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> **Free Report Details the Development Challenges of Small Airports in California** *Mineta Transportation Institute's research can apply to secondary airports in other states*

San Jose, Calif., July 6, 2012 – The Mineta Transportation Institute (transweb.sjsu.edu) has released a peer-reviewed research report, <u>Development Challenges of Secondary and Small</u> <u>Airports in California</u>. This report investigates the challenges facing secondary and small airports in California as low-cost carriers (LCC) have become the state's dominant air service providers. Their dominance and their unique business model have significant mid- and long-term implications for secondary airports, which have become the carriers' airports of choice in the past ten years. The report offers policy recommendations to address those challenges. Principal investigators were Senanu Ashiabor, PhD, and Wenbin Wei, PhD. The free 58-page report is available for download at transweb.sjsu.edu/project/2804.html

"The LCC business model focuses on minimizing costs and operating as efficiently as possible at high capacity," said Dr. Ashiabor. "This affects how they use airport facilities and the type of investments they are willing to make. Their combination of high-volume operations with short aircraft turnaround time means higher passenger volumes in the terminal during peak periods. This places significant demand on terminal facilities and amenities."

The authors note that the LCC focus on low cost means they bring a very utilitarian approach to terminal development and design. Operators of the secondary airports must understand the implications of these facts if they are to effectively educate the LCCs about the needs of all airport users.

For example, secondary airports with LCC presence have seen significant traffic growth in the past ten years. This increased traffic has generated noise complaints from communities around the airports. In response, the airports have imposed aircraft operating curfews to minimize the noise impact on the community. This has, in turn, constrained the airlines' ability to increase traffic at these airports. Some LCCs now schedule flights out of nearby large airports, creating a dilemma for secondary airport operators.

Some key recommendations for secondary airports include:

- Quickly understand the needs and behaviors of LCCs, which are the airports' core clients and California's dominant air service provider.
- Work diligently to retain LCCs, given recent moves by JetBlue to increase flights at Los Angeles International and by Southwest shifting flights from Oakland to San Francisco.
- Understand the utilitarian approach LCCs bring to airport development, and educate them to take a broader perspective in considering all terminal users.
- Adopt a staged and strategic infrastructure development approach to minimize long-term under-use of facilities.

California's smaller airports are challenged primarily with attracting passengers and generating revenue to sustain operations. To do so, they must:

• Proactively create air service development plans, especially before investing in terminal upgrades to attract traffic.

- Size airport development to realistic passenger demand levels.
- Consider innovative approaches to providing service to their communities.

Finally, California should consider changing the current legislative framework, which limits its ability to help manage the state's airport systems.

The report includes tables and figures for further illustration. Free PDF copies can be downloaded from transweb.sjsu.edu/project/2804.html

ABOUT THE PRINCIPAL INVESTIGATORS

Senanu Ashiabor, PhD, is a senior engineering associate at Kittelson and Associates (formerly Dowling Associates) in Oakland, California. Over the past ten years, he has been involved in several transportation planning and modeling research projects. Dr. Ashiabor is an active member of the Transportation Research Board (TRB) and served on the ACRP panel developing the Guidebook for Conducting Airport User Surveys. He has authored/coauthored six peer-reviewed publications and presented his work at several technical conferences. Prior to joining Kittelson and Associates, he was a researcher at the Virginia Tech Air Transportation Systems Laboratory.

Wenbin Wei, PhD, is a professor in the Department of Aviation and Technology at San José State University, College of Engineering. He received his PhD in transportation engineering from University of California Berkeley, with minors in industrial engineering and economics. He worked with the California Partners for Advanced Transit and Highway (PATH), Berkeley, from 2000-2001, and then joined American Airlines in Fort Worth, Texas, as a research analyst. He joined San José State University in August 2003. He teaches various aviation and operations research classes, mentors students, and conducts research for leading institutions, including the National Aeronautics and Space Administration (NASA).

ABOUT THE MINETA TRANSPORTATION INSTITUTE

The Mineta Transportation Institute (MTI) conducts research, education, and information and technology transfer, focusing on multimodal surface transportation policy and management issues, especially as they relate to transit. MTI was established by Congress in 1991 as part of the Intermodal Surface Transportation Efficiency Act (ISTEA) and was reauthorized under TEA-21 and again under SAFETEA- LU. The Institute has been funded by Congress through the US Department of Transportation's (DOT) Research and Innovative Technology Administration, by the California Legislature through the Department of Transportation (Caltrans), and by other public and private grants and donations, including grants from the US Department of Homeland Security. DOT selected MTI as a National Center of Excellence following competitions in 2002 and 2006. The internationally respected members of the MTI Board of Trustees represent all major surface transportation modes. MTI's focus on policy and management resulted from the Board's assessment of the transportation industry's unmet needs. That led directly to choosing the San José State University College of Business as the Institute's home. Visit transweb.sjsu.edu or Twitter @minetatrans