

Pacific Coastal Airlines: SOARing above Adversity

by Ken Donohue



SAAB 340s have proved a popular type for Pacific Coastal.

British Columbia's coast is rugged, isolated, and beautiful. Towering mountains are capped with snow, their slopes covered with thick forest, and wildlife thrives—notably bears, eagles, and salmon. People around the world are attracted to the area, and revel in its bounty. Scattered along this vast coastline live thousands in small villages, most of which are only accessible by sea or air. This is where Pacific Coastal Airlines had its start in 1987. Twenty-five years later, it remains one of the few scheduled airlines serving Canada's west coast.

Originally, floatplane operator Pacific Coastal Airlines, based in Port Hardy, on northern Vancouver Island, was one of several BC airlines amalgamated in 1979 to create Air BC. As Air BC grew, becoming a regional feeder for Air Canada, the company wanted to unload the Port Hardy division. And that is how a former logger named Daryl L Smith took over the operation, reviving the Pacific Coastal name. Smith was no stranger to the aviation business, having operated Powell Air in Powell River for a decade or so.

Smith grew up in Bella Coola, a small town on BC's central coast. His family operated a logging business, but he grew restless and didn't want to be a logger all his life, so in the Sixties he sold his logging truck and went to an unlikely place—a small airport in Langley, a suburb of Vancouver. He lived in a small trailer next to the airfield, and within a few months obtained a pilot's license with commercial and floatplane endorsements.

He returned to Bella Coola, where he and a partner bought Wilderness Airlines, which ferried loggers to remote areas. "He knew the forestry business intimately," says Daryl's son, Spencer Smith, Pacific Coastal's vice president-commercial services. "He would fly up and down the coast selling logging equipment. Because he



knew the industry and could travel easily, he was the perfect salesman."

In 1976, Smith bought a share of Powell Air, whose niche was serving Powell River and Vancouver. A decade later, he gained full ownership of the airline, and it soon became a family business. Daryl's four sons played key rôles in the operation. "When we were old enough to wash cars, we were old enough to wash airplanes," says Spencer. "My brothers and I did everything—painting, grooming, baggage." Powell Air was primarily a floatplane operator, but had a few Piper PA-31 Navajos and PA-23 Aztecs, and even added a Convair 440 in 1981 for service to Vancouver.

Air BC's Port Hardy division merged with Powell Air in 1987, creating Pacific Coastal, and eventually Daryl Smith gained full ownership.

Pacific Coastal has seen considerable growth since the Smith family became involved. The airline now has more than 280 employees, serves more than 65 destinations, and operates an eclectic fleet of 23 aircraft. The airline business is all that Spencer Smith has known his father to do, but says that Daryl is a logger at heart. "He's a hands-on guy, who grew up getting his hands dirty." But as anyone in the airline business will tell you, it wasn't always easy. There were some lean years during which Daryl Smith worked for many hours each day, seven days a week. "He put his heart into the business

just to make payroll," says Spencer. "There were some financial struggles."

Right after Spencer finished high school he was looking to take the summer off, but that lasted about a week before his father had him working for the airline. "I worked the call center, and dispatch, and check-in," he remembers. In the early days, the company operated single-pilot airplanes, and the pilot not only flew but also handled baggage.

Vancouver International Airport (YVR), where Pacific Coastal is based, has never provided transfers between the South Terminal, home to a number of regional carriers, and the Main Terminal central area. "Recognizing that much of our traffic is connecting, we bought a van to transfer passengers," says Smith, "and the pilots would load the vans and then drive them before resuming their flying duties." Today, the airline's pilots no longer act as baggage handlers, but concentrate their efforts on flying.

Pacific Coastal is the largest of the few airlines that use the South Terminal at YVR. Spencer Smith says that operating there is the airline's biggest competitive advantage. "It has all the amenities of a big airport—parking, transportation, rental cars, food services—but all within arm's length. It's what airports used to be."

Smith concedes that the airline operates an eclectic mix of aircraft, but notes that this gives Pacific Coastal the flexibility to adapt aircraft utilization to the conditions.

“We can easily upgrade or add an aircraft to suit demand,” he says. “We were primarily a Shorts and Beechcraft operator, but over the past few years we got rid of all but two of the Shorts, and added six SAAB 340s to the mix.” Smith adds that the airline was looking for a pressurized aircraft with a capacity of more than 19 passengers, hence the decision to acquire the Swedish turbo. The Shorts 360 is still a favorite of Smith, because of its low maintenance requirement and passenger comfort.

One weekday morning, I climbed aboard one of Pacific Coastal’s SAAB 340s for a one-hour flight to Port Hardy (YZT), on northern Vancouver Island. One of the most scenic routes, by car and ferry this 290mi (470km)-long trip would take more than seven hours.

