Maryland subsidy for Pan Am clipper flights in doubt

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CUMBERLAND, Md. (AP) — Time is running out for a state-subsidized airline, and the western Maryland communities it serves, to prove it can fly on its own.

The Maryland Aviation Administration has recommended no further subsidy for Boston-Maine Airways past June 30, the end of the current fiscal year. The thrice-daily flights have not drawn enough customers to be independently profitable, according to a report the agency sent to legislative leaders and Gov. Parris Glendening.

Without a marked increase in passengers, the Dec. 1 report says, "the service will be unable to continue after the subsidy sunsets on June 30, 2003."

The year-old service linking Cumberland, Hagerstown and Baltimore was championed by State House Speaker Casper R. Taylor Jr. as an economic development tool for western Maryland, including his district. Taylor is leaving the General Assembly Jan. 8 after being beaten in November.

The bill that created the program in 2000 authorized the subsidy through June 30, 2003. Supporters have always maintained it was intended as a temporary support.

"We're in adverse budgetary times and I guess this will fall victim to it," said Delegate Kevin Kelly, another Allegany Democrat.

LeRoy E. Myers Jr., the Republican who narrowly defeated Taylor, said he hopes the flights continue but he offered no strategies for keeping the service alive.

The service, called Pan Am Clipper Connection, has received $4.25 million from the state to offset the cost of flights that began in late 2001.

Dan Fortnam, Boston-Maine's vice president of sales and marketing, said the Portsmouth, N.H., company has worked to improve and promote the Maryland service since meeting last August with local business leaders who said flight schedules, reservation quirks and the lack of baggage-handling agreements with other airlines were keeping people away.

In response, the airline revised its flight schedules to better serve passengers making connections at Baltimore-Washington International Airport, Fortnam said.

Boston-Maine will begin flying from Baltimore to Westchester County Airport near Fort Lauderdale in January.
New York City Jan. 1 in hopes of luring more business travelers, Fortnam said, and the Maryland service will appear on the Orbitz online reservations system in early January.

With one year of service records to analyze, the company can now fine-tune its performance to maximize returns, Fortnam said.

"We're optimistic that the program will continue. We think it's been sufficiently supported. It's been well-received," he said.

The numbers say otherwise. According to the Potomac Highlands Airport Authority, operator of the Greater Cumberland Regional Airport, monthly boardings at Cumberland peaked at 294 in March and fell below 90 by November. The decline prompted local officials to pony up some money, matching $30,000 offered by the state, to advertise the service. Boston-Maine pitched in with a two-for-one holiday special on its $140 round-trip fare through Jan. 15.

Those efforts got results. James Stahl, chairman of the Cumberland airport board, said boardings rose about 50 percent in the first three weeks of December.

That's still not enough, though, to keep the airline's 19-passenger planes at least 45 percent full — the minimum passenger load factor needed to break even, according to the Maryland Aviation Administration report.

There has been little demand for the service in Hagerstown, which lies just 70 miles from Baltimore and also has US Airways commuter service to Pittsburgh.

But Boston-Maine is the only airline serving Cumberland, where some business and pleasure travelers would rather fly than drive 140 miles to BWI.

Rae Lynch, travel coordinator for the S. Schwab company, a Cumberland-based clothing manufacturer, said she has booked 20 percent more flights out of Cumberland since the schedule change.

"I personally would like to see it continued, just for our area, absolutely," she said.

Lori DeLare, a cosmetology instructor who flew out of Cumberland last week to visit family in North Dakota, said ending the service would be "a big loss."

"We're already a small town the way it is, and the amenities are already low," she said.

Stahl said Boston-Maine was hurt by the travel downturn that followed the Sept. 11, 2001, terrorist attacks, and by its lack of connections to major national reservations systems.

Still, everyone knew the service eventually would have to become profitable or perish, he said.

"It's called use or lose it," Stahl said. "If they're not paying the bills, they're not going to lose money just to keep people in Cumberland with an airline."
On the Net:

Boston-Maine Airways: http://www.bmainways.com

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