

CAP

COMPETITIVE AIRFARE PARTNERSHIP

THE PARTNERSHIP

- A public/private initiative that currently includes the City of Knoxville, Knox County, Innovation Valley, Visit Knoxville, and the Knoxville Chamber.
- Target fundraising goal: \$3 million with approximately \$650,000 in commitments to date.
- First time a regional partnership approach has been taken to recruit low fare carriers to McGhee Tyson Airport (TYS) – public sector, private sector, tourism sector, and airport.
- Lower the fares by enhancing low fare service at TYS. Regional initiatives like this have been successful in other markets in the United States.
- Long-term communication strategy to remind the business community about the importance of supporting low fare carriers that serve TYS.

SITUATED FOR SUCCESS

- The Knoxville region has the population and tourism volume to support and sustain increased low fare service at TYS.
- Low fares have proven to stimulate growth in our region and directly impact the bottom line for both business and leisure travelers.
- Knoxville's peer markets, such as Greenville and Charleston, South Carolina, have recently acquired low fare carriers like JetBlue and Southwest using a regional approach like CAP.

MARKET RESEARCH

- Recent passenger leakage studies show that approximately 20 percent of Knoxville-area travelers are using other airports for their boarding points.
- Based on 2012 passenger levels for Knoxville, that 20 percent represents 310,000 additional passengers or 425 departing passengers per day.
- Lower fares will stimulate the market by 10 to 20 percent providing another 200-400 passengers each day

BENEFITS

- Economic development as it relates to business recruitment.
- Growing the market of visitors to Knoxville region from other parts of the country.
- Lowering of overall air fares for travel from TYS.



For more information call Doug Lawyer at 865.637.4550.