

TALKING POINTS

In this packet of information is a compact disk that includes a PowerPoint presentation titled “The Economic Impact of Your Airport to the Local Community.” This presentation uses Microsoft PowerPoint software in the slide show format, ready to present to any organization, and also in a PDF format, which can be read using Adobe Acrobat Reader and printed out for handouts. These talking points accompany the PowerPoint presentation slides and can be used as a narrative when showing the presentation. Feel free to use all or part of this as a presentation guide, or develop your own talking points.

Opening slide

Introduce yourself and thank the audience for the opportunity to present information about the economic impact of your airport on the local community. Feel free to share a personal story about how you became involved in the aviation industry and about how the airport has helped the local community in the past.

After sharing your personal stories, talk about how helpful it is to now have concrete data that shows the economic impact of airports in the state. The information for this presentation comes from a 1997 study sponsored by the Minnesota Department of Transportation Office of Aeronautics and conducted by Wilbur Smith and Associates.

The study examined the economic impact of the state’s airports by evaluating:

- All public-use airports—a total of 137, including 15 commercial service designated airports and 122 general aviation service airports, with 7 designated as relievers
- Hundreds of firms that provide aviation services at the airports, including airlines, fixed base operators, and aircraft repair providers, among others
- Commercial airplane passengers
- Non-direct sources, such as off-site firms that provide goods and services to commercial and general aviation passengers; federal and state assistance programs that support airport development, maintenance, and safety; and firms that rely on efficient air transportation cargo service

Economic Impact of Airports slide

The study analyzed three types of impacts. Direct impacts take into account the spending of firms that provide aviation services. Indirect impacts result from the use of aviation services—when airline passengers spend money in the region, for example. Multiplier impacts result from both direct and indirect impacts—when airport workers buy products at local stores, and local stores in turn use the money to buy additional inventory.

Let’s take a closer look at each of these types of impacts.

Economic Impact: Direct Impacts slide

These are examples of direct impacts (you may want to go over the list and point out the impacts that apply to your situation). They result directly from aviation services and reflect spending that occurs within the service area of the airport.

Economic Impact: Direct Impacts slide

These are examples of indirect impacts (you might want to go over the list and point out the impacts that directly apply to your situation). They result from spending that occurs when air passengers visit the region.

Economic Impacts: Multiplier Effect slide

The multiplier effect takes into account the value of money as it circulates through the local economy. Airport personnel use their income in part to buy goods and services in the local community. Local businesses then may use that income to invest. The longer the money stays in the local community, the more its impact multiplies.

Economic Impact of Aviation slide

The study adds together direct impacts, indirect impacts, and the multiplier effect to arrive at a total for economic activity.

Impact Measures slide

As we review the results of the study, you'll see several measures. One is economic activity, the total of direct impacts, indirect impacts, and the multiplier effect. It also shows earnings that result from those who rely on the aviation industry and the jobs that aviation generates in the community.

Let's take a closer look at each of these types of measures.

Impact Measures: Economic Activity slide

Here's the definition of economic activity. Economic activity really offers the most complete overall picture of impacts.

Impact Measures: Earnings slide

Here's the definition of the earnings' measure. It focuses on the wages and salaries that the local aviation industry creates.

Impact Measures: Jobs slide

And last, the measure of jobs shows the number of employees in aviation, plus the number of employees who primarily support the aviation industry, plus those employed in industries who are included in the multiplier effect.

Minnesota Airports Economic Impact Study slide

Now, we can return to the study itself, which was completed in 1999.

Minnesota Airports Economic Impact Study slide

Why do this study? Because it helps answer an important question—just what is the true economic value of airports to the state and to their local communities?

Airports Studied slide

The study divided airports into four categories: commercial service airports, non-commercial but key airports, intermediate airports, and landing strip airports. While researchers looked at all airports, they conducted on-site visits at six commercial service airports, three non-commercial but key airports, eight intermediate airports, and three landing strip airports.

Let your audience know which category fits your airport.

Before you present the results for each category, you might want to ask the audience what they would estimate in total economic impact for each category. (You might want to consider giving those closest a small reward.)

Let's look closer at the results.

Commercial Service Airports, Key System, Intermediate System, and Landing Strip System slides

Talk through each of the figures on the slides. Emphasize the figures on the slide that applies most directly to your situation.

Other Economic Impact Studies slide

In addition to the Wilbur Smith study, which visited 20 airports in greater Minnesota, three other economic impact studies were conducted including a Metropolitan Council survey of seven reliever airports to the Minneapolis-St. Paul International Airport and the Metropolitan Airports Commission economic impact study for the activity at the Minneapolis-St. Paul International Airport. The State Aviation System Plan (SASP) also takes a long-term look at the aviation needs within each state.

Airport Impacts Summary–1997 slide

This slide summarizes the results from all of the studies. Most people probably don't know this, but Minnesota aviation generates more than \$10 billion annually in economic activity and general aviation contributes approximately \$900 million to that total.

AOPA Airports Support Network slide

This is a video produced by the Aircraft Owners and Pilots Association (AOPA) that discusses the value that general aviation brings to a community. The following slides summarize the key points discussed in the video. Please let me know if you would like a copy.

Local Airports Access to America slide

What does this all mean? Aviation truly has transformed our world, and scheduled air service is only a small part of the story. There are three times as many general aviation flights as scheduled air service flights and more than 5,000 general aviation airports in the United States.

Those airports, though, are facing increasingly more difficult challenges. In fact, general aviation airports are closing at an alarming rate, in large part, because of rising real estate values and increasing demand for land.

Local Airports Access to America slide

General aviation continues to play an important role in the overall system, carrying more than 89 million passengers and adding \$42 billion annually to our nation's economy.

Here's a closer look at what general aviation service provides.

Local Airports Access to America slide

These are services that would not be possible without a general aviation function. Talk about what your airport does in your community.

Local Airports Access to America slide

More than ever, it's important to share the whole story about the contribution that aviation makes in a community. It's easier to calculate the value of land than to calculate all the impacts of airports on their communities. That's why I wanted to share the results of this study and talk about the valuable role that our airport plays.

You can see there are additional places to turn for information. I'd be happy to help answer any questions or talk more about what we do at our airport. Thank you.

