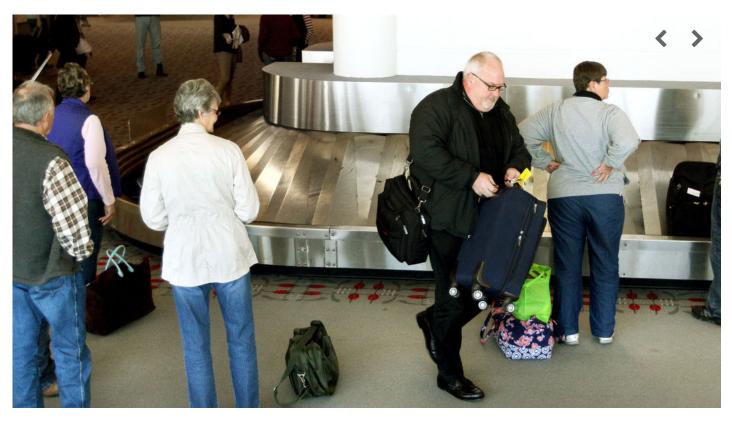
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AIRPORT LOOKS TO STEM LEAKAGE

Q-C airport deals with passenger decline

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JEFF COOK, QUAD-CITY TIMES

Travelers collect their luggage Tuesday after arriving on flights into the Quad-City International Airport in Moline.

For five years now, there has been a decline in the number of people flying out of the Quad-City International Airport in Moline.

AirTran's exit from the market is blamed for much of the decline. After the airline dropped its Atlanta service in 2010, the airport saw a 15 percent drop in departures. Less than two years later, AirTran, which was purchased by Southwest, closed up shop here.

The news hasn't been encouraging since then. At the end of 2015, the airport reported just over 367,000 departures, about 100,000 fewer than its peak years in the late 2000s.

To some extent, the decline has meant a return to historic norms, according to the airport's consultant. But it's also come as nearby airports in Cedar Rapids and Peoria, have added traffic.

The Quad-City airport has aggressively sought to bolster flights, officials say. Bruce Carter, the airport's aviation director, said there are plans to talk with a variety of airlines this summer.

An analysis last year said that Houston, Charlotte, N.C, and Philadelphia are new market opportunities.

Carter also notes there is a connection with the new chief executive of Spirit Airlines, which does not operate in the Quad-Cities. "We'll be touching base with Spirit and other carriers in June," he said.

Among those are Allegiant Air, which has filled some of the gap at the Quad-City airport left by AirTrain's departure.

Allegiant currently flies non-stop between Las Vegas, Orlando (Sanford), Fla., Phoenix-Mesa, Az., Tampa Bay (St. Petersburg/Clearwater), and Punta Gorda (Fort Myers, Fla.) and Quad-City International.

Carter says he'd like to see the Punta Gorda flight, which operates only part of the year, extended. Myrtle Beach, SC., also is an expansion opportunity, he says.

Allegiant has grown its footprint in the Quad-Cities since arriving in 2011, but it also has been expanding into larger markets. That trend is somewhat of a concern.

What if they back off here, asks Mike Bown, vice president of Trillion Aviation, the consultant to the Quad-City airport. "I'm not saying they will, but that's a risk," he said.

In a statement Tuesday, Allegiant said Quad-City travelers "have been very supportive of Allegiant service out of the Quad-City International Airport and, overall, flights are performing well." As for potential new destinations, the airline said it has no immediate plans to expand service, though "we are always evaluating the possibilities for new routes."

However, a problem here is the number of people who are regularly driving out of the area to take flights to cities that also are Quad-City destinations, officials say.

That's especially a concern with corporate travelers, who provide the largest profit margins for airlines. "Instead of flying out of the Quad-Cities, they're going to Chicago. That hurts," Bown says.

He said Delta, one of the three major airlines serving Quad-City International, has expressed concern about the trend. In 2012, Delta upgraded aircraft for its Atlanta service on the heels of AirTrain's exit. But the flight didn't attract enough interest and service was downgraded.

