



Gerald R. Ford International Airport

CREATING LIFT The Airport and West Michigan





Mission Aeronautics Board Aeronautics Executive Staff	1
Introduction	2
Executive Message	6
Commercial Value	7
Cultural Impact	9
Community Building	11
2002 Gerald R. Ford International Airport (GRR) Milestones	13
Financial Overview Airport Leadership & Management Airport Financing	15
2002 Awards & Recognition Closing Thought	18

Aeronautics Board

John Van Laar
Chairman

Kenneth J. Kuipers *
Vice Chairman

Dean A. Agee*

Joseph D. Jones

Daniel M. Koorndyk*

Thomas G. O'Hare

**County Commissioner*

Aeronautics Executive Staff

James A. Koslosky, A.A.E.
Aeronautics Director

Phillip E. Johnson, A.A.E.
Deputy Aeronautics Director

Brian Picardat, A.A.E.
*Finance and
Administration Director*

Robert W. Benstein
*Public Safety and
Operations Director*

Thomas R. Ecklund, P.E.
Facilities Director

Bruce L. Schedlbauer, APR
*Marketing and
Communications Manager*

It is the **mission** of the Kent County Department of Aeronautics to provide safe, efficient, environmentally sensitive and economically self-sustaining air transportation facilities responsive to regional needs.

Aeronautics Board Reports Passing of John W. Cummiskey The Kent County Aeronautics Board is saddened to report the passing of Board member John W. Cummiskey on November 11, 2002. Mr. Cummiskey, a valued associate and friend, served as a member of the Aeronautics Board since 1987.





UNLESS YOU'RE TRAVELING THAT DAY OR MEETING SOMEONE ELSE WHO IS, YOU PROBABLY NEVER GIVE THE AIRPORT A SECOND THOUGHT. You know where it is, which airlines serve it and some of the places they fly. But that's as far as most people's appreciation for the Airport goes. → Still, the Gerald R. Ford International Airport (GRR) is much more than a pair of concourses that some 5,000 travelers pass through each day. It is an indispensable economic engine that propels all of the leading industries of West Michigan. It is a powerful magnet that attracts greater cultural sophistication to the area. And it is a constant updraft that elevates our entire community's well-being and prestige—whether one realizes it or not. →

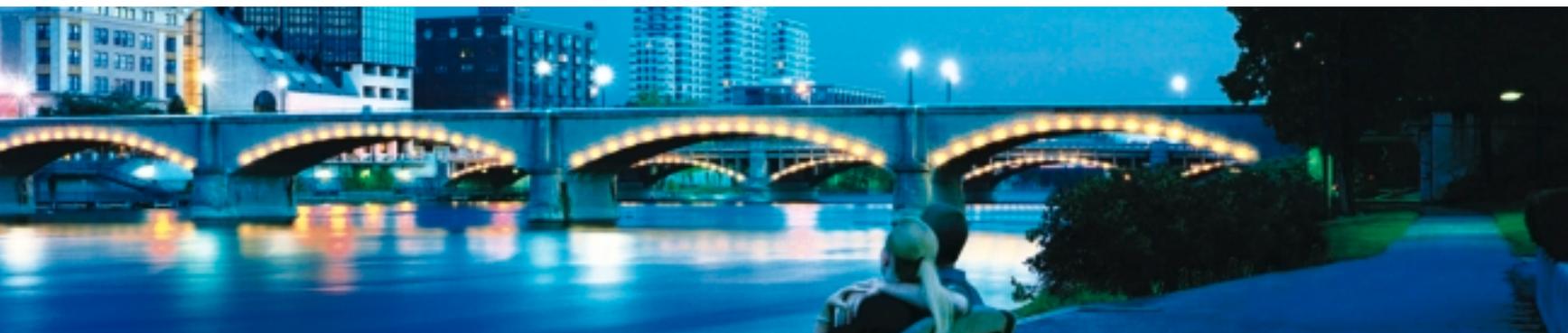
A wing's shape and its angle of attack create less drag for the air moving above it than for the air beneath it—so the airflow above the wing is faster than beneath it. Bernoulli's principle shows that the faster air moves, the lower its pressure. Hence, the airflow above the wing "sucks" it upward, while the air beneath the wing pushes it upward. Together, these effects produce lift. →

GRR is the second busiest airport in Michigan. →

Over 2,000 people work at GRR, making it one of the largest employment centers in West Michigan. →



