

The Daily Dispatch

Friday Special Feature

August 14, 2020

The Airport of the Future Will Have No Check-In or Security Lines

By: Brandon Presser, Illustrations by Jaci Kessler Lubliner, Published on Bloomberg Businessweek (August 6, 2020)



Among them: disinfection booths, biometric security scans, automated customs and border patrol screenings, and enhanced self-check-in stations. Together, they represent the most significant overhaul of the airport experience since Sept. 11.

“The traditional way we design airports has long been hamstrung in two directions,” says Matthew Johnson, who helped spearhead the ongoing \$14 billion renovation of LAX in Los Angeles as an aviation principal for architecture firm Gensler. The de facto airport floor plan funnels traffic through an “X” shape, with passengers coming from various entries and converging at one congested portal—TSA—before dispersing to find their gate. This design was largely put into place after the 2001 terror attacks, when extensive security scans became emblems of personal safety.

If long lines were once the price of safety, they’re downright dangerous now. “Covid-19 is going to herald a complete reversal,” says Johnson, who proposes eliminating the X all together. Airports could become like casinos, he says, coupling eye-in-the-sky surveillance with state-of-the-art sensors—as in the “smart tunnel” at Dubai International that verifies your identity by scanning your iris as you walk through it. Add advanced X-ray technology, and airports may be able to identify threats without requiring anyone to line up, divest, or even put luggage in a tray.

The most radical changes have the potential to turn airports from hotbeds of frustration into beacons of innovation. Here’s a look at what’s being installed around the world, and a few ideas yet to come.

Checking In



Without having to rush to get through a snaking TSA line, passengers will be able to enjoy their time anywhere in the airport—including presecurity areas. Free of human gridlock, these spaces will be landscaped and outfitted with seating, where it will be possible to get food dropped off from Uber Eats or Grubhub if traffic is light and you’re a little early. Such deliveries are being tested at Toronto Pearson.

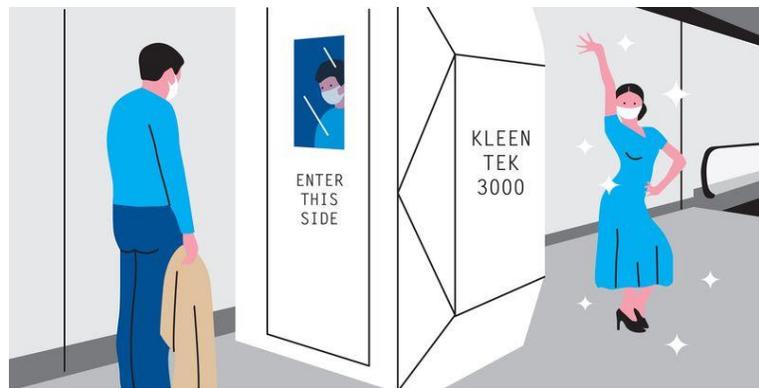
Airline apps will also mitigate the need to touch screens; in May, United Airlines Inc. announced plans for touchless kiosks that print baggage tags when you scan your phone. Coupled with QR code boarding passes and self-drop luggage stations, the check-in process will be fully digitized. From here, walking to the gate is a choose-your-own-adventure, done on your own time.

Going Through Security

Some airports already provide security without requiring human interaction. At Hong Kong International, passengers tap passports to unlock security barriers, scan their boarding pass, and have their photo snapped for identity verification at an electronic terminal. Munich and Singapore Changi have similar systems. Then there’s new technology that’s being fast-tracked for deployment: Remotely operated X-ray machines can check carry-ons for explosives, and millimeter-wave imaging systems can examine your shoes for traces of contraband while they’re on your feet.

