



*Victor Lee*



## American Airlines Inaugurates HK-DFW Nonstop Service

*America's namesake airline launched in June a daily direct nonstop flight between Hong Kong and Dallas-Fort Worth (DFW), for the very first time flying its own branded aircraft between Hong Kong and the United States for a 16-hour journey. Victor Lee, Commercial Director for Hong Kong and Macau at American Airlines, talks about the airline's longest flight at 8,119 miles, as well as Asia's growing importance in the aviation market*

By **Blessing Waung**

“E verything’s bigger in Texas” is a go-to catchphrase in the famed Lone Star State, and American Airlines aims to make it known here in Hong Kong.

America’s namesake airline has launched in June a daily direct nonstop flight between Hong Kong and Dallas-Fort Worth (DFW), for the very first time flying its own branded aircraft between Hong Kong and the United States. The 16-hour journey to Texas is the airline’s longest flight at 8,119 miles and is one of the longest in the world.

Victor Lee, Commercial Director for Hong Kong and Macau, is an industry veteran who has been with the company for 13 years. Until recently, Lee was Managing Director of Greater China for American Airlines based in Shanghai. During his career with American, he has helped launch all of the flights connecting to the US from Mainland China and Taiwan.

Having moved to Hong Kong in March, he is exuberant about working with his team here to replicate the success the airline achieved in the Mainland. In addition to the service between Hong Kong and Dallas-Fort Worth, American Airlines has launched simultaneously its Shanghai to Dallas-Fort Worth route – all in time to serve a growing market in Greater China.

“We constantly evaluate the potential of a market and watch very closely the development and growth trends,” Lee says. “When the time is right, we just fly in.”

## Why Dallas-Fort Worth

Many industry experts have raised the question about the business case of a direct flight between Hong Kong and Dallas, and there are plenty of good reasons to provide connectivity linking two of the most economically important cities in the world. Dallas is in fact one of the key investment cities in the US for Hong Kong, according to Clement Leung, Hong Kong’s



Commissioner for Economic and Trade Affairs to the US.

With more than a dozen Fortune 500 companies headquartered in the Dallas-Fort Worth metropolitan area (and some others in nearby Houston and San Antonio), Texas is a prominent financial and commercial hub of the southwest United States. Business ties between Texas and Hong Kong as well as China are only growing stronger, especially as a growing number of Chinese tourists and investors becomes more internationalized and continues to look for outbound opportunities.

The energy sector, particularly in oil and gas, is a pillar industry in Texas where many large companies are based, Lee points out. Furthermore, numerous trading companies or factories based in Shenzhen are commercially tied to companies in Latin America, making Texas strategically important not only by itself but also as a springboard to further reach markets throughout Central and South America.

American Airlines – headquartered in Fort Worth – has played an important role in the growth of the Dallas-Fort Worth International Airport. In



2013, the number of international passenger arrivals at DFW Airport grew nearly 10 percent. With the launch of the two daily flights to and from Hong Kong and Shanghai, American Airlines has a new capacity to connect some 8,000 additional passengers traveling between the US and Asia every week.

So far, no single hub serves as a dominant gateway for the Asia-Latin America market, but this is about to change as a result of the new nonstop flights to and from DFW. While Miami is the largest hub for flights flying between the US and Latin America,

Florida is simply too far away from Asia for any commercial airliner to operate profitably without a fuel stop, hence making Dallas an ideal transit point.

Latin America is indeed a key international destination in and out of Dallas-Fort Worth Airport, with just under half of all of its international seats flying to and from its neighboring continent. Passengers can conveniently reach more than 200 destinations to key business destinations in South America such as Rio de Janeiro, Sao Paulo, Buenos Aires, Lima, and more.

## A whole new experience

Within a network serving more than 339 destinations in 54 countries and territories, American Airlines operates more than 6,700 daily flights from hubs in Charlotte, Chicago, Dallas-Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington DC. It is currently the largest US carrier for destinations in Latin America, with routes covering all major cities across two continents.

Traveling from Asia to Latin America, business travelers currently have the option to fly eastbound or westbound, stopping through Europe if they choose the latter. However, because Hong Kong is closely tied to the US for the purpose of commerce or otherwise, Lee believes the new nonstop flight best facilitates a trip where the traveler can take care of business in the US in a single journey while having an option of easily connecting to all other cities in the Americas.

“It’s not just business traveling,” Lee says. “We can actually give people the convenience to travel onward to the Southeast of the United States, Latin America, and the Caribbean.”

