



Passenger Demand Analysis

**Columbia Regional Airport
Columbia, Missouri**



Report prepared by

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1. Introduction

A primary objective of Columbia Regional Airport management is to develop and implement effective programs aimed at enhancing the quality and mix of commercial air service to the region. A key element of this effort is the generation and development of credible data that can be used to evaluate current air service levels and identify opportunities for improvement. The *Passenger Demand Analysis* includes objective information on air travel in the region that cannot be accessed from other sources as well as an assessment of market conditions and opportunities.

As the domestic airline industry continues to undergo considerable change, it is prudent for airport management and community leaders to understand the local air travel market. Airlines make service decisions based on two primary factors: return on investment and company strategy. However, it is also true that air carriers spend very little time analyzing smaller markets, and specific information on smaller communities is limited. *Passenger Demand Analysis* information provides objective background data for evaluating and analyzing service gaps and opportunities. Equally important, airline staff members are receptive to proposals that use data included in the *Passenger Demand Analysis* as one element of the overall analysis of market potential.

A. Objectives

The objective of the *Passenger Demand Analysis* is to develop information on the travel patterns of local airline passengers who reside in the geographic area served by Columbia Regional Airport. This analysis examines:

- The originating airports used by air travelers
- Diversion of airline passenger traffic to competing airports
- An estimate of total airline passengers in the catchment area
- Passenger traffic and related destinations
- Airlines used by local air travelers
- Average airfares by origin/destination airport

The report creates an understanding of the air service situation at Columbia Regional Airport and formulates strategies for improving air service.

B. Methodology

The *Passenger Demand Analysis* uses Marketing Information Data Tape (MIDT) booking information from the Global Distribution Systems (GDS), which are used by travel agencies to provide a comprehensive overview of the air travel market in the region. The information collected includes originating airports, destinations, and airlines used. The data is analyzed to accomplish the objectives of this report.

For the purposes of this study, MIDT includes bookings made by travel agencies in the defined Columbia Regional Airport catchment area. It does not capture passenger bookings issued directly by airline websites (e.g. www.united.com, www.aa.com), agency Internet sites (e.g. www.travelocity.com, www.expedia.com), or directly through airline reservation offices. Data from agency Internet sites was not

used in this study because MIDT is sorted by zip code. Internet sites record all bookings as originating from the zip code in which the server resides. For example, all bookings for www.expedia.com are recorded with a Seattle area zip code regardless of the air traveler's location. Accordingly, retention/diversion information cannot be derived from Internet site bookings.

The near elimination of commissions paid by airlines to travel agencies and the greater acceptance of the Internet as a mode of commerce reduced the number of tickets written by travel agencies. In calendar year 1999, approximately 67 percent of airline tickets were booked off-line through "brick-and-mortar" travel agencies; by 2004, this number had fallen to 30 percent¹. These developments have reduced the number/percentage of tickets written by travel agencies. Some carriers, which have limited dependence on travel agencies for booking passengers, are transporting a larger percentage of air travelers than in years past. This factor makes it impossible to definitively quantify the actual percentage of passengers from the catchment area who are booking on one airline versus another. However, business travel, usually the highest yield traffic for airlines and therefore the most sought after, is often contracted out to travel agencies to manage. As a result, airlines report that traditional travel agencies (and therefore GDSs) will continue to play a vital role in the distribution of airline tickets. Although limitations exist, MIDT data does accurately portray the airline booking habits of a large cross-section of catchment area air travelers making the data useful to both airports and airlines. A total of 28,711 airline bookings were tabulated and included in the *Passenger Demand Analysis*. Airline booking information was collected for the 12-month period ending February 28, 2006. The data used is a sample of airline bookings, NOT all bookings within the period.

¹ Source: July 2003 GOA Report to Congressional Requesters, *Airline Ticketing Impact of Changes in the Airline Ticket Distribution Industry, 2005 Travel Industry Survey*, Northstar Travel Media

2. Executive summary

Survey sample

A total of 28,711 airline bookings were tabulated and included in the *Passenger Demand Analysis*. Airline booking information was collected for the year ended February 28, 2006. By using the MIDT sample, the true market by destination was estimated and used throughout this report.

Airport catchment area

Columbia Regional Airport has an airport catchment area that includes an estimated population of 428,000 and 115 zip codes.

Departures and available seats

Trans States Airlines operates American Airlines' service at Columbia Regional Airport to Lambert - St. Louis International Airport. There were 20 weekly departures and 600 available seats from Columbia Regional Airport during the sample week of February 13, 2006.

Airport use

Of catchment area air travelers, 5.3 percent originated their air travel at Columbia Regional Airport, 60.1 percent used Lambert - St. Louis International Airport, 32.6 percent used Kansas City International Airport, and 2.0 percent used Springfield - Branson Regional Airport. A higher percentage of domestic air travelers used Columbia Regional Airport (5.9 percent) than those who traveled internationally (1.1 percent).

True market

Columbia Regional Airport's catchment area generates an estimated 739,196 annual origin and destination passengers.

Destinations

From the Columbia Regional Airport catchment area, 51.9 percent of air travelers were destined for one of the top 25 markets. Washington, DC was the number one destination with 5.4 percent of all passengers. Orlando, FL was the second with 3.6 percent of passengers. Columbia Regional Airport retained 14.6 percent of air travelers destined for Washington, DC and 3.4 percent destined for Orlando, FL.

Regional distribution of travel

Approximately 21.3 percent of air travelers were destined for cities in the Southeast region, 16.5 percent to the West region, and 16.0 percent to the East region. Approximately 12.3 percent of air travelers from the catchment area traveled to international destinations. Of those air travelers with an international itinerary, 32.6 percent were destined for Europe.

Airlines used

All air travelers who originated from Columbia Regional Airport used American Airlines. Of those air travelers who used a competing airport, 43.0 percent used American Airlines, 10.9 percent used Delta Air Lines, and 9.5 percent used Southwest Airlines. Overall, American Airlines captured 46.1 percent of total passengers. Delta Air Lines garnered 10.3 percent of the market share. Southwest Airlines rounded out the top three with 9.0 percent of total passengers.

Passenger activity comparison

From 1996 through 2005, Columbia Regional Airport's domestic origin and destination passengers (as reported by airlines to the U.S. DOT) decreased at a compounded annual rate of 6.0 percent. Lambert – St. Louis International Airport's domestic origin and destination passengers also declined at a compounded annual rate of 0.8 percent. Kansas City International Airport's domestic origin and destination passengers grew at a compounded annual growth rate of 0.1 percent. Springfield - Branson Regional Airport's domestic origin and destination passengers grew at a compounded annual growth rate of 2.5 percent.

Domestic airfares

Based on U.S. DOT airline data, the one-way average domestic fare for Columbia Regional Airport passengers was \$181.69 for 2005. Lambert – St. Louis International Airport's average domestic airfare was lower at \$145.92. Kansas City International Airport had the lowest average domestic fare at \$135.73. Springfield – Branson Regional Airport's average domestic airfare was \$177.70. Columbia Regional Airport had the highest average fare for the catchment area's top 25 markets.

Average fare trend

Based on U.S. DOT airline data from 1996 to 2005, the average domestic airfare for Columbia Regional Airport has been between \$20 and \$77 higher than that of Lambert - St. Louis International Airport and between \$50 and \$107 higher than Kansas City. Columbia Regional Airport's average fare compared most favorably with Springfield - Branson Regional Airport. Yearly differences ranged from \$18 lower at Columbia Regional Airport to \$38 lower at Springfield – Branson Regional Airport. Over the 10-year period, the average domestic airfare for Columbia Regional Airport decreased at a compounded annual rate of 0.5 percent.

Nonstop service

During the sample week of February 13, 2006, Columbia Regional Airport offered nonstop service to St. Louis. Lambert - St. Louis International Airport offered nonstop service to 84 markets and all of Columbia Regional Airport catchment areas' top 25 markets. Kansas City International Airport offered service to 52 nonstop destinations with 21 among the Columbia Regional Airport catchment area's top 25 destinations. Springfield – Branson Regional Airport offered nonstop service to 11 destinations; six were in the top 25 destinations.

Competing airport departures/available seats

Lambert - St. Louis International Airport offered 2,401 departures and 198,968 available seats during the sample week of February 13, 2006. American Airlines was the primary service provider. Kansas City International Airport offered 1,413 departures and 148,883 available seats during the sample week with Southwest Airlines providing the largest percentage share. Springfield – Branson Regional Airport offered 224 departing flights, and 11,294 available seats. American Airlines offered the largest share of departures and seats.

Air service opportunities

The Columbia Regional Airport catchment area has a true market capable of supporting air service beyond the limited service it is receiving to St. Louis. While American Airlines or United Airlines' service to Chicago O'Hare appears optimal, it is probably not realistically achievable due to the airport and air traffic congestion that has resulted in operational frequency limitations at the airport. Alternatively, service to Detroit or Memphis appears to be supportable. To the West, Denver service is a good option with Dallas or Salt Lake City possible alternatives. Further study and analysis would be necessary to economically justify a service proposal to an airline.

3. Airport use

To understand airport use by Columbia Regional Airport catchment area air travelers, it is important to understand the size of the airport's catchment area, current air service, and enplanement activity at Columbia Regional Airport. Airport use by air travelers in the Columbia Regional Airport catchment area was determined using MIDT survey data from year ended February 28, 2006 for the zip codes identified in the airport catchment area.

A. Airport catchment area

An airport catchment area (sometimes called the service area) is the geographic area surrounding an airport from which that airport can reasonably expect to draw passenger traffic. The catchment area represents the population of air travelers who should use Columbia Regional Airport considering drive time to the nearest available commercial service airport. This population of air travelers should be the primary focus of Columbia Regional Airport for air service improvements and represents the majority of air travelers using the local airport. Exhibit 3.1 identifies the zip codes included in Columbia Regional Airport's catchment area. The catchment area (yellow) is comprised of 115 zip codes with a population of 428,000.

Exhibit 3.1 Catchment area by zip code



Source: Microsoft MapPoint 2004

B. Current air service

Airport use by the airport catchment area population is affected by a variety of factors including destinations offered, flight frequency, available seats, type of aircraft, and distance to a competing airport. Table 3.1 shows Columbia Regional Airport’s current air service including destinations, marketing carrier, operating carrier, and flights for the sample week of February 13, 2006. Trans States Airlines, a regional airline partner with American Airlines marketed as American Connection, provided air service to Columbia Regional Airport. American Airlines offered 20 weekly flights to St. Louis, MO operated with 30-seat turboprop BAe Jetstream 41 aircraft. However, during the winter months, these flights can be weight restricted to less than 30 available seats.

Table 3.1 Weekly departures by airline/destination

Destination	Marketing carrier	Operating carrier	Aircraft type	Flights per week	Seats per week
St. Louis, MO	American Airlines	Trans States	BAe Jetstream 41	20	600

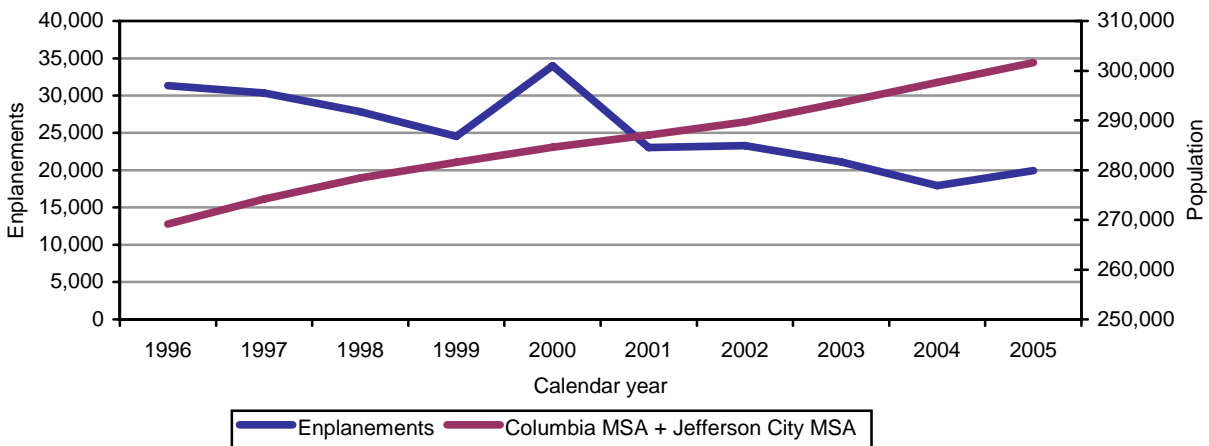
Source: Official Airline Guide – week of February 13, 2006

C. Passenger activity

To understand the overall air service situation at Columbia Regional Airport, a review of current passenger activity as well as historical activity was performed. Exhibit 3.2 plots the enplanement trend at Columbia Regional Airport for the 10-year period from 1996 through 2005.

