

About KRAMER aerotek, inc.



KRAMER aerotek (KA) is a woman-owned airport consulting firm specializing in strategic planning, forecasts, and economic development for individual airports, systems of airports and government agencies. We are committed to help our clients respond effectively to opportunities presented by changes in market and industry conditions. To support these efforts, we provide each client a custom approach that leads to improved operations, solid growth strategies and organizational effectiveness.

The firm has participated in many airport development initiatives. KA offers its clients:

- Excellent analytical methods to identify and address the key areas where the return of effort and investment will be the greatest
- Knowledge of airport facility, governance, operational and capacity needs
- Experience working with all levels of government to provide understanding of airport issues and an airport's contribution to the local or national economy
- The ability to develop, interpret and deploy business and transportation data useful to general and expert audiences
- Intelligent airport and industry forecasts tempered by common sense
- Knowledge of U.S. airports and air carrier route systems, operations and performance
- Excellent writing skills that communicate complex issues in a straight-forward manner
- Delivery of superior services tailored to each client's specific needs
- Leadership in providing high quality strategic planning and innovative business solutions for airports.

KA strives to exceed our client's expectations. We work with a select group of clients each year with the understanding that each client gets dedicated, responsive and high quality consulting service. We have found that this approach enables us to maintain the highest standards for excellence. It also promotes better working relationships with our clients and ensures greater control of costs.

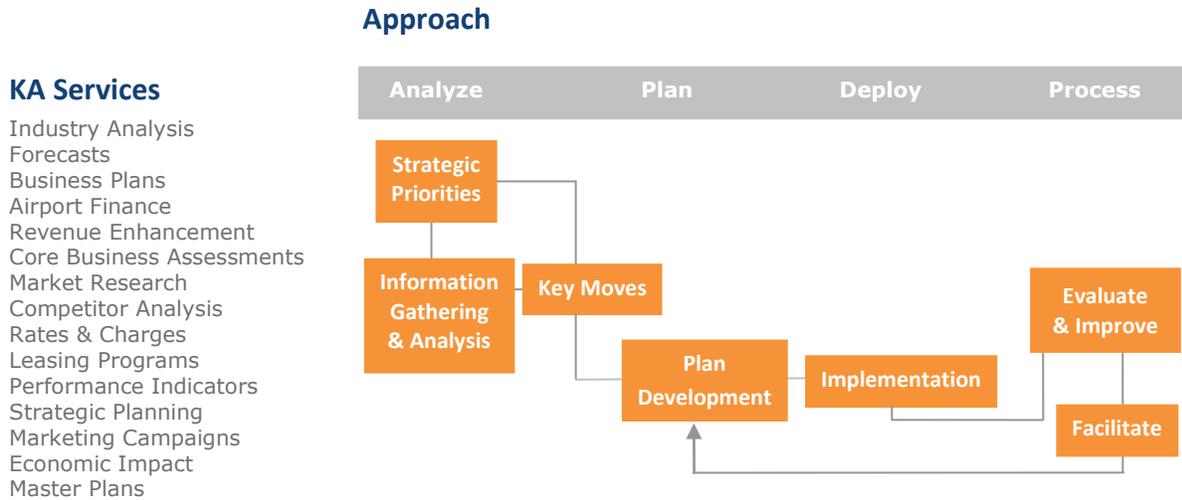
KA offers a project discipline that guides our approach and leads to greater client satisfaction.

- **METHODOLOGICAL INTEGRITY.** We have prepared many forecasts, industry studies and implemented multi-year development programs. Our past experience enables us to know the strengths and weaknesses of industry data and to employ the right methodologies that correctly address client objectives.
- **SCHEDULING AND PROJECT MANAGEMENT.** To manage complex projects and deliver on time, we place emphasis on careful project scheduling and high caliber project management.
- **EXPERTISE OF SENIOR PERSONNEL.** We staff projects with senior professionals who excel in their areas of expertise and demonstrate exceptional technical abilities and a high aptitude for forward-thinking solutions.
- **CLIENT INVOLVEMENT AND COMMUNICATION.** We recognize that the best and most useful outcomes require involved clients during each phase of an assignment. We work best with honest, frequent and open communication with our clients.

