

## Japan's Leading Tourism and Aviation Weekly

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### *\*Japan and China hope the 35th anniversary of the diplomatic normalization will be a chance for tourism exchanges*

The Japanese tourism delegation, led by Hayao Hora, Advisor of the Ministry of Land, Infrastructure and Transport, met Shao Qiwei, Director of the China National Tourism Administration (CNTA), on September 26 to discuss big events next year celebrating the 35th anniversary of the diplomatic normalization between Japan and China, when it joined Expo Central China 2006 in Changsha, Hunan Province. A total of 1,100 Japanese, including the tourism delegation members, joined the first Expo.



The large-scale events celebrating the 30th anniversary in 2002 enabled 13,000 Japanese to visit China and 5,000 Chinese to visit Japan. At the meeting, Director Shao expected that tourism exchanges between China and Japan will continue being active next year, following the Japan-China Tourism Exchanges Year 2006. He requested the Japanese delegation to cooperate with a closing ceremony for the Year in China in the end of March next year. Also, he expects that new Minister of Land, Infrastructure and Transport will join CITM2006, tourism trading show, in Shanghai in the middle of November this year.

In the meantime, Chinese Minister of Commerce Bo Xilai said at a meeting with the main delegation from Japan, "The central region is an origin of China with cultural and historical tourism sources. Without visiting the region, it is impossible to know about China," expecting more Japanese tourists will visit the region. JTB President Takashi Sasaki, sub-leader of the delegation, expressed that the largest travel agent of Japan will make efforts to boost travel in the central region of China.

### *\*NYC & Company to strengthen marketing activates for the Japanese market*

NYC & Company Vice President Fred Dixon revealed at an interview with the Wing Travel Weekly that it is planning to open its office in Japan and to renew its website in Japanese to strengthen marketing activates for the Japanese market, as he said that the tourism authority of New York City understands how important the Japanese market is. Also, it will renew official city guidebook for Japanese visitors in this coming November.

Japanese visitors to NYC are dominated by below 35 years old travelers, however NYC & Company will appeal attractions of NYC to the baby boomer generation next year. Dixon said that it is important for NYC & Company to keep in touch with Japanese travel agents that enable to create high-value travel products, although NYC seems to be a FIT-centered destination.

Dixon revealed that NYC & Company is considering open of its office in Japan probably under a GSA contract with a Japanese agent not only to enhance penetration into the Japanese market but also to support activities of Makiko Matsuda, NYC & Company Senior Manager for Asia Tourism Development, who covers the whole Asia.



Mr.Dixon (right side) and Ms.Matsuda

NYC is one of the most popular U.S. destinations for Japanese tourists. However it is true that flight capacity will be tighter between Japan and NYC after United Airlines suspends its Narita-NY flights from October 28 this year. The flight segment between Narita and NY was very competitive, as Northwest Airlines and Delta Airlines once served scheduled flights. Today JAL, ANA, American Airlines and Continental Airlines (serving to Newark) only survive.

### *\*Alamo to increase Japanese users in Southern California*



Jerry Mosiello (=photo) , Vice President, International Business Development, Alamo Rent A Car (Vanguard Car Rental USA), said at an interview with the Wing Travel Weekly in Tokyo, "Japan is one of the important markets for us. Majority of our Japanese customers are still found in Hawaii, however we have recently increased those in Southern California as well."

Mosiello added that younger Japanese users are growing, which represents that our services are easy to be used by Japanese customers. Alamo places its office in the center of Downtown Disney in California Disneyland Resort, designated as an official rent-a-car company solely. In cooperation with Walt Disney Parks and Resorts, it tries to encourage Japanese tourists to use rent-a-car for travel in Southern California based on California Disneyland Resort.

### *\*JTB survey finds more than 50% of respondents have travel plans in this autumn*

JTB recently released the internet survey result on travel in autumn this year, reporting that 57.1% of all respondents have travel plans, broken down into 6.4% for overseas travel, 36.9% for domestic overnight travel and 13.9% for domestic day trip. JTB understands that the travel market is still boosted by the robust economy in Japan.

