

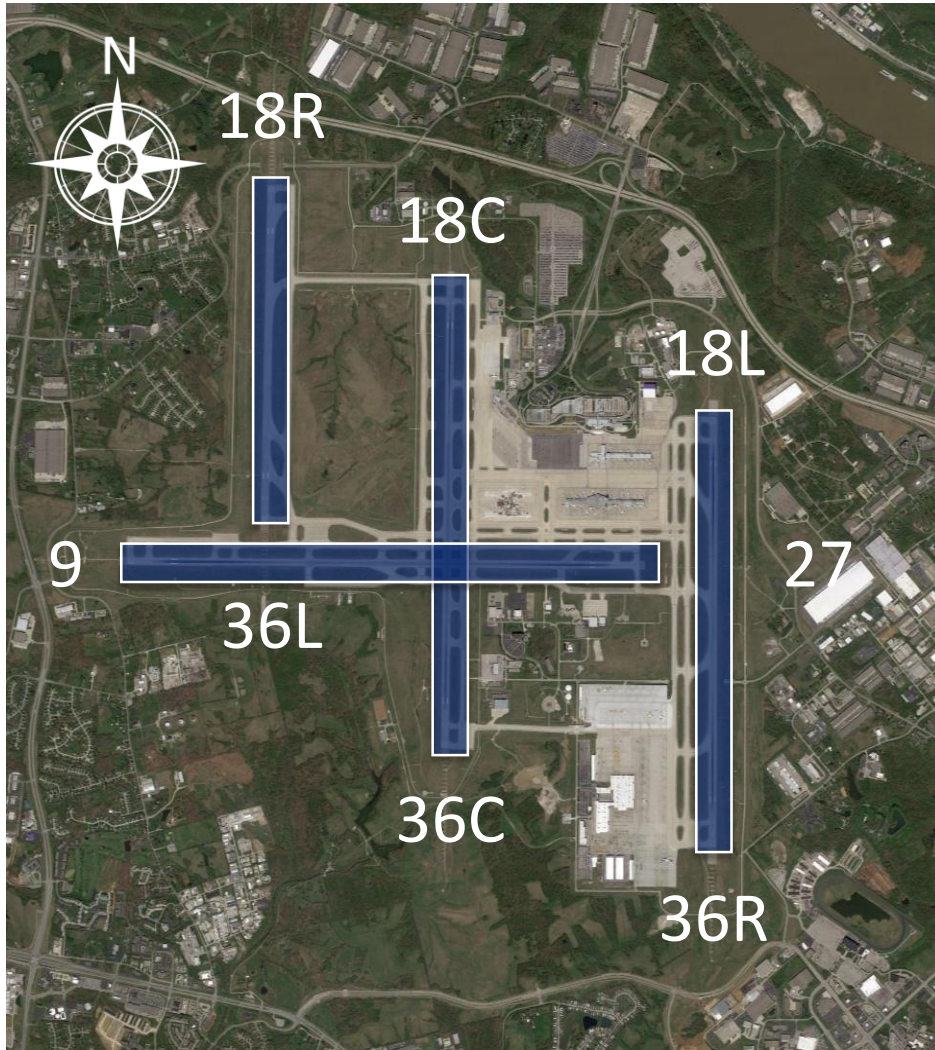
# ***Cincinnati / Northern Kentucky International Airport***

**Kentucky General Assembly  
Interim Joint Committee on Economic Development,  
Small Business, and Information Technology**

