



The RFD Beacon



GRAA Bi-Annual Tenant Newsletter
FlyRFD.com

December 2008 - Vol. IV, Issue V

Thinking of You... Thinking of Others...

By Kevin Siegel

With the holiday season approaching, the Chicago Rockford International Airport (RFD) began the process of deciding how it wanted to wish its tenants and foreign-trade zone partners a happy holiday season. After receiving a holiday greeting from Hinshaw and Culbertson LLP, the perfect idea came to fruition.

Hinshaw and Culbertson LLP normally invites its friends and clients to its Annual Holiday Open House but decided to try something different to mirror the spirit of the holiday season — monetary gifts to local Rockford area charities in the name of its friends and clients.

With this “Thinking of You/Thinking of Others” mentality, the staff of RFD decided to make their holiday wish two fold. First all tenants received recognition in the form of a holiday card. Next the airport decided to start the RFD Food Drive Challenge and asked all of its tenants and foreign-trade-zone partners to participate.

Thinking of You – Greeting Cards

All of RFD’s tenants and foreign-trade zone partners received greeting cards from the airport this year. RFD realizes that the success that the airport has would not be possible without the companies and organizations that support it through good and bad times. This card expresses our thanks to our tenants and FTZ partners and wishes them a peaceful and joyous holiday season.

Thinking of Others – RFD Food Drive Challenge

The Food Drive Challenge is RFD’s way to try and get the airport and its partners involved in helping the community during its time of need during the post-holiday season. Launched on Friday, December 5, 2008, the Food Drive Challenge will run through the end of December. All food collected will be donated to the Greater Rockford Pantry Coalition in January of 2009.

Each participating company will collect food December 5 - 31, 2008 and drop off their food items at RFD’s

Snow Removal Equipment Building, 5751 Falcon Road, on January 5 - 9, 2009 to be weighed. The winning company will be the one with the highest pounds of food per employee donated.

The winning company will then receive a Travel Certificate good for two (2) round-trip tickets to any one of RFD’s seven (7) world-class, non-stop destinations.

For more information on the Food Drive Challenge please view the following link: <http://www.flyrfd.com/RFDFoodDrive12-08.html>.

If your company is interested in participating, please complete and return the Sign-Up Form on the link above by Wednesday, December 31, 2008.

Once again, RFD would like to encourage all tenants and FTZ partners to participate in this initiative to help out the Rockford community during its time of need. Nothing better exemplifies the kindness and compassion of the human spirit than helping out those who are less fortunate.

Have a great Holiday Season and have Happy New Year.

RFD’s Website Gets a Makeover & Adds Weather Conditions Page

RFD’s website, FlyRFD.com, recently underwent a makeover to enhance the website’s look and overall functionality. This “makeover” coincides with the new look for the RFD brand.

Going beyond just an aesthetics change, the website as a whole is much more interactive than before, with more content and information for passengers and other visitors to the site. An example of this is each destination page now provides links to the airline providing service and the airport at which passengers will arrive. Links are also included to the chamber of commerce/visitors bureaus web pages so that passengers can explore and decide where to go and what to do while they are in one of RFD’s seven world-class destinations.

Weather Conditions Page

The website has also added a weather conditions page. Guests may access this page by clicking on the “More Weather” icon located under the temperature and current weather banner on the RFD homepage.

This page contains information regarding the status of airport snow removal efforts, flight tracking, delayed/canceled flights, other passenger information, and links to Notice To Airmen (NOTAMS) and field condition reports for pilots.

2007 Passenger & Cargo Rankings Released RFD's Highest Ever

In October 2008, the Federal Aviation Administration (FAA) released its rankings for 2007. Based on their report, RFD saw its rankings in passenger and cargo service rise to their highest rankings yet. RFD's air cargo service beat out cities such as Phoenix, Seattle, Denver, and Minneapolis.

