

# INTERNATIONAL AIRPORTREPORT

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## Zoning Decision Permits Frankfurt Airport Expansion

A zoning decision that permits the expansion of Frankfurt Airport was described by Fraport AG's Executive Board Chairman Dr. Wilhelm Bender as a "historic day for Frankfurt Airport and for aviation in Germany."

Speaking to journalists this month, Bender explained that an "important step on the road to Frankfurt Airport's urgently needed expansion" has now been taken. Only expansion will ensure the competitiveness and future of Frankfurt Airport, which is number three in Europe and ranks in the top 10 worldwide, he said.

Bender said that expansion of the airport is also a "national task," adding that, "Germany's central airport needs a secure future in the aviation growth market to be successful at an international level, because the number of passengers and the amount of air

freight is expected to double by 2020."

The airport expansion is a "huge employment generator that will create up to 100,000 additional jobs," Bender said. This figure reflects direct employment at the airport, indirect employment at service providers and suppliers, as well as the effect of companies that establish their businesses in the vicinity of the airport to take advantage of transportation options.

According to Bender, the number of jobs at the airport has doubled in the past 25 years. In the past decade 10,000 new jobs have been created. With more than 70,000 jobs, Frankfurt Airport is Germany's largest employment complex at a single location. By 2020, the airport is projected to employ 95,000 people directly.

## Beijing Baggage Handling System Completed

The baggage handling system for Beijing Capital International Airport's Terminal 3 was delivered to the Beijing Airport Authority on Dec. 19.

Officials said that the system's capacity to sort and transport up to 19,200 baggage items per hour ensures that the airport is well prepared for the influx of visitors for the Beijing Olympic Games in August 2008.

The baggage system, designed by Siemens, links 330 check-in counters to a 68-kilometer high-speed conveyor system and expands the terminal's passenger handling capacity from the current level of 28 million to 60 million passengers per year.

The baggage handling system operates throughout the different levels of the airport. The high-speed tray system connects T3A with T3B via

## AAAE/IAAE Holds Second GIS Conference

More than 50 airport Geographic Information Systems (GIS) managers, government officials and consultants from more than 15 countries attended the AAAE/IAAE Second Annual International Airport GIS Conference Nov. 28-30 in Budapest, Hungary.

Topics covered at the conference included GIS for facilities management and the importance of GIS for airport safety and efficiency. The agenda also featured updates on GIS programs from airports in South Africa, Spain and the Czech Republic.

AAAE/IAAE would like to thank the conference sponsors, ESRI, Indra Sistemas, Woolpert, Inc., and also the U.S. Commercial Service for hosting the welcome reception.

In 2008, AAAE once again will sponsor two GIS conferences, one in the U.S. and one in Europe. For additional information, visit [www.AirportGISConference.com](http://www.AirportGISConference.com), or contact Greg Mamary, AAAE, at (703) 824-0500, Ext. 176, or e-mail [greg.mamary@aaae.org](mailto:greg.mamary@aaae.org).

a 2.2-kilometer tunnel, transporting baggage at a speed of 10 meters per second from the check-in counters in T3A to the makeup carousels in the international terminal T3B. It uses a combination of belt conveyor, high-speed tray system and tilt-tray sorters to transport the baggage to the required destination and to process arriving baggage to the appropriate arrival carousel. The system is controlled by a complex computer system and will accelerate the pro-

## Upcoming Events

**AAAE Arts in the Airport  
Workshop...**Toronto, Canada, April  
30-May 2, 2008

**AAAE/IAAE Canada North American  
Senior Airport Management  
Conference...**Toronto, Canada, May  
11-13, 2008

**U.S./Europe ATC/Airport Capacity  
Summit...**Brussels, Belgium, June 30-  
July 2, 2008

**2008 Airports Conference of the  
Americas...**St. Maarten, July 20-22,  
2008

cesses for departures and arrivals and facilitate the minimum connecting time, officials said. Less than 25 minutes will be necessary to move the baggage from one stationary aircraft to another.

