



## AIR CARGO COMMITTEE MEETING

September 17, 2017 • Room 203B, Fort Worth Convention Center • Fort Worth, TX

### MINUTES

#### **Steering Group members in attendance:**

Andy Lyall (YHZ), Bryan Schreiber (CMH/LCK), John Parrott (ANC), Douglas Bañez (Hubpoint), Adam Rod (ORD), Kevin Howell (GSP), Tom Ruth (YEG)

#### **1. Welcome and Opening Remarks**

Andy opened the session thanking everyone for their attendance. The attendees in the room introduced themselves.

#### **2. Driving Air Cargo Business in Texas**

In a panel moderated by Doug Bañez, a panel of air cargo experts talked about the regional air cargo community in Texas and how airports and their cargo communities are enabling and benefitting from further development of this important business: Milton De La Paz (Vice President, Airline Relations, Dallas/Fort Worth International Airport) spoke about the economy of the North Texas region in the context of the United States and the rest of the world, the strengths of the cargo community around DFW and how DFW is positioned to facilitate transborder trade; Susan Parker (Senior Account Manager, AA Cargo) gave an overview of AA Cargo, growth routes and AA Cargo's operations at DFW; Kerry Galegher (Senior VP, Cargo, dnata Cargo USA) elaborated on the different types of perishables handled and their facility at DFW. Overall, the three speakers highlighted the importance of working together to drive air cargo growth.

#### **3. Working Group Updates and Discussion**

##### **a. Air Cargo Data (Doug Bañez)**

The Working Group has determined that they have reached a point where there is not much missing in the identification of data sources and outreach efforts. A summary of their findings will be produced.

##### **b. Media Collaboration (Andy Lyall)**

Andy mentioned the airports that have contributed articles to Flying Typers and encouraged other airports to participate and submit articles.

##### **c. Engaging Next Generation of Air Cargo Professionals (Bryan Schreiber)**

Bryan presented a slide deck that he had put together to present to high school or college students to introduce them to a career in air cargo. Committee members present offered suggestions to the presentation, such as the use of more visuals or if a short clip can be used to show the impact of air cargo on our daily lives. The documentary "Living in the Age of Airplanes" was referenced as having some scenes highlighting the spread of goods around the world through air cargo. Bryan to reach out for permission to use such a clip for educational efforts.

#### 4. 2018 Projects

Michael Webber (Associate Vice President, Landrum & Brown) presented a few issues that have been identified for potential 2018 projects.

##### a. Cargo Handling Operations

Attendees noted that airports do not impose caps on the number of handling companies as airports do not limit competition. The selection of handling companies by carriers is not under the purview of airports. However, attendees felt that other questions raised were worth considering:

- Do airports have handling companies that do not lease space but nevertheless operate on the airport? Does the airport collect a fee for allowing the operation? How does an airport deal with this circumstance if there is a competing company that does lease space?
- Does an airport treat a carrier that handles other airlines differently than it does a handling company?
- What airports collect a percentage of handling fees as a “cost of doing business” at the airport? How are the fees determined, and how are they audited?
- What are the implications of the new “common use” cargo facilities that give virtual monopolies to a handling company, and how can airports address potential conflicts?

##### b. The Impact of E-Commerce

This was a topic that attendees unanimously agreed upon to consider

##### c. Fees and Revenues Attributable to Cargo Operations

One suggestion was to collect and quantify examples where cargo operations drive or save passenger services. Another question was also raised on air service incentives and alternatives to incentives.

The attendees felt that the e-commerce topic should be prioritized first, followed by the fees topic, while the topic on cargo handling operations did not attract as much support.

Next, Mike Webber asked the attendees about their usage of the Air Cargo Guide. Attendees agreed that this is a useful resource that should be updated, however awareness could be lacking. It was proposed that Ashley send a note to the ACI-NA Air Cargo Committee about the guide to highlight its existence and at the same time a survey on the usage of the guide and sections which have been identified that need to be updated. It was also suggested that the results of the 2018 projects could be included in the updated Air Cargo Guide. One of the attendees asked if it would be possible to look at some analytics such as page views or download counts for the Air Cargo Guide. Ashley would look into it.

#### 5. Roundtable Discussion

Bryan asked the attendees if anyone had any questions or issues to raise that was not already covered and discussed. One question was on incentives at airports for air cargo service. Ashley told the group that he would like to produce a set of industry metrics/updates for air cargo, similar to the current ACI-NA Industry Update that is focused on the passenger side. Some metrics proposed were the split between domestic and international tonnage, and the split between enplaned and deplaned tonnage. Additional consideration would be required to identify and produce such an update which will be of use for air cargo. Doug volunteered to aid Ashley in this effort.

#### 6. Wrap-up and Adjourn

Andy thanked everyone for attending the meeting and that he hoped to see everyone again in Austin for the AirCargo Conference. Andy was presented with a plaque as a token of appreciation for leading the Air Cargo Committee.