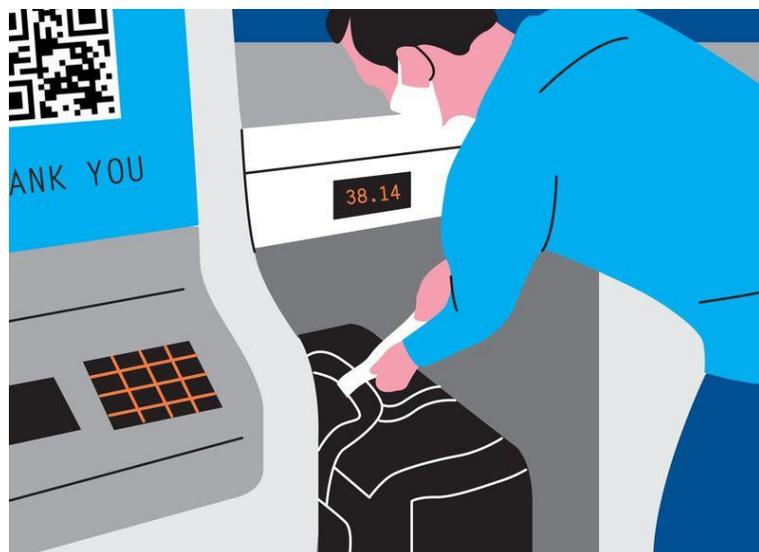
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In response to the current pandemic, thermal cameras—common in Asian airports following the 2003 SARS outbreak—will become a ubiquitous way to detect feverish travelers. Trailblazing Hong Kong International is one-upping that, with full-body disinfecting stalls that look like walk-in tanning booths. They take your temperature and blast you with an antimicrobial spray, all in 40 seconds. Except for these stalls, all the technology operates in the background, without your even knowing it (though it may alarm those concerned about privacy).



Navigating the Terminal

In places such as Seoul Incheon and Guangzhou, a new type of employee can be spotted throughout terminals: robots. Some of them sterilize common high-touch surfaces such as bathrooms, hallways, bag trolleys, and elevator buttons with UV lights; others flag authorities when they detect an unmasked face.

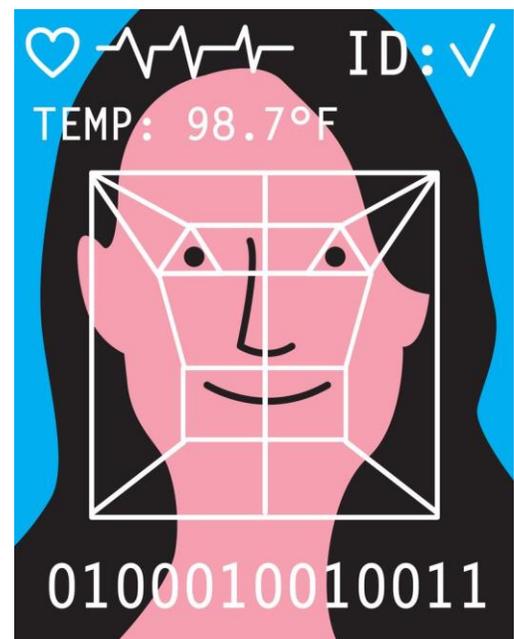


At JFK an artificial intelligence platform called SafeDistance is using cameras to monitor for congestion, so employees can easily identify

overcrowded areas and open up other avenues of access in response. A similar software tool called Zensor uses CCTV footage to bring real-time crowd estimates for places such as gate-side bathrooms, coffee shops, or retail outlets right to a traveler's phone; Pittsburgh International is piloting it.

Boarding

A touchless departure is the last step. Cathay Pacific Ltd. is working in collaboration with U.S. Customs and Border Protection to bring automated boarding gates to LAX and San Francisco International, joining a similar effort at JFK. They'll scan your face and biometrically verify your identity, allowing you to get on the plane without handing over your ticket and passport.



James Groark, who handles landside innovations for the carrier as its vice president for airports, says that “eventually this will be mandatory for all airlines—the writing is on the wall.”

Source:

Brandon Presser & Jaci Kessler Lubliner (2020) ‘The Airport of the Future Will Have No Check-In or Security Lines’, *Bloomberg Businessweek* 6 Aug. Available at: <https://www.bloomberg.com/news/articles/2020-08-06/the-airport-of-the-future-will-have-no-check-in-security-lines> (Accessed 14 Aug 2020)

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TODAY'S TOP NEWS

BSP chief warns proposed 365-day debt moratorium

Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said the proposed 365-day moratorium on loan payments could lead to bank runs and create a credit crunch which would not help an economy that is trying to recover from the impact of the COVID-19 health crisis.

