



## **MISHANDLED BAGGAGE**

### **A REPORT FROM THE AIR TRANSPORT USERS COUNCIL**

#### **Introduction**

In 2006, airlines of the Association of European Airlines (AEA) reported that they had mishandled 15.7 bags for every thousand passengers they had carried. That works out at over 5.6 million mishandled bags. The AEA says that eighty-five percent of mishandled bags are returned to their passengers within forty-eight hours. That still works out at close to one million bags a year taking longer than two days to find their way to their owners. Some never get returned at all.

And these figures relates only to the twenty-four AEA airlines that file reports for publication. We do not have to speculate on what the total might be for all airlines worldwide to appreciate that mishandled baggage is a fate suffered by millions of passengers every year.

Meanwhile, the Air Transport Users Council (AUC) receives hundreds of requests for help each year from passengers who are still suffering the consequences of mishandled baggage. The majority of these passengers come to us only after having failed to reach a settlement directly with the airline. These complaints illustrate the frustration and financial loss that lie behind the bare statistics.

Look at this case study:

*Two sisters flew to Peru to walk the “Inca Trail”. Their bags did not arrive with them in Lima. They had still not arrived three days later, with the trek due to start. So the sisters had to shop for equipment and clothes, and borrow from others what they could not buy. After their four-day trek they found their bags waiting for them at their hotel. The airline, after our intervention, eventually reimbursed the sisters’ expenses of around £500.*

This case shows a situation in which passengers suffered considerable anguish and unplanned financial outlay as a result of the airline’s failure to deliver their bag in the right place at the right time. It is an example of an airline recovering the situation to

the extent of reuniting the bag with the passenger. And it shows an airline that – eventually – made good some of the bad. But many passengers are not so lucky.

In publishing this report, we challenge the industry to consider whether it is doing all it can to minimise the risk of bags going missing in the first place. And we call on the European Commission to reinvigorate its dormant initiative on “name and shame” airline performance indicators – one of which was to be on incidence of mishandled baggage.

### **Why should we care?**

When we hand our suitcases over to the airline at check-in we should be able to expect that they will arrive with us at our destination airport. If they do not, airlines are usually able to track them down and get them back to us eventually. But the period between first reporting a bag missing and eventually seeing it again can be intensely frustrating and costly. And the process of getting reasonable redress from an airline is not as straightforward as many people expect.

*A passenger’s mobility scooter was damaged in transit. The passenger is severely disabled and totally dependent on the scooter. She had to spend £263 to get the scooter fixed and suffered considerable inconvenience in not being able to use it at the airport and for the weeks that it was under repair.*

*The airline offered only \$50 (£25) with little explanation, even though under the Montreal Convention it has a maximum liability of around £800.*

*(Further case studies and a table with the total number of mishandled baggage complaints received by the AUC in 2006 are at appendix 1)*

### ***The Montreal Convention***

The Montreal Convention sets out airlines’ liability for passengers and their baggage (it also covers liability for cargo). The good thing about the Convention is that it says that an airline must accept liability for passengers’ baggage. The bad thing about it is that it limits an airline’s liability to around £800 (depending on exchange rates) per passenger. An airline will typically need to be convinced that a lost suitcase, for example, really did contain what we say it did. And that is easier said than done.

But what about the money we have to spend whilst we wait for the airline to acknowledge that a suitcase is lost (the Montreal Convention says it should be considered to be lost after twenty-one days)? And if the bag is only delayed for a couple of days, what do we do if the airline says that we spent more money whilst we waited than we needed to?

These are questions that can be answered only on an individual basis. There are no easy reference schedules of compensation in the Montreal Convention, or in any other

regulation. That is another reason why we think that airlines must do more to prevent bags being mishandled in the first place.

### **Is it really that bad?**

No one really knows how many passengers suffer the hassle and expense of mishandled baggage. The AUC commends the AEA for its initiative in making its statistics available to the public. But the AEA figures are not fully comprehensive because its member airlines are not obliged to participate in the reports. And there are no published statistics covering all other airlines that are not AEA members.