**2019 CVG Update**

**July 19, 2019**

# Welcome to CVG Airport



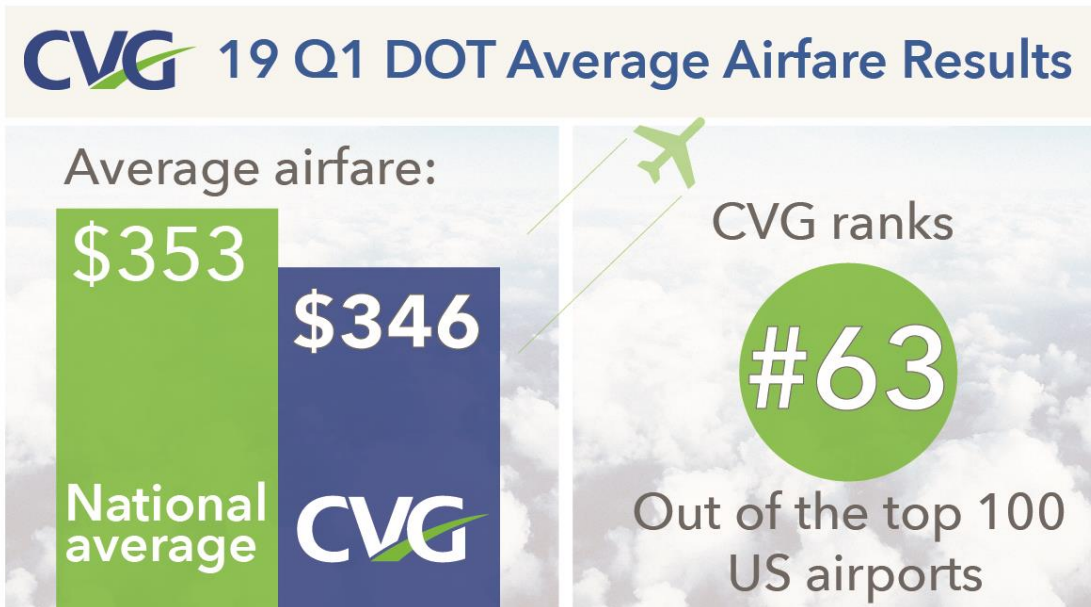
CVG encompasses **7,700 acres**.

CVG is larger in land area than the City of Florence (6,572 acres).

Runway 18R/36L:	8,000 ft.
Runway 18C/36C:	11,000' ft.
Runway 18L/36R:	10,000' ft.
Runway 9/27:	12,000' ft.

# Latest News

- **CVG is serving more local passengers than ever before**
  - The airport set a new all-time local passenger record in June: 426,246 passengers served (local records set 14 of 15 last months)
- **Allegiant launched new service to Norfolk, VA, in June**
- **Just announced this week, according to U.S. DOT rankings, CVG's average airfare is the lowest in the region and the only one to best the national average of \$353**
  - Ranked #63 of top 100 airports



## Frontier Announces New Routes from CVG

In June, Frontier Airlines announced new nonstop service to four markets beginning in fall 2019.

- Fort Lauderdale FLL
- Miami MIA
- New Orleans MSY
- Sarasota-Bradenton SRQ

**FRONTIER**  
AIRLINES



# CVG: A Regional Jobs Hub

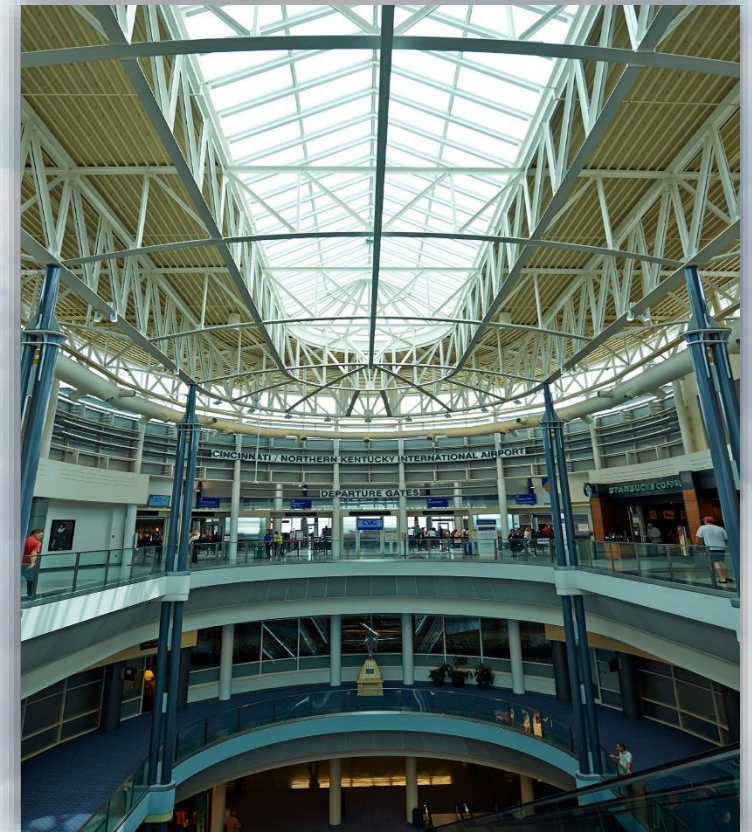
**70+ EMPLOYERS ON CAMPUS**

**14,000+ BADGEHOLDERS**

- 52% Kentucky residents
- 38% Ohio residents
- 10% Indiana and other state residents

