



# Airport/Airline Trends 2018

AIRPORT COUNCIL SPRING MEETING CINCINNATI, OHIO

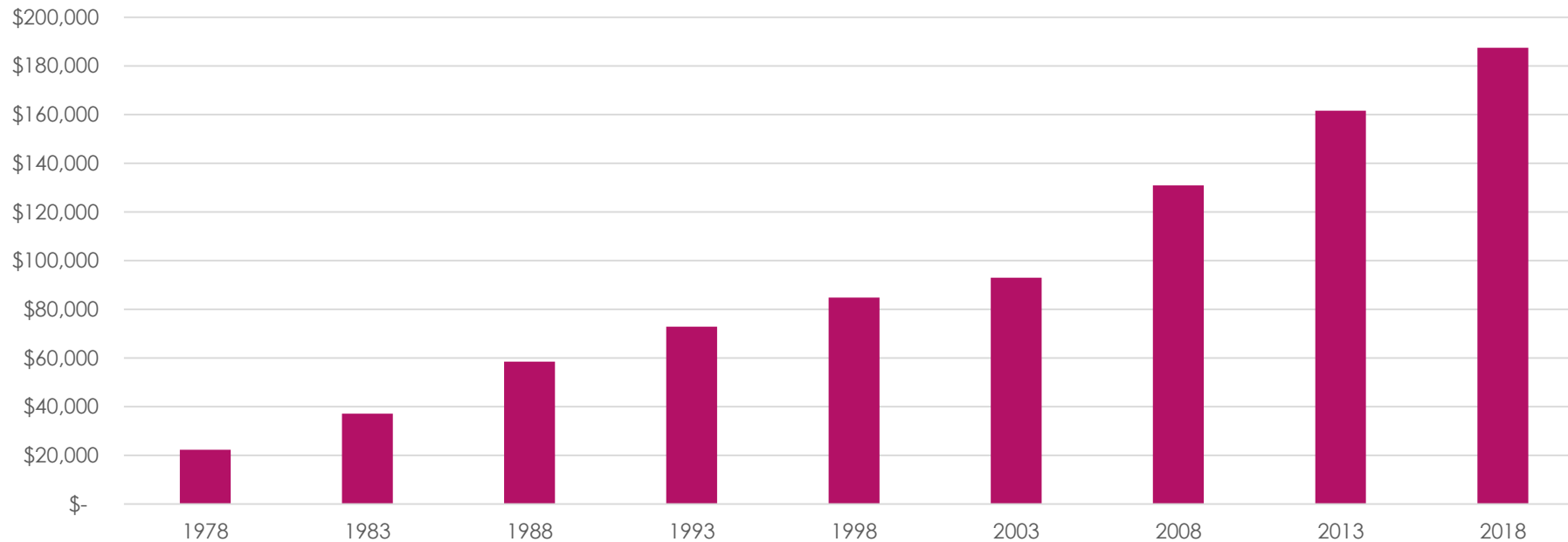
MAY 15-17, 2019 BY JOHN MEANS

# It was another good year despite...

- ▶ There were “headwinds” in our industry yet most airlines had another great year
- ▶ Headwinds included:
  - ▶ Increases in fuel cost
  - ▶ Increases in labor cost
  - ▶ Rising maintenance cost
- ▶ Yet most prospered
  - ▶ Why?