The Airport didn't simply grow up with West Michigan. In many respects, it enabled this growth: by enticing large employers to remain or relocate here; by serving as the overnight loading dock for increasingly time-pressured manufacturers; by importing entertainment and cultural attractions; and by drawing thousands of new residents to the area from across the country—safe in the knowledge that they're never more than a few hours from home. → Of course, the Airport's relationship to the community is anything but a one-way street. As the region flourishes, the Airport thrives. We fly more people in and out. We transport more mail and air cargo. And in the process, we remain financially self-sufficient without receiving a single dollar of taxpayer support. → Today, West Michigan is a thoroughly modern and proud metropolis, supporting a strong economy, vibrant community life and a host of twenty-first century comforts for its more than one million residents. We're proud of the Airport's role in helping lift the community to this stage. And we're committed to helping West Michigan further prosper in years to come. → Just something to think about next time you have a plane to catch. Or even better, sometime when you don't. →





A record 1,917,644 passengers traveled through GRR during 2002. →

Nearly 75 million pounds of air cargo passed through GRR in 2002. →

In the past year, takeoffs and landings at GRR exceeded 125,000—an average of nearly 350 per day. →

Approximately 200,000 pounds of air cargo pass through GRR each day. →

The Grand Rapids area was ranked #1 for highest manufacturing employment share according to a national study done in 2000 by *Demographics Daily*. Over 25% of area workers are employed by manufacturing companies. →





Dear Friends of the Gerald R. Ford International Airport,

Most people don't really understand the science of flight. This whole business about airfoils and the Bernoulli principle flies right over their heads. Yet hardly anyone hesitates to board a 62-ton aircraft or thinks twice as that plane hurtles down the runway at 170 miles per hour. → You can be so content because you know that flight works—predictably, reliably, even seemingly automatically. So as amazing as it once seemed, flying is now something virtually everyone takes in stride. → The same can be said for the Gerald R. Ford International Airport. Of course, you know the Airport exists, and that it provides several important services. But chances are you don't spend a lot of time thinking about the Airport's broader implications, or how important GRR really is to West Michigan. → With this year's Profile, we hope to change that—however so slightly. We'll show you how GRR creates lift for our entire community. We'll review all the major developments of 2002. Plus, we'll give you some things to look forward to in 2003. → And if in the process we're able to reignite even a flicker of the excitement you felt the first time you saw a plane take off, that would be great with us, too. →

Sincerely yours,

John Van Laar, *Chairman*
Kent County Aeronautics Board

James A. Koslosky, A.A.E., *Director*
Kent County Department of Aeronautics

Airfoils are shaped to provide the ideal amount of lift when the plane is moving at cruising speed—about 530 mph for a Boeing 737. To create sufficient lift during takeoff when the plane is moving at less than 200 mph, flaps are extended downward from the trailing edge of the wing, increasing wind resistance beneath the wing. →

The Gerald R. Ford International Airport contributes over \$800 million in economic activity to the area each year. →



MAYBE SOCIETY TRANSFORMED THE BUSINESS WORLD. OR MAYBE IT WAS THE OTHER WAY AROUND.

But there's no argument that the world today works much differently than it did when the Airport opened at this location back in 1963. Technology has revolutionized production. Consumers keep getting more and better choices. And unlike the days when businesses could at least count on their hometown markets, virtually every company now must compete on a regional, national or even international playing field. They call all of this the "new economy." And airports are its conveyor belts.





For thousands of companies across West Michigan, the Airport is now as essential as their front doors or loading docks. New people pour in through GRR to work for area employers. Many of these same companies dispatch platoons of sales and service people to wherever their products are sold. The Airport has become a vital link in the distribution and supply chains for an ever-growing number of West Michigan companies—moving parts to factories, finished goods to markets, or both. → Even in this e-mail age, many West Michigan firms still believe in doing business face to face. To interview out-of-town job applicants or service products at faraway locations, flying is the only way to go. Plus, plenty of companies still prefer to send a representative when a phone call might do. As a result, a large percentage of the nearly two million passengers who pass through GRR each year are traveling on business. → What's more, bringing visitors into West Michigan for meetings has grown into quite an industry itself. Today, tens of thousands of conventioners flock to "Michigan's West Coast" each year. And while they're here, these visitors spend literally millions of dollars at area hotels, restaurants, service providers and stores. → Besides moving people, the Airport carts plenty of cargo, too. The fervor for "just-in-time" manufacturing means components such as auto parts have to arrive at the assembly plant within days or even hours of being needed. Many perishable products have such a limited life that only air shipments make sense. Finally, whenever some factory is idled by a misbehaving robot, or a 400-ton crane is crippled by a broken hydraulic, shipping the replacement part by overnight express is almost always a no-brainer. →