**31,000+ TOTAL JOBS SUPPORTED**

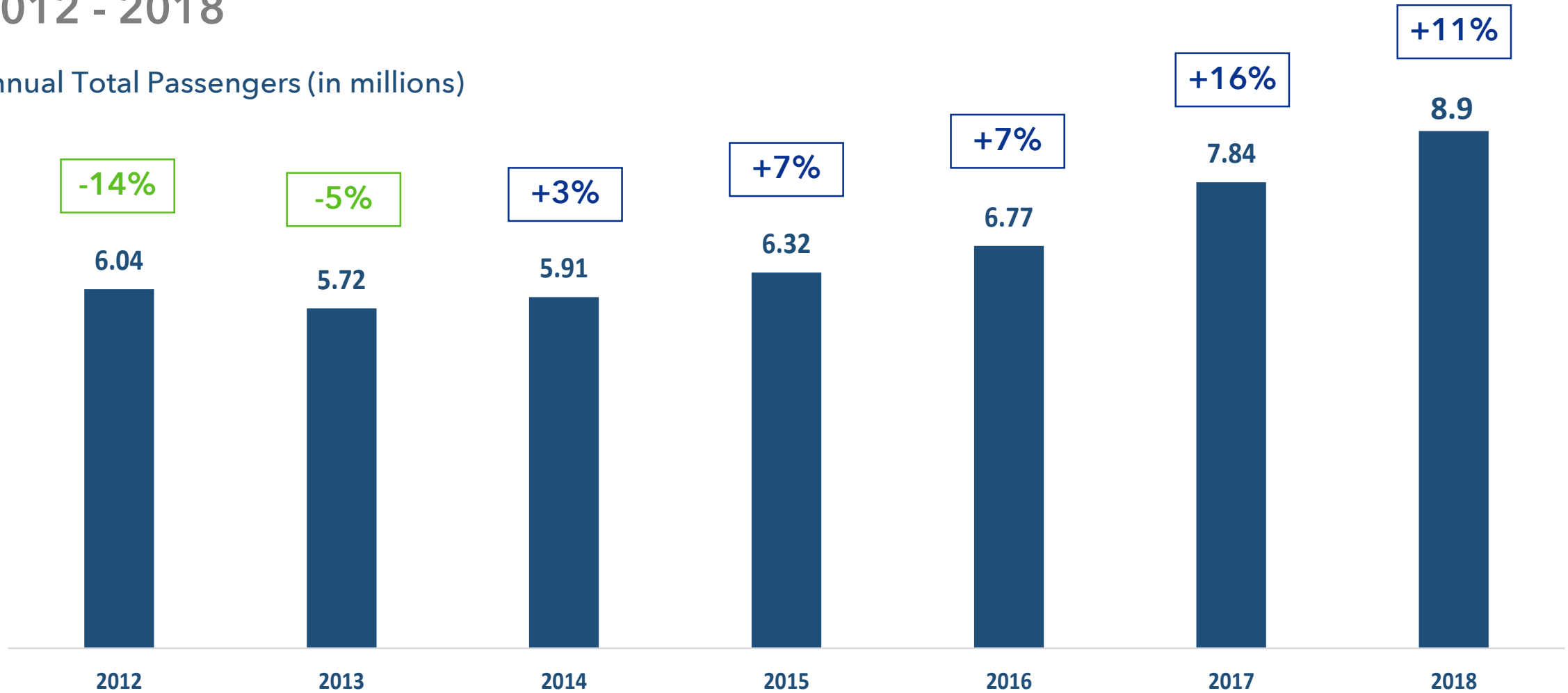
**\$4.4bn ANNUAL ECONOMIC IMPACT**



# CVG Total Passenger Trend

2012 - 2018

Annual Total Passengers (in millions)