Enplanements trended downward over the past 10 years with the exception of a significant one-year increase in enplanements in 2000 and minor increases in 2002 and 2005. Columbia Regional Airport had the highest level of enplanements in 2000, which correlates with Ozark Airlines’ service during the same time period. Enplanements dropped by over 30 percent when Ozark Airlines pulled out of the market. Overall, passengers decreased over the 10-year period at a compounded annual rate of 6.0 percent. To compare population to enplanements, the Columbia and Jefferson City Metropolitan Statistical Area (MSA) populations were combined and used as a surrogate for the airport catchment area population. The MSA populations increased at a compounded annual growth rate of 1.3 percent.

Exhibit 3.2 Columbia Regional Airport enplanement activity



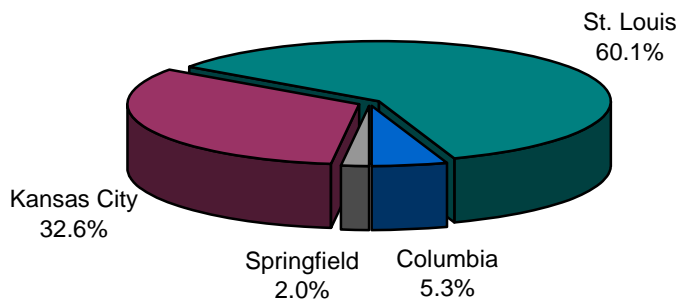
Source: COU records (includes only scheduled commercial enplanements); Woods & Poole Economics, Inc.

D. Airport use

MIDT survey data from year ended February 28, 2006 indicates that an estimated 5.3 percent of Columbia Regional Airport catchment area air travelers originated their travel at the local airport, 60.1 percent originated their air travel at Lambert - St. Louis International Airport, 32.6 percent originated their air travel at Kansas City International Airport, and 2.0 percent of air travelers used Springfield – Branson Regional Airport.

From the city of Columbia, air travelers who used Lambert - St. Louis International Airport drove approximately 120 miles east on Interstate 70 to access air service at the airport. Air travelers that used Kansas City International Airport drove approximately 164 miles west from the city of Columbia on Interstate 70.

Exhibit 3.3 Airport use



Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

E. Airport use - domestic versus international itineraries

To further understand airport use by catchment area air travelers, domestic and international itineraries were reviewed separately in Table 3.2. Approximately 5.9 percent of air travelers with a domestic itinerary accessed air service at Columbia Regional Airport, 57.7 percent accessed air service at Lambert - St. Louis International Airport, 34.3 percent used Kansas City International Airport, and 2.1 percent used Springfield – Branson Regional Airport to access air service.

A lower percentage of air travelers with an international itinerary, 1.1 percent of the total, used Columbia Regional Airport. Approximately 77.1 percent used Lambert - St. Louis International Airport, Kansas City International Airport boarded 20.3 percent, and Springfield – Branson Regional Airport boarded the remaining 1.6 percent of the total.

Table 3.2 Airport use - domestic vs. international

Rank	Originating airport	Percent of total
Domestic itineraries only		
1	St. Louis	57.7
2	Kansas City	34.3
3	Columbia	5.9
4	Springfield	2.1
Total		100.0
International itineraries only		
1	St. Louis	77.1
2	Kansas City	20.3
3	Springfield	1.6
4	Columbia	1.1
Total		100.0
Domestic and international itineraries		
1	St. Louis	60.1
2	Kansas City	32.6
3	Columbia	5.3
4	Springfield	2.0
Total		100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

F. Airport use – retention by community

MIDT bookings are recorded by the zip code where travel agencies are located, not where individual air travelers live. However, it is worthwhile to estimate retention within the catchment area by examining the booking patterns of travel agencies at the community level to see where the airport may have a specific geographic strength or weakness within the catchment area. Table 3.3 shows retention by community based on MIDT.

On a community basis, Columbia Regional Airport retained a relatively higher percentage of air travelers who booked their ticket in Columbia. Conversely, the airport retained 0.2 percent and 0.1 percent of passengers who booked their tickets from agencies in Mexico and Osage Beach, respectively. The drive time to the competing airports for these communities is relatively shorter than from interior catchment area communities, so service and fare considerations weigh more heavily on the minds of air travelers from the outlying communities

Table 3.3 Airport use by community

Community	Columbia	St. Louis	Kansas City	Springfield	Total
	%	%	%	%	%
Columbia	7.7	59.1	32.5	0.7	54.7
Fulton	0.0	100.0	0.0	0.0	0.1
High Point	4.0	34.9	59.1	2.0	1.0
Jefferson City	3.1	65.5	28.7	2.7	32.2
Mexico	0.2	84.5	15.4	0.0	2.3
Moberly	0.8	31.9	67.3	0.1	4.3
Osage Beach	0.1	54.5	31.6	13.8	5.4
Total	5.3	60.1	32.6	2.0	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

4. True market

This portion of the *Passenger Demand Analysis* is devoted to estimating the total number of passenger trips generated by the population in the airport catchment area regardless of current airport use. Also, this section investigates destinations associated with air travel from the Columbia Regional Airport catchment area. Air travel destinations are grouped into geographic regions to further understand the flow of air travel from the airport catchment area.

A. True market estimate

The airport catchment area (Exhibit 3.1) represents the core group of air travelers for Columbia Regional Airport. It was determined that Columbia Regional Airport served an estimated 5.3 percent of the air travelers in the airport catchment area. In order to estimate the size of the total market and the number of passengers traveling to each destination, MIDT data was mathematically combined with airport enplanements. Airport data does not by itself quantify the total size of an air service market. However, by combining MIDT information with passenger data, an estimate of the total air travel market can be calculated. Additionally, passenger estimates can be completed for each destination.

For purposes of this analysis and estimation of the true market, it is assumed that origin and destination passengers who begin their trip from outside the Columbia Regional Airport catchment area (referred passengers) will have the same retention rate as those originating travel from within the catchment area (initiated passengers). MIDT data used in this report primarily includes initiated passengers as MIDT data is collected for travel agency bookings within the catchment area to determine retention/diversion.

The airport catchment area generates an estimated 739,196 origin and destination passengers per year. Approximately 383,385 annual origin and destination passengers are estimated for the top 25 domestic destinations (Table 4.1). The primary focus of this report is the top 25 destinations which typically include 40 to 60 percent of total passenger traffic. From the Columbia Regional Airport catchment area, 51.9 percent of air travelers were destined for the top 25 destinations. The top 10 destinations represented approximately 29.6 percent of the total market. Washington, DC (DCA) was the number one destination comprising 5.4 percent of air travelers. Orlando, FL was the second destination with 3.6 percent and Las Vegas, NV rounded out the top three with 3.6 percent. No international destinations ranked in the top 25 destinations.

Table 4.1 True market estimate – top 25 destinations

Rank	Airport	COU O&D pax	Diverted pax	O&D Pax generated	Percent of total
1	Washington, DC (DCA)	5,767	33,830	39,597	5.4
2	Orlando, FL	901	25,823	26,724	3.6
3	Las Vegas, NV	515	26,158	26,673	3.6
4	Chicago O'Hare, IL	4,969	17,765	22,734	3.1
5	Atlanta, GA	875	18,717	19,593	2.7
6	New York LGA, NY	901	18,357	19,258	2.6
7	Denver, CO	1,030	17,018	18,048	2.4
8	Dallas/Ft Worth, TX	1,879	15,628	17,507	2.4
9	Phoenix, AZ	103	15,499	15,602	2.1
10	Boston, MA	798	12,307	13,105	1.8
11	Miami, FL	206	12,770	12,976	1.8
12	Los Angeles, CA	618	12,332	12,950	1.8
13	San Diego, CA	541	12,152	12,693	1.7
14	Baltimore, MD	1,030	11,637	12,667	1.7
15	Seattle/Tacoma, WA	644	11,714	12,358	1.7
16	San Francisco, CA	644	11,508	12,152	1.6
17	Tampa, FL	463	11,637	12,101	1.6
18	San Antonio, TX	618	10,916	11,534	1.6
19	Philadelphia, PA	1,056	9,989	11,045	1.5
20	Detroit, MI	257	10,479	10,736	1.5
21	Fort Myers, FL	309	9,500	9,809	1.3
22	Austin, TX	669	9,037	9,706	1.3
23	Fort Lauderdale, FL	129	8,136	8,264	1.1
24	New Orleans, LA	206	7,827	8,033	1.1
25	Houston Inter., TX	309	7,209	7,518	1.0
Total top 25 domestic		25,437	357,948	383,385	51.9
Total of all markets		39,340	699,856	739,196	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – calendar year 2006

Appendix A provides an estimate of the true market for the top 50 destinations for Columbia Regional Airport and travel in total. It is important to understand that while data indicates an estimated 739,196 origin and destination passengers destined to/from the catchment area, some portion of these passengers result from the very low fares and numerous service offerings available at Lambert – St. Louis International Airport and Kansas City International Airport. The number of passengers that Columbia Regional Airport can expect to retain is less. The true market estimate does not include “stimulated” air travelers who would initiate air trips due to changes in the air service market caused by the availability of new or less expensive air service opportunities than what currently exists. Estimating the number of passengers who would use the local airport and the air service improvements required to serve these new customers are topics of further study.

B. Originating airport for top 25 destinations

Table 4.2 breaks down the top 25 domestic destinations by originating airport, Columbia Regional Airport versus the competing airports. About 6.6 percent of domestic air travelers from the Columbia Regional Airport catchment area who were going to the top 25 destinations accessed air service at the local airport, while 57.8 percent of air travelers began their trips at Lambert - St. Louis International Airport, 33.7 used Kansas City International Airport, and 1.8 percent used Springfield – Branson National Airport.

On a destination basis, 14.6 percent of air travelers destined for the number one destination, Washington, DC, began their trips at Columbia Regional Airport. Columbia Regional Airport also retained greater than 10 percent of catchment area air travelers to Chicago O'Hare, IL and Dallas/Ft. Worth, TX. Top 25 markets where Columbia Regional Airport retained less than 2.0 percent of passengers included: Las Vegas, NV; Phoenix, AZ; Miami, FL; and Ft. Lauderdale, FL.

Table 4.2 Originating airport - top 25 domestic destinations

Rank	Destination	Originating airport								Total Pax
		Columbia		St. Louis		Kansas City		Springfield		
		Pax	%	Pax	%	Pax	%	Pax	%	
1	Washington, DC (DCA)	5,767	14.6	21,421	54.1	11,122	28.1	1,287	3.3	39,597
2	Orlando, FL	901	3.4	18,331	68.6	7,054	26.4	438	1.6	26,724
3	Las Vegas, NV	515	1.9	12,616	47.3	12,384	46.4	1,159	4.3	26,673
4	Chicago O'Hare, IL	4,969	21.9	15,139	66.6	2,188	9.6	438	1.9	22,734
5	Atlanta, GA	875	4.5	6,617	33.8	11,869	60.6	232	1.2	19,593
6	New York LGA, NY	901	4.7	9,964	51.7	8,239	42.8	154	0.8	19,258
7	Denver, CO	1,030	5.7	7,312	40.5	9,269	51.4	438	2.4	18,048
8	Dallas/Ft Worth, TX	1,879	10.7	10,401	59.4	4,995	28.5	232	1.3	17,507
9	Phoenix, AZ	103	0.7	8,059	51.7	7,157	45.9	283	1.8	15,602
10	Boston, MA	798	6.1	6,153	47.0	6,128	46.8	26	0.2	13,105
11	Miami, FL	206	1.6	9,629	74.2	2,858	22.0	283	2.2	12,976
12	Los Angeles, CA	618	4.8	7,338	56.7	4,969	38.4	26	0.2	12,950
13	San Diego, CA	541	4.3	8,187	64.5	3,810	30.0	154	1.2	12,693
14	Baltimore, MD	1,030	8.1	9,475	74.8	2,008	15.9	154	1.2	12,667
15	Seattle/Tacoma, WA	644	5.2	7,518	60.8	3,888	31.5	309	2.5	12,358
16	San Francisco, CA	644	5.3	5,535	45.6	5,896	48.5	77	0.6	12,152
17	Tampa, FL	463	3.8	8,110	67.0	3,270	27.0	257	2.1	12,101
18	San Antonio, TX	618	5.4	6,282	54.5	4,351	37.7	283	2.5	11,534
19	Philadelphia, PA	1,056	9.6	7,698	69.7	2,137	19.3	154	1.4	11,045
20	Detroit, MI	257	2.4	6,823	63.5	3,373	31.4	283	2.6	10,736
21	Fort Myers, FL	309	3.1	8,059	82.2	1,287	13.1	154	1.6	9,809
22	Austin, TX	669	6.9	6,462	66.6	2,420	24.9	154	1.6	9,706
23	Fort Lauderdale, FL	129	1.6	5,072	61.4	3,064	37.1		0.0	8,264
24	New Orleans, LA	206	2.6	4,171	51.9	3,630	45.2	26	0.3	8,033
25	Houston Inter., TX	309	4.1	5,252	69.9	1,879	25.0	77	1.0	7,518
Total top 25		25,437	6.6	221,622	57.8	129,245	33.7	7,080	1.8	383,385
Total top 50		31,951	6.3	293,582	57.9	172,113	33.9	9,346	1.8	506,992
Total all markets		39,340	5.3	444,120	60.1	240,958	32.6	14,778	2.0	739,196

