‘San Jose Airport is a hell hole.’ ‘Terminals are too small, outdated, and in dire need of re-design.’ ‘SJC leaves much to be desired as a gateway.’ ‘Terminal C is a nightmare in every respect.’

These comments do not conjure up the image of the gateway to California’s Silicon Valley, home to some of the world’s most innovative high-tech companies. But they were made before June 30, 2010, when San Jose International (IATA: SJC/ICAO: KSJC) unveiled a new terminal and passenger concourse, the culmination of a four-year modernization.

Previously, travellers were served by Terminal A, built in 1990, and Terminal C, which was opened in the mid-Sixties. While the latter was expanded to include more gates, it was looking dated, was constrained in its ability to accommodate more retail outlets, and had an antiquated baggage handling system. The building wasn’t designed with the stringent passenger security infrastructure that we see today, and thus working the necessary screening and security processes into the space caused operational inefficiencies and frustrated passengers. Terminal C was not equipped with jetbridges, and while some appreciated the nostalgia of strolling across the ramp and up a set of stairs, it was an unpleasant experience in cool and wet weather, or for those with mobility issues.

“Terminal C was old, inefficient, and not competitive,” admits David Vossbrink, SJC’s director of communications. “Even Terminal A was showing two decades of wear, so we did a complete remodel of the passenger facilities and baggage system in that terminal, along with the construction of a new terminal and passenger concourse.” Vossbrink is quick to point out...
that this project was not an expansion, as the number of gates has reduced from 32 to 28. Nevertheless, the airport does have the ability to expand to 40 gates should future demand warrant.

SJC was born in 1940 when the City of San Jose, prompted by a local committee led by Ernest H (Ernie) Renzel Jr, purchased 483ac (196ha) of the Stockton Ranch. Development was stymied, however, because the federal government banned civilian flying within 150mi (250km) of the coast during World War II. In 1947, Ernie Renzel persuaded Jim Nissen, who had leased 16ac (7ha) for a small flying service, to sell the business, become the city airport manager, and build the airport. A 1,400ft (430m)-long runway, with no taxiways, was soon constructed, along with a passenger building at the extreme south of the current site. The first commercial flight occurred on February 1, 1949, when a Southwest Airways Douglas DC-3 stopped on its daily roundtrip between San Francisco and Los Angeles. To satisfy the growth in air travel through the Fifties and Sixties, the city acquired more of the surrounding farmland for airport expansion.

In preparation for jetliners and the anticipated increase in passenger traffic that would come from larger aircraft, a new terminal was opened in 1965 for what was then known as San Jose Municipal Airport. That building became Terminal C, which was demolished in mid-2010 to make way for a surface parking lot next to the new Terminal B. In 2001, the airport was renamed Norman Y Mineta San Jose International Airport. Mineta was a former mayor of San Jose and served as the US Secretary of Transportation during the presidency of George W Bush.

Over the decades since deregulation, SJC has been impacted by a series of booms and busts. Late in the Eighties, after its acquisition of AirCal, American Airlines made SJC a hub and even owned part of the north end of Terminal A, which opened in 1990. Until 2000, American accounted for more than 50% of the traffic at SJC, and operated international service to Tokyo, Taipei, and Paris. But as the old adage says, what goes up, must come down. And with losses stacking up faster than an overloaded baggage carousel, AA dismantled its smaller hubs, including San Jose. American now has nonstop service to only Chicago and Dallas/Fort Worth, with American Eagle connecting Los Angeles, and its share of traffic has declined to 10%.

Through the Nineties SJC reaped the benefits of the high-tech revolution, as many leading companies established themselves in Silicon Valley. The dot.com bubble fueled the intercontinental routes...
and pushed SJC passenger numbers to more than 14 million in 2000, but it was the speculative nature of the boom that precipitated its eventual collapse. A global recession, and the terrorist attacks of September 2001, hit SJC hard and by 2007 numbers had fallen to 11 million, and today the airport serves 8 million passengers annually. In the span of ten years, SJC traffic declined by almost half.

On a positive note, while American was retreating, Southwest increased its presence and has replaced the former's market share. “This isn’t something we planned,” says Vossbrink, “but it’s a reminder for any airport not to be dependent on any one carrier. Southwest is a great partner, but we would like to see other carriers increase traffic to the airport, so there is a better balance.”

In recent years, Alaska Airlines has expanded at SJC, so that it is now second to Southwest with about a 15% share. Indeed, Alaska now operates more flights from SJC than it does from neighboring San Francisco (SFO) and Oakland (OAK).

The building of passenger terminals at SJC was never a linear process. Terminal A was constructed about 2,700ft (800m) northeast of Terminal C. The space between
the two buildings became a staff parking lot, but it was imagined that a new terminal would be built on this site.

In 1997 the City of San Jose developed a master plan for the airport, and while there were no specific designs for expansion or modernization, some improvements were effected, including the modification of the existing structures to create a centralized passenger building with 49 gates. The plan also called for reconstruction and lengthening of the parallel runways to 11,000ft (3,350m). A third, shorter runway is used for general and business aviation.

“The Airport Master Plan provided the impetus to get something done,” explains Vossbrink. But while big ideas were being dreamed up, traffic volumes were declining. “One new integrated terminal was going to cost $4.5 billion, but we understood that given the economic realities and current passenger capacity we couldn’t justify that type of expansion. Functionality and efficiency became the focus,” adds Vossbrink. “The nice-to-haves were put on the shelf.” The airport is a self-supporting service and receives no subsidy from the civic government, so the reality of passenger and revenue forecasts forced it to slash $3 billion from the original proposal.

Eventually, the $1.3 billion project consisted of renovating Terminal A and razing Terminal C, keeping the international arrivals building, and constructing a new passenger concourse and terminal.