BY THE NUMBERS

Passenger Service		
Year	FAA Rank	Passengers*
2007	215	217,009
2006	220	179,684
2005	226	164,564
2004	259	98,459
2003	332	33,964
2002	630	5,912

*2002 – 2006 passenger data calculated by multiplying enplanements x 2 = passengers; 2007 RFD began tracking in and outbound passengers

Air Cargo Service		
Year	FAA Rank	Landed Weight
2007	18	1,474,574,465
2006	22	1,391,634,140
2005	25	1,392,559,040
2004	24	1,353,512,752
2003	26	1,250,700,384
2002	24	1,260,688,390

Airport Hires Director of Cargo Development

The Chicago Rockford International Airport (RFD) recently hired Kenneth J. Ryan, former Vice President of Cargo Connections Logistics International, to become its Director of Cargo Development. The addition of Ryan, a 30-year air cargo industry veteran who has held previous executive-level positions with air cargo companies such as Airmax Inc, will help RFD position itself to continue its rise as one of the top cargo airports nationally.



"With RFD's recent expansion of its air cargo operations, a person of Ken's caliber and distinction within the air cargo community can only strengthen our ability to be able to land a high-profile air cargo operator," said Executive Director Bob O'Brien. O'Brien went on to say that between RFD's new build-to-suit air side facility and Ryan's air cargo industry experience, RFD is now positioned to be able to offer potential air cargo operators a more cost-efficient solution for their transportation needs.

TENANT TIDBITS

If we live in a global community as part of a global economy, our airport is a microcosm that reflects the worldwide challenges of sharing limited spaces and learning to get along. We are happy to tell the airport story of how tenants, sub-leases, and the GRAA for the most part get along; this is a great example for others. But even here, we face challenges in day-to-day relationships.

RENT DUE FIRST OF MONTH

Every lease, permit or agreement for GRAA properties states near the beginning of the document that the rent is due the "first of every month." Most tenants faithfully observe that rule. Many of you have shifted over to EFT (electronic funds transfer). This payment method allows you to avoid the hassle of remembering and writing a check every month. But for a few tenants, this deadline seems to be a reoccurring problem.

As a result, the GRAA staff is researching each lease to confirm the deadline and penalties if rent is not paid on time. Early in 2009, perhaps as early as January, we will be billing each delinquent tenant according to their individual leases. Keep in mind, that timely rent payment is also required to remain compliant with your lease obligations. In most lease documents, delinquent rent creates a Default situation. We urge you to read your lease sections pertaining to Rent and Default.

To avoid unnecessary stress and collection problems, we urge you to consider EFT as a painless and quick solution. Contact Coralee Cook (959-4411; ccook@flyrfd.com) for details on how to get started. If you are concerned about attaching an obligation to a specific bank account, you may want to consider a special account dedicated to rent payment. This system will even allow for annual changes in rent and provides an audit trail to prove payment, if that is a concern.

DUMPSTERS

Particularly in the area of the t-hangars, we have lots of tenants in a compact space. For the past several years, we have been adding new t-hangars courtesy of Bob Moreland who has already completed three buildings with 30 hangars.

Airmen, Inc. is the association of t-hangars occupants who have leases in those three buildings. With construction comes debris – and large uncovered dumpsters. We know it must be tempting, but we need to remind everyone that the builder is paying to rent and dump debris from that dumpster. Please resist the urge to slip in your old carpeting or trash from your t-hangar. While airport personnel are not the "dumpster police", we do ask that you self-regulate your "urge to purge."



International Cargo Center Construction Ahead of Schedule

The Chicago Rockford International Cargo Center ("CRICC") complex has been substantially completed. Early financing challenges slightly delayed the start of the apron construction. Thankfully, the persistence and expertise of Rockford Blacktop and Sjostrom Construction Company completed the nearly six-acre concrete apron and adjoining Taxiway "N" connector just as "Old Man Winter" put a real strangle hold on the area. In addition to the apron, Tandem Development/Leopardo Construction have the 75,000 square foot, cross dock air cargo building substantially completed.

