BRITISH AIRWAYS

The Importance of Night Flights to UK Connectivity & Global Transport - An airline perspective

23rd January 2013 Martin Picken

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The Hub

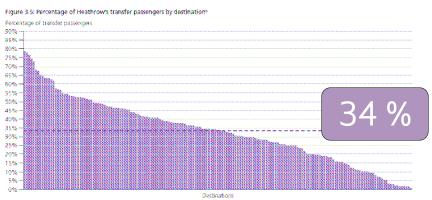


One hub or none The case for a single UK hub airport

November 2012

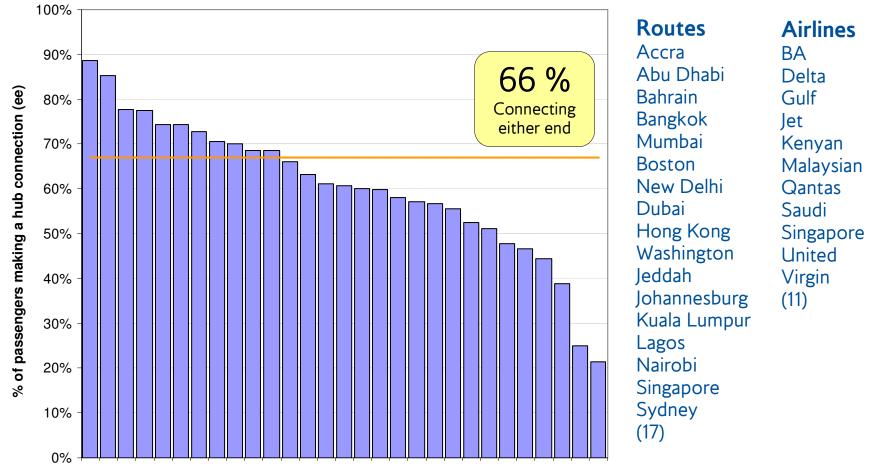
Heathrow N Making every journey better

- Local passenger demand supplemented by passengers transferring at the hub.
- Enables airlines to operate routes and frequencies that local demand alone could not support
- Inter-connected and mutually supportive schedule
 - = Connectivity



⁵ CAA Passenger Survey Data, 2011

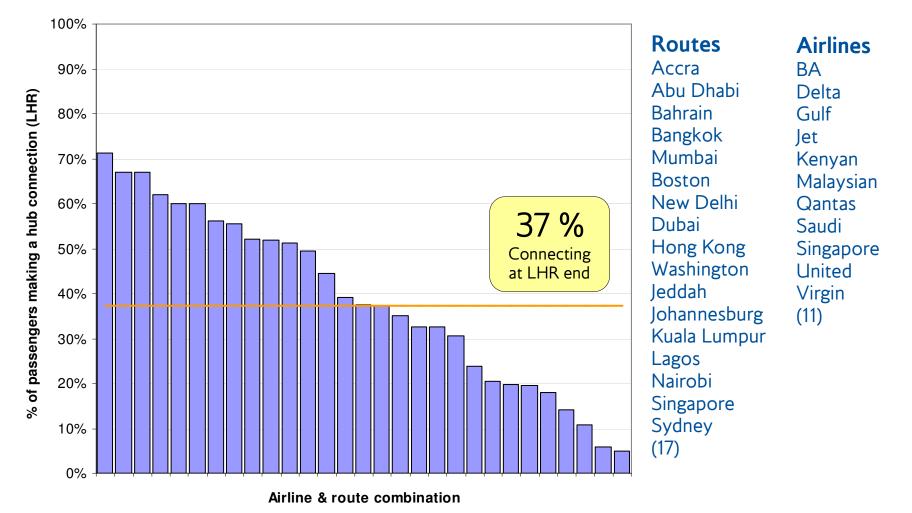
Theory in action: LHR early arrivals



Airline & route combination

BA analysis of CAA passenger survey data for 2011

Theory in action: LHR early arrivals



BA analysis of CAA passenger survey data for 2011

		BHX	
Dep		ZBH	Air France hub at Paris CDC
		VCE	Air France hub at Paris CDG
		MUC FCO	
		DUS HAV	Monday August 2013
		DUB MEX	
MAN	FLB GBU	BIO PUJ EDI	- 265 flts i/a Six waya system
EDI	CPH CCS	LJU PEK ABZ	365 flts i/o. Six wave system
VCE	BLQ BOG	GVA HKG OSL	
PRG	ZAG NCL SXM	TLS LHR PVG NCE	
NCE	CGN ABZ GIG	SVO MAN ICN FLR	
BRE	BCN LHR BOM	NUE RNS SGN BOD	
PSA	ATH EDI DEL	NTE PRG NRT VCE	
MUC MRS LHR	VGO OTP BLR WAW ZRH TLV	KBP HAJ RUH MUC BUD BOD AMM MRS	
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	TLS DUB ATL	IST MRS YYZ NCL VRN LHR	
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	LR WAW OTP LYS JFK YUL	FLR HAM BOD BEY CPH FCO STR	TXL KIX BLQ WAW K VRN BCN VGO MRS BCN SVO BUK
	ST FLR GOA BOS RBA		DUS NRT NCE BUD BSL ZRH BRE MUC NCE HAJ CPH
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	OF BLQ SCL SVO		MPL OTP HAJ VIE GVA TXL SXB VIE BHX CPH MRS SVO STR NCL FRA BCN
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	IRS SVO GIG MUC		LJU ZRH CFE ABZ MPL
DLA BSL N	CE TRN GRU PRG	ZRH GVA NUE CFE	VCE LED LHR HIR MUC
LOS	XL HAJ VCE	AMS BES	BIO RNS NUE
		MRS CGN	TLS PRG
		VRN BSL	MAN
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BA analysis of OAG schedule data for Aug 2013

