

# EMERGENCE OF SECONDARY GATEWAYS WORKPLAN

## ACI-NA AIR CARGO SUBCOMMITTEE

### 2007

The overall approach to the workgroup topic will be a self-evaluation of the components described below. Collectively, four sub-topics were developed:

- Industry Trends
- Infrastructure
- Market (data)
- Marketing

#### 1) Industry Trends:

##### a) Identify the (Primary) Gateway Airport:

- i) Does the primary gateway have issues that could conceivably warrant a secondary gateway?
  - (1) Issues such as congestion and space availability
  - (2) Is there sufficient out bound product to support additional facilities
  - (3) Determine if the need is for domestic or international cargo
- ii) Does the primary gateway have congestion; air, runway, taxiway delays or road restrictions?
- iii) Are there facility or gate restrictions at the primary gateway?
- iv) Does the primary gateway have slot, time or noise restrictions that you don't?
- v) How does the location determine which carriers are most likely to be interested?
- vi) What is the distance from the primary airport?

##### b) Global Capacity Opportunities/Issues:

- i) Frequencies, aircraft availability
  - (1) FIS availability – are there enough CBP staff
  - (2) For freighter or belly
- ii) Economic trends that promote/demote an individual market
  - (1) Growth in a neighboring or competitive Primary market airport
  - (2) Interstate or highway changes to support your or the competitive Primary market airport

##### c) Transborder Issues:

- i) Freedoms
  - (1) Do they exist or will they? Can they?
- ii) Political agendas
  - (1) Could the primary airport benefit from supporting service at the secondary airport?
  - (2) Is it possible to get a designation?
  - (3) Regional and federal congressional support
- iii) Constraints (security)
  - (1) Staffing levels for CBP and TSA; additional agencies such as FDA, USDA and APHIS?
  - (2) Is your airport prepared to deal with the new All-Cargo International Security Procedures?
  - (3) Do you communicate regularly with local forwarders and shippers to keep them informed of changes?

- 2) Infrastructure:
  - a) On and Off Airport Facilities:
    - i) Airport cargo facilities (specialty facilities, if needed – i.e. livestock, refrigeration, etc.),
      - (1) For perishable product is your airport prepared with equipment for fumigation, incineration, X-ray equipment for flowers as they are offloaded and refrigeration sources?
      - (2) Foreign Trade Zone capability
      - (3) Fumigation tank and onsite incinerator
      - (4) EPA issues related to fumigation and burning of contaminated perishables
      - (5) Space for CBP staff
    - ii) Offsite sorting/consolidation/warehousing
      - (1) Access and potential screening capability
      - (2) Roadway capacity – demand analysis for additional traffic
  - b) Support equipment, ground handling and freight forwarder presence
    - i) Does your airport have access to a K-loader or other heavy lift equipment that may be important to cargo freighters?
    - ii) adequate space to store seldom used GSE
    - iii) Do you have major forwarders/common carrier trucking on or near airport to assure/guarantee a major (consistent) % of loads?
    - iv) Third Party ground handler availability?
  - c) Airfield Capabilities: runway, pavement strengths, ramp space
    - i) Length and width
    - ii) 24 hour tower operation?
    - iii) Capable of handling additional aircraft
    - iv) Sufficient lighting (well lit)
    - v) In-ground tie downs and nose wheel tie downs or access to portable nose wheel tie downs
    - vi) Have you identified on airport areas for storage or offloading of oversized or specialized cargo?
    - vii) Do you have road access to these areas that aren't limited by weight restrictions?
    - viii) Are there challenges such as heat or altitude that will effect or cause lift limitations at certain times of the year?
    - ix) Do you have adequate deicing and snow removal equipment?
    - x) Fueling: truck or in-ground? Cost?
  - d) Customs:
    - i) Do they exist? 24/7?
    - ii) CBP: Is your airport experiencing customs staffing reductions?
    - iii) Do you, the airport, have good relationships with your CBP agency on airport?
    - iv) Does your airport have adequate staffing to deal with Customs Inspection, Agriculture and staffing who can deal with APHIS?
    - v) Is your CPB staffing cross trained?
    - vi) Is your airport's CBP's equipment technically/electronically up to date?
    - vii) Do you have a separate cargo Inspection area or is it combined with the passenger area?
- 3) Market (data):
  - a) Understanding your market: imports vs. exports, origin vs. destination, frequency of movements, current port of entry/exit
    - i) Does a balance exist between imports and exports?
    - ii) Do you have lists of forwarders, handlers, shippers and other local community base groups identified to support either domestic or International cargo movement?
    - iii) Has your airport begun to position itself through marketing as a serious cargo entrant?
    - iv) If altitude is a factor, how will this impact payloads?

- (1) What time of the year?
  - (2) Does their need to be some sort of compensation to offset smaller payloads?
- b) Domestic vs. International
- i) Know what you've got and what you need
    - (1) Does your region produce commodities that are distributed globally or domestically
    - (2) Does your region require commodities that are distributed globally or domestically
    - (3) Have you compiled data to support the previous two questions?
- c) Leakage/Siphoning:
- i) Who are your competitors? What is the ground transportation to and from (freight forwarder presence?)
    - (1) Are you familiar with the manufacturing and shipping base located around your airport
    - (2) Existing ground transportation, both truck and rail are very hard to change: Are you prepared to arrange and assist with meetings and networking interlocutory affairs?
    - (3) Cost to market – what are the costs to market for your regions manufactures and can improved air cargo capabilities reduce these costs
    - (4) Could building a truck market help to grow air cargo?
- d) Niche markets: specialty commodities
- i) If dealing with perishable product is your airport prepared with equipment for fumigation, incineration X-ray equipment for flowers as they are offloaded or refrigeration sources?
  - ii) If product is livestock do you have adequate segregated area, veterinary support etc...?
- e) Multimodal Capabilities: if not on-airport, what is the access to ground/rail?
- i) Is there adequate inter-modal access?
  - ii) Have you done a distance and time to market comparison to other airports?
  - iii) Access to interstate highways, minimal interference with city or local traffic, the number of right or left turns, traffic signals etc
  - iv) Access to rail with the same interference constraints as highways
- 4) Marketing
- a) Strengths vs. Weaknesses: A Compelling Answer as to "Why Us?"; cost, ground delays (or lack thereof), etc.
- i) Anything distinctive or individual to your airport in addition to the primary assets of your airport?
  - ii) Have you laid out a cost/time comparison between your airport and the primary gateway?
  - iii) Can be just the number of local passenger flights with belly load capacity for fast distribution of product.
  - iv)
- b) Political Environment: Are there factors that will need to be addressed?
- i) Are there economic development agencies willing to assist with financial support for some of the specialized functions of cargo?
  - ii) Can you assist an entrant with introductory meetings to these agencies?
  - iii) Do you have a list of state and local funding sources such as special interest incentive grants or loans?
  - iv) Workforce and educational support to sustain a second gateway?