

# Maximizing Return on Airport Investments

## *Integrated Technology in a Shared Systems Environment*

Airport operators throughout North America are currently confronted by a series of extreme challenges, the likes of which they have never faced before. A sluggish economy, weak passenger demand, enhanced security requirements and the uncertain futures of numerous major airlines are all well chronicled facts. Add to this combination the need to intelligently plan, fund and build for the brighter days of a yet unforeseeable future.

An increased need to do more with less, to optimize existing facilities and to avoid committing scarce monetary and political capital to developing entirely new airports has gained important momentum in the USA and Canada over the past decade. Using the best practices of key airport operators in Western Europe and the Pacific Rim, numerous municipal governments and regional authorities have begun introducing shared systems environments in our hemisphere; Miami, Philadelphia, Toronto, Orlando, and Las Vegas are, today, leading the way.

Frankfurt International Airport (FRA) is often recognized as the global airport industry leader in using integrated technology to sustain a shared systems environment. Without having added a new runway since the mid-1980's, FRA today handles over twice the volume of flight operations, emplaned passengers and cargo than it did 20 years ago. As simultaneous parallel operations are precluded at FRA due to sub-minimum runway separation, this result has been accomplished, largely, by leveraging existing brick and mortar assets with a suite of tightly integrated mission-critical operational systems and common use passenger processing technology.

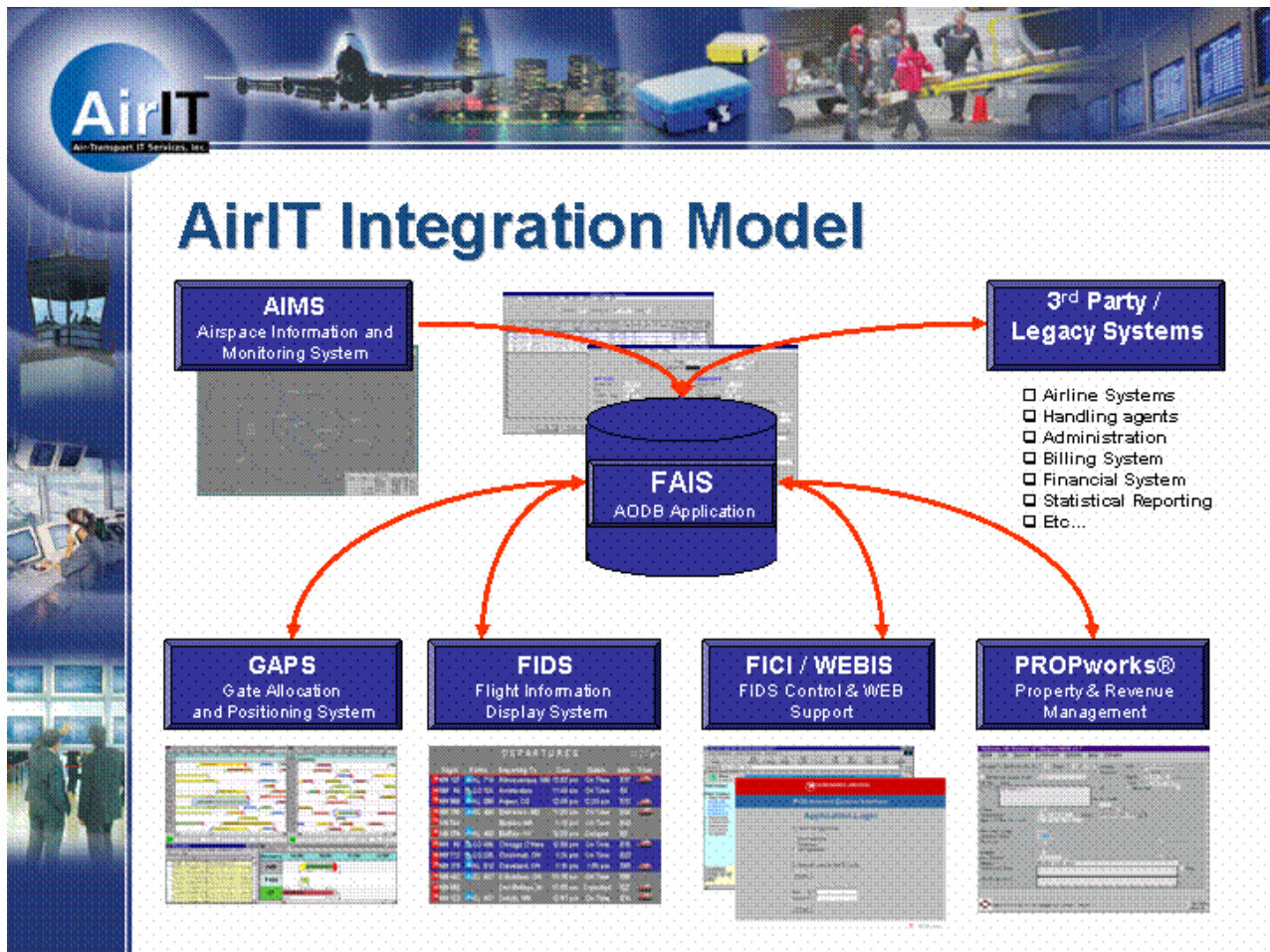
The Frankfurt International example is consistent with global airport industry trends. Landlocked airfields, surrounded by the communities they serve, present an obvious barrier to expansion. As well, significant airline opposition to co-funding the development of an adequate support infrastructure to meet their operational needs at airports they do not already serve further exacerbates the equation. The intelligent alternative for increasing air service capability and capacity for many metropolitan areas thus lies in leveraging greater throughput from existing properties and facilities.