West Michigan is currently home to five Forbes 500 companies (the largest private companies) and four Fortune 1000 companies (the largest publicly held corporations). →

In addition to using commercial airlines, several large local companies including Altacor and Wolverine Worldwide operate private aircraft out of hangars leased at GRR. →

According to *Site Selection* magazine's latest annual nationwide survey, the Grand Rapids-Muskegon-Holland area had an almost 10% increase in new/expanded plant facilities in 2000—the third-largest increase in the nation. →



WHILE WEST MICHIGAN MAY NOT BE CONSIDERED “HIGH SOCIETY,” THE AREA CERTAINLY DOES BOAST AN IMPRESSIVE ARRAY OF CULTURAL ATTRACTIONS—from renowned museums to world-class performing arts venues to professional sports franchises. Combine these attractions with West Michigan’s outdoor recreation opportunities and extraordinary natural beauty, and you can understand the area’s powerful allure. In fact, over the past 30 years, West Michigan has grown at a faster rate than any other metro area in the Upper Midwest with a population of at least one million, faster even than cities such as Chicago, Columbus or Indianapolis.





Before those Moscow ballet dancers can fly through the air at DeVos Hall, or singers like Art Garfunkle can hit those unbelievably high notes at the Picnic POPS, they need to get here first. And the Gerald R. Ford International Airport is very often where they land. GRR offers more regularly scheduled flights to more places than any other airport within 150 miles, and is highly accommodating to private aircraft as well. The area's easy accessibility, along with the size and enthusiasm of West Michigan audiences, has put us on the tour map of many performers who go to few other places in Michigan. → If sports are more your thing, West Michigan gives you plenty to cheer. From the Muskegon Fury to the West Michigan Whitecaps to the Grand Rapids Griffins and Rampage, there are pro sports teams in action here virtually every week. And most of them fly to at least some of their away games. → The same factors that draw pro sports to West Michigan are starting to attract major college sports as well. Regional events such as the 2001 Big Ten Women's Basketball Tournament (held in Grand Rapids) have put us on the radar screens of college athletic directors across the Midwest. → It's not just special occasions that the Airport impacts, either. It's everyday life in West Michigan. Literally tons of the things that you buy—from the Thailand Tiger Shrimp at supermarkets to the bulbs you plant in your garden—pass through GRR. Visiting doctors and researchers also routinely come through here, along with a steady stream of high-tech medical equipment and even organ donations. Finally, the Airport pulls in plenty of non-essential but mighty nice things, from Swiss chocolates to Italian handbags to exotic home items. →

The Van Andel Arena in Grand Rapids is now one of the top facilities of its size in the country. In 2002, the Arena hosted over 75 shows in addition to Griffins and Rampage games, drawing nearly three-quarters of a million people. →

Some of the entertainers who recently landed at GRR and performed in West Michigan include Neil Sedaka, Maureen McGovern, The Temptations, Martin Short, Tony Curtis, and Blood, Sweat & Tears. →

Some of the most eagerly awaited shipments received at GRR include incoming organ donations and high-tech medical machinery, major exhibit museum artifacts and ultra-exotic foods such as winter truffles. →



IT HAS BEEN MORE THAN 300 YEARS SINCE JOHN DONNE SAID, “NO MAN IS AN ISLAND.” YET THE WISDOM OF THAT STATEMENT SEEMS VASTLY MORE PROFOUND TODAY. Only by interacting with others do we find the fullest expression of life. And the wider your circle is, the richer your experience tends to be. One of the great ironies of modern life is how Americans’ increased mobility over the past 50 years has brought us closer together as a country—as well as closer to becoming a worldwide community—but taken us farther away from our families. Only the mass popularization of air travel could acceptably narrow this gap. So for much of the nation including West Michigan, that’s exactly what has happened.