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

C. Top 10 destinations by originating airport

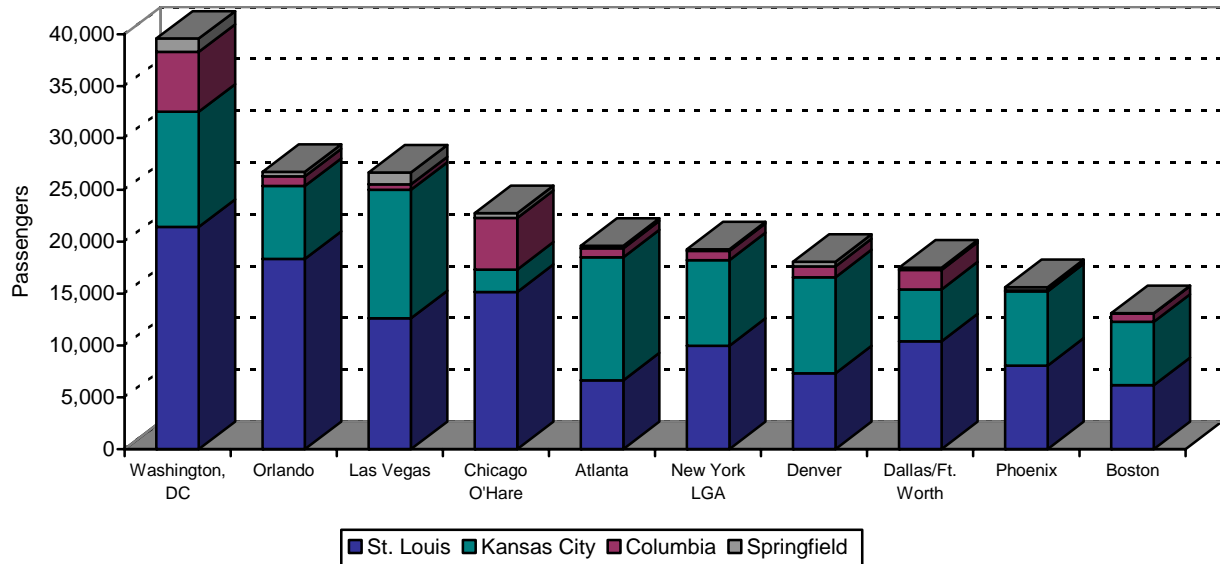
Table 4.3 shows the top 10 destinations for Columbia Regional Airport catchment area passengers by originating airport: Columbia Regional Airport, Lambert - St. Louis International Airport, Kansas City International Airport, and Springfield – Branson Regional Airport. Of the top 10 destinations for Columbia Regional Airport, seven were included in the top 10 catchment area destinations. Of the air travelers who diverted to Lambert - St. Louis International Airport or Kansas City International Airport, six and nine of the top 10 destinations were in the top 10 catchment area destinations, respectively. For those who used Springfield – Branson Regional Airport, six of the top 10 destinations were in the top 10 catchment area destinations.

Table 4.3 Top 10 destinations by originating airport

Rank	Originating airport							
	Columbia		St. Louis		Kansas City		Springfield	
	Destination	Pax	Destination	Pax	Destination	Pax	Destination	Pax
1	Washington, DC (DCA)	5,767	Washington, DC (DCA)	21,421	Las Vegas, NV	12,384	Washington, DC (DCA)	1,287
2	Chicago O'Hare, IL	4,969	Orlando, FL	18,331	Atlanta, GA	11,869	Las Vegas, NV	1,159
3	Dallas/Ft Worth, TX	1,879	Chicago O'Hare, IL	15,139	Washington, DC (DCA)	11,122	Orlando, FL	438
4	Philadelphia, PA	1,056	Las Vegas, NV	12,616	Denver, CO	9,269	Denver, CO	438
5	Denver, CO	1,030	Dallas/Ft Worth, TX	10,401	New York LGA, NY	8,239	Chicago O'Hare, IL	438
6	Baltimore, MD	1,030	New York LGA, NY	9,964	Phoenix, AZ	7,157	Vancouver, Canada	386
7	New York LGA, NY	901	Miami, FL	9,629	Orlando, FL	7,054	Tucson, AZ	360
8	Orlando, FL	901	Baltimore, MD	9,475	Boston, MA	6,128	Seattle/Tacoma, WA	309
9	Atlanta, GA	875	San Diego, CA	8,187	San Francisco, CA	5,896	Phoenix, AZ	283
10	Raleigh/Durham, NC	850	Tampa, FL	8,110	Dallas/Ft Worth, TX	4,995	Miami, FL	283

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

Exhibit 4.1 Top 10 destinations by originating airport

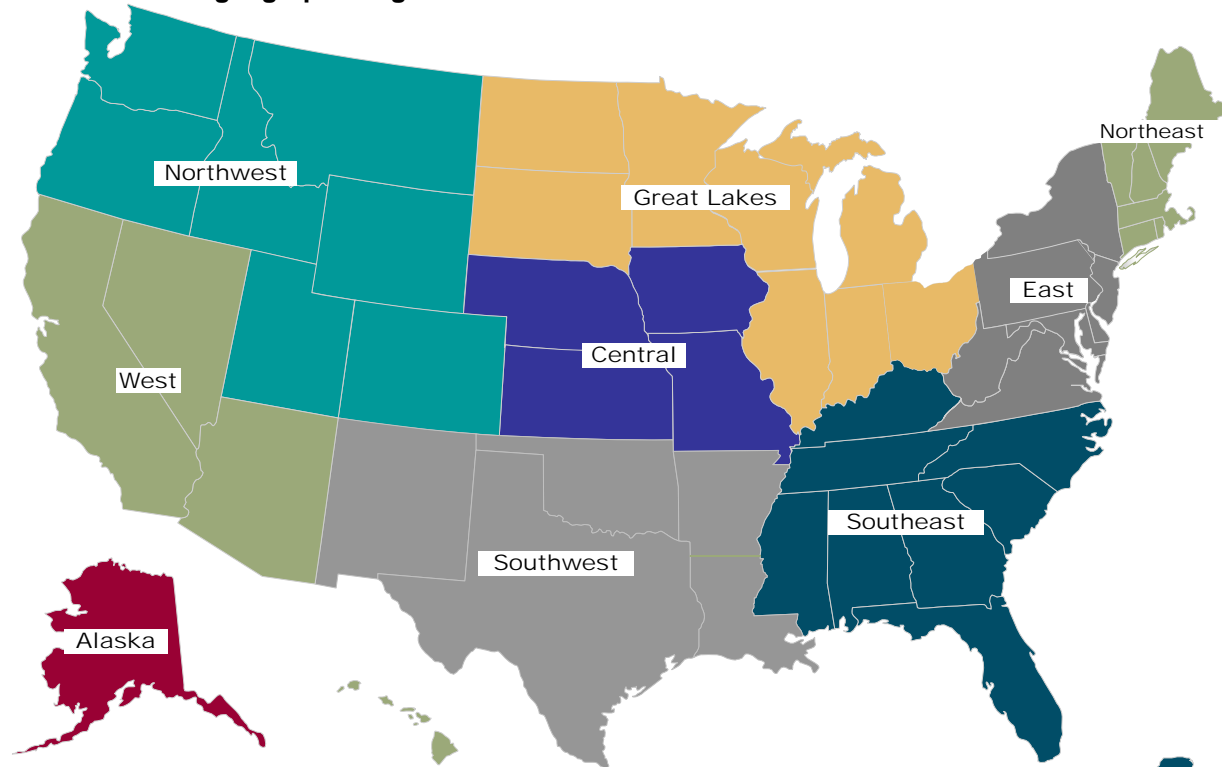


Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

D. Federal Aviation Administration (FAA) geographic regions

It is important to identify and quantify air travel destinations, but it is also important to measure air travel to specific geographic regions. Generally, airlines operate route systems that serve geographic areas. Additionally, most airline hubs are directional and flow passenger traffic to and from geographic regions, not just destinations within the region. Therefore, air service analysis exercises consider the regional flow of passenger traffic as well as passenger traffic to a specific city. Accordingly, this section analyzes the regional distribution of air travelers from the airport catchment area. For this exercise, the FAA geographic breakdown of the United States has been used (Exhibit 4.2).

Exhibit 4.2 FAA geographic regions



E. Regional distribution of catchment area air travelers

Table 4.4 divides air travel from Columbia Regional Airport’s catchment area into the FAA’s nine geographic regions and one catch-all international region. International travel is further broken down in Table 4.5.

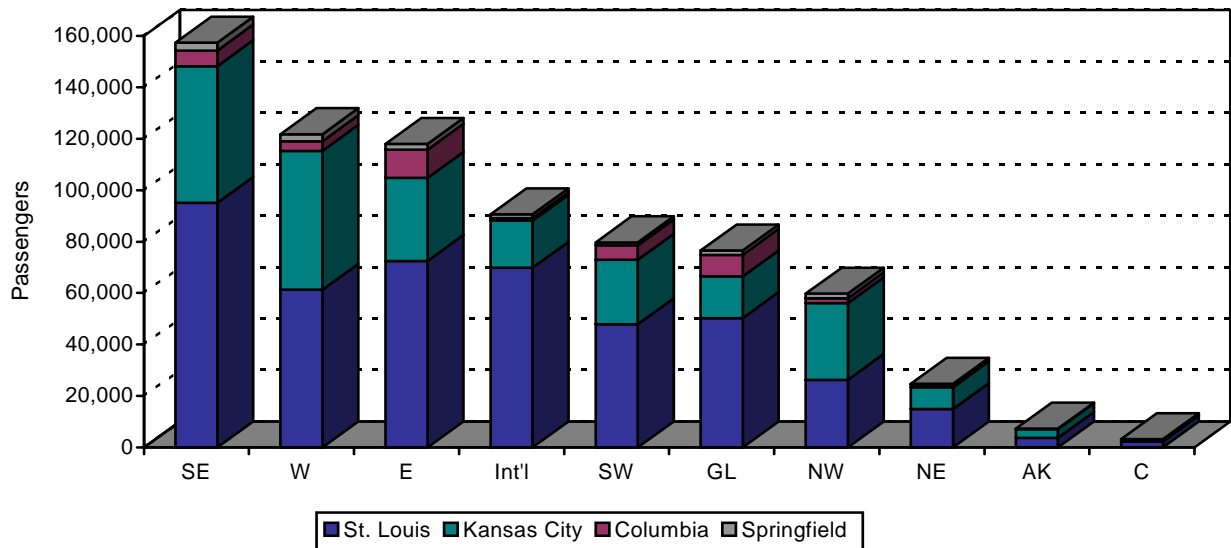
Of the catchment area’s air travelers, 21.3 percent were destined for cities in the Southeast region, 16.5 percent for cities in the West region, and 16.0 percent in the East region. Approximately 12.3 percent of catchment area air travelers were destined internationally. Domestically, Columbia Regional Airport had its greatest retention rate in the Central region, 17.5, percent and lowest to Alaska, 0.4 percent. Of the top 10 catchment area destinations, three were located in the East region, two each in the West and Southeast regions, and one in each of the Southwest, Northwest, and Great Lakes regions.

Table 4.4 Regional distribution of travel by airport

Airport		South-east	West	East	Int'l	South-west	Great Lakes	North-west	North-east	Alaska	Central	Total
St. Louis	Pax	95,106	61,276	72,527	69,823	47,888	50,282	26,261	14,933	3,656	2,369	444,120
	%	21.4	13.8	16.3	15.7	10.8	11.3	5.9	3.4	0.8	0.5	100.0
Kansas City	Pax	53,191	54,041	32,337	18,357	25,128	16,194	29,762	8,393	3,373	180	240,958
	%	22.1	22.4	13.4	7.6	10.4	6.7	12.4	3.5	1.4	0.1	100.0
Columbia	Pax	6,076	3,733	10,916	978	5,561	8,419	1,957	1,107	26	566	39,340
	%	15.4	9.5	27.7	2.5	14.1	21.4	5.0	2.8	0.1	1.4	100.0
Springfield	Pax	3,064	2,729	2,214	1,442	1,184	1,699	1,828	283	206	129	14,778
	%	20.7	18.5	15.0	9.8	8.0	11.5	12.4	1.9	1.4	0.9	100.0
Total	Pax	157,437	121,779	117,994	90,600	79,761	76,595	59,808	24,716	7,260	3,244	739,195
	%	21.3	16.5	16.0	12.3	10.8	10.4	8.1	3.3	1.0	0.4	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

Exhibit 4.3 Regional distribution of travel



Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

F. Distribution of international travel

Of the catchment area air travelers, 12.3 percent had international itineraries. Of the estimated 90,600 international air travelers, 32.6 percent were destined for Europe. Approximately 24.8 percent of air travelers with an international itinerary were destined for the number two international region, Mexico and Central America. Overall, Columbia Regional Airport retained 1.1 percent of catchment area international air travelers. Of the competing airports, Lambert - St. Louis International Airport had the highest share of international air travelers, 77.1 percent. Kansas City International Airport garnered 20.3 percent of international air travelers. Of the air travelers destined for Europe or Mexico and Central America, 1.0 percent and 0.0 percent of air travelers, respectively, used Columbia Regional Airport. Table 4.5 breaks down the international air travelers by originating airport and region.