Meanwhile, China is also a critical inbound market for the US and in particular Texas. It is a market segment served by American Airlines through its daily flights to Chicago and Los Angeles – and now Dallas-Fort Worth – out of Shanghai’s Pudong International Airport and a flight to Chicago out of Beijing.

Just last year, more than 20,000 Chinese visitors arrived to the metropolitan area of Dallas/Fort Worth as their final destination via the DFW Airport – an increase of over 60 percent compared to just five years ago. According to the Dallas Convention & Visitors Bureau, Chinese visitors spend an average of 16 nights in hotels while visiting Dallas – about twice as long as any other international visitors and more than half of them as business travelers.

Though technically Hong Kong is a new destination for American Airlines, the company has enjoyed a longstanding partnership with Cathay Pacific Airways in a comprehensive network of flights along the Pacific Rim. The new DFW-bound flight is a strategically important addition to the existing codeshare flights with Cathay Pacific and will only strengthen the overall network connecting Asia to Latin America, Lee believes.

American also partners with Japan Airlines in Asia, Qantas in Australia, and British Airways in Europe. Malaysia Airlines has also announced in July that it would codeshare the service to Dallas from Hong Kong, further expanding the network within Asia.

"We often get asked about whether we are looking to enter into different and new markets, and the answer is yes," Lee says. "As a US carrier, American Airlines actually supports competition, because it is healthy for you to grow, to develop, and to become better. We consider competition necessary and essential."

"We will continue to expand in Asia, using our latest planes like the Boeing 777-300ER and 787 Dreamliner. We are also retrofitting our fleet of 777-200ERs for a refreshed in-flight experience," he says. "All these planes will be deployed to Asia in the future as we continue to expand in this part of the world."

## Center of the world

After its merger with US Airways in 2013, American Airlines became the world's largest airline by both fleet size and passengers carried yearly. The flight marks the first time American Airlines deploys a brand-new Boeing 777-300ER aircraft, its flagship aircraft, to Asia.

The aircraft, which Lee calls "the best airplane we've ever had," itself is a critical component of American's expectation of success with this route. It features lie-flat beds in 66 first and business class seats, a walk-up bar and personal in-flight entertainment system with larger screens to view the selection



of over 250 movies at a given time. Crucially, WiFi is available for the entirety of the flight in all of its cabins for a small fee.


"Anyone who travels on our flight will feel they're entering a whole new world," Lee says. "Even we, who fly so much, are amazed. It's a thrilling experience."

For now, Lee expects to focus on the market here in Hong Kong – an emphasis that will be reflected in the overall marketing and sales strategy. "My core focus will still be Hong Kong. You will continue to see our branding in this market," he says. "After all, the Hong Kong business community is whom we are looking to serve, so we need to really listen to them about what they really need from us."

"My expectation for the future is that we will go beyond the market in the Pearl River Delta region and find a way to serve the markets in Southeast Asia

including Singapore, Taiwan, Thailand and Vietnam," he adds. "At this time, we are in a listening stage seeking customer feedback. This will enable us to fine-tune our products."

With some 600-700 new aircrafts on order, American Airlines has made Asia a critical component of its plans for growth and expansion. The airline is famous in the industry for always being ahead of others in terms of strategy, Lee says, noting innovations – including the hub-and-spoke concept and global distribution computer system – that have been widely adopted in the industry worldwide.

"We tend to think far ahead and look at things from a global perspective," Lee says. "You need to be someone who's willing to compete in the market all the time and have foresight. That's why we want to look at the future and make decisions now." 

# A Gateway of Unlimited Potential

*In Hong Kong as part of a delegation for American Airlines' inaugural flight to Dallas-Fort Worth, Phillip J Jones, President and CEO of Dallas Convention & Visitors Bureau, speaks of "big" business opportunities with Hong Kong and China in the fourth largest metropolitan area in the US*

