



## **Strategic Development Committee**

# **Airline Business Development Information Report**

**April 2016**



## Overview

- U.S.-Cuba Frequency Allocation Proceeding
- Essential Air Service (EAS)
- Air Service Developments
  - Virgin America-Alaska Airlines
  - Frontier Airlines
  - Newark Liberty International Airport Slot Changes
- Business Development Activities



## Cuba



- US – Cuba U.S. Department of Transportation (DOT) Proceedings. DOT is reviewing applications and expects to announce the routes this summer, with flights to begin in the fall.
- United Airlines applied for one Saturday-only, round-trip frequency from Dulles International to Havana. No other applications from the Washington region were submitted.
- The Airports Authority filed in support of the United application and staff worked closely with United and community organizations to obtain other letters of support.
- Tourism is still not an authorized activity for visiting Cuba. Earlier this year, individual trips focused on education in the arts, Cuban culture and humanitarian efforts were approved as justifications for travel. Previously such trips were only approved for organized groups.



## Essential Air Service (EAS)



- DOT issued a request for proposals on March 28 for carriers interested in providing EAS service to 11 destinations in New York, Pennsylvania, Ohio, Virginia and West Virginia.
- Six of these destinations are currently served by Silver Airways from Dulles International.
- Each carrier responding to the DOT will propose the route it would offer for each destination.
- Proposals are due to the DOT by May 3, 2016.



## Air Service Developments

Alaska Airlines and Virgin America announced a merger agreement, under which Alaska Air Group will acquire Virgin America.



- Conditioned on receipt of regulatory clearance, approval by Virgin America shareholders and satisfaction of other customary closing conditions.
- Expect to complete the transaction with regulators' approval no later than Jan. 1, 2017.
- Alaska Airlines operates daily flights to Los Angeles, Portland, and Seattle from Reagan National; and, a daily flight to Seattle from Dulles International.
- Virgin America operates daily flights to San Francisco and to Dallas-Love Field from Reagan National; and, to both San Francisco and Los Angeles from Dulles International.



## Air Service Developments

Frontier Airlines has announced a daily flight to Denver from Dulles International effective May 13 to September 5, 2016. This is in addition to the current daily flight to Orlando and three flights per week to Chicago O'Hare. Based on historical load factors, we estimate 15,000-16,000 new enplanements from Frontier's new flight to Denver.



**IAD-DEN**

May 13-September 5, 2016



## Air Service Developments

The Federal Aviation Administration (FAA) has announced that it will sunset the slot control program at Newark Liberty International Airport (EWR) to open up market access and new entry for carriers and increased competition.



**Federal Aviation  
Administration**

- The current slot program, established in 2008 to mitigate congestion and delays, limits EWR to 81 operations per hour.
- FAA is inviting schedule submissions from carriers for the Winter 2016 season.
- Airlines will separately obtain terminal space and gate access from the Port Authority of New York and New Jersey (Port Authority).
- FAA will work closely with the Port Authority and airlines to facilitate synchronization of airport facility access and runway times for proposed schedules.
- Prior to the announcement, United planned to purchase EWR slots from Delta Airlines. The Department of Justice filed suit to block, citing too much control of market share by United Airlines.
- Too early to predict what, if any, impact these developments may have on Dulles International but we will be watching it closely.

**Newark Liberty**  
INTERNATIONAL AIRPORT

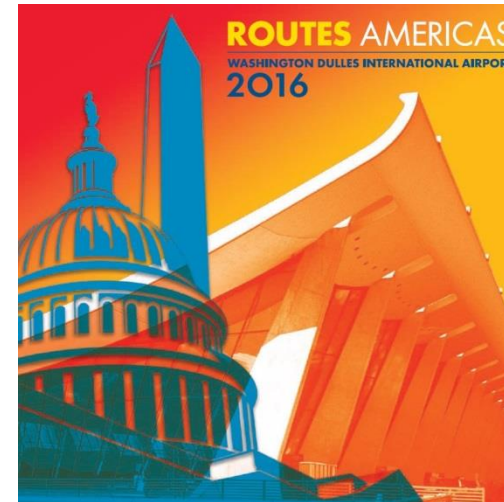






## Business Development Activities

Routes Americas 2016 Conference in San Juan, Puerto Rico. Staff met with 17 airlines over three days in February advocating for new or additional air service from Dulles International.



