Gold in Data

Airlines have few choices, but try anyway to gain information on rivals' traffic performance

JAMES OTT/CINCINNATI

The court dispute over WestJet's alleged unauthorized access of an Air Canada internal web site underscores the need for vigilance in protecting vital information on traffic and fares. It also raises questions about the vulnerability of data that rival airlines might find useful in day-to-day competition.

No existing security system will prevent the wrong person from accessing a web site if that person uses an authorized log-in code and password, says David S. Hoelzer, the adjunct director of site security for the SANS Institute of Bethesda, Md., and an expert in intrusion detection. Computer security systems are focused on finding hackers who may be trying to enter a site, he says, not on those using proper credentials even if they are unwarranted.

Security breaches usually are detected "when things are wrong," Hoelzer adds.

Bob Harrell, an expert on airline distribution systems as a principal at Harrell Associates of New York, says security systems in place at airlines are rooted in two control elements: personal trust of individuals who have pass codes to secure sites and legal recourse by the company in case of a violation. He questions whether Air Canada may have naively presented too much information on flights to employees, retirees and other users of its flight booking system.

The employee web site, which has been revised recently, provides information such as the number of seats available on a particular flight for a specific day. Users are ranked in a hierarchy of privilege. A former president, for example, will have more of a chance of obtaining a seat than an ordinary employee.

According to Air Canada, a former Canadian Airlines/Air Canada employee who had pass privileges on the airline allowed individuals at rival WestJet to use his log-in code and password in order to access the Air Canada web site (*AW&ST* Nov. 22, p. 38). A discount operator, Jetsgo, making similar accusations, has also filed suit against WestJet, seeking damages.

WestJet has filed a counter claim against Air Canada in Toronto's Ontario Supreme Court and has denied any wrongdoing, claiming much of the traffic data are publicly available in any case. Officials at Calgary contend that Air Canada is seeking only to discredit individuals at WestJet. The discovery phase is continuing and may last for several more months.

Air Canada contends that the employee web site was "hit" 243,630 times by WestJet employees between May 15, 2003, and Mar. 19, 2004, and that West-Jet gained proprietary information on traffic loads. Hoelzer says that number of hits may sound excessive—an average of 788 times a day for 309 days—but "the [security] system wouldn't see anything wrong with that." Intrusion detection is possible if the security department carried out a system of statistical reporting of log-ins or hits on a site. But such monitoring of internal web sites is rare for ones involving trustworthy people, Hoelzer says, and is left to sites available to the public at large.

SINCE DISCOVERING the alleged unauthorized access—through an anonymous telephone call—Air Canada has added new protections. Security officials are alerted by a software that determines whether log-ins in a single day from an individual reach a certain triggering level. Users must log in with employee numbers and additional pass codes, according to Priscille LeBlanc, senior director of corporate communications.

The site facilitates flight bookings for associates at Air Canada and steers them away from using busy call centers. Additionally, LeBlanc says, Air Canada is employing a voice recognition technology as an extra precaution to identify a caller on the telephone as legitimate.

The information on flights is extensive enough that users of the employee site can assess their chances for boarding a flight, using their pass privileges, says LeBlanc. Employees can look at one

screen and one flight at a time. Typically, a user will check more than several flights in the search for one that offers a reasonable assurance of boarding.

The issue with Air Canada, adds LeBlanc, is that WestJet used the codes and passwords improperly and used screen scraper software to log on to the site and make hits routinely to determine traffic loads on Air Canada flights.

Such information is harder to get in Canada than in the U.S., because Canada's Transport Ministry requires very little in the way of reporting. Carriers file monthly traffic loads to Statistics Canada, and rarely do they get into fare information, even in quarterly reports.

In the U.S., the Transportation Dept. requires what is referred to as Form 41 information. T100 data on nonstop flights gives information on passenger traffic and aircraft type between two points. Origin and destination data are a separate filing. This information is available 3-4 months after a quarter ends.

Form 41 data will reduce the 10-15 different fare types on the typical flight to four categories: full fares, full discount fares, leisure, and business or first class.

Aaron Taylor, vice president with Eclat Consulting, an Arlington, Va.-based company that provides traffic and

JOSEPH PRIES

Passenger load and booking data for this Air Canada A320 at New York JFK International Airport can be obtained legally, but the information is costly and may be old.

other airline data, says airlines would prefer not filing even that information to the government. But Eclat's chairman and CEO, J. Randolph Babbit, says airlines want to know what the competition is doing, especially on new routes. Babbitt, a former president of the Air Line Pilots Assn. and a retired US Airways pilot, says it's not uncommon for airlines to employ college students using hand counters to log the number of passengers boarding flights.

IN SOME CASES, airlines have stationed employees in baggage areas at hub airports to obtain a good count on bags going from one spoke city through a transfer airport to another spoke city. If the passenger count is sufficient, airlines will

start nonstop flights between the spoke cities.

Information on traffic loads is proprietary until the airline or government makes a report. Harrell, who worked seven years as director of American Express' fare management office, said flight data are watched carefully by an airline's offices of central revenue control, the airline staff at airports and in sales offices.

Expedia and other Internet-based booking agencies are provided information on flights, but individuals can book only a limited number of seats at any given time. Typically, airlines overbook flights in any case to provide a cushion in case of no-shows.

Flight data are available from global distribution systems such as Sabre, World Span and Amadeus, as well as from American Express and other credit card companies. Taylor of Eclat says the information on credit card sales is "washed" of identification and sold in various forms to whoever is interested. Data from global distribution systems known as Marketing Information Data Transfer (more commonly known as MIDT) are sold mainly to airlines. Marketing departments spend millions of dollars a year for the traffic load and booking information. Prior to deregulation, much of this was exchanged among airlines. ⊗