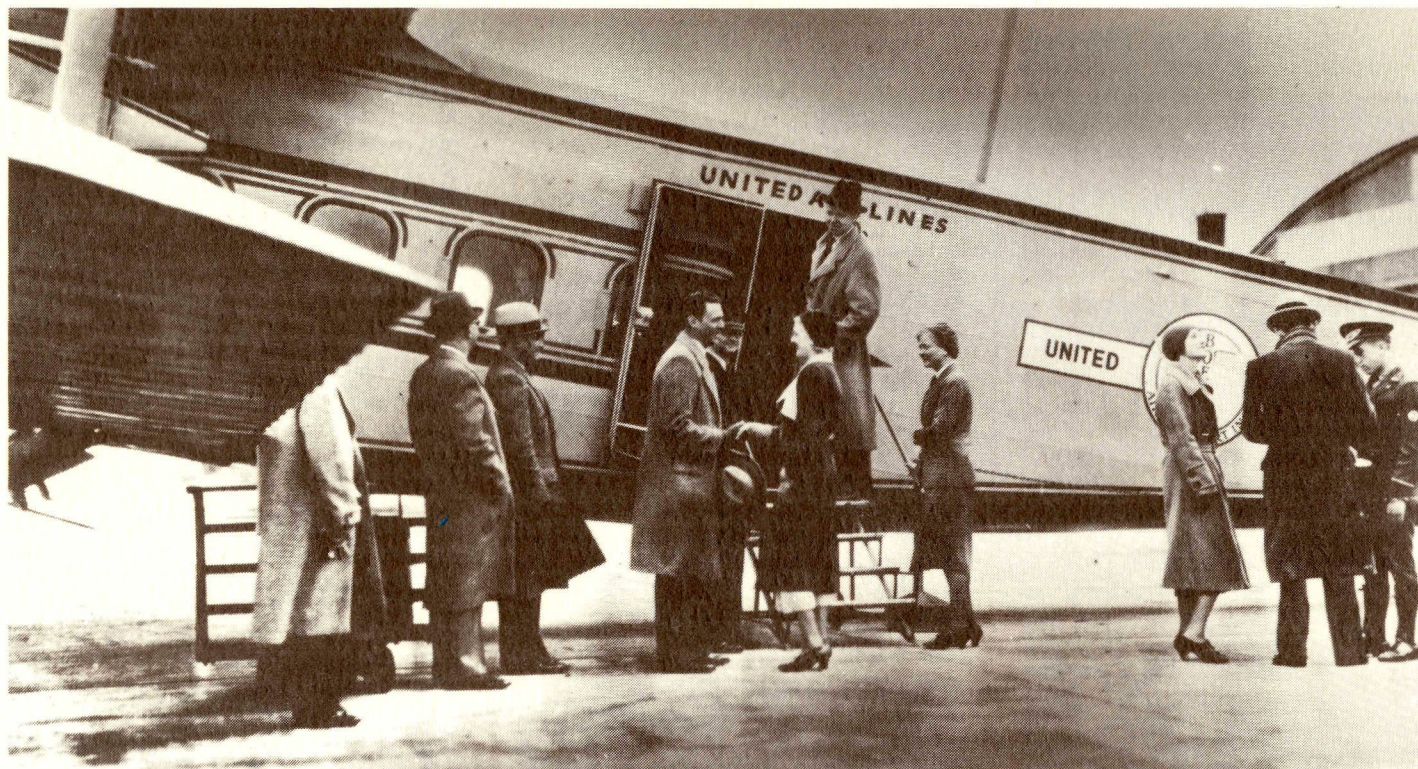
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A Historic Overview of the Air Transportation Industry and its Impact Upon the State of Colorado

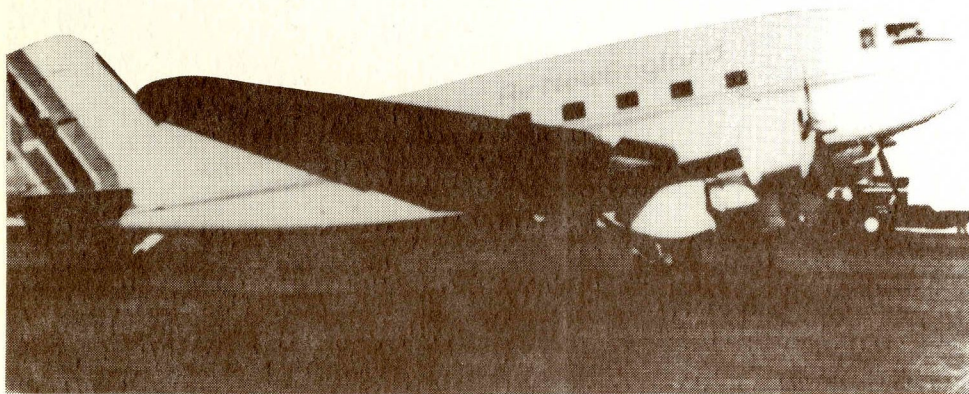


In order to place today's air service problems into perspective, it is necessary to review the evolution of the airline industry. Unlike what many people, both in and out of the industry believe, the nation's air transportation system did not suddenly evolve overnight into its current state of affairs. Upon closer inspection, one will likely conclude that the airline industry has already demonstrated a long history of cyclical changes in governmental philosophies and industry practices.

The Civil Aeronautics Act of 1938, in recognition of the importance of a national air transportation system, provided for federal subsidy to air carriers based on their need. Therefore, in the beginning all air service was subsidy eligible and nearly all air service was subsidized to some extent.

Beginning in the late 1940s, as the larger air carriers grew stronger, they began to lose interest in serving low density routes, shifting their focus to the larger communities where their profit potential was greater. Service suspensions at small communities by these carriers were widespread. At

about this same time, the local service air carriers were beginning to emerge, filling the void created by the termination of service in certain markets by the larger carriers. These new airlines utilized much smaller equipment, and offered fewer service amenities. However, they did connect the small community to the large hub airport, thereby providing access to the nation's air transportation network. At the time, this system appeared as though it would continue to work indefinitely into the future.



By the mid-1950's, the major airlines (sometimes referred to as the trunk carriers) had matured to a point where they no longer needed any subsidy to operate. This maturation process had been aided by the fact that the trunk carriers were each assigned several profitable routes by the Civil Aeronautics Board (CAB). Further, those routes were protected from the competition for the exclusive use of that airline by the CAB. However, while each airline had several profitable routes to serve, the CAB also required each of the carriers to serve several non-profitable routes to ensure that many of the nation's smaller communities received air service. The federal government subsidized a portion of the carriers' losses in these routes but the remainder of the losses had to be absorbed by the carriers themselves. The CAB theorized that a carrier could

accept its share of operating losses on those routes since it was earning significant profits on other protected routes assigned to it by the CAB. This subsidy arrangement plan was referred to as the "profit sharing" plan.

At that time, the government was still attempting to ensure, through various policies, a healthy economic environment for the growth of the airline industry. One effective means used to help encourage expansion in the industry was the guaranteed low interest loan for the purchase of larger flight equipment. Many of the airlines took advantage of these loans and did replace old equipment with new larger more modern aircraft. This created two important conditions which would eventually result in the creation of a new class of carrier - the local service carrier, often referred to as the commuter airline.

The first condition brought about by the purchase of new and larger aircraft was the significant increase in the airlines' operating costs. Thus, it clearly was no

longer economically practical to serve the low density markets even under a subsidy program. Consequently, the major carriers, in order to operate self-sufficiently, had to serve the larger metropolitan areas where substantial demand existed. Due to higher operating costs, carriers could now justify to the CAB the need to suspend service to many of their smaller communities. In turn, the Congress, under pressure from these communities, caused the CAB to act to alleviate this expanding problem. The CAB then instituted a replacement carrier program.

This is where the second condition plays a role. Under the replacement program, if a major carrier desired to drop a point from its system, it was permitted to do so provided an acceptable replacement carrier was found. Because many of the majors had recently purchased new equipment, there was an abundance of the older, less expensive equipment available for sale. This set of circumstances, the majors suspending service to the small communities, the CAB's initiation of the replacement carrier program, and the abundance of older, less expensive equipment available for sale, spawned the birth of the commuter airline industry. Unfortunately, however, even though the commuters were utilizing smaller equipment, and offered only the most basic of services, they were frequently unable to earn a profit on many of their routes. A federal subsidy was still needed in order for the local service carriers to serve those low density markets. Between the commuter air-

lines, the major trunk carriers, and the CAB, minimal service to the nation's small communities was essentially preserved, although erratic, through the decade of the sixties and on into the early seventies.

