

# Massport

## Airline Route Development at Boston Logan



# Airline Route Development is a Core Element of Massport's Mission

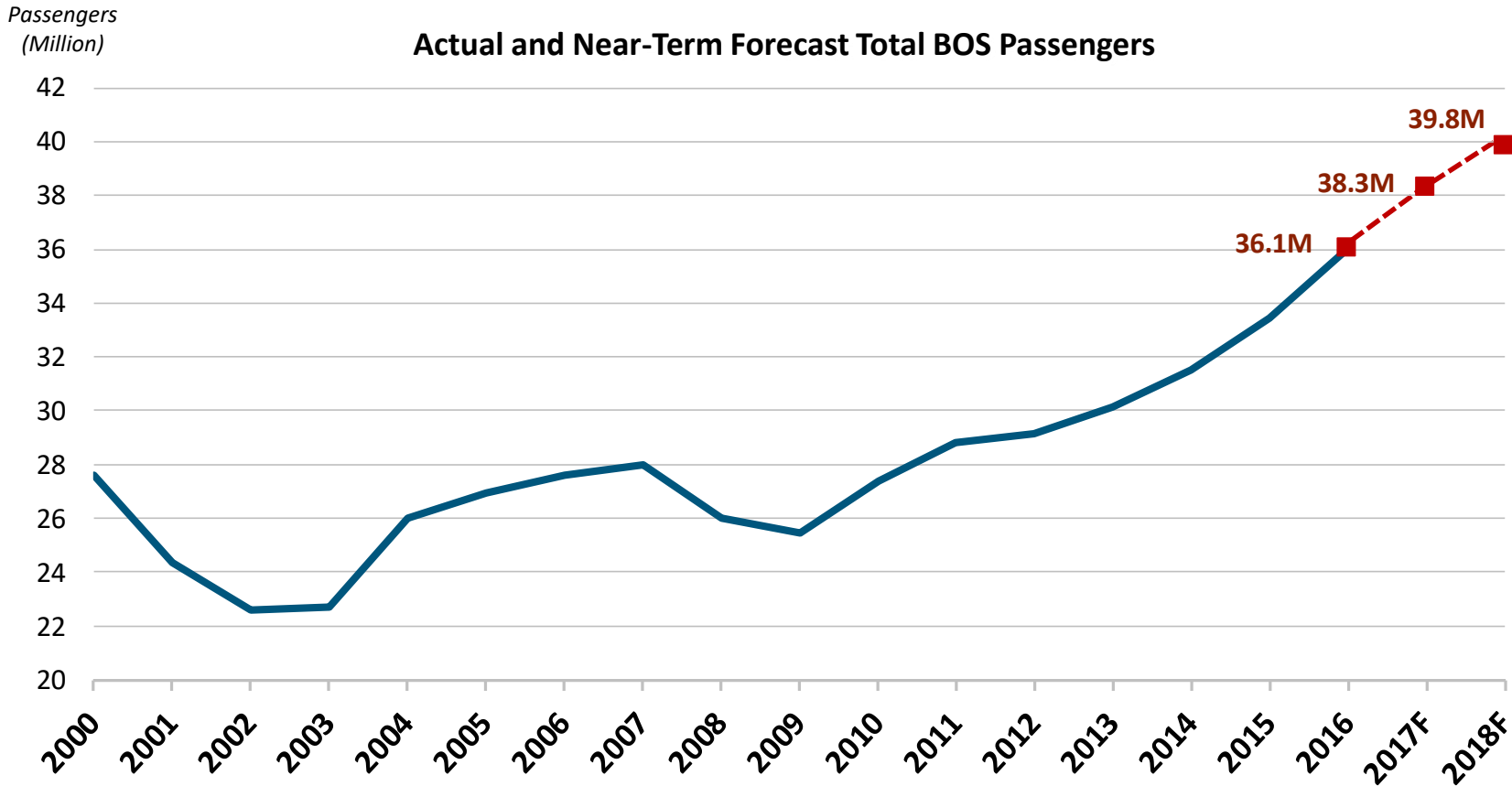
- ***Enhance the economic growth*** in Massachusetts and New England, by enabling people of this region to travel and do business anywhere in the world
- Strengthen Boston Logan International Airport's position as the Gateway to New England
- Attract new international and domestic air services and expansion of existing service at Logan
  - Including expansion of Low-Cost Carrier services to maintain competitive fares