#### *AEA statistics*

The AEA publishes its report every quarter, and produces an annual figure at the end of each calendar year. The reports include not just baggage handling performance of its member airlines, but also their performance in other areas. Details from the baggage table for 2006 are at appendix 2.

The 2006 figures show that the AEA airlines that tend to have the worst performance are the larger carriers. The three biggest carriers – Air France, Lufthansa and British Airways – have the worst records (excluding the much smaller Air Portugal). One feature that these airlines have in common is that they operate networks of flights from large airports, where many of their passengers take connecting flights. This appears to show that the risk of mishandled baggage is higher at major hub airports, and that passengers on connecting flights are exposed to the highest risk of all.

Research by SITA, the leading air transport communications and IT solutions provider, appears to confirm this. According to the SITA website, 61% of instances of mishandled baggage are for connecting passengers.

There are understandable reasons why bags might be more likely to get mislaid on connecting flights. Each bag is handled more often. Many large hub airports are congested, with huge numbers of bags being transferred from flight to flight, often from one airline to another. But this should not totally excuse the large network carriers' poor performance compared with their peers. And we do not believe that it can wholly account for the fact that, on average, AEA airlines have mishandled more baggage year-on-year for the past three years.

The worst performing AEA airline in 2006 was British Airways. They certainly fit the profile of a large network carrier with lots of flights connecting through a congested hub airport (in this case, Heathrow).

We accept that large network airlines such as British Airways do not entirely control their destiny. They might have to work within the constraints imposed by overcrowded terminals. And they might not be in control of the operation and maintenance of airport baggage handling systems.

But passengers do not care why their baggage goes astray. They just do not want it to happen. When we put this point to British Airways, Geoff Want, Director of Operations said:

*“The number of bags per month we are handling at our Heathrow home has gone up by 25 per cent since the change in UK security regimes last August and this is reflected in higher numbers of delayed bags in the second half of the year when compared with the first half of 2006.*

*The volumes of hold baggage going through Heathrow, the change in security procedures and some baggage system failures within Terminal 4 has not helped our performance, but we accept that overall the levels of service we offered to our customers has not been up to an acceptable standard.*

*We fully apologise to customers who have been affected by delayed baggage in the past year.*

*We have undertaken a significant amount of work to improve our performance in the current working environment and we therefore look forward to an improved operational performance this summer, and in the future when Terminal 5 opens.”*

### **What about the rest?**

The AEA reports cover only twenty-four airlines (albeit that those twenty-four include the major European network carriers). Six other AEA airlines (including the UK’s Virgin Atlantic and BMI) do not provide data for the reports. And the AEA membership does not include major EU carriers such as Ryanair and easyJet.

Ryanair claims on its website to have less than one baggage complaint per thousand passengers. We do not know whether Ryanair’s reports are compiled on the same basis as the AEA reports. But we have no reason to suppose that they are any less reliable, and they appear to support the idea that connecting flights carry a higher risk of mishandled baggage.

EasyJet and other carriers have told us that they do not publish information about baggage performance because they are wary of comparisons that are not like-for-like. We understand these concerns. We have been calling for many years for league tables on a number of airline performance indicators on an EU-wide basis.

In June 2000, the European Commission gave a commitment to undertake such an initiative. In 2003, the Commission appointed consultants to do the work, but the project stalled. We understand that this was primarily because too few airlines were prepared to provide data voluntarily.

Meanwhile, a number of airlines have confirmed to us that “name and shame” tables provide them with a strong incentive to improve performance. A few even say that they would welcome publication of data by an authoritative and independent source.

It would help them to know how they were performing compared with their competitors.