Filipinos expect COVID-19 unlikely to slowdown

Majority of Filipinos see no light at the end of the tunnel yet as they expect the Philippines' coronavirus crisis would further worsen in the second-half of the year, a new survey by the insurance firm Manulife revealed yesterday.

Arta tells LGUs release permits for telco towers

The Anti-Red Tape Authority (Arta) has issued compliance orders to 11 local government units (LGUs) for the release of all pending documents applied by telecommunication firms for the installation of broadcast towers.

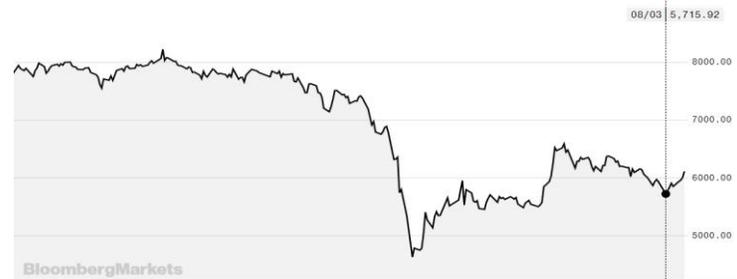
Emperador to export local brandy to Mexico

The company said it is exporting its Emperador brandy to other Latin American countries after it took 57 percent of the brandy market share in Mexico, a country with a slightly bigger population than that of the Philippines. It quoted data from AC Nielsen.

REIT listing brings business optimism

"This public offering is a strong vote of confidence in our good economic prospects and in the resiliency of many of our industry sectors, some of which will be occupants of Ayala Land Inc.'s REIT properties," Dominguez said.

Philippine Stock Market Update



Previous Close:

6,097.78

Open:

6,069.67

52-Week Range:

4,039.15-8,216.92

1 Yr Return:

-21.58%

YTD Return:

-22.57%

Source:

Bloomberg

Foreign Exchange

As of Aug 13, 2020

US Dollar	Philippine Peso
1	48.85

BVAL

As of Aug 13, 2020

Tenor	Rate
1Y	1.7790
3Y	2.1840
5Y	2.4660
7Y	2.6480
10Y	2.7430
20Y	3.4530

Daily Quote

"Strive not to be a success, but rather to be of value."
—Albert Einstein

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MORE LOCAL NEWS

Bloomberry proceeds with Solaire expansion

MANILA, Philippine — Billionaire Enrique Razon Jr.'s Bloomberry Resorts Corp. is proceeding with its casino expansion in Quezon City, banking on a recovery from the COVID-19 pandemic in a few years.

Banks slow down on car loan processing

Banks are slowing down the processing of car loan applications while car companies are encouraging purchases on cash basis even as the industry is seen to end the year with 275,000 unit sales, according to Kia Philippines.

SecB profit up 14% despite larger bad loan buffer

Security Bank Corp. remained profitable through the first semester, despite the unfolding health crisis and significantly higher provisioning for potential business losses.

Construction sector seen to slump by 10%

The Philippine economy is unlikely to get the much-hoped for boost from infrastructure projects this year, as the construction sector is seen to shrink by up to 9.8% amid the pandemic, according to Fitch Solutions Country Risk & Industry Research.

Pandemic hits Ayala with 79% profit fall

Ayala Corp.'s attributable income in the first semester took a 79% dive to P7.9 billion as the coronavirus pandemic caused its real estate business segment to limit operations while bloating the loan-loss provisions of its banking unit. Ayala Land, Inc. suffered the biggest profit decline at 70% to P4.5 billion.

Cebu Landmasters income slips

Cebu Landmasters, Inc. (CLI) said its net attributable profit in the first semester slid by 7% to P792 million despite posting record reservation sales. The listed property developer on Thursday said its consolidated revenues at P3.5 billion were closely matching its 2019 first-half figure.