While the building is a "spec" building, the project as a whole has attracted significant attention from air cargo operators serving Asia from O'Hare. The Airport Authority feels it's just a matter of time before the building sees a permanent tenant; however, in the interim UPS will be utilizing the apron as they continue to ramp up for the holiday sort. The aerial photo (above) was taken in mid-November before the apron and adjoining taxiway were fully completed.

Chicago Rockford International Airport Rates & Charges

August 28, 2008 — Ordinance #08-04

Terminal Usage Fee (includes use of ramps, jetway, baggage claim & public safety fee)	
Signatory and/or scheduled airlines	\$55.00
Non-signatory and/or charter flights	\$110.00
Ticket Counter/ Computer Use Fee (per enplanement)	\$0.10
Ground Security Coordinator Fee (1/2 hour minimum)	\$30.00
Passenger Facility Charge (PFC) (per enplanement)	\$4.50
Escort Fee (1/2 hour minimum) (\$50/hour)	\$25.00
International Rubbish Fee	
4x4 hopper (200 gallons)	\$250.00
Black cart (60 gallons)	\$105.00
Gray cart (40 gallons)	\$85.00
User is ultimately responsible for the fines incurred as of the result of use (IEPA,CBP, DOA, etc)	
Premise Key (Lost key– Cost to re-key all locks effected including labor to disassemble if necessary.)	
Maintenance Fee for Snow Removal (minimum 1 hour)	\$75.00
Equipment Usage Fee/per hour plus labor fee	\$125.00/hr
RFD Labor Fee -/per hour plus parts/equipment	
Base	\$45.00/hr
Skilled	\$55.00/hr
Administration	\$75.00/hr
Commercial Operating Permit -/per square foot:	\$0.28
SIDA badge	\$50.00
AOA badge	\$25.00
Temporary Construction Badge	\$25.00
Replacement badge (broken/damaged)	\$20.00
Fingerprint Fee	\$25.00
Fingerprint Fee plus required follow up investigation if necessary	\$55.00/hr
Lost/Stolen/Failed to Return badge	
1st Offense (1st badge)	\$350.00
2nd Offense (2nd badge)	\$550.00
3rd Offense (3rdbadge)	\$750.00
Each Additional	\$1,000.00
Each Offense can be cleared after a 5 year period. 80% refund if badge is found & returned.	
Operation of an out of service vehicle on RFD AOA Non-movement area (per occurrence)	\$250.00
Improper use of RFD ID media—(includes ID media revocation)	\$150.00
Unauthorized SIDA Entry/Exit (per occurrence)	\$100.00
Security System False Alarm	\$25.00
Security System False Alarm requiring an Operations response	\$75.00
RAMP Training per session	
Per person	\$15.00
4 person max class	\$25.00
Airfield Incursions/TSA Violations (Violator is responsible for all costs/fines levied to RFD by FAA/TSA)	
Landing Fees (Ordinance #08-05)	
<ul style="list-style-type: none"> • Greater than 120,000,000 lbs. annual landed weight at \$1.671 per 1,000 lbs. of maximum gross landing weight • Less than 120,000,000 lbs. annual landed weight at \$1.964 per 1,000 lbs. of maximum gross landing weight • Landing fees will apply to revenue producing commercial cargo and passenger air carriers with a minimum weight of 28,000 lbs. 	
Fuel Permits (annual) / Flowage Fees as applicable (Ordinance # 04-04)	
<ul style="list-style-type: none"> • Class A, \$ 1,125.00, \$0.06/gallon • Class B, \$ 600.00, \$0.08/gallon • Class C, \$ 375.00, \$0.08/gallon 	

FTZ #176 — UPDATE

By Marge Bevers

How well do you remember a long-ago holiday season when you were waiting ... WAITING ... **WAITING** for the day when that special gift was to arrive? That is exactly how the staff of FTZ #176 and incoming foreign-trade zone sites feel this December. We submitted our application (with nine new partners and 11 new sites) just before Thanksgiving of 2007. We have been notified that the approval has been recommended to the FTZ Board in Washington, D.C., but we are still waiting for formal notice.