# Boston Logan International Airport (BOS) is One of the Busiest Origin-Destination (O&D) Airports in the U.S.



- Over 36.2 million passengers carried in CY 2016
  - **6<sup>th</sup> Year of record-breaking traffic**
    - Including 6.6 million international passengers
    - Approximately 90% of BOS passengers are local origin-destination (o&d)
- Served by 56 scheduled air carriers
  - Including 30 foreign flag carriers and 11 low-cost carriers
  - No airline has over 27% market share
- jetBlue & Delta are rapidly growing their BOS 'hubs'
  - jetBlue: 150 departures/day to 63 destinations, with plans to grow to 200 departures/day
  - Delta: 100 departures/day to 30 destinations, with plans to grow to 150 departures/day
- 5 main runways, plus 1 commuter runway
  - No slot constraints
- 4 passenger terminals, 98 gates total
- Over 640 million pounds of cargo and mail carried in CY 2016
  - Over 508,000 sq. ft. of on-airport cargo facilities

# Boston Logan is Expected to Reach 40 Million Passengers Before 2020



Note: Excludes GA passengers.

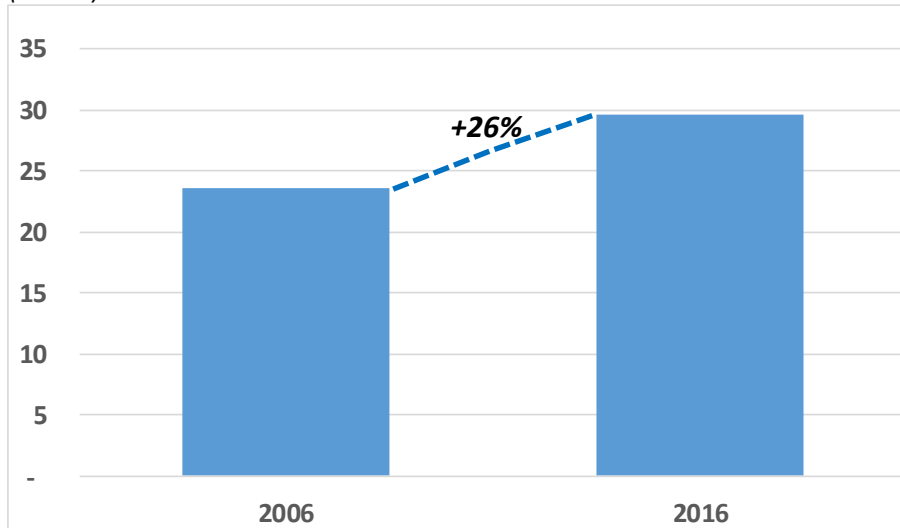
Source: Massport and InterVISTAS forecast



# International Passengers at Boston Logan have Grown Much Faster Than Domestic Passengers

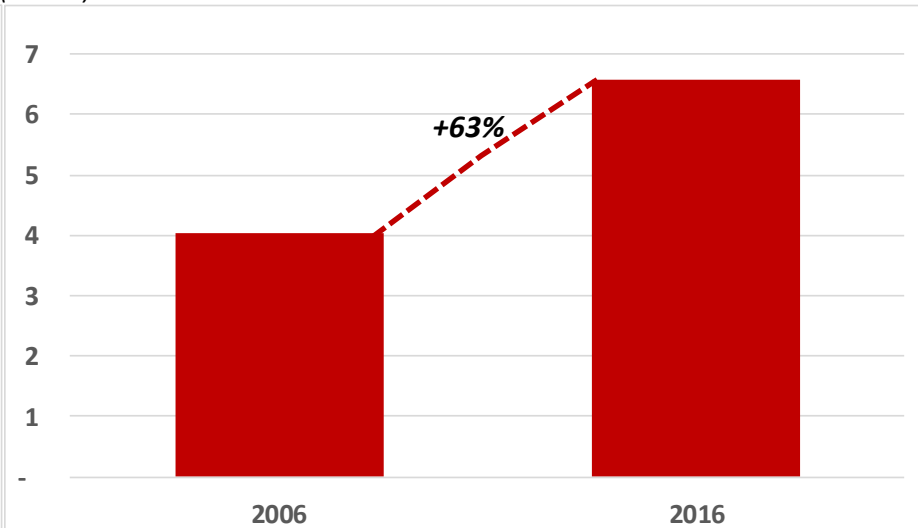
Passengers  
(Million)

