

San Diego Int'l Airport

San Diego Realtors Association -
December Meeting

Market Snapshot

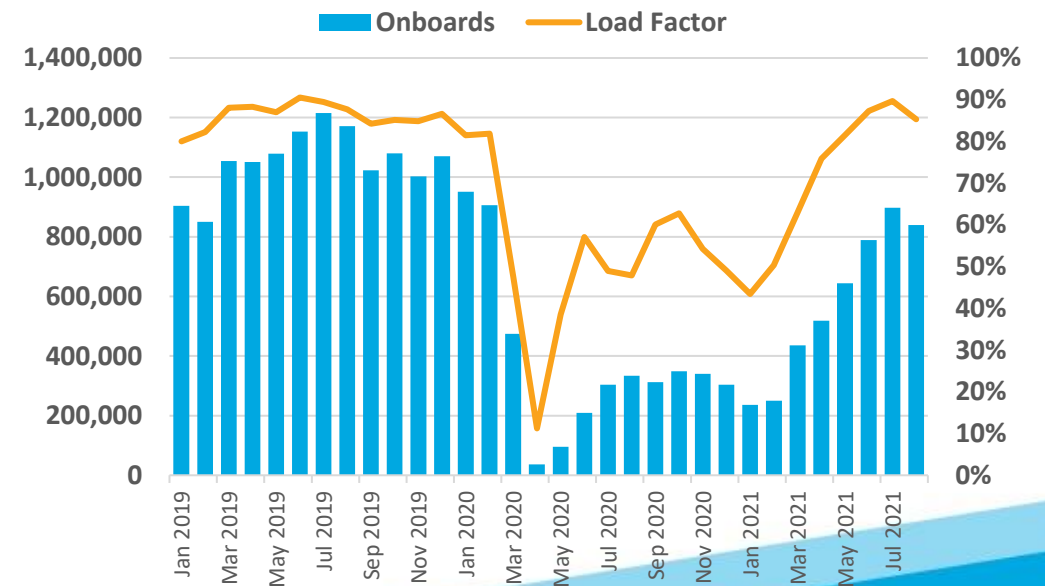
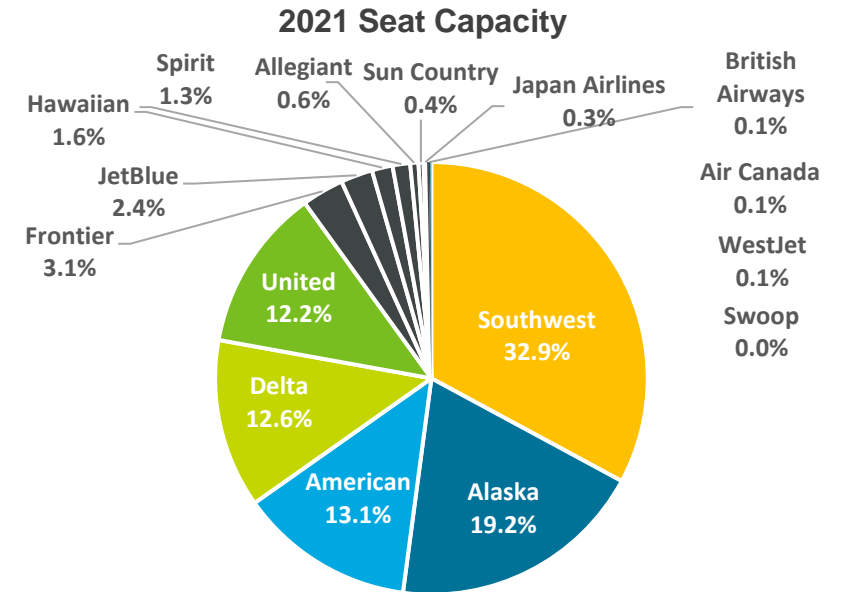
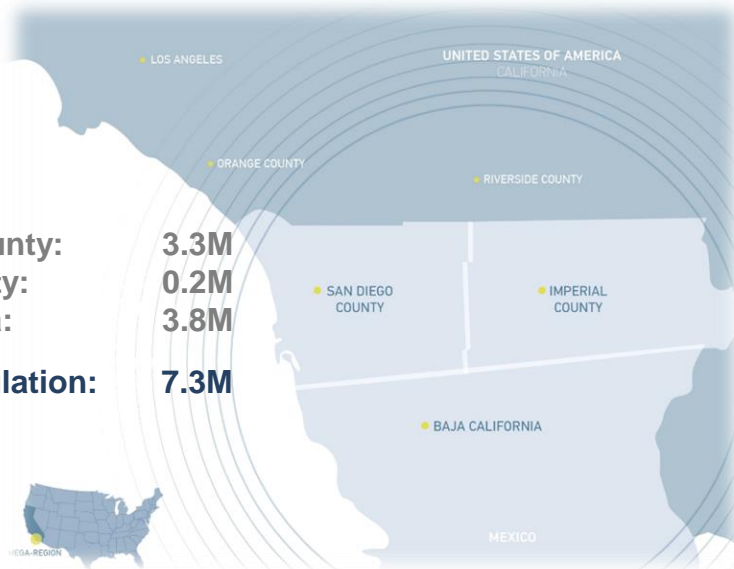


25M+ Annual Pax



35.1M Annual Visitors

San Diego County: 3.3M
Imperial County: 0.2M
Baja California: 3.8M
Regional Population: 7.3M



Importance of Air Service to San Diego

Airport

- Landing Fees/Terminal Rents/Turn Fees/etc
- More Passengers = Lower Airport Costs = More Competitive SAN
- Car Parking
- Concessions
- Advertising

Region

- Enables & Facilitates Commerce
- Attracts New Businesses to the Region
- Supports Tourism
- Brings Conventions & Conferences
- Connects Residents to the World and the World to San Diego



Total Economic Impact of an International Flight

What Is Air Service Development?