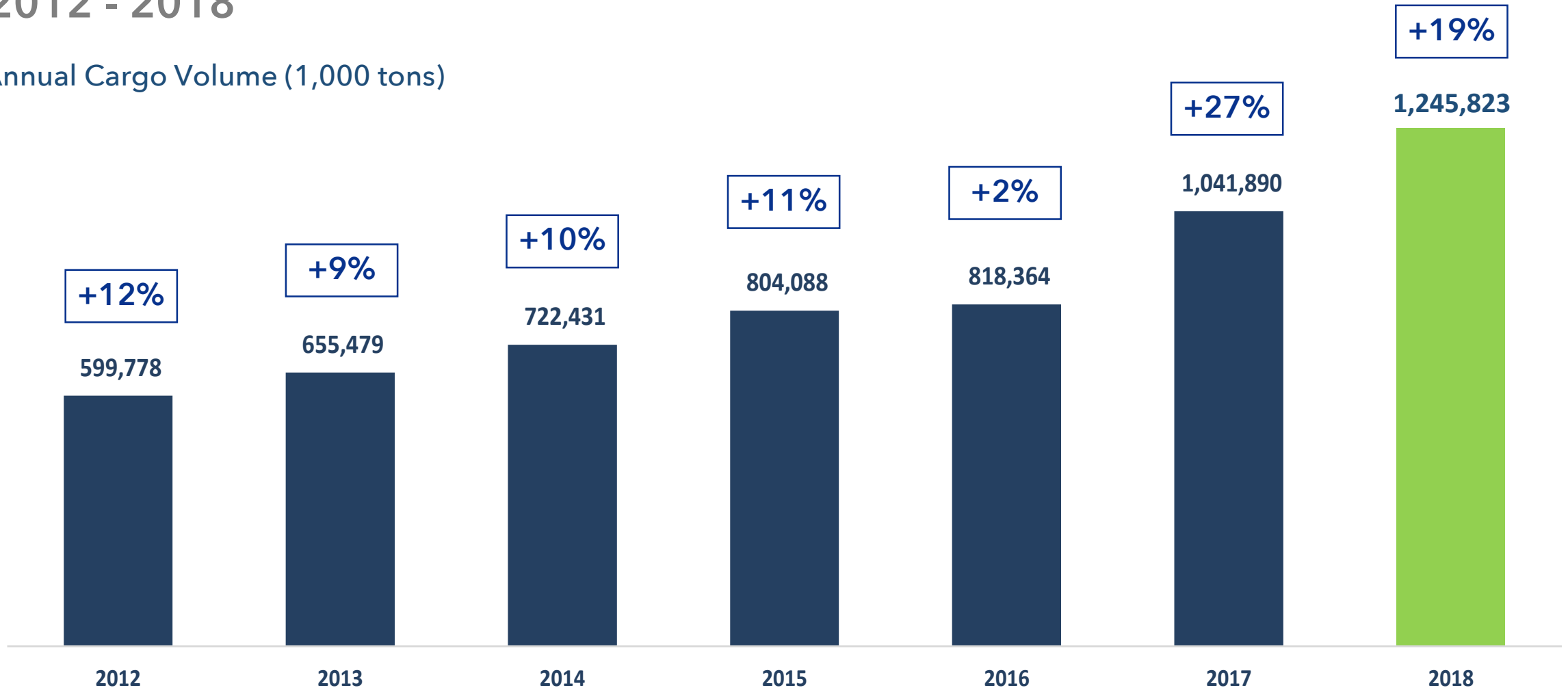


CVG's total passenger volume has grown **38%** since 2015.

# CVG Cargo Tonnage Trend

2012 - 2018

Annual Cargo Volume (1,000 tons)



CVG is the **8<sup>th</sup> largest cargo airport** in North America. We project 2019 to set a new record.





# Amazon Air Hub



- Announced January 2017
  - Represents a \$1.5bn investment
  - Projected to create 2,000 jobs at initial opening
- Partnership with DHL began May 2017 (flights began)
- Groundbreaking/kickoff event in May 2019
- Phase I scheduled completion Q3 2021

# Increasing Economic Impact

*As of 2016, every year...*

- CVG supports more than \$21 million in income tax revenues for Kentucky and more than \$4 million for Ohio.
- CVG supports more than \$4.4 billion in total annual output in the Cincinnati/Northern Kentucky MSA.
- CVG supports more than 13,500 direct jobs and more than 31,100 total jobs.
- CVG supports more than \$625 million in direct labor income and more than \$1.3 billion in total labor income.
- Air service growth has been driving down airfares and therefore contributing to increased passenger volume at CVG.

