

Saudi open sky is good for all

If Saudi Arabia adopts an open skies policy it will benefit the whole of the Middle East, said HH Sheikh Ahmed bin Saeed Al Maktoum, president of Dubai Civil Aviation (DCA) and chairman of Emirates Group.

Speaking at a press conference at Routes, Sheikh Ahmed said that Emirates had "never had any problems" with Saudi Arabian civil aviation authorities.

"If an open skies policy comes to Saudi Arabia it will have a positive effect on the whole region and not just Saudi Arabia," he said.

Dubai, which has built a world-class aviation hub on the back of an open skies policy, has not yet fulfilled all of its ambitions in the aviation and aerospace sectors, he added.

The emirate is investing around 300 billion Dirhams (\$81.75 billion) to develop aviation and aerospace, from \$27.2 billion in the Emirates fleet to

\$32.7 billion in the new Dubai World Central airport.

"Some of these projects are underway and some will be revealed over the next decade. What we have spent for this sector will change the face of civil aviation and logistics around the world," he said. "And I can say that the best is yet to be."

Asked about the delays to delivery of the Airbus A380 "superjumbo" – Emirates has 45 on order – Sheikh Ahmed said the airline has not considered cancelling the order. "If we want to come out of this order we can do it today. But we never really went that far."

With the ICAO global symposium on air transport liberalisation being held at the same time as Routes, Sheikh Ahmed was asked about Emirates' thwarted attempts to increase flights to Australia.

"We are happy with Australia," he said. "We have 49 flights a week to Australia. We have always found them fair."

He said he hoped that the open skies philosophy would spread further around the world. "When two countries have open skies policies, then any meeting on a new bilateral will take two or three minutes. Without open skies policies, it will take much longer." ■



Routes' formal adoption of the Orbis Flying Eye Hospital charity paid dividends yesterday with the first donation from a delegate to this year's forum. Naji Al-Ajmi, right, chief executive of National Aviation Services of Kuwait, presented Pam Williams-Jones of the sight-saving charity with a cheque for \$3,000, assisted by NAS business development manager Adila al Afla.



Newark gets thumbs up from Qatar

The Gulf's leading aviation lights, Sheikh Ahmed bin Saeed Al Maktoum (right), and Akbar Al Baker, shared a friendly word yesterday at Routes.

Al-Baker, the chief executive of the Qatar Airways group and Doha international airport, greeted his counterpart from Dubai, who is the chairman of Emirates Group and president of Dubai Civil Aviation, as Sheikh Ahmed conducted a tour of the exhibition hall following the formal opening of the

event. Al Baker, who is here to help showcase Qatar's plans for the New Doha International Airport, said he hopes to begin services with his carrier's newly delivered Airbus A340-600s to New York's Newark Airport in the first quarter of 2007. By then the carrier will have taken delivery of four A340s.

Al Baker said he prefers Newark with its convenient rail link to downtown New York over "congested" JFK.

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Low-cost carriers fire a broadside

AT LAST WEEK'S WORLD LOW Cost Airlines Congress in London, chief executive after chief executive lined up to take a swipe at what they see as an increasing evil – airports.

Europe's low-cost carriers are ever more vocal in their opposition to what easyJet's Andrew Harrison described as airports that are "overbuilt and incentivised to gold plate" and cited both London Stansted and Berlin's planned new airport as offenders.

When asked his reaction to the purchase of UK airport operator BAA by Spain's Ferrovial, easyJet's chief executive insisted that "any change in the UK would be good change". Mike Rutter, chief operating office at flybe, agreed: "We must break up the airport monop-

oly. It undermines the competitiveness of the industry. Neighbouring airports must have different owners."

Airport charges were also under attack. "Airports need to lower costs and offer a better experience from a social perspective. At the moment it is a worse experience than ever," complained Harrison.

He was less than impressed with the new Berlin airport development plans too. "Such plans need huge investment – and this is a threat to the low-cost carrier," he warned. Berlin Airports Group denied that grandiose plans for the new facility would drive up costs. "There will be no marble, no gold, just low fees," it insists.

Warsaw airport also came under fire for what centralwings chief executive Maciej



EasyJet's Andrew Harrison voices his opinions about airports.

Kwiatkowski saw as providing an inefficient, costly and poorly staffed service.

"Warsaw is overpriced," he says. "We would move if the deal was good." He says the carrier has had offers from other Polish airports eager to snap up the business.

Delta scoops New York-London rights from United Airlines

United Airlines has sold its New York-London route authority to rival Delta Air Lines, leaving the Star Alliance without any presence on the most important transatlantic sector. Delta will acquire United's rights to operate up to three daily flights between New York and London. But the SkyTeam carrier is unable to buy any of United's excess Heathrow slots because the current UK-US bilateral limits Heathrow access to American Airlines and United.

Delta will initially operate one daily frequency between New York JFK and London Gatwick from 15 November. The US Department of Transportation in August gave Delta approval to begin selling seats on the new service. Delta plans to add a second frequency from 1 May 2007, but to operate a third would require more slots at Gatwick. Delta now holds five

pairs of slots at Gatwick but only uses four – three for Atlanta and one for Cincinnati – and is reducing its Atlanta service to double-daily to make room for double-daily flights to JFK.

