

Air Service Task Force update— same goal, new strategy

By now you're probably aware that Independence Air will soon begin providing low-fare service to Charleston International Airport. Regrettably, shortly after Independence Air's announcement, we learned that AirTran currently does not plan to include Charleston in their network.

What's our strategy now? Here's the memo sent by the Charleston Metro Chamber of Commerce to the many companies who pledged their travel dollars last year to AirTran. I urge you to read the memo carefully and join us in doing everything we can as a business community to support Independence Air.



Bill
Settlemyer
Executive Publisher

MEMORANDUM

June 4, 2004

TO: Flycharleston Campaign Supporters
FROM: Bill Settlemyer, Chairman, Metro Chamber Air Service Task Force
RE: Task Force Update

Since we began our quest early last year to attract AirTran to Charleston, a number of significant changes have occurred in the airline industry. As a result, AirTran executives announced early this year that they would not open any new markets in 2004. Even so, we remained in communication with AirTran in hopes that an exception might be made for our market. As recently as April we were still providing AirTran with additional information on our market as part of their continued analysis of Charleston.

Unfortunately, we learned recently that AirTran's decision regarding new markets is firm and that the airline will not commence service in Charleston this year. Due to AirTran's shift in their overall business strategy, our prospects for being a part of AirTran's future expansion plans beyond 2004 are unknown.

That is the bad news. The good news is that just two weeks ago we celebrated the

announcement by Independence Air that they had selected Charleston as one of 35 cities they will begin serving this summer. Starting on July 17, Independence Air will provide six roundtrip flights per day from their hub at Dulles International Airport near Washington, D.C. They will serve our market with their fleet of regional jets, featuring refurbished interiors and comfortable leather seats. This fall, the airline will begin taking delivery of larger Airbus jets that will allow them to expand their service from Dulles to the West Coast.

Next steps

With the help of your pledges to our fly-charleston campaign last year, we successfully raised over \$4.4 million in commitments to our Travel Bank. Coupled with the \$1 million federal Department of Transportation Air21 grant and a marketing package of over \$350,000, we successfully assembled a total incentive package of nearly \$6 million to offer to AirTran. While we are disappointed that these efforts did not bear fruit with regard to AirTran, we have learned that those same efforts impressed Independence Air's management and played a major role in the airline's decision to make Charleston one of their launch cities.

Charleston is a great opportunity for Independence Air. We did a survey of those who made pledges to our flycharleston Travel Bank and found that Washington, D.C., was the second most popular travel destination for those who responded to the survey. In addition, the Charleston Area Convention and Visitors Bureau told us that Independence Air's new low-cost service to Charleston will have an enormous impact on the area's hospitality industry and its ability to attract meeting and convention business.

Our Air Service Task Force met on Wednesday to discuss the AirTran decision and our next steps. We agreed that our quest to secure additional low fare service to and from Charleston International Airport is far from over and we pledged to redouble our efforts.

The first thing we must do is work to ensure that Independence Air's entry into our market is successful. Shortly after Independence Air's announcement, other carriers serving Charleston announced they would match the new low-cost fares. The

competition hopes that if they match the new fares, Charleston travelers will keep flying the other carriers both out of habit and to continue accumulating their frequent flyer miles.

We are asking you to help us make sure that doesn't happen. We need to support Independence Air and give something back for their commitment to serve a region that has suffered from some of the highest airfares in the country. There are a number of things you can do:

- **Switch your Travel Bank pledge from AirTran to Independence Air.** If you need assistance making the switch, contact Jennifer Robson at 805-3010.
- **Establish an internal travel policy at your company or organization to ensure that your employees fly Independence Air whenever possible.** This doesn't mean you shouldn't patronize other carriers. There are many destinations we need to reach that are not served by Independence Air. The important message is that you and your employees *must* give a portion of your travel business to Independence Air and do so consistently on a long-term basis.
- **Sign up to join Independence Air's iCLUB and encourage your employees to sign up too.** The iCLUB is the airline's frequent flyer program. There is no cost to join. As iCLUB members, you and your employees will receive important information about the airline's services and special promotions. You can join by visiting their web site, www.flyi.com. This is VERY IMPORTANT because you can only buy tickets at Independence Air's web site. They will not be offering tickets through other sites like Expedia or Travelocity.
- **Spread the word—tell others about Independence Air and encourage them to join the iCLUB and take advantage of this great new resource for our region.**

Independence Air's success will help keep our airfares low for travel to cities served by their network. And just as important, other low-fare carriers will be watching to see how our market responds to lower fares. This is a chance to show the world that we're not only a great place to visit and to live, but also a great market for commercial air service. ■