By the mid-1970's, widespread criticism of the CAB's regulation of the airline industry forced Congress to consider lifting the CAB's control over the industry. Draft legislation was prepared which put forth a proposal that proponents said would improve the overall air transportation system through two basic means:

- Limiting government intervention in the marketplace, thereby creating a more competitive operating environment; and
- Improving service to small communities through a guaranteed essential air service program.

Advocates of the Deregulation Bill reported that allowing the airlines to have complete freedom to enter or exit a particular market as they please, would create intense competition. Consequently, air fares would be set by the marketplace, thereby resulting in lower fares to the traveling public. By now the typical growth pattern for an airline was only too familiar. After starting with a few small aircraft serving low density, short-haul, non-competitive markets, the airline would

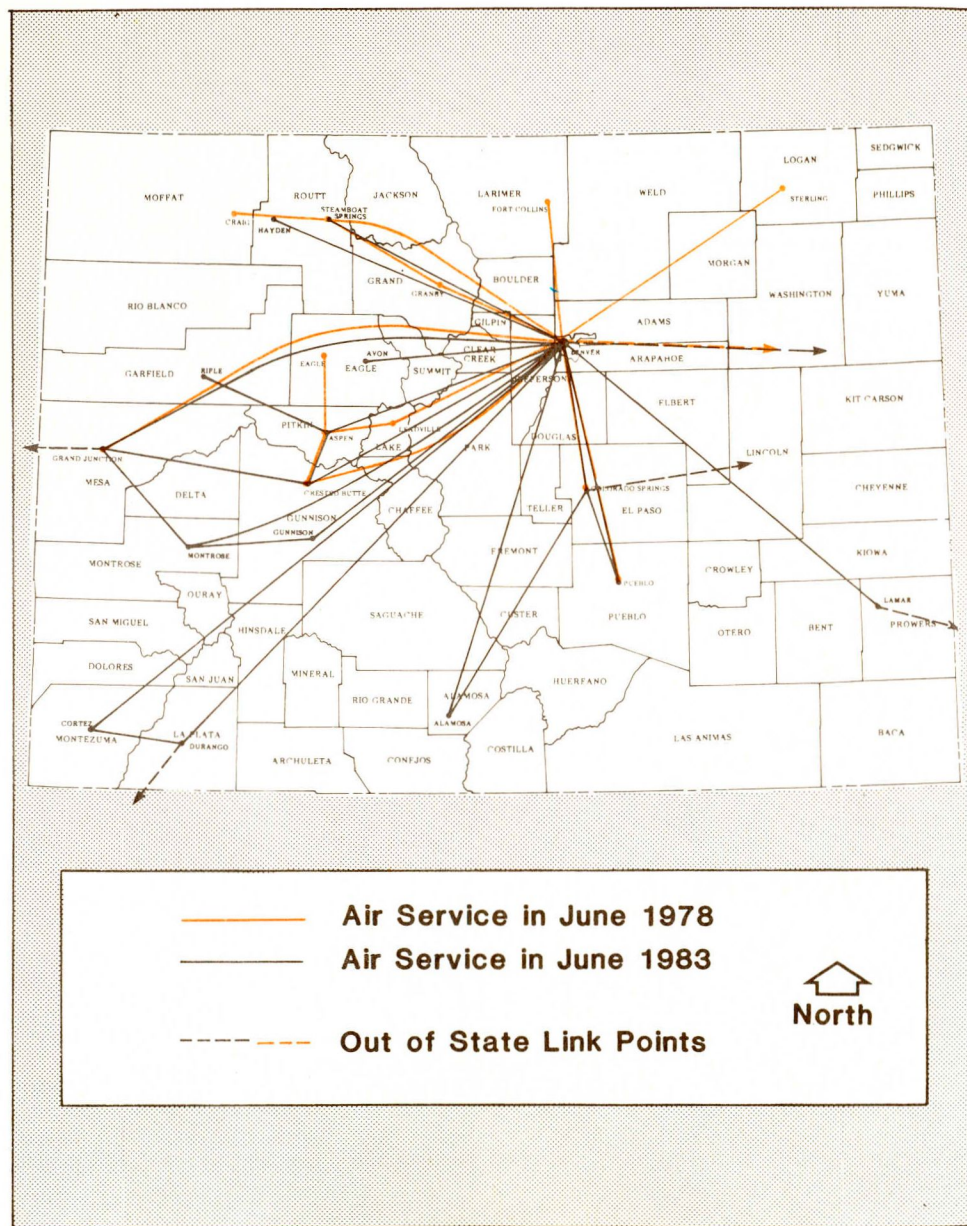


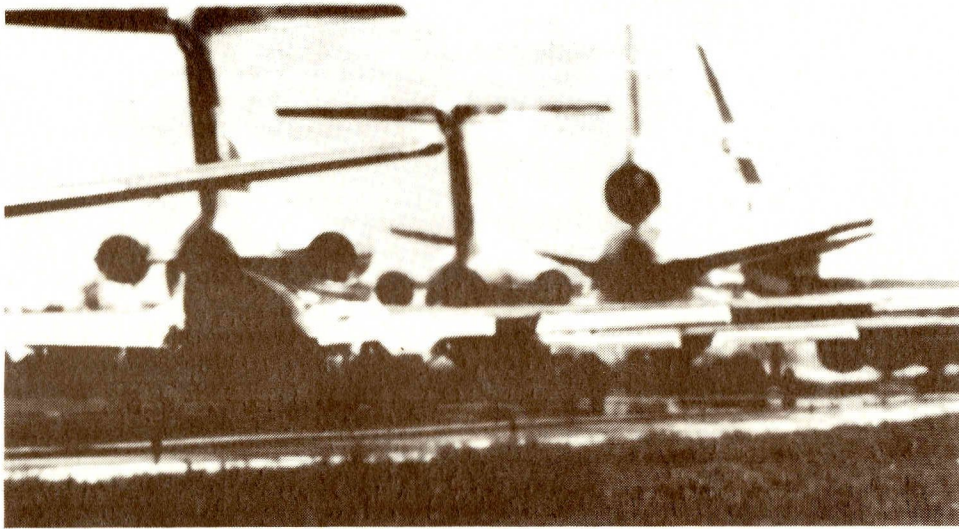
slowly begin to add new, larger equipment with long-haul capability and then began initiating service into higher density markets, often pulling out of those small communities where they began. Recognizing this pattern, the Congress wrote into the Deregulation Bill a provision which ensured that essential air service be maintained at our nation's small communities. Although the actual wording contained in the act itself does not define essential air service, (it merely states "the Board, after considering the views of any interested community and the state agency of the state in which such community is located, shall determine what is essential air transportation to such point"), it was clearly the intent of the provision to benefit small communities by guaranteeing subsidized air service to those communities which would suffer a major economic hardship from the loss of air service.

The bill, titled the Airline Deregulation Act, was finally passed by Congress in 1978, after nearly five years of discussion in the House and Senate. Since the act was passed, the air transportation industry as a whole has changed drastically. It has taken the major airlines nearly all of this time to rethink their short and long term operating strategies, streamline and restructure their organizations. In the meantime, they have continued to maneuver within the marketplace in order to stay competitive in a free market environment. Most of the carriers successfully made it through this traumatic transition period intact, while a few notables did not.

Because this change in national policy has had such an enormous impact upon the industry, and because the airlines themselves, in many cases, still have not as yet defined their long term role within the changing system, it is impossible to determine whether deregulation as a whole has been a success or failure. The only means to intelligently evaluate the effects of deregulation is to examine on a case-by-case basis what has happened to a particular community, region, or state.

In order to identify specific trends which may have developed in the overall system, we collected and compiled information relating to existing service levels at the fifteen airports around the state which receive some sort of scheduled airline service. Specifically, using available historical air service data, we compared the level of scheduled service in the year 1978, with that of June 1983. We used a "service matrix" of relevant criteria to ensure a consistent evaluation of the quality of air service during those two time periods. Factors considered in the service matrix included: the communities served; the number of carriers serving each community; a community's population; the frequency and destinations of departures in state and out-of-state; the number of annual enplaned passengers; the type of aircraft equipment used to serve the community; and the cost of respective airfares. A complete presentation of air service in June of 1978 and June 1983 is reflected as follows:





In general, the results indicated that, like much of the rest of the country, the impact of deregulation upon the air transportation system within the State of Colorado has been mixed. There are a number of communities such as Sterling, Ft. Collins, Granby, Craig, and Eagle which had scheduled service back in 1978, but no longer are served today. On the other hand, several communities are currently receiving air service while they were not in 1978. A third class of communities, notable here is Rifle, has seen service initiated and then dropped over recent years as a direct result of fluctuations in economic activity.