The carrier has long eyed New York-London to complement its fast-growing transatlantic line-up from JFK, where it now operates 21 routes to Europe including Edinburgh and Manchester. JFK-London has been a missing link in Delta's route portfolio since 1991, when it acquired Pan American's continental European route network.

United will continue to serve Heathrow from Chicago, Los Angeles, San Francisco and Washington. Its decision to abandon JFK-Heathrow is part of an overall strategy to focus more on international flights that connect with its major hubs.

► inshort

Ryanair eyes Russian routes

Following the introduction of its longest route yet to Morocco, Ryanair has turned its eyes back to the east of Europe, more specifically Russia. According to its head of new route development Bernard Berger, the carrier is interested in launching service to St Petersburg as well as other Russian cities. "Our plans would depend upon airport costs," says Berger, as well as gaining the appropriate bilateral agreements with Russia.

LAB restarts Europe service

Troubled Bolivian carrier LAB Airlines has restarted direct services from Madrid to Santa Cruz, Bolivia, after acquiring a Boeing 767-200. LAB suspended services between Madrid and Santa Cruz temporarily when accumulated debt with lessor Pegasus Aviation forced it to return its two 767-300ERs. The scheduled services are currently twice weekly, but could increase to three times weekly.

Korean Air branches out

Korean Air is expanding its cargo operations with the addition of twice-weekly direct flights between Incheon, Korea, and Stockholm, Sweden. The move is part of Korean's expansion of its cargo services, with the introduction of routes to Chennai in February, Seattle in June and Miami in July. This move ties in with the airline's new programme to convert Boeing 747-400 passenger aircraft into freighters. Korean hopes to increase its fleet of 18 freighters to 30 by 2010.



PUBLISHED BY AIRLINE BUSINESS IN PARTNERSHIP WITH TRIDENT COMMUNICATIONS

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Time for a standing ovation.

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Dubai International Airport has, over the years, carved out a formidable reputation for itself by consistently outperforming other airports in the world. The long roster of awards it has won since its inception in 1959 bear ample testimony to its impressive credentials.

The Airport has stood the test of time. Its spectacular growth from its modest beginnings, serving just 9 airlines and 20 destinations in 1969 to over 113 airlines and a worldwide network in 2006 is proof of this transformation. Its ability to continually evolve itself as well as set ambitious goals for the future speaks of its drive to scale new heights.

The Dubai International Airport is poised for one of the biggest airport expansions in the world. Time enough to applaud its vision for the new millennium. The foundation for this dramatic future incorporates a new Terminal 3, Concourse 2 and 3 and the giant Cargo mega terminal. With an outlay of USD 4.1 Billion for its expansion, Dubai International Airport will stand tallest in its league.



Keeping it simple is key to profit says LCC

Over-engineered and over-elaborate airport facilities are under attack from the new generation of "pare it to the bone" low-cost carriers (see story Page 3).

Easyjet has been as vocal as any and the theme was continued by the carrier's airport development manager Nigel Fanning at Ernst & Young's airport infrastructure presentation at Routes yesterday.

Fanning considers the need to "pass on the pricing pressure felt by airlines" as a main challenge for the low-cost market over the next five to 10 years. "There are still many examples of prestige development in Europe," he adds. London Stansted is a prime culprit, despite 40% of its traffic coming from low-cost carriers, it has a £2.5 billion expansion planned, "facilities that are neither needed nor wanted. All we want is a tin shed and access to our aircraft."

Tim McDermott, airport development manager at Manchester Airport Group says what is needed is a more sophisticated yield manage-



Tim McDermott – we need sophisticated yield model.

ment model. "We need to ask ourselves 'What is the product we can build and the airlines will be prepared to pay for?'"

What they are agreed on is the need to extract the maximum ancillary revenues from their passengers, whether it is onboard food and mobile phone usage, or introducing

gambling at the airport. "We are all trying to up-sell right across the travel chain," says McDermott.

Spain's Don Quijote, the first privatised airport in the country, will focus exclusively on attracting low-cost carriers when it starts operations in October 2007. Since construction began, the low-cost market has exploded in Spain, which led to original plans for the terminal being amended or scrapped altogether if they were seen as over-elaborate. "We said no to airbridges, pushback and buses," says Rafael Echevarne, airport market and business development director at Don Quijote.

Delta plans major expansion at LAX

Delta Air Lines has unveiled a major expansion from Los Angeles (LAX) aimed largely at the Hispanic market. It is part of Delta's bid to become the number two US airline after Continental to Mexico. New destinations from LAX include Acapulco, Culiacan, Hermosillo, Loreto, Manzanillo, Mazatlan, Toreon and Zacatecas in Mexico. Delta also is launching services from LAX to five US cities, Costa Rica and Guatemala. The new routes will be launched in phases during the first quarter of 2007.

'OPEN AREA' BENEFITS CONSUMERS

The planned open aviation area between the United States and the European Union could create €5 billion (\$6.3 billion) in consumer benefits, Klaus Geil of the European Commission's Directorate-General for Energy and Transport said at Routes yesterday.