Manila malls find novel uses for vacant space

Property developers are considering novel alternative uses for malls as people stay home and prefer to buy things online. SM Prime Holdings is leasing out some of its parking spaces for longer-term car storage, while a unit of Ayala Land plans to convert areas in its shopping centres to e-commerce back-end facilities and medical clinics.

RCBC profit climbs 17% in first half

Rizal Commercial Banking Corp. (RCBC) posted a double-digit jump in earnings to P3.11 billion in the first semester despite almost doubling of its provision for probable losses due to the impact of the coronavirus pandemic. The amount was 17 percent higher than the P2.66 billion income in the same period last year.

TODAY'S TOP GLOBAL NEWS

Ascott turns apartments into work suites

Working adults and students looking for an alternative to work from home or study can book fully furnished suites that are equipped with high-speed Internet and other amenities, as part of a new business initiative by The Ascott to counter the Covid-19 outbreak.

MAS commits \$250m to boost tech in finance sector

The Monetary Authority of Singapore (MAS) is stepping up its support for fintech here. It will commit \$250 million in the second edition of a scheme to speed up technology adoption and innovation-driven growth in the local financial sector.

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MORE ASIAN NEWS

Ant's dual listing could double cross Wall Street

Ant's dual listing is bad news for Wall Street. A chunk of the US\$150 billion fintech giant will be sold on Shanghai's fledgling Star board, which is proving popular with big issuers and where fees for initial public offerings (IPOs) are as generous as in New York.

ANA in talks to raise up to 500b yen from banks

Japanese airline company ANA Holdings is in talks with private banks and the state-backed Development Bank of Japan to raise capital of up to 500 billion yen (\$6.43 billion), the Nikkei business daily reported on Thursday. The talks come as ANA prepares for a long-term decline in passenger demand due to the Covid-19 pandemic.

TODAY'S TOP GLOBAL NEWS

Coronavirus weighs on global oil demand – IEA

The global coronavirus pandemic is weighing heavily on worldwide demand for oil as the aviation and transport sectors, in particular, struggle with the fallout from the lockdowns aimed at reining in the disease, the International Energy Agency (IEA) said on Thursday, August 13.

Air passengers drop 60% in Europe in 2020

Air passenger numbers in Europe are expected to drop by 60% in 2020 due to the coronavirus crisis, the global aviation industry said on Thursday, August 13, with the recovery looking highly uncertain.

Chinese firms flood into U.S. IPOs

The U.S. government is threatening to delist Chinese companies that do not meet U.S. accounting standards, but mainland firms are rushing to offer their shares on New York exchanges, sometimes in blockbuster deals. So far this year, Chinese companies have raised \$5.23bn in U.S. IPOs, more than double the \$2.46bn for the same period last year.

Coronavirus vaccine developer CureVac raises \$213M

CureVac BV CVAC.O raised \$213 million in its initial public offering on Thursday, setting the stage for the first stock market debut of a company developing a promising vaccine to combat the novel coronavirus. The German biotechnology firm sold 13.33 million shares at \$16 apiece, the top end of its indicated price range.

Thomson Reuters buys platform CaseLines

Thomson Reuters Corp (TRI.TO) (TRIN) has acquired CaseLines, a cloud-based court document and evidence management platform, the news and information provider said on Thursday, without disclosing financial terms.

SoftBank commits \$1.1b to WeWork

SoftBank Group is adding US\$1.1 billion (\$1.5 billion) to its WeWork commitment as the co-working company weathers declining membership amid the coronavirus pandemic, according to a staff memo obtained by Bloomberg News.

Airbnb quarterly revenue drops; IPO still planned

Airbnb reported tumbling revenue and mounting losses for the second quarter, but the home-sharing startup is still eyeing a stock market debut before year's end, according to people familiar with the matter. Revenue fell to US\$335 million for the period ending June 30, said the people.

Gold calms down after wild ride

Gold held above US\$1,900 an ounce following wild swings as investors weighed the outlook for the metal's record-setting rally, tracking moves in bond yields, a weaker dollar, as well as an uptick in risk appetite. Spot bullion steadied, while futures dropped after US stocks briefly surpassed their all-time closing high.