And it cannot come too soon!

On December 8th & 9th our consultant, Tommy Berry of PointTrade Services, was back in town to meet with 10 firms about the bottom line savings available from the FTZ program. Several prospects are eyeing potential sites that are among the locations about to be approved. In addition, the Cellusuede application for subzone status is also working its way through the government offices, several months behind the Reorganization and Expansion application submitted by FTZ #176.

One new partner is PSG Logistics of Indianapolis, Indiana. An approved FTZ General Purpose Zone warehouse site, the firm's founding CEO, Jeff Garrard, has prior FTZ experience. He is working his own and FTZ #176 leads for customers and beginning preparations to open a second Midwest location. This is outstanding news to our prospects who are too small to justify creating their own FTZ site or subzone – but would still benefit from the chance to shelter merchandise from customs duty for one reason or another. It is also ideal for those who hesitate from applying until they more fully understand the benefits of the program and feel comfortable making application on their own.

In the past year, we have also partnered with the Rockford Area Economic Development Council (RAEDC), SupplyCore and the USEAC (U.S. Commercial Service, U.S. Department of Commerce) to create the "Go Global" educational series. The initial two-day seminar offering in May 2008 attracted 110 attendees and spawned several initiatives still in development. At the invitation of former Lt. Gov. Neil Hartigan, several local government bodies are exploring the potential of creating a World Trade Center in Rockford. The RAEDC and GRAA are also partnering with speaker, Matt Gersper, founder and President of Global Data Mining on a regional project dubbed "Operation Bulls-eye" which will offer sophisticated targeting of FTZ and economic development prospects. Finally, "Go Global" catapulted to the national level with the creation of the Economic & Business Development Task Force of the National Association of Foreign-Trade Zones (NAFTZ) under the leadership of local FTZ #176 Administrator, Marge Bevers, and Matt Gersper. The committee is helping to export the "Go Global" model to other cities and regions. A recent workshop was held in Akron, Ohio, and another is planned for New York City. The State of Oklahoma Department of Commerce is planning a state-wide effort to advance global trade education and networking. The Task Force is now surveying grantees across the nation on their marketing and educational efforts and best practices. They have a team volunteer to create a website that will gather and support efforts in communities requiring assistance to undertake such a major effort.

On April 8 & 9, 2009 at the Clock Tower Resort, the second annual "Go Global" two-day seminar event will feature daily keynote speakers (including Brandi Hanback, Managing Director of Rockefeller Group FTZ Services, The Rockefeller Group) and general sessions as well as four separate tracks of educational offerings, several aimed directly at Aerospace & Defense and Economic Development Partners. The expanded program also includes major exhibitors and matchmaking opportunities.

If 2008 has been a year of waiting for good news, 2009 should be a banner year of growth for FTZ #176 and regional global trade education!

HAPPY HOLIDAYS!!



Operations & Properties Contacts

Franz Olson, Deputy Director of
Operations & Facilities: 969-4426
folson@flyrfd.com

Wayne Langy, Operations &
Facilities Manager: 703-5309
wlangy@flyrfd.com

Matt Zinke, Operations & Facilities
Supervisor: 703-5331
mzinke@flyrfd.com

Dave Lindberg, Operations &
Facilities Supervisor: 703-5307
dliindberg@flyrfd.com

Zach Oakley, Operations &
Facilities Supervisor: 703-5319
zoakley@flyrfd.com

Marge Bevers, FTZ Administrator
& Properties Specialist: 969-4427
mbevers@flyrfd.com

24-Hour Assistance from GRAA
Operations Staff: 969-4011
operations@flyrfd.com

Share Your News!

Do you have news that you would like to share about your business with your GRAA neighbors? Please send details to Denise Delanty at ddelanty@flyrfd.com and watch for your news in the next issue.

