

Will JetBlue's arrival affect Skybus?

Air travelers were thrilled with the announcement that JetBlue—known for low fares and such extras as satellite TV and radio—would begin nonstop service from Columbus to New York City and Boston in October. But there's speculation on whether the popular airline's presence would sink plans for Skybus, the Columbus-based discount airline that's yet to take flight.

Apparently not, according to Skybus and Port Columbus officials. However, Skybus, financed in part by Nationwide,

JetBlue's arrival actually may boost demand for carriers that offer cheaper fares, says David Whitaker, vice president of business development for the Columbus Regional Airport Authority, which oversees Port Columbus, Bolton Field and Rickenbacker International Airport. Industry insiders call it the "Southwest effect." A discount airline moves in and advertises low fares to certain destinations, and people who had not planned to fly become airline passengers.

Whitaker says that while there are a finite number of customers, he isn't worried that Southwest Airlines and JetBlue will suck the well dry. Whitaker says it's more likely that Port Columbus will attract even more people from outside Central Ohio to use the airport. He says about 50 people a day already drive from

West Virginia to catch flights at Port Columbus.

Like others, Whitaker speculates that Skybus may be modeling itself after Ryanair, a British discount airline that charges extra for a cup of coffee, a checked bag and priority seating. Despite itemizing so many services, Ryanair has flourished, exceeding 30 million passengers per year on European routes.

Skybus could benefit from a reduction in customer expectations, Whitaker says, since even the so-called legacy airlines (such as United and American) have cut back on in-flight food and amenities. "People no longer expect a meal to be provided on a flight," he says.



JetBlue actually might help Skybus.

Battelle, Huntington Bancshares and the Dispatch Printing Company, isn't talking right now. "We're in this little period where we're very careful about telling our competitors what we're doing," says Skybus board member Bob Milbourne, president of the Columbus Partnership. "Southwest and JetBlue and Delta are all eager to learn what Skybus is up to. It's not in our business interest to tell them."

Skybus CEO Bill Diffenderfer will only say that there'll be an announcement at the end of September about the airline's plans and that the company's goal is to launch in March 2007. Milbourne adds the company has raised the needed start-up capital, which Skybus previously stated as \$100 million.

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