These are the obvious facts, but what is not so easily discernible is what role deregulation played in causing those changes in the system. If one examines closely the characteristics of those communities listed above, it is not too difficult to uncover relatively sound

economic reasons why an airline might have exited or entered each of those markets. Thus, it could be argued that deregulation itself did not actually cause any of the changes within the system. It merely facilitated the airlines to freely adjust their schedules enabling them to take advantage of a certain situation elsewhere, or to extricate themselves from a non-profitable market.

Undoubtedly the most critical issue facing the air transportation industry within the State of Colorado today centers around the capacity problems at Denver's Stapleton International Airport. This airport not only represents the gateway to the state, but to the entire region as well. Ten years ago the airport was ranked as the 12th busiest facility in the country. Today it ranks as the sixth busiest. No other airport in the nation has experienced that dramatic rate of growth. Even on

an ordinary day, the airport's facilities struggle to accommodate activity levels during the peak hours. But on days when the weather is poor, or during the weekend and holiday surges, Stapleton's airside and landside facilities simply cannot meet the demand.

Because of the prevailing wind conditions, the airport's two primary runways are parallel to each other. In good weather, aircraft can make simultaneous approaches to land using these runways, but the distance between the two runways is not sufficient to allow simultaneous approaches during poor weather conditions according to Federal Aviation Regulations. Consequently, any time the weather deteriorates, to a certain point, the Air Traffic Control Tower begins "spacing" the arriving aircraft which, over prolonged periods of poor weather, results in air delays of several hours or more. Similarly, Stapleton's ground handling facilities also cannot cope with the activity peaks. The central baggage transfer belt which transfers all interline baggage from airline-to-airline has been known to break down when overloaded with bags. The curbside at both levels in front of the terminal core becomes so congested with automobiles parked three and four abreast that people cannot drop off their baggage or pick up an arriving passenger. The on-site parking is often filled to capacity causing people to have to look for off-airport parking. And lastly, while not a facility related problem, the fact that in recent years the airlines have streamlined their operations by reducing their number of employees has further contributed to passenger processing delays.

Deregulation has only served to magnify the problems at Stapleton. New airlines begin service almost monthly, while the established carriers increase their schedules to meet the stiff competition. When you couple these problems with the "feeder concept", (the commuter carriers must fly their passengers from the smaller communities around the area to Denver for the specific purpose of transferring them to a regional or national carrier for their flight to an out-of-state destination) the situation continues to worsen and while these are serious problems for the state's entire aviation community, and indeed the whole of the traveling public who must pass through Stapleton, the positive side of all of this activity is the substantial economic boost to the city, state and region. New airlines flying into Denver, and increased numbers of flights by the established carriers have resulted in steadily increasing numbers of arriving passengers, many of whom spend considerable sums of money within the city and state. Business and industry throughout the region are benefiting either directly, as is the case of the ski resorts, or indirectly, as in those cases where businesses provide support to the resorts and developers.

Also, because Denver is an important transfer hub for so many airlines, the state's citizens can travel to most out-of-state destinations at a discounted rate which is often more reasonable than would be obtainable in most cities throughout the U.S. On the other hand, we found many of the intrastate fares charged by the commuter airlines, particularly in and out of Denver to destination resorts like Steamboat or Aspen, to be exorbitantly high. For instance, we discovered a case where a couple from New York City paid a mere \$10 per person, each way additional, on their total discounted New York/Denver roundtrip ticket, to fly the extra leg from Denver to Steamboat Springs. On that same flight an

individual who lived in Denver and who was flying from Denver to Steamboat roundtrip paid a whopping \$150 for her ticket. The crux of the problem is that the payment the local carrier received from the major airline is a percentage of the so-called base fare for a round trip Denver to Steamboat Springs' ticket. In other words, the local carrier might receive somewhere around 30 percent (this rate will vary depending upon its agreement with the major airline) of the roundtrip base fare or approximately \$45 (using the \$150 as the base fare) in this case. Thus, the local carrier when determining any base fare for a particular route, must give consideration to the expected number of discounted fares resulting from the interlining passengers on each flight.





Since the majority of the seats (usually around 70 percent or better) on most routes are filled by interlining passengers, the base fare must be sufficiently high to ensure that the fee charged the major airlines is adequate to cover overhead and return a reasonable profit from that flight segment. Consequently, in specific markets, the local passenger pays a fare (the base fare) that is set artificially high since most of the passengers on that flight are interlining passengers paying considerably less for the same seat.

This kind of fare structuring is somewhat unique since it is most prevalent at specific destinations where the majority of passengers traveling are connecting (or interlining) from out-of-town. However, most of the communities we looked at experienced major fluctuations in the costs of air fares from time-to-time. These fluctuations were usually attributable to either a change in season (from summer to winter), or to a new airline creating competition with an established carrier on the same route. We also found that the number of airlines serving a particular community, as well as the total number of departures, could also vary widely over the course of a year such as were the cases in Durango and Gunnison.

The State of Colorado's air transportation system reflects the following characteristics most of which are at least partly by-products of deregulation:

- The major gateway and transfer point within the state and region remains Stapleton International Airport in Denver. This airport is currently severely congested and has many associated operating problems.
- There are four other airports within the state offering limited out-of-state connections to alternative hub airports.
- From almost anywhere within the state, it is difficult to travel by air from one community to another without first going through Denver.
- The predominant types of aircraft equipment used by the commuters operating in the state are the deHavilland Dash 7, the Convair 580, the Swearingen Metro Liner, the Twin Otter and the Beechcraft C99.
- Air fares from outlying communities around the state to Denver were found to be reasonable with a few exceptions, principally in the resort areas and where no competition existed.

The Communities' Perceptions of Their Existing Air Service

In traveling around the state and meeting with community officials, airport operators, business leaders and other concerned individuals, several key perceptions regarding air service in general were consistently repeated. The following paragraphs relate those widespread feelings:

- First and foremost, people all across the state expressed their unhappiness about the overcrowded conditions at Stapleton International Airport in Denver.
- Secondly, people would like to have the opportunity to fly outside the state from points other than Denver. They do not feel the out-of-state service currently being offered at several other airports around the state is nearly extensive enough.
- Thirdly, the larger the aircraft, the more it is preferred by the public. Aircraft which are not pressurized, and which people cannot stand upright are typically not well received by the general public.
- Fourthly, business persons in particular would like to be able to fly directly from their community to other cities within the state. The public would like to see greater use of airports such as Colorado Springs, Grand Junction, Durango, etc. as intrastate transfer points, as opposed to using Denver in all cases.
- Fifthly, those persons who must fly to Denver on business for the day, would like to arrive early enough to conduct a full day's work, and then be able to return to their homes that same evening.



These highlights represent only those general perceptions as expressed to us consistently statewide during our interview sessions. Taken individually, these feelings by the communities tend to lend support to the current state of the system, as discussed previously. The problems at Denver's Stapleton International Airport are reverberating throughout the entire system, and negatively impacting the airlines and the traveling public as well.

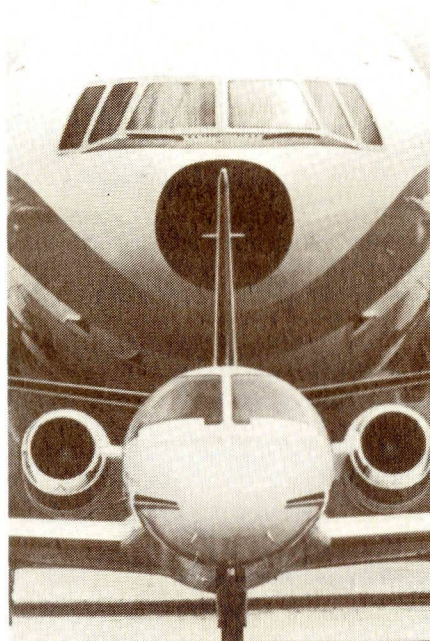
The feeling of being "trapped" by the situation in Denver is pervasive throughout the state. In a few cases, the communities themselves are attempting to improve their situations by dealing directly with the airlines. However, they are finding it difficult to overcome the airlines "feeder concept." Consequently, Denver continues to be the primary transfer point in the regional system. Likewise, we often found that subtle pride in one's community could lead the local officials to focus solely on their community, while giving little or no consideration to neighboring cities or towns located close by.

It appeared that local officials within the various communities did not seem to have a good grasp of why the airlines behave as they do. For example, they seemed to believe that if a particular carrier reduced its number of flights at their airport, that was an indication the airline was unhappy with its operating results there. In actuality, the carrier could have simply pulled a piece of equipment out of the market in order to use it on a newly initiated longer haul route elsewhere, thereby earning greater revenues for the airline. In this case, the decision to reduce the number of flights in that particular community

would have nothing to do with the community itself. Finally, there seemed to be a general feeling that the community was essentially "helpless" to control their own destiny with respect to air service, fares, equipment routes, etc. As one individual put it, "We are at the mercy of the airlines."