In 2006 Hensel Phelps Construction Company was awarded management of the project under a design-build arrangement, which was meant to create a more efficient process. “The designers and builders were all working in the same building,” recalls Vossbrink. “This improved coordination of the entire construction process, and also eliminated the inevitable disputes and litigation that often mar some of these large capital projects.” And while the economic recession stalled passenger growth, it had one benefit in that the airport was able to capitalize on more favorable costs from contractors, and as a result was able to squeeze more ‘airport’ into the package. While the passenger areas were a priority, road access was also improved.

The airport employs a common use system for check-in and gate counter space. Historically, the airlines leased dedicated counter space, regardless of how many flights they operated, and this is still
the model used by many airports. “Because Southwest handles more than 50 percent of the traffic, we give them priority over gates and counters,” says Vossbrink, “but we have the flexibility to have multiple carriers use a single gate, which creates more efficiencies.” Currently, Southwest and Alaska use Terminal B, accounting for close to 70% of all traffic.

Becoming noticed is SJC’s biggest challenge. Ask someone outside the western USA to name an airport in the San Francisco Bay Area, and you’re likely to hear SFO or Oakland before San Jose. “The Silicon Valley has world recognition, but many people don’t know exactly where it is,” admits Vossbrink. “Hence, SJC doesn’t have that same kind of global recognition.”

SJC’s goal is to compete with its better known neighbors and keep airline charges competitive. To that end, the number of people employed by the airport itself has been cut in half, to about 200, and any programs not operationally critical have been deferred.

Vossbrink feels that SJC and the Silicon Valley offer an excellent market, with lower costs, better weather, and—despite the economic challenges facing the country—still the highest household income in the USA. The airport is close to downtown, with good access to freeways.

While SFO to the north is burdened with significant weather delays throughout the year, primarily from fog that rolls in off the Pacific Ocean, SJC has only a handful of weather-related disruptions. Vossbrink sees some real competitive advantages for airlines operating to SJC, and says carriers could easily fill their airplanes. He cites the region’s catchment area of about 3.5 million people, and home to some of the world’s leading businesses, all within 10mi (16km).

“There are 33 flights a day out of SFO to the three New York airports, where we have one [by JetBlue],” remarks Vossbrink. “You’re telling me that San Francisco’s catchment is 30 times greater than ours? I don’t think so.”

While recognizing that SFO is better known and is the West Coast hub for United Airlines, Vossbrink believes there are opportunities at SJC for the so-called legacy carriers. “It’s kind of a chicken and egg thing,” he says, sounding frustrated. “Companies tell us we only have one flight to New York, for example, so they’ll use SFO instead, but if they don’t push the airlines to schedule more flights to SJC, it will never happen.”

Peak time for SJC are weekdays between 0600 and 0900, when most departures are scheduled, the majority to the Los Angeles area. There are also nonstop flights to Boston, New York (JFK), and Atlanta.

Winning back international flights may prove even more difficult. While there have been discussions with Asian carriers, SJC recognizes that while trans-Pacific service would be a boon for travellers, it would involve a huge
investment for any airline. The revival of trans-border flights to Canada may be more realistic. And although nine flights a week to Mexico were lost when Mexicana collapsed in August 2010 (News from the Airways, November 2010), low-cost carrier Volaris is likely to fill the vacuum.

Vossbrink is also upbeat about Alaska Airlines, which he says is very good at making quick decisions and recognizing opportunities. Alaska has already increased its frequencies to Mexico.

Situated between Terminals A and B is the international arrivals building, which opened in 2002. Vossbrink said it is a vast improvement over the previous structure that dictated the busing of passengers from the aircraft. The only downside is that people waiting for international arrivals must remain outside. “It’s not ideal,” admits Vossbrink, “but when the airport revenues improve, we will enclose the waiting area and add some services.” Departing international passengers are processed in Terminal A.

Undoubtedly the jewel in SJC’s newly minted crown is the sleek, aerodynamic-looking Terminal B and North Concourse, which has doubled the passenger space to 900,000 sq ft (84,000 m²). Passengers should be able to clear security within ten minutes, thanks to eight lanes. The lengthy concourse is filled with eating establishments and shops that impart the feel of a shopping mall. Many feature local products, such as the Santa Cruz Wine Bar. The extensive use of natural light and warm wood accents is very pleasing, as is the seating in the departure area, some 25% of which is equipped with power plugs. Another bonus is free Wi-Fi access throughout the airport (others please take note).

The City of San Jose has a policy whereby 2% of a construction project’s budget needs to be earmarked for public art. In the case of SJC’s modernization, $600 million was committed, half of which is being deferred for future expansion. Unsurprisingly, the theme is ‘art and technology’. One noteworthy piece in the North Concourse is ‘eCLOUD’, a dynamic sculpture inspired by the volume and behavior of an idealized cloud. Dozens of tiles that fade between transparent and opaque states are transformed periodically by real-time weather from around the world. Visitors can view a screen that shows which city’s weather is being simulated.

One of the largest pieces of art at SJC was not part of the public art budget, however. The white hands that cover the east side of the rental car center and parking garage next to Terminal B are, in fact, a cost-effective solution for a façade around a concrete parking structure. Created by international artist Christian Moeller and appropriately titled ‘Hands’, the seven-story mural spans 1,200 ft (365 m) and features the paws of 54 Silicon Valley residents. Some of the images are 60 ft (18 m) tall and can be seen from miles away.

While San Jose International Airport is no longer the subject of scorn and ridicule, the price tag for the upgrade was high and new business is needed. Both beautiful and functional, SJC is boldly telling the world that it is ready to compete in the global air transport market.