



DALLAS FORT WORTH INTERNATIONAL AIRPORT
PUBLIC AFFAIRS DEPARTMENT

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INDEPENDENT ECONOMIC STUDY SHOWS DALLAS/FORT WORTH TRAVELERS ARE THE BIG LOSERS IF WRIGHT AMENDMENT REPEALED; DAILY FLIGHTS SET BACK TO 1985 LEVELS AND TRAFFIC TO MEXICO CURTAILED

Changing Legislation Could Cost DFW More Than 204 Flights a Day, 21 Million Passengers Annually and Significant Numbers of International Connecting Passengers; Love Field Traffic Could Triple

DFW INTERNATIONAL AIRPORT, Texas (May 10, 2005) — In the darkened terminal where Delta Air Lines once serviced more than 220 flights a day, DFW International Airport officials, members of the North Texas Commission and aviation industry experts from Simat, Helliesen & Eichner, Inc. (SH&E) today released an independent economic analysis of potential impacts if the Wright Amendment were repealed.

The study concludes that repealing the Wright Amendment would cost DFW Airport some 204 flights a day, 21 million passengers annually and slash Airport passenger traffic back to levels seen 20 years ago. It predicted DFW would not recover for nearly two decades, and in the mean time, travel options for North Texas travelers would be severely reduced, and millions of connecting passengers lost to other airports.

The study also found that if the Wright Amendment was repealed flights at Dallas' Love Field could easily double and possibly triple - leading to strain on its aging infrastructure and a dramatic increase in automobile traffic.

DFW International Airport executives also presented business quotes from an unlikely source of collaboration: former Southwest Airlines CEO Herb Kelleher. Kelleher has stated publicly in the past that Southwest supported the Wright Amendment to bring to an end a long running dispute between the cities of Dallas and Fort Worth and, his words, "there is no city in the United States that has two full-fledged hubs competing against one another successfully." Kelleher depicted that scenario as "unhealthy".

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The study entitled “Potential Airport Impacts – Repeal of the Wright Amendment,” was conducted by Boston-based SH&E Inc., a global aviation industry firm which produces air traffic studies for airlines.

“The study provides further evidence that repealing the Wright Amendment would be a devastating economic blow to the entire North Texas region,” said Kevin Cox, chief operating officer at DFW International Airport. “DFW is a world class airport equipped to meet the needs of both domestic and international travelers and grow new business and tourism for Dallas and Fort Worth. Repealing the Wright Amendment not only means a huge loss of air traffic, it means a loss of jobs, convention business and economic growth. We need competition between airlines, not airports that are a mere eight miles apart.”

“We have known all along that repealing the Wright Amendment was a bad idea for DFW and the entire North Texas region,” said Jeff Wentworth, Chairman of the DFW International Airport Board. “But now, there is critical, independent analysis to prove it beyond a shadow of a doubt.”

“Repealing would basically wipe out all the progress that has helped make DFW the undisputed economic engine that drives North Texas,” Wentworth added. “It would also cost the cities of Dallas and Fort Worth much in the way of community unity. It would be bad public policy. It is simply a bad idea.”

According to Deborah Meehan, president of SH&E, the study’s findings confirm that air service at DFW would be cut dramatically. “There would be a 35 percent reduction of air traffic, which translates into a loss of more than 200 daily flights. That economic impact cannot be underscored enough.”

Ms. Meehan stated that both domestic and international flights would be reduced at DFW while Love Field traffic would substantially increase. “Travelers using DFW would no longer have the convenience of their current domestic and international routes that they have become accustomed to using. Furthermore, flights to Central and South America particularly would bear the brunt of the reduction.”

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The study also factored the Love Field Master Plan into its research. Taking into account the limits designed under the Love Field Master Plan, DFW will still experience a loss of 121 daily flights, Love Field departures will more than double, and Love Field's passenger load will almost triple -- according to SH&E's 'moderate' scenario. That would shrink DFW to passenger levels not seen since 1989, and leave 25 empty gates, assuming the Master Plan remains in place.