Air Service Development in a Nutshell

*Air Service Development is the concentrated effort of the airport, in partnership with our regional stakeholders, to grow, maintain and enhance San Diego's **access to the world**, and the world's access to San Diego*

- Data-driven, locally tailored, and strategically prioritized
- Business development + marketing + sales
- What are we selling? San Diego

Why Air Service Needs Development



Aircraft are **moveable assets**



Airlines are focused on **profits**

We're focused on what's best for the **air service needs of our community**



Our **competition** is **global**

The ASD Process



Data Analysis: Where is the demand and community air service need?



Carrier Selection: Who is best positioned to serve that route?



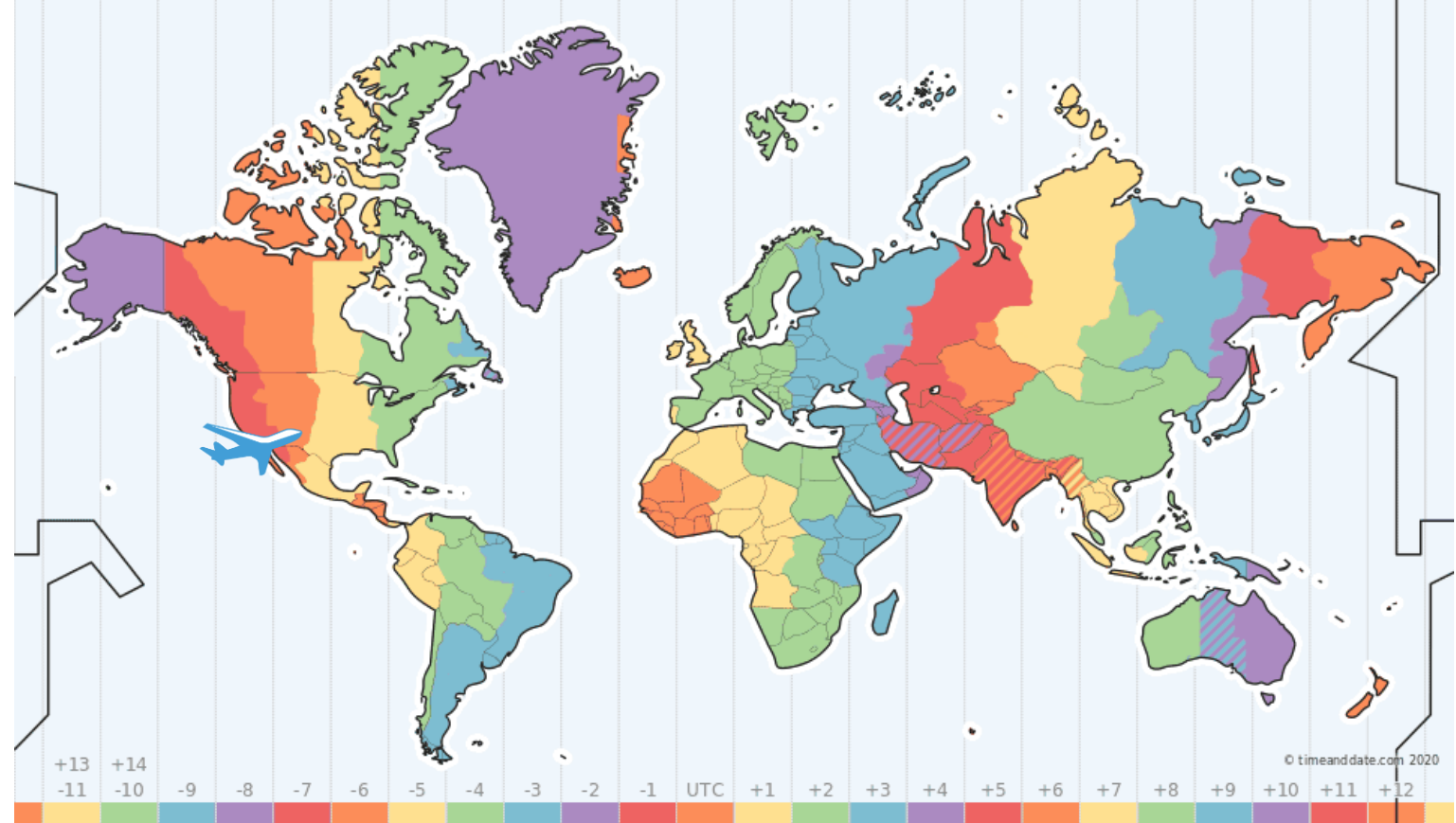
Make the Case: How do we sell this to an airline rep?