Air Cargo India Conference in Mumbai, India, February 20-26. Staff participated in panel discussions and met with airlines, cargo handling agents and logistics companies to promote Dulles Cargo. Over 800 airlines, freight forwarders, handling and other logistics companies attended.





## Business Development Activities

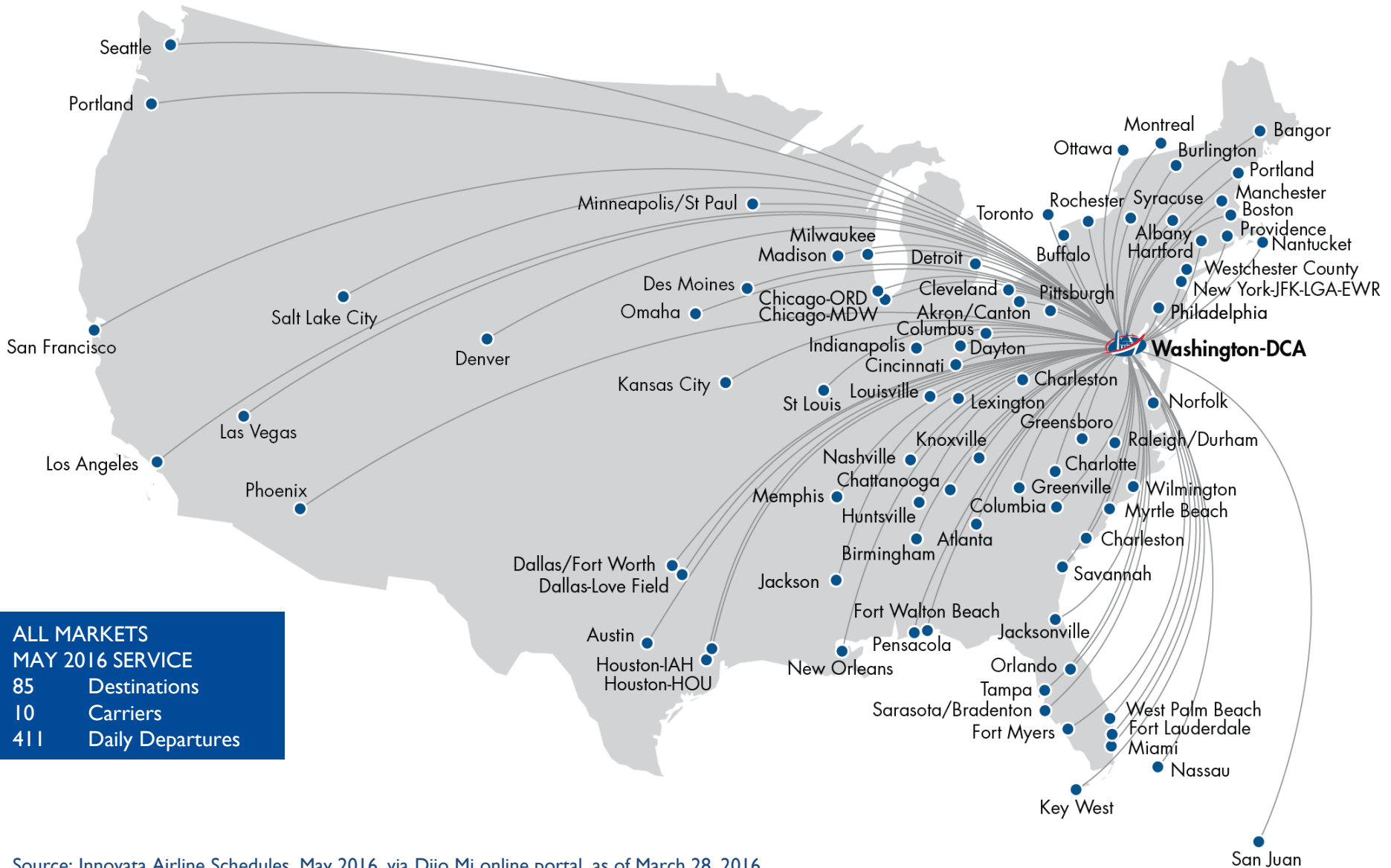
In February, Airline Business Development staff and Destination DC participated in training seminars to Barcelona, Spain and Lisbon, Portugal followed by a sales mission to Milan, Italy. Arlington County staff participated in a training seminar to Lima, Peru.