A few project descriptions follow. For additional information, please contact KRAMER aerotek at 303.247.1762 or info@krameraerotek.com.

APPROACH & SERVICES

To meet our clients' diverse and complex needs, we offer a four step process that insures we set priorities; analyze the appropriate issues; identify the key moves; develop a strategy that will work; implement the plan; and monitor progress. We like the hard problems that simultaneously require the big picture and capacity to handle the details.



KRAMER AEROTEK – SELECTED PROJECTS

AIRPORT REVENUE DIVERSIFICATION – AN ACRP SYNTHESIS OF AIRPORT PRACTICE TRANSPORTATION RESEARCH BOARD



As the airline industry consolidates and strives to achieve greater efficiencies and lower costs, airports are responding to an environment where demand for facilities and revenue streams are less predictable. To address a higher level of risk, airports are striving to more fully utilize their land and facilities and diversify their revenue streams.

This report presents an overview of the issues surrounding development of non-aeronautical business on airport property and about the techniques and mechanisms airports are using today to diversify revenue activity at the airport. The report provides a brief discussion of different sources of revenue for airports, separating core aeronautical revenue from ancillary revenues. The report also provides a description and examples of ways that airports have diversified activities and a discussion of the challenges that arise when non-aeronautical activity is proposed on land that is subject to FAA grants obligations and assurances.

Information used for this synthesis was gathered through an intensive literature review and interviews with airports and industry experts. Panel members for this project requested a broad examination of innovative ideas that would be of interest to commercial and general aviation airports of all sizes and missions. Because what is innovative for one airport may be common place for another, a broad spectrum of ideas is presented.

KRAMER aerotek was the prime contractor for this project.

SELECTED PROJECTS (CONTINUED)

ACRP REPORT 28 – MARKETING GUIDEBOOK FOR SMALL AIRPORTS TRANSPORTATION RESEARCH BOARD

Today, small airports must cope with increasingly complex marketing and business decisions to address a competitive environment and pressures to achieve financial self-sufficiency. The *Marketing Guidebook for Small Airports* provides an introduction to airport marketing, a presentation of seven steps to implement a marketing plan, and a variety of public relations, advertising and networking tools that airports can use. Tools are evaluated for cost, effectiveness, and complexity to implement. In addition, the guidebook presents additional resources for airport managers including worksheets to prepare a marketing plan, case studies of small airports that have undertaken low cost marketing campaigns, and an annotated bibliography of additional resources.



Few publications address the marketing and strategic planning needs of small airports. The project provided the opportunity to discuss and report on what airport managers and industry experts view as effective marketing techniques when resources are scarce. The target audience for the guidebook was diverse including both commercial service and general aviation airports.

KRAMER aerotek was the principal investigator for this project. Oliver Wyman served as the research agency.

GLOBAL TRANSPARK – U-TAPAO INTERNATIONAL AIRPORT, THAILAND ROYAL THAI GOVERNMENT



In the 1990's, U-Tapao Airport, 90 miles southeast of Bangkok, remained a viable but unused facility. The Royal Thai Government wanted to investigate whether this facility could be developed as a Global Transpark. At the time, FedEx was considering where to locate its Asian hub of operations. KRAMER aerotek teamed with TAMS Consultants and Wilbur Smith Associates to investigate the feasibility of a global cargo facility with FedEx as the anchor tenant (prior to its decision to locate at Subic Bay in the Philippines).

The focus of the study was to develop a conceptual plan for the ultimate Transpark development and a short-term capital improvement program addressing the specific requirements of the industries ready to locate facilities at or use the Transpark and its airport facilities. The Transpark concept was designed to utilize new technology and increased globalization due in large part to instantaneous satellite communications, jet transportation and the ability to move information, products and people rapidly around the world. This project involved identification of target industries that might locate in the Transpark and specification of facilities needed to accommodate these industries.