*2019 study is now underway!*





# CVG Innovation Verticals



## CONNECT

- Feedback
- IoT, BI, AI
- Wearables
- Curation



## CLEAN

- Waste Redux
- Mitigation
- Grid-free
- Bio-fuels



## SECURE

- Cloud
- Biometrics
- Privacy
- Cyber



## TRANSPORT

- Personal EVs
- PRTs
- AV
- Hyperloop

# Create a Hub of Innovation

***Engage Startups***

***Integrate Universities***

***Partner with  
Established Companies***

***Navigate Positive  
Regulatory Change***



# Generate Interest, Influence, and Yields

***Pilot Project Phasing  
and Scaled Deployment***

***Regional Attention on a  
Global Scale***

***IP Development,  
Venture-Building, and  
Revenue Generation***





# Engage with Universities

*Logistics / Supply Chain*

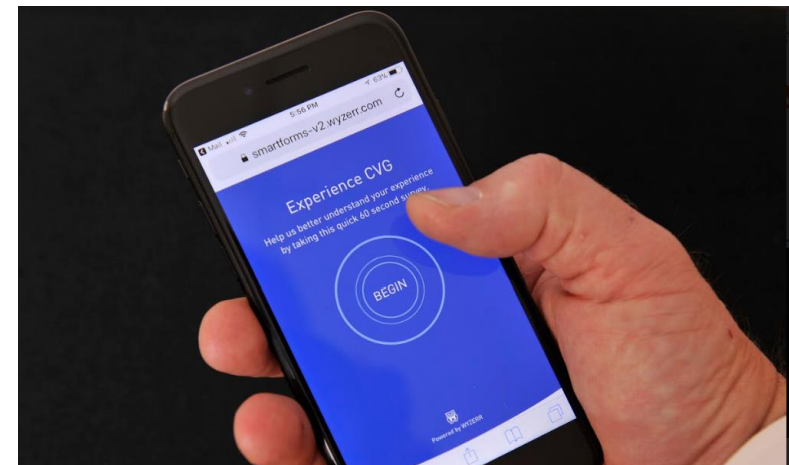
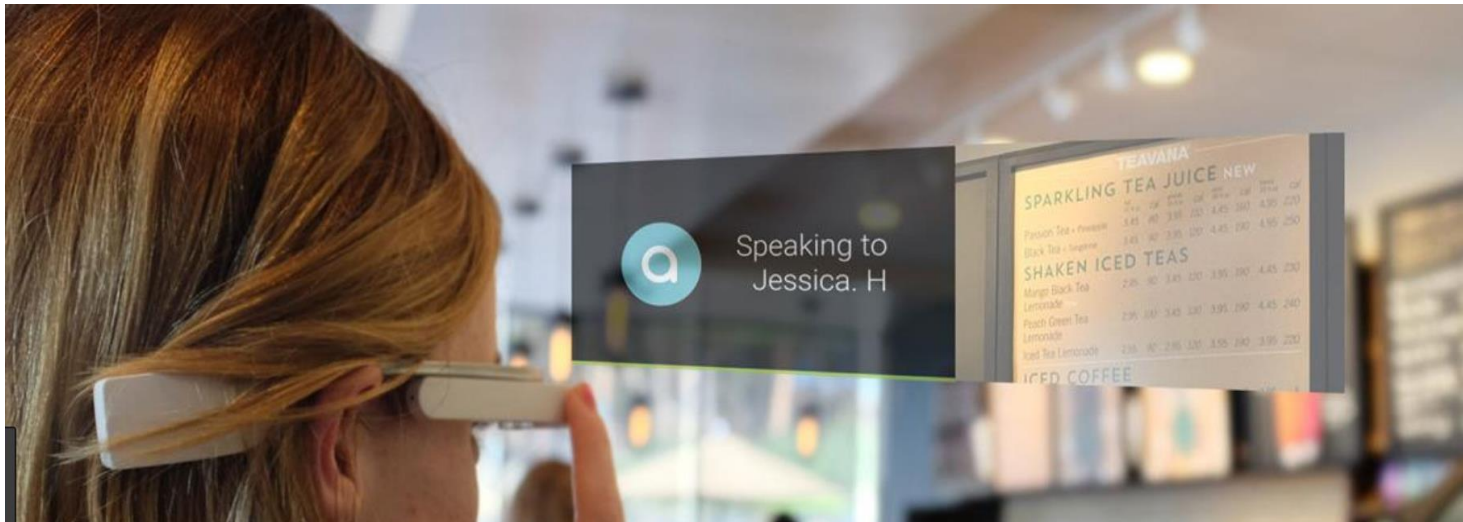
*Cybersecurity*

