

Newsletter EAP – July 2004 / No.44

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Turnaround I : EASYJET's arrival has prompted reactions from network carriers such as Air France. The French flag carrier has filed a legal complaint with the French Administrative Tribunal in Strasbourg opposing the new tariff scheme of EuroAirport effective as of 1 September. The airline is against its implementation for reasons which have not been specified yet.

However, the airport authorities are insisting that the scheme has been designed so as to benefit all carriers interested in serving EuroAirport over an extended period of time (loyalty) with flights matching the volumes agreed upon (volume charges) as well as the defined service standards also contracted with the airport.

According to airport officials, the tariffs have been approved by both the French Civil Aviation Office (DGAC) and the Swiss Federal Office for Civil Aviation (FOCA).

Additionally, a Brussels-based law consultant has been involved examining the new tariff structure with regard to the latest ruling of the EC. This came after the Brussels South (Charleroi airport) had reprimanded Ryanair for its practices of dictating rules to airports that the carrier wanted to serve. It was concluded that such practices amounted to illegal state-aid for the airline.

It is strongly believed, that Air France is aiming to delay the implementation or is even hoping to see its cancellation on the grounds that any competition from low cost carriers operating from any French airport would interfere with (Air France) national interests.

Despite Air France's intervention, the EAP is remaining optimistic that it can implement these tariffs based on loyalty, volume and service standards and is seeking to convince the French flag carrier of the non-discriminatory nature of its tariff policies.

LOYALTY CONTRACTING as sought by the EAP may be put to the test as soon as carriers line up to examine their bets thoroughly at EuroAirport. Loyalty, including a ten-year service agreement, is as difficult to achieve as it is to foresee the airlines' stakes in ten years from now.

PASSENGERS with visual disabilities depending on a guide dog for air-travel have access to assistance and in most cases are entitled to board the plane with their dog. Advance notice is required and clearance of the dog's health certificate must be sought to comply with regulations of the country of destination. How do airlines and hub airports fare in Europe when boarding planes in transit to Canada and the United States out of EuroAirport ?

<u>Airline</u>	<u>Acceptance Status</u>	<u>Gateway facilities</u>	<u>Certificate Updates and Advise</u>
Air France	boarding with dog	CDG assistance to holder and dog	Dogs must be healthy. Check climatic conditions. Both the dog's passport and health certificate (English) must be kept ready for inspection. PETS (pet travel scheme) rules must be followed e.g. identification microchip rabies vaccination no later than 30 days before departure, blood test and treatment for tapeworm and tick The dog requires a toilet call prior to any long-haul flight.
American	boarding with dog	BRU assistance to holder and dog	
British Airways	no boarding allowed	LHR dog assigned to cargo hold	
Iberia	boarding with dog	MAD assistance to holder and dog	
Lufthansa	boarding with dog	FRA assistance to holder and dog	
Lufthansa	boarding with dog	MUC assistance to holder and dog	
Air Portugal	boarding with dog	LIS assistance to holder and dog	
Scandinavian	boarding with dog	CPH assistance to holder and dog	
SWISS	boarding with dog	ZRH assistance to holder and dog	
Airport codes : BRU Brussels, CDG Paris, CPH Copenhagen, FRA Frankfurt, LIS Lisbon, LHR London, MAD Madrid, MUC Munich, ZRH Zurich			

oneworld, SkyTeam or STAR airlines handle bookings of passengers with visual disabilities in the company of a guide dog differently. Air Canada may apply rules which need not meet those of Lufthansa (LH) provided a LH plane is used. The US Department of Transportation ensures access of passengers to aircraft with service animals through the **Air Carrier Access Act** which was extended to include animals other than guide dogs. The Act sets the legal standard enabling the disabled to board the plane and airline personnel to demand proof that a service animal is indispensable. The dog does not require a reservation and no charge is levied. He is seated in front of his holder.

CARGO FIGURES FOR 2003

	2001	2002	2003
Express Cargo			
DHL worldwide	8,150	9,114	9,618
Federal Express	5,527	5,883	6,352
TNT SwissPost	4,755	4,643	4,952
United Parcels	1,967	1,388	2,474
Farnair Europe	316	939	90
Total handled	20,715	21,967	23,486

CARGO FIGURES FOR 2004 (six months, all figures in tons)

	2004	2003	% Change
General Cargo	4,052	3,160	+ 28%
Express Cargo	12,009	11,239	+ 6%
Adhoc Cargo	234	186	
Total Cargo flown	16,295	14,775	+10%
Total Cargo trucked	26,840	25,368	+ 6%
Total Cargo handled	43,135	40,143	+ 7%
Total Movements	1,744	1,671	+ 4%

Turnaround II : EASYJET'S arrival has reversed the decision to further reduce coach services to and from Freiburg (Germany) offered by the South Baden Bus Company. The steady decline in passengers in 2003 triggered a cut of frequency (presently 9 daily round-trips).

Instead, the surge in passengers recorded lately may again prompt an expansion of services adding the Europa Park at Rust (Germany) as a new destination to the network if passengers keep coming in as they presently do. Rust is the single biggest competitor of Disneyland near Paris in Europe.

