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Airlines weighing fee for oversize carry-ons

By Joe Sharkey

IdeaWorksCompany contributed information to this article - - see italics.

Here's something that the big airlines really wish we wouldn't discuss right now, with planes flying full, fares rising, fuel prices stabilizing and customers generally resigned to the air travel system:

Some domestic airlines are weighing the idea of discouraging passengers from lugging oversize carry-on bags onto planes by imposing a \$25 charge, at the gate, on bags that exceed the posted size limits. Alaska Airlines, the No. 7 carrier in domestic market share, is already quietly doing just that, in fact.

Spirit Airlines initiated a major new approach to carry-on bags almost two years ago when it began charging passengers \$45 to stash carry-ons in overhead bins. Spirit plans to raise that fee at the gate this fall to \$100 per bag. But Spirit's success in discouraging carry-ons has evidently resonated with the bigger airlines, at least on the subject of passengers who now gate-check oversize bags free.

“Everybody who flies knows that it’s just a mess boarding at the gate,” as passengers wait while carry-ons are stored on the plane, said Jay Sorensen, the president of IdeaWorks, which specializes in airline fee revenue strategies. Because of fees for checked bags, “airlines have conditioned many travelers to just take a bag to the gate and let the gate agent or the flight attendant on board the airplane sort it out,” he said, adding, “It’s a horrible system.”

Seldom do passengers, gate agents, flight attendants and airline management all agree on anything — but all agree that the current system is awful. Along with the unpleasant airport security checkpoint drill, the glum ritual of boarding a crowded plane and hoping to find space in a crammed overhead bin is one of the two high-anxiety choke points in air travel. Many flight attendants tell me that the bin-storage problem is the part of their job that they dislike the most.

Airlines created the overhead bin problems in 2008 when they started aggressively imposing charges on checked bags. Airline revenue from checked bag fees has jumped, to \$3.36 billion last year from a mere \$464.3 million in 2007.

Adding a new fee for gate-checking some bags isn't something an airline will approach lightly. I could practically see airline spokesmen cringe when I called to ask about tentative plans for charging for oversize carry-on bags at the gate.

But in discussing her airline's gate-check policy, Marianne Lindsey, a spokeswoman for Alaska Airlines, said that "items exceeding the free carry-on allowance will be charged \$25 per piece and tagged for delivery to baggage claim at your destination." At the boarding area, passengers can pay with cash or credit cards for gate-checking a carry-on bag that exceeds the regulation size, which is 10 by 17 by 24 inches.

At United Airlines, some supervisors have had talks with gate agents about charging customers for oversize bags. But United won't discuss that.

"We don't have any immediate changes planned," said David Messing, a United spokesman. But, he added, "We're looking at how to prevent so many noncomplying bags from reaching the gate, as well as better ways to handle noncomplying bags that do reach the gate."

An American Airlines spokesman, Ed Martelle, also declined to talk about this, saying, "The Department of Justice does not allow us to discuss any possible future pricing on any fare or service charge that may, or may not, happen in the future." A spokesman for Delta Air Lines, Morgan Durrant, said the same. US Airways did not respond to requests for comment.

Some airlines are already partly addressing the overhead bin squeeze by adding some space. American, for example, had bigger overhead bins installed as part of improved interior designs on the more than 130 new Boeing 737-800 airplanes that it began receiving last month to replace its old MD-80 planes. United is carving out some extra space by redesigning the doors on bins on the 152 Airbus planes in its fleet, Mr. Messing said.

But anyone who gets on a plane, or works on one, knows that bags the size of Winnebagos and the people who break rule by hauling them on board are a continuing nuisance. Assuming those bags can't fit into bin space, they are now routinely gate-checked free (along with any spillover of regulation-size bags that can't fit in full bins).

Charging for oversize bags at the gate will be challenging but, as Mr. Sorensen pointed out, carriers in Europe routinely do it. Still, what happens to that bag if a passenger can't pay at the gate? And will airlines use the extra revenue to hire more gate agents to handle the logistics?

Mr. Sorensen said he thought it was inevitable that more airlines would charge for gate checking oversize bags. But he said he suspected some carriers might be tempted to copy Spirit Airlines' success in simplifying the boarding process (and raising lots of revenue) by charging for all carry-ons that go in a bin. Allegiant Air also recently began following the Spirit policy on carry-ons.

The consumer uproar would be thundering. But, he said: "They're watching how Spirit Airlines boards, and realizing that Spirit has effectively removed roll-ons as a problem. So I'm not surprised that they're internally discussing ways in which they can imitate that success."