

Data Bank: Summer Regional Flying



Summer Regional Traffic Up Over Last Year

Regional aircraft are flying nearly 7 percent more flights this summer than last.

While the number of regional aircraft flights is up over last year, the number of regional seats in the air is growing at a faster clip because the carriers are flying larger planes, said Frederick Roe, an analyst with **BACK Aviation Solutions**. There are nearly 11 percent more regional seats in the air this summer compared to last summer. In an exclusive report prepared for *Regional Aviation News*, BACK analyzed the growth of regional traffic for the summer months of June, July and August of 2004 to this summer's schedules. BACK includes regional jets, turboprops and piston-powered planes in its analysis. Its report covered the United States, Canada, Central America and the Caribbean.

A recent federal report found a pattern similar to BACK's study. Regional jets now constitute 32 percent of the total aircraft mix based on scheduled flights in July, compared to 18 percent in July 2002, according to the **U.S. Department of Transportation** (DOT). Prop-powered aircraft – both turboprop and piston-powered – now account for 19 percent of the total fleet, compared to 27 percent in 2002. The use of mainline aircraft fell from 55 percent in July 2002 to 49

percent this month.

While there has been a net increase in the number of regional flights and regional seats in the air, the BACK analysis also found a lot of shifting of the regional aircraft from one route to another from one summer to the next.

shifting of regional assets (*see table, p. 6*). Carriers are substituting their regional aircraft to replace their own mainline aircraft; deploying regional aircraft to compete against another carrier's mainline aircraft; using regional aircraft to open new markets; and, in some markets, switching from regional jets to turbo-prop aircraft.

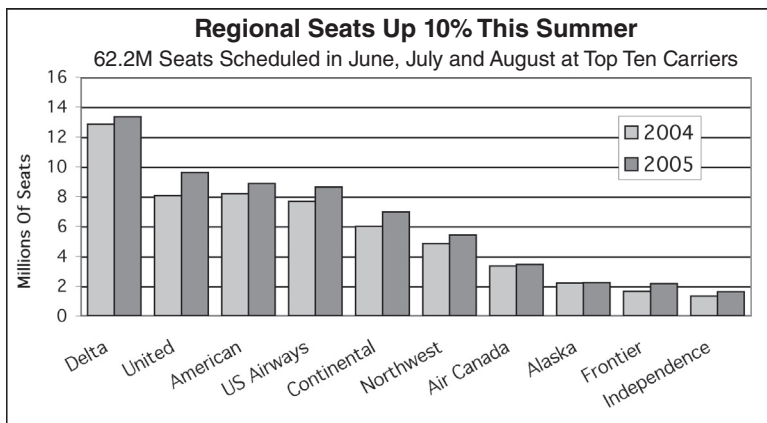
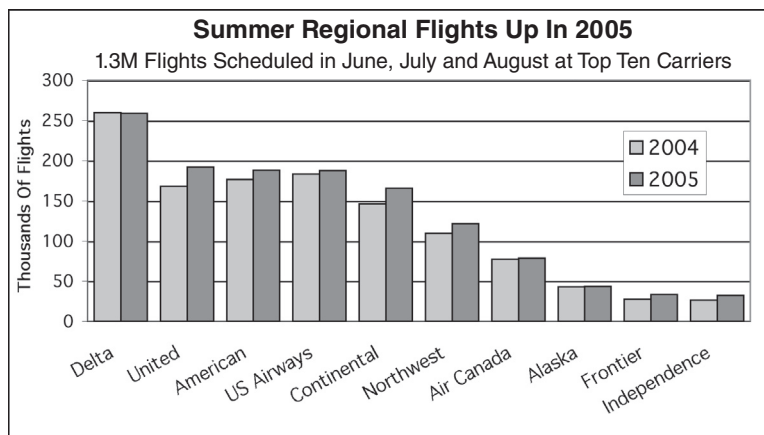
"There are countless reasons why they are doing these things," Roe said.

Of the 10 U.S. carriers that either fly regional aircraft or have code-share relationships with regional airlines, **Delta Air Lines** [DAL] is the only carrier to fly fewer regional flights this summer compared to last – it is flying 904 fewer flights. However, Delta will still fly 258,397 regional flights this summer and remain the largest operator of regional flights. Of the traditional network carriers, **Continental Airlines** [CAL] has scheduled the largest increase of regional flights, 13.2 percent. Nev-

ertheless, **Frontier Airlines** [FRNT], a low-cost airline that uses **Horizon Air** [ALK] for its regional operations, will boost its regional schedule the most this summer with a 20 percent increase in regional flights.