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BA analysis of OAG schedule data for Aug 2013

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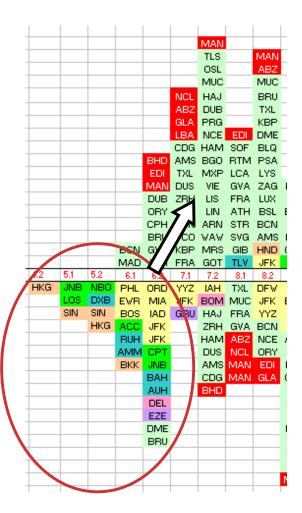
BA analysis of OAG schedule data for Aug 2013

BA Network structure

- Night flights are scheduled to depart the outstation late PM to arrive early AM
- Provide high feed volume onto early shorthaul departing flights

Without early arrivals?

- Removes critical feed onto 1st wave departures
- Reducing route viability for <u>both</u> longhaul and shorthaul
- Weakens BA network
- Weakens UK connectivity

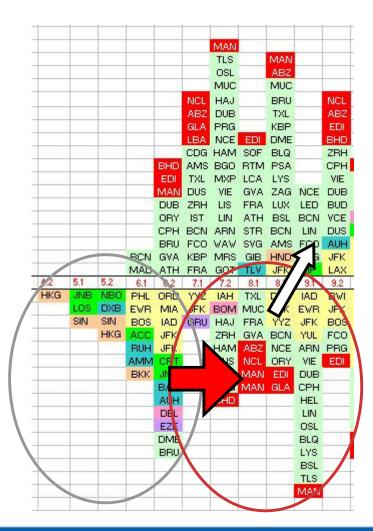


Alternatives ?

- Heathrow is constrained unlike competing large EU hub airports
- 480k per annum movement cap
- For later AM arrivals (e.g. 7-9am) both runways are already full

Moving early arrivals later?

- Lost feed support for 1st departures weakens network
- Uncompetitive = unviable
- Cancellation of other flights
- Slot confiscation?
- Inadequate infrastructure?
- Operational efficiency issues



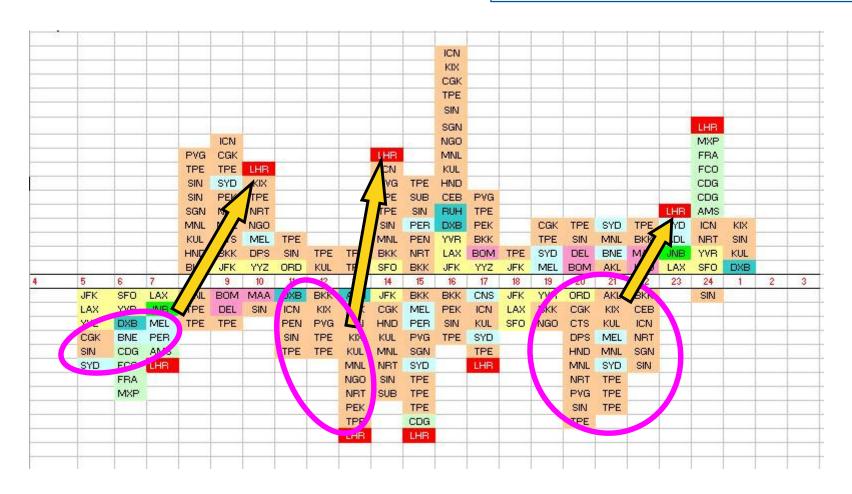
Service pattern example

Hong Kong	Depart	Arrive	LHR service	Europe service
	19:00	01:00		
	20:00	02:00		
	21:00	03:00		
	22:00	04:00		
	23:00	05:00	2xBA Cathay, Virgin	KLM, Lufthansa, AirFrance, Swiss
	00:00	06:00	Cathay	Finnair
	01:00	07:00		
	02:00	08:00		
	03:00	09:00		
	04:00	10:00		
	05:00	11:00		
	06:00	12:00		
	07:00	13:00		
	08:00	14:00		
	09:00	15:00	AirNZ (ends S13)	Finnair 2pw
	10:00	16:00	Cathay	AirFrance 5pw
	11:00	17:00		
	12:00	18:00		
	13:00	19:00		
	14:00	20:00	Cathay	
	15:00	21:00		
	16:00	22:00		
	17:00	23:00		
	18:00	00:00		

OAG schedule data for Aug 2013

Dep

Cathay Pacific hub at Hong Kong Friday August 2013 110 flights. Three wave system



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BA analysis of OAG schedule data for Aug 2013

BATA Night Flights summit: 23 Jan 13

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Conclusions

- BA and the UK compete globally for the knowledge and trade flows that are facilitated by connectivity
- The quality of UK connectivity is underpinned by the hub
- BA is service driven:
 - Operate a hub model because of the customer benefits
 - Fierce competition with other global hub operators
 - Commercial viability is essential to grow and maintain the network
- Night flights are a key component of the hub model
 - Cannot be viewed in isolation from the rest of the hub
- "Alternatives" undermine service viability and strain inadequate infrastructure

BRITISH AIRWAYS