Key SH&E study findings:

1. DFW will Lose Substantial Traffic. With repeal of the Wright Amendment, DFW Airport could lose up to 204 daily flights and up to 21 million passengers annually, representing a 35 percent decline. With this substantial loss, DFW Airport passenger levels will decrease to levels last seen 20 years ago and it will take up to 19 years for traffic to recover to current levels.
2. Traffic at Love Field Could Triple. With the repeal of the Wright Amendment, Love Field operations could triple and Love Field passengers could increase by as many as 16 million passengers a year. Tripling Love Field's use would strain older existing facilities and cause local traffic gridlock.
3. DFW will Lose International Air Service. With repeal of the Wright Amendment, current international air service would be substantially reduced due to a loss of international connecting traffic through DFW. Flights to Latin America are particularly vulnerable.
4. DFW Would Lose Domestic Destinations. With the repeal of the Wright Amendment, up to 15 current markets with low frequency could see service cuts or elimination.
5. DFW has Significant Growth Capacity. DFW Airport was designed and built to handle 100 million passengers and 1.4 million airport operations annually and can accommodate low-cost carrier growth that won't cost taxpayers more money. In contrast, if the Wright Amendment is repealed, Costly improvements will be needed at Love Field to accommodate increases in traffic; meanwhile, airport capacity investments already made at DFW Airport will sit idle.

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6. Growth at DFW is the Preferred Option. The growth of low-cost carrier service at DFW will add more passengers and more long-term economic growth to the Dallas-Fort Worth area than any scenario in which the Wright Amendment is repealed – without disrupting facilities, neighborhoods or taxpayer commitments.

“The research provides a big picture perspective of the impact on DFW Airport and the North Texas region,” said Meehan. “The reality is that DFW is the optimal choice for travelers in the Dallas and Fort Worth communities.”

To view the press conference where the SH&E study was released, log on to <http://www.videonewswire.com/event.asp?id=28927>.

For more information regarding the study “Potential Airport Impacts-Repeal of Wright Amendment,” and unbiased, factual information about North Texas travel issues and the Love Field Amendment, log on to www.keepdfwstrong.com.

Quotes from Dallas/Fort Worth Business & Community Leaders:

- “It is clear to me based on the results of this study that the Wright Amendment must stand unchanged. The region has every reason to want to keep DFW International Airport strong as the economic engine that has created hundreds of thousands of jobs and billions of dollars in economic growth. Fort Worth and Dallas came together to create this global transportation hub and it is in great part made us who we are today. We must remain two cities united for the common good of all. And do not forget, Southwest Airlines is alive and thriving as the number one domestic carrier in the U.S. today in part due to the Wright Amendment. You should also not forget that Southwest Airlines has the freedom to fly today out of DFW International Airport and Love Field - the best of both worlds.”

--Mike Moncrief, Mayor of Fort Worth

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- “Almost all of the 18 FORTUNE 500 companies headquartered in the North Texas region list DFW International Airport as one of the primary reasons to locate in the Metroplex and, without question, depend upon easy access of both national and international flights to sustain their business status. To repeal the Wright Amendment would dilute the effectiveness of the DFW Metroplex to attract and retain these successful corporations, negatively impacting the North Texas economy and our ability to market in the region.”
-- Dan S. Petty, North Texas Commission President/CEO
- "As the SH&E report clearly documents, repeal of the Wright Amendment in today's changed commercial aviation environment could seriously impair the future growth and competitive cost structure of DFW International Airport. Consequently, the entire Metroplex could become less attractive to relocating and expanding businesses."
-- Bernard L. Weinstein, Director, Center for Economic Development and Research, University of North Texas, Denton
- “Since the Delta pull-out, I have lost my number one shop at DFW. Repealing the Wright Amendment would mean DFW loses more airline business, which means I lose more business. But I am not alone. There are a number of small, minority business owners who have their livelihoods at stake in this issue. DFW and its Board worked with us to grow our businesses here, and the cities of Dallas and Fort Worth have supported these efforts. It is critical that everyone involved live by the words they promised this community and the agreements they made.”
--Jethro Pugh, Jethro Pugh Shops, Inc., DFW International Airport
- “I am particularly disturbed that flights to Mexico will be severely affected. My business will lose international customers. The loss of that passenger traffic will hurt our entire region as an international business and tourist destination. We’ve worked so hard to make Dallas and Fort Worth a center for international growth – why would anyone want to do something to hurt our future?”
--Ray Quintanilla, Owner, Sierra News, DFW International Airport