Challenges

The Uncontrollable But Very Impactful

Air Service Challenges

- Geography
- Airport Curfew
- Aircraft Availability
- Crew Availability
- Travel Restrictions
- Global Politics
- Runway Length
- Disruptors (e.g. Pandemics)



Finding Our Perfect Match

Different Strategies and Priorities

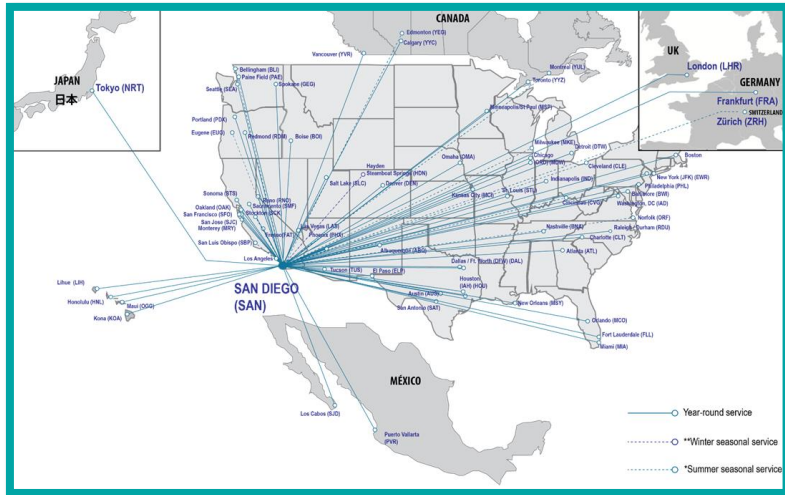
- Regional vs National vs Global
- Alliances & Codeshares
- Hub vs Point to Point
- Leisure vs Business Focus
- Legacy vs Low Cost
- Focus Cities



The Impact of Covid 19

SAN Route Maps

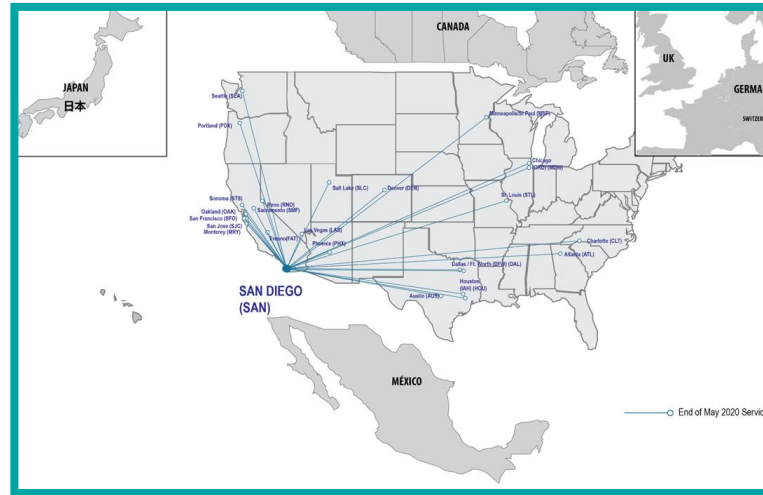
February 2020: 70 Destinations



International: 9

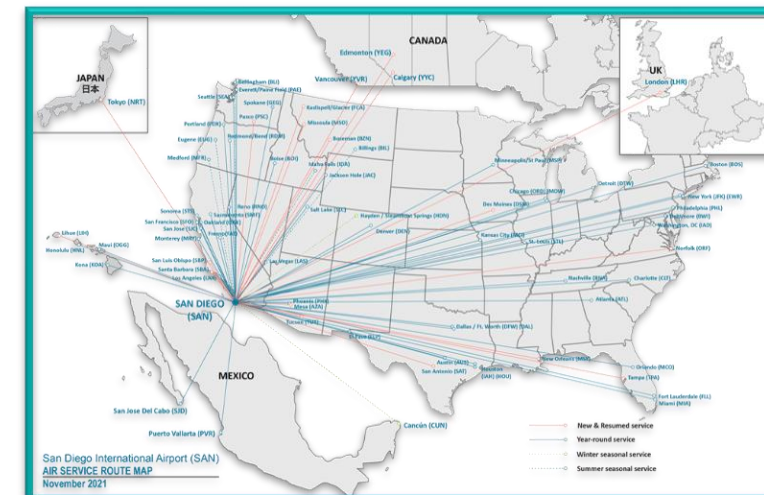
- Los Cabos (SJD)
- Puerto Vallarta (PVR)
- Vancouver (YVR)
- Calgary (YYC)
- Toronto (YYZ)
- London (LHR)
- Frankfurt (FRA)
- Zurich (ZRH)
- Tokyo (NRT)

May 2020: 27 Destinations



International: 0

December 2021: 71 Destinations



International: 8

- Los Cabos (SJD)
- Puerto Vallarta (PVR)
- **Cancun (CUN)**
- Vancouver (YVR)
- Calgary (YYC)
- **Edmonton (YEG)**
- London (LHR)
- Tokyo (NRT)

