

INTERNATIONAL AIRPORT REPORT

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Japan Opens Centrair International Airport

Japan on Feb. 17 opened Central Japan International Airport, known as Centrair, near Nagoya in the central part of the country.

According to an announcement, Centrair will begin with 271 weekly international flights to 25 foreign destinations and 94 daily flights to 24 cities in Japan.

The airport was built under private-sector leadership and will be operated by the private sector.

Northwest Airlines was one of the first to announce that its flights to and from Nagoya are now operating from the new airport.

Northwest noted that the new Centrair airport's terminal has twice the number of gates than the airport it replaces, allowing all Northwest customers to board and deplane through loading bridges versus outdoor boarding stairs. Centrair also has more check-in capacity and additional checkpoints with the latest security technology, Northwest said.

Hamilton, Ontario Airport To Receive New ILS

Nav Canada announced plans for the installation of a new \$1.5 million Instrument Landing System (ILS) at John C. Munro Hamilton International Airport

in Ontario. The new ILS will reduce landing limits on Runway 12 and increase airport accessibility during poor weather conditions.

The new ILS will be a Category II system, an upgrade over the existing Category I system. The construction will begin this spring and the system is expected to be operational by late fall.

Nav Canada President and CEO John Crichton said that the new ILS will "increase access and reliability of scheduled service, saving airlines an estimated \$750,000 per year."

Icelandair Plans To Grow Business Outside Iceland

Boeing and Flugleidir Icelandair Group announced a firm order for 10 Boeing Next-Generation 737-800 airplanes plus five purchase rights. The value of the 10 firm aircraft is \$650 million at list prices.

The Flugleidir Icelandair Group, Icelandair's parent company, said it will lease the airplanes to other carriers as part of its strategy to grow its business outside Iceland. The airline company, based in Reykjavik, Iceland, has not announced customers for the airplanes. This is the first time the Icelandic company has purchased new airplanes for lease to other airlines. The company said it will work with its partner Sunrock to place the aircraft.

China Southern Airlines Orders Five A380 Aircraft

China Southern Airlines and China Aviation Supplies Group Corporation (CASGC) have signed an agreement with Airbus for the purchase of five A380s. This is the first commitment placed by a Chinese carrier for the A380.

"As one of the largest carriers in China, we are pleased to join the list of renown customers for Airbus' new

AAAE and IAAE Unveil IACE-Operations Program

AAAE and IAAE are pleased to introduce the *International Airport Certified Employee (IACE)-Operations* program.

This intensive certification program contains detailed modules that students will study in preparation for an examination. Upon passing the examination, airport employees will earn the IACE designation and possess a wealth of important and up-to-date knowledge in their field.

International ACE-Operations is part of four new certification programs that will also include Lighting Maintenance, Communications and Security. The goal of International ACE-Operations is to provide airport operations personnel with a thorough review of ICAO Annex 14 and all related standards and recommendations, making airport safer and more efficient. After studying detailed course materials, IACE students must pass a 100-question examination to receive the IACE designation.

For more information on the IACE-Operations program, including course content, enrollment procedures, taking the examination and costs, e-mail Dorn Sanders at dorn.sanders@aaae.org.

double-decker. We believe that the A380 will further build our image of reliability, punctuality and efficiency and increase our competitiveness in the global market," said Liu Shaoyong, chairman of China Southern Airlines. "We also hope that the acquiring of the A380 will help China become a powerful civil aviation giant."

"We are extraordinarily pleased to have received the first commitment for

Upcoming Events

July 6-8, 2005...Dublin, Ireland. European/U.S. Airport Security Conference

Sept. 6-9, 2005...Bermuda. Caribbean/European/U.S. Air Service Development and Airport Marketing Workshop

the A380 from China, which marks a significant breakthrough of our business in this important and strategic market," said Airbus President and CEO Noël Forgeard. "The A380 will effectively accommodate ever growing air travel demand in the dynamic Chinese market, and will be able to provide first-class services to 2008 Olympics in Beijing, 2010 World Expo in Shanghai and 2010 Asian Games in Guangzhou."

With the Chinese agreement, Airbus said it now has 154 orders and commitments from 15 customers for the A380.