Table 4.5 Regional distribution of international passengers

Region		Originating airport				Total
		Columbia	St. Louis	Kansas City	Springfield	
Europe	Pax	283	26,235	3,012	360	29,531
	% of row	1.0	88.8	10.2	1.2	100.0
	% of column	28.9	37.6	16.4	25.0	32.6
Mexico & Central America	Pax	0	14,855	7,569	360	22,425
	% of row	0.0	66.2	33.8	1.6	100.0
	% of column	0.0	21.3	41.2	25.0	24.8
Canada	Pax	257	8,754	4,531	386	13,542
	% of row	1.9	64.6	33.5	2.9	100.0
	% of column	26.3	12.5	24.7	26.8	14.9
Caribbean	Pax	129	9,732	1,673	51	11,534
	% of row	1.1	84.4	14.5	0.4	100.0
	% of column	13.2	13.9	9.1	3.6	12.7
Asia	Pax	103	4,763	644	51	5,510
	% of row	1.9	86.4	11.7	0.9	100.0
	% of column	10.5	6.8	3.5	3.6	6.1
South America	Pax	103	2,317	438	26	2,858
	% of row	3.6	81.1	15.3	0.9	100.0
	% of column	10.5	3.3	2.4	1.8	3.2
Africa	Pax	0	1,390	129	0	1,519
	% of row	0.0	91.5	8.5	0.0	100.0
	% of column	0.0	2.0	0.7	0.0	1.7
Australia & Oceania	Pax	103	824	206	206	1,133
	% of row	9.1	72.7	18.2	18.2	100.0
	% of column	10.5	1.2	1.1	14.3	1.3
Middle East	Pax	0	953	154	0	1,107
	% of row	0.0	86.0	14.0	0.0	100.0
	% of column	0.0	1.4	0.8	0.0	1.2
Total international passengers		978	69,823	18,357	1,442	90,600
% of row		1.1	77.1	20.3	1.6	100.0
% of column		100.0	100.0	100.0	100.0	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

5. Airlines

From the perspective of airport management, it is important to understand which airlines are used to travel to specific destinations when air travel is originated at an airport other than the local airport. This section provides specific information on airline use by air travelers from the Columbia Regional Airport catchment area. Information in this section is helpful in identifying air carrier strength in specific markets. The air carriers listed in the following tables are the marketing carriers, not necessarily the operating carrier. The market shares in the following tables are based on a sample of catchment area passengers (MIDT bookings) expanded to the true market size; therefore, actual market shares may vary from those reported here

A. Airlines used at Columbia Regional Airport

American Airlines (Trans States Airlines) provided service at Columbia Regional Airport during the survey period. Table 5.1 shows the top 25 destinations for Columbia Regional Airport.

Table 5.1 Airlines used at Columbia Regional Airport

Rank	Destinations	American	
		Pax	%
1	Washington, DC (DCA)	5,767	14.7
2	Chicago O'Hare, IL	4,969	12.6
3	Dallas/Ft Worth, TX	1,879	4.8
4	Philadelphia, PA	1,056	2.7
5	Denver, CO	1,030	2.6
6	Baltimore, MD	1,030	2.6
7	New York LGA, NY	901	2.3
8	Orlando, FL	901	2.3
9	Atlanta, GA	875	2.2
10	Raleigh/Durham, NC	850	2.2
11	Boston, MA	798	2.0
12	Austin, TX	669	1.7
13	Seattle/Tacoma, WA	644	1.6
14	Columbus, OH	644	1.6
15	San Francisco, CA	644	1.6
16	Jacksonville, FL	644	1.6
17	Los Angeles, CA	618	1.6
18	Minneapolis, MN	618	1.6
19	San Antonio, TX	618	1.6
20	Washington Dulles, DC	618	1.6
21	New York Newark, NJ	541	1.4
22	Nashville, TN	541	1.4
23	San Diego, CA	541	1.4
24	Las Vegas, NV	515	1.3
25	Tampa, FL	463	1.2
Total top 25		28,372	72.1
Total top 50		34,525	87.8
Total all markets		39,340	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

B. Airlines used at Lambert - St. Louis International Airport

The majority of Columbia Regional Airport catchment area air travelers used Lambert - St. Louis International Airport. Lambert – St. Louis International Airport’s primary provider of commercial air service for air travelers from the Columbia Regional Airport catchment area was American Airlines, which captured 74.7 percent of air travelers in the top 25 destinations and 57.8 percent of total air travelers. Delta Air Lines captured the second highest market share with 1.4 percent of air travelers in the top 25 destinations and 8.2 percent of the total market. Southwest Airlines rounded out the top three carriers with 9.2 percent of air travelers in the top 25 markets and 7.7 percent of the total market. However, Southwest Airlines’ limited reliance on travel agencies for booking passengers may understate its share of the total market.

Table 5.2 Airlines used at Lambert - St. Louis International Airport

Rank	Destinations	American		Delta		Southwest		Northwest		United		Other		Total
		Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	Pax
1	Washington, DC (DCA)	20,623	96.3	154	0.7	26	0.1	103	0.5	283	1.3	232	1.1	21,421
2	Orlando, FL	12,384	67.6	129	0.7	5,381	29.4	103	0.6	26	0.1	309	1.7	18,331
3	Chicago O'Hare, IL	13,491	89.1	0	0.0	0	0.0	0	0.0	1,648	10.9	0	0.0	15,139
4	Las Vegas, NV	10,041	79.6	77	0.6	2,085	16.5	51	0.4	51	0.4	309	2.4	12,616
5	Dallas/Ft Worth, TX	10,041	96.5	0	0.0	0	0.0	206	2.0	0	0.0	154	1.5	10,401
6	New York LGA, NY	9,037	90.7	0	0.0	129	1.3	206	2.1	154	1.6	438	4.4	9,964
7	Miami, FL	9,243	96.0	26	0.3	0	0.0	51	0.5	0	0.0	309	3.2	9,629
8	Baltimore, MD	5,716	60.3	51	0.5	3,527	37.2	0	0.0	26	0.3	154	1.6	9,475
9	San Diego, CA	7,106	86.8	51	0.6	438	5.3	51	0.6	51	0.6	489	6.0	8,187
10	Tampa, FL	6,359	78.4	129	1.6	1,339	16.5	0	0.0	26	0.3	257	3.2	8,110
11	Phoenix, AZ	541	6.7	0	0.0	3,888	48.2	0	0.0	26	0.3	3,604	44.7	8,059
12	Fort Myers, FL	6,591	81.8	103	1.3	0	0.0	77	1.0	0	0.0	1,287	16.0	8,059
13	Philadelphia, PA	5,098	66.2	77	1.0	51	0.7	0	0.0	77	1.0	2,394	31.1	7,698
14	Seattle/Tacoma, WA	6,668	88.7	26	0.3	206	2.7	283	3.8	206	2.7	129	1.7	7,518
15	Los Angeles, CA	6,359	86.7	0	0.0	592	8.1	51	0.7	26	0.4	309	4.2	7,338
16	Denver, CO	3,682	50.4	77	1.1	0	0.0	0	0.0	2,163	29.6	1,390	19.0	7,312
17	Detroit, MI	77	1.1	26	0.4	463	6.8	6,231	91.3	26	0.4	0	0.0	6,823
18	Atlanta, GA	4,583	69.3	1,982	30.0	0	0.0	26	0.4	0	0.0	26	0.4	6,617
19	Juneau, AK	6,308	97.6	0	0.0	154	2.4	0	0.0	0	0.0	0	0.0	6,462
20	San Antonio, TX	5,793	92.2	0	0.0	386	6.1	0	0.0	51	0.8	51	0.8	6,282
21	Boston, MA	5,767	93.7	26	0.4	0	0.0	26	0.4	206	3.3	129	2.1	6,153
22	San Francisco, CA	4,918	88.8	0	0.0	0	0.0	129	2.3	206	3.7	283	5.1	5,535
23	Houston Inter., TX	335	6.4	0	0.0	0	0.0	0	0.0	0	0.0	4,918	93.6	5,252
24	Fort Lauderdale, FL	2,806	55.3	206	4.1	1,802	35.5	51	1.0	0	0.0	206	4.1	5,072
25	Minneapolis, MN	2,420	51.6	0	0.0	0	0.0	2,163	46.2	103	2.2	0	0.0	4,686
Total top 25		165,985	74.7	3,141	1.4	20,468	9.2	9,809	4.4	5,355	2.4	17,379	7.8	222,137
Total top 50		202,029	67.9	10,195	3.4	28,321	9.5	13,311	4.5	11,251	3.8	32,337	10.9	297,444
Total all markets		256,791	57.8	36,353	8.2	34,036	7.7	32,440	7.3	24,999	5.6	59,499	13.4	444,120

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

C. Airlines used at Kansas City International Airport

Table 5.3 provides perspective on the airlines used by catchment area air travelers who originated their trips from Kansas City International Airport. Delta Air Lines captured the largest market share with 15.7 percent of air travelers in the top 25 destinations and 16.1 percent of air travelers in total. American Airlines garnered a 14.6 percent market share to the top 25 destinations and a 15.5 percent market share to all destinations. Midwest Airlines rounded out the top three carriers with 13.5 percent of all catchment area air travelers who used Kansas City International Airport. Southwest Airlines ranked fourth with 13.5 percent of travelers. Southwest Airlines' passengers may be understated due to its limited reliance on travel agencies for booking passengers.

Table 5.3 Airlines used at Kansas City International Airport

Rank	Destinations	Delta		American		Midwest		Southwest		United		Other		Total Pax
		Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	
1	Las Vegas, NV	26	0.2	26	0.2	0	0.0	10,865	87.7	489	4.0	978	7.9	12,384
2	Atlanta, GA	10,479	88.3	26	0.2	26	0.2	0	0.0	51	0.4	1,287	10.8	11,869
3	Washington, DC (DCA)	26	0.2	412	3.7	7,672	69.0	0	0.0	51	0.5	2,961	26.6	11,122
4	Denver, CO	0	0.0	129	1.4	26	0.3	0	0.0	4,222	45.6	4,892	52.8	9,269
5	New York LGA, NY	77	0.9	4,068	49.4	3,759	45.6	0	0.0	0	0.0	335	4.1	8,239
6	Phoenix, AZ	51	0.7	77	1.1	0	0.0	3,115	43.5	180	2.5	3,733	52.2	7,157
7	Orlando, FL	2,008	28.5	386	5.5	850	12.0	2,832	40.1	26	0.4	953	13.5	7,054
8	Boston, MA	154	2.5	695	11.3	4,351	71.0	0	0.0	386	6.3	541	8.8	6,128
9	San Francisco, CA	26	0.4	309	5.2	3,424	58.1	0	0.0	309	5.2	1,828	31.0	5,896
10	Dallas/Ft Worth, TX	0	0.0	4,943	99.0	0	0.0	0	0.0	26	0.5	26	0.5	4,995
11	Los Angeles, CA	26	0.5	180	3.6	1,596	32.1	1,854	37.3	283	5.7	1,030	20.7	4,969
12	San Antonio, TX	0	0.0	1,004	23.1	3,115	71.6	26	0.6	0	0.0	206	4.7	4,351
13	Seattle/Tacoma, WA	232	6.0	309	7.9	0	0.0	1,339	34.4	1,287	33.1	721	18.5	3,888
14	San Diego, CA	180	4.7	360	9.5	618	16.2	927	24.3	257	6.8	1,468	38.5	3,810
15	Portland, OR	747	20.3	309	8.4	0	0.0	1,262	34.3	309	8.4	1,056	28.7	3,682
16	New Orleans, LA	129	3.5	669	18.4	2,317	63.8	26	0.7	0	0.0	489	13.5	3,630
17	Salt Lake City, UT	2,420	69.6	0	0.0	0	0.0	283	8.1	232	6.7	541	15.6	3,476
18	Detroit, MI	0	0.0	77	2.3	0	0.0	103	3.1	0	0.0	3,193	94.7	3,373
19	Tampa, FL	618	18.9	772	23.6	129	3.9	824	25.2	0	0.0	927	28.3	3,270
20	Fort Lauderdale, FL	798	26.1	412	13.4	1,365	44.5	26	0.8	0	0.0	463	15.1	3,064
21	Jacksonville, FL	2,085	69.2	515	17.1	0	0.0	154	5.1	0	0.0	257	8.5	3,012
22	Vancouver, Canada	360	12.3	51	1.8	0	0.0	0	0.0	618	21.1	1,905	64.9	2,935
23	Miami, FL	695	24.3	1,596	55.9	0	0.0	0	0.0	77	2.7	489	17.1	2,858
24	Tucson, AZ	51	1.9	1,622	58.3	0	0.0	154	5.6	232	8.3	721	25.9	2,781
25	Honolulu, HI	180	6.7	901	33.3	0	0.0	0	0.0	669	24.8	953	35.2	2,703
Total top 25		21,369	15.7	19,850	14.6	29,248	21.5	23,789	17.5	9,706	7.1	31,951	23.5	135,914
Total top 50		26,570	14.7	27,600	15.3	31,487	17.5	29,891	16.6	15,808	8.8	48,918	27.1	180,274
Total all markets		38,799	16.1	37,409	15.5	32,466	13.5	32,414	13.5	23,712	9.8	76,157	31.6	240,958

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

D. Airlines used at Springfield - Branson Regional Airport

Table 5.4 provides perspective on the airlines used by catchment area air travelers who originated their trips from Springfield – Branson Regional Airport. Again, American Airlines captured the largest market share with 47.3 percent of air travelers in the top 25 destinations and 47.2 percent of air travelers in total. United Airlines attained a 26.1 percent market share to the top 25 destinations and a 24.7 percent market share to all destinations. Northwest Airlines earned a 15.5 percent market share overall, rounding out the top three carriers.