### **Is there anything passengers can do?**

Mishandled baggage falls into broadly four categories:

- delayed (put on a later flight)
- damaged
- items missing from the baggage
- lost or missing in its entirety

There is nothing that we passengers can do to make sure that our bag is loaded onto the right aircraft or that nothing averse happens to it en route to its destination. But there are a number of things we can do to minimise the potential for baggage problems, and to mitigate their impact. We can:

- buy strong, good quality bags (they don't have to be designer label)
- be sure not to over-pack bags, such that they burst open
- remember not to pack valuables, but to carry them with us in hand luggage (if security regulations permit)
- lock the bags
- fix a label with contact details to the bag
- put contact details clearly visible inside the bag
- get travel insurance, and check that it covers personal baggage whilst in the care of an airline.

### **And what are the airlines doing about it?**

None of the advice above absolves airlines of their responsibility to do all they can to ensure that our bags arrive with us at our destination. They tell us that they are working on the problem. The International Air Transport Association (IATA) says:

*"The air transport industry is well aware of the inconvenience caused to its customers by mishandled bags and is constantly working to improve performance. In addition to providing its customers with better service, the industry aims to reduce associated costs. For these reasons, the International Air Transport Association (IATA), the trade association for 250 of the world's leading airlines is driving an industry-wide project for the use of radio frequency identification technologies in baggage handling. So far IATA has participated in RFID trials, developed an industry standard for RFID baggage tags, and produced a business case for its airline members.*

*Numerous type trials around the world show that Radio Frequency Identification technology when coupled with management reporting systems helps improve baggage performance. Further research shows that*

*airports and passengers benefit through fewer baggage claims, greater handling efficiency and less journey disruption. IATA is now gathering information to support an baggage improvement programme that will lead to the increased use of RFID world-wide."*

IATA's partner in the development of RFID technology, SITA, makes the point on its website that "whether or not a passenger stays loyal to an airline, or even an airport, will depend in part on their experience of baggage handling". It claims that the new technology will reduce mishandled baggage by 40%. That is good news. But it still leaves the other 60%.

## **Conclusions**

- Figures that are publicly available indicate that millions of passengers every year suffer the consequences of mishandled baggage
- The stress and cost can be compounded by the difficulty in securing adequate redress after the event
- Passengers can help themselves, to a point, to mitigate the impact of mishandled baggage
- Airlines are investing in new technology to tackle the problem
- We need "name and shame" league tables on as wide a geographical basis as possible to encourage airlines to do more to avoid baggage problems in the first place
- EU-wide league tables published by the European Commission would be a good place to start

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## Appendix 1

*Complaints and enquiries to the AUC about mishandled baggage for 2006*

	2006		2005	
Type of baggage complaint	Number of complaints	Proportion of all baggage complaints	Number of complaints	Proportion of all baggage complaints
Delayed baggage	228	39%	177	42%
Lost Baggage	161	27%	105	25%
Damaged baggage	108	18%	62	15%
Items missing from baggage	53	9%	32	7%
Combination of above	41	7%	45	11%
<b>Total</b>	<b>591</b>	<b>100%</b>	<b>421</b>	<b>100%</b>

*Case studies*

*A passenger began her two-week holiday in Alicante shopping for clothes and toiletries after her bag failed to arrive with her. She spent too much of her holiday time chasing the airline for information about her suitcase. But it did not turn up, so the airline declared it was lost. She asked the airline to cover her expenses of €116, in line with its policy of around \$35 per day up to maximum of three days. In addition she claimed £1500 for the items in the lost bag.*

*The airline eventually offered her £400 in total, but only after our intervention, and still well below the airline's maximum liability under the Montreal Convention of about £800. Their justification was that she did not have receipts for all items in the suitcase, as some of them were old.*

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*Another passenger turned up for her flight to Beijing to be told that check-in had been suspended, as there were problems with the baggage conveyor belt. She was given a choice of travelling on her flight without her bags or waiting for another flight with her bag – whenever that might be. The airline said it could not send her bag on a separate flight. She did not want to risk not getting a flight within a reasonable timescale, so she put her bags in storage at the airport at a cost of £6 per day and flew to Beijing with just her cabin baggage. When she arrived in Beijing she had to purchase new clothes and toiletries for her 12-day holiday.*