In addition to discussing the public's feelings in general, it might also be helpful to relate some of the specific problems and/or concerns expressed to us at several communities across the state.

- Officials in Greeley were already attempting to obtain scheduled air service through an aggressive marketing program. City officials, business leaders and other concerned citizens there are dedicated to achiev-



ing this goal. They had prepared a document which highlighted the area's economic growth as a sales tool in discussions with the airlines. It is interesting to note that Greeley's approach to solving their air service problems appeared to focus primarily on their own community, while apparently choosing to ignore for whatever reason the economic base and potential demand in neighboring Fort Collins. This could be one case where two communities working together collectively might be able to improve their region's overall air service.

- Durango is experiencing another type of problem. Since deregulation, that city has had numerous carriers initiate service there only to watch an incumbent carrier pull out. In some cases, the new carrier also found the competition so stiff that it too felt compelled to suspend service at a later date. The end result has meant inconsistent flight schedules, differing types of aircraft equipment in use, fluctuating fares and overall unstable air service to the community. At the time of our interview visit, local officials there agreed that they would have to do something in the immediate future to stabilize the quality of air service to their city, but had not as yet formulated an action plan.
- Pueblo is the third largest city within the state. But because of its proximity to Colorado Springs, it currently has no pure jet service. At a meeting with local community leaders there, the following comments were made: Currently, there was an inadequate number of daily departures to Denver; the air fares were inappropriately high compared to those

available in Colorado Springs, and problems exist with making connections in Denver due to the airlines habit of "banking" their flight schedules. A survey which asked the traveling public in Pueblo these and other related questions confirmed the community's leaders' concerns. Out of 174 respondents, 81 percent or 141 answered NO to the question; "Does your community have adequate air transportation?" Out of 145 respondents, 74 percent or 108 answered NEGATIVELY to the question; "In recent years have the air carriers serving your community responded negatively or positively in terms of improving local service?" Out of 154 respondents, 72 percent or 109 answered YES to the question; "Do you think the air carriers serving your community should offer service beyond solely to Denver?" The second part of this question asked to what city beyond Denver would the respondent like to have air trans-

portation access. The two cities named most frequently were Albuquerque and Kansas City, followed by Salt Lake and Chicago. The summary, which follows this section, presents all of the responses from the community questionnaire distributed to the public in Pueblo.

In other areas around the state, community leaders were exploring options of their own with regard to local air service problems.

- In Grand Junction, traffic is declining as a result of a world oil glut which caused the shutdown of Exxon's giant Colony Shale Oil Project in Garfield County in 1982. The community has committed a sizable amount of money for promotional and marketing activities associated with Walker Field. They are hopeful that a new publicity campaign in conjunction with the various nearby ski resorts will stimulate use of that facility in the future. Additionally, the city plans on promoting their airport as the gateway for the local western slope travelers as opposed to Stapleton in Denver.
- Steamboat Springs is currently enjoying excellent air service by virtue of its strategically located Short Take-

Off and Landing (STOL) airport. However, community officials recognize that due to its obvious physical limitations, and the close proximity of the Yampa Valley Airport in nearby Hayden, some decisions regarding the future of that facility as a regional transportation hub will have to be made in the years which lie ahead.

- Community leaders in Telluride continue to push ahead with their plans to construct a new airport. They feel that this transportation link is so vital to the community's long term economic growth that most of the necessary initial construction funds may be absorbed through contributions from local businesses, and land developers.
- Like Grand Junction, only on a smaller scale, community representatives in Leadville feel they can promote use of their airport facilities as a package destination location for neighboring ski and recreation areas.
- After an extended period of schedule and equipment changing, air service in and out of Alamosa has, for the most part, settled down to a steady quality level. Still, the community would like to see some service to the southwest, particularly to Albuquerque.
- Community officials in Sterling have faced the hard fact that the community alone can not support any level of scheduled air service. However, rather than accept this situation as the end of the matter, they are concentrating on the lack of air service in a number of surrounding communities as well. Their approach for solving their local air service problems may well lie in the region's potential as a whole.





Responses from Community Questionnaire

1. DOES YOUR COMMUNITY HAVE ADEQUATE AIR TRANSPORTATION?

YES 33
NO 141

2. IN RECENT YEARS HAVE THE AIR CARRIERS SERVING YOUR COMMUNITY RESPONDED NEGATIVELY OR POSITIVELY IN TERMS OF IMPROVING LOCAL SERVICE?

Positively 37
Negatively 108

3. DOES YOUR COMMUNITY HAVE A SUFFICIENT NUMBER OF DAILY DEPARTURES TO DENVER?

Yes 67
No 83

4. DO YOU THINK THE AIR CARRIERS SERVING YOUR COMMUNITY SHOULD OFFER SERVICE BEYOND SOLELY TO DENVER?

YES 109
No 45

IF SO, WHERE ELSE

Cities

CHICAGO 13
L A 10
OMAHA 3
OKL CITY 4
DURANGO 6
AMARILLO 6
SALT LAKE 13
LAS VEGAS 8
WICHITA 5
PHOENIX 12
KANSAS CITY 16
ALBUQUERQUE 35
GRAND JUNCTION 9
ST. LOUIS 6
DALLAS 9

States

Texas 6

5. DO YOU THINK THE FARES THAT YOUR LOCAL CARRIERS ARE CURRENTLY CHARGING ARE REASONABLE?

Yes 91
No 66
no/yes 5

6. ARE YOU SATISFIED WITH THE TYPE OF AIRCRAFT EQUIPMENT THE LOCAL CARRIERS ARE PRESENTLY USING TO SERVE YOUR COMMUNITY?

Yes 106
No 56

7. WHAT WOULD YOU LIKE TO SEE THE LOCAL CARRIERS DO DIFFERENTLY IN THE FUTURE COMPARED TO THEIR CURRENT METHOD OF OPERATION?

More Flights 37
Keep on Schedule 2
Other Cities 3
Late evening flight 4
Modern larger/jet planes 12
Better Schedule 13
Reduced Fares 12

8. WHAT DO YOU SEE HAPPENING IN THE FUTURE WITH REGARD TO AIR SERVICE IN YOUR COMMUNITY?

The Airline Industry's Perception of Existing Air Service

Since we were trying to better understand the airline industry's perceptions, with regard to meeting a community's air service needs, we interviewed industry sources and reviewed numerous magazine articles which were written recently and reported on the opinions of numerous airline executives. As in the previous chapter, we attempted to uncover those perceptions which best represent the majority of the industry's underlying feelings regarding its strengths and/or weaknesses in providing quality air service. The following paragraphs present those industry perceptions which we feel best represent our interviews and other research.

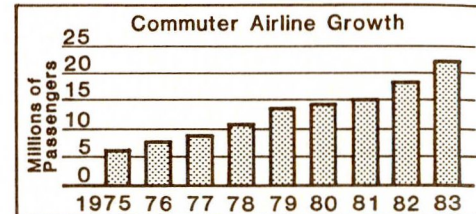
First, the one thing all of the carriers agreed on, was that, due to deregulation, "The airline industry as we have known it no longer exists." While the industry agrees that deregulation has permanently changed the way airlines operate, it has mixed reactions regarding its impact to date upon the system. The two opinions most often expressed by airline executives and which represent both ends of the spectrum were:

- Deregulation has destroyed the industry's fare structure. While super discount fares exist, only those people fortunate enough to live in the high density markets such as New York, Chicago, Los Angeles, Miami, etc. can take advantage of them. The rest of the country is, in effect, subsidizing the airlines' losses on these discount fares.

- Deregulation has improved the overall system by allowing new entrants to begin service, freeing up restrictions on routes, type of equipment, and pricing, etc. The result has meant more competition and improved operating efficiency; the benefits of which are passed on to the traveling public.

A second point that industry officials agreed on was the impact of the commuter airlines upon the national system. These companies have matured and are today feeding millions of passengers from small communities into major hubs all across the country. While the large airlines are struggling to cut excess fat, trim labor costs, and improve years of inefficient operating procedures, the commuters have been moving into new routes, adding larger aircraft to their fleets, entering into beneficial business partnerships and gaining the public's respect. During 1983 the number of passengers enplaned by the commuter airlines grew at triple the industry rate. In total last year they carried 22.3 million passengers, a full 20 percent over that experienced in 1982. In contrast, the total growth for all domestic airlines rose only by 6.5 percent over the previous year.

Utilization of commuter airlines has grown so fast over the last few years that even industry insiders find it difficult to define exactly what a commuter airline is today. It used to be that a major carrier (or trunk carrier), a regional carrier, and a commuter carrier were once easily distinguishable. This is not so anymore. Regional carriers fly long distances, often as far as from coast to coast. Commuter airlines may serve as many as a half a dozen states, and may use sophisticated jet aircraft.