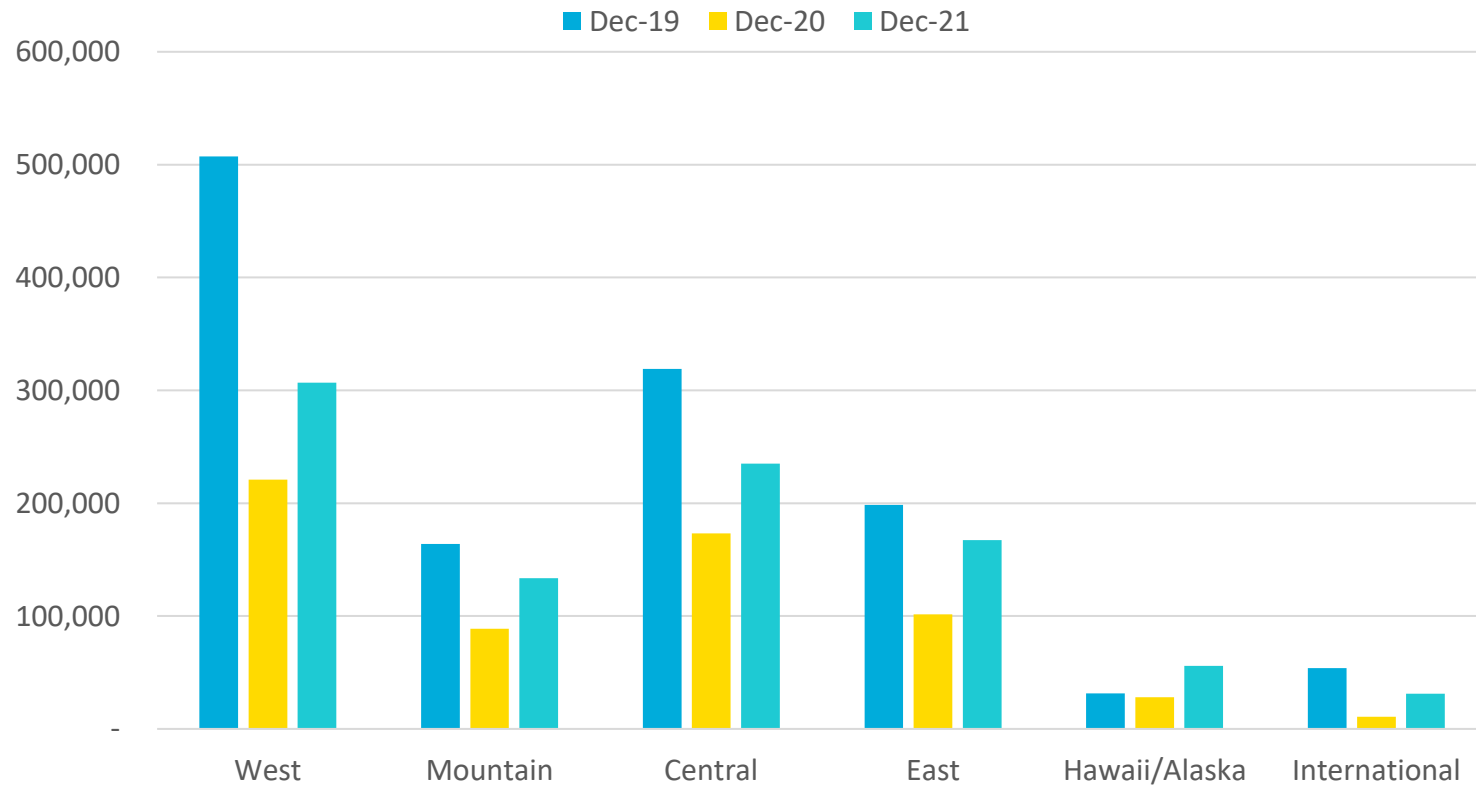
Capacity Shift by SAN Air Carriers

Dec 2021 vs. Dec 2019

<u>Airline</u>	<u>December 2021</u>	<u>December 2019</u>	<u>Change</u>
American	13%	12%	+1%
Alaska	18%	14%	+4%
Delta	13%	12%	+1%
United	13%	12%	+2%
Southwest	33%	41%	-8%
Other US Airlines	9%	7%	+2%
International	2%	3%	-1%
	100%	100%	