LOOK JTB, a major package tour brand of JTB, is growing customers for China, Taiwan, Korean and even Europe despite strong Euro. As of September 16, the number of bookings in October and November this year was up 7% over the same period last year. The largest growth was seen in China with 85.8% up, followed by Taiwan with 27.4% up and Korea with 25.6% up. Although bookings for Thailand are expected to decrease due to the aftermath of the coup in early September, JTB says that bookings for Asian cities are increasing as a whole.

Bookings for Europe resulted in 19.7% increase as of September 16, as Italy, Spain and Greece are particularly preferred.

Bookings for Hawaii resulted in 8.1% increase, but those for Micronesia and North America resulted in 9.5% and 15.3% decreases respectively. Bookings for Oceania slightly increased by 1.1%.

One of the distinctive features in this autumn is that high-value products, such as those including business class flight or higher-grade hotel, are accepted well. The average sales of LOOK JTB products is up 5.9% in October and 3.1% in November, respectively compared to a year earlier.

### *\*New Minister emphasizes organic linkages among three airports in Kansai area*

Tetsuzo Fuyushiba, who was inaugurated as Minister of Land, Infrastructure and Transport under the Abe administration on September 26, mentioned international competitiveness of airports in Japan at a news conference with aviation jour-

nalists on September 27. He first said, "In preparation for international competition in the future, the Haneda Airport-re-expansion program will allow the airport to handle about 1.4 times more flights than today and to offer 30,000 departure slots annually for international flights. At the same time, the northward extension of Narita Airport B runway will contribute to increase of its capacity."

He also said of the airport operation in Kansai area, "It is necessary for the three airport in Kansai to play a respective role to benefit local people. Itami Airport has a big business area with a population of more than 20 million behind itself, and Kobe Airport also has a potential population of 300,000 to 500,000. Kansai International Airport plays a role as a 24-hours hub airport particularly for East Asia and Southeast Asia. The point is a organic linkage among the three airports to maintain international competitiveness."

Fuyushiba, who is also in charge of tourism administration, said that he pays attention to the goal to invite 10 million foreign visitors to Japan by 2010. "Japan has wonderful tourism sources in local areas. We have to make efforts to let foreign tourists know them," he added.

### *\*Emirates tries to lead business travelers in Tokyo to use Centrair-Dubai flights*

Emirates Airline Managing Director Japan Katsumi Nakamura said at the recent news conference, "We have a lot of tourist passengers on our Central Japan International Airport (Centrair)-Dubai flights, which we started serving in June this year, accounting for 70% of all passengers. 80% of those passengers came from Chubu area." Also, he revealed that the airline is making effort to lead business travelers in the Tokyo Metropolitan area to Centrair-Dubai flights from Kansai International Airport-Dubai flights.

Emirates began serving four flights a week on Centrair-Dubai route in June this year and has upgraded to daily flights since July this year. On October 1 this year, the flights will be served with A340-500 on the route in the same manner as Kansai-Dubai route.

"For the first three months, the load factor was around 60%, lower than that on Kansai-Dubai flights for the same period mainly because B777-300 on Centrair-Dubai route offers 100 more seats than A340-500 on Kansai-Dubai route," Nakamura explained.

Passengers for Dubai as a final destination accounted for 48%, and the rest used connection flights for other destinations beyond Dubai, as the airline enjoyed high demand for Europe in July and August. Nakamura said, "I think it takes more times Japanese to know about Dubai. We will continue promoting the city not only in Cuba area but also in Hokkaido or Kyushu, where code share domestic flights connect to the Centrair-Dubai flights.

Emirates provides Shinkansen tickets to first and business class passengers from Tokyo to Kansai or Centrair as a limited service. Nakamura said, "We try to shift such passengers to Centrair flights from supply-tight Kansai flights."

In the meantime, the airline still enjoys high load factor on the Kansai-Dubai flights, marking 70% through 2005 and more than 80% so far this year. The flights are particularly preferred by business travelers who transfer from domestic Haneda flights. 60% of such business passengers flew to other Middle East destinations, Europe or Africa beyond Dubai last year.

Although rival airlines, such as Qatar Airways or Saudi Arabian Airlines, are challenging the Japanese market, Nakamura said, "Emirates is developing its unique marketing. Even though load factor is lower than today, we will not sell tickets at a bargain easily. By offering high-quality services, we will keep our brand and try to be selected by consumers."