"Since the US and EU markets represent 60% of world traffic this agreement could have wide implications," he told delegates. "It provides major new opportunities. An open aviation area could create 5 billion in consumer benefits. It is more than open skies because it has the bonus of regulatory convergence."

Geil said that the EU was now building on its highly successful internal harmonisation and deregulation programme and seeking to create new aviation relationships further afield. Discussions are underway with China, India, Australia, New Zealand and Chile. "We want to deepen aviation relationships with other partners such as China and India," he said.

He added: "The EU integration has been very successful. It is a regional integration example of what ICAO is calling for. It is an example that other regions can learn from."

In forging new aviation agreements with countries further afield, the EU was not seeking to impose its rules on others, insisted Geil.

TALKING SHOP - EVENTS AROUND ROUTES TODAY

| | |
|---------------|--|
| 07.30 | Registration and Diary Advice & Extra Meetings Desk Open |
| 08.30 | One to One Meetings Commence. |
| 11.00 | Spotlight: ASM/Sabre "Suppliers" (Location: PT1) |
| 11.30 | Spotlight: New Orleans Airport Recovery (Location: PT1) |
| 12.00 | Pre Lunch Drinks served at tables in the dining area. (Location: Hall 8) |
| 12.25 – 13.45 | Lunch Sponsored By Vienna Airport (Location: Hall 8) |
| 14.00 | One to One Meetings |
| 15.00 | Host of Routes 2009 Signing Ceremony |
| 15.30 – 16.00 | Spotlight: Dubai -- the World's Global Aviation Hub of the Future (Location: PT1) |
| 16.00 – 16.30 | Spotlight: Emirates Press Briefing (PT1) |
| 17.40 | One to One Meetings finish |
| 19.00 | Gala Networking Evening (featuring the OAG Airport Marketing Awards) Location: Al Sahara – courtesy buses leave from all event hotels at 18.20, 18.40 and 19.00) |

* PT1 location is the Press Centre on the first level.



Meeting at the special African networking lunch were (from left to right) Raphael Kuuchi, commercial director African Airlines Association; Chileshe Kapewepwe, vice-president African Civil Aviation Commission; Maamoune Chakira, regional secretary ACI Africa and Geoffrey Lipman, assistant secretary general World Tourism Organisation.

Penauille set for Cyprus expansion

Penauille Servisair, the Global Aviation Ground Services Company, will expand its station network to Cyprus following a new agreement with Louis Tourist Agency.

Louis services over 30 Airlines operating scheduled and chartered flights to and from Cyprus, serving around 12,000 flights and 2,000,000 passengers annually.

The agreement allows Penauille Servisair to market an expanded network of stations into the Cypriot market.

Africa needs to embrace low cost

The rise of low-cost carriers and long-awaited market liberalisation are essential if Africa is to fulfil its air transport potential, according to speakers at an African networking lunch held yesterday at Routes.

"Low-cost carriers have a bigger role to play in the uplift of air transport in Africa," said Raphael Kuuchi, commercial director of the African Airlines Association. However, the lack of access to slots at some airports and the continent's restrictive bilateral regime mean it is currently difficult for new carriers to survive in most markets, he said.

However, with fares to and within Africa so high the market stimulation that low-fare carriers bring is critical for countries to increase business and tourism activity.

"It would be a tragedy if Africa is not able to have that same advantage," said Geoffrey Lipman, assistant secretary general of the World Tourism Organisation. "The value of a low-fare airline is what it does to a national economy."

Despite the relative weakness of African carriers compared to their competitors from Europe, Asia and the Middle East, the region must not try to protect its markets but open them up. "Even today, without liberalisation, most airlines are dying," said Kuuchi. "If we remain small and

want to continue to protect ourselves we will find that even the strongest African carriers, because of the lack of strong intra-regional markets, will find it impossible to compete."

All of the speakers urged the faster adoption of an open skies regime in Africa. Critically this includes implementing the pan-African liberalisation initiative, the Yamoussoukro Declaration, said Chileshe Kapewepwe, vice-president of the African Civil Aviation Commission.

"Airlines are losing their intercontinental traffic due to globalisation," said Kuuchi. He estimates that African airlines only carry 35% of traffic to and from the continent. To win this back, carriers – most probably through greater collaborative initiatives and alliances – need to strengthen largely undeveloped intra-African networks.

Despite the challenges, which include improving the region's safety record, Africa is growing fast. Traffic rose by 9% last year.

At Routes there are 17 airlines and 25 airports from Africa representing three-quarters of the continent's total traffic.

This is a 50% growth from the 2005 event and demonstrates the region's proactive approach to developing air services in the region, said Routes president Alex Strahl.

Memphis – the king of cargo airports makes debut

Elvis Presley is still alive and well as far as Memphis Airport is concerned – for each year hundreds of thousands of visitors come from around the world to pay homage to the King of rock and roll.

Larry Cox, president and chief executive of the Memphis-Shelby County airport authority, is at Routes for

the first time and believes that international carriers could benefit from developing routes into the heart of Tennessee.

"We have a NorthWest Airlines hub at the airport and have a codeshare daily flight with KLM to Amsterdam, but there are opportunities for many more. We are also keen

to talk to the US carriers such as JetBlue and Frontier. Tourism – particularly with the whole music connection – is very big in Memphis."