Capacity Changes

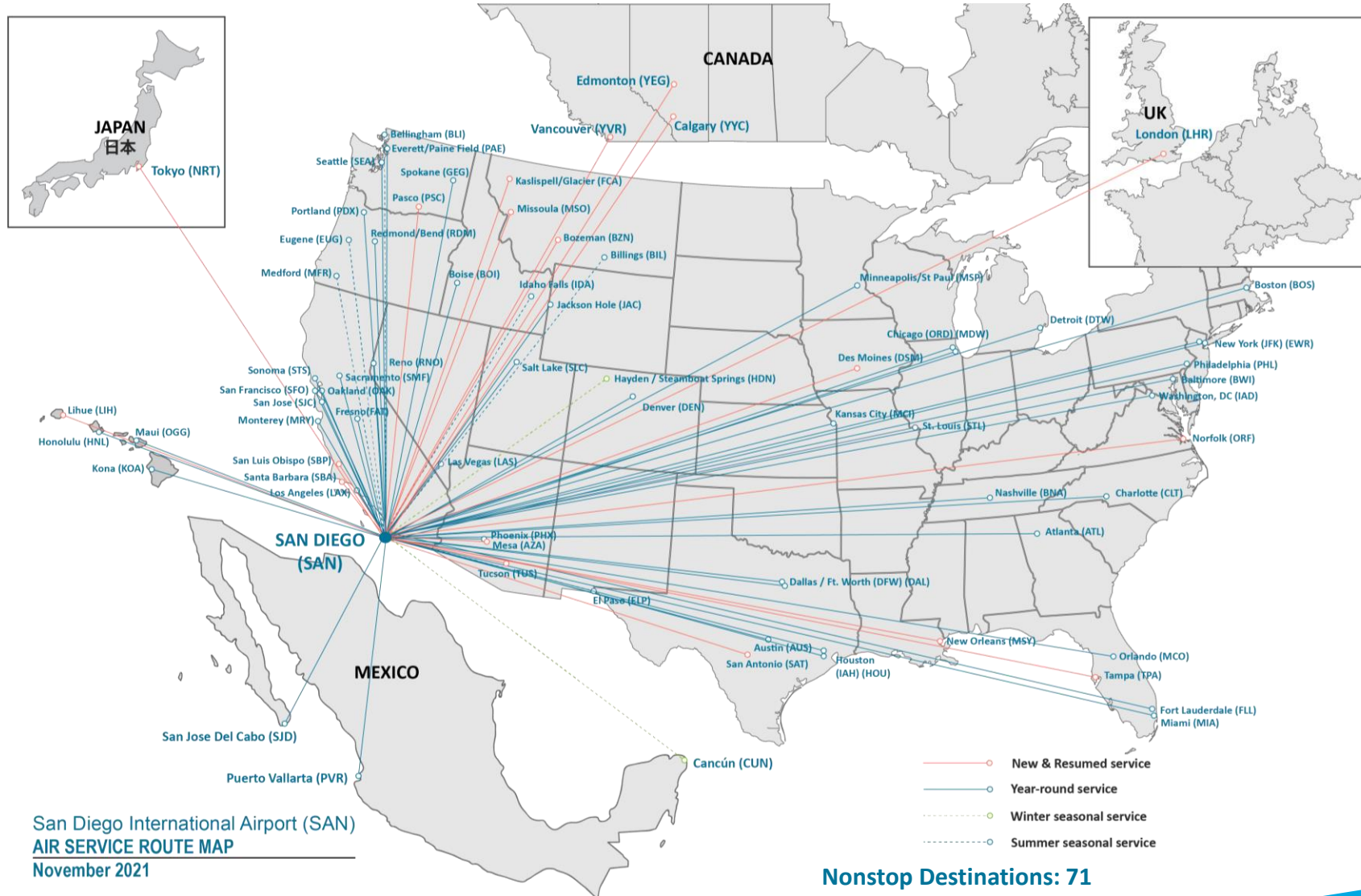
Three Year Capacity Comparison by Region



Region	YOY Change	YO2Y Change
West	39%	-39%
Mountain	50%	-19%
Central	36%	-26%
East	65%	-16%
Hawaii/Alaska	98%	77%
International	186%	-42%

