

SEPTEMBER/OCTOBER 2003

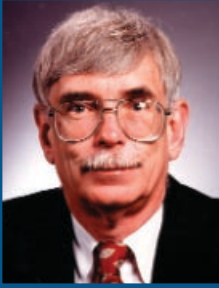
RDU UPDATE

NEWS FROM RALEIGH-DURHAM INTERNATIONAL AIRPORT



General Aviation Takes Off at RDU

From the Chairman



As we usher out the summer months and welcome the vibrant colors of fall, Raleigh-Durham International Airport prepares for a period of great celebration. Over the next several months, major projects will be completed along with the culmination of festivities surrounding the

100th anniversary of powered flight.

In 1995, RDU began a massive undertaking to redevelop the general aviation area into a state-of-the-art facility serving our community and those arriving to our region. The main components of the project include new aircraft hangars, additional parking areas and the first general aviation terminal at RDU. With the opening of the terminal building scheduled for December, the general aviation redevelopment project will be one year away from completion, with the final apron expansion occurring in 2004.

This fall, RDU will complete a new parking garage, adding more than 6,000 spaces within walking distance of the terminals. The opening of the garage will also mark the launch of Exit Express, a new way to pay for

parking at RDU. This program will allow customers to pay for parking before returning to their cars, thereby providing quick and easy exiting from all terminal area parking garages.

Clearly, RDU is continuing to grow and expand to better serve our customers. Along with serving the community's travel needs, the airport is also home to nine air cargo companies providing for the shipping needs of the Triangle region. These fast-paced operations, located on the north end of the airport, are a major component of the RDU family.

All of these wonderful additions to RDU come at an exciting time in aviation history as the state, the country and the world commemorates 100 years of powered flight. Mark your calendars as RDU celebrates the historic first flight and the future of aviation on December 17, 2003.

Celebrate with RDU this fall—see you there!

David T. Clancy, Chairman
Raleigh-Durham Airport Authority

INSIDE >

- General Aviation Takes Off at RDU**2/3
- New Artwork Illustrates Dream of Flight** 3
- Aircraft Downsizing: What It Means at RDU** 4
- Exit Express: The Easy Way Out** 4
- Every Minute Counts: Cargo Operations at RDU** ... 5
- First Lady Makes Stop at RDU** 6

RDUUPDATE

John C. Brantley
Airport Director

Karen T. Dunton
Communications Specialist, Editor

Mindy Hamlin
Communications Manager

RDU Update is published every other month by the Raleigh-Durham Airport Authority for its corporate and community partners and air travelers. Suggestions and comments should be sent to:
Karen T. Dunton, Editor
Raleigh-Durham Airport Authority
P.O. Box 80001
RDU Airport, North Carolina 27623 USA
Phone: (919) 840-2100
Fax (919) 840-0175
Email: karen.dunton@rdu.com



American Airlines was the eighth commercial airline to provide service at RDU.

RDU in the 1980s: The Sky's the Limit

Following a decade that included the deregulation of airlines and resulting growth in the aviation industry, the 1980s were a period of unprecedented development at RDU. The decade opened with the completion of the first new terminal building at RDU in almost 30 years and closed with the beginning of international service to Europe and the Caribbean. Amidst these changes, RDU's role as an economic stimulus for the Triangle community continued to grow.

January 24, 1982

RDU opens Terminal A, a 200,000 square foot building with 18 gates. In June 2001, the terminal expands with the opening of a five-gate south concourse extension. The terminal is later connected to the original terminal building, which opened in 1955. This building was renovated in 1983 to provide improved services and additional gates.

February 23, 1982

One month after the opening of the new Terminal A, the Triangle community approves a \$50 million bond for the construction of a new 10,000-foot runway at RDU. The runway allows RDU to provide more flights to the Triangle community while accommodating larger airplanes.

1983/1984

Pan American World Airlines and Trans World Airlines begin serving RDU.

April 11, 1985

American Airlines initiates service at RDU. In addition, the airline requests the opportunity to make RDU its north-south hub operation. To accommodate

the hub, American Airlines and RDU form a partnership to construct a new terminal building.

