Towards Broader Views of Airport Economic Significance:

Intermodal Perspectives

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Economic Significance of Airports

Standard Studies
- Airport Econ Activity
- Air Service Support
- Aviation Dependent (visitor spending)
- Supplier /Responding (multiplier effects)
Economic Significance of Airports

Standard Studies
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Newer Studies
- Intl Trade Role
- Mfg Supply Chain Role
- Universities, R&D, Finance, Business Serv.
- Econ Devel Role
- Urban Devel Role

(1) Int. Trade Significance
- Air Freight Accounts for 1% of export tons
- But 34% of export value
- And 55% of overseas export value (up from 42% in 1990)
### Maine Study: Export Destinations

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Canada</td>
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<tr>
<td>2</td>
<td>Malaysia</td>
</tr>
<tr>
<td>3</td>
<td>China (Mainland)</td>
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<td>4</td>
<td>Japan</td>
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<tr>
<td>5</td>
<td>Korea, Republic Of</td>
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<td>6</td>
<td>China (Taiwan)</td>
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<td>7</td>
<td>United Kingdom</td>
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<tr>
<td>8</td>
<td>Singapore</td>
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<td>9</td>
<td>Netherlands</td>
</tr>
<tr>
<td>10</td>
<td>Germany</td>
</tr>
</tbody>
</table>

### Maine Export Flows

- Maine Exports via:
  1. Calais, ME
  2. JFK Airport
  3. Jackman, ME
  4. Buffalo, NY
  5. Derby, VT
  6. Eastport, ME
  7. Logan Airport
Vancouver Gateway Council Study

- Airport critical for cruise and freight

Portland Business Council Study

- Airport critical for JIT shipments to Asia
- Intel: 2-hour shift for shipping chips due to congestion getting to airport
(2) Supply Chain Significance

Changing Trends
- Longer distances
- Higher value/weight
- Higher time sensitivity
- Overnight delivery
- Small package delivery
- Air dependence on hwy access

Supply Chains: Air Freight Growth
- Air Freight has highest growth rate
Products Dependent on Air Cargo

- Electronics & elec. equipment
- Chemicals, plastics, pharma
- Ind. machinery/vehicle parts
- Printing & publishing
- Industrial bldg construction

Janesville (Rock Co. Airport)

Regional automotive mfg cluster

- Auto Mfg – GM, Chrysler
- Parts Mfg – to SC (BMW), Mexico & MI (Ford), ONT & MO (Chrysler)
- Reliance on just-in-time mfg -- for air & truck reliability
- Potential loss of jobs to Mexico or Canada
(3) Business Travel Significance

Industries Dependent On Passenger Air Travel

- Engineering & consulting services
- Banking, finance, business services
- Legal services
- Government, Public Administration
- Universities and R&D centers
- Medical Services

New England Council: Boston Logan

Critical roles for:

- Biotech industry
- Computer R&D
- Hospital Cluster
- Research Universities
- International Visitors & Trade
(4) Economic Devel Significance

- Business attraction depends on proximity or access time to airport

Econ Roles of GA Facilities

- Increase of air freight, courier
- Growing technology and multi-location industries
- Increasing use of corporate & fractional ownership
- Wis. study: 702 new and expanding firms (34,064 jobs), 85% located within 15 miles of jet-capable airport
**Appalachian Regional Commission**

- Intl. Exports: Vehicles, Machinery, Food, Electronics
- Appalachian Development Hwy System – linking to airports
- Essentially all air freight depends on trucks to/from airport

**St. Cloud, MN**

Value of Air Service for Business Retention

- Community marketing campaign to support service ($100 bonus to travel agents)
- Guarantee service to airlines
- Measure $ impact on business retained and attracted
(5) Urban Devel Significance

- Air Ind. Parks
- Warehousing
- Hotel, Convention
- Recreation
- Office, Retail
- Mixed Use Devel

Las Colinas Near DFW

Schiphol Area Devel Co.

- Logistics facilities
- Warehouses
- Hi-tech office
- Fashion/Creative Industries
Kansai Airport – Rinku Town

- Airport Business Services
- Airport Hotels
- Meeting Facilities
- Shopping
- Amusement Park
- Office, Retail
- Hwy & Rail Links

Viewing Economic Significance

Different Perspectives
- National: International Trade
- Regional: Economic Development
- Local: Urban Growth
- Industry: Supply Chains, Clusters

Different Tools
- Wisconsin ABC System: State vs. Local Econ Significance
- TREDIS: Multimodal Joint Effects
- Keeping Econ Significance separate from Benefit/Cost
Future Economic Significance?

Actual Photo of UFO Landing Zone on the A27 Highway in the Netherlands

For Further Information

EDRG Web Download Library
www.edrgroup.com/articles-transport.htm

TRB Econ Devel Committee Links
www.tedcommittee.com