By **Kenny Lau**

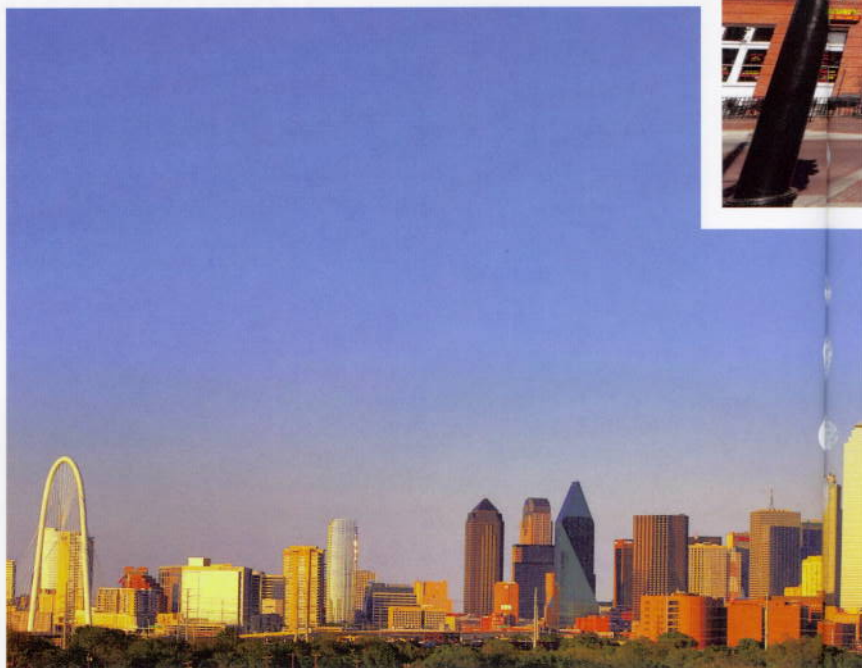
**W**ith the launch of direct non-stop flights between Dallas-Fort Worth (DFW) in the US state of Texas and Hong Kong as well as Shanghai on American Airlines, "big" business opportunities are about to revolutionize the commercial ties of two of Asia's most important financial centers to one of the fastest growing metropolitan areas in the United States.

China is one of the fastest growing inbound markets for Texas, and the number of Chinese visitors will continue to increase, not only because traveling from Asia to Texas is now faster and more direct but also because Dallas and Fort Worth are positioning themselves to "stay ahead of the competition" and are

undergoing tremendous development to become one of the top hubs for business, innovation and tourism in the US.

"Texas and Dallas, in general, are not as well-known in the Chinese market. One reason is that we didn't have a lot of flights coming directly from Asia into Texas," Phillip J Jones, President and CEO of Dallas Convention & Visitors Bureau, says in an interview with *biz.hk*, while in Hong Kong as part of a delegation for the inaugural flight to DFW Airport.

"That is going to change as a result of these direct non-stop flights; I can see easily foresee the number of Chinese visitors to our area increasing to 100,000 in five years," he says. "When a visitor from Hong Kong or China comes to our city and state, we want to showcase what the region has to offer."

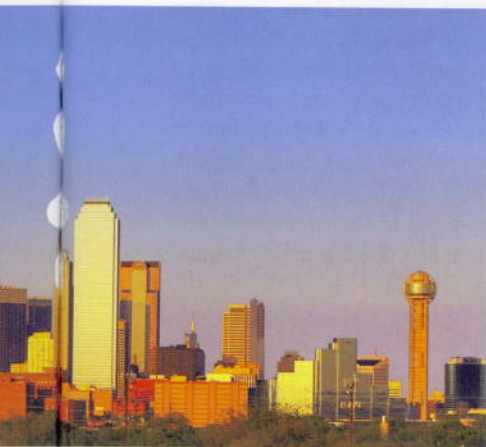


## Texas today

In addition to a rich heritage for all it is known, Texas today is a very diverse, thriving state with a business-friendly environment where many Fortune 500 companies are headquartered, with more than a dozen in the Dallas-Fort Worth area and others in Houston, San Antonio and Austin.

"It is a thriving economic powerhouse for the country," Jones says. "If you look at the numbers of job created, Texas leads the nation. People across the US and the world are moving to Texas for opportunities because it is a great, easy place to do business and it is very friendly to visitors from around the world."

"What Dallas offers in terms of connections is a gateway to Texas," he



Photos: Dallas Convention & Visitors Bureau

says. "It is located in the middle of the country where you can get to either coast and most other domestic cities very easily within 2 or 3 hours by flight – with our airport at DFW, we have flights to 60 non-stop international destinations and 148 domestic cities. Easy transportation is a real plus for us as a hub for the country."

Texas is also a great tourism destination, Jones adds. "As a destination, it is not your traditional California, New York or Las Vegas. It is a different kind of American experience. It is what we offer when you have already been to those other cities or are looking for something uniquely Texan."

