

## North America

### January – March 2006 Estimate\*



#### Passenger Numbers by Route (millions)

	Oct-Dec '05	Oct-Dec '04	% change	Jan-Mar '05	Estimate
Domestic	158.82	156.20	1.68%	153.68	156.27
International	37.55	32.87	14.23%	35.16	40.17
Total	196.38	189.07	3.86%	188.85	196.14

Domestic travel in the 4<sup>th</sup> quarter of 2005 has slight slowdown in growth, less than 2% compared to the previous year. Whereas the international passenger numbers grew by 14% and the forecast is for continuing growing, most likely due to Christmas holiday.

#### Passenger Numbers by Seat Class (millions)

	Oct-Dec '05	Oct-Dec '04	% change	Jan-Mar '05	Estimate
First	14.78	14.18	4%	14.24	14.85
Business	5.55	5.29	5%	5.37	5.63
Coach	176.04	169.60	4%	169.23	175.66

Meal numbers reflect trends in passenger numbers. Overall, the rate of growth in first class and business class passengers' continued to increase compared to the previous quarter. The estimate of coach travelling for the first quarter of 2006 figures dip slightly when compared to the first quarter of 2005.

#### Estimated Complimentary Meal Numbers and Type by Route (millions)

	Oct-Dec '05	Oct-Dec '04	% change	Jan-Mar '05	Estimate
Domestic					
Snack	94.66	93.09	1.68%	91.60	93.17
Breakfast	12.39	12.18	1.68%	11.99	12.19
Lunch/Dinner	39.86	39.21	1.68%	38.57	39.22
International					
Snack/Breakfast	32.59	26.23	24.19%	28.06	34.85
Lunch/Dinner	32.46	26.13	24.19%	27.96	34.72

International traffic travel in the 4<sup>th</sup> quarter of 2005 remained strong and continued with a growth of 24%. Domestic traffic has slightly increased compared to the previous quarter due to the major carriers changing their onboard catering offering and adopting the buy-on-board service instead. Air Canada has scrapped complimentary meals on its long-haul flights within Canada and the continental USA. Instead of free breakfast, lunch or dinner services, Air Canada is now charging CAD 5 for a selection of snacks and cold sandwiches.

### Passenger Numbers by Carrier (millions)

	Oct-Dec '05	Oct-Dec '04	% change	Jan-Mar '05	Estimate
American	20.47	22.57	-9%	21.76	19.73
Continental	10.75	10.73	6%	10.03	10.65
Delta	19.02	21.69	-12%	21.57	18.92
North West	12.84	13.32	-4%	13.51	13.02
United	16.49	16.84	-2%	15.69	15.35
US Air	8.95	10.60	-16%	10.65	8.98
Southwest	22.23	20.17	10%	19.79	21.81
Others	85.65	73.74	16%	75.85	88.10

Low cost airlines "Southwest" are seeing the highest fall in passenger numbers compared to the same quarter of last year. Most of the North American carriers are still reporting operating loss while the United Airlines decreased by 16% (more than double) compared to the previous quarter.

## Current Headlines

### MAXjet

Dulles-based MAXjet Airways, the low-fare all-business-class airline, will begin scheduled passenger service between Washington Dulles International Airport and London Stanstead Airport starting March 15, 2006 to bring greater value to savvy Washington travellers who will now be able to fly business class affordably.

<http://nan.btctravel.com>, 01/18/2006

### United Airlines

United Airlines is to focus more on high-spending premium passengers as it attempts to boost its revenues just weeks after coming out of Chapter 11. Upgrades to United's Economy plus seating will generate USD 50 million in revenue in 2006 according to the airlines; while making Economy passengers pay for items such as food is also expected to bring in additional cash.

#778.CAT18

### Delta Air Lines

Delta Air Lines has received the necessary U.S. government approvals to begin flights between the world's largest airline hub in Atlanta and the burgeoning South African city of Johannesburg, with an intermediate stop in Dakar, Senegal, effective Dec. 4, 2006. Beginning February 28, customers can purchase tickets for these new flights at delta.com and through other ticketing channels. With the new service, Delta will become the only major U.S. airline to offer non-stop service between Africa and the United States and the first airline to offer non-stop service between Atlanta and Senegal on the West African coast. It continued announcing new service routes.

- First non-stop service between Atlanta and Düsseldorf, effective April 3.
- non-stop service between Atlanta and Tel Aviv. The only non-stop service between the U.S. southeast and Israel.
- non-stop Atlanta to Kingston, Jamaica effective June 1.
- Delta adds Chicago-O'Hare, Dallas/FW Non-Stop from New York-LaGuardia beginning April 3
- non-stop service between JFK and South America's largest city, São Paulo, Brazil, effective June 1.

**Air Canada**

Air Canada today announced that effective June 16, 2006 it will introduce non-stop service between Toronto and Shanghai. Air Canada will operate three non-stop flights per week between Toronto and China's largest city, complementing its Toronto-Beijing non-stop service launched in June 2005, and its daily non-stop flights to both Shanghai and Beijing from Vancouver. Air Canada also operates twice daily flights to Hong Kong including non-stop service from Toronto. Air Canada will be the only carrier offering non-stop service between the largest commercial cities of Canada and China. With an elapsed time of 14 hours 45 minutes westbound and 13 hours 40 minutes eastbound, Air Canada's new Toronto-Shanghai service will save travellers more than 3 hours in each direction compared to the Vancouver routing.

<http://nan.btbtravel.com>, 09/012006

## **Explanations**

*\* The North American Report is classed as an estimate rather than a forecast because of the time lag in receiving data. There is a three month delay in domestic passenger data being inputted into the Intermodal Transportation Database and a four month delay for international numbers.*

### **Passenger Numbers by Route**

*The data in this table is derived from the Intermodal Transportation Database available on the Bureau of Transportation Statistics website.*

*% change - This compares the last full quarter of this year with the same quarter in the previous year.*

*Estimate - The estimate is based on the trend derived from the equivalent quarter of the previous year and the percentage change in the last full quarter.*

### **Passenger Numbers by Seat Class**

*The data in this table is derived from data found on Euromonitor's web pages. The seat class data is defined by country and is then applied to the major carrier for that country.*

### **Estimated Complimentary Meal Numbers and Type by Route**

*The data in this table is calculated by taking the total passenger numbers by route and applying a formula to provide an estimate of the types of meals provided to passengers. This figure is then manipulated to consider the take up of this particular meal type (i.e. snack, breakfast, lunch or dinner) by passengers (based on load factor data). The formulae used to arrive at these figures are based upon consensus meal values agreed upon by a panel of experts. In the future these formulae will be subject to change on a monthly basis.*

*% change – Please see above.*

*Estimate – Please see above.*

### **Passenger Numbers by Carrier**

*The data in this table is derived from the Intermodal Transportation Database available on the Bureau of Transportation Statistics website. Southwest Airlines is the only major carrier specified whose passenger numbers are for domestic (intra-continental) flights only.*

*The 'Others' category includes passenger numbers from other US based airlines such as Alaska Airlines and American Eagle Airlines as well as including all international carriers who have routes into/within and from the USA.*

*% change – Please see above.*

*Estimate – Please see above.*