

Gunnison Valley Air Service Strategic Plan
Revised May, 2017

Strategic Priorities

1. *Collaborative Public-Private Partnership*
2. *Ensuring Stable and Sustainable Funding*
3. *Air Service Results for the Valley*
4. *Valley Marketing*
5. *Community Engagement*


Strategic Priority #1: Creating a Collaborative Public-Private Partnership

The Gunnison Valley's economy significantly relies on air travelers--including visitors, students, local residents and second homeowners—who rely upon year-around air travel opportunities. Easily half of the jobs in the Valley depend on tourism. Increased visitors to the Valley through the Gunnison Airport benefit the entire Valley – we are one economy.

Valley-wide leadership from CBMR, the RTA, Gunnison Airport, WSCU, and the Tourism Association has united in common purpose to create a synergistic Public Private Partnership focused on excellence and reliability in air service for the Valley. This collaborative Partnership will pool resources and speak with one voice to strengthen air service to the Valley. The following goals will define this collaborative Partnership:

 **Strategic Result #1: Affiliation**

The proposed Public Private Partnership will be a legal entity of the Gunnison Valley Transportation Authority (RTA) and will be known as the AC, the Air Command. The AC by-laws will be agreed to by founding members and approved by RTA board. – Accomplished.

 **Strategic Result #2: AC Voting Membership**

The AC will be comprised of the following members:

- 2 voting members – Gunnison Valley Transportation Authority (RTA) Chair and Executive Director
- 2 voting members – Representatives from Crested Butte Mountain Resort (CBMR)

- 1 voting member – Tourism Association (TA) Executive Director
- 1 voting member – Gunnison Airport (GUC) Manager
- 1 non-voting member – Appointed by WSCU.


The AC will consider asking an interested community member to act as a non-voting facilitator/chair. – Accomplished.

 **Strategic Result #3: Decision Making Authority**


AC by-laws will stipulate that only member organizations are authorized to make decisions. Should a member be unable to attend a meeting, then he/she may designate another representative from that same organization to attend the meeting. Designated representatives must be empowered to both make decisions and commit financial resources on behalf of the member organization. – Accomplished.

 **Strategic Result #4: Public and Private Funds**

AC by-laws will stipulate that the Public-Private Partnership shall be legally eligible to receive both public and private funds. – Accomplished.

 **Strategic Result #5: Authority to Negotiate**

Coordinated negotiations with airlines, under the auspices of the AC, are critical to promoting and improving air service in the Valley. Negotiations with airlines will, in all cases, be conducted by one or more AC members, with consultation and assistance provided by air consultants, as needed. – Accomplished and ongoing.

 **Strategic Result #6: Information Sharing**

In a business environment that is as prone to rapid change as the airline industry, and as highly competitive as resort markets, information is currency. All information related to air service, including marketing trends and data, that is provided to or that becomes available to any partner will be shared with all partners. All members are committed to creating open and honest dialogue, and to respecting any and all proprietary information. – Accomplished and ongoing.

 **Strategic Result #7: Air Service Strategic Plan Updates**

This Air Service Strategic Plan will be updated twice annually in March and October. Updated Air Service Strategic Plans may include additional targets and metrics.

Strategic Priority #2: Ensuring Stable and Sustainable Funding

The AC partners' approach to funding will be characterized as accountable, flexible and sustainable. The AC partners are pooling funds and together are strategically directing resources to maximize the impact and minimize the expense of airline guarantees and incentives for flights into and out of the Gunnison Airport.

The AC must have the flexibility to act quickly to anticipate and respond to changes in the market, and particularly, to changes in the airline industry and to decisions that impact GUC made by individual carriers. Decisions will be informed by the most up-to-date data and analysis available.

AC's funding strategies leverage increased resources to marketing the Valley. The following results implement the Partnership's funding strategies:

 **Strategic Result #1: Strategic Plan and Budget Approval**

By May, 2016 the RTA Board will approve the ongoing Air Service Strategic Plan and the Budget for the Partnership. The AC will be a sub-fund of the RTA. – Accomplished.

 **Strategic Result #2: Fund Balances**

The AC will establish a minimum fund balance of 30% annual contracted Minimum Revenue Guarantees (MRG's), and provide the ability to spend down, creating both security and flexibility. – Accomplished and ongoing.

 **Strategic Result #3: MRG Funds**

30% - 50% of the MRG cap will be spent each year. CBMR is committed to investing previous MRG funds in additional marketing for air service and the Valley. – May not accomplish this in winter, 2016-17, but is still a desired result.

 **Strategic Result #4: Marketing Funds Growth**

Marketing and sales funding will keep pace with air service growth. CBMR will provide \$250,000 of their additional marketing funds to the TA annually.

 **Strategic Result #5: Airline Incentives**

By August, 2016 Gunnison County Airport will have a policy approved by the Board of County Commissioners (BoCC) authorizing airline incentives that will be used in negotiations with airlines. – Accomplished.

Strategic Priority #3: Achieving Air Service Results for the Valley

Long term, reliable, sustainable air service through the Gunnison Airport is and will continue to be the priority. The following Strategic Results will create a flexible, long-term and sustainable Air Service Strategic Plan that will fuel our local economy and set an aggressive, competitive market position for the Valley:


 **Strategic Result #1: Economic Impact of the Airport to the Valley**

By 2020, Gunnison Valley will experience a 40% increased economic impact over the 2013 level, as evidenced by:

- 45,000 enplanements
- Increased corporate and general aviation activity
- Increased load factor across the board

 **Strategic Result #2: Load Factors**

By the Winter season, 2017-18, a 75% load factor on existing air service will be achieved. Once this level is achieved, the AC will focus on expanding flights.

