

CAN WE COMPETE?

Feeder airline linked to Midway might be a way to return a business-oriented passenger service to Winston-Salem

By Kristi E. Swartz
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Ed Cox Jr. once asked the attendees of a civic group meeting to acknowledge whether they knew about the passenger service at Smith Reynolds Airport.

Not even a finger was lifted. "I never got a hand," he said. That was more than a year ago, before CC Air Inc., one of the regional carriers of US Airways Express, pulled out of Winston-Salem's modest-sized airport. CC Air offered three daily round-trip flights to Charlotte.

But Cox, the director of Smith Reynolds, understood that people were most familiar with the North Carolina airports in Greensboro, Charlotte and Raleigh. He also knew coming into the job that CC Air already had announced that it was going to discontinue its service because of financial reasons. He just didn't know when.

"They competed with themselves," he said. US Airways Express already offers enough daily flights out of the Piedmont Triad International Airport to have a steady market of business travelers. CC Air's flight times also were at less than convenient travel times, being too late in the morning or too early in the day to fit in with most business schedules.

After CC Air's withdrawal, Smith Reynolds had a year to find a way to get at least 10,000 passengers moving through the airport on a carrier to be eligible for about \$500,000 a year in a Federal Aviation Administration entitlement grant, which allocates money for airport improvements. And that is for the smallest size grant. Raleigh-Durham International Airport, which pushed about a quarter million passengers through just during the week of Thanksgiving and half a million during the two weeks of Christmas and New Year's, can be awarded a significantly higher amount, for example.

Winston-Salem generates a tremendous amount of air service demand; it isn't a small city by any means, and until now, PTL has served almost the entire region," said Mike Blanton, RDU's spokesman. "Although we get a lot of traffic for flights and lower fares."

The best way to go after new service, either to attract a new carrier or to get one to add more routes or flights, is to look at market demand and also to look at the underserved markets at nearby airports, Blanton said.

"Take that data to the carriers and state your case," he said. Cox talks about this challenge in a very matter-of-fact way, but he has some possible solutions.

which include turning to passenger service again. The airport in a way is in the shadow of PTL, which itself is in the middle of marketing its low fares and adding more flights to better compete with Charlotte and RDU, which are hubs to major and low-fare airlines.

"Competition is quite severe, especially when there's a larger airport 16 air miles away," Cox said. "We can't compete, so the service has to supplement."

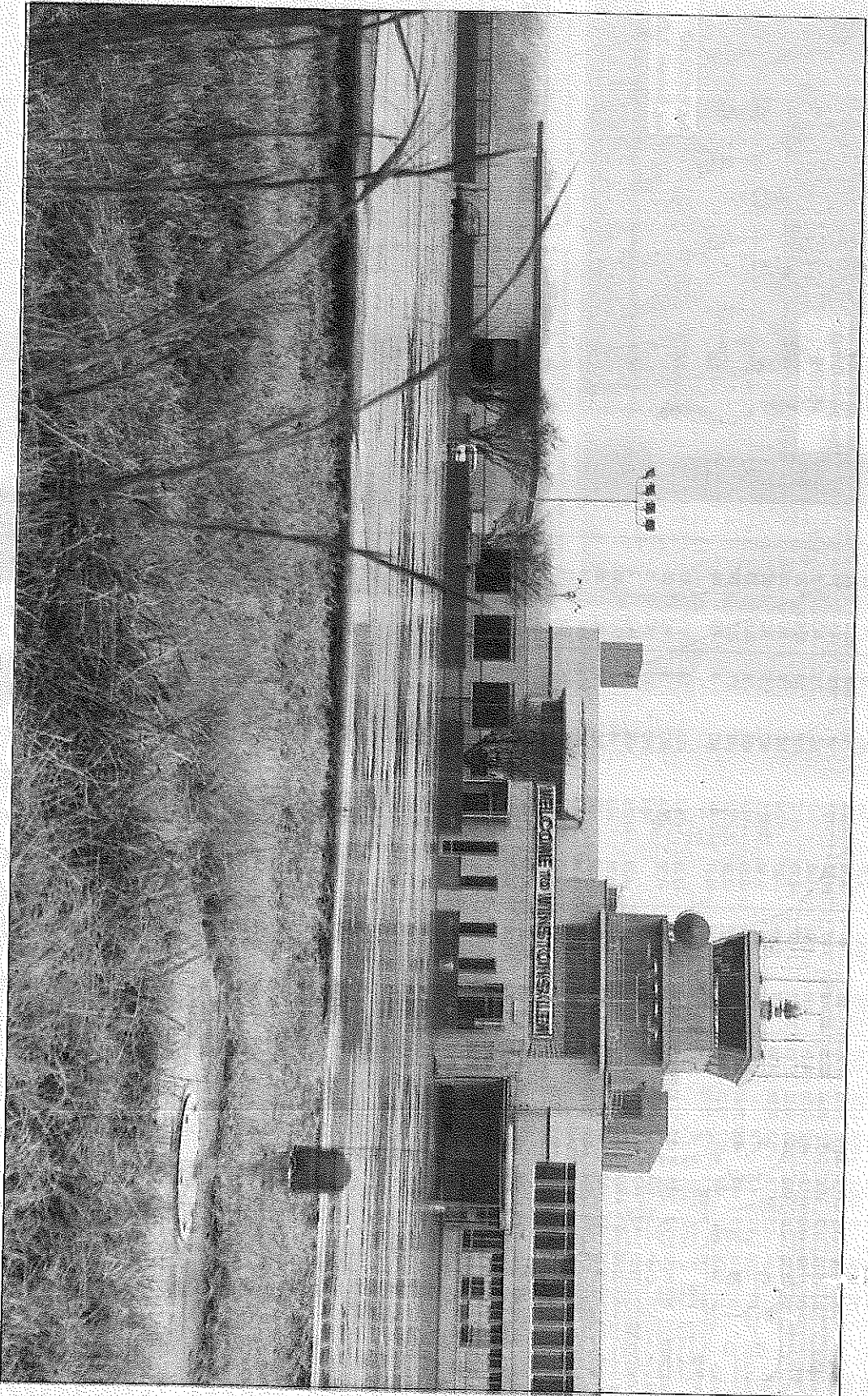
Two airports that close together normally both don't offer a lot of passenger service, said Ted Johnson, the executive director at PTL. He looks at Smith Reynolds as having a premier fixed base operation there but said it would be quite a challenge to generate some passenger traffic because it is so close to Greensboro.

Consultants who were hired to help sort out the passenger issue told Cox the best bet was to hook onto Midway Airlines service with the feeder Corporate Airlines. Corporate Airlines already provides point-to-point service between the airports in Wilmington and New Bern to the one in Raleigh. Nothing like that is available out of PTL, so Cox thinks it's the

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HOLDING PATTERN: Passenger service at Smith Reynolds ended more than a year ago when CC Air Inc. a regional carrier of US Airways Express, pulled out. It had been offering three daily round-trip flights to Charlotte.

JOURNAL PHOTO BY DAVID ROLFE