

An independent consultant has recently evaluated the indices, which are used to measure air service at the airport. The results indicate that our airport has a good level of commercial air service. The analysis compared Madison with other similar sized cities that are located near extremely large hub airports. Nevertheless, per the direction of the County Executive, the Airport is working hard to have more direct flights to significant destinations to the East, West and South.

Recently, the Airport Commission adopted a community Air Service Support Program, a program designed to stimulate cooperation between the private and public sectors by developing a partnership with the Madison Chamber of Commerce and the Greater Madison Convention and Visitors Bureau to pursue commercial air service improvements in special niche markets where opportunities may avail themselves. A market currently under consideration for new service is Atlanta and I'm hopeful that we will be able to secure such service in the near future.

With airline industry losses since 9/11 exceeding nearly \$13 billion, airlines are very risk adverse and adding capacity to small markets such as Madison is difficult. However, as you are aware, low cost carriers such as Southwest, Air Tran and Jet Blue are increasing capacity in a very measured way and are profitable. Unfortunately, except for Philadelphia, Southwest is not adding new markets in 2004. Southwest generally does not add service to communities that are under 1 million in total population catchment area. Southwest Airlines has not contacted Dane County concerning service to this community; however our Airport Director has initiated contact with Southwest and several other airlines. Airlines which enter new, small markets generally are seeking significant indications of support from the business community in the form of local promotion or revenue enhancements in an effort to decrease the risk and break even timeframe for new market penetration. As noted above, the Airport is creating the partnerships we may need to take advantage of such opportunities.

Please feel free to contact our Airport Director, Brad Livingston, at 246-3390 if you seek further information concerning the public/private partnership to enhance air service to our community.