Passengers are required to check in one hour before flight time; however, on this occasion one customer arrived five minutes before departure. The South Terminal is located with convenient access to the south runway, which is most often used for departures; hence, after a short taxi our aircraft is lined up on Runway 26L. Once airborne, the snow-covered Coast Mountains can be seen from the right side. The mountains seem to go on forever, and you begin to realize why air transport is crucial in this rugged province. Cookies, coffee, and juices are served on the flight, and *SOAR*, the airline’s in-flight magazine, is available as a diversion for travellers.

We descend into Port Hardy, where the clouds that obscured much of the trip have parted, and see the northern end of mountains that run along the spine of Vancouver Island. The airplane and crew, and most of the passengers, are continuing on to Bella Bella, a small island village of 1,200 residents, approximately 100mi (160km) north of Port Hardy.

Pacific Coastal is the only airline of note operating into Port



A Beech 1900C at the South Terminal at Vancouver International Airport.



A diverse route network demands a disparate fleet. A nine-seat Beech Super King Air is the smallest turbine type operated by Pacific Coastal.



Pacific Coastal's only 'wide-body' type is the pair of Shorts 360s.

PHOTOS: HENRY TENBY

Hardy. When the Smith family took over the airline, the first thing they did was create a link to Vancouver. The company's amphibious Beaver floatplanes and the venerable Goose amphibians are all based at Port Hardy. In the slower, winter months, Pacific Coastal has about five pilots based there; in summer the number can be 14.

I have a couple of hours before my return flight to Vancouver, so the Port Hardy base manager asks, with a hint of pride, if I want to check out the Goose. After unsuccessfully trying to accommodate me on a couple of scheduled flights, he opts to take me on a short ride over to Rupert Arm, part of a long waterway that comes from the Pacific Ocean.

After a 20-second roll, the Goose lifts off the runway and we bank to the southwest and climb over the small hills that surround the area. From the air, we can see the northern tip of Vancouver Island, and the Pacific Ocean. On this day, Rupert Arm is glass-like. With the flick of a switch, floats on each wing swing down. We skim the watery 'runway', then settle onto the surface much like a boat. The Goose has no rudder in the water, so pilots rely on the engines to steer toward the dock.

The Goose is ideal for the airline's operations, because it is relatively fast and can land almost anywhere. Maximum speed is 184mph (295kph), and range is more than 1,000mi (1,600km). With four in its fleet, Pacific Coastal is the largest scheduled commercial operator of the Goose. Having been built more than 60 years ago, they are the pride of the airline, drawing people from around the world to fly in one. According to Spencer Smith, "They require considerable maintenance, but we have a great group of guys that look after these classic aircraft." During three to four months in the summer, the airline works the Grummans hard, with the goal of having no major downtime. Heavy maintenance is performed during the slower winter months.

We return to Port Hardy, as the aircraft is being put into service ferrying passengers across the strait to a logging camp. And while it's only a five-minute flight—one of the airline's shorter sectors—it is indicative of the kind of work that Pacific Coastal performs in providing links to remote work sites and coastal communities.

In addition to its scheduled destinations, Pacific Coastal also serves and supplies several logging camps and aboriginal settlements spread along this remote and rugged landscape. In many cases, the only practical way of accessing these communities is by air. During summer, the airline is kept busy flying charters to isolated fishing lodges.

Pacific Coastal once operated to 18 airports, but in recent years four money-losing routes—to Terrace, Kamloops, Penticton, and Calgary—all of which started in 2007, have been discontinued. "These were difficult



PHOTOS: KEN DONOHUE

Check-in at Vancouver's South Terminal and SAAB Turbo crew at Port Hardy.

decisions to make," says Smith. "In hindsight we shouldn't have expanded so rapidly. With the economic downturn over the past few years, we weren't able to sustain these routes." The airline is not actively pursuing new destinations, and is content on serving its existing network well.

Surely the most challenging time for the airline came in 2008, when two fatal crashes occurred within four months, both involving the Goose. That the airline is still in business today says a lot about its resiliency.

On August 3, 2008, Pacific Coastal was operating



a 23mi (37km)-long charter flight from Port Hardy to Chamiss Bay, when the amphibian crashed in dense forest while attempting to clear a cloud-covered 2,000ft (600m)-high mountain ridge. The pilot and four of six passengers were killed. After several attempts to make contact with the pilot, nearly three hours after it left Port Hardy the aircraft was reported overdue to the Joint Rescue Coordination Centre in Victoria, BC. Eventually the downed Goose was located by on a hillside 14mi (22km) from its departure point.

“That accident rocked the company,” admits Smith. “We always knew in the back our minds it could happen...it’s inherent in the business, but we never thought it would happen to us. We believed that we ran a good, safe airline.”

The airline’s survivability would be challenged again when another Goose crashed into South

Thormanby Island, killing seven; one passenger survived. In this case, the Transportation Safety Board of Canada cited the decision to fly in bad weather as the cause of the accident. Investigators concluded that given the conditions at takeoff and at the accident site, as well as the forecast and reported conditions en route, it is likely that most of the flight was conducted below the required VFR (visual flight rules) minima. In fact, many flights did not operate that morning because of poor visibility.