## Domestic BOS Passengers



Passengers  
(Million)

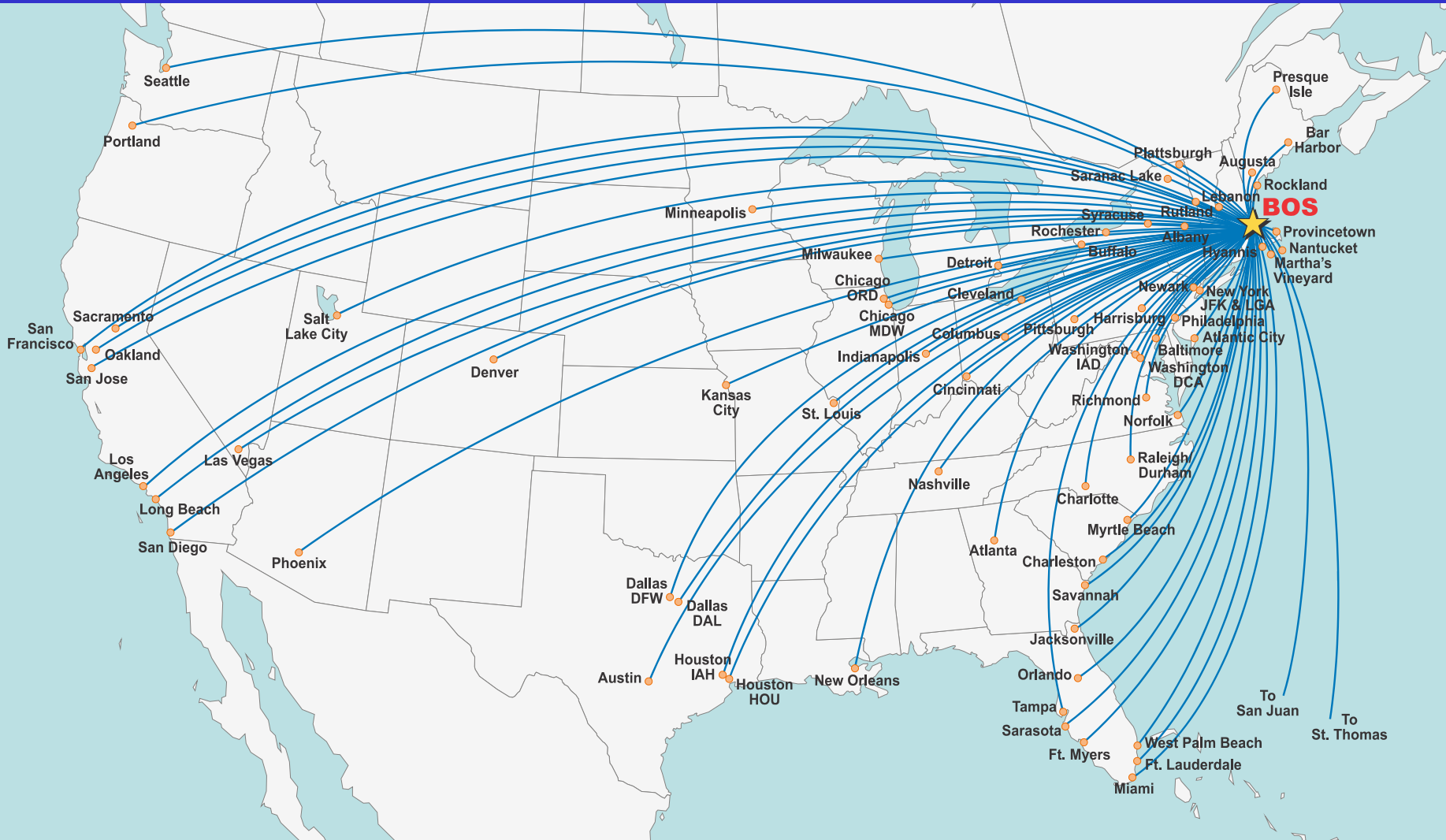
## International BOS Passengers



Note: Excludes GA passengers.