Table 5.4 Airlines used at Springfield – Branson Regional Airport

Rank	Destinations	American		United		Northwest		Delta		Allegiant		Total Pax
		Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	
1	Washington, DC (DCA)	283	22.0	824	64.0	154	12.0	26	2.0	0	0.0	1,287
2	Las Vegas, NV	360	31.1	103	8.9	0	0.0	26	2.2	669	57.8	1,159
3	Chicago O'Hare, IL	335	76.5	103	23.5	0	0.0	0	0.0	0	0.0	438
4	Orlando, FL	257	58.8	0	0.0	51	11.8	129	29.4	0	0.0	438
5	Denver, CO	0	0.0	438	100.0	0	0.0	0	0.0	0	0.0	438
6	Vancouver, Canada	51	13.3	283	73.3	51	13.3	0	0.0	0	0.0	386
7	Tucson, AZ	360	100.0	0	0.0	0	0.0	0	0.0	0	0.0	360
8	Seattle/Tacoma, WA	232	75.0	0	0.0	77	25.0	0	0.0	0	0.0	309
9	Phoenix, AZ	283	100.0	0	0.0	0	0.0	0	0.0	0	0.0	283
10	Miami, FL	232	81.8	0	0.0	0	0.0	51	18.2	0	0.0	283
11	San Antonio, TX	283	100.0	0	0.0	0	0.0	0	0.0	0	0.0	283
12	Detroit, MI	0	0.0	0	0.0	283	100.0	0	0.0	0	0.0	283
13	Tampa, FL	51	20.0	26	10.0	180	70.0	0	0.0	0	0.0	257
14	Dallas/Ft Worth, TX	232	100.0	0	0.0	0	0.0	0	0.0	0	0.0	232
15	Atlanta, GA	103	44.4	26	11.1	77	33.3	26	11.1	0	0.0	232
16	Jacksonville, FL	103	50.0	26	12.5	77	37.5	0	0.0	0	0.0	206
17	Eugene, OR	0	0.0	154	75.0	0	0.0	51	25.0	0	0.0	206
18	Christchurch, New Zealand	206	100.0	0	0.0	0	0.0	0	0.0	0	0.0	206
19	Fresno, CA	51	28.6	0	0.0	0	0.0	129	71.4	0	0.0	180
20	Montrose, CO	0	0.0	180	100.0	0	0.0	0	0.0	0	0.0	180
21	Sanford, FL	0	0.0	0	0.0	0	0.0	0	0.0	180	100.0	180
22	Pensacola, FL	180	100.0	0	0.0	0	0.0	0	0.0	0	0.0	180
23	Salt Lake City, UT	129	71.4	51	28.6	0	0.0	0	0.0	0	0.0	180
24	New York LGA, NY	129	83.3	0	0.0	26	16.7	0	0.0	0	0.0	154
25	Corpus Christi, TX	154	100.0	0	0.0	0	0.0	0	0.0	0	0.0	154
Total top 25		4,016	47.3	2,214	26.1	978	11.5	438	5.2	850	10.0	8,496
Total top 50		5,535	47.1	3,090	26.3	1,648	14.0	618	5.3	850	7.2	11,740
Total all markets		6,977	47.2	3,656	24.7	2,291	15.5	1,004	6.8	850	5.7	14,778

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

E. Airlines used total

In total, American Airlines captured the largest share of catchment area traffic, 46.1 percent, with Delta Air Lines garnering 10.3 percent of the traffic, and Southwest Airlines capturing 9.0 percent of air travelers. Northwest Airlines and United Airlines completed the top five carriers with market shares of 7.8 percent and 7.1 percent, respectively.

Table 5.5 Airlines used total

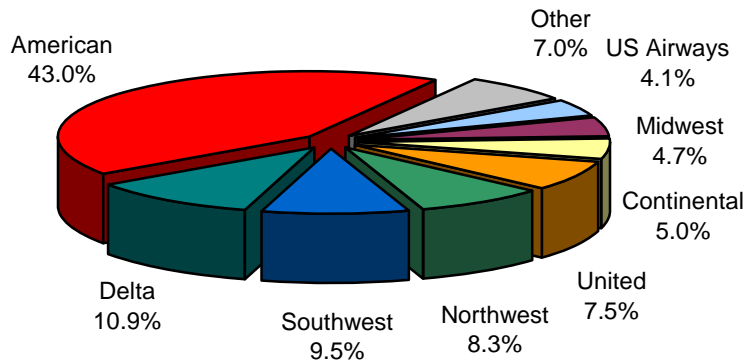
Rank	Destinations	American		Delta		Southwest		Northwest		United		Other		Total Pax
		Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	
1	Washington, DC (DCA)	27,085	68.4	206	0.5	26	0.1	309	0.8	1,159	2.9	10,813	27.3	39,597
2	Orlando, FL	13,929	52.1	2,266	8.5	8,213	30.7	515	1.9	51	0.2	1,751	6.6	26,724
3	Las Vegas, NV	10,942	41.0	129	0.5	12,950	48.6	180	0.7	644	2.4	1,828	6.9	26,673
4	Chicago O'Hare, IL	20,468	90.0	0	0.0	0	0.0	26	0.1	2,240	9.9	0	0.0	22,734
5	Atlanta, GA	5,587	28.5	12,487	63.7	0	0.0	206	1.1	77	0.4	1,236	6.3	19,593
6	New York LGA, NY	14,135	73.4	77	0.4	129	0.7	412	2.1	154	0.8	4,351	22.6	19,258
7	Denver, CO	4,840	26.8	77	0.4	0	0.0	26	0.1	6,823	37.8	6,282	34.8	18,048
8	Dallas/Ft Worth, TX	17,095	97.6	0	0.0	0	0.0	232	1.3	26	0.1	154	0.9	17,507
9	Phoenix, AZ	1,004	6.4	51	0.3	7,003	44.9	0	0.0	206	1.3	7,338	47.0	15,602
10	Boston, MA	7,260	55.4	180	1.4	0	0.0	309	2.4	618	4.7	4,737	36.1	13,105
11	Miami, FL	11,277	86.9	772	6.0	0	0.0	232	1.8	77	0.6	618	4.8	12,976
12	Los Angeles, CA	7,157	55.3	51	0.4	2,446	18.9	51	0.4	309	2.4	2,935	22.7	12,950
13	San Diego, CA	8,033	63.3	232	1.8	1,365	10.8	154	1.2	438	3.4	2,472	19.5	12,693
14	Baltimore, MD	7,029	55.5	206	1.6	4,840	38.2	26	0.2	335	2.6	232	1.8	12,667
15	Seattle/Tacoma, WA	7,853	63.5	257	2.1	1,545	12.5	515	4.2	1,493	12.1	695	5.6	12,358
16	San Francisco, CA	5,947	48.9	26	0.2	0	0.0	232	1.9	515	4.2	5,432	44.7	12,152
17	Tampa, FL	7,647	63.2	747	6.2	2,163	17.9	747	6.2	51	0.4	747	6.2	12,101
18	San Antonio, TX	7,698	66.7	0	0.0	412	3.6	0	0.0	51	0.4	3,373	29.2	11,534
19	Philadelphia, PA	6,282	56.9	232	2.1	51	0.5	51	0.5	206	1.9	4,222	38.2	11,045
20	Detroit, MI	412	3.8	26	0.2	566	5.3	9,706	90.4	26	0.2	0	0.0	10,736
21	Fort Myers, FL	7,389	75.3	566	5.8	0	0.0	386	3.9	129	1.3	1,339	13.6	9,809
22	Austin, TX	9,475	97.6	0	0.0	154	1.6	26	0.3	0	0.0	51	0.5	9,706
23	Fort Lauderdale, FL	3,347	40.5	1,004	12.1	1,828	22.1	154	1.9	0	0.0	1,931	23.4	8,264
24	New Orleans, LA	4,763	59.3	180	2.2	77	1.0	154	1.9	77	1.0	2,781	34.6	8,033
25	Houston Inter., TX	824	11.0	0	0.0	0	0.0	0	0.0	0	0.0	6,694	89.0	7,518
Total top 25		217,477	56.7	19,773	5.2	43,768	11.4	14,650	3.8	15,705	4.1	72,012	18.8	383,385
Total top 50		266,292	52.5	36,714	7.2	54,607	10.8	26,724	5.3	26,132	5.2	96,522	19.0	506,992
Total domestic markets		340,518	46.1	76,157	10.3	66,451	9.0	57,929	7.8	52,368	7.1	145,774	19.7	739,196

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

F. Carrier share

All catchment area air travelers who use Columbia Regional Airport flew American Airlines. Exhibit 5.1 illustrates the airline preferences of air travelers who drove to a competing airport to access air service. When air travelers diverted to a competing airport, American Airlines was the primary carrier with a 43.0 percent market share. Delta Air Lines had a markedly lower capture rate of 10.9 percent of the diversion. Southwest Airlines had the third highest capture rate with 9.5 percent. Northwest Airlines captured an 8.3 percent share of diversion, and United Airlines rounded out the top five with 7.5 percent.

Exhibit 5.1 Carrier share of Columbia Regional Airport's diversion



Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

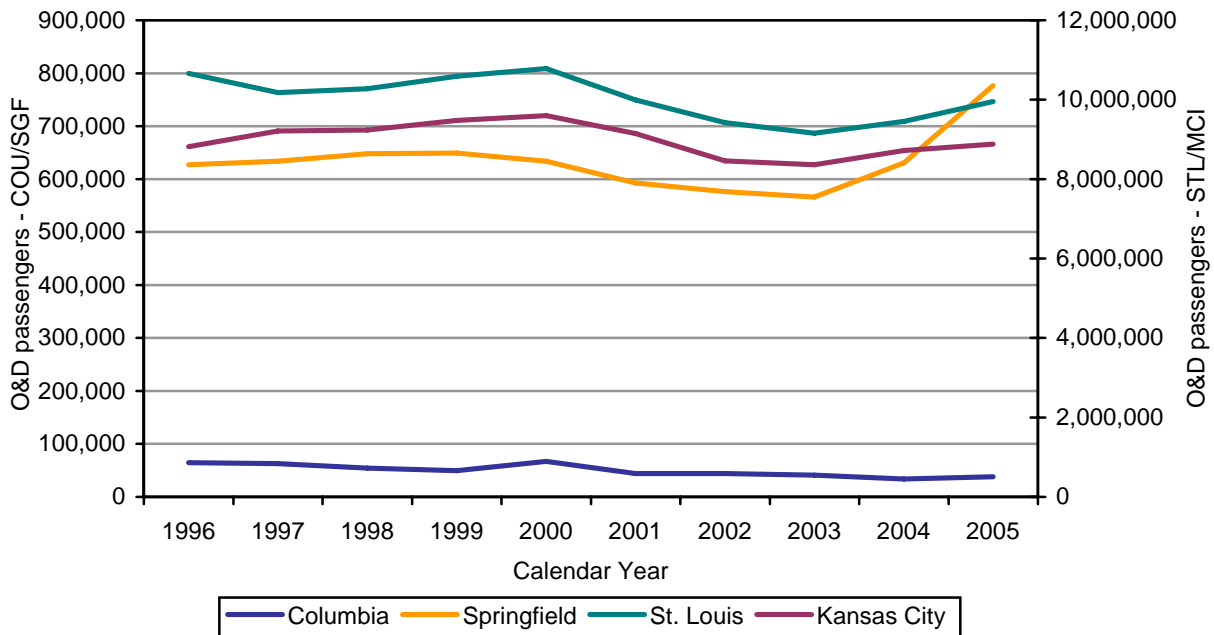
6. Factors affecting air service demand & retention

This section examines several factors that have affected and will continue to affect air service demand in the Columbia/Jefferson City area and Columbia Regional Airport's ability to retain passengers. Currently, it is estimated that Columbia Regional Airport retains approximately 5.3 percent of total catchment area passengers. Some of the factors that affect an airport's ability to retain passengers include: airfares, travel time to competing airports, nonstop service availability at competing airports, air traveler's past satisfaction with travel from an airport, and the quality of air service offered at competing airports.