*App Development*

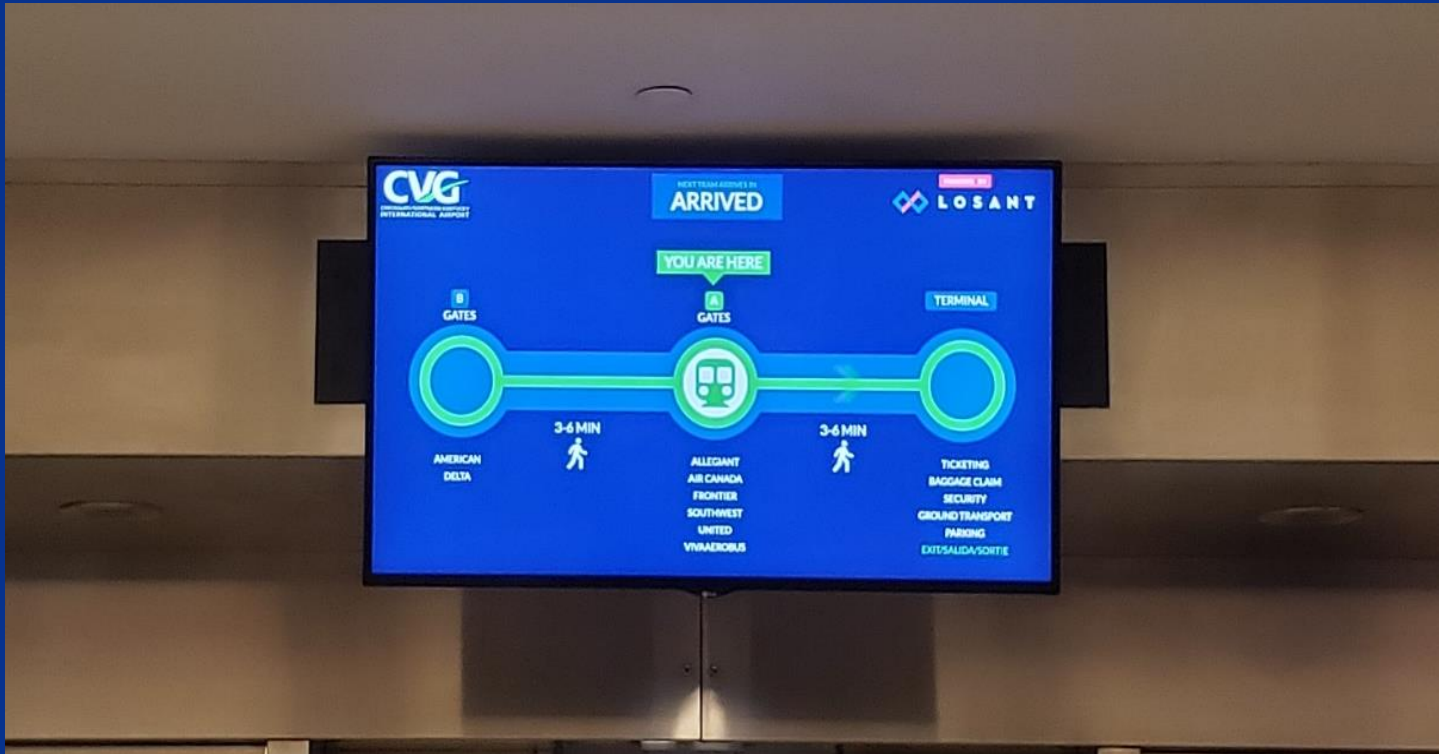
*Work Health/Safety*

*Weather Applications*

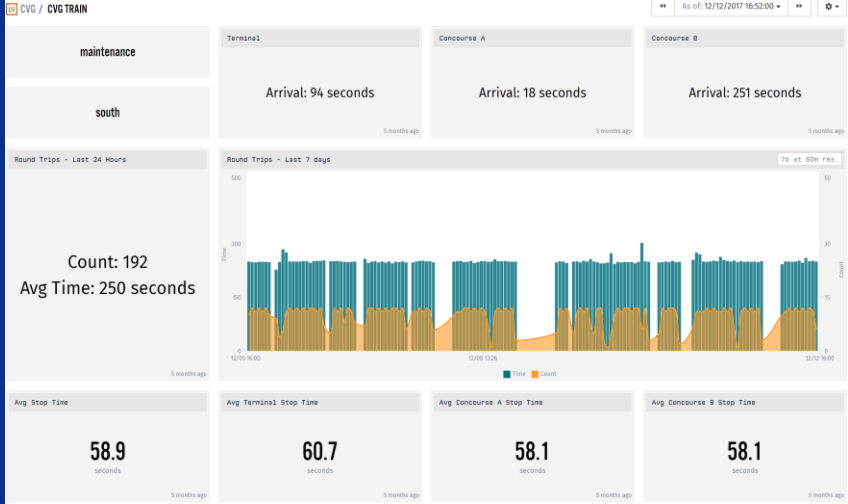
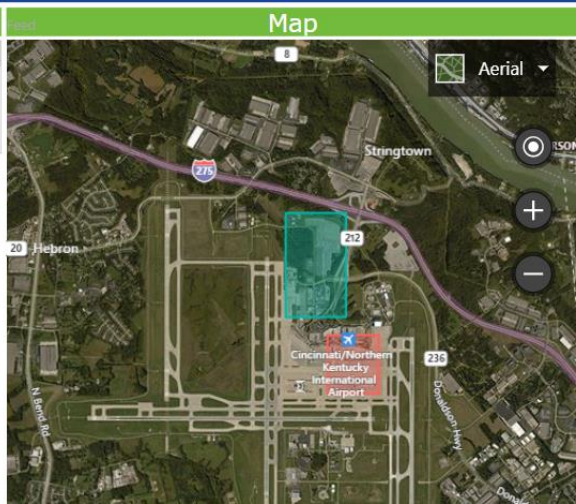








Feeds	Metrics		
	Critical	Sub-Critical	No Generator
Select all	7	3	9
Constance 41			
Constance 43			
Donaldson 43			
Hebron 45			
Limaburg 41			
Feed	Assets	Importance	Gen
Constance 43	Concourse B; T4E-4, T5E-1, T7E-1, T8E-2	Critical	KCAE
Constance 43	Concourse B; T5E-2, T6E-1, T7E-2, T8E-1	Critical	KCAE
Constance 43	Esc/Elev (C)	Critical	KCAE
Constance 43	High Voltage Building	Critical	KCAE
Hebron 45	IT Assets at N ARFF	Critical	KCAE
Constance 43	Main Terminal West Side & Chiller	Critical	KCAE
Hebron 45	North ARFF Station	Critical	KCAE
Hebron 45	Central Warehouse	Non-Critical	KCAE
Constance 43	Esc/Elev (NC)	Non-Critical	KCAE
Hebron 45	Facilities Maintenance	Non-Critical	KCAE





# Aeronautical / Non-Aeronautical Development

## 1 Dermody I

Wayfair – Completed 2016  
225 employees

## 2 Dermody II

Distribution Center – Completed 2017  
140 employees

## 3 Hemmer

Bosch – Completed 2017  
150 employees

## 4 Van Trust I

DB Schenker – Completed 2018  
580 employees

## 5 Van Trust II

Wayfair – Completed 2018  
~260 employees

## 6 Van Trust III

GE – Under Const.  
~175 employees

## 7\* Lynxs

FEAM Hangar – Under Const.  
~200 employees

## 8\* Aeroterm

Common Use Cargo – Under Const.  
~100 employees

## Amazon South Site\*

~3,000,000 sf of floor area  
~2,000 employees (2021)