April 1, 1986

New 10,000 foot runway opens at RDU. The runway, located on the west side of the airport, provides for the growing number of airlines serving RDU and an increase in daily departures to destinations across the country. The runway also opens the door for future international service.

May 31, 1987

The Federal Aviation Administration (FAA) opens a new 230-foot-tall air traffic control tower with state-of-the-art equipment to provide efficient air service to the public.

June 15, 1987

American Airlines and RDU celebrate the opening of Terminal C, the airline's new north-south hub. At peak hub operation, American Airlines operated 210 daily departures from RDU.

May 26, 1988

American Airlines initiates international service at RDU with one daily flight to Paris, France.

1989

American Airlines begins serving Mexico and the Caribbean with daily service to Bermuda, St. Thomas and St. Croix.

What happens at RDU in the 1990s and beyond? Look for the November/December issue of *RDU Update* to find out more about the history, and future, of RDU!



The air traffic control tower at RDU is responsible for air space within approximately 40 miles of the airport and up to 10,000 feet above ground level.

General Aviation Takes

The upcoming completion of the general aviation redevelopment project at RDU is adding to the excitement surrounding the airport's 60th anniversary and the milestone anniversary of powered flight. Local operators, corporations and the Triangle community have eagerly awaited the project, which includes a new state-of-the-art general aviation terminal, office and hangar space for the airport's two fixed base operators (FBO) and expanded ramp area for airplane parking.

What is General Aviation?

General aviation is the operation of non-commercial airplanes by individuals, corporations, flight schools, hospitals and the media. In 2000, the Federal Aviation Administration (FAA) found that general aviation activity accounted for approximately 31 million flight hours. The administration reported in 2001 that more than 13,000 pilots operated approximately 15,000 general aviation airplanes in the United States. With business aviation accounting for 70 percent of general aviation flights, companies in an around RDU, along with local pilots and airplane enthusiasts, will benefit from the airport's redevelopment.

RDU Makes Plans for General Aviation

In the 1990s, RDU recognized that the growing number of companies in the Triangle region would benefit from an expanded general aviation operation featuring more modern facilities to correspond with the redevelopment of the airport. As part of the airport's fifth master plan, general aviation was identified as a growth initiative for the airport and redevelopment plans were initiated.

These plans focused on the expansion of the general aviation area for future needs of the industry. The concept of including a general aviation terminal was added to the plans in order to serve the needs of pilots, companies and individuals, along with providing a focal point for the general aviation area.

Phases of Redevelopment

In order to redevelop the general aviation area at RDU, tenants and customers were asked to provide information regarding key elements and phases of redevelopment for the general aviation area. Throughout the construction process, FBOs would need to continue providing viable services to general aviation airplanes flying in and out of RDU. Fixed base operators (FBOs) provide services such as maintenance, fuel and airplane storage to general aviation operators,

including private airplane pilots as well as corporate flight operations.

The project was divided into three phases- phase one included the building of new hangars for rental to local operators and additional airplane parking space; phase two included utility installation and renovations to vehicle parking areas and roadways; and phase three, currently underway, includes further expansion of aircraft parking, construction of hangars, office space and the general aviation terminal, the extension of taxiways and the demolition of existing structures.

"The phasing of this project was a challenging component to overcome," says Victor Malcolm, RDU project manager. "We held several meetings with the FBOs and other tenants to maintain a shared vision of expansion."



s Off at RDU

Soaring Ahead

With years of planning and phasing of construction coming to an end, the general aviation area is now better equipped to serve the Triangle and those visiting our region. The new area includes corporate, executive and individual hangars, along with the general aviation terminal.

The terminal features a quick service restaurant, meeting rooms, pilots' lounge with exercise facility, car rentals, office space and an observation area. Customers will also find an information desk, gift kiosk and business center in the building.

"The terminal facilities will be a great addition for crews and passengers that come through RDU," says John Jewell, a corporate pilot for a Triangle-based company. For both private and corporate pilots, the redevelopment will allow the FBOs and the airport to provide improved services. "We use many services provided by the FBOs including fuel, hangar rental and weather information. The new facility will only improve the service provided to our passengers."