A. Passenger activity comparison

To better understand the changes in passenger volumes at the primary competing airports compared to Columbia Regional Airport, Exhibit 6.1 provides a depiction of domestic origin and destination passengers for the four airports over the past 10 years. Domestic origin and destination passengers over the 10-year period at Columbia Regional Airport decreased at a compounded annual rate of 6.0 percent. At Lambert – St. Louis International Airport domestic origin and destination passenger volumes have yet to return to their 2000 high; however, their level has increased over the last two years. Overall, domestic origin and destination passengers at Lambert – St. Louis International Airport have decreased at a compounded annual rate of 0.8 percent over the 10-year period. Over the same period, Kansas City International Airport origin and destination passengers increased at a compounded annual growth rate of 0.1 percent. Springfield – Branson Regional Airport had the largest increase in domestic origin and destination passengers. Passengers increased at a compounded annual growth rate of 2.5 percent, with the majority of growth occurring between 2004 and 2005.

Exhibit 6.1 Passenger activity comparison



Source: Data Base Products, Inc.

B. Airfares

Airfares play a large role in an air traveler's decision on which airport they use to originate air travel. Airfares affect both air service demand and an airport's ability to retain passengers. Airfare information is available on a quarterly basis from the U.S. DOT. One-way average airfares (excluding taxes and passenger facility charges) paid by air travelers at Columbia Regional Airport and its primary competing airports as reported by the U.S. DOT are used to measure the relative fare competitiveness between airports.

Table 6.1 shows one-way average domestic airfares for the top 25 catchment area domestic destinations. Columbia Regional Airport's average one-way fare for all domestic destinations of \$181.69 was higher than Lambert - St. Louis International Airport's average one-way fare of \$145.92, Kansas City International Airport's one-way average fare of \$135.73, and Springfield – Branson Regional Airport's average domestic airfare of \$177.70. Columbia Regional Airport had a higher average fare for all of the top 25 destinations compared to Lambert - St. Louis International Airport, for 24 of the top 25 destinations compared to Kansas City International Airport, and 14 of the top 25 destinations compared to Springfield – Branson Regional Airport. In 18 of the top 25 markets (in yellow), Columbia Regional Airport's average one-way fare was at least \$50 higher than the lowest fare at a competing airport.

Table 6.1 U.S. DOT average domestic one-way fares

Rank	Destination	Domestic one-way fare				Maximum fare difference
		Columbia	St. Louis	Kansas City	Springfield	
1	Washington, DC (DCA)	\$202.61	\$168.63	\$131.97	\$167.26	\$35.35
2	Orlando, FL	\$166.74	\$123.57	\$115.12	\$154.62	\$51.62
3	Las Vegas, NV	\$223.57	\$140.09	\$127.30	\$130.45	\$96.27
4	Chicago O'Hare, IL	\$107.40	\$88.01	\$86.55	\$162.01	\$20.85
5	Atlanta, GA	\$251.84	\$184.64	\$117.92	\$186.11	\$133.92
6	New York LGA, NY	\$230.80	\$188.67	\$157.63	\$188.37	\$73.17
7	Denver, CO	\$211.52	\$156.40	\$143.12	\$143.57	\$68.40
8	Dallas/Ft Worth, TX	\$198.21	\$185.18	\$193.74	\$207.23	\$13.03
9	Phoenix, AZ	\$190.76	\$136.57	\$128.42	\$201.33	\$62.34
10	Boston, MA	\$263.11	\$202.42	\$138.80	\$194.22	\$124.31
11	Miami, FL	\$205.70	\$117.70	\$125.36	\$196.06	\$88.00
12	Los Angeles, CA	\$202.02	\$167.98	\$131.85	\$216.42	\$70.17
13	San Diego, CA	\$198.80	\$165.56	\$147.69	\$205.22	\$51.11
14	Baltimore, MD	\$145.44	\$113.85	\$110.30	\$172.78	\$35.14
15	Seattle/Tacoma, WA	\$233.44	\$197.03	\$160.33	\$200.27	\$73.11
16	San Francisco, CA	\$245.98	\$199.06	\$170.79	\$215.66	\$75.19
17	Tampa, FL	\$171.85	\$131.96	\$110.90	\$150.11	\$60.95
18	San Antonio, TX	\$176.36	\$160.89	\$143.66	\$193.10	\$32.70
19	Philadelphia, PA	\$169.54	\$153.16	\$150.01	\$190.54	\$19.53
20	Detroit, MI	\$150.89	\$88.59	\$162.17	\$140.97	\$62.30
21	Fort Myers, FL	\$155.73	\$116.28	\$119.56	\$159.14	\$39.45
22	Austin, TX	\$270.07	\$149.36	\$163.79	\$142.91	\$127.16
23	Fort Lauderdale, FL	\$138.21	\$112.91	\$109.59	\$194.67	\$28.62
24	New Orleans, LA	\$220.73	\$159.88	\$103.22	\$188.81	\$117.51
25	Houston Inter., TX	\$196.40	\$139.32	\$151.24	\$214.88	\$57.08
Average fare all domestic markets		\$181.69	\$145.92	\$135.73	\$177.70	\$45.96

Source: Data Base Products, Inc. – year ended February 28, 2006

Note: Yellow represents COU average fares that are \$50 or greater over lowest average fare of a competing airport. The above fares do not include taxes or passenger facility charges.

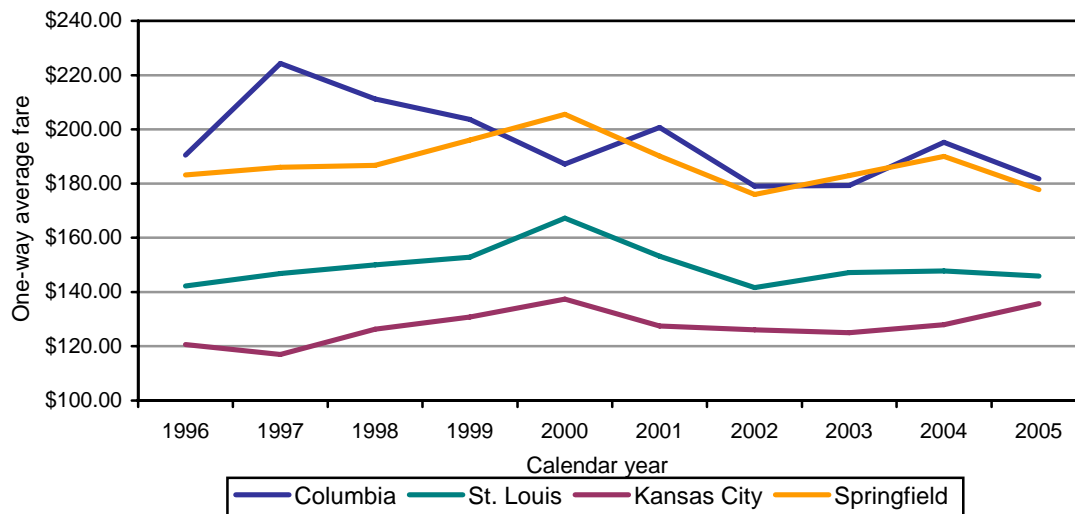
Factors affecting air service demand & retention

Exhibit 6.2 tracks the average fares at Columbia Regional Airport and the competing airports from 1996 through September 30, 2005 (the latest data available). The graph in Exhibit 6.3 charts the average fare for the airports adjusted for inflation (1996 dollars).

Based on U.S. DOT airline data, from 1996 to 2005 the average domestic airfare for Columbia Regional Airport decreased in most years, with exceptions in 1997, 2001, and 2004. Lambert - St. Louis International Airport's one-way domestic average fare increased from 1996 through 2000. Post 2001, the average fare dropped to a low of \$141.63 in 2002. From 2003 through 2004 airfares increased marginally with a decrease for 2005. Kansas City International Airport's and Springfield – Branson Regional Airport's average domestic airfare trends were similar to Lambert – St. Louis International Airport's, though at different overall fare levels.

Over the 10-year period, the average domestic airfare for Columbia Regional Airport decreased at a compounded annual rate of 0.5 percent. The average domestic airfare increased by a compounded annual rate of 0.3 percent for Lambert - St. Louis International Airport, 1.3 percent for Kansas City International Airport, and decreased at a compounded annual rate of 0.3 percent for Springfield – Branson Regional Airport.

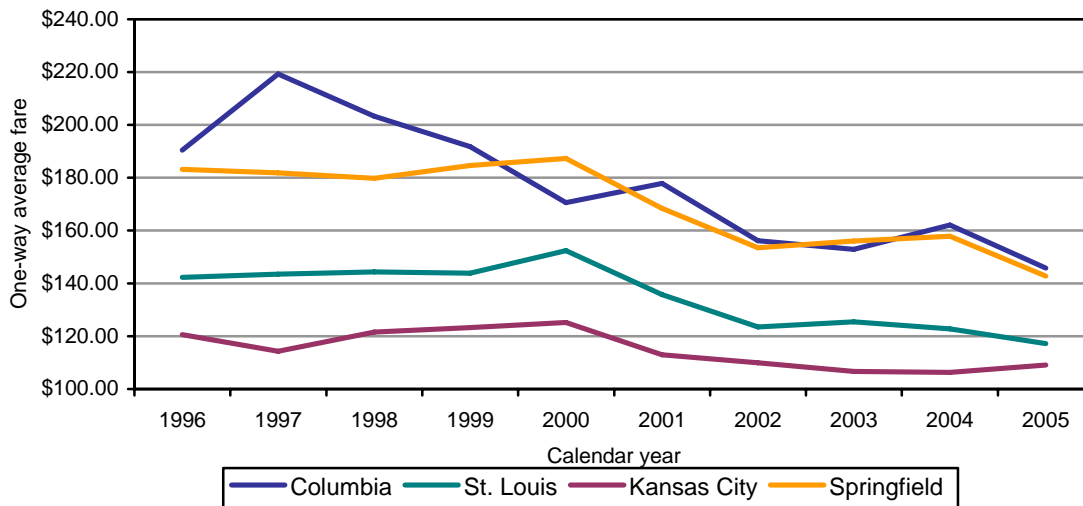
Exhibit 6.2 Ten-year average domestic one-way fare trend



Source: Data Base Products, Inc.

Adjusted for inflation, average fares decreased over the 10-year period for all four airports. Columbia Regional Airport's average fare decreased at a compounded annual rate of 2.9 percent. Lambert - St. Louis International Airport's, Kansas City International Airport's, and Springfield – Branson Regional Airport's adjusted average fares decreased at compounded annual rates of 2.1 percent, 1.1 percent, and 2.7 percent, respectively.

Factors affecting air service demand & retention

Exhibit 6.3 Ten-year average domestic one-way fare trend (1996 dollars)

Source: Data Base Products, Inc.; inflation calculator - <http://data.bls.gov/cgi-bin/cpicalc.pl>

C. Travel time comparison

Table 6.2 compares the travel time to the top 10 catchment area destinations requiring a connection from Columbia Regional Airport to the travel time using nonstop service at a competing airport. The drive time from the Columbia area to Lambert - St. Louis International Airport is approximately 1 hour and 47 minutes, 2 hours and 22 minutes to Kansas City International Airport, and 3 hours 27 minutes to Springfield – Branson Regional Airport. The travel times do not include added time for interstate or city traffic congestion, parking, or security screening; all of which are more time consuming at larger airports. For Columbia Regional Airport connecting service, the travel time comparison assumes a connection time of 45 minutes. Connecting service from Columbia Regional Airport saves only a marginal amount of travel time (17 minutes) versus driving to access nonstop service from Lambert - St. Louis International Airport. As a result, the availability of nonstop or lower fare service offerings at Lambert – St. Louis International Airport induces a high percentage of catchment area air travelers to use the airport.