"It is still a large state with a rural population. If you are looking for cowboys, horses and ranches, we have

that to offer," he notes. "If you are looking for the best shopping in the country outside of New York City or Los Angeles, you will find that in Dallas, where top department stores and fashion markets are based. Every designer brand you find in LA or New York, you also find in Dallas."

And, there is more, Jones continues. "We are also one of the top cultural destinations in the country. Dallas alone has some of the best arboretums, zoos, opera houses, theaters and cultural centers in the US. All around, we are making billions of dollars of investment in new architectural and civic projects."

"Between what Dallas offers as a gateway and Texas as a destination, people are going to be very impressed and surprised about the transformation

of the city and the state in the last few years," he says.

## "Big things"

With some US\$15–20 billion of investment in and around downtown and a citywide revitalization initiative on linking previously isolated neighborhoods, Dallas is undergoing an "amazing transformation." As a result, it is becoming very popular as a visitor destination and as one of the top five meeting and convention cities in the US today.

"We are truly one of the top business hubs. It is where big things happen," Jones says. "For a visitor from Hong Kong or China, it means that if you are looking to do business in the US, Dallas is a great gateway for you because we now

have daily flights to Shanghai and Hong Kong.”

“It is very easy to do business in Texas because we have just the right business environment in which low taxes and regulations are very attractive propositions. That is a real plus for anyone looking for business opportunities,” he adds.

Texas is also home to a number of highly ranked education institutions that have nurtured generations of young talent. Moreover, young innovative entrepreneurs are relocating to Texas, in particular Dallas, because of the job opportunities, Jones points out. In other words, there is a large pool of talent from which investors could find the right partner for their business ventures.

“We are leading the nation in terms of job creation and economic growth,” he notes. As a result, people are moving in, with 1.2 million from out of state into the DFW area in the last six years, making us one of the fastest growing metropolitan areas in the US.

“Right now, DFW is the number four metropolitan area in the US, behind New York, Los Angeles and Chicago. If we keep growing at the current pace, we should surpass Chicago by the year 2030 based on population.”

## Business hub of the Southwest

When Dallas was established 150 years ago, it merely started as a trading post and grew to become a commercial entrepot at a time when cotton was king. It has since reinvented itself and thrived in an array of industries including oil and gas as well as banking and other professional services.

“In a national economic transition, we see more and more corporations focus on technology, transportation and healthcare – which are three key areas in the DFW area,” Jones says. “It is becoming the preeminent city in all these critical industry sectors not just for the Southwest but for the entire country.

“It is becoming a very diverse and well-rounded city. That’s why Dallas was able to bounce back more quickly than the rest of the country following the

economic recession in recent times.”

“So, we aren’t just tied to only one particular industry like oil and gas. It is a diverse, vibrant local economy,” he adds. “In fact, we have a lot of companies in the technology sector and are called the ‘Silicon Prairie.’ DFW is number 3 in terms of technology-related jobs, only behind San Jose and Silicon Valley in California.”

Dallas is also a “must stop” for conventions and exhibitions and is host to many mega events. It is currently among the top five convention cities in the US (others are Chicago, Las Vegas, Orlando and San Francisco). “We have the infrastructure – including 75,000 hotel rooms in DFW – to accommodate big meetings and conventions,” Jones says. “We are a place for global conferences also because of our location and corporate base.”

“Our philosophy in Dallas is that we are open to business and that we want to be a business friendly city,” he adds, noting a shift of MNCs relocating their headquarters from other states to the area. “We have incentives in the form of tax credits for businesses to create more jobs. That makes it very attractive for corporations to relocate.”

Incentives and policies are key to staying ahead of the competition, Jones stresses. “When you are in the middle of the country, you have to have sometime special and extra to offer. What we have been able to do is to collectively as a state and more specifically as a city to position ourselves to become an economic engine for the country.

“We believe it is working because many of the companies relocating and adding jobs to our area.”

## Market outlook

Markets in Asia, particularly China, are “hugely important” when it comes to economic ties, Jones believes. “This is the most important emerging market for Dallas and Texas, and frankly, for the world,” he says. “If you are not in this market and haven’t had the opportunity to really take a look at the potential, you should because it is amazing.

“We recognize this is a market that



Phillip J Jones


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has the most potential than any other regions in the world. So, we need to be here and we need to be here in a big way.”

“More importantly, we have a great product to offer – a very unique American experience that you can’t find anywhere else,” he adds. “You can learn to ride a horse on a ranch in the countryside and at the same time enjoy the urban fun and excitement in the city with all the cultural, shopping and dining experience that you’d expect in a top-tier destination.”