In addition to providing better service to pilots and the FBOs, the new terminal will be a place of interest in the Triangle community much like Observation Park, located within walking distance of the new terminal.

"Upon completion, the general aviation terminal will serve several purposes in our community," says Ingrid Hairston, business development officer. "It will be a place for aircraft operators to utilize various services and where the community can experience the wonder of flight."

General Aviation and the Triangle

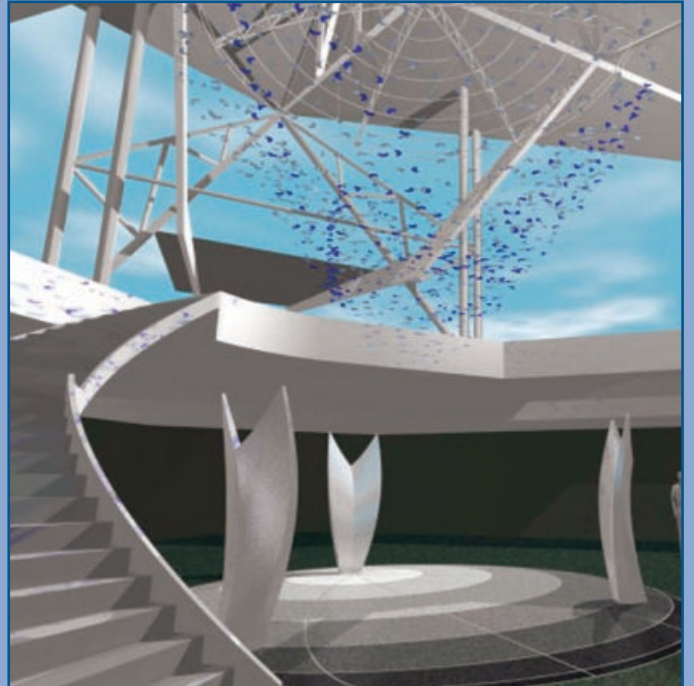
The redevelopment of the general aviation area will help to guide RDU in the future. With over 4,500 general aviation flights per month at RDU, the growing number of operators utilizing RDU is apparent.

"Our customers are looking forward to the changes and see the redevelopment as a positive step at RDU," says David Lussier, general manager for Piedmont Hawthorne, one of the two FBOs serving RDU. "We are committed to our customers and the new terminal and building space will allow us to offer new amenities and increased services."

With Piedmont Hawthorne and Southern Jet relocating to their new facilities early this fall, the Airport Authority will celebrate the opening of the new general aviation terminal in December.

Look for more information about the general aviation redevelopment and opening of the new terminal in the November/December issue of *RDU Update*.

New Artwork Illustrates Dream of Flight



"Dream of Flight" complements the design and architectural components of the new general aviation terminal.

Visitors to the new general aviation terminal at RDU will enjoy an art sculpture entitled "Dream of Flight", created by Raleigh native Heath Satow. The sculpture includes three large stainless steel structures located in the terminal lobby with a glass mobile hanging from the ceiling above.

"The sculpture is intended to remind visitors of a time when people dreamed of flight," says Satow. "The sculpture illustrates the wonder and awe the sky held for people before they learned to fly."

The sculpture includes 1,000 pieces of cut stained glass in cobalt and light blue. The glass pieces are hung from a structure made of stainless steel tubing to create the mobile portion of the sculpture. The floor around the large, freestanding metal structures below the mobile includes mosaic tiling to enhance the overall sculpture.

"The sculpture complements the design of the new terminal while providing a visual representation of flight," says Teresa Damiano, director of customer service and organizational support at RDU.

Visit the new general aviation terminal beginning this winter and "dream of flight" at RDU.

Editorial**Aircraft Downsizing:
What It Means at RDU**

John Brantley
RDU Airport Director

Over the past several years, the financial difficulties of our nation's airlines has been widely discussed and reported on in the media.

Two major carriers – US Airways and United – filed for bankruptcy, another teetered on the brink, and all except Southwest continue to report large

losses. By the time good health is restored to the economy, every major carrier will have undergone considerable transformation in order to continue operating.