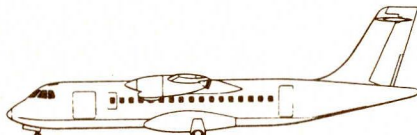
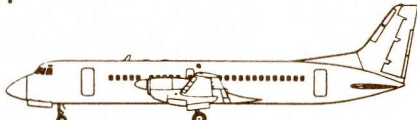

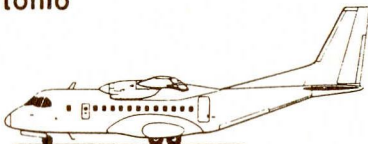


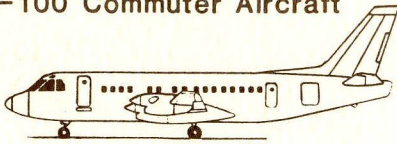
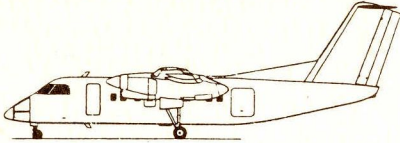


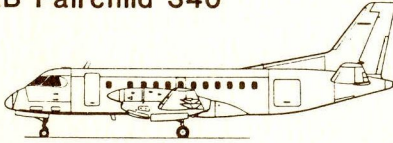
Consequently, there is a blurring of functions as the regional carriers and commuters expand their markets and add larger aircraft to their fleets. Even in view of the above, the three major categories still used to best describe the type of airline operation are:

The major carrier (or trunk carrier) typically utilizes large, pure jet aircraft usually carrying 90 or more passengers, and possessing a route structure covering most of the United States with some limited overseas destinations. A regional carrier will utilize pure jet aircraft but may also operate some turbo prop equipment to serve certain markets. Their aircraft will normally carry anywhere from 50 to 100 passengers, and they will typically focus their operations in a specific region consisting of a dozen or so states and utilizing a hub and spoke system. Commuter airlines normally operate aircraft either turbine-powered or piston-powered aircraft and carry 50 or fewer passengers. These companies typically serve the smaller communities

in one or several neighboring states where passenger demand is insufficient to support a regional carrier.

Also, new advanced technology is expected to make available in the near future a host of new, larger, more sophisticated, yet more economical- to--operate aircraft, designed specifically for the short haul low density markets. Some of the new aircraft currently under development designed specifically for service by regional and/or commuter airlines are presented below.

	Passenger Capacity	Cruising Speed (Knots)	Maximum take-off weight (lbs)	Type of power plant	Pressurization	Est. Delivery Date
Aerospatiale/Aeritalia ATR-42 	42-49	276	34,000	Turboprop	Yes	1985
BAe ATP 	64	260	48,700	Turboprop	Yes	1986
Beech 1900 	19	263	15,245	Turboprop	Yes	Available Now
CASA-Nurtonio 	34-40	250	28,658	Turboprop	Yes	Spring 1985

	Passenger Capacity	Cruising Speed (Knots)	Maximum take-off weight (lbs.)	Type of power plant	Pressurization	Est. Delivery Date
CAC-100 Commuter Aircraft 	50-60	300	34,000	Turboprop	Yes	Late 1984
DHC-8 Dash 8 deHavilland 	36	270	30,500	Turboprop	Yes	Fall 1984
Dornier 228-100 	15	226	12,566	Turboprop	No	Mid 1984
Embraer EMB-120 Brasilia 	30	287	20,000	Turboprop	Yes	Fall 1985
SAAB Fairchild 340 	34	274	26,000	Turboprop	Yes	Spring 1984

Perhaps the two most important aspects to note with regard to the aircraft in development today deal with their power plants and pressurization systems. All but one of the proposed aircraft shown will be pressurized and all of the aircraft will be powered by turbine-type engines. This points to the fact that the regional/commuter aircraft fleet is moving in the direction of turbine power plants, and pressurized cabins. To lend further support to this conclusion is the fact that, by the end of 1983, a 23% increase in the number of Turboprop aircraft and a 39% increase in the use of pure jet equipment since 1981 have been experienced. This has resulted in turbine power plants being utilized in over 45% of all aircraft in use by the regional and commuter airlines today. Given the current trend, it is reasonable to project that half of all aircraft operated by commuter and regional airlines will likely be turbine powered by 1985 as some of the new types of equipment come on-line in 1984. Due to the reliability and public acceptance of turbine powered aircraft, the number of hours flown by regional and commuter airlines also increased by 91% from 1978 to 1983 to over 2 million. Given the relatively small population centers and rugged terrain within the State of Colorado,

commuter airlines should continue to play an important role within the state's aviation system.

At the moment, future strategy for the commuter airlines calls for aligning themselves to a major carrier. This situation is becoming more obvious since the major airlines control passenger traffic in and out of major hubs (like Denver's Stapleton International Airport) by means of their scheduling techniques and preferential automated reservations systems and interlining fare arrangements.

Most of the small to medium sized airlines will be looking to expand their operations in the years ahead believing that intelligent growth offers the most direct path to long term prosperity. This strategy will often result in the utilization of larger aircraft, and a re-structured route system.

As airlines struggle to keep their operating costs at a minimum, the selection of the type of equipment they utilize becomes a more critical factor. In certain low density markets, smaller, non-pressurized aircraft may be preferred to the larger, more expensive to operate aircraft. In these cases, utilization of more sophisticated aircraft may not be economically feasible.

The commuter industry feels that a small community can benefit more by working closely with a quality local carrier, than it can by trying to lure in a trunk or even a regional airline. Their basic argument is that they can offer numerous departures and arrivals at convenient times throughout the day, while a trunk carrier would likely fly in only once or twice a day. Thus, the commuter feels it can provide the trav-

eler with far greater flexibility and convenience at a reduced price. One point which is important for a community to understand is that each individual airline company represents a defined "system". This "system" is composed of all of the routes served by that airline. What the community needs to keep in mind is that from industries perspective a particular community might or might not fit into the proper mold or "system" which is the essence of that airline. Consequently, before an airline will initiate service into a new community, it not only has to be convinced that the market there possesses the necessary demand to make it profitable, but also that the community itself fits into the carrier's overall route structure or "system".

The carriers feel that, in many cases, the communities have forgotten that an airline is operated first, to make a profit (like any business) and secondarily, to provide a service. If the airport operators and community leaders would keep this in mind, the airline industry feels they would be more realistic in their requests for service.

The above highlights are not intended to be all conclusive of the industry. Rather, the foregoing represents those predominate perceptions within the airline industry as they apply to air service in Colorado and the Rocky Mountain region. They reflect those feelings most closely associated with commuter/regional airlines, servicing this country's smaller communities.

External Forces Influencing Air Service Within the State Today and Tomorrow



No discussion concerning existing or future problems within the State of Colorado's air transportation system would be complete without first examining the present situation at Denver's Stapleton International Airport. Currently, it is the sixth busiest airport in the U.S., and the seventh busiest in the world. And because the proximity of the existing parallel runways does not allow for simultaneous approaches to landing during poor weather, much of the time demand exceeds its capacity. This is particularly true during the economically critical ski season. Based upon forecasts of future activity levels, the existing facilities were planned to handle passengers and air traffic until the year 2000. However, those forecasts could not have foreseen the impact of deregulation or the extent of increased air

travel prevalent today. Thus, they proved to be well below actual levels experienced, resulting in the obvious need for expansion to accommodate the added demand. It is this question of expansion that lies at the heart of Stapleton's problem today.

A recent multi-year study conducted by a nationally recognized aviation planning expert, identified six possible alternative development scenarios. From these, two final options were selected for further evaluation. One option examined the feasibility of building a completely new airport at a site near Bennett, Colorado. The other option was to begin a phased expansion of the existing Stapleton International Airport onto the adjacent property belonging to the Rocky Mountain Arsenal and situated in Adams County. Under this scenario, the City of Denver would retain control of the airport. Essentially because of its economic feasibility, and proximity to the city, Denver officials

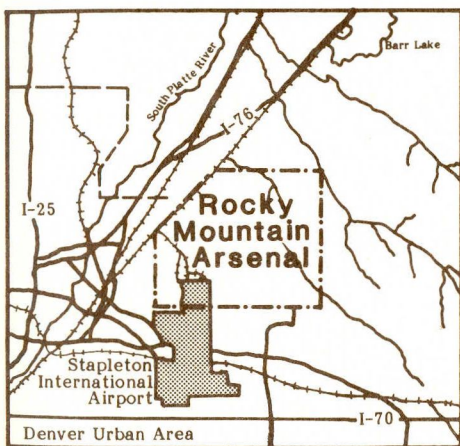
elect to pursue implementation of the latter option, and expand onto the Rocky Mountain Arsenal property. Adams County officials have taken a position against allowing this expansion to take place. Their community leaders contend they are protecting a standard and quality of life for which their residents have worked all their lives to enjoy.