It must be noted, however, that air carriers in North America have resisted the introduction of shared systems environments in favor of long term leaseholds, particularly at their respective hub airports. Equally important, though, is understanding the parochial basis of the airlines' collective resistance. The issue at hand is not based on the technology (which the same airlines firmly embrace throughout the world in locations where they are neither the national nor the dominant carrier). Rather, by locking in pervasive amounts of dedicated terminal real estate with proprietary host computer connections, these carriers have successfully undermined the free market entry of many potential competitors. In so doing, these airlines have been able to mitigate the promises of lower fares and more choices for the consumers that were the cornerstone of the Airline Deregulation Act of 1978.

Since the airlines developed their fortress hubs, though, the technology for airport operators to take control by providing cost effective, service responsive shared systems environments has evolved dramatically. Enhanced high-speed data network architectures with secure internet and intranet protocols have rendered the airlines' need for proprietary host connectivity obsolete. Increasingly, airports are reclaiming the prime terminal assets that are rightfully theirs...and are doing so without negatively impacting the carriers that operate into and out of their facilities.

**Fraport**, the commercial operator of Frankfurt International, is the parent company of **AirIT (Air-Transport IT Services, Inc.)**. Headquartered in Naperville, IL, **AirIT** is delivering integrated shared

systems environment technology to airports throughout North America using the successful integration model depicted in the following illustration:



Among **AirIT's** most recent major contract awards was the complete operational systems suite required for the redevelopment of Miami International Airport (MIA).