Fraport, BAA Post Gains In January Traffic

Frankfurt Airport handled 3.2 percent more passengers in January than a year earlier as intercontinental traffic rose, operator Fraport said.

The passenger count reached 3.72 million. Takeoffs and landings also increased 3.2 percent.

"Continuing increases in intercontinental traffic on routes to and from Asia, South Africa and South America affected passenger growth in particular," Fraport said. "Destinations in Eastern Europe and Southeastern Europe also enjoyed strong demand."

The airport operator said the main reason for cargo growth was new freighter services and increasing volumes on Far East routes.

Fraport has said it expects to post a rise in 2004 earnings before interest, tax, depreciation and amortization of slightly more than 10 percent.

Meanwhile BAA, which owns London's Heathrow, Gatwick and Stansted airports, said its seven U.K. airports handled 9.95 million passengers in January, a 7.4 percent increase.

BAA said the increase was due to "more aggressive passenger marketing" by airlines.

Winnipeg Airports Demonstrate Strong End-Of-Year Results

Winnipeg Airports Authority released its unaudited consolidated financial

results for the fourth quarter and year ended Dec. 31, 2004, showing an improvement over 2003.

"This region's passenger traffic continues to reflect the strength of our local market," noted Barry Rempel, president and CEO of Winnipeg Airports Authority. "While fourth quarter operating revenue growth was impacted by carrier capacity rationalization, passenger boardings exceeded historical levels."

Passenger traffic for the fourth quarter of 2004 was 730,000, an increase of 3.5 percent from 2003. Commercial aircraft movements for the fourth quarter decreased by 4.3 percent. Annual passenger traffic was 3 million, an increase of 7.8 percent from 2003, and commercial aircraft movements decreased by 2.4 percent.

Lima, Peru Airport Expands Terminal

The new Peru Plaza at Jorge Chavez International Airport in Lima has been officially inaugurated by Peru's President Alejandro Toledo Manrique and Fraport AG executive board Chairman Dr. Wilhelm Bender.

The 5,000-square-meter terminal expansion houses shops, restaurants and other services and is Latin America's only airport retail shopping center that is located landside.

The terminal offers 28 gates with seven passenger loading bridges. Currently, 24 airlines serve Lima Airport.

Fraport AG has a 40 percent stake in Lima's international airport and has been responsible for operational management since 2001. With more than five million passengers, Lima Airport's passenger traffic grew 12 percent in 2004.

Mexican Airports Record Gains For Quarter, Full Year

Grupo Aeroportuario del Sureste, the first privatized airport group in Mexico and operator of Cancun Airport and eight others in the southeast of Mexico,

announced results for the three and 12-month periods ended Dec. 31, 2004.

For the fourth quarter of 2004, total passenger traffic increased year-over-year by 11.95 percent; domestic passenger traffic increased by 4.2 percent, and international passenger traffic increased by 18.13 percent.

The 4.2 percent growth in domestic passenger traffic mainly reflects the 3.6 percent, 17.22 percent and 40.84 percent increase in traffic at the Cancun, Veracruz and Cozumel airports, respectively.

The 18.13 percent increase in international passenger traffic resulted mainly from a 41.14 percent and 16.85 percent growth in traffic at the Cozumel and Cancun airports, respectively, the company said.

Total passenger traffic for the fiscal year ended Dec. 31, 2004, increased by 14 percent.

Sydney Airport Environmental Strategy Approved

Sydney Airport said it welcomed Australian government approval of the 2005–2010 Airport Environment Strategy, which provides for a cleaner and greener future at the Sydney facility.

INTERNATIONAL **AIRPORT** REPORT

Editor Barbara Cook

Production

Editor Holly Ackerman

Spencer Dickerson, C.M.
Executive Director

Will James, C.M.
Senior VP, International Programs

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Minister for Transport and Regional Services John Anderson congratulated Sydney Airport Corp. on this achievement, saying, "The new plan will continue to improve the airport's management of its local environment, with a strong emphasis on reducing water and energy use."

The strategy is a five-year plan providing direction for environmental management of Sydney Airport and builds on the achievements made over the term of the last five-year program.