Memphis is already geared up for growth. The airport is the world's busiest cargo hub thanks to FedEx and has some 400,000 aircraft movements a year.

Cox says there are 11 million passengers passing through the airport, "but we have the capacity to increase this three-fold," he says. The airport has four runways with three having Cat 3B approaches. Taxiways are also being modified to enable FedEx to operate the US's first Airbus A380 from the airport.



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The Kuwait package

KUWAIT'S AVIATION community is here in force in Dubai promoting a comprehensive package of discounted services designed to encourage airlines to serve the Gulf state.

Kuwait's Directorate General of Civil Aviation is heading a delegation of firms that is using Routes to launch the package, which includes free landing fees for a year to new carriers operating to Kuwait International Airport, and a host of other discounts from ground handling, fuelling, catering and hotel operators. "I think this is a good offer, we expect it to attract more airlines to operate to Kuwait International," said Salah Al-Majed, acting director air transport department at the DGCA.

The first carrier taking advantage of the offer is United Airlines, which is starting a route to Kuwait from Washington Dulles at the end of October.

The package strategy follows a March decision by the



Left, Mohammad Abdulrahem, specialist-air transport, and Salah Al-Majed, acting director of air transport department, of Kuwait's Directorate General of Civil Aviation, are wooing carriers here at Routes.

Kuwaiti government to open its skies. It has already signed fully liberalised air transport deals with Bahrain, Lebanon, Morocco, Sri Lanka and the USA with more to come.

As Kuwait takes this radical

new approach to boost service, the DGCA is also planning a major expansion of Kuwait International, said Al-Majed. Construction on a new 12 million terminal complex linked to the current airport will

begin later next year. It is planned to open in 2011.

Last year Kuwait International saw its scheduled traffic grow by 8% to 5.1 million passengers. Around 6 million are expected this year.

Abu Dhabi looks east

Abu Dhabi airport, which is currently boosting capacity by adding a second runway and building a massive midfield terminal complex, is hoping to cash in on China's galloping economic expansion.

Only China Airlines flies to the Gulf state at present, but as all the country's mainline carriers are attending Routes, the airport will be particularly targeting them. "China is a big focus for us, although of course we are interested in any long-haul airlines," says Roland Blaney, commercial development and projects control manager at the airport.

The new terminal will have four gates capable of handling the Airbus A380, which has been ordered by China Southern as well as Etihad.

The region's embryonic low-cost sector could ultimately be another target, particularly when the new terminal is completed in 2010, rendering the present facility obsolete. "One idea among others is to convert it into a low-cost terminal," says Blaney.



Patrice Bastid, executive director and Magdeldin Refaat, chairman of EAC are in step for improved air services.

Egyptian regional airports can offer more

Airline and passenger customers of Egypt's airports are seeing the benefits of the relationship between the Egyptian Airport Company (EAC) with Aeroports de Paris (AdP).

According to the partners at Routes (stand A11) the progress on regional airport development is so great that this has encouraged the Egyptian government to take significant steps towards liberalising the domestic air traffic market.

AdP has been working with EAC to identify ways of developing the air services to reduce costs for customers and increase capacity.

EAC opened a new facility in Luxor and are close to completing the full refurbishment and extension of Hurgada International Airport and new terminal in Sharm El Sheikh by the start of next summer.

The new government position means that designated carriers will be able to operate unlimited scheduled flights to the Egyptian regional markets of Luxor, Sharm EL Sheikh, Aswan, Hurgada, Taba, Saint Catherine, Marsa Alam and El Alamain outside the existing country bilateral with Cairo. Charter airlines will be also be able to sell single individual "seat only" tickets.

► CHINA, RUSSIA CLOSE TO NEW AIR PACT

China and Russia are set to conclude a new inter-government agreement that will substantially facilitate air transport between the two countries.

Following a session of the bilateral commission in Beijing, Russian transport minister Igor Levitin says both sides have reached a liberalized air accord and agreed to renew it on a yearly basis.

"We'll sign it in short order," he adds. "It is fully consistent with the burgeoning growth of trade and air travel between our countries in recent years."

The new agreement allows both sides to increase the number of designated carriers operating on the Russia-Chinese market up to ten and introduce direct air links for more than a dozen city pairs. Levitin expects bilateral air traffic to rise sharply in the run up to the Olympic Games in Beijing in 2008. He says: "To bet-



ter serve the needs of travelers and freight shippers, we'll maximize quotas and cargo rights for airlines as well as encourage greater flexibility in pricing."

Russian authorities also envisage opportunities for providing codesharing services on a num-

ber of cross-border routes. "We understand that China Southern Airlines is seeking to join the SkyTeam alliance," says Levitin. "Given that Aeroflot is already a member, these two carriers could become codeshare partners before long."

► FLYBE CONSIDERS CHARGE FOR OFFLINE CHECK-IN

UK budget carrier Flybe is considering charging passengers who check-in for flights at the airport rather than through the Internet as a means of boosting ancillary revenues, says Flybe chief commercial officer Mike Rutter. He said the carrier "would like to start charging" passengers "who do not check-in online".