The baggage handling system has more than 9,000 Siemens motors, controlled by 109 Siemens S7 PLCs, utilizing radio frequency identification and sophisticated IT software and a main computer control system. The system has been designed to meet the projected passenger flow through the year 2015.

One of the most challenging aspects of installing the baggage system was the extremely tight time schedule, officials said. Normally a project of this magnitude requires four to five years to complete. However, since the system had to be fully operational before the 2008 Olympic Games, Siemens completed the baggage handling system in about three years at a cost of 170 million euros.

### **Aeroports de Paris Records Gain In Passenger Traffic**

Aeroports de Paris in November accommodated 6.5 million passengers, an increase of 5.3 percent over November 2006, the airport company said.

Paris Charles de Gaulle airport recorded a traffic gain of 6.5 percent to 4.5 million passengers and Paris Orly traffic rose 2.8 percent to 2 million passengers.

For the first 11 months of the year, traffic overall has increased by 4.8 percent, Aeroports de Paris said.

November's improved traffic figures are attributable to the increase in traffic on European and international routes, the airports company said. Domestic traffic during the month declined 1.7 percent; European traffic grew by 6.4 percent and traffic on routes to and from the new European Union members rose 4.7 percent. The British and Irish markets decreased by 3.1 percent.

Traffic on the other international routes rose 8.1 percent. North American and Latin American markets rose 7.1 percent. The African market gained 7.3 percent. A 10.2 percent traffic increase was recorded on routes to and from Asia and the Middle East.

### **Djeddah's Hajj Terminal Renovation Progresses**

Aeroports de Paris Management announced that the first renovated section of the Hajj Terminal at King Abdulaziz International Airport in Djeddah, Saudi Arabia, is now in service.

The operations management of this terminal, dedicated to pilgrims, was granted for the first time to a private consortium, with Aeroports de Paris Management selected as the operator.

During the main pilgrimage month (Hajj) but also all year long for the Umra (small pilgrimage), the Hajj terminal accommodates more than 4 million passengers. The facilities and the operations of this terminal are designed and sized for this specific type of traffic.

The first phase of the renovation dealt with the reconstruction of 32,000 square meters of the terminal and the renovation of part of the Plaza (64,000 square meters).

The Plaza, which is a waiting area for pilgrims, has been redesigned with retail, rest and pray areas able to accommodate 400 people each.

The Hajj Terminal will be entirely renovated for the 2008 pilgrimage, Aeroports de Paris Management said. Its total surface area will cover 94,000 square meters. In total, it will include a central check-in area of 64 counters that can be increased to 168 during the Hajj period, and 10 contact aircraft stands for jumbo jets. The Plaza will cover a total surface area of 160,000 square meters.

### **IATA Reduces Airline Earnings Estimate**

The International Air Transport Associa-

### **AAAE's Airport Magazine Media Kit Now Online**

*Airport Magazine's* 2008 media kit is now available online, offering the new editorial calendar, advertising rate card and circulation information.

Published by AAAE, *Airport Magazine* has been the publication of choice for airport executives around the world since 1989. The magazine's mission is to serve airport executives by delivering information that enables them to perform their day-to-day jobs more effectively. Read by more than 23,000 industry professionals, *Airport Magazine's* loyal readership also includes key aviation lawmakers on Capitol Hill and officials in government agencies such as FAA, DOT, TSA and DHS.

For the 2008 media kit, visit [www.airportmagazine.net](http://www.airportmagazine.net). For questions regarding *Airport Magazine* advertising, contact Mike Candela, AAAE, at (703) 824-0500, Ext. 136, or e-mail [mike.candela@aaae.org](mailto:mike.candela@aaae.org).

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## INTERNATIONAL AIRPORT REPORT

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tion (IATA) has revised downward its 2008 outlook for global airline industry profit to \$5 billion from the previous forecast of \$7.8 billion.

The organization maintained its forecast global industry profit of \$5.6 billion for 2007.

The spike in fuel prices is expected to add \$14 billion to the industry fuel bill next year, IATA said, driving it up to \$149 billion. The broadening impact of the credit crunch is expected to slow revenue growth to 4.7 percent and traffic growth to 4 percent. Simultaneously, capacity expansion is expected to accelerate in 2008 with an increase in aircraft deliveries to 1,281, up from 1,041 in 2007.