Table 6.2 Travel time comparison (minutes)

Rank	Connecting destinations	Columbia connection	St. Louis nonstop	Kansas City nonstop	Springfield nonstop	Time savings
1	Washington, DC (DCA)	201	218	266	N/A	17
2	Orlando, FL	221	238	291	N/A	17
3	Las Vegas, NV	299	316	327	402	17
4	Chicago O'Hare, IL	157	174	223	293	17
5	Atlanta, GA	183	200	252	312	17
6	New York LGA, NY	227	244	297	N/A	17
7	Denver, CO	225	242	242	326	17
8	Dallas/Ft Worth, TX	198	215	238	289	17
9	Phoenix, AZ	294	311	312	N/A	17
10	Boston, MA	243	260	304	N/A	17

Note: Columbia connection time = elapsed time leg 1 + minimum connect time (45 min) + elapsed time leg 2

St. Louis nonstop time = average drive time (1 hr, 47 min) + nonstop elapsed time

Kansas City nonstop time = average drive time (2hr, 22 min) + nonstop elapsed time

Springfield nonstop time = average drive time (3hr, 27 min) + nonstop elapsed time

Source: Official Airline Guide – week of February 13, 2006; Microsoft MapPoint 2004

Factors affecting air service demand & retention

D. Nonstop service availability

Air travelers drive to competing airports to access air service for many reasons, one of which is service availability. Table 6.3 provides perspective on the level of air service offered at Columbia Regional Airport and its primary competing airports for the top 25 catchment area destinations.

During the sample week of February 13, 2006, Columbia Regional Airport offered nonstop air service to one destination; Lambert – St. Louis International Airport. Lambert - St. Louis International Airport had nonstop air service to 84 destinations including the catchment area's top 25 destinations. Kansas City International Airport had nonstop service to 52 destinations of which 21 were in the catchment area's top 25 destinations. Springfield – Branson Regional Airport offered nonstop service to 11 destinations; six were in the top 25 destinations.

Table 6.3 Nonstop service at competing airports (departures/week)

Rank	Destination	Nonstop departures			
		Columbia	St. Louis	Kansas City	Springfield
1	Washington, DC (DCA)	0	31	40	0
2	Orlando, FL	0	50	48	0
3	Las Vegas, NV	0	28	41	4
4	Chicago O'Hare, IL	0	129	88	55
5	Atlanta, GA	0	97	77	14
6	New York LGA, NY	0	32	31	0
7	Denver, CO	0	89	80	21
8	Dallas/Ft Worth, TX	0	87	72	62
9	Phoenix, AZ	0	61	46	0
10	Boston, MA	0	33	7	0
11	Miami, FL	0	14	0	0
12	Los Angeles, CA	0	35	42	0
13	San Diego, CA	0	14	21	0
14	Baltimore, MD	0	47	20	0
15	Seattle/Tacoma, WA	0	7	7	0
16	San Francisco, CA	0	14	7	0
17	Tampa, FL	0	30	21	0
18	San Antonio, TX	0	19	14	0
19	Philadelphia, PA	0	59	25	0
20	Detroit, MI	0	52	30	7
21	Fort Myers, FL	0	18	0	0
22	Austin, TX	0	20	0	0
23	Fort Lauderdale, FL	0	21	14	0
24	New Orleans, LA	0	16	0	0
25	Houston Inter., TX	0	44	59	0
Total top 25 frequencies		0	1,047	790	163
Number of top 25 served		0 of 25	25 of 25	21 of 25	6 of 25
Total destinations served		1	84	52	11

Source: Official Airline Guide – Week of February 13, 2006

E. Quality of air service at competing airports

The quality of air service offered by an airport is a factor in an air traveler's decision process when selecting where to originate/terminate air service. In general, passengers prefer larger aircraft over smaller aircraft and jet aircraft over turboprop aircraft. For purposes of this section, quality of air service is measured by size of aircraft and jets versus turboprops. Tables 6.4 and 6.5 show weekly departures and available seats by aircraft type at Lambert - St. Louis International Airport. Tables 6.6 and 6.7 show weekly departures and available seats by aircraft type at Kansas City International Airport and Tables 6.8 and 6.9 show weekly departures and available seats by aircraft type at Springfield - Branson Regional Airport.

Of the primary competing airports, Lambert – St. Louis International Airport offered the most departures and carrier options for catchment area passengers. During the sample week of February 13, 2006, American Airlines provided 1,354 departures (56.4 percent of the total) operated with narrow body jet and regional jet aircraft. Southwest Airlines followed with 446 departures (18.6 percent of the total) operated with Boeing 737 jet aircraft. United Airlines rounded out the top three carriers with 125 departures (5.2 percent of the total) operated with narrow body jet and regional jet aircraft. Overall, 2,401 departures were operated during the sample week, 86.0 percent with jet aircraft.

Table 6.4 Lambert - St. Louis International Airport weekly departures

Aircraft type	Weekly departures								Jet	Turbo-prop
	AA	WN	UA	DL	NW	CO	Other	Total		
Airbus 318/319/320	0	0	8	0	0	0	33	41	41	0
Avro Regional Jet	0	0	0	0	17	0	0	17	17	0
BAe Jetstream 31	172	0	0	0	0	0	0	172	0	172
BAe Jetstream 41	147	0	0	0	0	0	0	147	0	147
Beechcraft 1900	0	0	0	0	0	0	18	18	0	18
Boeing 737	0	446	13	7	0	0	21	487	487	0
Boeing 757	89	0	0	0	0	0	0	89	89	0
Boeing/Douglas DC-9	0	0	0	0	50	0	0	50	50	0
Boeing/Douglas MD-80/83	297	0	0	18	0	0	0	315	315	0
Canadair Regional Jet	0	0	56	81	33	0	78	248	248	0
Embraer Regional Jet	649	0	48	6	0	95	19	817	817	0
Total	1,354	446	125	112	100	95	169	2,401	2,064	337
% of total	56.4	18.6	5.2	4.7	4.2	4.0	7.0	100.0	86.0	14.0

Source: Official Airline Guide – week of February 13, 2006

Table 6.5 compares available seats during the sample week by aircraft type at Lambert - St. Louis International Airport. American Airlines offered 94,335 departing seats (47.4 percent of the market) during the sample week. Southwest Airlines, offered 60,412 available seats or 30.4 percent of the market, nearly double its percentage of departures due to the relatively large size of its aircraft. United Airlines offered 8,678 departing seats during the sample week and rounded out the top three carriers with 4.4 percent of the total market. Overall, 96.0 percent of the 198,968 seats were available on jet aircraft.

Factors affecting air service demand & retention

Table 6.5 Lambert - St. Louis International Airport weekly available seats

Aircraft type	Weekly available seats								Jet	Turbo-
	AA	WN	UA	NW	DL	US	Other	Total		
Airbus 318/319/320	0	0	1,095	0	0	0	4,680	5,775	5,775	0
Avro Regional Jet	0	0	0	1,173	0	0	0	1,173	1,173	0
BAe Jetstream 31	3,268	0	0	0	0	0	0	3,268	0	3,268
BAe Jetstream 41	4,410	0	0	0	0	0	0	4,410	0	4,410
Beechcraft 1900	0	0	0	0	0	0	342	342	0	342
Boeing 737	0	60,412	1,599	0	700	0	2,814	65,525	65,525	0
Boeing 757	16,732	0	0	0	0	0	0	16,732	16,732	0
Boeing/Douglas DC-9	0	0	0	5,770	0	0	0	5,770	5,770	0
Boeing/Douglas MD-80/83	39,664	0	0	0	2,700	0	0	42,364	42,364	0
Canadair Regional Jet	0	0	3,584	1,650	4,870	4,244	600	14,948	14,948	0
Embraer Regional Jet	30,261	0	2,400	0	300	950	4,750	38,661	38,661	0
Total	94,335	60,412	8,678	8,593	8,570	5,194	13,186	198,968	190,948	8,020
% of total	47.4	30.4	4.4	4.3	4.3	2.6	6.6	100.0	96.0	4.0

Source: Official Airline Guide – week of February 13, 2006

Table 6.6 presents a summary of weekly scheduled departures at Kansas City International Airport during the sample week of February 13, 2006. Southwest Airlines offered 438 departures (31.0 percent) with Boeing 737 jets. Midwest Airlines offered 169 departures (12.0 percent of the total) and used narrow body jet aircraft types. US Airways rounded out the top three carriers based on departures with 126 (8.9 percent of the total). Overall, 1,413 departures were operated during the sample week, 95.5 percent with jet aircraft.

Table 6.6 Kansas City International Airport weekly departures

Aircraft type	Weekly departures							Jet	Turbo-prop
	WN	YX	US	DL	AA	Other	Total		
Airbus 318/319	0	0	7	0	0	46	53	53	0
Avro Regional Jet	0	0	0	0	0	15	15	15	0
Beechcraft 1900	0	0	53	0	0	11	64	0	64
Boeing 717	0	155	0	0	0	21	176	176	0
Boeing 737	438	0	0	20	0	62	520	520	0
Boeing 757	0	0	0	0	0	14	14	14	0
Boeing/Douglas DC-9	0	0	0	0	0	82	82	82	0
Boeing/Douglas MD-80/82/93	0	14	0	40	123	0	177	177	0
Canadair Regional Jet	0	0	46	64	0	76	186	186	0
Embraer Regional Jet	0	0	20	0	0	106	126	126	0
Total	438	169	126	124	123	433	1,413	1,349	64
% of total	31.0	12.0	8.9	8.8	8.7	30.6	100.0	95.5	4.5

Source: Official Airline Guide – week of February 13, 2006

Table 6.7 (following page) provides a comparison of available seats during the sample week by aircraft type at Kansas City International Airport. Southwest Airlines offered 59,481 weekly available seats, 40.0 percent of the total, during the sample week. American Airlines offered 16,630 seats, 11.2 percent of the total, and Midwest Airlines offered 15,698 seats, 10.5 percent of the seats in the market. Of the 148,883 seats, 99.2 percent were available on jet aircraft.

Factors affecting air service demand & retention

Table 6.7 Kansas City International Airport weekly available seats

Aircraft type	Weekly available seats							Jet	Turbo-prop
	WN	AA	YX	NW	DL	Other	Total		
Airbus 318/319	0	0	0	124	0	6,660	6,784	6,784	0
Avro Regional Jet	0	0	0	1,035	0	0	1,035	1,035	0
Beechcraft 1900	0	0	0	0	0	1,216	1,216	0	1,216
Boeing 717	0	0	13,640	0	0	2,457	16,097	16,097	0
Boeing 737	59,481	0	0	0	2,000	7,731	69,212	69,212	0
Boeing 757	0	0	0	0	0	2,548	2,548	2,548	0
Boeing/Douglas DC-9	0	0	0	9,575	0	0	9,575	9,575	0
Boeing/Douglas MD-80/82/93	0	16,630	2,058	0	6,000	0	24,688	24,688	0
Canadair Regional Jet	0	0	0	1,000	3,200	6,648	10,848	10,848	0
Embraer Regional Jet	0	0	0	0	0	6,880	6,880	6,880	0
Total	59,481	16,630	15,698	11,734	11,200	34,140	148,883	147,667	1,216
% of total	40.0	11.2	10.5	7.9	7.5	22.9	100.0	99.2	0.8

Source: Official Airline Guide – week of February 13, 2006

Table 6.8 presents a summary of weekly scheduled departures at Springfield – Branson Regional Airport during the sample week of February 13, 2006. American Airlines offered 96 departures (42.9 percent) with regional jet and turboprop aircraft. United Airlines used regional jet aircraft to offer 55 departures (24.6 percent of the total). Northwest Airlines rounded out the top three carriers based on departures with 35 (15.6 percent of the total). Overall, 224 departures were operated during the sample week, 94.2 percent with jet aircraft.

Table 6.8 Springfield – Branson Regional Airport weekly departures

Aircraft type	Weekly departures						Jet	Turbo-prop
	AA	UA	NW	DL	G4	Total		
Bae Jetstream 41	13	0	0	0	0	13	0	13
Boeing/Douglas MD-80	0	0	0	0	6	6	6	0
Canadair Regional Jet	0	55	35	32	0	122	122	0
Embraer Regional Jet	83	0	0	0	0	83	83	0
Total	96	55	35	32	6	224	211	13
% of total	42.9	24.6	15.6	14.3	2.7	100.0	94.2	5.8

Source: Official Airline Guide – week of February 13, 2006

Table 6.9 provides a comparison of available seats during the sample week by aircraft type at Springfield – Branson Regional Airport. American Airlines offered 4,294 weekly available seats, 38.0 percent of the total, during the sample week. United Airlines offered 2,750 seats, 24.3 percent of the total, and Northwest Airlines offered 1,750 seats, 15.5 percent of the seats in the market. Of the 11,294 seats, 96.5 percent were available on jet aircraft.

Table 6.9 Springfield – Branson Regional Airport weekly available seats

Aircraft type	Weekly departures						Jet	Turbo-prop
	AA	UA	NW	DL	G4	Total		
Bae Jetstream 41	390	0	0	0	0	390	0	390
Boeing/Douglas MD-80	0	0	0	0	900	900	900	0
Canadair Regional Jet	0	2,750	1,750	1,600	0	6,100	6,100	0
Embraer Regional Jet	3,904	0	0	0	0	3,904	3,904	0
Total	4,294	2,750	1,750	1,600	900	11,294	10,904	390
% of total	38.0	24.3	15.5	14.2	8.0	100.0	96.5	3.5

Factors affecting air service demand & retention

F. Retention rate sensitivity

With consideration of the previous factors, a retention rate sensitivity analysis follows in Table 6.10 to depict realistic expectations of potential passenger traffic at Columbia Regional Airport. Passengers in total and for each of the top 25 markets are calculated given varying degrees of retention. An increase in retention of 10.0 percent of the Columbia Regional Airport market would generate an estimated additional 73,920 origin and destination passengers for Columbia Regional Airport.