The direct nonstop services on American Airlines to DFW from Hong Kong and Shanghai are a game changer, Jones believes, “because it gives us an opportunity to make it as simple as possible for visitors and business travelers.”

“What’s interesting is that Latin America is looking at Dallas as a gateway to Asia – and it makes perfect sense,” he says. “We are well positioned to serve both Asia and Latin America as the convenient hub to connect both regions of the world.

“I sense that at some point we will overtake Miami to become the primary gateway to and from Brazil, Argentina, Columbia, Peru and Chile, especially when it comes to the markets in Asia.”

“It is an interesting time for us and we believe Dallas is the city of the future,” Jones says. “It is poised to be the next hot thing in the US in the coming decade as a destination to visit and a place to do business. You simply get so much more for your money in Texas.” 



# A Uniquely Texan Experience

By Kenny Lau

**R**ecognized in 2007 as one of the “10 Top Texas Retreats” in *Southern Living*, Wildcatter Ranch is one of a kind get-away resort that is a unique combination of nature, history, fun and a cowboy experience, with luxurious surroundings in a relaxed environment – a traveler’s dream vacation that is authentically Texan.

“Texas is certainly a big part of America geographically and culturally, and many people go straight to the idea of a cowboy when it comes to Texas,” says Anne Street, owner of Wildcatter Ranch, speaking in Hong Kong as part of a delegation promoting inbound tourism to the United States amid the launch of American Airlines’ maiden flights from Shanghai and Hong Kong to Dallas-Fort Worth.

“When we were approached about a decade ago by the Dallas Convention and Visitors Bureau for the idea of opening up our ranch for tourism, we immediately thought it was a perfect idea because we could invite people not only within the US but from all over the world to come and experience a great part of Texas,” she says.

The Wildcatter Ranch is located near Graham, Texas and about a 90-minute drive northwest of the Dallas-Fort Worth International Airport. It is situated on 1,500 acres of beautiful, diverse Texas landscape in the North Texas Hill Country where “you will hear the sound of coyotes, crickets and frogs at night,” Street describes.

“The ranch is abundant with soft grazing bottomlands, rugged hill terrain covered with rocks, cacti, mesquite, oak and juniper trees, and breathtaking views of the historic Brazos River,” she adds.

The ranch dates back to 1870 when Colonel E.S. Graham (founder of Graham, Texas, and Street’s great grandfather) originally purchased the land. In fact, many of Texas’ historic moments took place near it. Stories of frontier forts, conflicts with American Indians and cattle drives – which took place during the



second half of the 19th century before the oil boom – are told in a multitude of books and movies.

Today, it is a resort of luxury with unique features and characteristics that can only be found in Texas. “Our idea is for our guests to experience the cowboy way of life,” Street says. “They can get their hands dirty but still sleep in a comfy bed at night.”

“The ranch gives our guests the opportunity to go out and ride a horse, get up close to the longhorn, engage in a variety of outdoor activities, or simply enjoy the scenery in a wide open space,” she says. “We have 25 miles of horseback riding trails, and you can take a ride everyday on a different trail with lots of elevation and amazing views.”

“The other thing people really enjoy doing is sporting clays. That is always fun because people



can find themselves in a lifestyle of the Old West," she adds. "And, you can learn about the rich history of our area. We all love to tell our stories and bring you into the heart of Texas."

"The sunset is just magnificent," Street says. "You can see a crystal clear sky that constantly changes when the day turns into night. On a clear night when the moon is not full, you can even see a milky way out on the ranch. It is so beautiful that you can just sit there and watch forever."

The ranch is a year-round destination. The weather can be hot in the summer, with temperature reaching up to 35-38 Celsius degrees, but it is not humid. While there can be a few "really cold days," it normally averages about 13 degrees in the wintertime. The best time to visit during the year is between September and November, and from

March into early June – a time when "flowers blossom and are just beautiful."

"More than half of our guests are leisure travelers and people coming for a holiday, and about 70 percent come from outside the US," Street says. "We really want to welcome the world to Texas. This is very important to me because what we have is really something special – a cultural experience that is unique, warm and fun."

"Our Chinese guests who have come to enjoy a vacation on our ranch just loved it. They walked through the cabin house and just screamed with joy," she says. "With direct flights from Hong Kong and Shanghai to DFW, many more Chinese tourists are going to be pleasantly surprised. The area is definitely worth a visit and not just a place to change planes and go somewhere else." 