Rutter believes ancillary revenues are "where the low-cost business has reinvented itself"

and form "the core of the [low-cost] revolution".

Flybe is following in the footsteps of Irish budget carrier Ryanair, which has introduced a number of measures designed to increase ancillary revenues, such as charging passengers for checked baggage. However, not all low-cost operators subscribe to this approach.

SkyEurope Airlines CEO Christian Mandl, for instance, says the central European

budget carrier would "need to reach a critical mass like EasyJet and Ryanair before getting partners for ancillary revenues".

The success of generating ancillary revenues also depends on the region in which a carrier operates, according to Air Arabia CEO Adel Ali. He says that to succeed on ancillary revenues in the Middle East would be "a big challenge".

► AUSTRIAN TRAFFIC AND LOAD FACTORS SLIPS, BUT PASSENGERS UP

Austrian Airlines Group's passenger load factor and scheduled traffic as measured in RPKs were both down in August, though passenger numbers were up as its short- and medium-haul routes outperformed its long-haul links.

Scheduled passenger traffic for August, as measured in RPKs, was down 3.3% on the same month

last year. As capacity was only cut 1%, this meant passenger load factor slipped nearly two points in August to 77.3%.

But the group's scheduled passenger numbers rose by 5.6% to reach 823,000 over the same period.

A company spokesman says the results have been driven by

an increase in passenger numbers on its short- and medium-haul "focus markets", which have been swelled by price promotions.

The traffic figures, measured in revenue passenger kilometres, have been affected by the disproportionately strong growth on shorter routes.

► CHINA SOUTHERN RPKS UP 13.9%

China Southern Airlines recorded another solid rise in passenger traffic in August but freight demand fell.

The Guangzhou-based carrier says on its website that RPKs were up 13.9% overall, led by 15.2% growth in international traffic. RPKs from domestic services increased 14.3% over August last year while those from Hong Kong services fell 8.3%.

Capacity in terms of ASKs increased 12.1% and passenger load factor improved 1.2 points to 76%. The number of passengers carried increased 12.8% to 5.03 million.

Freight traffic in terms of revenue freight tonne kilometres (RFTKs) was down 11.3% overall. Hong Kong RFTKs were down 33.5% while international RFTKs fell 20.2% and domestic RFTKs fell 3.5%. Capacity in terms of available freight tonne kilometres was down 1.7% and the amount of freight carried fell 3.9% to 69,950t.

► JET4YOU'S CASABLANCA LINKS

Moroccan budget carrier Jet4you, which serves Paris Orly from Marrakech, Fez and Agadir, is to add three Casablanca links and the Moroccan city of Ouarzazate to its network.

Jet4you, which is part-owned by German tour giant TUI, began services in March. It operates a single Boeing 737-400 on three routes between Morocco and Paris Orly. But the fledgling airline is to add a second TUI Boeing 737 this winter, giving it the capacity to open a string of new routes from the end of October.

Jet4you says the route additions feature the airline's first services from Casablanca, comprising a daily Paris Orly link and thrice-weekly services to the Belgian cities of Charleroi and Liege.

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Dato Bashir Ahmad, managing director of Malaysian Airports welcomes delegates to the Airline Reception.

Getting to know you



AGAINST THE BACKDROP OF the iconic Burj al Arab the sound of Malaysian drummers hammered out a welcome to airline delegates for the Routes event.

Malaysia Airports Holdings Berhad hosted its traditional Saturday night reception at the Madinat conference centre to give airlines and suppliers the chance to meet up with each other.

Networking is a key component of the Routes event and old friends and colleagues made the most of the opportunity to get started at the Malaysian party.

Yesterday morning there was another opportunity for delegates to do business – this time on the golf course. Players from all over the world found common ground on the fairways of the new Arabian Ranches Golf Course.

Four of clubs: Ken Hassard, Stan Facey, Khalid Al Halyan and Mansoor Taher play their cards right at Arabian ranches in the Routes golf tournament.





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Orbis – seeing is believing

ROUTES DELEGATES WILL today get the chance to see for themselves the good work resulting from the event's link with charity Orbis.

Delegates can take a tour of the flying hospital itself a 36-year old DC-10, once operated by Laker Airways.

"The value of the link with Routes is that it enables us to make contact with companies within aviation and to develop long-term relationships," said Georgina Howson, Orbis fundraising manager, corporates.

"In meeting with people from the airports, it may lead to invitations from governments. These are all very useful contacts."

En route to Vietnam for another programme of work in the

ophthalmology programme, the Orbis team operating the Flying Eye Hospital have been looked after in Dubai. Handling agent Dnata has waived all fees and the aircraft was even cleaned by Emirates.

"It was pretty filthy having done a tour of Africa," said Georgina.

The aircraft is equipped with a state-of-the-art teaching facility, a clinic for laser treatment and an operating theatre where doctors in the developing world receive hands-on surgical training from volunteer surgeons.

As well as carrying out sight-saving operations on patients, each tour by the Flying Eye Hospital involves teaching local medics the latest techniques.



Flying high: Orbis nurse, Leo Mercado, left, and Orbis Ophthalmologist Chris Fuller demonstrate the flying hospital's capabilities.

