

## Chicago Rockford International Airport keeps course for growth

### Leaders go for smart and aggressive, despite the economic downturn.

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At a time when many airports are fighting just to keep the flights they have, Chicago Rockford International Airport officials are fighting for more.

If it takes financial incentives, increased marketing efforts and even a year or so of breaking even or losing a little money on an airport-operated route, so be it, they say.

"We have to be smart, but we have to be aggressive," said Mike Dunn, chairman of the Greater Rockford Airport Authority. "The road from here to making the Rockford airport a 1 million- to 2 million-passenger airport is a long road, and we have to stay on it."

Rockford's seen the cuts other airports have, as airlines pull back service to offset record fuel prices. Next month, the airport will have about 75 percent of the outbound seats it had last July. By November, it'll have only 60 percent of what it had the November before.

The solution may be more deals like the one the airport has with charter airline Southern Skyways to split the cost — and any profit — on flights to Denver, which started earlier this month after United Airlines abandoned the route. The airport has budgeted up to \$475,000 toward that route.

Southern Skyways has filed for permission to fly to Fort Myers, Fla., but airport officials say it's a preliminary move, to block airplane time and not a sign of definite plans.

The goal, Dunn said, is to "prove" those routes can pack airplanes and make money.

Then, when the industry starts to recover, airlines might be interested in taking the routes over and saving money at the lower-cost Rockford airport, he said.

Airline industry analysts say the airport is going to have a tough fight.

"In this environment, I believe that that's one of the more logical strategies. ... But it's not foolproof," said Alan Bender, airline economist at Embry-Riddle Aeronautical University.

The question is whether high prices will cause air travel to drop nationwide, he said.

If air travel becomes a "luxury," large hubs like Chicago O'Hare International Airport won't be as congested and airlines won't have reasons to go to low-cost alternative airports. Meanwhile, O'Hare's expansion project continues and the Federal Aviation Administration lifted flight caps.

Airline analyst Darryl Jenkins called Rockford's plan "a long shot."

"In the United States, 90 to 95 percent of the routes are losing money right now," he said. "Basically, I wish them well, but this is very difficult time. Rather than looking at new service, everybody is looking at cutting back."

But the alternative, Executive Director Bob O'Brien said earlier this month, is doing nothing now, then watching the airports in O'Hare and Milwaukee grow when surviving airlines rebound.

"We wait until a 'better' time and then what will we do? Compete when they're at their strongest point?" he said.

The airport authority board supports that direction, judging by a 5-1 vote last month to expand the Southern Skyways deal.

Board member Bharat Puri dissented, saying after that meeting that he thought the airport should be conservative on spending money on passenger service. Instead, he said the focus should be on cargo operations.

Other board members declined to comment, directing questions to Dunn.

Dunn said passenger and cargo efforts aren't mutually exclusive. Last week, O'Brien and Puri went to Shanghai, China, for high-level meetings with cargo carriers considering flying here. A Chicagoland developer breaks ground on a new cargo facility next month, a project that could eventually bring the airport almost \$600,000 in revenue.

Cargo already brings in more than \$2.5 million a year, almost half the airport's operating revenue. But passenger service provides a big benefit to local residents and businesses, Dunn said.

"We have an airport that is a world-class facility that is funded by the taxpayers of this area," Dunn said. "We need to continue to grow it as much as we can."

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