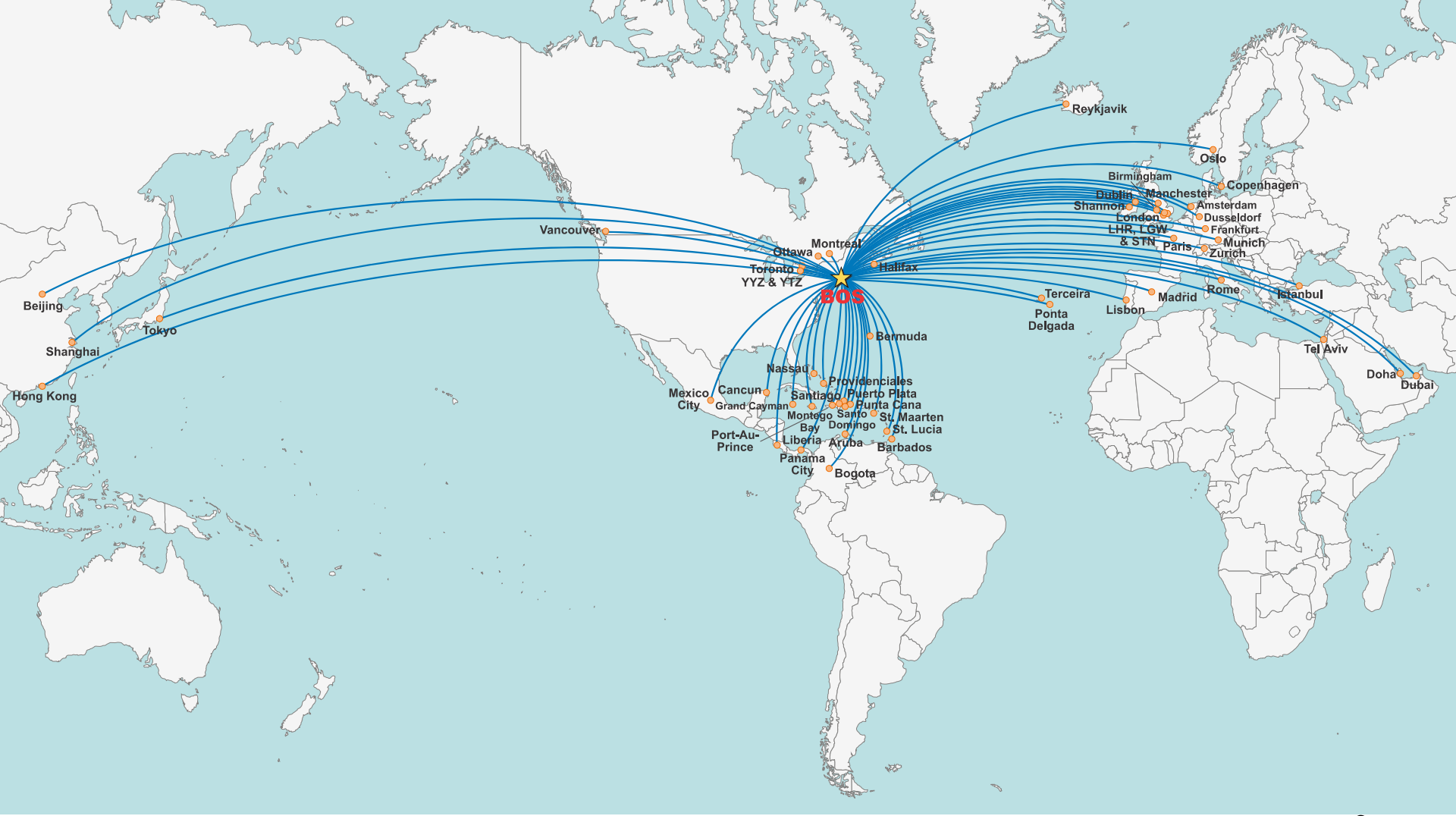
Source: Massport

# Boston Logan has Nonstop Domestic Service to 75 Destinations



Note: Includes Seasonal Service, Source: OAG & Innovata Schedules

# Boston Logan has Nonstop International Service to 54 Destinations



Note: Includes Seasonal Service, Source: OAG & Innovata Schedules

# In the Past 12 Years, We have been Successful in Adding New Service to Many Key Destinations Worldwide

## New Service

### → Europe

- Copenhagen
- Dublin
- Dusseldorf
- Lisbon
- London-Gatwick
- Madrid
- Manchester
- Oslo

