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Profitable Aspen
Aspen Airways makes money on
services between a single city
pair, with a 30min average stage
length, an almost impossible air-
port at one end of the route, and
one of the most seasonal markets
in the world. WARRE N GOOD-

MA N explains how.

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SPEN AIRWAYS of Denver, Colorado,
, had been in business as an air-taxi operator for about 15 years when it became a scheduled carrier in March 1967. It was certificated to provide a scheduled passenger service between Denver and the ski resort of Aspen, Colorado. This gave Aspen a total of 113 route miles, at the time the shortest route structure of any scheduled carrier in the United States. Gerald B. Hickman, Aspen Airways' president, tells Flight that the airline lost that distinction about two years ago (when an airline started a service linking Cleveland and Detroit). But Aspen still makes an equally un-enviable claim: its passenger market probably has the sharpest seasonal peaks of any, plus the widest varia-tion between passenger demand on different days of the week during the
season.

In the off-peak months (between April and November), Aspen now schedules four round-trips a day and has a load factor of about 35 per cent. During the ski-ing season the load factor averages 75 per cent, vary-ing from 49 per cent on Tuesdays to

92 per cent on Saturdays. Frequency during the peak season rises from seven round-trips on Saturdays, with up to eight extra sectors being flown on some Saturdays to bring the actual number of flights to 32. The daily load during the season varies from 300 passengers on Tuesdays to over 2,000 on Saturdays.
This variation results from the fact that almost all of the hotels in Aspen accept reservations by the week and insist on Saturday for arrivals and departures. Almost all of Aspen Air-ways' passengers are going to or from resort hotels, and almost all of them are loaded with skis, poles and boots as well as the usual luggage. Despite this extra load, on busy days the airline schedules 20min turn-rounds at Aspen for its Convair 580s. The airport at Aspen has to be seen to be believed. Its single 6,400ft runway nestles on a hillside at an elevation of 7,880ft, with 10,000ft mountains close on three sides and a number of 12,000ft and 14,000ft peaks not far behind them. The run-way has a two per cent gradient, all landings being made uphill and all take-offs downhill because the only approach and departure route is a curving valley at one end of the runway.
Aspen Airport operates during day-light hours only and had no naviga-tion aids (other than a control tower) until 1975, when the airline installed Tacan. Mr Hickman estimates that the installation enabled the airline

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to carry more than 4,000 passengers in 1975 and more than 10,000 in 1976 on flights which would otherwise have been cancelled as a result of bad weather.
When Aspen Airways was certifi-cated in 1967 it had a few Navajos and Herons, one F-27 and a DC-3. Soon after being approved for the Aspen route, the carrier bought three DC-3-94s equipped with rocket-assisted take-off gear. In 1969 Aspen bought one Convair 240 and leased a second. In the following year it bought three Convair 3407440s from Delta and began to get rid of the smaller air-craft. Mr Hickman says that that was the first time that Aspen had three aircraft with any part s inter-changeable (because all of the DC-3s came from different sources).

Ten-aircraft fleet

Aspen liked this new-found uniformity so much that in 1971 it bought two more Delta 340/440s. Two years later, however, two of the five 440s were sold to make way for two ex-Allegheny Convair 580s. Two more 580s followed in 1975 and two in 1976 (with an option on one more). The Aspen fleet now consists of four Convair 440s and six 580s, with a seventh on option.
To make full use of its equipment and personnel while flying only one highly seasonal certificated route, Aspen must seek charter business more aggressively than most scheduled carriers. The Civil Aeronautics Board, which usually limits a scheduled carrier to charter business totalling two per cent of the previous year's revenue passenger-miles, has recog-nised Aspen's problem by allowing it to go up to 50 per cent. In 1975 Aspen used that full allowance, carrying out charters totalling 270,000 revenue passenger-miles.
One 580 and one 440 are on charter to McCulloch Development of Burbank, Calif, which uses them to fly prospective customers to its real-estate developments, chief of which is