Airport officials say there are widely varying reasons for travelers to go to Chicago to fly. They argue, given the driving time, the ease of using the Quad-City airport and other factors, it often makes sense to depart from home. But some travelers say it doesn't.

Steve Beck, the president of the American Federation of Government Employees, Local 15, which represents workers on the Rock Island Arsenal, checked into flying from Moline to Washington, D.C., for a union conference in February. Beck said the late return flight and arrival at Dulles International Airport (instead of the closer to downtown Reagan National Airport) were problems. But mostly, it was the additional expense of flying out of the Quad-Cities. "It was \$600 versus \$300," he said. "We went with the cheaper fare. Our union members really can't justify that kind of cost for flying direct."

The direct flight between the Quad-Cities and Washington, D.C., is scheduled to end in June.

Airport officials have said that a number of factors affected the flight's disappointing performance. In addition to the late return, they also said that it did not begin at the most opportune time of the year.

A flight from the Quad-Cities to Dulles two weeks from today would cost \$303 each way, according to a check of United's web site on Tuesday. Flying from Chicago to Dulles, by comparison, would only be \$204 each way. Flying into Reagan National Airport would be even less expensive.

Bown estimates that 25-30 percent of the Quad-City market is leaking to other areas, mostly Chicago. That's not as high as some airports he has dealt with, but it's higher than others. By comparison, the Eastern Iowa Airport in Cedar Rapids leaks 14 percent of its market, according to Pam Hinman, a spokesperson for the airport.

The Quad-City airport has tried to stop some of the leakage.

"We're trying to communicate the importance of this to some of the local companies and organizations but to date the response has been less than encouraging," Bown said.

Jason Gordon, vice president for public affairs for the Quad-Cities Chamber of Commerce, said that issue has not been formally addressed by the organization. But he added, "we encourage folks to support our regional airport."

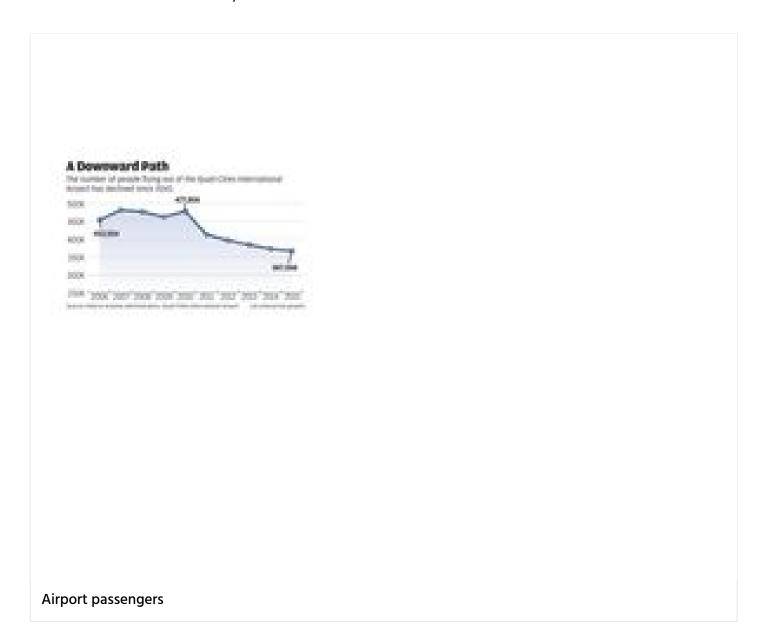
To some extent, the decline in passengers flying out of the Quad-Cities (also called enplanements) is a return to normalcy with respect to the Eastern Iowa Airport.

AirTran's entry into the Quad-City market played a big part in keeping the Quad-City market at home — and even drawing from other areas. In 2010, the Moline and Cedar Rapids airports had roughly the same number of passengers.

In a presentation to the commission that governs the airport last fall, Bown noted before AirTrain entered the Quad-City market, the Cedar Rapids airport had 38 percent more enplanements than the Quad-Cities.

That's roughly what the gap is now.

Officials are hopeful that the decline in passengers here will reverse itself soon. "I think we're close to the bottom," Bown said.



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