On March 8-11, 2016, the Airports Authority co-sponsored a booth with Destination DC and United Airlines at Internationale Tourismus-Bourse (ITB), the world's largest travel and trade show in Berlin, Germany.



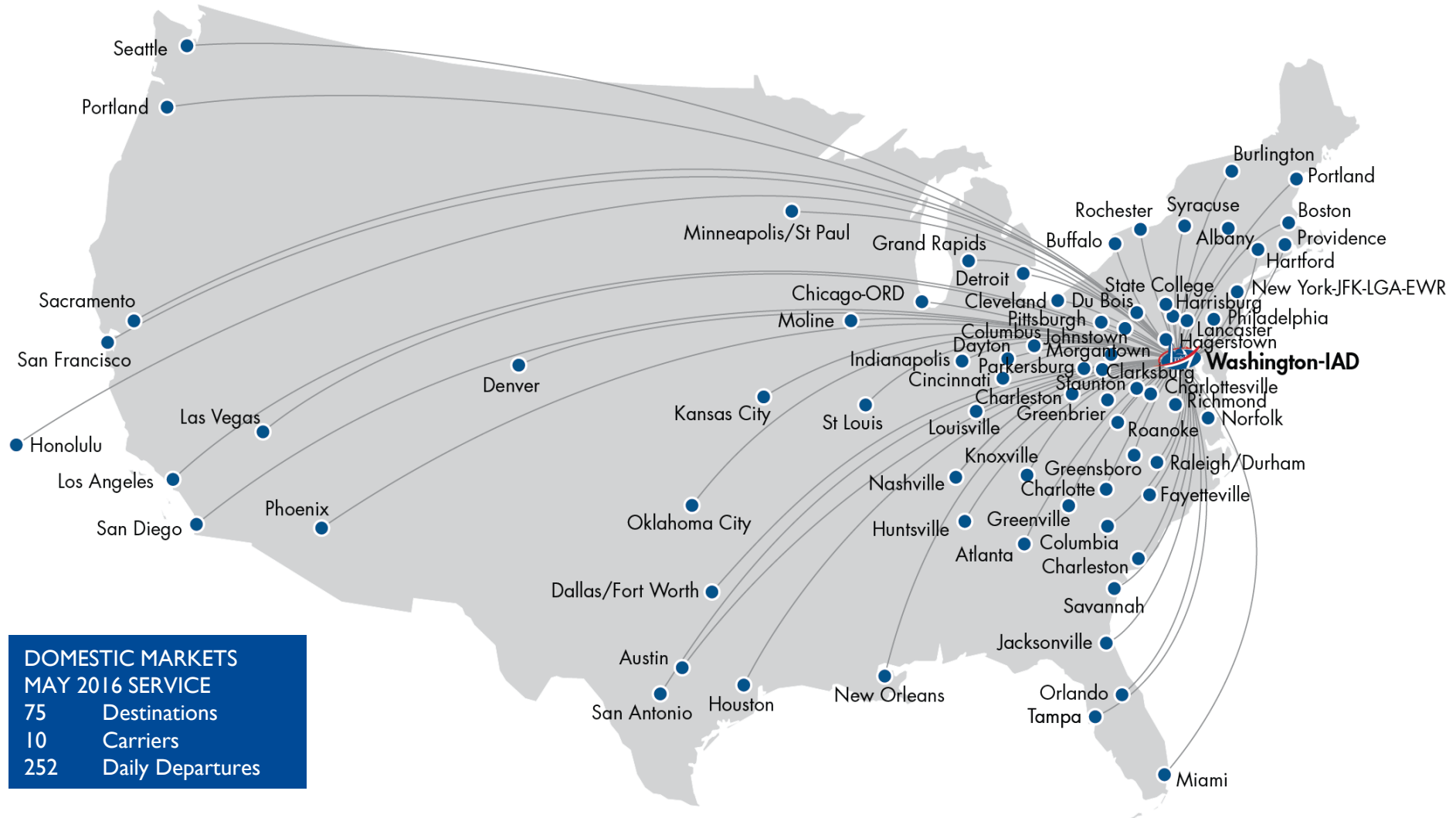
# Nonstop Service at Ronald Reagan Washington National Airport