For the immediate future, Stapleton is moving into the environmental study stage for the construction of one east-west runway to help alleviate the current congestion problems. Since this runway will extend onto the arsenal site, Adams County officials are already planning certain legal maneuvers which may delay the process and possibly prevent it all together.

This situation remains one of the most complex and important problems facing our air transportation system today, not only within the state, but the entire region. Growing concern regarding this matter was apparent during our visits all around the state. Considering that major resorts like Aspen, Vail, Steamboat and others, are vitally dependent upon convenient airline connections, it is obvious that whatever the final outcome is, it will surely have a major influence upon the entire economy of Colorado.

The ultimate resolution of the Stapleton situation is the single most important issue which will have an impact upon air service in the future within the state. If that airport is allowed to expand naturally (or in the event a new facility is constructed to replace it), thus enabling it to efficiently accommodate the heavy activity during peak hours, then it will likely continue functioning as the only major transfer point

for both intra and interstate flights in the region. On the other hand, if no expansion or relocation takes place, costly delays, customer aggravation, and other adverse operating conditions could lead to the airlines opting to use an alternate facility in the future. If this trend started, airports like Colorado Springs, on the front range, Grand Junction on the western slope, and Durango to the southwest could develop into "mini hubs" while functioning as relief valves for Stapleton.



The second external influence which is sure to leave its mark on the future of air service is the federal government. We have already discussed the impact of deregulation to date. The effects from this change in long term philosophy will continue to be felt throughout

the aviation industry for many years to come. And with the Civil Aeronautics Board closing down operation at the end of 1984, many additional uncertainties regarding the federal government's role in the future exist. One particular question of importance to many small communities concerns the current Section 419 of the Deregulation Act which provides the small community air service program, (commonly referred to as EAS- Essential Air Service). The Essential Air Service (EAS) Program ensures that small communities maintain their access to the nation's air transportation systems. The program determines the minimum level of service communities must be provided in terms of the number of daily flights and the number of seats between those communities and their regional hub airports. Additionally, the CAB also sets a maximum level of service that they will subsidize. When a carrier submits a bid to provide essential service to a community otherwise unable to economically sustain service on their own, the carrier agrees to provide that service for a two year period at a fixed rate. Thereafter, the carrier can be "bumped" if a new carrier comes along and says it can provide the community with increased service for the same amount of subsidy, or less. However, this process is a complicated one and a significant number of "bumping" actions have not occurred to date.

The principle question today is what will happen to the EAS program after the CAB is dissolved. One indication for predicting the future of the program might be to examine its current importance, and thus its likelihood for continuation. In 1982, 304 of the 327 communities in the U.S. eligible for essential air service were in fact being



served by regional and commuter airlines. This represents a 62% increase over the pre-deregulation days prior to 1978. During the same period, small communities served by major trunk carriers decreased by 55% reflecting the predominate role in essential air service being provided by the regional and commuter airlines. Of these 304 communities being served by the regional and commuter airlines, only 85 are being subsidized by the federal government. This fact indicates that, for the most part, the regional and commuter carriers can operate profitably in the small communities without subsidy. Despite the fact that some individuals within the airline industry are calling for a discontinuation of the EAS program, existing conditions and recent trends suggest that the program

will be necessarily carried forward and perhaps expanded in the future under the auspices of the Department of Transportation following the shutdown of the CAB. There are currently several other pieces of proposed legislation, such as those calling for limited control over fares and routes, which if enacted, would likely impact the manner in which the carriers operate. However, most industry insiders agree that it is too early at this time to make a final judgement regarding deregulation's ultimate impact upon the system. Therefore, it is unlikely that any drastic revisions to the existing legislation will be made in the near future.

Another important factor which could play a role in helping to shape the future air transportation system within Colorado, would be the state government. At present the state has no official entity within its statutes dedicated solely to the development of aviation in the state. A bureau or office would serve several important functions for the state's aviation community, while keeping the best interest of its residents and traveling public in the forefront. A few specific responsibilities would include:

- Ensuring the orderly development of the state's airport facilities.
- Represent the state's air transportation needs before the various federal government entities concerned, and before numerous industry interests.

- Assist local communities in securing and retaining adequate air service.
- Act as a statewide clearinghouse for technical information, material and other industry news.

These represent only a few of the many activities currently being performed by the various aviation offices in the vast majority of the nation's state capitals. Should some official state entity be authorized in the future, that office would undoubtedly aid in the support of the state's aviation development in many ways, not the least of which would be associated with the revenue sharing Grant In Aid Programs of the federal government.

Another way that the state can positively influence the development of commuter air service within Colorado is to provide direct support for the airlines by utilizing their services for transportation of government employees. Other states have discovered that by simply having their employees who are frequent intrastate travelers, use the services of the commuter carriers, they can provide a guaranteed minimum income to these carriers, thereby helping to ensure their longevity and economic health.

Lastly, it is our opinion that the communities themselves will play a major role in shaping the air transportation system in the future. More and more communities all across the country are discovering that they are capable of influencing air service in their area. After all, a great deal more than just community pride and the public's convenience is at stake. Poor air service results in the community not only losing revenues needed for the operations/

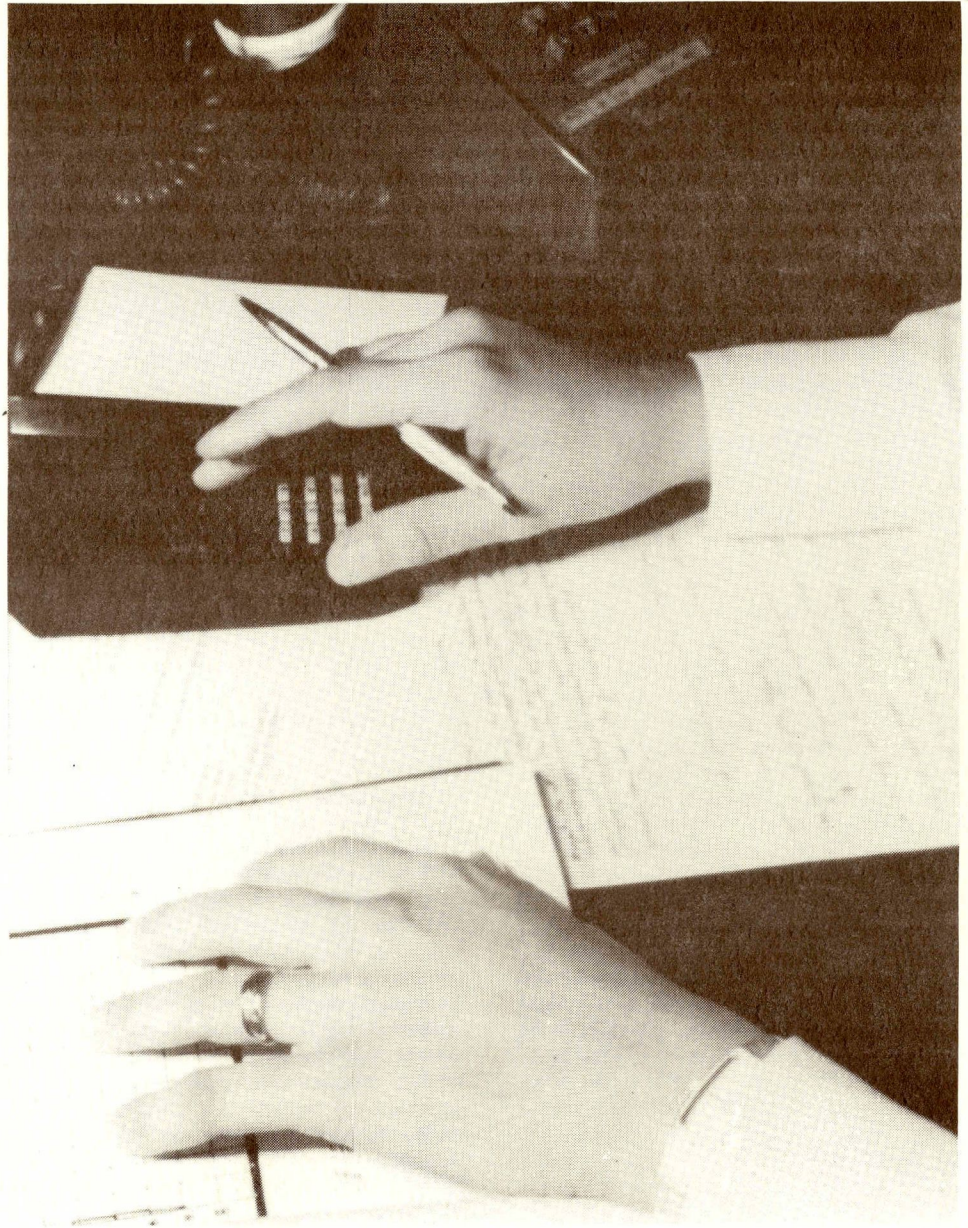
maintenance and improvement of an airport facility, but it also harms the communities' ability to sell the area to new industry and business. Unfortunately, it seems that only when a reduction in service, or in some cases a loss of service occurs, does the community become acutely aware of the direct and indirect benefits associated with quality air service. And with no official entity to turn to for help these days, community leaders themselves have begun to take matters into their own hands. In some cases the results have been dramatic. As more and more communities begin to "compete" for improved air service, aggressive marketing programs will begin to pay dividends. The end result could be a system structured around those communities which are the most "visible" to the airlines, either by virtue of their market activity, or through their active marketing efforts.