→ **+ 2 new destinations  
(announcement 7/19/17)**

### → Asia

- Beijing
- Hong Kong
- Shanghai
- Tokyo

### → Middle East

- Doha
- Dubai
- Istanbul
- Tel Aviv

### → Caribbean/Latin

- Barbados
- Bogota
- Grand Cayman
- Liberia, CR
- Mexico City
- Panama City
- Port au Prince
- Puerto Plata
- Punta Cana
- St. Lucia
- St. Maarten
- St. Thomas
- Santiago, DR

### → US/Canada

- Atlantic City
- Austin
- Charleston
- Dallas-Love
- Houston-Hobby
- Nashville
- New Orleans
- Norfolk
- Portland, OR
- Sacramento
- San Jose
- Sarasota
- Savannah
- Toronto-City Centre
- Vancouver

**International nonstop destinations from Logan  
have more than doubled in the past 10 years**



# We have also been Successful in Expanding Service to Several Existing Destinations, and Adding Low-Cost Carriers

## Expanded Service

### → Europe

- Amsterdam #2
- Dublin #2, 3
- Lisbon #2
- London #6
- Madrid #2
- Manchester #2
- Munich (to year-round)
- Paris #4, 5
- Reykjavik #3, 4
- Shannon (to year-round)
- Zurich #2

### → Caribbean/Latin

- Cancun #3
- Santo Domingo #2

### → Low-Cost Carrier (LCC) Growth

- **jetBlue BOS 'hub' development: 150 daily departures, growing to 200 daily departures**
- Spirit started service in 2006
- Southwest started service in 2009
- Sun Country started service in 2009
- Virgin America started service in 2009
- Porter started service in 2009
- WOW Air started service in 2015
- Norwegian started service in 2015
- WestJet started service in 2016
- Air Berlin started service in 2016
- Thomas Cook started service in 2016
- **+ new carrier (announcement 7/19/17)**

### → Global Network Carrier Growth

- **Delta BOS 'hub' development: 100 daily departures, growing to 150 daily departures**

