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Memorandum

**TO: HONORABLE MAYOR
AND CITY COUNCIL**

FROM: William F. Sherry, A.A.E.

**SUBJECT: Airport Marketing, Business
In-reach Meetings, and TAIP
Grand Opening Celebrations**

DATE: February 8, 2010

Approved

Date

2/11/10

FOR INFORMATION

Summary

With the opening of Terminal B in June and the completion of the overall modernization program at Mineta San Jose International Airport (SJC) next year, we have a unique opportunity to take advantage of the excitement and impact from building and operating the nation's most modern airport. Our goal is to establish and strengthen the Airport's position as an efficient, convenient, and competitive airport for carriers and for Silicon Valley businesses and residents, and to engage Silicon Valley community and business leadership and organizations to support Airport efforts to retain, increase, and successfully sustain air service.

To this end over the next five months leading to the opening, the Airport is conducting a full series of "business in-reach" meetings in the terminals to acquaint Silicon Valley business organizations and travel industry with the features, advantages, and efficiencies of the new airport and to solicit their involvement in air service development.

At the same time, as the Terminal Area Improvement Program nears completion and new facilities are opened for service, the Airport is stepping up its communications with passengers, carriers, and the public to advise them of the many significant changes that affect how people and partners actually use the Airport, and we are increasing our outreach to airline route planners to inform them of the transformation and benefits for adding flights to San Jose.

The Airport also is working closely with carriers that have announced new service starting this spring to develop collaborative marketing and advertising programs. Alaska Airlines will launch direct Maui and Kona service and its second daily Austin flight in March, and jetBlue will begin service to Boston in May, and there will be advertising this spring focused on these flights.

Finally, the airport is in the early stages of planning community celebrations that will take place in late June to mark the substantial completion of construction of upgraded and new facilities, including the opening of Terminal B.

Marketing Goals

The overarching critical goal of the Airport's communications efforts is to retain current carriers and air service, add more flights and routes, and help carriers sustain the success of new service over time. The opportunities presented by the modernization program, the opening of efficient and attractive new facilities, and the resulting enhancements to customer service will be supported by marketing and public information efforts that have these objectives:

1. *Ensure that the customer experience at SJC during the final stages of construction is positive as a result of better facilities and amenities, and through proactive communications in concert with airline partners.*

Communication efforts will target airline passengers, community and business organizations and leadership, travel and hospitality industry, and the general public. Examples of communications activities and materials will include airline "e-fliers" keyed to service transitions and project milestones; email distribution of Construction Updates; news releases and website information; Airport signage; and print and on-line advertising.

2. *Strengthen the Airport's position as an efficient, convenient, and competitive airport for carriers and for Silicon Valley businesses and residents.*

The Airport will take advantage of the unique opportunity of the ahead-of-schedule, under-budget completion of the comprehensive \$1.3 billion modernization program to generate positive news attention; enhance airline, customer, community, and industry awareness; and leverage community and industry attention to encourage additional air service for San Jose. Communications efforts will target community and business organizations; travel and hospitality industry; general community; and the aviation and airport industry, including:

- News media stories and trade press features regarding construction progress, achievements, innovations, such as technology use, and "green building" accomplishments.
 - Enlist project contractors and vendors to develop product "success stories" and project case histories for various industry trade publications and marketing communications.
 - Grand Opening celebrations that target the San Jose and Silicon Valley community, business and community leadership, airlines and aviation industry.
 - "Business in-reach" meetings for key industry and stakeholder groups to provide face-to-face familiarity with the new airport and its advantages.
 - Seek opportunities to apply for design and project awards programs.
 - Print and on-line advertising.
3. *Support and sustain successful launches of new service at SJC through collaborative marketing with airlines and the Airport's incentive program.*

The Airport is working with the airlines that are launching new service to help them achieve ongoing market success for their flights at SJC. Activities include launch events at the

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Airport on the first day of service; collaborative advertising led by carriers and supported by the Airport; outreach for aviation and travel news media; and additional methods appropriate for specific destinations and carriers. After launch, the Airport will continue to work with the carriers to help them achieve sustainable loads that will ensure successful routes and encourage additional flights in the future.