Key initiatives are the re-use of waste water; the rehabilitation of wetland habitat, and maximizing energy efficiency across the airport.

Executive Chairman and CEO of Sydney Airport Corp. Max Moore-Wilton said the airport's environment strategy demonstrated a commitment by all of the stakeholders at Sydney Airport to recognize important environmental responsibilities.

Spanish Airports Mark Traffic Gains In January

Spain's airports handled 9.6 percent more passengers in January than in the same month last year, and processed 7.2 percent more flights, airports authority AENA said.

Of nearly 11 million people on commercial flights, 4.78 million were domestic travelers, while 5.97 million were on international flights. The most popular airport remained Madrid's Barajas, with 2.88 million passengers.

U.K. High Court Rules On London Area Runways

The U.S. High Court upheld government plans to expand two London airports but ruled that local residents would have some say over the precise location of a second runway at Stansted Airport.

There must also be more consultations over Luton Airport expansion, the court said.

Transport Minister Alistair Darling responded to the High Court ruling by saying, "I am pleased that the High

Court has upheld the case for two additional runways in the South East of England at Heathrow and Stansted and rejected calls for that part of the Air Transport White Paper to be quashed.

"The government has always accepted that the exact positioning and capacity of the runways at Stansted and Luton will be decided by the normal planning process. Implementation of the policy set out in the White Paper remains on course and we will report on progress in 2006," he added.

Chicago O'Hare Schedule Limits Extended Six Months

A voluntary agreement among U.S. airlines to limit flights at peak periods into Chicago's O'Hare International Airport, the world's busiest airport, has been extended by six months.

The agreement is designed to help reduce record delays at the airport that have slowed aviation nationwide. The flight reduction plan was set to expire on April 30 and will now be extended through the end of October, according to the U.S. Transportation Department.

"The voluntary flight reductions have helped ease the pressure on travelers and given all of us some breathing room while we work toward a longer-term solution to the capacity challenges at O'Hare," said Transportation Secretary Norman Mineta.

Denied Boarding Fees Increase For European Carriers

European airline passengers who are unable to board their flights because of overbooking, cancellations or flight delays can now demand greater compensation.

New European Union (EU) rules set compensation at between 250 euros and 600 euros, depending on the length of the flight. The old limits were 150-300 euros. The new rules will apply to all scheduled and charter flights, including budget airlines.

The EU faces legal challenges against the new compensation levels from the

European Low-fare Airlines Association and from the International Air Transport Association.

Boeing Unveils Long-Range Commercial Airplane

Boeing on Feb. 15 unveiled the first 777-200LR Worldliner—the world's longest range commercial airplane—at a celebration attended by more than 5,000 employees, airline representatives, suppliers, and government and community leaders.

Extending the range of the 777 family by more than 1,500 nautical miles (2,775 kilometers), the 777-200LR (Longer Range) allows airlines to service nonstop routes such as New York-Singapore and Los Angeles-Dubai at full passenger capacity and carry revenue cargo. The 777-200LR can carry 301 passengers up to 9,420 nautical miles (17,446 kilometers).

With the first flight scheduled for early March, flight-test employees are putting final touches on the systems they will use to monitor and evaluate the airplane, Boeing said. The seven-month test program will include approximately 300 hours of ground and 500 hours of flight testing.

The first 777-200LR Worldliner is to be delivered to Pakistan International Airlines in January 2006.

The 777-200LR also will serve as the platform for the Boeing 777 Freighter, the world's largest, Boeing said.

Second Terminal Considered For Dublin Airport

Proposals for a second terminal at Dublin Airport could be unveiled within weeks, according to published reports.

The government is considering options on a new terminal, which could help manage growing air traffic at Ireland's busiest airport.

Private money could fund the terminal and compete directly with the existing hub, or the Irish government could pay for it out of the national development budget, supporters say.

News From Around The World

Macquarie Bank said that its majority-owned **Brussels International Airport Co.** increased its annual pre-tax earnings by 19.5 percent. Macquarie, which holds a 52 percent interest in the Belgian airport, said a rise in passenger traffic and cargo volumes lifted earnings before interest and tax, depreciation and amortization. Brussels Airport is home to carriers SN Brussels Airlines and no-frills airline Virgin Express.