# Opportunities for Further Growth Exist in the Next Few Years

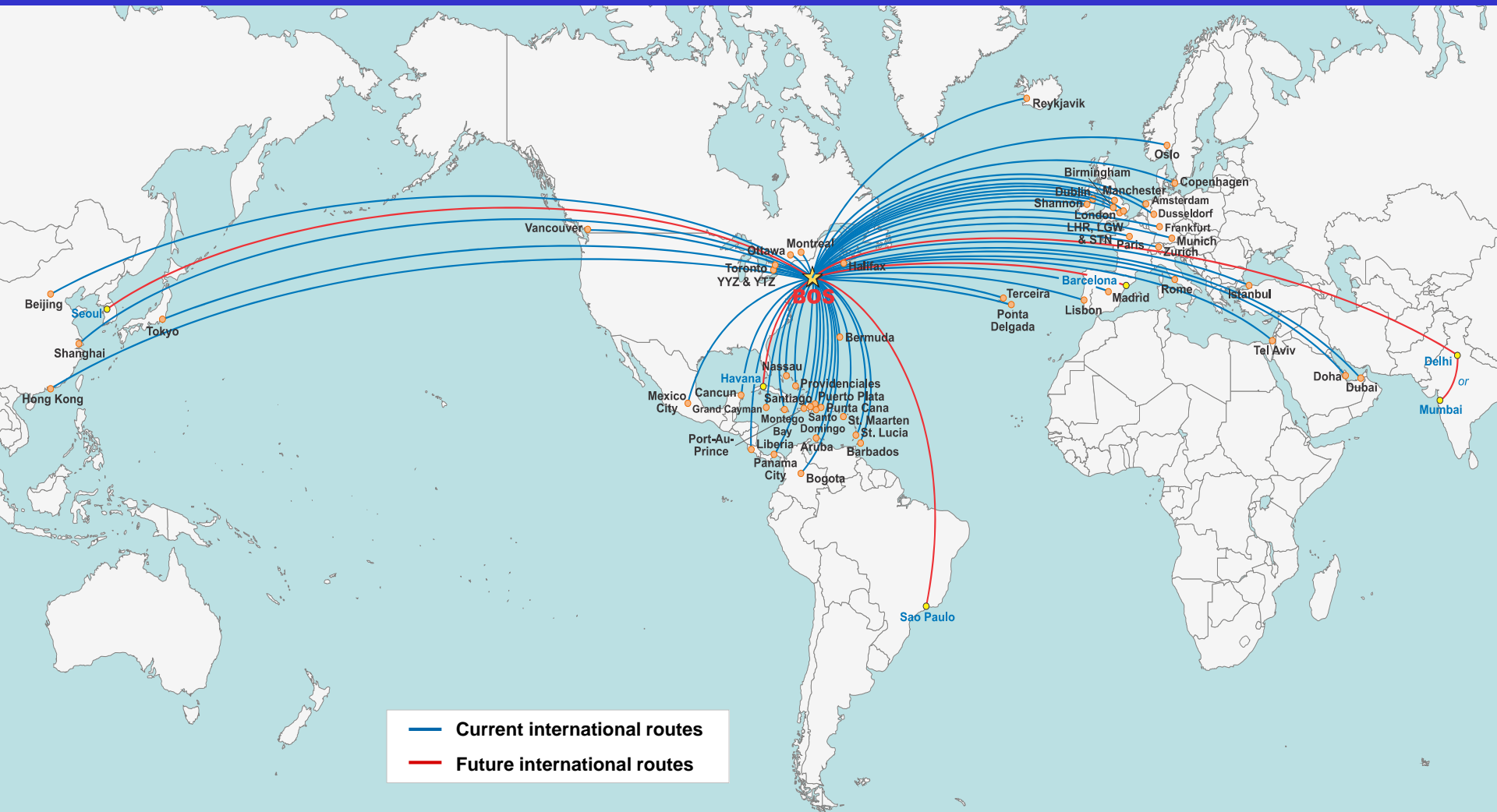
## New Service

- Europe
  - Barcelona
  - Edinburgh/Glasgow
  - Milan
  - Stockholm
- Asia
  - Delhi/Mumbai
  - Seoul
- Caribbean/Latin
  - Havana
  - San Jose, CR
  - Sao Paulo

## Expanded Service

- Europe
  - France
  - Germany
  - Ireland
  - UK
  - Continued LCC growth
- Caribbean/Latin
  - Continued LCC growth
- US/Canada
  - Continued LCC & Network Carrier growth

# Long Term, our Goal is to Link Boston and New England with Key Destinations Across the Globe



# Boston, Massachusetts and New England Remain Ready to Support New Airline Service

- Associated Industries of Massachusetts
- Association of Independent Colleges & Universities in Massachusetts
- Coalition of New England Companies for Trade
- Consulate Corps
- Discover New England
- Greater Boston Chamber of Commerce
- Greater Boston Convention & Visitors Bureau
- Massachusetts Biotechnology Council
- Massachusetts Business Roundtable
- Massachusetts Clean Energy Center
- Massachusetts Competitive Partnership
- Massachusetts Export Center
- Massachusetts High Technology Council
- Massachusetts Life Sciences Center
- Massachusetts Lodging Association
- Massachusetts Medical Device Industry Council
- Massachusetts Office of Business Development
- Massachusetts Office of International Trade & Investment
- Massachusetts Office of Travel & Tourism
- Massachusetts Technology Collaborative
- Mass Challenge
- Mass Econ
- Mass Global Partners
- Mass Insight
- Mass Technological Leadership Council
- New England Business Travel Association
- New England Council
- New England Board of Higher Education
- World Boston

# New International Air Services to Boston Generate a Significant Economic Impact to the Region

Route	Economic Impact of New Service (\$millions)	Taxes From Income and Sales (\$millions)
<u>Current International Routes</u>		
Beijing	\$282	\$10
Bogota	\$50	\$2
Doha	\$127	\$5
Dubai	\$134	\$5
Hong Kong	\$164	\$6
Istanbul	\$110	\$4
Mexico City	\$54	\$2
Panama City	\$60	\$2
Shanghai	\$255	\$9
Tel Aviv	\$63	\$2
Tokyo	\$90	\$3
Subtotal	\$1,388	\$50
<u>Future International Routes</u>		
Delhi	\$130	\$6
Sao Paulo	\$139	\$5
Seoul	\$134	\$5
Subtotal	\$403	\$16
<b>Total</b>	<b>\$1,792</b>	<b>\$66</b>
Note: Numbers may not add due to rounding.		

Note: International routes qualifying for Massport's International Air Service Incentive Program; routes matured to daily, steady-state condition.



# Thank You.....Thank You Very Much

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