IATA specifically predicted that for 2008:

- North American carriers will experience the largest fall in profitability — from \$2.7 billion in 2007 to \$2.2 billion in 2008. With 35 percent of the fleet more than 25 years old, the impact of high fuel prices is greater in North America than in other regions. Moreover, the region is at the center of the credit crunch.

- European and Asian carriers will experience minor drops in profitability of \$100 million each to \$2 billion and \$600 million, respectively. Robust traffic growth to and within Asia is expected to partially insulate carriers from the impact of the crunch.

- Carrier profit in the Middle East will remain stable at \$200 million. Ambitious route expansion will boost profit levels.

- Latin America will be the only region to experience profitability in 2008. This is largely the result of industry restructuring.

- Africa will be the only region reporting a loss.

### **International Airport Buys Rapiscan Screening Equipment**

OSI Systems, Inc., a provider of specialized electronic products for critical

applications in the security and healthcare industries, announced that its security division, Rapiscan Systems, has received a contract for approximately \$5 million from an undisclosed international aviation customer for its new Rapiscan MVXi multi-view X-ray systems for passenger screening.

The Rapiscan MVXi is designed with advanced software to highlight explosives and other potential threat objects. Additionally, the multi-view platform also reduces the need to reposition carry-on bags during the inspection process, thereby expediting the passenger screening process which, together with the system's lighter weight and energy efficient design is expected to lower the long-run cost of ownership.

Ajay Mehra, president of Rapiscan Systems, stated, "The Rapiscan MVXi is among the most advanced checkpoint X-ray systems currently on the market. The system, designed specifically towards improving security and passenger throughput at the aviation checkpoint, should ultimately lead to shorter queues, fewer delays and less hassle during the passenger screening process. Initial customer response has been extremely positive and we are currently involved in active discussions with numerous international aviation customers regarding these new X-ray systems."

### **Lufthansa Buys Interest In U.S. Low-Cost Carrier**

Lufthansa is interested in airline acquisitions in Europe after it agreed to buy a stake in U.S. low-cost carrier JetBlue Airways, according to published reports.

Lufthansa has agreed to buy a 19 percent stake in JetBlue for about \$300 million. The deal marks the first major investment by a European carrier in a U.S. point-to-point airline.

"It is a financial transaction of high strategic importance," Lufthansa CEO Wolfgang Mayrhuber told a news

conference in Frankfurt. However, according to the reports, he added that Europe remains the most important region for future acquisitions by the German flag carrier. Lufthansa earlier decided not to bid for Alitalia but has indicated an interest in Spain's Iberia.

### **Sydney's T2 Breaks Passenger Record**

For the first time ever, in October Sydney's Terminal 2 accommodated more than a million passengers during a single month.

T2 is the domestic terminal used by Jetstar, Virgin Blue, Rex, QantasLink and Aeroperican.

Sydney Airport Corp. CEO Russell Balding said that the new record is encouraging news for the Australian tourism industry with the Christmas holiday season just ahead.

### **Fraport Disputes Decision On Manila Terminal**

Fraport AG's executive board has filed for an annulment of a decision made in August 2007 by the International Centre for Settlement of Investment Disputes (ICSID) of the World Bank in Washington, D.C.

The ICSID tribunal dismissed Fraport AG's compensation case against the Republic of the Philippines for expropriating a terminal project in Manila. If the annulment application is accepted, Fraport said it will determine whether to resubmit to the World Bank its compensation claim against the Republic of the Philippines.

### **Mexican Airport Operator Posts Gains In Traffic**

Mexican airport operator Grupo Aeroportuario del Sureste announced that total passenger traffic for November 2007 increased by 15.2 percent when compared with November 2006.

# News From Around The World

**Moscow Domodedovo International Airport** announced the addition of wheel and brake service for western-made aircraft to the roster of ground on-site tech support. The service will be provided by East Line Technique Co. Ltd. a member company of East Line Group, which operates Domodedovo.

