

New agreement will keep United at Dulles International Airport

Lori Aratani, Washington Post | Sep 30, 2016



The main terminal at Washington Dulles International Airport is shown Oct. 2, 2014, in Dulles, Va. (Mark Wilson/Getty Images)

It's a rumor that seems to circulate every six months: United Airlines is shutting down its hub at Dulles International Airport.

Well, Virginia Gov. Terry McAuliffe sought to tamp down such nonsense this week with the announcement that the airline had signed a new agreement that will ensure that it maintains a significant presence at Dulles though at least 2025. The agreement is an extension of a three-year deal signed in 2015.

[\[Airport board inks new deal with airlines at Reagan National, Dulles\]](#)

“Today’s agreement is critical to the economic prosperity of Northern Virginia and air service throughout the Commonwealth,” McAuliffe said in a news release heralding the deal. “The extension of the United lease solidifies Dulles as Virginia’s gateway to the country and the world and a critical piece of our efforts to build a new Virginia economy.”

For years, [rumors have swirled](#) that United would eliminate its hub at Dulles because of duplication with its more profitable hub at Newark Liberty International Airport. Analysts have long suggested that such a move could boost the airline’s bottom line. But such a move would be devastating at Dulles, which had steadily lost market share to its smaller sister airport National and Baltimore-Washington International Marshall Airport.

So how did McAuliffe do it?

Cold, hard cash.

In this year’s General Assembly, McAuliffe championed a measure that would give \$50 million in additional funding to the Metropolitan Washington Airports Authority, which manages Dulles and Reagan National airports. The funds were designed to lower the costs for airlines operating out of Dulles. But the money — \$25 million over two years beginning in 2017 — was contingent on securing a longer term lease agreement. The agreement covers most of the airlines that operate out of Dulles, but United really is the big dog operating more than 60 percent of the flights at Dulles.

[\[Dulles struggles to find its footing\]](#)

“As we extend our lease at Dulles, I want to express my appreciation to MWAA, Governor McAuliffe, Transportation Secretary Aubrey Layne and the Virginia General Assembly for their partnership in keeping Dulles competitive,” said Oscar Munoz, United’s chief executive. “We are proud to be a part of the Northern Virginia and the greater Washington community and look forward to the important role that Dulles will continue to play in United’s global route network for years to come.”

Lori Aratani writes about how people live, work and play in the D.C. region for The Post’s Transportation and Development team.

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(Highlights, footnotes and minor edits may have been added, but only to add clarification)**

7 Comments (archived in following pages)

7 Comments

samtrak

10/1/2016 10:26 AM PDT

Metrostation@remoteparkinglot? Damn Dulles deserves to fail. Whoever planned this disastrous disconnect should be fired, tarred and feathered.

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Americanjoe5736

10/1/2016 8:24 AM PDT

United may have signed a new lease, that really doesn't mean they will stay through 2025. Delta signed leases with CVG and DET when they took over Northwest. Upon the completion of the merger they found the duplication was just cost prohibitive. Delta still has a large presence at these airports but not the same presence they had pre-merger. There are more regional flights that connect to there super hub at Minneapolis.

There is no loyalty to day in anything that is done. as the saying goes, "Money talks everything else walks." United will honor the letter of the agreement but not the spirit of the agreement once the money runs out. IF the planes are not running profitably they will cut the routes and fly regional connectors to IAH and EWR and possibly ORD to fill those planes going to the same destinations.

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Older and Wiser

10/1/2016 8:16 AM PDT

a classic example of corporate welfare . . . the taxpayers of virginia now must come up with \$50 million to keep united airlines happy . . . a pay-off ("a rose by any other name is yet a rose") . . . so don't let me hear the overpaid blowholes in the upper ranks of united airlines (or anyone else) complain about taxpayers footing the bill for welfare to families living under the poverty line..

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samtrak1

Dcpols

10/1/2016 7:59 AM PDT

Great job by the Governor to keep United at IAD. However, things need to happen with the Washington Airports Authority *now*. This includes:

(1) Increasing the speed limit on the Dulles Toll / Airport Access Road to 70. Passengers, especially from the District, think IAD is far as hell. They want to get there quick which is why they prefer DCA. There's a dedicated airport road for them that is crawling with airport cops who should be patrolling the airport rather than the roads. OK, they are in charge of the roads you say. Well, then stop ticketing them in greater proportions than VA State or County Police do on a

typical road. This is a disservice to IAD, its passengers and ultimately the taxpayer.

2. The layout of the airport is horrendous. But that can't change overnight or without lots of money. So, make it easier to navigate at least. The marketing of the airport internally and externally needs to dramatically improve to attract new travellers. IAD is in need of a CMO who can do this.

3. Reduce parking fees dramatically or run promotions for free parking on weekends. What happens to the revenue you say? It will increase with the additional passengers. Do you know how much free parking will help IAD? Tons. IAD has one thing DCA doesn't. LAND. Use it to your benefit rather than ripping people off for an absurd amount of money to park. LOTS of other ideas. I hope IAD will listen.

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csgstewart

10/1/2016 6:18 AM PDT

Dulles took on huge debt when it over expanded. This led to much higher fees on the airlines. So the \$50 million is part of a bailout that includes \$300 million in revenues shifted from more convenient and successful national airport. Concur with previous comment that failure to place the Meyro station right at the Dulles terminal us and will be deemed a huge mistake.

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samtrak1

Washington Observer

9/30/2016 6:44 PM PDT

"So how did McAuliffe do it? Cold, hard cash." \$50 million to bribe the airline to stay at an airport travelers avoid for many good reasons. McAullife keeps throwing money at businesses to stay in VA when he should be calling their bluff.

That \$50 million would have been better invested in making the Silver Line Metro actually deliver travelers to the IAD terminal rather than the remote parking lot.

Idiotic.

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samtrak

10/1/2016 10:22 AM PDT

Metro @ remoteparking lot? Dulles deserves to fail.

LikeReply