

# Republic Express Expands Commuter Service Operations



Republic Express began service with one Saab-Fairchild 340 between Jackson, Miss., and its hub in Memphis on July 15. The new regional airline began flights on June 1 with a 10-year contract with Republic Airlines covering joint marketing efforts, Republic designa-

tor and ramp facilities. Republic Express is scheduled to receive its second 30-passenger 340 in September and another one or two by the end of the year. The regional carrier holds orders for five of the General Electric CT7 turboprop aircraft and options on three.

**Memphis**—Republic Express Airlines is expanding flight operations from its hub here by adding cities to its route network as it increases its fleet. The carrier plans to have a fleet of about 25 aircraft carrying 60,000 people monthly by April, 1986.

The regional airline started operations June 1 under a 10-year contract with Republic Airlines to provide feeder service through the larger carrier's Memphis hub. The long-term contract includes the joint use of Republic's two-letter designator, corporate colors, tariff structure, Executive Club and small-package programs. Republic Express also is able to share facilities with the airline and use its ramp equipment, as well as buy fuel at Republic's bulk prices.

Initial service by Republic Express to cities in Louisiana and Mississippi were provided by three British Aerospace Jetstream 31s. The 18-passenger Jetstreams are being used on five daily flights to Monroe, La., Greenville, Miss., and the single airport serving Columbus/Starkville/West Point, Miss.

The first of the airline's Saab-Fairchild 340s was used to inaugurate service to Jackson, Miss., from here on July 15. Republic Express had the 340s configured for 30 passengers to allow it to operate under Federal Aviation Regulations Part 135.

The carrier does not have plans to expand its operations to Part 121 covering

the larger carriers unless there is a need to expand the seating capacity of the 340 to its maximum of 35 passengers, Michael J. Brady, president and chief executive officer of Republic Express, said.

Operating plans call for a rapid expansion of the regional carrier through 1986. The three initial Jetstream 31s will be augmented by an additional 18 aircraft powered by Garrett TPE331-10 turboprop engines. One demonstrator aircraft provided by British Aerospace for the startup of the airline will be returned as Republic Express acquires its additional aircraft. The regional airline expects to receive four Jetstreams in the next two months and additional aircraft each month until the last of it 20 Jetstreams is accepted in April, 1986. The British-built aircraft are being flown under a long-term lease by Republic Express, Brady said.

The commuter carrier is scheduled to receive its second 340 in September and at least one more later in the year. Five 340s powered by General Electric CT7 turboprop engines are held under firm orders by Republic Express. The last of the 30-passenger aircraft is to be delivered in 1986. Another three 340s are covered by options. Republic Express also is leasing the Swedish and U.S. built aircraft.

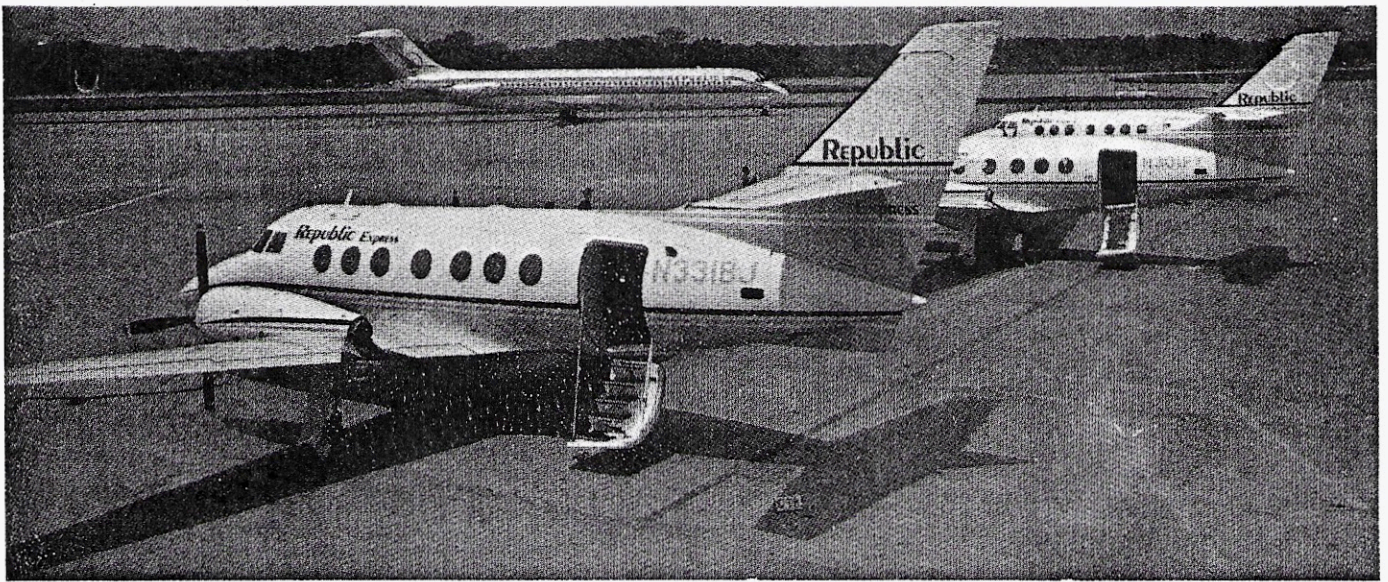
As the carrier receives its new equipment, Brady said, other cities will be added to the flight schedule. Republic Express plans to start five daily nonstop