Where We Are Today

17 New Routes So Far in 2021

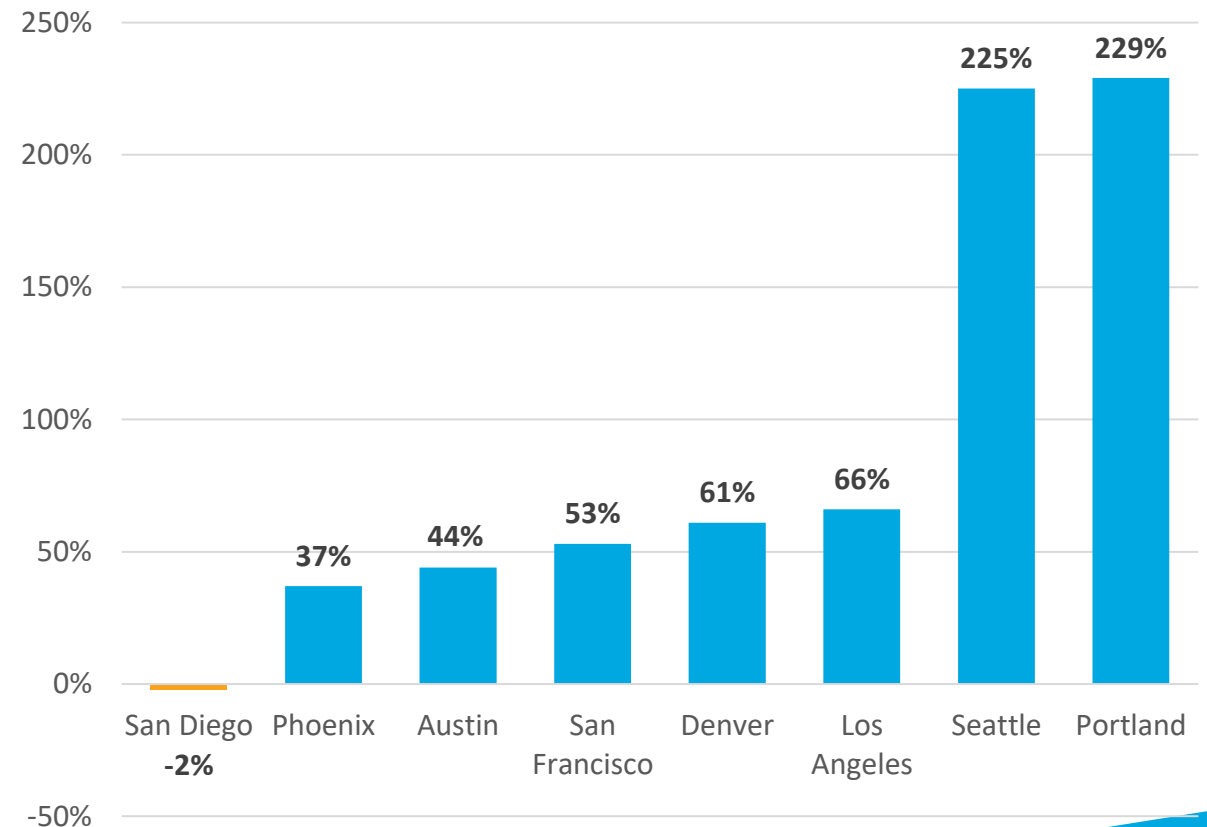


People Left Other Tech Markets at a Greater Rate Than San Diego

San Diego Attracts and Retains Residents

- While other major peer markets experienced significant increases in net outflows of residents leaving their communities, San Diego actually saw a net increase in net inflows.
- Given the opportunity to telecommute, San Diego is one beneficiary of the exodus from other more expensive West Coast markets with less desirable climates

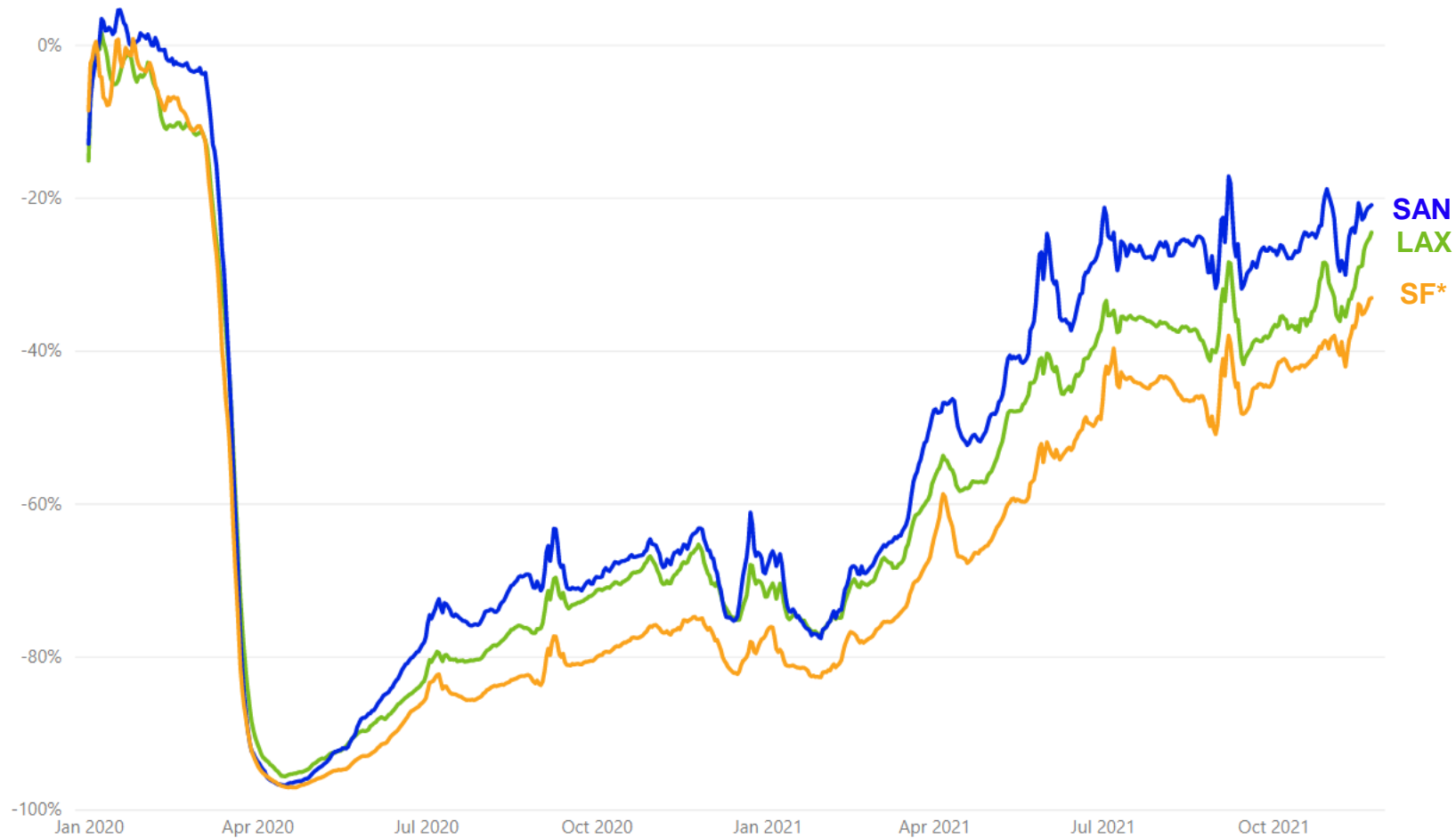
Percent Change in Net Outflows
January – August 2021 vs. 2019



SAN: Leading California Recovery

% Change Thrput Rolling 7 Days vs 2019 by Date and Metro

Metro ● LAX ● SAN ● SF*



British Airways Is Back!

