

Flying in formation

➔ **JOHN HOLLAND-KAYE, BAA, TELLS *FUTURE AIRPORT* THAT AIRLINES AND AIRPORTS MUST WORK TOGETHER TO OVERCOME THE INDUSTRY'S FINANCIAL AND ENVIRONMENTAL ISSUES.**

**FUTURE
ROUTES**

***Future Airport:* Can you give me a brief synopsis of the points you are looking to raise during the Global Strategy Summit?**

John Holland-Kaye: The aviation industry is facing many challenges and not all airlines and airports will survive, at least not in their current form. Airlines and airports must learn to work together to survive the downturn and put things in place for when the market recovers. There are a number of areas where we can cooperate: reducing cost, improving passenger service, minimising environmental impacts, improving safety and security levels and getting the the appropriate industry framework in order, for example, by optimising airspace.

***FA:* If there was one piece of constructive advice you could give to the aviation industry at the moment, what would it be?**

JHK: Our focus has to be on efficiency and providing the best possible customer service. As an industry we have experienced difficult times before and, although this downturn is proving particularly challenging, we should recognise the potential opportunity this brings for restructuring and streamlining our operating models. By ensuring our operations work effectively, efficiently and in cooperation, we will be better placed to deliver the service that passengers expect. The passenger has to come first.

We also need to remain focussed on managing our impact on the environment. Sustainability has to inform every element of our business, and we need to work collectively at exploring the new technologies and infrastructure. This is crucial for making tangible progress towards environmental efficiencies.

Consideration for the environment rightly has a place in every sphere we operate. Our customers expect an ongoing and credible commitment to sustainability, something that is also vital if the industry expects to receive political support.

***FA:* OPEC is suggesting that it will keep the price of fuel at \$75 a barrel. Given that this was the price when the industry was**

producing record-breaking traffic figures, is it a sustainable price for the industry now?

JHK: High fuel costs will push up prices and undermine demand, which is not good for the industry. However, if high fuel costs encourage airlines to invest in more fuel-efficient aircraft, then that is a good outcome for the industry.

***FA:* When do you expect passenger figures to increase; will they ever return to their record highs of early 2008?**

JHK: Global air travel demand has been growing robustly over the past 30 years and is expected to continue growing faster than GDP. Historically, traffic has bounced back from short-term drops such as those that occurred after the Gulf War or Asian economic slump in the late 1990s.

There is still an awfully long way to go before we see any tangible evidence of recovery but, based on past experience, I feel cautiously optimistic. This recession will certainly leave its mark, and I do feel that the industry will have been fundamentally altered by having experienced these economic times, much as most industries will. ○



JOHN HOLLAND-KAYE

➔ John Holland-Kaye is commercial director, BAA.