

# The Renaissance of the Turboprop Airliner Market



## AirInsight

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June 2010

The commercial turboprop airliner market has seen significant fluctuations over the past decade. Initially there was great interest as regional airlines started to grow; the need for airlines to feed network airline hubs meant lots of opportunities. What had been essentially a 19-seat market rapidly grew into a 30-seat aircraft market and then into today's ~70 seaters.

- We expect the turboprop passenger airplane to experience a renaissance.
- Within the United States airline consolidation is in full swing. Fewer airlines mean fewer choices and higher fares. This movement is likely to be mimicked elsewhere.
- As eloquently put forward by our colleague Doug Abbey in his report "Air Service to Small and Medium-Sized American Airports: Preparing for the Inevitable":
  - Between 2006 and 2010, 10 U.S. airports lost important scheduled air service links when their last small-jet flights were determined to be uneconomical by major carriers.
  - Nearly 200 U.S. airports have lost all scheduled air service since airline schedules reached their peak in the mid-1980's.
  - We anticipate that at least 30 other U.S. airports face a similar risk. A majority of the local communities are simply too small or located too near alternative gateways to sustain small jet flying in the long-term. With relatively few 30 to 50-seat turboprop aircraft flying today which could theoretically be used to replace them - and larger capacity (70-plus seat) regional jets too financially risky to deploy in small markets – more local communities remain at-risk at losing their air service than ever.