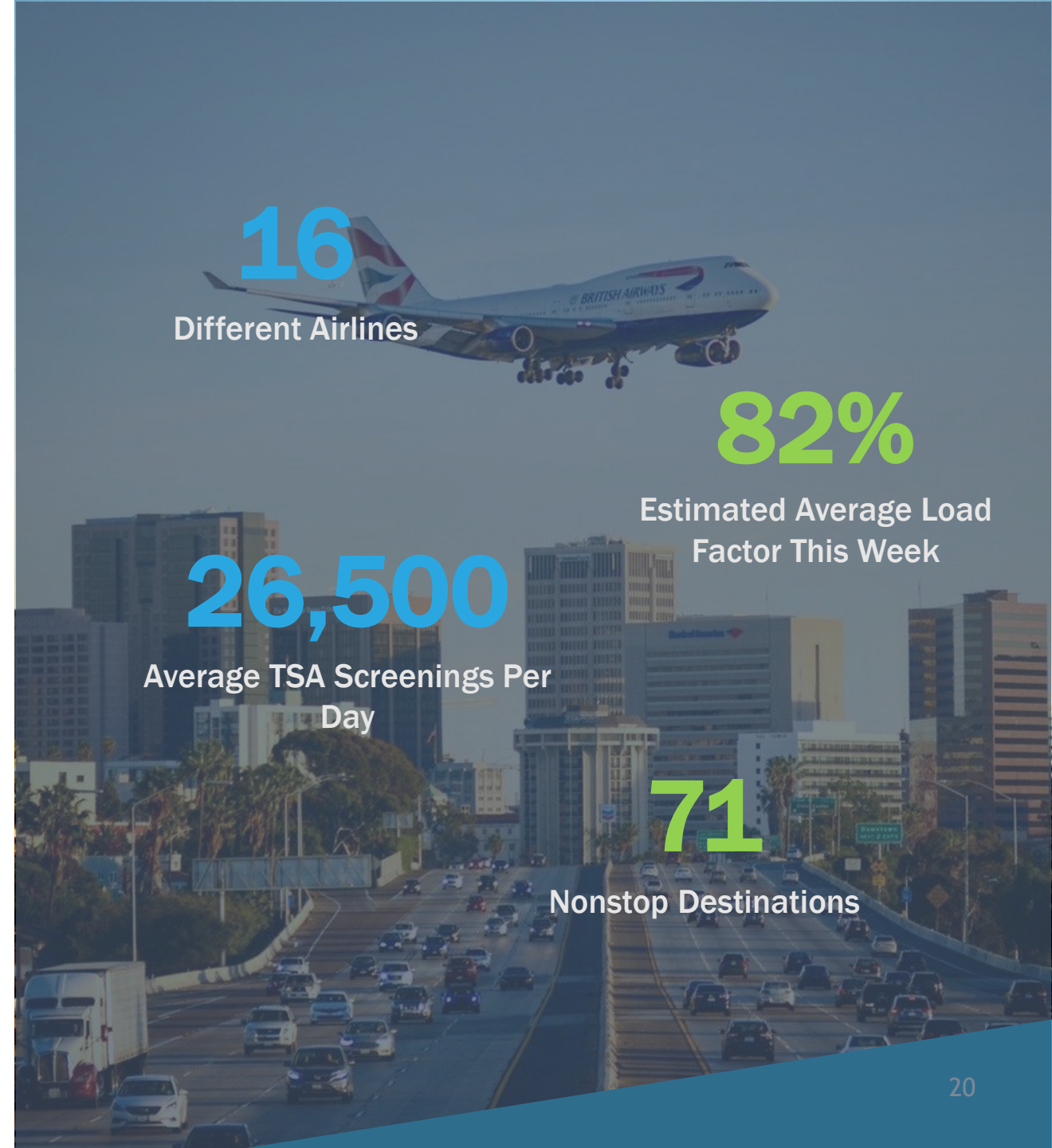


- Nonstop to London resumes 10/13/21
- 3x/week in October
- Wednesdays, Fridays and Sundays
- First European service since March 2020
- Planned increase to 5x/week service in November adding Mondays & Saturdays
- Starts as Boeing 777, then planned switch to Boeing 787 Dreamliner

BRITISH AIRWAYS 

Where We Stand

- Summer saw return of strong leisure demand
- Will business travel return?
- Currently 25-30% below normal
- International travel restrictions are lifting
- Could be 2-3 years before we get back to 2019 numbers