*Even after our intervention, the airline will not refund any of her expenses. It won't even pay the £6 a day storage charge, on the basis that she chose to travel without her bag rather than wait for a later flight, albeit that there had not been able to tell her when that might be.*

*She was a business class passenger.*



## Appendix 2

<b>CARRIER</b>	<b>NO OF PASSENGERS ENPLANED</b>	<b>NO OF BAGS MISSING PER 1,000 PASSENGERS</b>	<b>RANK (by no of bags missing per 1,000 passengers)</b>
<b>British Airways</b>	<b>45,554,351</b>	<b>23.0</b>	<b>1</b>
<b>TAP Air Portugal</b>	<b>7,463,113</b>	<b>21.0</b>	<b>2</b>
<b>Lufthansa</b>	<b>54,266,920</b>	<b>18.1</b>	<b>3</b>
<b>Air France</b>	<b>55,148,558</b>	<b>16.6</b>	<b>4</b>
<b>Alitalia</b>	<b>25,536,440</b>	<b>16.5</b>	<b>5</b>
<b>KLM</b>	<b>22,684,094</b>	<b>16.4</b>	<b>6=</b>
<b>Luxair</b>	<b>551,696</b>	<b>16.4</b>	<b>6=</b>
<b>Iberia</b>	<b>33,667,918</b>	<b>15.5</b>	<b>8</b>
<b>LOT Polish Airlines</b>	<b>3,896,300</b>	<b>14.8</b>	<b>9</b>
<b>Finnair</b>	<b>7,615,517</b>	<b>14.2</b>	<b>10</b>
<b>Austrian</b>	<b>10,947,227</b>	<b>13.8</b>	<b>11</b>
<b>SAS Scandinavian</b>	<b>27,074,911</b>	<b>13.3</b>	<b>12</b>
<b>SN Brussels Airlines</b>	<b>2,466,351</b>	<b>12.7</b>	<b>13</b>
<b>Croatia Airlines</b>	<b>1,569,433</b>	<b>11.8</b>	<b>14</b>
<b>CSA Czech Airlines</b>	<b>5,560,864</b>	<b>10.8</b>	<b>15</b>
<b>Swiss International Airlines</b>	<b>11,340,159</b>	<b>10.0</b>	<b>16</b>
<b>Icelandair</b>	<b>1,820,983</b>	<b>9.8</b>	<b>17</b>
<b>Adria Airways</b>	<b>1,013,588</b>	<b>9.6</b>	<b>18</b>
<b>Spanair</b>	<b>10,560,417</b>	<b>9.5</b>	<b>19</b>
<b>Malev Hungarian Airlines</b>	<b>3,212,164</b>	<b>8.9</b>	<b>20</b>
<b>Tarom Romanian Airlines</b>	<b>842,092</b>	<b>8.3</b>	<b>21</b>
<b>Air One</b>	<b>6,025,926</b>	<b>8.1</b>	<b>22</b>
<b>Turkish Airlines</b>	<b>17,095,547</b>	<b>4.7</b>	<b>23</b>
<b>Air Malta</b>	<b>1,979,615</b>	<b>4.4</b>	<b>24</b>
<b>All AEA airlines</b>	<b>357,898,184</b>	<b>15.7</b>	

**Source: Association of European Airlines (AEA) consumer report 2006**

- 1. Virgin Atlantic, bmi, Cyprus Airways, Aer Lingus, JAT Airways and Olympic Airlines do not submit data.*
- 2. Data refers to the airlines' entire network covering domestic, intra-European, and long-haul scheduled services and non-scheduled services.*
- 3. The figures show the rate of bags reported missing upon the passengers' arrival at their final destination per 1,000 passengers transported by each carrier.*