Each operation is filmed – including a camera mounted inside the microscope focused on the patient's eyes – and transmitted to the trainee medics within the training suite within the aircraft. Two-way communications enable trainee medics to ask questions of the surgeon during operations.

Since the creation of Orbis in 1982, nearly 1,000 sight-saving programmes have been carried out in 85 countries around the world. That translates into three million patients receiving direct

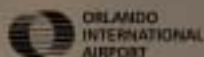
treatment through the Orbis programme and an estimated 27 million patients benefiting from Orbis-supported programmes.

Aircraft fans will enjoy the aircraft, a venerable DC-10. However, said flight engineer Richard Jorgenson, with just 36,000 flying hours logged, "it's really a young aircraft."

Its future depends on how long FedEx continues to operate the same type and thus has the pilots available with experience on the type.

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Facts: Peter Davies

► Peter Davies has over 30 years operational experience in the airline and transport industry throughout Europe, Australia and the USA.

► He was chief executive of SN Brussels Airlines from 2002 to 2005.

► Before joining SN Brussels Davies spent 14 years at DHL, originally as managing director of the UK operations, progressing to regional director for Europe, before taking up his final post as chief operating officer responsible for the Americas, including the Caribbean.

► He is 57 and a qualified pilot.

“My strategy is to provide an up-market 21st Century airline that’s working proficiently and can hit our colleagues head-on in the marketplace.”

After years of losses and government bail-outs a famous Caribbean airline name, BWIA West Indies Airways, is appearing here at Routes for the last time. Peter Davies, the carrier’s chief executive, explains to Mark Pilling what happens next.

A new Caribbean phoenix IS RISING



BANKRUPT BWIA IS disappearing to be replaced by a new, fitter model. This new kid on the block intends to carve out a profitable niche in this notoriously difficult region to make money.

The journey leading to the closure of BWIA this year and the creation of Caribbean Airlines on 1 January 2007 is being steered by Davies. This 57-year-old industry veteran, who has worked at DHL and SN Brussels, is also conducting a root and branch review of its network as loss-making routes are axed and new opportunities sought.

BWIA operates a network around the Caribbean from its base in Trinidad and serves Miami, New York, Toronto and Washington in North America and London in Europe, with a fleet of seven Boeing 737-800s and two Airbus A340s. “My strategy is to provide an up-market 21st Century airline that’s working proficiently and can hit our colleagues head-on in the marketplace,” says Davies.

Initially, while the airline’s revenues will dip by as much as 20% in 2007 as some routes are culled and two 737s are returned to lessors, the end result will be a more cohesive network. Critically, costs at the new carrier will have fallen much further.

“Part of the strategy is to build an intra-Caribbean network,” says Davies. This means expanding into the eastern Caribbean islands of Antigua and Barbados and into Puerto Rico in the west. “It is not a question of retreating. It is one of reassessing our priorities and building a viable network for spring 2007.”

This network will most likely include the addition of turboprops such as the Bombardier Q400 to more effectively serve BWIA’s existing shorter routes in the region, and to add new ones, says Davies. “There are also a couple of acquisition opportunities I’d like to pursue in the Caribbean,” he adds. The aim is to buy small carriers to take advantage of their local operating licences to aid the

expansion drive. “Then we can really put ourselves on a solid platform. We need to concentrate on what we are good at, recognising the need to create airlift from the region and connectivity for passengers coming to and from the Caribbean.”

All this is being made possible by the radical decision to close BWIA. Davies joined the carrier in April to create a future for an airline headquartered in Trinidad. Various studies had outlined three options for the government owners of the carrier: simply close it down; profoundly restructure it; or close it and launch a new one. Earlier this summer it became clear that union wage demands would make the preferred option of a restructuring impossible. “The unions wanted more than we could afford – they made the BWIA business plan untenable,” says Davies.

The government asked Davies to quickly prepare a new plan based on the launch scenario. It is prepared to inject \$250 million into the project with the condition that never again will the carrier return for more money. Davies presented the Caribbean Airlines plan to the government in early August. By the end of the month he had his answer: do it.

Things have moved fast. Already the plans are well advanced to close BWIA and launch the new carrier. All of BWIA’s liabilities will be honoured, all creditors paid off and negotiations are underway with staff over severance terms. All 1,700 staff at BWIA will lose their jobs as the carrier closes. Some will be taken on by the new carrier, which will start with a workforce of significantly fewer than 700, says Davies.

Caribbean Airlines will throw off the legacy of BWIA and start with a competitive cost base. It will also introduce the latest systems and processes to enable it to leapfrog its competition, says Davies. “On the current business plan the aim is to be profitable by 2009,” he says.