In just the past three decades, the population of the Grand Rapids-Muskegon-Holland area has grown by nearly 50%, from around 700,000 in 1970 to over 1,080,000 in 2000. No other metro area in the Upper Midwest has grown as quickly. What's more, West Michigan employment has increased by almost 120% in the past 30 years, far outpacing both the nation and Upper Midwest cities. → Clearly, these two trends are related. Tens of thousands of people have flocked to West Michigan to work for the area's thriving enterprises. Companies from office furniture makers to banks to technology firms have all rocketed here, requiring a steady infusion of new people, muscle and ideas. Many of these companies rely on the Airport to expand their talent pool far beyond the city limits, making GRR the first stop for thousands of out-of-town job seekers. And the Airport's high caliber is a big factor in many people's willingness to relocate here. → Of course, the flow goes the other way, too. Thousands of people leave West Michigan—temporarily or otherwise—to pursue better job opportunities, education or for other reasons. (We've all heard of folks who move to Florida for the sun or Colorado for the skiing.) And the ease of getting back here to see friends and family certainly makes it a lot easier for these people to move on. → Gone for good are the days when most Americans live their entire lives in the town where they were born. The new economy demands mobility, and the appetite to live in new places is strong. But the impulse to stay connected to friends and family is one that we'll probably never lose. And thanks to facilities like GRR, we can have it both ways. →

Through connections at their hubs served directly from here, the major airlines can get you to over 200 destinations across North America within seven hours of departing GRR. The same airlines can get you to virtually any airport in the world within 14 hours of leaving here. →

Places Rated magazine recently ranked the Grand Rapids area third in the country in the "fun and recreation" category. →

The West Michigan metropolitan area (Kent, Ottawa, Allegan and Muskegon counties) is the fastest growing of the 11 Upper Midwest metro areas of at least one million in population. →



2002 GRR MILESTONES The second year of the new millennium was one of tremendous challenge, change and accomplishment for GRR. Here are some of the highlights of the past year.

PASSENGER AND CARGO TRAFFIC UP.

WAY UP. In 2002, GRR served some 1,917,644 passengers—nearly 5% more than in 2001, and an all-time high for the Airport. What's more, cargo traffic increased more than 13% in 2002 over 2001. The approximately 75 million pounds of cargo handled through GRR is the fourth-most ever at the Airport.

SECURITY CHANGES & SAFETY FIRSTS.

GRR was selected by the Transportation Security Administration (TSA) as one of only five airports in the nation to test new technologies for screening luggage for explosives. GRR served as the national test site for installation of new Explosive Detection System (EDS) machines in the ticketing lobby. The Airport was also the first in the nation to screen 100% of checked bags with EDS machines. Finally, GRR was the first in the country to have all federal TSA employees working the security checkpoints and operating the EDS machines.





MORE FLIGHTS TO MORE PLACES. In response to strong passenger demand, the airlines again added service to GRR during 2002. Continental Express expanded its service to Newark International Airport in May, and Skyway Airlines resumed its nonstop service to Ronald Reagan Washington National Airport in Washington, D.C., in October.

AIRPORT IMPROVEMENTS, FROM THE GROUND UP. The Airport opened its new, value-priced parking lot in March—just in time to beat the annual Spring Break crunch. This new Express Shuttle Parking lot is now the least expensive long-term parking option at GRR, offering on-demand, quick shuttle bus service to the front curb of the passenger terminal building. The Airport also completed roadwork projects in 2002 to make getting in and out of GRR even easier. New entrance and exit lanes were added at the main Airport entrance (44th Street and Patterson), and indirect left turn lanes were added on Oostema Boulevard—the main Airport drive.

Twelve different airlines currently serve GRR, with regularly scheduled nonstop flights to 13 major markets: Atlanta, Chicago, Cincinnati, Cleveland, Dallas, Detroit, Memphis, Milwaukee, Minneapolis, New York/Newark, Pittsburgh, Toronto and Washington, D.C. →

GRR serves an average of 5,300 passengers daily. →



THIS YEAR PROMISES TO BE QUITE AN EVENTFUL ONE AT THE AIRPORT. HERE ARE JUST A FEW OF THE THINGS YOU CAN LOOK FORWARD TO AT GRR IN 2003.

HAPPY 40TH TO US. This year marks the Airport's 40th anniversary at its current location. The Department of Aeronautics will host several special events throughout 2003 to celebrate this important milestone in the Airport's history. Planned events include Passenger Appreciation Days April 3–5; the Flyby 5K Run, Community Walk & Airport Expo on June 21 (the first time a running race will be held on Airport grounds); and the first-ever Plane Pull® Challenge of Michigan on August 16, in which 20-person teams will compete at pulling a FedEx Boeing 727 across the tarmac, with proceeds benefiting charity partner Special Olympics of Michigan.