Steps that most major carriers have taken to reduce their costs include parking older aircraft, delaying receipt of new planes, downsizing the aircraft used on many routes, withdrawing from some markets and transferring routes to their regional partners. Since the regional carriers fly jet aircraft having 35-85 seats, substitution of "regional jets" for mainline aircraft and downsizing the mainline aircraft usually means a sizeable loss of available seats in a marketplace. While it certainly makes little sense to fly empty seats that produce no revenue, this action often makes finding a seat more difficult.

Since the beginning of this year, and March in particular, RDU has felt the impact of aircraft "downsizing." Total daily flight departures have remained virtually the same, but the average aircraft size has fallen from 88 seats in January to 85 seats in July. In the first half of 2003 as compared to 2002, the monthly loss of available seats has been no less than 14% since February. At the same time, the average percentage of seats filled exceeded 70% in

May and was up to nearly 80% in July. In addition, the number of local passengers was nearly 11% lower, the loss having exceeded 15% in April.

Loss of local travelers means less revenue from parking, car rental and food/beverage and retail purchases in the terminals, as well as lost income for the travel industry as a whole. Since the airport is self-supporting, this means our operating margins are not reduced just because fewer people use the airport. Given the continuing increase in load factors, it also means that the seats available are being well used. If not enough capacity is being provided in the marketplace to accommodate all of the demand, then travel is constrained.

As we know from the study of economics, when demand exceeds capacity, price is driven up. The current imbalance affords airlines the opportunity to raise fares and generate more revenue without an increase in cost. Certainly, they must cover their costs or they won't stay in business. If people cannot fly when they want to or are confronted with excessive fares, they will find other alternatives, including staying home. That's not good for the travel industry or for the economy.

Exit Express: The Easy Way Out

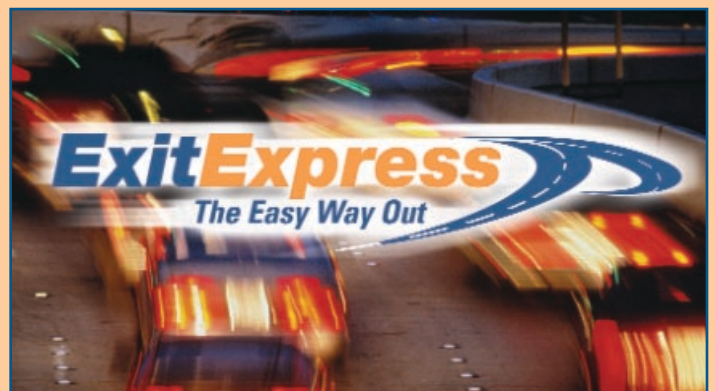
This fall, RDU will launch Exit Express, a new way to pay for terminal area parking. Exit Express is an automated payment program that will allow customers to pay for parking quickly and easily. By using Exit Express, customers will pay for parking by using one of the 20 machines conveniently located between the airport's terminals and parking garages. As a result, customers will significantly decrease the amount of time it takes to exit the parking garage. The program will launch this fall when the airport's new parking garage, featuring 6,000 additional spaces, opens.

Keep Your Parking Ticket With You

Using the new Exit Express program begins with one easy step—keep your parking ticket with you. You must have your parking ticket in order to utilize the Exit Express machines to pay for parking before returning to your car. Once you have used the machines to pay for parking, you will proceed to the exit plaza and insert your paid parking ticket to exit. It's that easy!

Exit Express 101

To learn more about the Exit Express program, RDU encourages customers to log on to www.rdu.com for additional information, answers to frequently asked questions and the opportunity to receive email updates about Exit Express, parking and more.





The cargo operation at RDU continues to expand as the Triangle region demands more service from local and national operators.

Every Minute Counts: Cargo Operations at RDU

Before the sun begins to illuminate the skies at RDU, the airport's cargo operators are hard at work sorting thousands of packages destined for locations in and around the Triangle. With over 10 million pounds of cargo arriving at RDU every month, operators must be prepared to move quickly and efficiently to process and deliver every package.

RDU has nine cargo operators serving the Triangle region. These companies range from the most recognizable names in cargo operation to local operators.