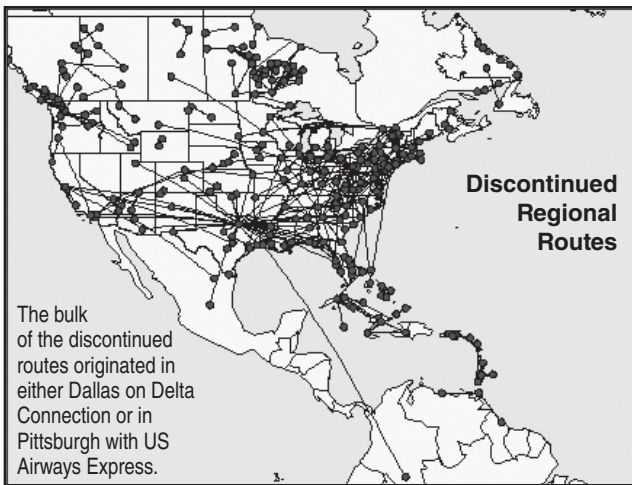
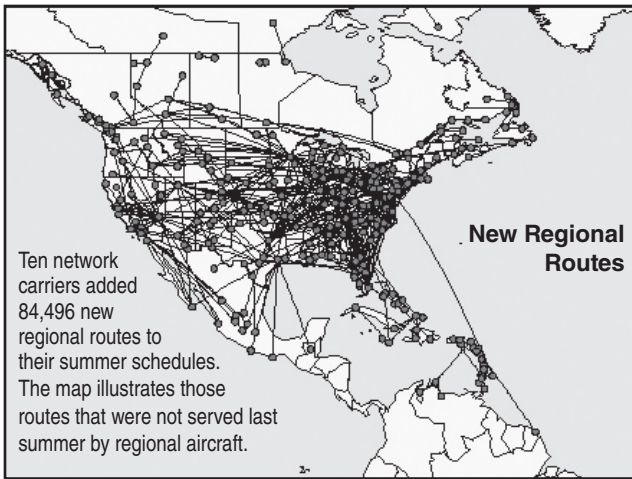
Frontier also holds the top spot for seat growth as it expects to fly 31 percent more regional seats this summer – 2.1 million seats compared to last

(*cont'd on page 6*)



"It confirms that the airlines continue to reevaluate how they use their most expensive assets," Roe said. "What I was surprised to see is how many flights have been added and abandoned. There is a lot of movement."

A look at seven U.S. city pairs where the number of regional routes has increased by more than 1,000 percent reveals a number of reasons for the



year's 1.6 million seats, according to BACK's data. **United Airlines** [UALAQ] leads the pack of traditional network carriers with a 19.2 percent increase in scheduled regional seats, or a gain of 1.5 million regional seats to 9.5 million.

United's growth can be attributed to its aggressive rollout of 70-seat RJs. **SkyWest Airlines** [SKYW] and **Mesa Air Group** [MESA] continue to put more **Bombardier** [BBD] CRJ 700s into service. **GoJet**, a unit of **Trans States Holdings**, will join them next month. At the same time, **Republic Airways** [RJET] adds about one plane per month to its fleet of **Embraer** [ERJ] 170s, which it has been flying

exclusively for United.

There are six U.S. airports that have had an increase of more than 1,000 regional flights this summer compared to last summer.

There are 1,610 more regional flights this year from Dallas-Fort Worth to Killeen-Fort Hood Regional Airport, for a total of 2,126 regional flights. This dramatic growth can be attributed to the opening of the airport last August. Previously, this Texas community was served by the small Killeen Municipal Airport. With civilian facilities now available at the Army airfield, **American Eagle** [AMR] has 11 daily flights and **ExpressJet** [XJT] has six daily departures.

According to BACK, there are 1,509 more Charlotte to New York LaGuardia flights; 1,320 more Washington Dulles to Pittsburgh flights; 1,230 more Indianapolis to Chicago O'Hare flights; and 1,094 more flights from Los Angeles International Airport to Salt Lake City. ✈

>>Contacts: *John Weber, Frederick Roe, BACK Aviation Solutions, (203) 752-2000.<<*

Regional Aircraft Fill The Gap In The Largest Growth Markets

Ranked By Percentage Growth Of Regional Traffic From Summer 2004 To Summer 2005

City Pair and Ranking	Carrier	Aircraft Type	Number of Flights		Percent Change	Comments
			Summer 2004	Summer 2005		
#1 Charlotte, N.C. — NYC LaGuardia	All Carriers	Regional Only	27	1,536	▲ 5,588%	This route last summer was exclusively served by only US Airways – and primarily its narrow-body service. Since last summer, US Airways removed some B737 service and added regional jets. With the RJ expansion, the carrier has shifted its 50-seat ERJs to other routes, but more than replaced them with similar CRJs. With US Airways again in bankruptcy, Delta and American sensed that US Airways was weaker and entered its strongest hub – Charlotte – with service to New York. Both Delta and American are servicing this route only with RJs flown by their regional units.
	US Airways	B737-300	134	179	▲ 33.6 %	
		A320	177	302	▲ 70.6%	
		A321	122	312	▲ 155.7%	
		CRJ	0	78	▲	
		CRJ 700	0	16	▲	
		A319	443	419	▼ (5.4%)	
		B737-400	729	408	▼ (44%)	
	American	ERJ	27	0	▼ (100%)	
		ERJ 145	0	20	▲	
ERJ 140		0	190	▲		
Delta	ERJ 135	0	680	▲		
		CRJ	0	552	▲	