“The responsibility of having impacted the lives of so many people—those that died in the accidents, their families, and our entire staff—has been challenging and emotional,” says Smith. “We were forced to look at ourselves and re-examine our entire operation.”

Subsequently, the airline has made a number of technological improvements to all its VFR aircraft, including enhanced satellite tracking



PHOTOS: KEN DONOHUE

The tail artwork of Pacific Coastal Airlines reflects the diversity of BC.



The tail design of this Shorts 360 reflects the weather conditions in Vancouver.

and real-time communications. These features would not have prevented the accidents if they had been in place, but they better equip the airline to respond to an incident.

Also implemented were improved quality assurance structures, and some operational restrictions, which exceed Transport Canada regulations. These include not operating in less than two-mile (3km) visibility, and not below 300ft. “We are hyper-sensitive about never having an accident like these again,” concedes Smith. “These self-imposed regulations will make it safer for our passengers and crew, even if they put us at an operational disadvantage compared to our competitors. If these regulations had been in place, the second crash wouldn’t have happened.”

The airline has also instituted enhanced decision-making courses for VFR pilots, and has focused on improving terminology, especially between dispatchers and pilots, so there is less confusion and nothing left to individuals’ interpretation.

Smith is quick to point out that, despite their age, it was never a question about the ability of the Goose to perform. “That’s the first thing everyone asks, but they are good airplanes and well maintained,” he says. “We did ask ourselves if we should continue flying float aircraft, but it was never about the Goose.”

It is difficult to attribute market loss to the two crashes, because they coincided with a downturn in the economy that impacted sales. Indeed, Smith tells *Airways* that only one company said they wouldn’t allow their employees to fly Pacific Coastal because of the accidents. But within a year that company was again a customer. Despite negative press coverage, Pacific Coastal received many letters of support. “Why we stayed in business speaks to our strengths and resiliency,” says Smith. “We are able to adapt to changes, and have a strong, committed staff who take pride in the airline.” Pacific Coastal is also financially healthy and asset-rich—owning all its

aircraft—so it was better positioned to properly manage its finances through difficult times.

For a quarter of a century, Pacific Coastal has been a good airline, serving the many small and isolated communities and work sites that desperately depend on reliable air service. With strong roots in these communities, and tempered by the adversity it has faced over the past few years, Pacific Coastal has become an even better airline. ➔

Fast Facts—Pacific Coastal Airlines

IATA: 8P ICAO: PCO IATA/ARC: 905 Radio: PASCO

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Network

Airports: Anahim Lake, Bella Bella (float base), Bella Coola, Campbell River, Comox, Cranbrook, Klemtu, Masset, Port Hardy (float base), Port McNeill (float base), Powell River, Trail, Vancouver (hub), Victoria, Williams Lake

Floatports: Actaeon Sound, Adams Harbour, Alert Bay, Anchor Cove, Belize Inlet, Boydell Lake, Chief Nollis Bay, Claydon Bay, Creasy Bay, Dawsons Landing, Doc Creek, Drury Inlet, Duncanby Landing, Elaine Creek, Echo Bay, Finn Bay, Genesee Creek, Gilford Bay, Gilford Village, Good Hope, Goose Bay, Greenway Sound, Hardy Inlet, Jennis Bay, Jenny Inlet, Joe’s Lodge, Johnson Bay, Kilbella Bay, Kingcome Village, London Point, Long Lake, Machmell, Margaret Bay, McNair Creek, Minstrel Island, Namu, Naysash Inlet, Nekite River, Nimmo Bay, Ole’s Hakai Pass, Oweekeno Village, Pendleton Island, Pruth Bay, Quatse Bay, Rivers Inlet (cannery), Rivers Inlet (resort), Scott Cove, Seymour Inlet, Shawl Bay, Sheemahant River, Shoal Harbour, Shotbolt Bay, Sleepy Bay, Sointula, Sportsman’s Club, Sullivan Bay, Sunshine Bay, Thompson Sound, Tom Bay, Trevor Lake, Turnbull Cove, Wadhams, Wakeman Sound, Warner Bay, Woods Lagoon, Wyclees Lagoon

Founded: 1987
Start date: 1987
CEO: Daryl L Smith
Ownership: Smith family

Fleet

Type	Nº	Seats	Engines
DHC-2 Beaver	3	Y4	PW R-985
Grumman G-21A Goose	4	Y8	PW R-985
Beech 200 Super King Air	1	Y9	PWC PT6A-41
Beech 1900C	7	Y19	PWC PT6A-65B
SAAB SF340A	6	Y30	GE CT7-5A2
Short SD3-60 Variant 300	2	Y33	PWC PT6A-65AR