# Annual Operating Revenues US Airlines

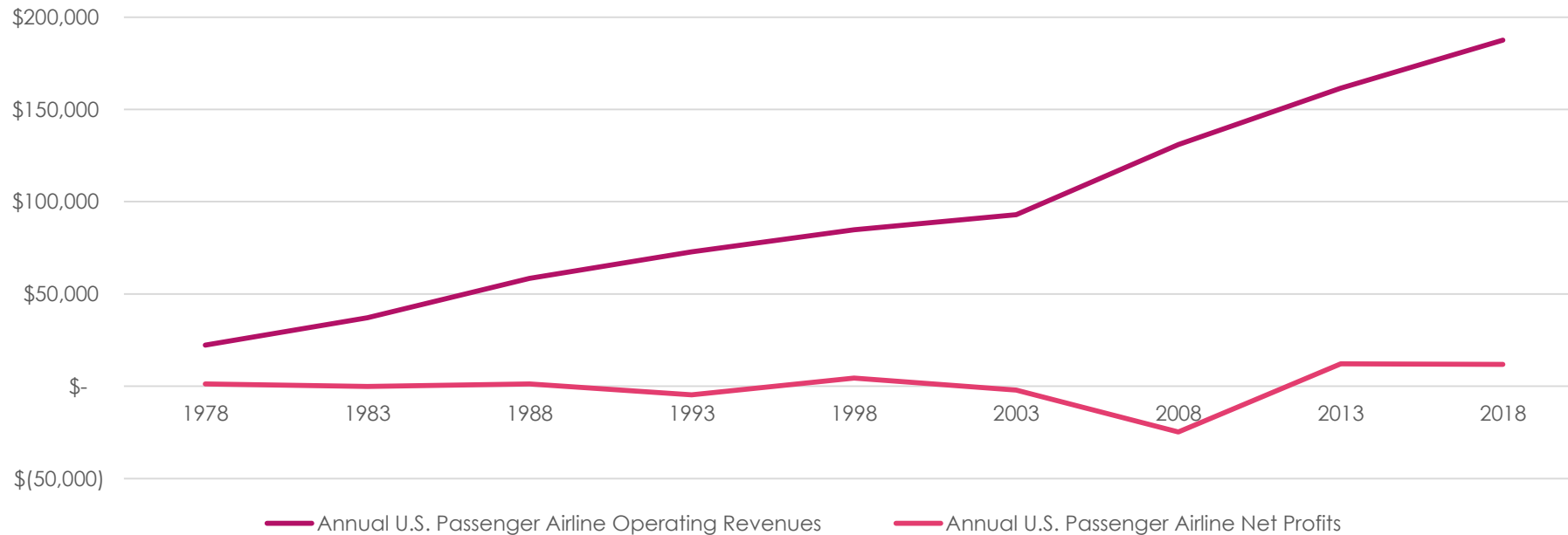
Annual U.S. Passenger Airline Operating Revenues (\$Millions)



**Revenues have consistently grown with aviation demand within U.S. driving bigger planes, and need for bigger terminals and facilities**

# Annual Passenger Revenues vs Profits

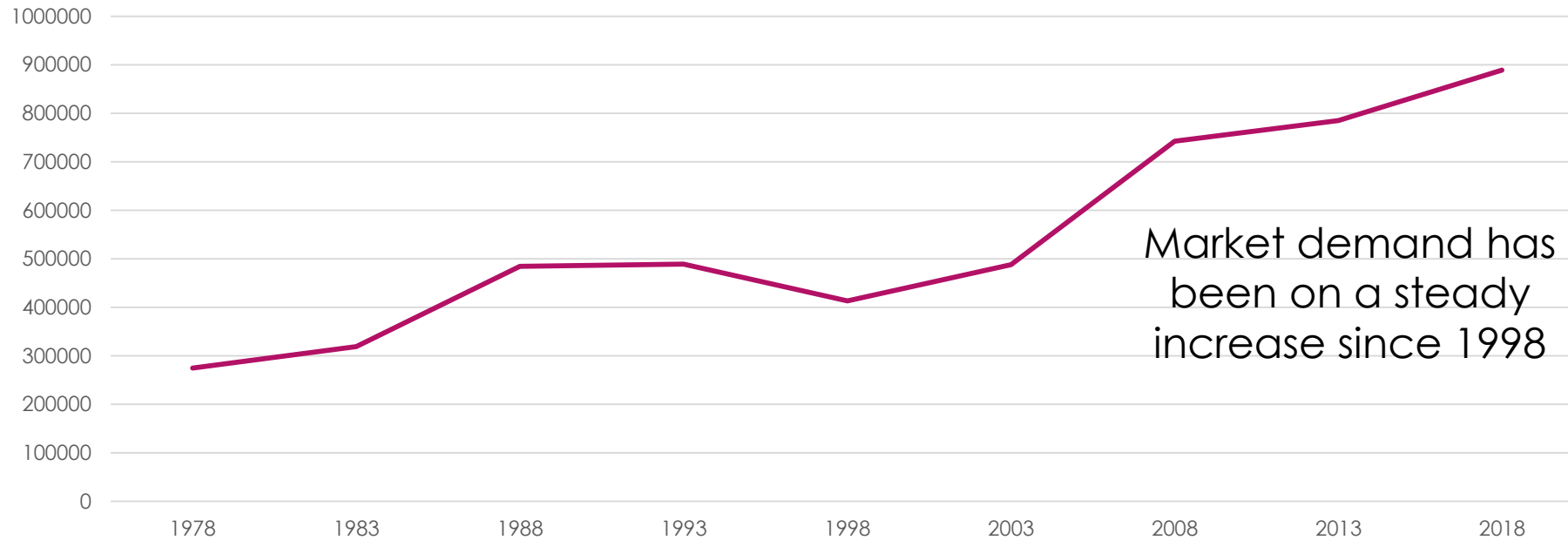
Annual U.S. Passenger Revenues vs. Profits (\$Millions)