Advertising for TAIP Customer Service Milestones

Specific advertising and other communications methods will focus on upcoming project milestones and the significant changes in how people use and access the Airport. This is intended to help passengers with these transitions to new Airport facilities and roads, as well as construction impacts during the final months leading up to the opening of Terminal B in June. Airport advertising will have a consistent look and feel that will both alert the public to changes and to encourage community interest in the project's benefits for travelers and the Silicon Valley economy.

Project milestones that will trigger ads and related communications efforts include:

February

- Terminal B baggage claim opens for Terminal C carriers
- Demolition of Terminal C baggage claim building begins

March

- Roadwork by Terminal C begins (series of lane shifts)
- Closure of interim Skyport Connector in front of Terminal C baggage claim
- Relocation of Frontier Airlines from Terminal C to Terminal A

April

- Continuing roadwork in front of Terminal C
- More new concessions open in Terminal A

May

- Completion of roadwork

June

- Consolidated Rental Car Center opens
- Terminal B Grand Opening celebration week (June 23-30)
- Ribbon Cutting and Community Open House (June 26-27)
- Relocation of Alaska and Delta from Terminal C to Terminal B
- Terminal B first day of service (June 29 or 30)

July

- Relocation of US Airways from Terminal C to Terminal A

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Summer

- Demolition of Terminal C

Fall - Winter

- Construction of new surface parking lot on site of Terminal C

Airport “Business In-Reach” Meetings

From now through the opening of Terminal B in June, the Airport will be hosting a series of business “in-reach” meetings at the Airport. The purpose of these meetings is to introduce the new airport to key industry and stakeholder organizations, provide participants with a tour of the opened facilities, present an overview of the opportunities and challenges facing the Airport, and seek support in community efforts to obtain new air service. Additional meetings may be scheduled as opportunities are identified and schedule and staffing resources are available. Meetings and events that have already occurred and are planned at the Airport include:

2009

December 3 Silicon Valley Leadership Group Working Council

2010

January 14 Silicon Valley Business Travel Association

January 28 Commonwealth Business Travel Group

February 2 San Jose/Silicon Valley Chamber of Commerce “Ambassadors”

February 12 San Jose Downtown Association Board of Directors

February 24 San Jose/Silicon Valley Chamber of Commerce “Today’s Young Professionals”

March 3 America Society of Travel Agents/Skål/Pacific American Travel
Association Reception

March 18 Zero-One San Jose Festival news media launch

March 25 San Jose/Silicon Valley Chamber of Commerce Board of Directors

April (TBD) San Jose Convention and Visitor Bureau/Team San Jose
Board of Directors

June 4 San Jose Vision Committee

June 8 US Green Building Council Northern California

New Air Service Launch Support

Alaska Airlines and Horizon Air are initiating service to new destinations in the coming months. Under the terms of the City/Airport air service incentive program, the Airport will work with carriers to develop and support collaborative marketing and launch events for new routes to unserved and underserved cities. The City Council approved a revised air service incentive in November that establishes a “Focus City” incentive to encourage carriers to commit to adding multiple flights at SJC, in addition to the flexible incentive established two years ago.

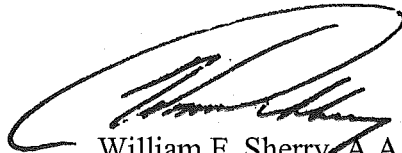
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- *June 25, Friday: San Jose Business Journal annual "Structures" luncheon.* Sponsored and organized by the Business Journal, this would be held in the new facilities and feature a business-oriented program
- *June 26-27, Saturday and Sunday: Public ribbon cutting and community open house.* A two-day community open house will open with formal ribbon-cutting ceremony Saturday morning. Airport restaurants and shops will be open for business and encouraged to offer samples. The Airport is working with TSA to make arrangements for the public to go through security screening so that residents can visit the entire project. This will be contingent on TSA approval.
- *June 29 or 30, Tuesday/Wednesday: First Day of Service for Terminal B.* The actual first day of operations in the new terminal would be marked with activities involving news media, first passengers, and related events.
- *July - December: Post-Opening Activities and Opportunities.* Develop other opportunities for community, news media, or business occasions to celebrate the opening or to promote the Airport after the opening. These would be contingent on schedule and resource constraints.



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Director of Aviation

For questions, please contact David Vossbrink, SJC Communications Director, at (408) 501-7600.