

# Lost in transition

Lost bags have long been an unwelcome part of the air travel industry, causing discontent for passengers and costing the industry billions. IATA has set up the Baggage Improvement Programme (BIP) to tackle this longstanding issue once and for all. **Andrew Price**, assistant director of baggage and the BIP at IATA, speaks to Mark Brierley about the cost of mishandled baggage and the drive to reduce this significantly.

## Andrew Price

Andrew Price is currently the head of IATA's Baggage Improvement Programme. Prior to launching the BIP, Price was the IATA RFID project manager. During this time, IATA won the RFID Breakthrough Award in 2006 for its work on the business case for baggage handling in the aviation industry.



Lost and mishandled baggage has been a thorn in the side of the aviation industry for many years. Certainly, episodes such as the opening of Heathrow Terminal 5 only serve to perpetuate the notion of poor baggage handling practices in the industry. This fact is all too obvious to Andrew Price. "Customers do not like losing their baggage, in fact, having your checked-in baggage arrive safely and promptly was ranked as the second most important factor in making a customer's journey pleasant, according to the 2009 IATA Corporate Air Travel survey."

Not only do travellers want to see their baggage arrive safe and sound, airlines and airport operators also need the situation to improve. "Baggage mishandling costs the industry money – to the tune of US\$2.5 billion in 2009, according to the SITA 2010 baggage report," says Price. Money that the industry can ill afford to waste with strike action and volcanic ash among the growing list of woes to add to the lull in passengers seen during the past couple of years. Still, as passenger numbers recover following the global economic downturn, so do the number of bags passing through airports. The question remains as to whether or not we will see

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an increase in the rate of mishandled baggage in line with this rise. IATA certainly hopes to stop this scenario being realised through its Baggage Improvement Programme (BIP).

"During the economic recovery, passenger numbers and bags will pick up again. BIP provides a mechanism for ensuring that mishandling is reduced not only in recession, but also in recovery," explains Price. "The programme aims to cut mishandling in half by 2012, saving the industry US\$1.9 billion every year."

It aims to do so by actively engaging with the 200 airports globally that

"Since the inception of BIP, baggage mishandling has been reduced by 20% from 2007 to 2008, and a further 24% from 2008 to 2009."

account for 85% of mishandled baggage cases. A scheme of systems integration, staff training and passenger education aims to achieve this goal. But before these can be implemented, the cause of the problems must be identified.

"To identify and solve baggage handling issues, IATA sends a BIP team to do a five-day diagnosis with the sponsor airline. During this visit, key strategic points along various processes are studied. Standard diagnosis templates are then used to facilitate co-ordination and consolidation of the analyses."

Only once this process has been completed can the best possible solution for the situation be decided upon.

"The BIP team has developed a comprehensive solutions toolkit. It is comprised of over 60 solutions gathered during the diagnosis visits. One of the >>>



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most popular solutions is the use of the five S's of baggage: sort, straighten, sweep, standardise and sustain. That way, time isn't wasted looking for things but is instead spent on handling baggage. The toolkit covers all problems that cause baggage mishandling and offer specific solutions, such as the use of the baggage reconciliation system, the training of baggage acceptance agents, and the implementation of the track and trace process."

Careful consideration of all possible solutions then allows for implementation and ultimately an improvement in baggage handling performance. Success has already been witnessed on a large scale. "Since the inception of BIP, baggage mishandling has been reduced by 20% from 2007 to 2008, and a further 24% from 2008 to 2009."

There are no plans to stop there. The programme has so far only included 40 airports, but this number will increase to 200 eventually.

"In order to achieve this, a further 20 airports will be visited each year from



### IATA's Baggage Improvement Programme

- **Rationale:**  
Mishandled baggage affects 42 million passengers per year and costs the industry \$3.3 billion.
- **Key aim:**  
By 2012, the aim is to reduce the rate of mishandled baggage by 50%. To achieve this, IATA aims to reach 200 airports through site visits by BIP teams, and the introduction of an extensive self-help programme.
- **Current status:**  
After 31 diagnosis visits so far, the BIP team has implemented solutions that have reduced mishandled baggage by over 90% in each case. 2010 also marks the year that the self-help programme will begin in earnest, after the successful trial at Kahului Airport in Hawaii.
- **Key outcome:**  
The industry will save \$1.9 billion per year.

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2010 to 2012 to reach 80 of the top airports. In 2010 specifically, the aim is to complete 15 diagnosis visits."

However, the BIP team at IATA can only do so much, so in order to reach a wider audience, a system of self-diagnosis and implementation is being promoted alongside the diagnosis visits already being made by the team. This has initially been tested at Hajuluo Airport in Hawaii with great success. The aim is now to replicate this amongst other airports.

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“BIP’s plans for the future include providing an updated toolkit capable of addressing all the causes of mishandling to the entire industry. Over the next two years, the self-help programme, which includes exercises that airlines and airports can perform to identify mishandling issues, will reach an additional 120 airports.”

It is hoped that this will address 85% of all mishandled baggage issues, but the task doesn't end there. “The challenge for the programme now will be to continue the downward trend in mishandled baggage as passengers and their bags return to the skies.” If this momentum can be maintained, as passenger numbers rise and the programme is introduced at an increased number of airports, the end result will be an improved passenger experience and cost reductions for airports and airlines; a win-win situation for everyone involved. ■