Table 6.10 Retention rate sensitivity

Rank	Airport	Reported O&D pax	Retention %	True market O&D pax	Est. pax with retention increase of...		
					5.0%	10.0%	15.0%
1	Washington, DC (DCA)	5,767	14.6	39,597	15,945	15,945	15,945
2	Orlando, FL	901	3.4	26,724	2,237	3,574	4,910
3	Las Vegas, NV	515	1.9	26,673	1,849	3,182	4,516
4	Chicago O'Hare, IL	4,969	21.9	22,734	6,106	7,242	8,379
5	Atlanta, GA	875	4.5	19,593	1,855	2,835	3,814
6	New York LGA, NY	901	4.7	19,258	1,864	2,827	3,790
7	Denver, CO	1,030	5.7	18,048	1,932	2,835	3,737
8	Dallas/Ft Worth, TX	1,879	10.7	17,507	2,755	3,630	4,506
9	Phoenix, AZ	103	0.7	15,602	883	1,663	2,443
10	Boston, MA	798	6.1	13,105	1,453	2,109	2,764
11	Miami, FL	206	1.6	12,976	855	1,504	2,152
12	Los Angeles, CA	618	4.8	12,950	1,265	1,913	2,560
13	San Diego, CA	541	4.3	12,693	1,175	1,810	2,445
14	Baltimore, MD	1,030	8.1	12,667	1,663	2,297	2,930
15	Seattle/Tacoma, WA	644	5.2	12,358	1,262	1,879	2,497
16	San Francisco, CA	644	5.3	12,152	1,251	1,859	2,466
17	Tampa, FL	463	3.8	12,101	1,068	1,673	2,279
18	San Antonio, TX	618	5.4	11,534	1,195	1,771	2,348
19	Philadelphia, PA	1,056	9.6	11,045	1,608	2,160	2,712
20	Detroit, MI	257	2.4	10,736	794	1,331	1,868
21	Fort Myers, FL	309	3.1	9,809	799	1,290	1,780
22	Austin, TX	669	6.9	9,706	1,155	1,640	2,125
23	Fort Lauderdale, FL	129	1.6	8,264	542	955	1,368
24	New Orleans, LA	206	2.6	8,033	608	1,009	1,411
25	Houston Inter., TX	309	4.1	7,518	685	1,061	1,437
Total of above		25,437	6.6	383,385	52,804	69,994	87,183
Total of all markets		39,340	5.3	739,196	76,300	113,260	150,219

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

7. Situation analysis

Columbia Regional Airport is geographically challenged. It is situated on the interstate highway approximately 125 miles from Lambert – St. Louis International Airport and approximately 164 miles from Kansas City International Airport. With over 300 daily departures at St. Louis and over 200 daily departures at Kansas City, it has been difficult for the Columbia Regional Airport catchment area to carve out a sufficient market niche to attract and support adequate air service to enable the airport to grow and fulfill its mission. Since basic airline economics by definition make it more costly to serve smaller markets, short haul market fares are generally higher creating a temptation to drive to larger competing airports where fares are at least somewhat lower, schedule frequency greater, and there is a broader array of nonstop destinations. Columbia Regional Airport has suffered from all of those afflictions. Average domestic fares have moderated to approximately \$35 higher than average St. Louis fares and \$45 higher than average Kansas City fares. This represents an improvement from the late 1990's when the average fare spread was approximately \$50 compared to St. Louis and \$70 compared to Kansas City. The down sizing of the St. Louis hub has lessened the attractiveness of its schedule offering. In spite of modest improvement in the competitive environment, service at Columbia Regional Airport has continued to erode with an accompanying decline in passenger boardings.

In 2005, Columbia Regional Airport served 39,340 origin and destination passengers (approximately 54 passengers per day each way) due to the limited service available. Based on MIDT survey data, Columbia Regional Airport's boardings represented 5.3 percent of total catchment area air traffic. The estimated true market for the catchment area was 739,196 origin and destination passengers annually or approximately 1,012 passengers per day each way. Of the 94.7 percent of the true market not using the local airport, approximately 60 percent were using Lambert – St. Louis International Airport, nearly 33 percent were using Kansas City International Airport, and approximately 2 percent were using Springfield – Branson Regional Airport.

With a catchment area population of over 425,000, an economy that includes the state capitol and the University of Missouri, as well as a business base, and estimated air travel true market of nearly 740,000 origin and destination passengers, there is ample opportunity to support substantially improved air service. While some portion of the true market may not use Columbia Regional Airport air service, there appears to be adequate demand to support regional jet service to a hub east and west. Due to the size of the market and the lower level of competition, Columbia Regional Airport fares will nearly always be higher than those available at St. Louis and Kansas City. Depending on what happens to gasoline prices going forward, the incentive to drive to the larger airports may be markedly lessened. In looking at potential hub service, Chicago O' Hare stands out since it is the catchment area's fourth largest market and offers a wide array of connecting destinations. Realistically, obtaining such service is unlikely due to air traffic and airport congestion which has resulted in a cap on the number of operations permitted. Given the limitations at Chicago O'Hare; Cincinnati, Detroit, and Memphis represent satisfactory options. Though local market sizes are less attractive, these hubs would offer an array of service to the larger Northeastern and Eastern markets. In the case of Cincinnati and Memphis, competitive service would be available to a portion of the Southeastern markets. Geographically, the Minneapolis and Houston hubs are not service candidates since routings via these hubs would be unduly circuitous. To the West,

service to the Denver hub would offer the best connecting opportunities. Dallas service also appears supportable, though routings to the Pacific Northwest would be less attractive. Salt Lake City service is also potentially viable, but less desirable than Denver since it would provide service to fewer destinations and would be slightly more circuitous in some instances. In all cases, the catchment area's lack of a proven historical air traffic record will make convincing air carriers to provide the needed service a daunting challenge. Further analysis would be required to determine if an attractive, economically supportable proposal could be made to the potential air service providers.

Appendix A. True market– top 50 markets

Rank	Domestic destination	COU O&D pax	Retention %	Diverted O&D pax	True market O&D pax	Percent of total
1	Washington, DC (DCA)	5,767	14.6	33,830	39,597	5.4
2	Orlando, FL	901	3.4	25,823	26,724	3.6
3	Las Vegas, NV	515	1.9	26,158	26,673	3.6
4	Chicago O'Hare, IL	4,969	21.9	17,765	22,734	3.1
5	Atlanta, GA	875	4.5	18,717	19,593	2.7
6	New York LGA, NY	901	4.7	18,357	19,258	2.6
7	Denver, CO	1,030	5.7	17,018	18,048	2.4
8	Dallas/Ft Worth, TX	1,879	10.7	15,628	17,507	2.4
9	Phoenix, AZ	103	0.7	15,499	15,602	2.1
10	Boston, MA	798	6.1	12,307	13,105	1.8
11	Miami, FL	206	1.6	12,770	12,976	1.8
12	Los Angeles, CA	618	4.8	12,332	12,950	1.8
13	San Diego, CA	541	4.3	12,152	12,693	1.7
14	Baltimore, MD	1,030	8.1	11,637	12,667	1.7
15	Seattle/Tacoma, WA	644	5.2	11,714	12,358	1.7
16	San Francisco, CA	644	5.3	11,508	12,152	1.6
17	Tampa, FL	463	3.8	11,637	12,101	1.6
18	San Antonio, TX	618	5.4	10,916	11,534	1.6
19	Philadelphia, PA	1,056	9.6	9,989	11,045	1.5
20	Detroit, MI	257	2.4	10,479	10,736	1.5
21	Fort Myers, FL	309	3.1	9,500	9,809	1.3
22	Austin, TX	669	6.9	9,037	9,706	1.3
23	Fort Lauderdale, FL	129	1.6	8,136	8,264	1.1
24	New Orleans, LA	206	2.6	7,827	8,033	1.1
25	Houston Inter., TX	309	4.1	7,209	7,518	1.0
26	Jacksonville, FL	644	8.8	6,668	7,312	1.0
27	Raleigh/Durham, NC	850	12.2	6,128	6,977	0.9
28	Minneapolis, MN	618	8.9	6,334	6,951	0.9
29	Tucson, AZ	180	2.7	6,437	6,617	0.9
30	Salt Lake City, UT	26	0.4	6,282	6,308	0.9
31	Vancouver, Canada	0	0.0	6,282	6,282	0.8
32	Portland, OR	103	1.7	6,102	6,205	0.8
33	New York Newark, NJ	541	9.8	4,969	5,510	0.7
34	Honolulu, HI	26	0.5	5,458	5,484	0.7
35	Cancun, Mexico	0	0.0	5,046	5,046	0.7
36	Orange County, CA	335	6.8	4,557	4,892	0.7
37	Milwaukee, WI	438	9.3	4,274	4,712	0.6
38	Frankfurt, Germany	0	0.0	4,506	4,506	0.6
39	Columbus, OH	644	15.2	3,579	4,222	0.6
40	Pittsburgh, PA	51	1.2	4,145	4,197	0.6
41	Hartford, CT	154	3.8	3,965	4,119	0.6
42	Chicago Midway, IL	0	0.0	4,119	4,119	0.6
43	Reno, NV	154	3.9	3,785	3,939	0.5
44	Washington Dulles, DC	618	15.7	3,321	3,939	0.5
45	Cleveland, OH	129	3.3	3,810	3,939	0.5
46	Anchorage, AK	26	0.7	3,759	3,785	0.5
47	Charleston, SC	51	1.4	3,682	3,733	0.5
48	Savannah, GA	0	0.0	3,682	3,682	0.5
49	Indianapolis, IN	386	10.7	3,218	3,604	0.5
50	Nashville, TN	541	15.3	2,987	3,527	0.5
Total of top 50 domestic destinations		31,951	6.3	475,041	506,992	68.6
Total of all markets		39,340	5.3	699,856	739,196	100.0

Source: Data Base Products, Inc.; COU records; MIDT survey data – year ended February 28, 2006

Appendix B. Glossary

Airport catchment area (ACA)

The geographic area surrounding an airport from which that airport can reasonably expect to draw passenger traffic. The airport catchment area is sometimes called the service area.

Airport codes

COU	Columbia Regional Airport Columbia, MO
MCI	Kansas City International Airport Kansas City, MO
SFG	Springfield – Branson Regional Airport Springfield, MO
STL	Lambert - St. Louis International Airport St. Louis, MO

Airline Codes

AA	American Airlines
CO	Continental Airlines
DL	Delta Air Lines
G4	Allegiant Airlines
NW	Northwest Airlines
UA	United Airlines
US	US Airways
WN	Southwest Airlines
YX	Midwest Airlines

Average fare

The average of the fares reported by the airlines to the U.S. DOT. The average fare as reported does not include taxes or passenger facility charges and represents one-half of a round-trip ticket (one-way).

Deplanement

A passenger who is departing or getting off a commercial aircraft.

Destination airport

Any airport where the air traveler spends four hours or more. This is the Federal Aviation Administration definition.

Direct flight

A direct flight provides same-plane service between two points, but stops at an intermediate airport(s).

Diversion

Passengers who do not use the local airport for air travel, but instead use a competing airport to originate the air portion of their trip.

Enplanement

A passenger boarding a commercial aircraft.

FAA

Acronym for the Federal Aviation Administration.

GDS/CRS

Acronyms for Global Distribution Systems, also known as Computer Reservation Systems. There are four Global Distribution Systems in the United States, including Amadeus, Galileo International (Apollo), Sabre, Inc., and Worldspan.

MIDT

Acronym for Marketing Information Data Tapes provided by the Global Distribution Systems.

MSA

Acronym for Metropolitan Statistical Area developed by the Office of Management and Budget. MSAs have at least one urbanized area of 50,000 or more population plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Nonstop flight

Air travel between two points without stopping at an intermediate airport.

Origin and destination (O&D) passengers

Includes all originating and destination passengers. In the context of this report, it describes the passengers arriving and departing an airport.

Originating airport

The airport used by an air traveler for the first enplanement of a commercial air flight.

Passenger facility charge

Fee imposed by airports of \$1 to \$4.50 on enplaning passengers. The fees are used by airports to fund FAA approved airport improvement projects.

Pax

Abbreviation for passenger.

Retained passengers (retention)

Passengers who use the local airport for air travel instead of using a competing airport to originate the air portion of their trip.

True market

The true market is the total number of air travelers, including those who are using a competing airport, in the geographic area served by the Columbia Regional Airport. The true market estimate includes the size of the total market as well as estimates for specific destinations.

U.S. DOT

Acronym for United States Department of Transportation.