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DATA-DOWNLOAD

Planned capacity growth for top 10 Middle East- Asia Pacific carriers

| AIRLINE | WEEKLY CAPACITY | | WEEKLY FREQUENCIES | | WEEKLY SEATS OFFERED | | MARKET SHARE FROM THE MIDDLE EAST TO | | |
|-------------------|-----------------|--------|--------------------|--------|----------------------|--------|--------------------------------------|-----------|-----------------------|
| | ASK million | change | total | change | thousands | change | South Asia | East Asia | SoutheastAsia/Pacific |
| EMIRATES | 660 | 27.2% | 508 | +98 | 141 | 22.0% | 14.3% | 41.1% | 34.9% |
| QATAR AIRWAYS | 293 | 36.5% | 286 | +57 | 64 | 36.9% | 8.8% | 19.8% | 12.2% |
| GULF AIR | 228 | 11.7% | 286 | +16 | 64 | 9.9% | 9.4% | - | 11.9% |
| SAUDI ARABIAN | 225 | -4.7% | 164 | +0 | 56 | -0.5% | 12.9% | - | 7.6% |
| ETIHAD AIRWAYS | 115 | 215.6% | 128 | +76 | 31 | 156.6% | 3.9% | - | 6.9% |
| AIR-INDIA | 102 | -12.9% | 158 | -30 | 36 | -15.0% | 8.9% | - | - |
| KUWAIT AIRWAYS | 84 | 1.4% | 96 | +0 | 23 | 2.6% | 5.5% | - | 2.1% |
| PAKISTAN AIRLINES | 82 | 3.1% | 186 | +2 | 39 | 2.6% | 7.2% | - | - |
| BIMAN BANGLADESH | 81 | 16.9% | 80 | +12 | 20 | 15.6% | 7.1% | - | - |
| CATHAY PACIFIC | 55 | 0.0% | 32 | +0 | 11 | 0.0% | 0.5% | 14.0% | - |
| TOTAL MARKET | 2,503 | 14.7% | 2,796 | +393 | 652 | 15.3% | 100.0% | 100.0% | 100.0% |

Planned capacity growth for top 10 Middle East-North America carriers

| AIRLINE | WEEKLY CAPACITY | | WEEKLY FREQUENCIES | | WEEKLY SEATS OFFERED | | MARKET SHARE | AVERAGE DISTANCE | AVERAGE SEATING CAPACITY |
|----------------------|-----------------|--------|--------------------|--------|----------------------|--------|--------------|------------------|--------------------------|
| | ASK MILLION | CHANGE | TOTAL | CHANGE | THOUSANDS | CHANGE | | | |
| EL AL | 200 | 68.2% | 62 | 26 | 21,138 | 62.4% | 38.3% | 9,484 | 341 |
| EMIRATES | 104 | 178.6% | 28 | 14 | 9,478 | 178.6% | 19.9% | 11,013 | 339 |
| CONTINENTAL AIRLINES | 72 | 16.7% | 28 | 4 | 7,924 | 16.7% | 13.9% | 9,149 | 283 |
| DELTA AIRLINES | 39 | | 14 | 14 | 3,752 | | 7.4% | 10,350 | 268 |
| ROYAL JORDANIAN | 39 | -11.3% | 16 | -2 | 4,064 | -11.8% | 7.4% | 9,549 | 254 |
| SAUDI ARABIAN | 31 | 53.8% | 11 | 1 | 2,990 | 53.5% | 5.9% | 10,343 | 272 |
| KUWAIT AIRWAYS | 20 | 50.0% | 6 | 2 | 1,920 | 50.0% | 3.7% | 10,213 | 320 |
| AIR CANADA | 18 | -35.7% | 9 | -5 | 1,908 | -35.7% | 3.4% | 9,305 | 212 |
| TOTAL MARKET | 523 | 61.8% | 174 | 54 | 53,174 | 56.3% | 100.0% | 9,841 | 306 |

Planned capacity growth for top 10 Middle East-Europe carriers

| AIRLINE | WEEKLY CAPACITY | | WEEKLY FREQUENCIES | | WEEKLY SEATS OFFERED | | MARKET SHARE | AVERAGE DISTANCE | AVERAGE SEATING CAPACITY |
|-----------------|-----------------|--------|--------------------|------------|----------------------|--------|--------------|------------------|--------------------------|
| | ASK MILLION | CHANGE | TOTAL | CHANGE NO. | THOUSANDS | CHANGE | | | |
| EMIRATES | 552 | 8.8% | 394 | +42 | 111 | 10.0% | 24.9% | 4,986 | 281 |
| QATAR AIRWAYS | 221 | 50.0% | 186 | +52 | 46 | 48.4% | 10.0% | 4,760 | 249 |
| EL AL | 138 | 13.3% | 255 | +60 | 48 | 10.5% | 6.2% | 2,878 | 188 |
| BRITISH AIRWAYS | 137 | -5.9% | 140 | -9 | 30 | -7.1% | 6.2% | 4,582 | 214 |
| ETIHAD AIRWAYS | 136 | 75.9% | 102 | +42 | 26 | 75.3% | 6.1% | 5,236 | 255 |
| GULF AIR | 129 | -4.2% | 128 | +6 | 28 | -0.9% | 5.8% | 4,682 | 215 |
| LUFTHANSA | 121 | 31.2% | 126 | +16 | 33 | 27.5% | 5.5% | 3,677 | 261 |
| KLM | 97 | 4.0% | 92 | -14 | 21 | -0.5% | 4.4% | 4,533 | 233 |
| AIR FRANCE | 92 | 33.9% | 112 | +25 | 23 | 34.4% | 4.1% | 4,038 | 202 |
| IRAN AIR | 52 | 0.3% | 62 | +2 | 15 | 3.4% | 2.3% | 3,556 | 236 |
| TOTAL MARKET | 2,217 | 17.6% | 2,504 | +326 | 553 | 15.5% | 100.0% | 4,010 | 221 |

NOTE: Data is based on schedules for 17-23 October 2005 against 16-22 October 2006. Figures reflect airlines operating non-stop unrestricted scheduled passenger services. Market share is based on ASK. Delta Airlines had no US-Middle East services last year.