**ALL MARKETS  
MAY 2016 SERVICE**  
 85 Destinations  
 10 Carriers  
 411 Daily Departures

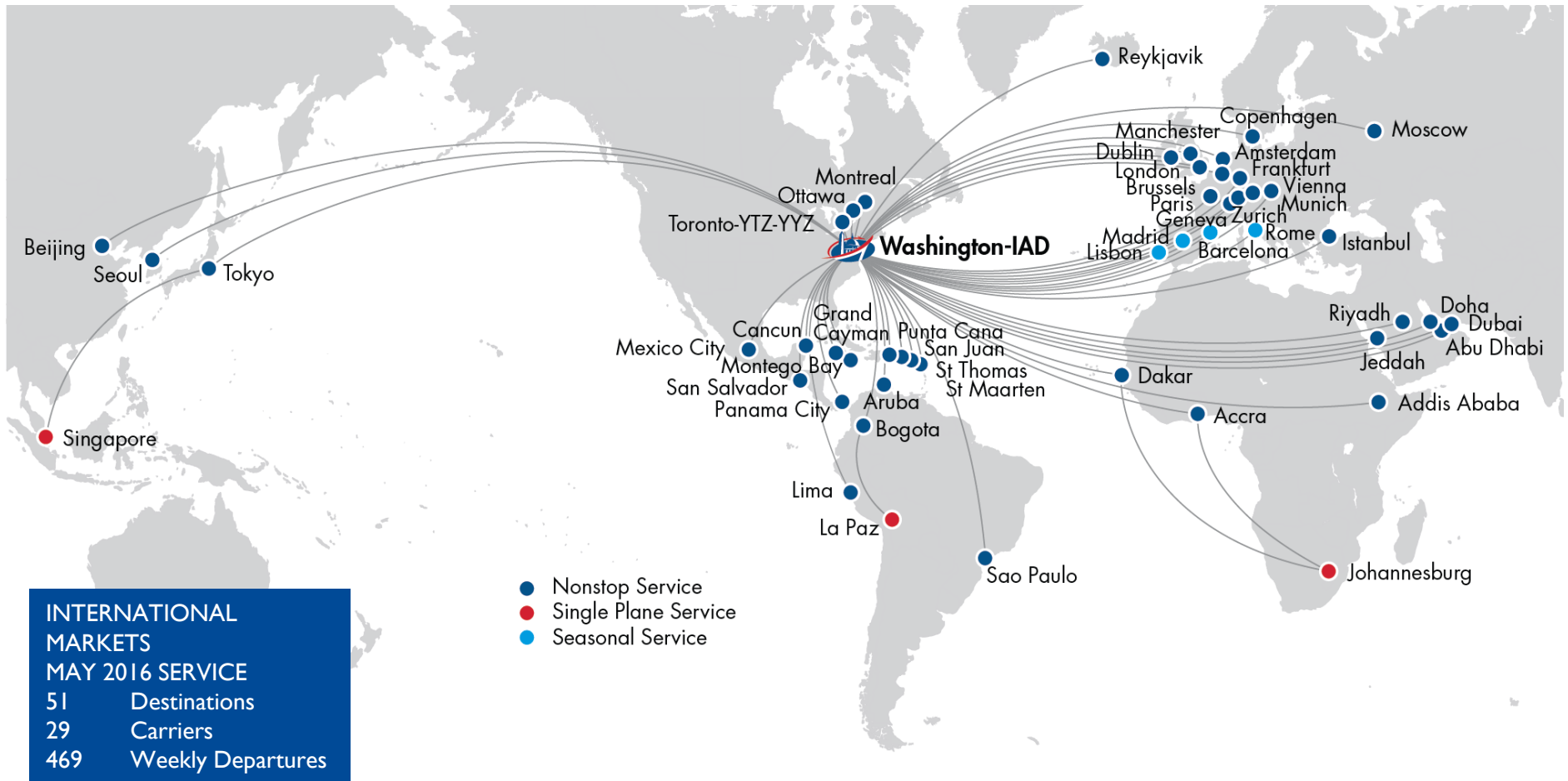


# Nonstop Domestic Service at Washington Dulles International Airport





# International Service at Washington Dulles International Airport





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