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**WILSON
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FLYING HIGH?

New Facility Improving Operations at Airport

Source: Chattanooga Times Free Press (Tennessee)

By: Terry Hart, President and CEO of Chattanooga Airport

Chattanooga, TN, March 13, 2012 - Competition always comes at a price, even at the Chattanooga Airport. Our detractors are trying to convince our community that the price citizens have paid was the cost of building the new LEED-certified fixed-base operator. In reality, no taxpayer dollars were used for the new facilities. But we would argue that the community has already paid a significant price for the lack of competition the airport was experiencing.

For years, the airlines serving Chattanooga's travelers were forced to use the one and only fuel service provider at the airport, often at unreasonably high prices. As a result, when airlines examined their costs to serve Chattanooga, we often ranked higher than many of our competitors, putting us in jeopardy to lose air service. We all have paid a high price due to the monopoly that TAC Air enjoyed until just a few months ago, making Chattanooga a tenuous proposition for the airlines and our passengers.

Chattanooga Airport passengers, private pilots and airlines asked the Airport Authority and the city of Chattanooga to find solutions. TAC Air had an opportunity to be part of the solution. The price they paid for choosing not to be part of it is competition.

Here are but a few of the positive changes competition has brought to our customers:

- Fuel savings up to a dollar per gallon
- Reduced hangar rental fees
- A choice between brand new hangar facilities or existing hangars that are now better maintained as a result of the new competition
- Lower prices to the airlines, making Chattanooga more attractive for air service expansion.

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FOR IMMEDIATE RELEASE

It is true that the new FBO has lost more money in its first six months of operation than originally anticipated. That is because competition is working. Fuel prices at the airport have dropped so remarkably that the primary source of revenue for the two FBOs has also dropped. Moreover, it is rare to find a new business that does not lose money during the startup phase until it gets established.

Still, that temporary loss is covered by significantly increased net operating revenues in other areas of the airport and is a small price to pay for saving corporate pilots, general aviators, airlines and cargo carriers an estimated \$1.5 million in the first year alone.

TAC Air and its disinformation campaign partners are telling taxpayers they are bearing the cost of building the new FBO. In fact, Chattanooga Airport built the new FBO facilities with state airport grants funded solely from aviation fuel taxes, not through general taxpayer funds. Only those who bought aviation fuel in Tennessee paid for it. However, we all benefit.

Not a penny of taxpayer money was used on the new FBO. But when TAC Air's facilities, including hangars, t-hangars, fuel farms and aircraft parking ramps were built decades ago, it was in large part through city and state taxpayer dollars. The truth is that Chattanooga Airport has not received general taxpayer dollars since 1985 when Chattanooga ceded ownership of the airport to the Airport Authority. So it is ironic that TAC Air now complains about government funding, when many of the facilities they occupy were built with government funds. They sure didn't complain when they signed the lucrative agreements to manage those facilities many years ago.

Airports like ours that receive no taxpayer subsidies must develop innovative partnerships to improve our facilities, attract commercial service and generate a positive cash flow. Just as Chattanooga and Hamilton County offered incentives to attract new businesses and thousands of jobs to our community, so must the airport invest time and resources to bring positive change for the benefit of our customers. Our customers ask for low fares and quality service, which can only be provided with competition. So we partner with our airlines - by offering discounts and other incentives to bring their planes to Chattanooga and give our passengers the competition and level of service they demand. In the same way, we cannot turn a blind eye to our customers' requests for competition elsewhere at the airport.

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When you look beyond the disagreements and accusations, you can see that your hometown airport is stronger than it was a year ago:

- More commercial flight options
- Growing passenger traffic
- Air cargo shipments dramatically increased
- New facilities and options for *all* users
- Industry-leading green practices

At the end of the day, the airport is here to serve the community by providing excellent service and pricing options. Many of you - our passengers – joined the airlines and private pilots in asking for competition at the airport. We were happy to provide it. We are thrilled with the results. And we are willing and able to shoulder the short-term cost – and criticism – to make it a success.

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With locations in Memphis TN, Charlotte NC, Houston TX, and now Chattanooga TN, Wilson Air Center's corporate aviation support facilities are renowned for their innovative approach to customer service and satisfaction that originated from roots within the hospitality industry. The Memphis location is the home of one of the world's largest aircraft canopies, and is touted by the aviation industry as among the top fixed base operations in the United States for the quality of its services and the comfort and design of its facilities. For more information on Wilson Air Center – Chattanooga, please call 423-855-2299 or email cschattanooga@wilsonair.com. For more information on Wilson Air Centers' other locations, please visit www.wilsonair.com.