SkyTeam customers traveling via **Mexico City International Airport** will be accommodated in a new alliance facility, which includes more room, an enhanced flight information display system, and an expanded passenger drop-off area, the 10-airline alliance announced.

Ryanair announced a half-dozen new routes that link **Dublin** with other European cities. The low-fare carrier said four new routes starting April 17 would connect the Irish capital to **Rome**, **Eindhoven** in Holland, and **Biarritz** and **Carcassonne** in southern France. It said Dublin routes to **Sheffield**, England, would open April 28 and to **Frankfurt**, Germany, on May 3.

WestJet announced it will withdraw service from **Gander, Newfoundland**, effective April 7. The airline has been flying into this Newfoundland destination since June 17, 2003. WestJet will be redeploying its capacity from Gander to St. John's and offering daily nonstop service between St. John's and Halifax.

Iberia Airlines has moved its flight operations in New York from Terminal 8 to the recently redeveloped Terminal 7 at **JFK International Airport**.

Boeing and Ethiopian Airlines announced a preliminary agreement for up to 10 Boeing 787 Dreamliner passenger planes that will make the airline the first Africa-based operator of the new jetliner. Valued at \$1.3 billion at list prices, the agreement involves five firm orders and purchase rights for five more. The first plane is scheduled

for delivery to Addis Ababa, the airline's home base, in 2008.

Moody's Investors Service affirmed the A3/Prime-2 senior unsecured ratings of **BAA plc** with a stable outlook following the announcement that BAA will form a 50:50 property joint venture with Morley Fund Management. The affirmation of the A3/Prime-2 ratings reflects Moody's view that the formation of the joint venture and the expected impact on BAA's financial and business profile is ratings neutral, the firm said. The stable outlook reflects the defined nature of BAA's capital expenditure program and rate-charging parameters, and Moody's expectation that management will focus predominantly on its core U.K. airports and related activities.

Copa Airlines said it has completed its fleet renovation plan with the arrival of its 21st Boeing 737-700 aircraft and the retirement of its last B737-200.

French construction company Vinci said it has sold its 3.4 percent stake in **Beijing airport operator BCIA** through a sale on the Hong Kong stock market. The sale, which brought Vinci some 41 million euros after tax, will have no impact on its results, and came as part of an investment strategy that involves relinquishing minority stakes in airport firms in which it has no operational role, the company said in a statement.

Mexico will sell its main **Aeromexico** and **Mexicana** airlines in two packages, reversing a plan that was criticized by politicians and labor organizations as investor-friendly at the expense of consumers, according to published reports. Airline holding company Cintra, majority-owned by the government, said that under the new plan, it will sell international carrier Mexicana in a package along with a new low-cost airline. Separately, domestic carrier Aeromexico will be paired and sold with smaller regional airline Aerolitoral.

United announced it will launch a daily nonstop flight between **Chicago O'Hare** and Munich, beginning June 7. This new service is in addition to United's existing

Airport Magazine To Publish Seven Printed Issues In 2005

Airport Magazine, which has published six issues per year since its debut in January 1989, is adding a seventh printed issue in 2005. The issue will be produced especially for the AAAE Annual Conference and Exposition in Seattle, May 1-4, 2005.

Among the conference-specific content planned for the issue is the annual Buyers' Guide, a 40-plus page listing of companies participating in the annual event, as well as articles covering the latest developments at Seattle-Tacoma International Airport, the 2005 conference host, and other industrywide topics.

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The **Vietnamese** aviation industry has set a target of 10 percent growth this year, according to Nguyen Tien Sam, deputy transport and communications minister. In order to reach this target, the industry will adopt numerous measures, said Sam, which include the improvement of service quality, the simplification of administrative procedures, and the implementation of reasonable policies on prices and fees. During the year, it will also complete a nationwide airport system proposal up to 2020 for approval.

Hervé Pomerleau Inc. of Saint-Georges, Quebec, has been awarded the contract to construct a new hangar at the **Greater Moncton International Airport**. The hangar will house Transport Canada and Royal Canadian Mounted Police aircraft and will serve as an operations and maintenance facility for these aircraft.