### *\*Finnair will realize its wish to increase Narita flights*

Finnair officially announced to increase its Helsinki-Narita International Airport flights from two flights a week today to four flights a week on December 4 this year, as the airline has approved new departure slots out of the departure slots unused for domestic flights. With the additional flight services, Finnair will serve a total of 11 flights for Japan a week, including four flights a week from/to Kansai International Airport and three flights a week from/to Central Japan International Airport (Centrair).

AY74 will depart from Narita at 11:55 to arrive at Helsinki at 15:10 (Monday, Wednesday, Friday and Sunday). AY73 will depart from Helsinki at 17:20 to arrive at Narita at 10:00 on the next day (Tuesday, Thursday, Saturday and Sunday). The Narita flights will be served with new A340-300 that can be operated on shorter B runway, replacing MD-11.

The airline has a business strategy to emphasize Asian flights, making the most of the geographical advantage that Helsinki is the nearest hub airport of Europe, as it serves direct flights for Beijing, Shanghai, Guangzhou, Hong Kong, Singapore, Bangkok as well as Japan and will begin serving flights for Delhi and Kuala Lumpur.

For Japan, Finnair is scheduled to increase Centrair flights to four flights a week and Kansai flights to seven flights a week next summer.

*\*ANA aims to raise international e-ticketing rate up to 70% by end of FY2006*

E-tickets ANA sold for its operating international flights (ticketing in Japan and overseas) accounted for just 50% of all tickets as of the end of September this year. ANA is making efforts to achieve the e-ticketing rate for its international flights up to 70% by the end of this fiscal year (March 2007) toward complete e-ticketing by the end of 2007.

For the goal, ANA is focusing on development of infrastructure for smoother e-ticketing, including extension of interline ticketing with other airlines, and encouragement of e-ticketing for its customers. ANA has interline tie-ups with 20 foreign airlines including British Airways, American Airlines, Continental Airlines as well as Star Alliance members. By the end of 2007, it hopes to extend partner airlines to 40 probably including airlines of China, where a full e-ticking system for domestic flights will be introduced in October this year.

At the same time, ANA will promote e-ticketing on connections to domestic flights. Today e-ticketing is available only on 20 domestic routes from/to Narita International Airport and Kansai International Airport, however ANA will be able to offer e-ticketing on 61 domestic routes by the end of October this year and on all domestic routes by April 2007.

Meanwhile, CRS development for e-ticketing and cooperation with travel agents will be required toward complete e-ticketing. Today more than 50% of all international flight tickets of ANA are sold through travel agents for both group/package tour travelers and individual travelers. On the contrary, e-ticketing accounts for approximately 60% of all tickets sold through ANA itself, including ANA offices nationwide.

To encourage customers to use e-ticketing, ANA has still offered a campaign to give bonus miles to e-ticket users. However, it does not have any plans for another promotion. Also, it does not have a plan to charge extra commissions on paper tickets, which is introduced by some airlines of America.

*\*Narita resulted in 4% increase of passengers for August this year*

Narita International Airport Co. (NAA) reported on September 28 that the number of passengers for August this year was up 4% to 2,948,134 over the same month last year, which represented the second most monthly passengers in August since. Out of the monthly total, the number of international flight passengers reached 2,850,576, 4% more than a year earlier, which were broken down into 1,836,334 Japanese (up 5%), 739,362 foreigners (up 4%) and 274,880 transits (down 5%). The number of foreigner passengers hit a record high in August since.

On the other hand, the number of domestic flight passengers for August this year was down 4% to 97,558 over the same month last year probably because of no more B747 flights between Narita and Itami Airport in Osaka.

Narita handled 16,109 aircraft movements for August this year, which were classified into 11,261 on A runway and 4,848 on B runway. Out of the monthly total, the number of aircraft movements for international flights reached 15,030, almost the same as a year ago, which were broken down into 12,624 for passenger flights (up 1%), 2,243 for cargo flights (even) and 163 for others (down 24%). The number of aircraft movements for domestic flights for August this year was down 2% to 1,079 over the same month last year.