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- “Southwest Airlines’ attack on the Wright Amendment has invalidated the Love Field Master Plan and shown that the plan is unable to protect the surrounding community from Love Field’s operations. By seeking this repeal, Southwest Airlines has betrayed its closest neighbors.”
--Pat White, Rudy Longoria, Co-chairs, Love Field Citizen’s Action Committee

Archived Quotes on the Wright Amendment:

- “The Love Field Legislation was intended to settle once and for all the ‘dispute’ that has raged in the Dallas/Fort Worth area for many years. Now, TI (Texas International) seeks to reopen that fight and upset the delicate balance which has brought peace for the first time in over a decade. Congressional intent to the contrary is clear. Southwest does not object to TI using Love for intrastate flights (which apparently is all it wants to do) so long as the law is obeyed and TI’s certificate properly reflects what it may and may not do. There is simply no reason for the [Civil Aeronautics] Board to raise again the spectre of full scale commercial use of Love Field which has exacerbated this situation for so long, and which Congress has been to such pains to exorcise.”
-- Southwest Airlines Company, August 23, 1980

** Response of Southwest Airlines Co. to Reply to Texas International Airlines, Inc. in Civil Aeronautics Board’s Review of Texas International Airlines, Inc. proposed service at Love Field, filed August 23, 1980, by Paul Y. Seligson, Attorney for Southwest Airlines, Co. at p. 3.*

- “...Southwest President Herbert Kelleher said he does not support outright repeal of the Wright Amendment because a rivalry and competition with DFW would be unhealthy.”
-- *Dallas Times Herald*, February 2, 1990
- “We think that there is some merit to the position that there is no city in the United States that has two full-fledged hubs competing against one another successfully. There are cities that have a main airport and satellite airports which live well in a complimentary relationship, harmonious relationship, and we have to agree as a matter of logic and principle that if you allowed Love Field to

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come up as a full-fledged hub in opposition to DFW Airport that indeed air service to the Metroplex would suffer to some extent because basically a hub-and-spoke system depends for its success upon attracting passengers from a multitude of spokes that will fill up an airplane going to another destination. If you divide that type of operation between two airports, you're likely to service to some of the smaller cities." (Emphasis added)

-- Herb Kelleher, October 8, 1990

Deposition of Mr. Herb Kelleher in Zamutt v. Skinner, U.S. District Court of California, October 8, 1990, at p. 48 – 49 (note, last word was corrected from "industries" to "cities" as per deposition corrections on p. 54.)

About SH&E, Inc.

Simat, Helliesen & Eichner, Inc. (SH&E) is a global aviation consulting firm with more than 40 years experience providing management assistance, expert counsel, and research regarding operations, economics, and finance of airlines and aviation-related industries. SH&E has performed more than 5,000 assignments, serving hundreds of airlines, airports, governments agencies, and the financial community in all parts of the world. The firm has more than 80 aviation specialists from airline management, academia, government, and related businesses and maintains major offices in New York, Washington, Boston, and London.

About DFW International Airport

Located halfway between the cities of Dallas and Fort Worth, Texas, DFW International Airport is the world's third busiest, offering nearly 1,800 flights per day and serving 57 million passengers a year. DFW International Airport provides non-stop service to 130 domestic and 37 international destinations worldwide. For the latest news, real-time flight information, parking availability or further details regarding the many services provided at DFW International Airport, log on to www.dfwairport.com.

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