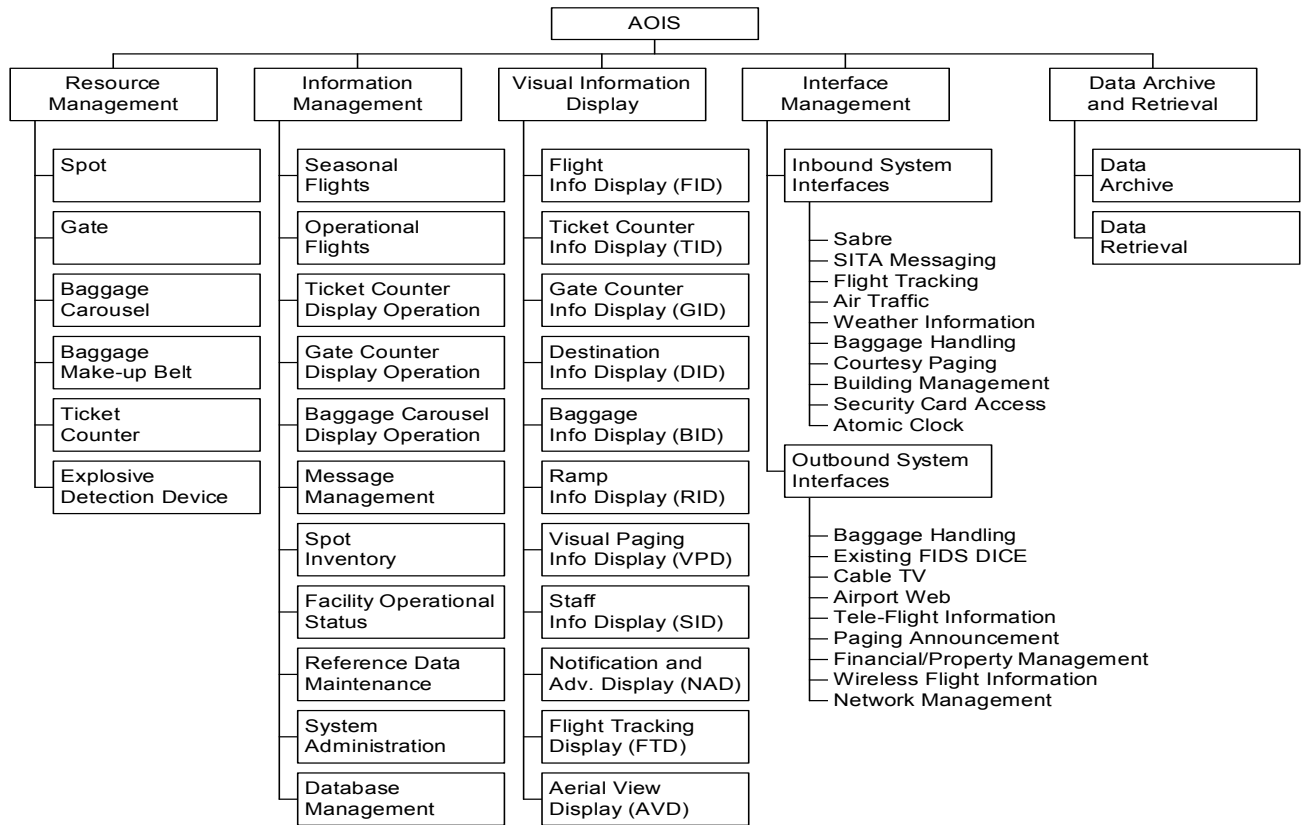
Key MIA objectives of the Airport Operations Information System (AOIS) project include:

- Assist MIA staff with scheduling and operating shared resources (departure gates, ticket counters, baggage reclaim carousels, hard-stand aircraft parking spots, etc.)
- Guide the Public and operators with flight related information
- Collect and disseminate flight information, aircraft movements, facility operational status, and resource utilization with other systems (i.e. Archive and Reporting, Financial and Billing)

Key **AirIT** deliverables of the MIA AOIS project include:

- Software: Resource Management, Information Management, Visual Display Management, Interface Management, etc.
- Hardware: Main Servers, Workstations, Device Drivers, 40" LCD screens, etc.
- Systems Integration
- Installation
- Support & Maintenance

A schematic diagram of **AirIT's** deliverables for the MIA AOIS project is depicted below:



The high level MIA AOIS project timeline overview is:

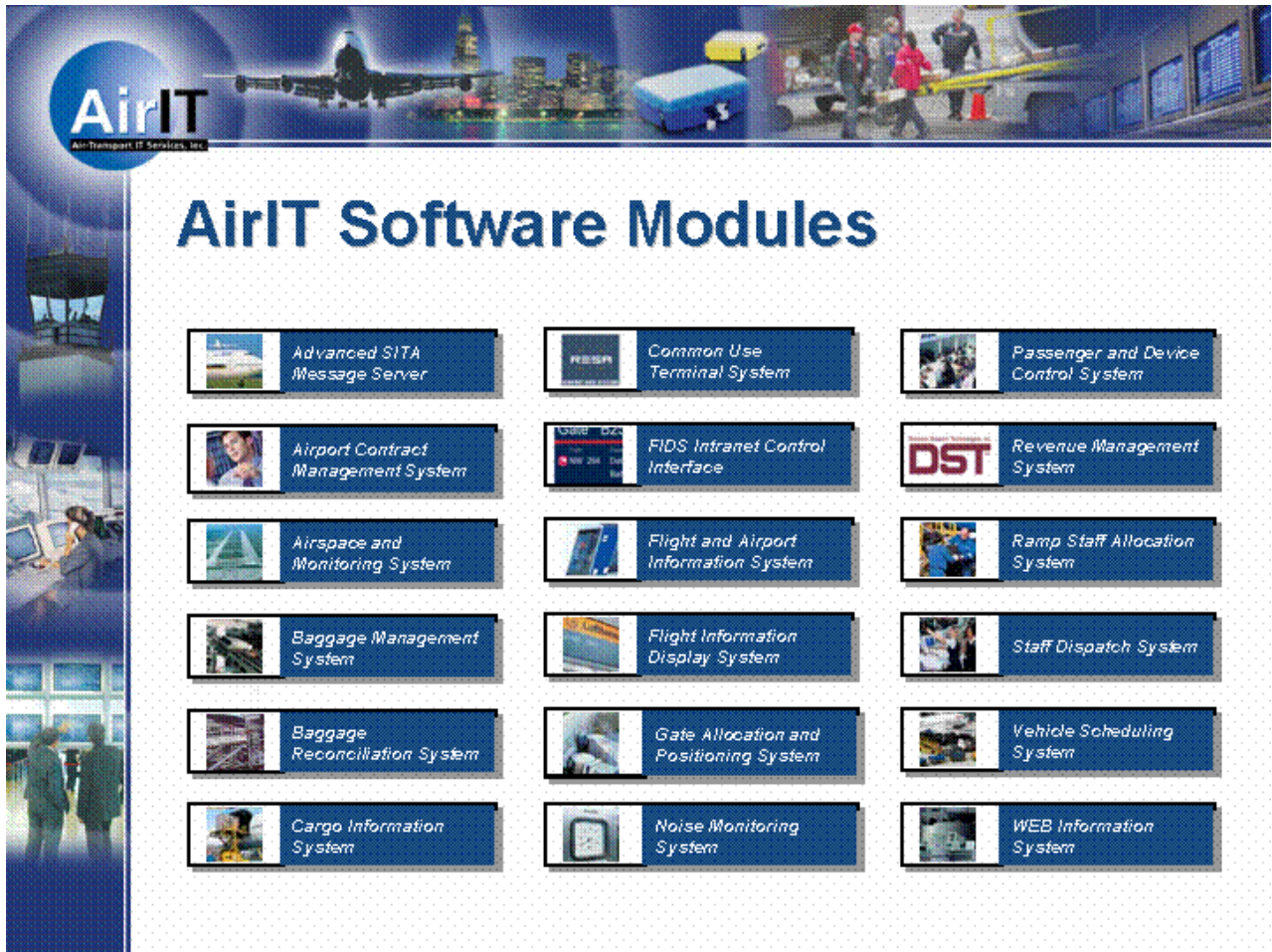
- Project Start: January/2003
- Phase I: July/2003
- Phase II: xxx
- Contract End: July/2006

**AirIT** is a financially strong US-based company and, in concert with **Fraport**, has over 20 years experience serving the commercial air transport community. We have an extensive product, service and integration offering for airport operators built on proven Open Architecture standards. Our integrated solutions suite has been developed using modern Client-Server technology and features web based access. Importantly, **AirIT** provides integration services and is the only true global 'turn-key' solution developer and integrator for the air transport industry. The following graphic illustration depicts our installed customer base:



**AirIT's** integrated shared systems environment empowers airport operators with the ability to:

- Automatically track airline landing fees on a daily basis
- Automatically track Passenger Facility Charge (PFCs) fees owed by airlines
- Confirm property and facility asset utilization at any given moment in time
- Increase revenue streams by providing ground handlers with key information in real time
- Increase retail business revenues by providing real time demographics to concessionaires
- Increase advertising revenues with managed and scheduled dynamic information displays
- Enhance security and safety for all passengers, tenants and staff



The slide features a header banner with the AirIT logo and an airport scene. Below the banner is the title "AirIT Software Modules". A vertical sidebar on the left shows various airport operations. The main content is a 6x3 grid of software modules, each with a small icon and a title.

Module Name	Module Name	Module Name
Advanced SITA Message Server	Common Use Terminal System	Passenger and Device Control System
Airport Contract Management System	FIDS Intranet Control Interface	Revenue Management System
Airspace and Monitoring System	Flight and Airport Information System	Ramp Staff Allocation System
Baggage Management System	Flight Information Display System	Staff Dispatch System
Baggage Reconciliation System	Gate Allocation and Positioning System	Vehicle Scheduling System
Cargo Information System	Noise Monitoring System	WEB Information System

The **AirIT** Mission Statement:

***"Our mission is to provide our customers with the world's best integrated air transport solutions that reduce cost, optimize cash flow and improve operational efficiencies."***

**AirIT** has the right combination of products, people and experience to aid the City of Chicago in maximizing its return on investments at O'Hare International and Midway Airports. **Providing integrated technology in a shared systems environment at ORD and MDW will increase capacity and can, quite literally, save the City years and millions of dollars.** We value your input and look forward to receiving your comments.