The cargo industry operates with a sense of urgency that is both necessary and demanding. Time is of the essence as cargo companies around the world process packages for delivery. At RDU, cargo is processed in the early morning for delivery throughout the Triangle.

"We have one hour to process arriving planes once we begin unloading," says Neil Pope, general manager for United Postal Services. For UPS, three airplanes arrive between 3:30 and 5:30 a.m. All packages must be processed, loaded onto trucks and dispatched from the airport no later than 6:20 a.m.

RDU plays a vital role in cargo operations in the Triangle and eastern North Carolina. In addition to the large-fleet cargo operators such as UPS, FedEx, and Airborne Express, several full-service cargo companies specializing in time-critical packages operate at RDU.

Ram Air Freight is based in Raleigh and operates 30 airplanes flying over one hundred daily departures to 25 destinations along the East Coast. By keeping airplanes and flight crews on stand-by, Ram Air Freight and other local cargo operators are able to provide on-time delivery for clients including local companies and larger cargo operators.

Cargo operations at RDU have continued to grow over the years as the Triangle region has experienced unprecedented expansion of the corporate sector along with an increase in the overall population. From the building of the first air cargo building at RDU in 1972 to the construction in the early 1990s of an expanded cargo operation on the north end of the airport, cargo has been part of daily operations at RDU.

Today, the cargo operation at RDU has grown to include processing centers, regional offices and extended ramp area. In 2002, FedEx expanded its building to nearly double its original size for additional processing capabilities.

Every minute counts in the cargo industry and RDU, in partnership with local and national cargo operators, is providing the Triangle community with efficient service to destinations across the state, the country and the globe.

Cargo Operators at RDU

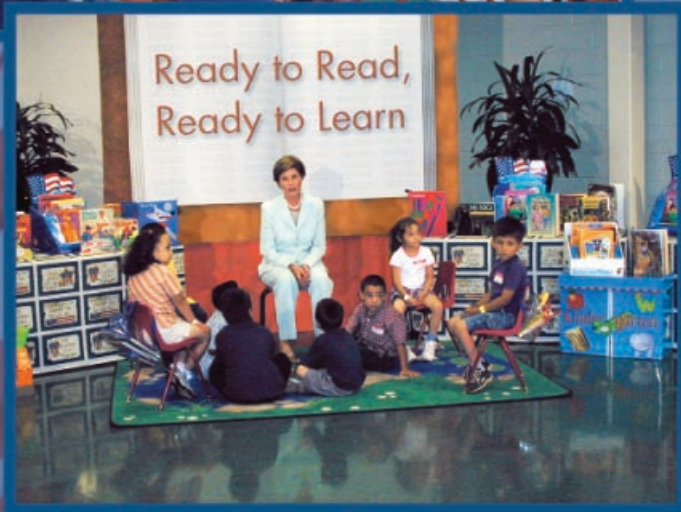
- ABX – Airborne Express
- BAX Global
- DHL Worldwide Express
- Emery Worldwide
- Federal Express
- Quantum Aviation
- Ram Air Freight
- United Parcel Service
- USA Jet Airlines



First Lady Makes Stop at RDU

First Lady Laura Bush visited RDU on Friday, July 18, for a visit with eight local children from the Clayton area East Coast Migrant Head Start Project. The first lady read to the 5-year-old children before speaking about Head Start and the president's efforts to expand the program.

The airport's new maintenance facility was transformed into an elementary school classroom for the event.



Visit RDU's Web site at www.rdu.com



Communications Department
Raleigh-Durham Airport Authority
P.O. Box 80001
RDU Airport, NC 27623
www.rdu.com
(919) 840-2100 / (919) 840-0175 fax

Raleigh-Durham Airport Authority Members

David T. Clancy, *Chairman*, City of Raleigh
W. Stephens Toler, *Vice Chairman*, Durham County
Robert D. Teer, Jr., *Treasurer*, City of Durham
Stephen K. Zaytoun, *Secretary*, Wake County
Kenneth D. Gibbs, Sr., City of Durham
Craigie D. Sanders, Durham County
Michael Weeks, Wake County
Robert W. Winston, City of Raleigh

PRSRT STD
U.S. Postage
PAID
Raleigh, N.C.
Permit No. 1947