KA's responsibilities included development of a build-out forecast for the facility and sensitivity analysis that measured the impacts of different growth rates and of competition amongst carriers to handle time definite shipments within Asia and between Asia and the United States.

KRAMER aerotek performed these tasks as a sub-consultant to TAMS Consultants, Inc.

SELECTED PROJECTS (CONTINUED)

MINNEAPOLIS/ST. PAUL REGIONAL AIRPORT SYSTEM PLAN METROPOLITAN COUNCIL



KRAMER aerotek (KA) has recently completed a regional airport system plan for the Minneapolis-St. Paul metropolitan area. This system plan is long range and involves the future role of the Minneapolis/St. Paul Airport (MSP) and five reliever airports owned and operated by the Minneapolis Airport Commission (MAC). The Metropolitan Council asked KRAMER aerotek to prepare forecasts of general aviation activity and based aircraft for airports in the region. KA also developed a peer-to-peer analysis to inform the Council on likely outcomes of changes at MSP and its relievers including: the Delta-Northwest merger, entry of Southwest Airlines into the market, and the future demand for its reliever airports now that MSP capacity may not be a near term issue. To structure the peer-to-peer evaluation, KA investigated trends at other hub airports in the Midwest, east coast, mountain, and west coast regions to see how airport activity is impacted by airline mergers and capacity changes. KA also examined the build-out of service at cities that Southwest has entered including Denver, Philadelphia, Pittsburgh, and Washington Dulles airports.

KRAMER aerotek performed these tasks as a sub-consultant to Wilbur Smith Associates.

FUTURE USE OF THE A380 PORT AUTHORITY OF NEW YORK AND NEW JERSEY

The new Airbus 380 aircraft has dimensional and engineering requirements that necessitate modifications to most existing airfields and terminals. The Port Authority of New York and New Jersey needed to know whether there was a strong business justification to support a multi-million dollar investment in airfield improvements to accommodate the A380, the first new large aircraft to fly.



KRAMER aerotek examined market trends and aircraft deployment on intercontinental routes between the United States and Europe, Asia, and the Middle East to discern where airlines will use the 555 passenger A380.

The critical questions addressed included:

- Will the A380 aircraft be used as a replacement aircraft for the Boeing 747 on intercontinental routes or will smaller aircraft dominate these routes?
- Will the A380 help to restore large volumes of connecting passengers at JFK?
- What are likely air service consequences of not accommodating the A380 at JFK?

Our conclusions were:

- The A380 does not represent a major shift in the way wide body aircraft are currently deployed.
- The A380 will be used in both domestic and foreign high-density markets to:
 - Replace other wide body aircraft to achieve higher capacities in growing markets
 - Replace aging B-747 aircraft used on long haul routes or high density short haul routes mainly between large Asian cities.
 - Consolidate flights in large markets that exhibit marginal load factors.
 - Gain market share by offering more seats and stimulating traffic through lower fares.
 - Carry high volumes of passengers or cargo along main routes into connecting hubs.

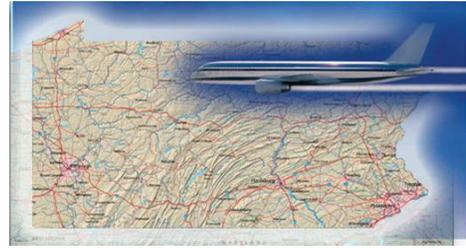
KRAMER aerotek performed this analysis as a sub-consultant to Ricondo & Associates.

SELECTED PROJECTS (CONTINUED)

PENNSYLVANIA AIR SERVICE STRATEGY

PENNSYLVANIA DEPARTMENT OF TRANSPORTATION

This project provided an assessment of air service in Pennsylvania and a strategy for State involvement in air service development. Given the importance of air service in the broader context of economic development, the objective was to provide mechanisms for the State to participate constructively and cooperatively with local airport initiatives.



