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Testimony

**HEARING ON “QUESTIONS, ANSWERS, AND PERSPECTIVES ON THE
CURRENT STATE OF AIRLINE TRAVEL.”**

**STATEMENT OF SHARON PINKERTON
SENIOR VICE PRESIDENT, LEGISLATIVE AND REGULATORY POLICY, AIRLINES FOR AMERICA
BEFORE THE
UNITED STATES SENATE COMMERCE COMMITTEE
SUBCOMMITTEE ON AVIATION OPERATIONS, SAFETY, AND SECURITY**

MAY 4, 2017

Good morning Chairman Blunt, Ranking Member Cantwell, and members of the Subcommittee. My name is Sharon Pinkerton and I am the Senior Vice President of Legislative and Regulatory Policy at Airlines for America (A4A). We appreciate the opportunity to be here today. We want the traveling public and this Committee to know: the nation’s airlines are listening.

Like you, we found the events that transpired around the April 9 incident unacceptable. The industry fully accepts that it is our responsibility to ensure that such behavior and disrespect of a passenger can never happen again. We also know that deep regret and apologies, however sincere, are no substitute for meaningful solutions.

To meet that responsibility our carriers immediately reviewed why and how this situation developed and, importantly, where necessary, are making systemic changes based on that review. These are not superficial changes. They range from changes to overbooking policies, the processes in place for decision making and enabling front line employees more discretion in managing specific situations.

Seven examples of concrete steps a variety of carriers are taking surrounding this specific issue are:

1. Completely eliminating or reducing overbooking;
2. Prohibiting use of law enforcement to remove passengers from a flight, except in cases of safety or security;
3. Ensuring that no passenger is involuntarily removed from a flight for another passenger;
4. Ensuring that crews traveling must be booked at least 60 minutes prior to departure;
5. Giving gate agents the discretion to offer higher amounts of money as an incentive for customers to voluntarily take a different flight;
6. Airlines are renewing their focus on training for all customer-facing staff to make sure they are taking care of passengers, not just getting them from point to point; and
7. Efforts are underway to provide passengers more transparency and simplified information about their rights as consumers.

While these are the policy changes already being implemented, carriers are continuing to review a broad array of policies to improve customer service because we know passengers have many choices of airlines in what is a highly competitive marketplace. We compete not only on price, but also on customer service. The 800 million passengers who fly on U.S. carriers annually deserve a safe and pleasant experience. The results of competition can be directly seen in our

record-breaking improvements in the 2016 Department of Transportation (DOT) customer service metrics for on-time arrivals, flight completion and nearly 100 percent bag delivery.

When our operational and service metrics improve, so does customer satisfaction. This relationship is shown in independent surveys including J.D. Power reporting “North American Airline Satisfaction Climbs to 10-Year High” in 2016 and The American Customer Satisfaction Index stating “Airline customer satisfaction was up again in 2017”.

So, while we have made progress, we know we need to improve. It’s important to recognize, that the turmoil of bankruptcies in this industry meant that many carriers weren’t making the necessary investments in their products and people. The financial stability of the last six years has enabled the industry to make record investments of up to \$1.5 billion per month in the customer experience. That investment includes new contracts for employees, new planes and new service and is driving the improvements we see today.

This Committee should recognize that the facts, based on official data, clearly show airline competition is alive and well. In fact, it is thriving with more people flying, doing so at lower prices and to more destinations than ever. Consumers have seen enormous and quantifiable benefits from a thriving and competitive aviation marketplace. Just last month the Bureau of Transportation Statistics (BTS) reported:

- The fourth-quarter 2016 average air fare was down 26.5 percent from the average fare in 2000, the highest inflation-adjusted fourth quarter average fare recorded in the 21 years since BTS began collecting air fare records in 1995; and
- Since 1995, inflation-adjusted fares declined 23.4 percent.

In addition to consumers, communities across America have seen enormous and quantifiable benefits from a thriving and competitive aviation marketplace:

- U.S. Airports of all sizes have realized air service gains over the past two years with 176 Small- and Non-Hub markets seeing available seat numbers grow; and
- Airlines added 198 new U.S.-based routes in 2016 and have added 151 more in 2017. Over two years, flyers have seen a net expansion of 54 nonstop routes to/from U.S. airports.

This industry does good things for people by connecting them to their families and friends and being an enabler of commerce. We hope that rare, but unacceptable incidents do not completely eclipse the dignity and respect shown by airline employees to millions of travelers every day. Airlines recognize that the onus is on each carrier to foster a customer-centric environment. We commit to you, and to the traveling public, that the industry will continue to work diligently and quickly to address any actions needed to ensure that all passengers are treated with dignity and respect.

Airlines strive for perfection and the ultimate industry goal is to provide a safe, efficient and enjoyable travel experience for all passengers every time they fly and carriers will continue to work and invest in delivering on that commitment each and every day.

Thank you, we appreciate the opportunity to testify and look forward to your questions.