 **Strategic Result #3: Skier Days**

By winter 2020-21, CBMR will achieve a level of 500,000 or more skier days per year, which represents a 25% increase over the 2015-16 winter level. This increased level of skier days creates significant positive economic impacts for the Valley's economy.

 **Strategic Result #4: Additional Hub Service in Summer season**


By Summer 2019, Gunnison Valley will experience expanded air service by flying to an additional Hub airport in the summer season, which will increase connectivity and our reach into other visitor markets.

 **Strategic Result #5: Southeastern Hub Service**

By the 2021-22 ski season, Gunnison Valley will be able to experience expanded air service to a southeastern hub, which will further increase connectivity and our reach into other visitor markets.

 **Strategic Result #6: Expanded West Coast Hub Service**


By the 2017-18 ski season, Gunnison Valley will be able to experience expanded air service to a west coast hub on a legacy carrier hub that links GUC to west coast markets.

 **Strategic Result #7: Air Service Leakage**

By June, 2019, GUC and Valley residents and visitors will experience 69% or less leakage to other airports, accomplished through increased air service connectivity for originating passengers.

 **Strategic Result #8: Connectivity for Business Travelers**

By June, 2018, Gunnison Valley business travelers will experience improved air service connectivity year round. This result will help the Valley establish an environment that is conducive to location-neutral businesses, which can further strengthen our economy.

 **Strategic Result #9: General Aviation at GUC**

AC will have a strong partnership established with the GUC Airport/Fixed Base Operator (FBO) and Gunnison County to attract more General Aviation customers and generate additional revenue, as evidenced by the following:

- By October 1, 2017, General Aviation and commercial airline customers will be able to rely on the services of a qualified airline mechanic located at GUC, on duty year around
- By October, 2017, General Aviation customers will be able to experience improved lounge and ramp services, to include access to courtesy cars. – Lounge is accomplished.

Strategic Priority #4: Focused Valley Marketing and Sales

The Tourism Association (TA) and CBMR have developed a strong marketing partnership that will be further strengthened by the AC Public Private Partnership. Under the auspices of the AC, the TA and CBMR will continue to develop and implement cooperative marketing plans, which will be fully integrated where appropriate.

Further, dollars previously dedicated by CBMR to fund flight guarantees (MRG's) will now be invested in marketing, significantly increasing the resources dedicated to promoting our Valley. Marketing strategies will be closely aligned to the Air Service Strategic Plan and the Valley's Brand, and will be focused on the following results:

 **Strategic Result #1: Direction of MRG Funds to Marketing**

CBMR is committed to investing previous MRG funds in additional marketing for air service and the Valley.


 **Strategic Result #2: Marketing Coordination**

Marketing and sales plans by the Tourism Association, CBMR and other AC members will be developed and executed in a coordinated manner, and where appropriate, will be integrated with other AC efforts.

This will include website designs and updates, social media campaigns, and other marketing strategies, and where possible, will focus on air service and targeted routes included in the Air Service Strategic Plan. – Accomplished and ongoing.

 **Strategic Result #3: Leveraging Airline Marketing**

Investments in marketing and sales will, where appropriate, build upon and leverage airlines' booking sites and social media; these strategies will be executed in a manner that bolsters our partnerships with airlines.

 **Strategic Result #4: Buy-Down Strategy**

The AC will implement buy-downs using a jointly developed calendar-based strategy. – Accomplished and ongoing.

 **Strategic Result #5: Increased Enplanements**

To reach the Air Service Strategic Result of 45,000 enplanements by 2020, the AC will consider special events, targeted weekends, charters, boutique airlines, fractional jets, and other air service strategies when developing marketing and sales plans.

 **Strategic Result #6: Marketing the Valley's Brand**

The AC will work with the Chambers to develop and strengthen a common understanding of the Valley's 'Brand', and to align marketing strategies to that Brand.

The following characterizes the Valley's 'Brand':


- Good Vibe, It Just 'Feels' Good
- Authentic and Genuine
- Real Place/Real People
- Inviting to Families
- Extreme Experiences (The 'Wow' Factor)

Strategic Priority #5: Community Engagement

The entire Gunnison Valley community benefits from visitors who fly into the Gunnison Airport. For both visitors and residents, reliable air service for business and personal travel is critical. The issues and dynamics of air service into the Valley, the financing of air service, the realities of a rapidly changing airline industry, and the economic implications for all Valley businesses and residents are not easily understood.

The AC very much wants the entire community engaged with air service and to understand the full impact it has on our community and economy. In particular,


local businesses, government entities, non-profits, and other community entities directly benefit from air service and are invited, along with the entire community, to participate in its success in the following ways:

 **Strategic Result #1: Public Relations Plan**

By October 1, 2017, the Air Command will create a Public Relations Plan. The Public Relations Plan will be aligned to relevant AC Strategic Results, and will include action plans, responsible parties, and measurable milestones and metrics.

 **Strategic Result #2: Local Businesses as Ambassadors for Air Service**

By Spring, 2018, 60% of hospitality related businesses will understand and be able to communicate the importance and functionality of the air program in a manner that is consistent with Air Command messaging. Non-Hospitality related businesses will also be communicated to as a result of these efforts. In their Public Relations Plan, the Air Command will include strategies for engaging local hospitality related businesses and ensuring consistent messaging and commitment to Air Service goals.

 **Strategic Result #3: Net Promoter Score**

The TA will regularly report a Net Promoter score for the Valley – Accomplished and ongoing.