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Ecuador Opens New Terminal At Guayaquil Airport

Guayaquil, Ecuador's largest city and main economic center, inaugurated its new international and domestic passenger terminal at José Joaquín de Olmedo International Airport on July 27. The new 400,000-square-foot terminal, which represents a \$90 million investment, has the capacity to handle up to five million passengers a year.

Currently, the airport receives an average of 2.2 million passengers per year, with annual traffic growing at an average rate of 25 percent as Guayaquil experiences an increase in trade and tourism.

The new two-story terminal contains a food court, car rental agencies, and duty free shops for travelers. The international and domestic arrivals area is located on the first floor, and international and national departures are on the upper level. In addition, the new terminal is equipped with six jet-bridges allowing for the simultaneous operation of 12 airplanes, and increased levels of efficiency.

New developments in tourism infrastructure around the airport area are already underway, and the old passenger terminal will be converted into a new convention center, which will serve as the future site of Guayaquil's annual

tourism conference, the International Tourism Fair in Ecuador (FITE), slated to be held in September 2007.

TAGSA, an Ecuadorian company with American and Argentinean shareholders, has been granted a 15-year concession to oversee all aspects of Guayaquil's airport.

In terms of security, the new terminal features the latest in screening equipment technology approved by the U.S. Federal Aviation Administration, including a closed circuit television system, document scanners, biometric fingerprint identification, an interactive photo database, facial and fingerprint

imaging at check in, explosives device detectors, and x-ray scanners for both passengers and luggage. In addition, the airport includes a new 100-foot high traffic control tower, with 360 degree views of the airspace area and outfitted with the most modern equipment in air traffic control technology.

BA Seeks Change In U.K. Airport Regulation

British Airways has called for the U.K. Office of Fair Trading to refer its study
(continued on following page)

U.S./Central Europe/Eurasia Airport Issues Conference Set For Oct. 24-26 In Dubrovnik, Croatia

AAAE, IAAE and the Dubrovnik Airport will present the 12th Annual U.S./Central Europe/Eurasia Airport Issues Conference, Oct. 24-26, 2006, at the Grand Villa Argentina, Dubrovnik, Croatia.

This meeting is co-sponsored by the U.S. Embassy-Croatia, Dubrovnik Airport, U.S. Trade and Development Agency, Team U.S. Commercial Service, U.S. Department of Commerce, U.S. Federal Aviation Administration, Lufthansa Airlines and Croatia Airlines.

The purpose of this program is to promote the exporting of aviation/airport-related U.S. products and services by providing direct contacts and meaningful dialogue between aviation-related companies and key airport/aviation officials in the region. Equally important, the workshop will offer important and valuable networking opportunities for U.S., Central Europe, Baltic region, Russia and Eurasian airport and aviation officials to discuss and debate management and operational challenges facing the airport management profession.

A number of senior airport officials from the U.S. and Central Europe, the Baltic region, Russia and Eurasia countries will attend the workshop. As such, the meeting will provide a unique networking forum for airport/aviation executives throughout the region to discuss and debate critical and timely challenges facing the airport management industry. Airport officials also will have the chance to interface with key government representatives from the U.S. and Europe on important airport regulatory and economic issues.

Key officials from the U.S. Federal Aviation Administration and the U.S. trade promotion team—representing the U.S. Trade and Development Agency, the U.S. Department of Commerce, and the Commercial Service Offices from U.S. embassies throughout the region—will address the working sessions of the meeting.

For conference registration/program/hotel information, go to www.aaae.org and refer to the meetings section of the AAAE web page.

Upcoming Events

IAAE Canada Annual General Meeting—Calgary, Canada (Sept. 10-14)
12th Annual Central Europe/U.S. Airport Issues Conference—Dubrovnik, Croatia (Oct. 24-26)

International Airport Geographic Information Systems Workshop—Madrid, Spain (Nov. 15-17)

on the nation's airport market to the Competition Commission "because of its concerns about current airport regulation and ownership."

In its response to the Office of Fair Trading's consultation into the U.K. airports market, BA said the Competition Commission should recommend airport regulation that delivers "a better outcome for consumers and airlines. It should also enhance competition in the U.K. airport market and provide an effective framework for future airport growth."

