

11/28/00 Salem tries to lure airlines back to town

City of Salem officials have approved spending \$5,000 for research to attract commercial flights back to Salem. Commercial airlines abandoned Salem's McNary Field several years ago for more lucrative airports. A study this year surveyed selected travel agents and found that more than 5,000 residents a month buy airline tickets — a rate equal to similar-sized cities that support commercial airline service, said airport superintendent Tom Long.

"There's a significant market, and an increasing one, for commercial flights out of Salem," said urban development administrator Dick Hayden. He says the city's expanding population, as well as a business community growing in size and sophistication, translate into an airline customer base that may be reaching critical mass.

Once completed, the research will show how lucrative the market would be for airlines, where the busiest routes would be and whether bread-and-butter business travelers are sufficient for large airlines. Long believes Oregon's state capital will support more than just commuter flights to Portland. He says flights to places such as Los Angeles, Boise, San Francisco and Seattle are viable. "For an airline to break even, they need just over 50 percent occupancy," Hayden agreed. "Historically, that hasn't been the case. But it could work if you select the routes carefully."

The stumbling block always has been Salem's proximity to Portland International Airport, which offers more than 600 flights a day, a range of fares and is only an hour's drive north on Interstate 5. A small handful of carriers flew into Salem in the 1970s, including Delta. Service was mandatory back then under Federal Aviation Administration rules. Upon deregulation in the early 1980s, airlines stopped getting federal subsidies for operating in smaller, less-than-profitable cities, and carriers left. The last to leave Salem — Horizon Air — attracted only 1,733 passengers for its 534 flights to Portland in 1993, its last full year of operation.

"Now there's a big pull in places that are near larger cities, like Salem or Stockton, Calif., to return service," Long said. "Airlines won't talk to you unless you have a presentation." If the study proves Salem could support an airline, the council will have to decide whether to approve another \$10,000 to work up such a presentation to pitch to airlines.

The study should be completed by February.