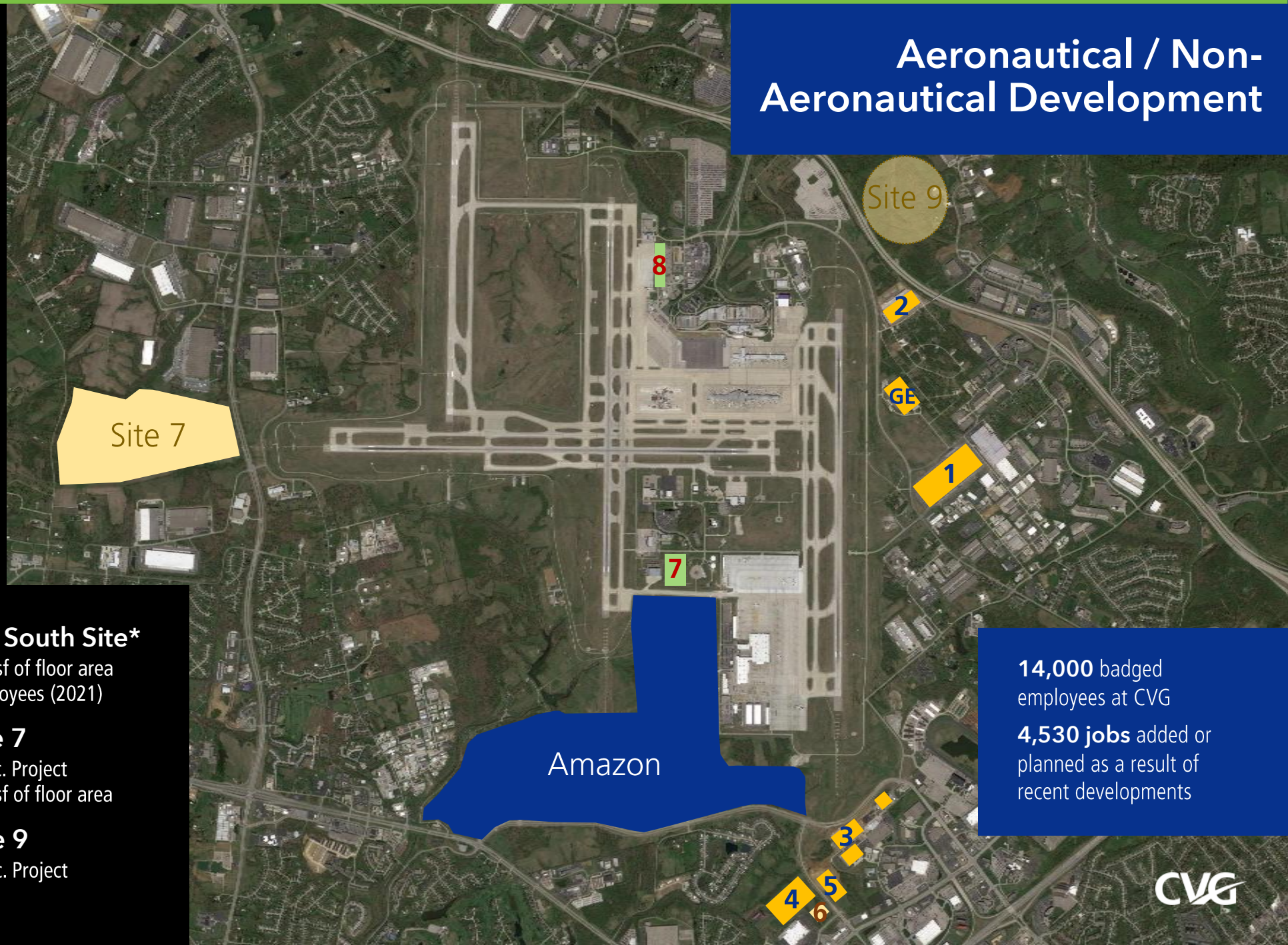
## CVG Site 7

Planned Spec. Project  
~2,400,000 sf of floor area

## CVG Site 9

Planned Spec. Project

\*Aeronautical development



14,000 badged  
employees at CVG

4,530 jobs added or  
planned as a result of  
recent developments

CVG



# Aircraft Maintenance Facility Development



- Lynxs broke ground on an aircraft maintenance hangar for FEAM in fall 2018
- \$19mn facility will be 103,000 sf
- FEAM Aero employs about 100 aircraft mechanics at CVG today
- Facility construction will create ~100 new, permanent jobs with annual salaries starting at \$65,000-70,000 annually



# CVG Workforce Challenges

## Employment Growth

- CVG is a regional jobs hub with hundreds of jobs being added in the last several years; thousands more expected in coming years

## Employer Concerns

- Recruiting / available labor force
- Transportation / public transit
- Security environment
- Pipeline of future employees
  - Student and family awareness of good-paying aviation careers



# ***Thank You!***

**Brian Cobb**

*Chief Innovation Officer*