

Airport management

Airports may call the shots but that doesn't mean to say that handlers have no voice. Len Kirsch advocates diplomacy in the form of measured negotiation.

Lately, because of the economic downturn, airport authorities have been doing some strange things, including imposing new and often absurd fees and employment obligations. In response, my partners and I have been spending a lot of our time negotiating with, and often challenging, airport authorities. And from what I gather, it is not only in the US that airport authorities are imposing new and higher fees and more onerous obligations on the handling industry.

Many readers will have heard about the new Living Wage Ordinance at Los Angeles. What made this Ordinance so terrible was not only the imposition of costly benefits, but the fact that this Ordinance was poorly written and was interpreted differently. Fortunately, the City Attorney offered a simple explanation, and as would be expected, extended these rules to all ramp workers.

In the US, airline service companies and airlines have the protection of the Sponsor Assurances, which airport authorities are required to agree to in return for federal funding. Among other protections afforded private business by these Assurances are requirements ensuring that parties wishing to do business at an airport face reasonable and not unjustly discriminatory entry requirements.

Thus airport authorities are not allowed to grant any company an exclusive right, must not unjustly discriminate against an aeronautical party and are told to (but not required to) provide Minimum Standards, which define entry requirements. There is also a process to challenge airport authority decisions through an informal Part 13 process, as well as a more formal Part 16 process.

When we negotiate with airport authorities, we begin by gathering all of the facts. Most systems of law have a means to obtain public documents. In the US, we call this a Freedom of Information Act request. The first thing we always ask for are copies of a client's competitors' documents, including airport leases and sometimes permits. We also require documents for parties which may not compete but which are similarly situated (for example, they may lease similar space). It is amazing what you can find by a search of public documents. You may learn, for example, that the reason your competitor is charging so much less than your company is that their leasing costs are much lower, even though they signed a lease when you did for similar property.

The next step we take is to contact the airport authority and request a meeting. Often the best approach with an airport authority is to try to educate them about a problem or an interpretation of a law or regulation. We often find that smaller airport authorities do not fully understand all of the governing regulations or may, at times, not fully

understand how a client's problem is a cause of general concern.

If the issue is money, we try to suggest better ways for the airport authority to raise revenue. If it is a handling company client, we suggest fees that can be easily passed on to airline customers rather than be absorbed by the handler.

Of course there are times when negotiations are useless and litigation is required. We all need to remember, even if litigation is a necessity, the client will have to live with the airport authority when the litigation is over. Recently, we suggested to an airport authority that instead of our client submitting an adversarial complaint in a matter over which the parties just did not see eye to eye, that we make a joint submission to the governing authority with a request for a ruling one way or the other. This approach let the airport authority see that we were acting in good faith without rancor or making any effort to embarrass them. It may have made the difference in negotiating a settlement - at least, I will know in a few weeks' time.

The one thing you must always be careful of is to never imply that an airport official was not "truthful." A statement may have been made "in error" or the official was "mistaken" or was not "understood", but never "untruthful." If there is one thing that will unite an airport authority and force it to litigate is the implication that someone was lying (even if they were lying).

I also suggest raising issues of substantive due process (challenging the rule) but not procedural due process (trying not to challenge the process). This is not because the process an airport authority uses is always fair - far from it. However, we have learned that it is tough to win a battle where an airport authority is accused of an unfair process, and it seems an airport authority will forgive a challenge about a law, but rarely forgives a challenge about process.

In conclusion, one last point. To the extent possible, seek out a former airport or governmental official as a consultant. We have engaged as consultants former airport authority officials and former FAA employees and their advice is worth every dollar (or Euro).



McBreen & Kopko
500 North Broadway
Suite 129
Jericho, New York 11753
Tel. (516) 364-1095
Fax (516) 364-0612
Mobile (516) 318-5991
LKirsch@mklawnyc.com
www.mklawnyc.com

Terminal provision for the World Cup

■ With the World Cup football programme beginning in South Africa in June 2010 has come a need to cater for the huge numbers of extra travellers who will be attending the matches. Players and spectators from all over the world are expected to attend the event, but not all of South Africa's airports are designed to handle large numbers of passengers. With

CapacityPlus, however, airport operators can increase their handling capacity for a specific period at a low cost, enabling them to ensure reliable and swift handling of the additional passenger numbers anticipated at such events.

The operating company ACSA has ordered two CapacityPlus terminals from Siemens Mobility for its airports in Port Elizabeth

and Bloemfontein, since it makes no sense to increase capacity on a permanent basis when passenger numbers will drop back to normal following the tournament. Each terminal covers an area of 1,800 square metres and can handle up to 4,000 passengers a day.

CapacityPlus is a system service from Siemens Mobility which provides all the necessary

functions and modules for a fully equipped additional terminal in line with the IATA standards: namely an arrivals area with baggage claim; departures area with check-in counters and baggage conveyance system and an electronic monitoring system for 100% baggage and personal security checks. A waiting area, sanitary facilities, power supply and the necessary facilities required for police, customs and First Aid complete the range of modules on offer, together with an option for shopping and restaurant areas. Siemens is using a terminal concept and layout especially developed for large events so that the required functionality can be realised in the smallest of spaces. The system is also suitable for use by low cost carriers, allowing them to react quickly and flexibly to fluctuating passenger numbers.

(Siemens installed a CapacityPlus terminal at Lisbon airport in Portugal during the Euro 2004 football championship. Such a temporary terminal solution was also used for the Asian Games in Qatar on the Persian Gulf in December 2006. Lisbon airport subsequently extended its passenger capacity with CapacityPlus in October 2007).



Instant terminals from Siemens will help process influx in June: these can process 4,000 passengers a day

Domodedovo's unique asset

■ Moscow's Domodedovo International airport has started using a technology believed to be unique within Russia and the CIS. The application has been designed to ensure operational

voice communication between the towing service on the apron and the relevant air crew. This state-of-the-art equipment, which was supplied by Ramp Handling Solutions in the UK, is based on

the DECT technology, which can be used without dedicated radio frequencies, thereby enabling the pushback crews, tractor drivers and air crews to have clear two-way voice communication. Moreover,

the system ensures that this two-way communication is not prone to jamming, and thus frees up movement on the apron, resulting in less time being taken during the aircraft turnaround.

Trio of new contracts for Mobiqua

■ Mobiqua, a mobile content optimisation specialist, has delivered its mobile boarding pass at the core of the most comprehensive menu of mobile phone functionality available to airline passengers anywhere in the world.

Mobiqua's mobile barcoded boarding pass (or mBCBP) delivery service is an integral part of

Malaysia Airlines' unique suite of applications for its 14m passengers – flymas.mobi – and was specially developed for the airline by SITA.

The application flymas.mobi allows passengers to book, pay, check in and board their flight simply using their mobile phone and Mobiqua's technology allows passengers to receive their boarding pass on their phone

in the form of a WAP-Link or e-mail message. This boarding pass contains an IATA standard 2D barcode and useful travel information for the passenger, such as flight times and their seat number.

Elsewhere, Olympic Air has launched a mobile boarding pass delivery service for its passengers which offers more freedom and

greater flexibility, especially for business travellers.

Finally, since the launch of Vueling's mobile boarding pass service, thousands of passengers have successfully used their mobile phone to board their flight from Terminal 1 in Aeropuerto de El Prat. These new measures have significantly reduced paper wastage.