REMASTERING THE MASTER PLAN. The Airport's management and engineering teams will be working hard throughout 2003 and into 2004 to update GRR's Master Plan. This process goes through several intensive phases, from identifying key issues to inventorying current facilities, to projecting facilities requirements for the next five, 10 and even 20 years. The public will have opportunities throughout the process to give their input. By late spring 2004, the new Master Plan should be finalized, providing the roadmap for further Airport improvements and opportunities for funding by the Federal Aviation Administration.

FINANCIAL HIGHLIGHTS

Operating Revenue	2002*	2001	2000
Airline Payments	\$8,702,805	\$7,982,993	\$6,877,145
General Aviation	1,286,586	1,161,309	1,141,967
Concessions	548,263	518,504	545,497
Air Cargo	2,133,488	2,110,523	2,036,269
Ground Transportation	8,369,956	8,247,981	7,804,114
Other	495,462	594,860	556,770
Total Operating Revenue	\$21,536,560	\$20,616,170	\$18,961,762



THE KENT COUNTY AERONAUTICS BOARD

is a six-member body appointed by the Kent County Board of Commissioners with responsibility for setting policy and providing general oversight of the Gerald R. Ford International Airport. The Aeronautics Board is made up of three Kent County Commissioners and three citizen members, each serving staggered three-year terms. The Board maintains two standing committees: Aeronautical and Facilities, and Finance and Administration.

The Airport is **MANAGED AND OPERATED** by the Aeronautics Director, Deputy Director, a four-person management team heading the Airport's four primary functional areas and a 115-member Department of Aeronautics staff.

GRR is a **FINANCIALLY SELF-SUPPORTING PUBLIC ENTERPRISE** receiving no general tax revenue for day-to-day operations or ongoing capital development. Airport operations and improvements actually generate net revenue, rather than spending valuable tax dollars.

Operating Expenses	2002*	2001	2000
Personnel Cost	\$6,001,950	\$5,406,383	\$5,010,916
Supplies	797,972	447,186	425,782
Contractual	5,614,926	4,115,162	3,842,292
Depreciation	9,667,655	8,534,291	8,398,485
Total Operating Expenses	\$22,082,503	\$18,503,022	\$17,677,475
Net Income From Operations	(\$545,943)	\$2,113,148	\$1,284,287

* unaudited figures

A Comprehensive Annual Financial Report will be available from the Kent County Department of Aeronautics as of June 2003.





2002 AWARDS & RECOGNITION

The Northeast Chapter of the American Association of Airport Executives awarded GRR's field maintenance and operations workers the **first-place honors at the 36th Annual Aviation Snow Symposium** held May 1, 2002, in Buffalo, New York. The Balchen/Post Award recognizes excellence in airport snow and ice control. GRR competed in the Small Commercial Airport category.

The Government Finance Officers Association (GFOA) recognized the Department of Aeronautics for its annual financial reporting by awarding it the Certificate of Achievement for Excellence in Financial Reporting. This award is presented to government agencies whose financial reporting meets the high standards set by the GFOA.

GRR's *Airport Connections* newsletter was named a winner in the **Airports Council International – North America 2002 Excellence in Marketing Communications** Contest.

The **East Central District of the Public Relations Society of America (PRSA)** recognized the Department of Aeronautics for its special events activities relating to the renaming of the airport and the rededication of the passenger terminal

building. The Department was awarded First Place in the "Special Events and Observances" category of PRSA's annual competition.

Gerald R. Ford International Airport was again named one of 10 finalists for **The Grand Rapids Business Journal's annual "Newsmaker of the Year" award.**

The Department of Aeronautics received special recognition from the **Michigan Concrete Paving Association** for the complexity, size and results of the reconstruction of primary runway 8R-26L.

The Department of Aeronautics was presented with the Proactive Management Award from the **Federal Aviation Administration** for the Department's exceptional efforts to promote runway safety.

James A. Koslosky, A.A.E., was elected Immediate Past Chairman of the **American Association of Airport Executives.**

Phillip E. Johnson, A.A.E., was elected President of the **Michigan Association of Airport Executives.**

ONWARDS & UPWARDS For the past 40 years, West Michigan's growth has closely paralleled progress at the Gerald R. Ford International Airport — and the rise of commercial aviation across America. This is no coincidence. The Airport certainly plays an essential role in helping create lift for West Michigan industries, culture and community life. And as the region strives for even greater heights in years to come, the Airport pledges its full-throttle support.

In other words, West Michigan, you're cleared for takeoff. Have a great flight. →



Gerald R. Ford International Airport

5500 44th Street, S.E.

Grand Rapids, MI 49512

www.flygrandrapids.org

Phone 616-233-6000

Fax 616-233-6025