British Airways said that separate ownership of London Heathrow and London Stansted airports should be considered by the Competition Commission. The airline said that decisions on new runway construction in South East England should not be concentrated in the hands of one company.

In the event of a break-up of BAA, BA said that there will be a continued need for strong regulation "to protect users against monopoly power, particularly at London Heathrow and London Gatwick."

British Airways Chief Executive Willie Walsh said, "The Competition Commission has an important role to play in determining the future of U.K. airports. Separate ownership of London Heathrow and London Stansted would make infrastructure developments at the airports more responsive to airlines' and their customers' needs and expansion at one airport would not be held back to suit the commercial needs of a monopoly owner."

BA also proposed that competitive bidding be introduced for a wider range of services at airports such as providing IT systems.

Airservices Australia Awards Contract For Tasmania

Sensis Corp. announced that Airservices Australia awarded the company a contract to provide Sensis Multistatic Dependent Surveillance (MDS) for wide area surveillance over Tasmania, Australia.

Sensis MDS will provide controllers with surveillance that has an accuracy better than 150 meters. Further, Sensis Remote Control and Monitoring System will enable Airservices Australia to easily monitor and maintain the system as well as provide system diagnostics, the company said.

"Initial deployment will provide enroute surveillance via multilateration and ADS-B, with surveillance coverage down to ground level at both Launceston and Hobart airports," said Les Kelly, project manager, Airservices Australia. "Once regulatory approvals have been received from the Civil Aviation Safety Authority, the system will be used operationally in 2008."

Sensis MDS can easily scale from a small airport application to coverage of hundreds of thousands of square miles. The system uses low-maintenance, non-rotating sensors to detect and track the movement of aircraft and vehicles based on their transponder signals. With precision comparable to GPS, a higher update rate than traditional airport surveillance radar, and consistent surveillance performance regardless of weather conditions, Sensis MDS provides significant benefits. Further, through its compatibility with ADS-B, multilateration provides a bridge to new technologies.

Sensis MDS is operational at Innsbruck Airport (Austria), where the system is the world's first commissioned multilateration system for wide area surveillance. The system is also deployed for wide area surveillance at the Patuxent River Naval Air Station (Md.) and Twentynine Palms Marine Corps Air Ground Combat Center (Calif.).

For surface surveillance, Sensis MDS is operational or being installed at 10 major European and Asian airports. The system also is being deployed as part of Sensis A-SMGCS at New Delhi, Brisbane, Melbourne, and Sydney and at 35 U.S. airports for FAA's Airport Surface Detection Equipment, Model X program (ASDE-X).

First Half Results Posted For Toronto Pearson International

The Greater Toronto Airports Authority (GTAA) reported its financial and operating results for the six-month period ended June 30. Passenger activity for the six months was up 3 percent over the same period in 2005.

GTAA is the operator of Toronto Pearson International Airport. In 2005, the airport handled approximately 29.9 million passengers.

For the period ended June 30, revenues were \$511 million, exceeding the comparable 2005 figure of \$464 million. Total operating expenses, including \$73.7 million of ground rent paid to the federal government, were \$273.2 million compared with \$261.3 million in the same six-month period in 2005. The resulting net operating revenue in 2006 was \$237.9 million, up 17 percent over the first six months of 2005.

Nav Canada Reports Increase In Traffic For May-June

Nav Canada announced that its traffic in May and June, as measured in weighted charging units for enroute, terminal and

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oceanic air navigation services, increased by an average of 5.2 percent and 3.4 percent, respectively, compared with the same months in 2005.

Fiscal year-to-date traffic was 3.2 percent higher than in fiscal year 2005. Nav Canada's fiscal year runs from Sept. 1 to Aug. 31.

Weighted charging units represent a traffic measure that reflects the number of flights, aircraft size and distance flown in Canadian airspace.

DHS Expands US-Visit Entry Coverage

The U.S. Department of Homeland Security (DHS) announced the expansion of the US-VISIT program's biometric entry procedures to Fresno-Yosemite International Airport, the new pre-flight inspection location at Halifax (Canada) International Airport and Erato Street Cruise Terminal in New Orleans.

US-VISIT's biometric entry procedures—digital, inkless finger scans and digital photograph—are part of the routine primary inspection process at airports and seaports with international arrivals, in the secondary inspection areas of U.S. land border ports of entry and at U.S. consulates worldwide.