The project was designed to address the diverse needs and issues of the Commonwealth's airports and traveling public. Thus airports were grouped according to size and function:

- First, the two largest airports—Philadelphia and Pittsburgh—each of which had its own unique air service issues.
- Second, five medium-sized airports—the largest of which are Harrisburg and Lehigh Valley, followed by Wilkes-Barre/Scranton, Erie, and State College—all served by multiple airlines, and
- Third, nine small airports—the largest of which is Williamsport—all served by a single airline.

KRAMER aerotek served as a sub consultant on this project and addressed the issues of keeping and/or building traffic through community based initiatives. KA also provided a discussion of air service development principles and an analytical review of other local, state and government programs employed to develop air service.

WYOMING AIRPORT INVENTORY AND IMPLEMENTATION PLAN

WYOMING DEPARTMENT OF TRANSPORTATION, AERONAUTICS DIVISION



KRAMER aerotek has worked on state aviation system plans for Florida, Georgia, Alabama, Mississippi, Minnesota, Colorado, Wyoming, Connecticut, New Mexico, and Arkansas. State of the art aviation system plans employ facility and service objectives and benchmarks for these objectives to establish classifications of airports and develop "report cards" on how well individual airports in the system are functioning. These report cards assist state aeronautics offices and FAA Airport District Offices (ADOs) in determining project priorities.

The Wyoming Airport Inventory and Implementation Plan was particularly interesting as KA had the opportunity to build an air service performance evaluation that examined level of service, quality of service, and effectiveness of marketing initiatives conducted in connection with the Fly Wyoming Campaign and the Air Service Enhancement Program.

KRAMER aerotek performed this analysis as a sub-consultant to Short Elliott Hendrickson Inc. (SHE).

BUSINESS STRATEGY AND MARKETING PLAN

PUEBLO MEMORIAL AIRPORT, COLORADO

Pueblo Memorial Airport engaged KRAMER aerotek to develop a business strategy and marketing plan to recruit corporate tenants for new commercial hangars under construction. As part of this process, KA developed specific strategic goals, designed and implemented a database and reporting system for tracking prospects, and established key performance indicators to measure achievement of goals overtime, including, as an example, such indicators as number of inquiries, number of qualified leads, number of prospect meetings, and prospect to tenant conversion ratios.

SELECTED PROJECTS (CONTINUED)

BUSINESS ADVISOR

LEADVILLE – LAKE COUNTY AIRPORT, COLORADO

KRAMER aerotek serves as the airport business advisor for Leadville–Lake County Airport. The county recently took over management of the airport and is working out the details of how to effectively operate as the Fixed Based Operator. As the highest public airport in the U.S., the county recognizes its potential as a high altitude helicopter and fixed wing test facility and as a center for mountain flight training. KA is assisting with the development of this market, with plans for new facilities to accommodate more activity at the airport, and the feasibility of becoming a Department of Defense fuel vendor.



BUSINESS PLAN

MESA DEL REY AIRPORT, CALIFORNIA



KRAMER aerotek, inc. was engaged by the King City, CA to develop a business plan for the airport. The principal business at the airport is Sean Tucker’s Tutima Academy of Aviation Safety (precision flight training.) KA evaluated airport operations, rates and charges, existing leases, capital improvements, and business development opportunities. In support of the analysis, a rates and charges survey was completed that included airports in Monterey/Salinas Valley. The business plan detailed recommendations for a leasing program, rate and charges, and an action plan to stage capital improvements, development initiatives and marketing. KA also developed management reports to monitor progress across functional areas of the airport.

COLORADO AIRPORT ECONOMIC IMPACT AND TAX STUDY

COLORADO DEPARTMENT OF TRANSPORTATION, AERONAUTICS DIVISION

This project focused on estimating economic benefits associated with airport activity including visitor expenditures, direct and indirect employment, tax revenue and multiplier effects for 14 commercial and 60 general aviation airports in Colorado. KRAMER aerotek interviewed airports on Colorado’s Front Range, developed the data, and analyzed State and Federal tax structures to estimate tax revenue derived from aviation activity.

KA has also performed aviation tax studies in Alabama, Massachusetts, and Mississippi as well.