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In the swing at world-class golf courses

Those golfing enthusiasts who couldn't get to the Routes Golf championship at the Arabian Ranches course yesterday missed a great chance to see just how great the courses are here in Dubai.

Golfers from around the world are being drawn to the emirate attracted by the magnificent grass courses. The climate, especially in winter months, complemented by perfectly manicured fairways and greens make a difficult combination for any golfer to resist. Even for the weekend or casual golfer, Dubai's courses exert a strong pull.

So if you are staying over at the end of the Routes event, why not go out and try one of the great courses. All the clubs hire out equipment and tee times are usually available even on weekends.

The opening in 1988 of the Emirates Golf Club – the first grass course in the Middle East – heralded the golf boom in Dubai. Participation by top golfers in the PGA Dubai Desert Classic and subsequent events has done much for the game, and contin-

ued investment has ensured the growth of Dubai's status as a major golf destination.

Perhaps the most popular course – certainly the most visible – is the recently reopened and reshaped Dubai Creek Golf and Yacht Club (18 holes, 6,839 yards, par 72). Situated in the heart of the city along the Creek, it is a spectacular oasis that boasts a distinctive clubhouse in the shape of a sail.

The first of two courses at the Emirates Golf Club was the Majlis (18 holes, 6,839 yards, par 72). Its second full course, called the Wadi, offers a different challenge (18 holes, 7,100 yards, par 72).

The Nad Al Sheba Club (18 holes, 6,428 yards, par 71), designed by Karl Litten, is a links style course looping half inside and half outside Dubai's famous Nad Al Sheba Race Course that hosts the \$6 million Dubai World Cup horse race. It also features golf under floodlights.

The venue for yesterday's Routes tournament is one of the newest courses in Dubai – the



► Contact details

The Emirate Golf Club
(Tel: +971 4 347 3222)
The Dubai Creek Golf and Yacht Club
(Tel: +971 4 295 6000)
Nad Al Sheba Club
(Tel: +971 4 336 3666)
The Montgomerie
(Tel: +971 4 390 5600)
Jebel Ali Hotel & Golf Resort
(Tel: +971 4 883 6000)

Montgomerie (18 holes, 7,308 yards, par 72). This course was designed by Colin Montgomerie and Desmond Muirhead and lays claim to having the largest single golfing green in the world. (surprising then how many of the Routes golfers still failed to get their ball to land on it!!)

Another popular course is located the Jebel Ali Hotel and Golf Resort (9 holes, par 36), located on the coast 40km from

Dubai. Here strutting peacocks give their noisy opinion on your drive over the different lakes that make this seafront course so attractive.

Dubai's courses give you all the advantages of a country club without actually having to be a member: golf carts, automated GPS yardage devices, beverage carts, comfortable locker rooms and shops stocked with quality equipment and fashionable clothing.

ALL YOU NEED: here are some useful telephone numbers to help smooth over your visit to Routes in Dubai.

■ TOURISM:

Department of Tourism and Commerce Marketing (DTCM)
Welcome Bureau
☎ 228 5000
E-mail:
info@dubaitourism.co.ae
Website:
www.dubaitourism.co.ae

■ EMERGENCY:

☎ Police: 999
☎ Fire: 997
Ambulance: 998/999
Coastguards: 345 0520

■ PHARMACIES:

Most pharmacies are open from 9am to 9pm and many can be found at leading supermarkets.

Check local newspapers for 24-hour pharmacies.

■ LOST OR STOLEN ITEMS:

You must report any lost or stolen items to Dubai Police. The Police operator can be contacted on 269 2222 or fax: 221 5158

■ POST OFFICES:

Post Offices are open Saturday to Thursday 8am – 8pm. However stamps are generally available from most supermarkets and grocery shops.

■ **HOSPITALS:** The following hospitals can treat all manner of emergencies:

Al Amal Hospital

☎ 344 4010

Al Baraha Hospital

☎ 271 0000

Al Maktoum Hospital

☎ 222 1211

Al Wasl Hospital

☎ 324 1111

American Hospital

☎ 336 7777

Belhoul European Hospital

☎ 345 4000

Dubai Hospital

☎ 271 4444

International Private Hospital

☎ 221 2484

Iranian Hospital

☎ 344 0250

Rashid Hospital

☎ 337 4000

Welcare Hospital

☎ 282 7788

■ TAXIS:

Dubai Transport Corporation
☎ 264 1111
Cars Taxi
☎ 800 4825
Dubai Taxi
☎ 208 0808
Golden Taxi
☎ 336 5444
Gulf Radio Taxi
☎ 223 6666

■ FLIGHT ENQUIRES:

Dubai International Airport
☎ 224 5777
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