According to DHS, since the program launched in 2004, more than 62 million people have been processed through US-VISIT at U.S. ports of entry.

Boeing Drops Connexion Product, Exits Broadband Field

Boeing announced that it is dropping its Connexion by Boeing product and will exit the high-speed broadband communications connectivity markets.

The service is available on Lufthansa, SAS, ANA, Japan Airlines and Singapore Airlines. Boeing said it will work with its customers to facilitate an orderly phaseout of the service.

"Over the last six years, we have invested substantial time, resources and technology in Connexion by Boeing," said Boeing Chairman, President and CEO Jim McNerney. "Regrettably, the market for this service has not materialized as had been expected. We believe this decision best balances the long-term

interests of all parties with a stake in Connexion by Boeing."

Frankfurt Airport Posts Record Traffic In July

Frankfurt Airport recorded a new record passenger count in July as a total of just over five million passengers used the international hub, 1.7 percent more than in July 2005.

The airport also logged a record for the number of aircraft movements: 43,601 takeoff and landings.

In related news, the Fraport Group, operator of Frankfurt Airport, posted a substantial gain in revenue and EBITDA (earnings before interest, tax, depreciation and amortization) in the first six months of 2006. The group's airports served a total of 33.9 million passengers from January to June 2006, down 0.6 percent from the first six months of 2005.

This slight decline is due to a drop in passengers through April at Turkey's Antalya Airport. However, Fraport Group said it registered noticeable growth again at its Frankfurt-Hahn Airport location.

Schiphol Group Reports Profit For First Half Of 2006

Amsterdam airport operator Schiphol Group reported a first-half net profit excluding capital gains on investment property of 76.6 million euros.

The result compares with a net profit of 76.8 million euros last year. First-half operating profit increased 10.4 percent to 139.4 million euros while revenues rose 9.8 percent to 486 million euros, Schiphol said in a press statement.

The Dutch government plans to sell a minority stake in Schiphol Group through a combined initial public offering and private placement.

Auckland Reports Revenue Gain For Fiscal Year

Auckland International Airport announced a surplus after-tax result of \$103.2 million for the year ended June 30. Revenue was \$305.8 million, an increase of 8.2 percent over the previous year.

Growth in revenues continued across

Caribbean/Latin American Aviation Issues Meeting Set

AAAE has scheduled a meeting for Sept. 10-12, 2006, in Curacao that will focus on issues in the Caribbean/Latin American region.

Aviation decision makers from more than two dozen Caribbean and Latin American nations will be invited to attend.

This conference provides excellent networking opportunities and the chance to visit with key decision makers from many countries in one location. Topics to be discussed during the business sessions include: facility expansion and financing, security trends and pre-clearance issues, enhancing airline and airport safety, and tourism and air service development.

For program information, contact Joan Lowden at (703) 824-0500, Ext. 137, or e-mail joan.lowden@aaae.org. For tabletop, sponsorship and hotel registration information, contact Susan Lausch at Ext. 128, or e-mail susan.lausch@aaae.org.

both aeronautical and non-aeronautical sides of the business, the airport said..

"We are pleased with another solid financial result," said Chief Executive Don Huse. "It was achieved in the context of a more challenging commercial environment than last year. The rate of passenger growth has slowed, and we had to deal with disruption to our retail operations from construction activity and the impact of higher interest rates."

Total passenger numbers for the year were up 1.8 percent to 11.4 million. International passenger traffic rose 1.1 percent to 6.2 million, and domestic passenger traffic increased 2.8 percent to 4.9 million.

The airport said it has been successful in securing \$23 million in new property developments for Air New Zealand Cargo, New Zealand Van Lines, Fliway Logistics, Expeditors and Lollipops Childcare. These new investments will contribute additional rental income from the second quarter of this year, officials said.

News From Around The World

Continental Airlines announced new nonstop Saturday service between **Newark Liberty International Airport** and **Roatan, Honduras**, beginning Dec. 16, pending government approval. Continental will operate a Boeing 737-700 on the route.

China Southern Airlines has launched three new routes from the nation's capital, including its first route between **Beijing** and **Shanghai**.

