



## Aviation Noise Airports Commission Discussion Paper 05

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Federal Express Corporation (FedEx) appreciates the opportunity to participate in the Airports Commission's deliberations on the Future of Aviation in the UK.

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FedEx has just celebrated its 40<sup>th</sup> anniversary, starting operations in the United States with 14 Dassault Falcon aircraft carrying 186 packages to 25 destinations. Today, the company serves over 220 countries and territories around the globe. We carry an average of 4 million shipments and 12 million pounds of air cargo each night, using our fleet of about 660 aircraft serving 375 airports globally (making us one of the world's largest airlines).

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With global revenue of \$27.5 billion (for fiscal year 2012) and over 155,000 team members working around the world, FedEx is a Fortune 500 company, with its headquarters in Memphis, Tennessee. In the UK, FedEx has 4,940 team members, working across the entire country - in every Parliamentary constituency as a matter of fact - ensuring quick and efficient access to the world. The express industry 'as a whole supports 82,000 jobs in the country, contributing £2.3 billion to the nation's economy', according to Oxford Economics<sup>1</sup>. Besides Stansted, we also fly from Birmingham, Belfast, Glasgow, Manchester and Newcastle airports.

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Our major UK hub facility is located at Stansted, where we link the UK, airports and ground facilities and have international flights to Ireland, France and the U.S., with beyond operations throughout Europe and the rest of the world. In addition to the flights at Stansted, we are dependent on international flights at Heathrow, where we use belly-hold capacity on passenger aircraft, through which we can link the UK to countries to which FedEx does not operate its own flights, including all of Africa, much of the Middle East and Central Asia.

Noise is an issue we have always taken quite seriously. We regularly upgrade our fleet and supporting technology, modernizing to ensure that we have the quietest, cleanest aircraft appropriate to our service. We are presently renewing our fleet adding in factory-fresh Boeing 777 and 767 aircraft along with converted B-757's. At the present time, our fleet reflects approximately US\$11 billion in book assets

<sup>1</sup> 'The Economic Impact of Express Carriers in Europe, Country Report: United Kingdom', 2011, Oxford Economics, page 4.

and our committed purchases for aircraft and aircraft-related items totals about \$10 billion, according to the 2013 FedEx Annual Report.

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We are members of, and generally support the submissions on this discussion paper of the International Air Transport Association (IATA), Airlines for America as well as our trade association in the UK, the Association of International Courier and Express Services (AICES). FedEx would like to supplement their submissions with a brief amount of information specific to our own situation and underscore certain arguments as they pertain to our operational concerns.

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### The Economic Importance of the Express Industry

We will not repeat at length the economic case for the express industry globally and in the UK as the AICES submission does that in great detail in this and previous submissions. We would remind the Commission that the industry in the UK directly employs around 38,000, indirectly supports 82,000 additional jobs and is responsible for over 95% of the internal courier and express shipments moved thru the UK per day.

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We would also like to reinforce the concern raised by AICES regarding “the economic imperatives that require the use of night flights”. The fundamental basis of our business model is night flying. The service is made possible by these operations. Any cost benefit analysis of possible restrictions can only be undertaken with this clearly understood.

### Metrics, Noise abatement measures and Exposure Issues

In this area, we defer to our AICES, IATA and A4A colleagues who have contributed detailed responses to the discussion paper on these subjects.

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We urge the Commission to consider all these matters in the context of the work being done at ICAO, thru the Committee on Aviation Environmental Protection. In particular we encourage the Commission and the UK Government to engage with CAEP and the United States Federal Aviation Administration in the research it is undertaking on aircraft noise effects and dose responses. As noted in the A4A submission, any potential change to the metrics should not be made lightly or in isolation. To that end, we particularly urge the UK to collaborate with the FAA on that work.

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### The Balanced Approach

As referenced above, and obviously understood by the Commission, the International Civil Aviation Organisation (ICAO) sets the standards and

recommended practices for the international aviation industry. It is essential that these standards are understood and followed as agreed.

The discussion paper helpfully notes that 'the Balanced Approach' is codified in European law in the 'Operating Restrictions Directive' (2002/30EC). And, as the A4A notes in their response, while there will be 'State-specific and local impacts' from aviation noise which will make noise analysis and subsequent mitigation measures necessary, it is essential having and adhering to this internationally-agreed approach to aircraft management...ensuring that airlines can fly from country to country without inappropriate or unsubstantiated restrictions and that the full array of noise mitigation options is given due consideration.'

Over the years, in our view, in a number of locales this 'balance' has not been maintained and a disproportionate emphasis has been placed on the use of operating restrictions. We urge the Commission to avoid that path.

### Noise mitigation

Chapter 5 of the discussion paper is of greatest interest to our industry. As outlined above we are keen that the UK continues to address noise policy in an appropriate, rational and balanced way recognising the international frameworks which are in place and the processes they provide.

We strongly endorse the comments of A4A on the use of ICAO certifications standards in the context of operating restrictions. Certification standards should not be used by airports to force airlines to upgrade fleets through more new charges and penalty fees.

First of all, operating restrictions should be a last resort and should be balanced against (in the case of cargo services) not just the desires of the surrounding community but also the needs of UK plc for efficient flows of trade and competitive access to global markets.

Second, certification standards (such as the Chapter 14 noise standard to be considered at the upcoming ICAO Assembly) are based on the newest technology which is possibly available. Aircraft do not have the same lifespan as consumer electronics, to be enjoyed and then rejected when a newer model is announced. Aircraft are expensive, long-lived pieces of technology, and fleet renewal is a costly process which takes many years to plan and implement.

Other concerns regarding proposed actions are (again, agreeing with the detailed comments in the IATA, A4A and AICES responses):

- Land use planning must be a more significant and regularly used tool.

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- The use of noise 'concentration' and/or dispersal policies should be on a case-by-case basis.
- The Commission should examine varied examples of community responses to aircraft noise and the varied community engagement models used at different airports around the world.
- An 'Independent Noise Regulator' is not necessary or appropriate.
- Operating restrictions must be a last, not a first resort and that the 'Balanced Approach' must be the basis for analysis of any mechanisms recommended, e.g. noise envelopes, compensation, etc.
- Existing curfews should not be extended.

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