flights to Meridian, Miss., and three daily flights to Tupelo, Miss., on Aug. 1. Five daily flights are planned from Memphis to Springfield, Mo., and Evansville, Ind., on Aug. 15. The 340 will be used on one or two of these daily flights to Springfield and Evansville, Brady said.

Republic Express officials consider any airport within a 350-mi. radius of its Memphis hub as a potential point for service. The airline expects to be operating into 20 cities by next April, and Brady estimates that the airline will be carrying 60,000 passengers monthly at that time. If the commuter reaches its predictions, it would place Republic Express near the top 10 of the regional airlines in passengers carried annually.

Brady said that during the airline's first month of service, the number of passengers carried far exceeded his estimates. The carrier was able to achieve more than a 60% load factor with a 99.75% flight completion factor. The breakeven point is below 50%, Brady said, and that is predicated on supporting two companies during its startup period. The airline is a wholly owned subsidiary of Phoenix Airline Services, an airline marketing company based in Atlanta. Brady expects the breakeven for a mature Republic Express to be 37%.

The regional airline president attributed the company's initial success and the forecast growth to its ties with Republic Air-



Three British Aerospace 18-passenger Jetstream 31s are in service with Republic Express. The airline has orders for an additional 17 of the twin-turboprops. Republic Express is scheduled to receive one

Jetstream in August, three in September and the last of the aircraft on long-term operating leases in April, 1986. The Jetstreams are being used on daily flights connecting Louisiana and Mississippi airports.

lines. Republic Express replaced two daily Republic McDonnell Douglas DC-9 flights between Memphis and Greenville, Miss., with five daily Jetstream flights and was carrying more passengers, Brady said. Republic's increase of its daily departures from 98 to 151 on Apr. 28 from the Memphis hub also contributed to the high load factor during the first month of operation, he said. The initial statistics for June indicate at least 90% of the passengers carried by Republic Express transited Memphis and were not point-to-point traffic.

Republic Express had 106 employees in the beginning of July, and that number is expected to grow to 125 by the end of the month. Brady said the airline has not advertised for pilots or mechanics, but was

interviewing pilots with an average of 6,500 hr. of flight time and well qualified mechanics. The company expects to have 150 pilots on the payroll by April, 1986.

The carrier has organized its operations, maintenance, passenger service and flight attendant organizations to Part 121 standards, in the event it shifts to larger air carrier standards later, Brady said.

Republic Express plans to accomplish all maintenance on the Jetstream 31 at its own facility here. This would include work through hot section overhauls on the Garrett TPE331 engines. The company is operating the General Electric CT7 turboprop engines in an on-condition basis, with overhauls or heavy maintenance to be done by General Electric.

Pilots for the British Aerospace Jetstream 31 are being trained in Memphis by the airline. The pilots scheduled to fly the 340 are to be trained by FlightSafety International at its training facility in San Antonio, Tex. Republic Express intends to use a seniority system for its pilots to upgrade from one position to another and from the Jetstream 31 to the 340.

The airline's parent company, Phoenix Airline Services, is discussing similar hub operations with other airlines, Brady said. Brady also serves as chairman and president of the airline management company. Phoenix has the capability to do the maintenance, training, finance, accounting and other support functions for other airlines, Brady said. □

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