Transfers from the airport to Rust is presently taking place in Freiburg where timetables are co-ordinated so as to ensure n

easyJet

COACH SERVICES to downtown Basle will be scaled down to one line on 12 December. Line 50 will provide services between EuroAirport and the Swiss railway station. Four intermediary stops and added services during peak hours should offer optimal connections on the air-to-rail axis.

ROUTE NEWS - BERLIN Tempelhof may be shut down for aviation according to a report in the Berlin Morgenpost. SWISS has decided to switch the three daily flights Basel-Berlin to TEGEL where adequate slots have been secured. The change will take effect on 28 October.

Midday flights to Amsterdam (LX 706/07), Bussels (LX 762/63), Düsseldorf (LX 1002/03), Munich (LX 1124/25) and Vienna (LX 1552/53) will be temporarily suspended by SWISS between 7 and 29 August.

THE DEATH of a passenger at the hands of a poorly managed emergency service will hopefully spur a debate over the new emergency procedures which were changed in 2002. Politicians both in Switzerland and France, the airport and rescue teams in the region should be questioned as a consequence of this incident. The death may have been the result of delayed decisions by the emergency chief in charge at the time. Since 2002, territorial sovereignty must prevail in case of emergency. Any rescue management is in the hands of the French authorities. However, the EAP's fire squad performing life-saving resuscitation in case of heart attacks is hard pressed to fulfill state-of-the-art rescue missions as necessary resources are not as easily and quickly available as they should be. It is worth noting that fire brigades must be financed by local airports.

The Franco/Swiss status of the airport caused a number of conflicts between emergency services in the past. Dangerous goods developing smoke and persons in critical health had to be given emergency treatment. However, French rescue teams argued for territorial responsibility as the sole reason for the accident. This view is contradicted by the fact that Basle is closer to the airport than Mulhouse with specialists ready to cope with hazardous materials and medical emergencies on a ten minute-alert. Earlier, handling agents such as Swissport could decide on the fastest solution possible.

NEWS FLASH – La Romana winter charters – Pristina charters resumed – more flights may be on the agenda for Barcelona and Madrid by Iberia

SHARES by airlines in the first half of 2004 (2003)

Air France	29%	329,850	(27% 323,880)
SWISS	26%	291,640	(35% 419,845)
Lufthansa	8%	93,560	(7% 83,969)
Hapag Lloyd	7%	73,820	(6% 71,973)
EasyJet	5%	54,330	-----
Other carriers	6%	64,210	(3% 35,986)
Charter carriers	19%	216,650	(21% 251,907)
Ttl. Passengers		1,124,060	(1.199,558)

Passengers to selected destinations in 2004

London	75,000	Berlin	22,000
	50,000	SWISS	8,000

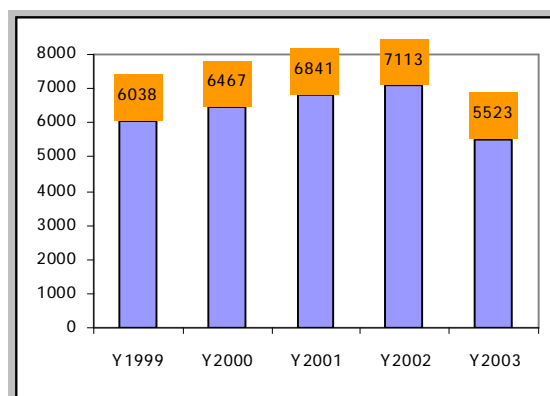
EasyJet* 25,000 EasyJet* 14,000 -----

*services to Stansted and to Schoenefeld

other carriers include Aigle Azur, Air Algerie, Portugalia TAP, SAS/Cimber, Turkish THY

Passengers (first six months of 2004): 1,130,354 - 6%, on schedules 907,246 - 4%, on charters 216,897 - 16%, on taxi and general aviation flights 6,211 + 7%

EMPLOYMENT at EuroAirport has also suffered as the airline sector is trying to weather tough economic conditions. The decline of the number of jobs held by people working with airline, maintenance and shipping companies dropped by 22% to 5,523 work positions in 2003. It was thus well below the 2002 peak of 7,113 jobs. The largest job providers are Jet Aviation and (still) SWISS.



Turnaround III – EuroAirport has been looked on as a job machine needing an ever increasing work force for years. The crisis of SWISS with its uncertainties has brought the engine to a grinding halt. New market entrants such as easyJet, Hello or SAS promising more passengers may improve the job outlook.

Top 10	2000	2001	2002	2003
SWISS	2,189	2,458	2,733	1,698
JET AVIATION	773	913	1,000	687
SWISSPORT	753	654	564	384
EUROAIRPORT	278	274	273	248
DHL EXPRESS	144	142	142	199
FEDEX	116	110	106	116
UNITED PARCEL	171	175	189	186
TNT SWISS Post	----	----	----	53
Total integrators	431	427	437	554
GATE GOURMET	396	366	223	179
AIR FRANCE	158	165	177	174
DGAC	129	121	128	132
Others	1,360	1,463	1,578	1,520
TOTAL	6,467	6,841	7,113	5,523