IDO Security announced that the MagShoe Pilot Program at **Israel's Ben Gurion International Airport** has been completed successfully. The one-month pilot program at Terminal 3, Israel's main international terminal, was conducted and managed by the Security Technologies Division of the Israel Airport Authority. During the pilot program, the MagShoe was tested both at passenger security screening checkpoints and at one of the airport's employee and provider checkpoints. The pilot test program concluded with the MagShoe having successfully demonstrated its various capabilities, said Jorge Wolf, CEO of IDO Security Ltd.

Icelandair will terminate services from **Baltimore-Washington International Thurgood Marshall Airport**, effective Jan. 13, 2008, due to escalating costs and decreasing revenues. "We are fine-tuning the Icelandair route network and our capacity in an effort to increase profitability," said Jon Karl Olafsson, president and CEO of Icelandair.

**Nav Canada** announced that traffic in October 2007 increased by 5.3 percent compared with the same month in 2006. Fiscal year-to-date traffic was 4.9 percent higher than in fiscal year 2006. Nav Canada's fiscal year runs from Sept. 1 to Aug. 31.

**Dallas Fort Worth International Airport** is praising a new memorandum of understanding signed in

Beijing that will increase Chinese tourist travel to the U.S. and allow U.S. travel destinations to market freely in China. The agreement is a key outcome of the U.S.-China Joint Commission on Commerce and Trade meeting held in mid-December. U.S. Commerce Secretary Carlos Gutierrez and U.S. Trade Representative Susan Schwab, together with Chinese Vice Premier Wu Yi, convened the meeting to address market access issues and provide a forum to discuss trade and investment.

Spirit Airlines launched daily nonstop jet service between Fort Lauderdale, Fla., and **Freeport, the Bahamas**, on Dec. 13.

Air China announced it officially has joined Star Alliance, the world's largest airline alliance.

Delta Air Lines said that it continues to move forward with plans to expand service to **Colombia** with new service to Cali and Medellin from Atlanta and also between Bogota and New York's Kennedy International Airport. The airline amended its application with the U.S. Department of Transportation for the increased service to Colombia which, if approved, would supplement Delta's existing daily nonstop service between Atlanta and Bogota, which began in December 2000.

The chairman of China Southern Airlines recently led a delegation to Detroit to discuss the carrier's new service between the airline's **Beijing** hub and **Detroit Metropolitan Wayne County Airport**, scheduled to begin in March 2009. China Southern will operate one daily flight between Beijing and Detroit using its new Boeing 787 aircraft. According to an economic impact study commissioned by the Wayne County Airport Authority, China Southern's nonstop Beijing-Detroit service will generate over \$95 million in

annual economic benefit.

GOL Linhas Aereas Inteligentes S.A., the parent company of Brazil's low-cost airlines GOL Transportes Aereos S.A. and VRG Linhas Aereas S.A., was named one of the top shareholder-friendly companies in **Brazil's** aerospace, transportation and industrials sector by *Institutional Investor* magazine. GOL's Chief Executive Officer, Constantino de Oliveira Junior, was also recognized, ranking as the number one CEO in the same industry category.

**LAN Airlines S.A.** and its related companies reported that system passenger traffic for November increased 15.5 percent as capacity rose 13.7 percent. International passenger traffic accounted for approximately 85 percent of total passenger traffic. Long-haul capacity grew due to an increase in operations to the U.S., Europe, the South Pacific and the Caribbean. Short-haul capacity grew mainly as a result of an expansion in regional operations, as well as expansions in the Argentine and Peruvian domestic markets.

**Air Canada** and **Corsairfly** announced a commercial partnership intended to strengthen their respective positions in the travel market between France and Canada. The commercial partnership provides for reciprocal code sharing on each carrier's France-Canada flights, streamlined access to Air Canada's network for Corsairfly customers, and enhanced presence in the French market for Air Canada as a preferred carrier through the Nouvelles Frontières Group that owns France's largest travel agency network. It is estimated that approximately 1 million passengers travel each year between the two countries.