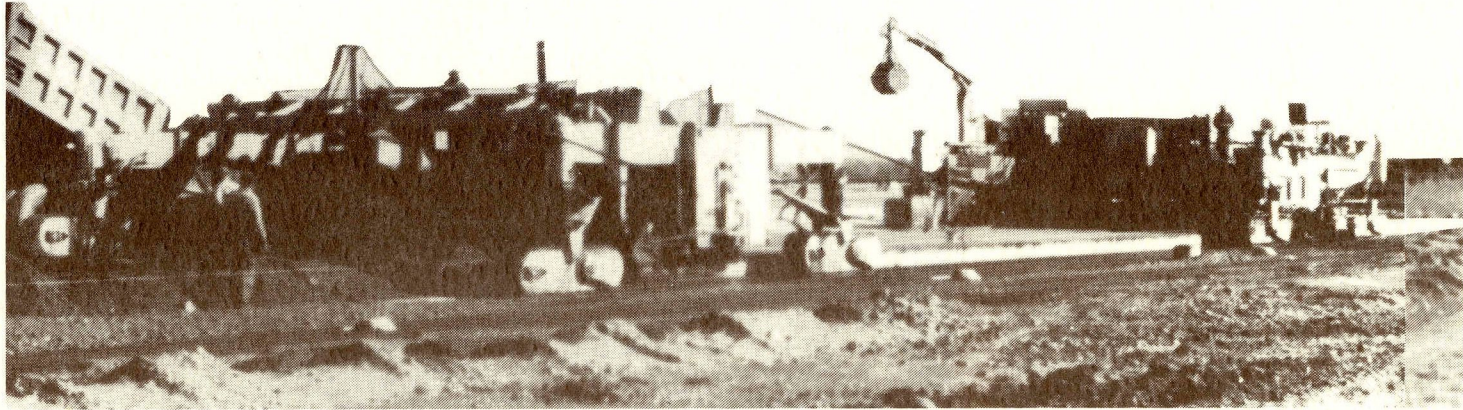
Of course, there are many other outside influences - the national/regional economy for one, - which create the proper environment for steady growth in the air transportation system both nationally and within the State of Colorado. But we believe those forces described above are the ones most likely to have the greatest local impact.

A Community's Influence On It's Future Air Service in Today's Free Market Place

It is apparent by the complexity and changing nature of the industry that a "grocery list" of things a community should do to solve its air service problems does not exist. Rather, the solution to the problem lies in a community's attitude and philosophy for dealing with the airlines. It is this attitude and approach which will lead a community to gain some control over its own air service destiny.

The first thing a community should recognize about its air service is that, in most cases, it is not necessarily helpless or totally at the airlines' mercy. A COMMUNITY CAN INFLUENCE WHAT HAPPENS IN THE FUTURE. But, it must first face up to the reality that neither the government nor the airlines are likely to come to its rescue; at least not without a major promotional effort on the part of the community. This level of effort does not just happen on its own. Consequently, the first order of business for the community, is to make a firm commitment toward controlling and improving its local air service. This commitment will require at least a nominal capital investment, and that's where a community's air service program typically ends. Everyone is quite willing to talk about the problems of air service, but when it comes to actually spending some of the community's dollars, the money is usually needed for something considered more important. And herein lies the problem. For far too long, small communities have been led to believe that if they invest some money in improving their airport's physical facilities, those improvements will in themselves lead to some airline initiating service. It is true that occasionally the lengthening





of a primary runway, or the expansion of a terminal building may remove some physical constraint, thereby allowing a carrier to begin service. But the important point to keep in mind is that the airline most probably was genuinely interested in serving that market before the improvements ever took place. In short, enlarging or otherwise enhancing an airport's facilities may, or may not influence the likelihood of improving the air service to the community. There are other methods available such as an aggressive promotional/marketing effort, which in today's market place may prove more effective at luring additional air service than investing in improved facilities. The problem remains that it is much easier for a community to justify spending monies on some visible improvement such as an expanded terminal building, than it is to invest funds on something as intangible as a marketing campaign.

Nonetheless, assuming a community considers its local air service vital enough to invest in, the next step is to conduct a comprehensive analysis of the economic base for air transportation in the community's service area. Before attempting to sell any product, the seller must first have a total understanding of the product. It is essential for a community to objectively evaluate its full potential for creating a demand for air service. A few of the elements which need to be considered in detail are:

- Planned area development programs which may impact on the character of the local economy and thereby influence the future need for air service.
- The demonstrated economic and industrial growth of the community and surrounding area as it interrelates to the need for air service.
- Shifts in population and employment patterns in the area which could impact future development of air service.

- The accessibility of an airport relative to other airports in the region offering schedule service.
- Historical and current air service patterns at an airport relating to business, pleasure, industry, tourists and government.
- Condition of existing facilities and any capital improvement projects planned for the airport.

All of these factors must be thoroughly examined in order to accurately determine and verify the demand for scheduled air service in an area. The important point for the community to keep in mind, is that having completed this first step, does not necessarily guarantee improved air service lies

ahead. In fact, if the study is conducted with an objective viewpoint, the results may well conclude that the community cannot support, without subsidy, additional air service, or, in some cases, any air service at all. However, while this finding may be difficult for the community to "swallow", the study will not have been in vain for at least three important reasons. First, it could ultimately save the community money by discouraging any ill-prepared marketing efforts and/or unnecessary facility improvements to the local airport. Secondly, the report itself could be useful as supportive evidence for such things as requesting the CAB (or the DOT beginning in 1985) to hold an Essential Air Service Hearing. As previously mentioned in this article, Section 419 of the Airline Deregulation Act provides for a small community air service program meant to assist those communities where air service is considered essential to its citizens' well being. Agreeably this alternative is viable for only a very few communities since the CAB has, in practice, failed to live up to the program's promise by prescribing what can only be termed a "bare bones" level of service to any community currently under the program. That is not to say, that the government will not become more involved in this area in the future, depending largely to what extent deregulation hurts these communities, and to how "visible" this problem becomes to the politicians in Washington. Thirdly, although not able to support air service,



the study could provide documentation which would demonstrate that sufficient demand exists to support a different mode of transport service. For instance, it might be intelligent for some sort of ground transportation vehicle to shuttle passengers at convenient intervals from several outlying communities to one central point in the region, where air transportation to points beyond would be available. It must be pointed out that a community with poor air service may be far worse off than one with no air service at all, but which enjoys an effective ground transportation system.

Another alternative worth exploring should a community's economic analysis find that it cannot on its own support new or expanded air service is to look beyond the local area to the region. For instance, while it may not be profitable for a carrier to initiate service into one specific community, it might be profitable to service an entire route, in which the community was but one stop along the way. Frequently, the

other communities along that route would also be faced with the same situation where none of them could support the service alone, but taken as a whole, the route might be profitable for the right carrier.

And as a last resort, the community could consider a direct subsidy to the airline. In this case the community would be guaranteeing the airline at least a small operating profit as a direct economic incentive for providing the service. By so doing the community would accomplish several things. First, and foremost, it would be ensuring that a needed public service was offered to its citizens and industry alike. But of equal importance it would be positioning itself to drop the subsidy at some point in the future. In other words, air traffic demand is unlikely to grow, if it was never there to begin with. Consequently, as the service is used and depended upon more and more, some growth in the number of users can be expected. As new business, industry, etc., in the area expand, increased ridership will likely follow, resulting in a profitable operation at some point in time. A case in point is the city of Pueblo, Colorado. Back in 1973 Frontier Airlines conducted an internal feasibility study to determine if they could profitably operate jet aircraft out of the Pueblo market. The findings of that study indicated that the airline would lose around \$4,000 a month, if they did initiate jet service there. Consequently, they informed the city that they would not be using jet aircraft in the near future to serve Pueblo. But that was not acceptable to the city officials. After an intensive



marketing effort on the part of city officials, an agreement was reached whereby the city of Pueblo would pay Frontier Airlines \$4,000 a month for six months. From Frontier's point of view, this was an overt gesture on the city's part displaying their confidence that the demand was there, and equally important their willingness to backup their commitment with hard cash. For Pueblo it meant that the "Steel City's" growing industrial economy now had access by means of jet service to the east and west coasts of America. Within six months Frontier was operating at a profit, and the city stopped making their subsidy payments.