**Profits have not always been a given despite increased revenues often due to fuel & infrastructure cost, PFCs & CFCs have helped tremendously**

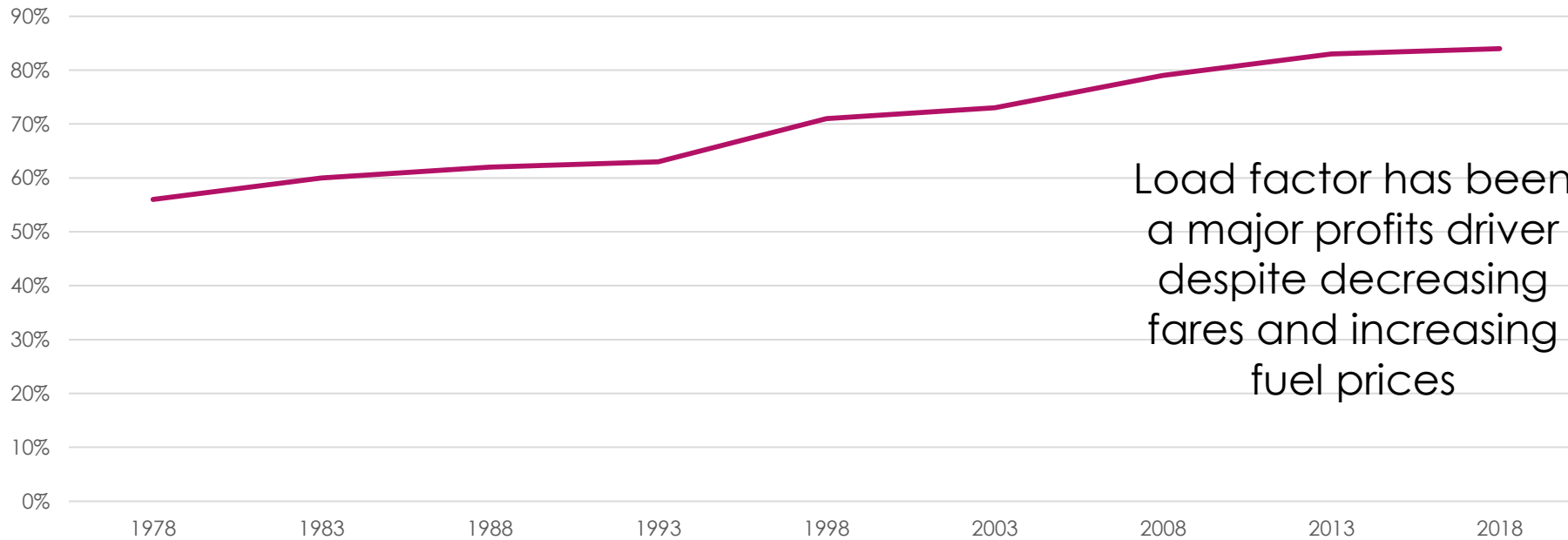
# Enplanements

Annual U.S. Passenger Enplanements (000s)



# Load Factor

Annual U.S. Passenger Load Factor



Load factor has been a major profits driver despite decreasing fares and increasing fuel prices

# 2019 Airline/Airport Industry Metrics

- Over 10 Million Jobs in America Driven by Airline and Cargo Transportation
- 5 Cent of Every American Dollar of GDP is Driven from Aviation Industry
- 2.4 Million Passengers transported daily
- 58 Million Tons of Cargo transported daily
- 24,794 flights scheduled daily
- 99.4% of flights scheduled are completed daily (most canceled flights due to weather)
- Airfares fell 16% from 2000 to 2015
- 125% Higher Fuel Efficiency from 1978-2018 drives greatest gains in a/c sustainability

# Implications for the future

- Expect continued price pressures on U.S. Domestic Fares to drive carriers to chose more investment in International Routes
- International flight increases drive more demand for bigger international gates and facilities to support the larger aircraft that service these flights
- Cargo will likely continue to increase as the retail market migrates towards internet shopping model via Amazon and others
- Skilled labor in facilities, maintenance crafts, and building services will continue to be constrained
- Sustainability demands for higher efficiency in buildings, fuel consumption, and environmental protection will likely continue



# Questions?

▶ ???