Aircraft manufacturer **Embraer** recorded second-quarter net sales of \$1 billion and net income of \$139 million. The firm order backlog as of June 30 totaled \$10.2 billion. The company also announced the sale of one Phenom 100 and one Phenom 300 jet to ABC Taxi Aereo, a subsidiary of the Algar Group in **Brazil**. This will be the launch charter customer for the Phenom jets in Latin America.

Boeing and U.K. carrier **Monarch Airlines** said that the airline has ordered six Boeing 787-8s with purchase rights for another four. Deliveries will begin in 2010.

Northwest Airlines has petitioned the U.S. Department of Transportation for rights to provide daily, nonstop service between **Detroit** and **Shanghai**. The carrier proposed to begin the service on or about March 25, 2007, using Boeing 747-400 equipment. Further, the carrier announced it will begin codeshare implementation with Air France between **Detroit** and Air France's Paris hub at **Charles de Gaulle Airport**, effective Sept. 2. The codeshare agreement will be expanded later this fall to include connections for Northwest customers to numerous destinations throughout Europe, Africa and the Middle East, served by Air France from its Paris hub, as well as connections for Air France customers to destinations throughout the U.S. from Detroit.

Malaysia Airports Holdings Berhad has upgraded the backbone

network of the wired and wireless Internet access at **Kuala Lumpur International Airport**. The infrastructure supports more than 150 areas, including the new low-cost carrier terminal. The new network is equipped with technology that will support the airport's network for many years to come. The capacity was increased from 622 megabits per second to 10 gigabits per second.

The total number of passengers in **Copenhagen Airport** in July increased by 86,612 persons (+4.4 percent) compared with July 2005. The number of locally departing passengers increased by 81,275 persons (+12.3%). The number of transfer/transit passengers decreased by 24,820 passengers (-8.1 percent). The number of scheduled international passengers increased by 60,902 passengers (+3.8 percent), while the number of international charter passengers increased by 16,740 (6.9 percent). The total number of international passengers increased by 78,691 persons (+4.2 percent).

Delta Air Lines this winter will add 16 new routes from its West Coast gateway at **Los Angeles International Airport**. The expansion will include new nonstop flights to nine **Mexican** destinations, two **Central American** destinations and corresponding connecting service to five destinations in the U.S.

Air Canada announced the introduction of the only nonstop flights between **Edmonton** and **London Heathrow**, starting Oct. 31. By next summer, Air Canada said it will offer up to 15 daily nonstop flights to London from Vancouver, Calgary, Edmonton, Toronto, Ottawa, Montreal, Halifax and St. John's. Air Canada's Edmonton-London Heathrow flights initially will operate three times weekly and will ramp up to daily service beginning April 1, 2007.

Effective Oct. 10, LAN Argentina's new **Miami-Buenos Aires** nonstop service will increase from three flights weekly to daily service.

WestJet said that it will commence seasonal, nonstop service from **Toronto** to **Nassau**, with connections from other WestJet destinations across Canada. Flights will begin on Sunday, Nov. 5, from Toronto three times per week on Sundays, Tuesdays and Thursdays until April 26, 2007.

Copa Airlines will launch direct flights between **Panama City** and **Rio de Janeiro**, starting Nov. 15. Copa will operate Boeing 737 Next Generation aircraft five times weekly on the new route.

Grupo Aeroportuario del Pacifico reported that during July total terminal passenger traffic increased 3.8 percent compared with the previous year, driven by domestic as well as international passenger traffic, which grew 3.8 percent and 3.7 percent, respectively. The increase in domestic passenger traffic was mainly driven by the growth at the Guadalajara, Tijuana, Los Cabos, Bajio and Puerto Vallarta airports. In the case of Guadalajara, Bajio and Tijuana, the increase was largely due to the initiation of new routes operated by low-cost carriers (Interjet, Volaris, Alma, Click and Avolar), and in the case of Los Cabos and Puerto Vallarta, the increase was due to the rising popularity of tourist destinations. Gains at Los Cabos were driven by the initiation of operations by Interjet.

China Southern Airlines said that passengers may now select their seat and print out their boarding pass on the airline's Chinese web site at www.cs-air.com.

Frontier Airlines announced that it has received approval from the U.S. Department of Transportation to offer nonstop service to Cabo San Lucas, Mexico, from Kansas City. With seasonal operation of one flight per week, the service is planned to begin Dec. 16.