Once the community has a completed detailed economic analysis in hand, and assuming the report's findings substantiate the communities need for improved air service, the next logical step is to learn as much as possible about

the airline industry itself. Just as it is important to have a clear understanding of one's own community's assets and future potential, it is also important to comprehend the various market factors, constraints and other operational parameters on which airline executives base their management decisions.

Armed with a community's comprehensive area market analysis, and new knowledge of the airline industry, community leaders will be ready to target those carriers most likely to have an interest in their area. After identifying these specific carriers, they can begin to analyze each one's own unique operating philosophy and characteristics. They should try to uncover such critical factors as each carrier's initial market entry requirements, long term route development and hub strategies and their future goals and objectives. Lastly, community representatives must be sure to identify potential methods for assisting the airlines (such as providing them facilities at a favorable rate) or some other means which could serve to stimulate their interest in the community.

Finally, once all this has been accomplished, a community will be well prepared to meet with the appropriate airline or airlines and present its case concerning the community's air service needs. Even after completing all of the above steps there is still no guarantee that, in the end, a community will be successful in persuading an airline to enter a particular market or increase

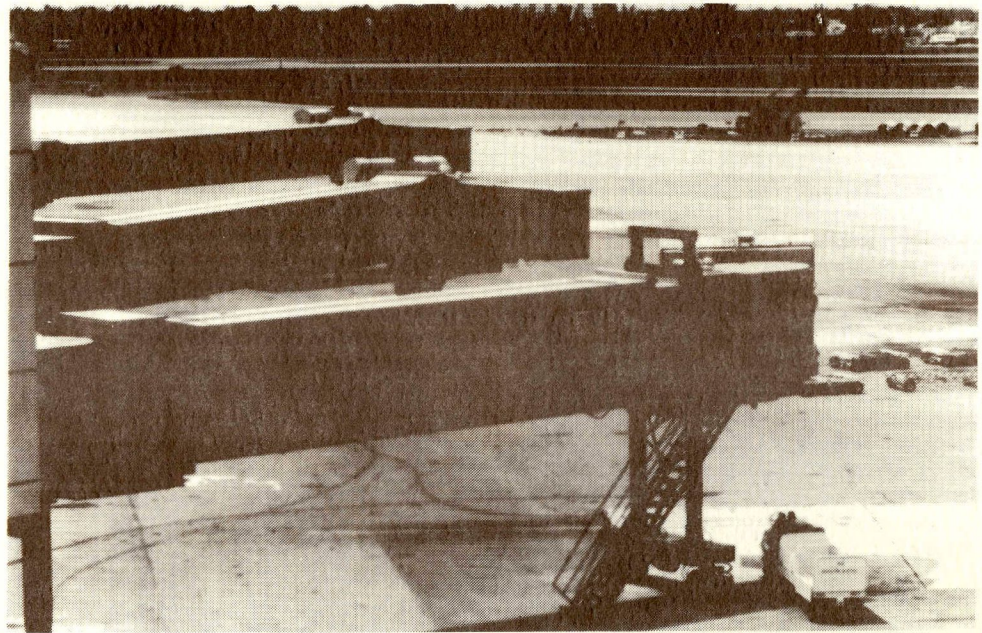
its level of service there. NO DEGREE OF MARKETING AND PROMOTIONAL EFFORT CAN SUSTAIN SERVICE IF THE DEMAND IS NOT THERE. However, in many cases the demand is there, but for numerous reasons it simply is not evident. In these cases, communities which are determined to improve their air service are most likely to accomplish it through the means described here.

There are several other important points for community leaders to consider with regard to local air service. Frequent, convenient service, provided by a small commuter airline, has often proved more advantageous to a community, than less frequent, inconveniently scheduled service offered by a larger carrier.

Don't forget that first impressions are extremely important. Always be well prepared before beginning any serious discussions with the airlines. A professional approach will help form the airline executive's perception of the community itself.

Set realistic goals. Before a community is likely to receive service from a 50 passenger jet, it will most probably have to fill a 19 seater over an extended period of time before the airlines agree to upgrade the equipment. It has to earn the right to be served by that larger aircraft based upon its demonstrated demand and not on its "potential."

There is no doubt that this degree of investment will cost a community by subsidizing the service in the beginning,



but those costs could be relatively small compared to the loss of the direct and indirect long-term economic benefits to the area associated with poor air service.

A further recommendation for all communities with existing air service (at any service level) is to maintain a continuing dialogue with the carrier. This will allow the community to be an active participant in any decisions made effecting the community's air service rather than leaving the community in a position where it can merely react after the fact. It should be remembered that the relationship between community and air carrier should be similar to that of a good business partnership. As with any partnership, on-going communication is the key to a successful relationship for both parties.

Beyond maintaining open lines of communication, the community also has the responsibility to "fill the seats". If they fail to live up to this responsibility, the community has no one to blame for a reduction in service but themselves.

Lastly, the state and local government should recognize that a need exists for communities to work together to intelligently integrate the scale and scheduling of public and private development. In a mountain community this could mean the coordination of the resort development, airport facility development, and the quality of local air service. Quite obviously, this level of coordination requires an up-front effort rather than an after-the-fact relationship.

Concluding Observation

The problem of adequate air service in the next five years promises to be one which confronts communities with greater volatility and uncertainty than ever before in the history of the air transportation industry. As the airlines reorganize and maneuver in order to compete and survive financially within today's deregulated environment, they are challenged with unstable fuel prices, angry labor unions, a growing number of new entrants, fare and interline competition. All of these factors and others are contributing to the current state of change taking place in the airline industry. To date this change has produced mixed results. Some communities have benefited while many others have not only suffered a reduction in air service, but often more serious economic consequences including loss of new business and tourists.

The message is clear, the challenge of the future is to plan for change. Communities and airport operators are going to have to develop new management and marketing styles and philosophies as they adjust to the changing operating methods of the airlines.

In the past, communities have played a "wait and see" game with respect to what the airlines would do next. Then, when an airline would raise its fares in a particular market, reduce its number of flights into the area, or in some other manner change its local operation, the community would react. Typically a letter denouncing the airline's action would be sent to the carrier, and possibly a meeting would be held to correct the situation. This means of coexistence between the community and the airline worked in the past simply because the airlines were not free to do as they pleased, when they pleased. Consequently, adjustments which caused seriously negative repercussions to the community were infrequent. However, that is no longer true, and in some communities their level and quality of air service changes almost monthly. Until 1978 there had always been government controls on the airlines' fares, routes, etc. These controls were put in place initially to ensure the long term growth and vitality of a young airline industry and, secondly, to protect the community's interest. You can be sure that the airlines are continuing to guard their own welfare, but who is looking out for the community today? The answer had better be the community itself.

It is important to note that in a completely free and competitive marketplace the airlines, at least theoretically, are more vulnerable than ever before. In many ways they are beginning to look and act like other typical business enterprises. Thus, communi-

ties may be more inclined to start viewing, and treating the airlines like any other commercial interest operating at the airport. The days of "sweet-heart" deals and "kid glove" treatment are coming to an end. Today, provided a real demand exists in that market, if an airline pulls out, one of its competitors will likely take its spot.

Furthermore, communities must recognize that airlines exist to earn a profit. And, if that means the only feasible alternative by which a community is able to offer quality air service to its industry and citizens is through a mutual agreement with a nearby neighbor, then it better not let pride stand in its way. It is important to remember that bigger is not necessarily better. Quality air service is not defined by the size of the aircraft alone. Many other factors including number of departures each day, time of day of those departures, nonstop service and all determine the real quality of service.

Lastly, we believe what ultimately lies ahead for your area depends on your community's leaders relying less on the government and airline industry for solutions, and more on your ability to shape and influence your future destiny.



"The preparation of this document was financed in part through a planning grant from the Federal Aviation Administration as provided under Section 13 of the Airport and Airway Improvement Act of 1982. The contents of this report reflect the views of Landrum & Brown who is responsible for the facts and data presented herein. The contents do not necessarily reflect the official views or policy of the FAA. Acceptance of this report by the FAA does not in any way constitute a commitment on the part of the United States to participate in any development depicted therein nor does it indicate that the proposed development is environmentally acceptable in accordance with Public Laws 91-190, 91-258, 90-495, and/or 97-248."