Regional Aviation News

City Pair and Ranking	Carrier	Aircraft Type	Number of Flights		Percent Change	Comments
			Summer 2004	Summer 2005		
#2 Philadelphia, Pa. — Providence, R.I.	US Airways	Regional Only	14	471	▲ 3,264%	<p>Prior to Southwest's arrival in Philadelphia in May 2004, this route was another East Coast exclusive of US Airways. At the same time, Providence has long been a key point in the Southwest network.</p> <p>In its latest bankruptcy, US Airways has returned some of its A320s. It is now making extensive use of the 70-seat Embraer 170 on this route.</p> <p>Since Southwest began flying this route, it has fine-tuned its mixture of B737s.</p>
	US Airways	B757	0	86	▲	
		B737-300	378	470	▲24.3%	
		CRJ	12	72	▲500%	
		Embraer 170	0	399	▲	
		Dash 8	2	0	▼(100%)	
		A320	93	1	▼(98.9%)	
		A319	335	138	▼(58.8%)	
	Southwest	B737-400	231	146	▼(36.8%)	
		B737-300	28	204	▲628.6%	
B737-500		0	67	▲		
		B737-700	886	621	▼(29.9%)	
#3 Albany, N.Y. — Philadelphia, Pa.	US Airways	Regional Only	37	857	▲ 2,216%	<p>US Airways adjusted the aircraft mix on this route. It dramatically reduced the number of B737 flights while adding 827 new RJ flights. US Airways added turboprops back into the mix. There are now a total 1,241 summer flights compared to 896 last summer.</p>
	US Airways	Dash 8	0	46	▲	
		CRJ	24	480	▲1,900%	
		ERJ	13	93	▲615.4%	
		Q300	0	70	▲	
		Embraer 170	0	168	▲	
		B737-300	634	207	▼(67.4%)	
B737-400	225	177	▼(21.3%)			
#4 Minneapolis, Minn. — Philadelphia, Pa.	All Carriers	Regional Only	45	853	▲ 1,795%	<p>US Airways removed all its narrow-body service from this route and placed RJs in their place.</p> <p>Northwest continues to fly narrow-body aircraft on this route, but substituted older and smaller DC9 aircraft for the larger, more efficient Airbus. It has introduced RJs for the first time on this route. It is using the 69-passenger Avro RJ85 flown by Mesaba extensively on this route.</p>
	US Airways	CRJ	45	690	▲1,433.3%	
		Embraer 170	0	132	▲	
		B737-300	340	0	▼(100%)	
	Northwest	A319	166	0	▼(100%)	
		DC9S	370	595	▲60.8%	
		Avro RJ85	0	30	▲	
		CRJ	0	1	▲	
A319		263	84	▼(68.1%)		
A320	389	355	▼(8.7%)			
#5 Palm Springs, Calif. — Sacramento, Calif.	Horizon	Regional Only	10	184	▲ 1,740%	<p>Horizon shifted service on this route from its 70-seat RJ to its 70-seat turboprop as it increased the frequency.</p>
	Horizon	Q400	0	184	▲1,740%	
		CRJ 700	10	0	▼(100%)	
#6 Nashville, Tenn. — Memphis, Tenn.	Northwest	Regional Only	4	72	▲ 1,700%	<p>Northwest has replaced much of its DC9 service with Airbus narrow-body aircraft and for the first time RJ service on this intra-state route. Mesaba is flying its 69-passenger Avro 85 in Pinnacle's backyard.</p>
	Northwest	Avro RJ85	4	72	▲1,700%	
		DC9S	22	51	▲131.8%	
		A319	14	122	▲771.4%	
		DC9	8	0	▼(100%)	
DC9S	504	305	▼(39.5%)			
#7 Grand Rapids, Mich. — Philadelphia, Pa.	US Airways	Regional Only	47	682	▲ 1,351%	<p>US Airways increased its RJ service on this route.</p>

BACK Aviation Solutions calculated the percentage change in regional aircraft service in those city pairs that had some regional service during June, July and August of 2004 with the scheduled service for this summer. Regional jets, turboprops and piston service were classified as regional service. BACK examined the posted schedules for the network carriers, not the regional carriers, in North America.