Where We Go Next

Top 30 Unserved European Routes

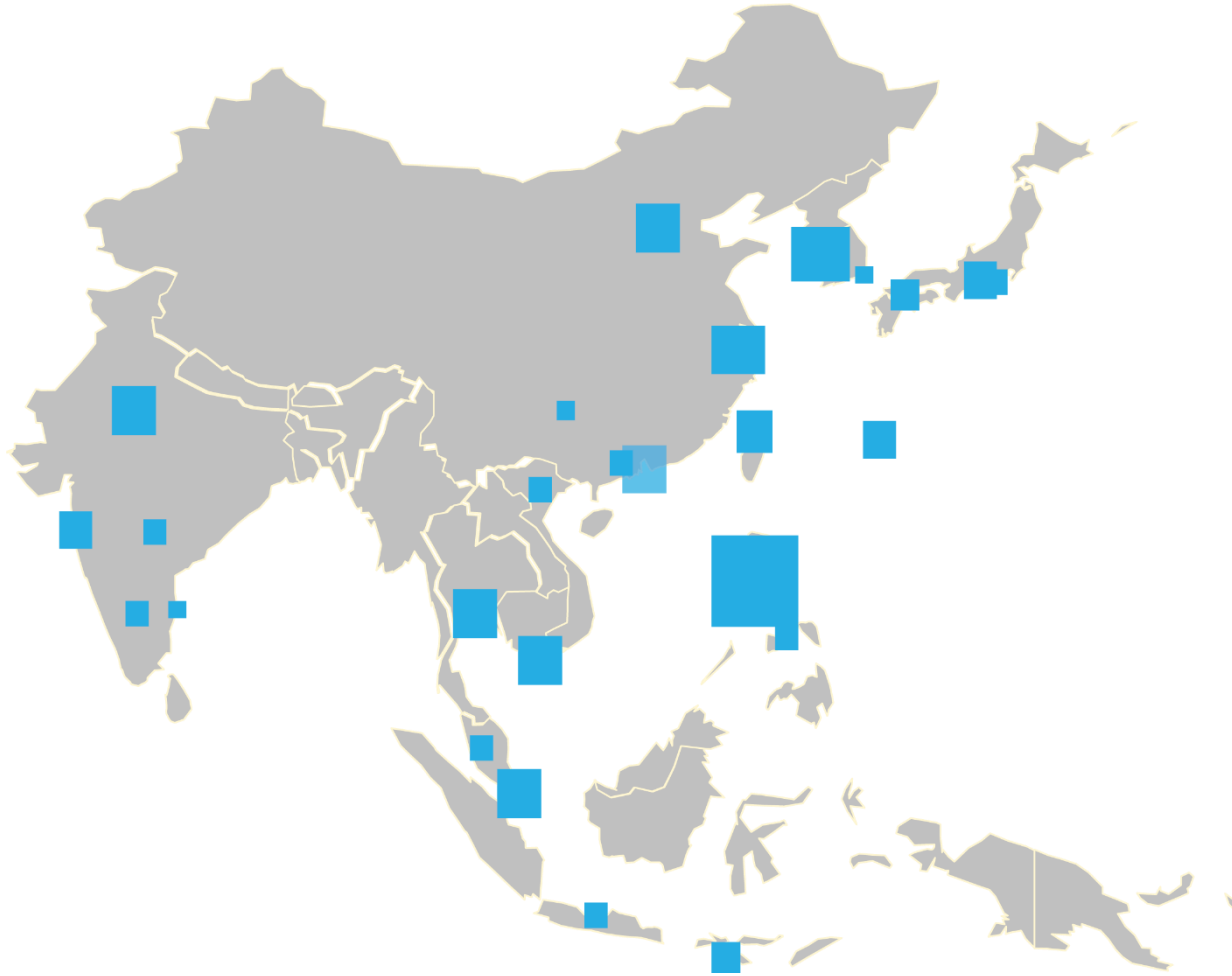
Rank	City	Code	Country	Reported	SAN	Leaked	Adjusted
				O&D	Capture		O&D
1	Paris	PAR	France	29,040	26.1%	82,141	111,181
2	Barcelona	BCN	Spain	14,716	17.8%	67,989	82,705
3	Rome	ROM	Italy	19,872	25.6%	57,902	77,774
4	Amsterdam	AMS	Netherlands	33,261	56.6%	25,463	58,723
5	Madrid	MAD	Spain	11,859	20.5%	45,966	57,825
6	Zurich	ZRH	Switzerland	22,210	56.3%	17,237	39,447
7	Frankfurt	FRA	Germany	28,115	74.9%	9,405	37,521
8	Dublin	DUB	Ireland	15,474	56.4%	11,970	27,444
9	Copenhagen	CPH	Denmark	13,634	50.2%	13,504	27,138
10	Milan	MIL	Italy	12,101	45.8%	14,334	26,434
11	Munich	MUC	Germany	15,975	60.6%	10,408	26,383
12	Athens	ATH	Greece	7,300	32.1%	15,414	22,714
13	Brussels	BRU	Belgium	8,343	44.2%	10,522	18,865
14	Manchester	MAN	United Kingdom	6,763	39.7%	10,278	17,041
15	Stockholm	STO	Sweden	6,904	40.6%	10,117	17,021
16	Venice	VCE	Italy	8,332	52.9%	7,420	15,752
17	Istanbul	IST	Turkey	5,796	38.7%	9,191	14,987
18	Lisbon	LIS	Portugal	9,142	71.5%	3,639	12,781
19	Vienna	VIE	Austria	6,537	51.8%	6,078	12,615
20	Moscow	MOW	Russian Federation	1,910	15.9%	10,071	11,982
21	Berlin	BER	Germany	8,096	67.8%	3,837	11,933
22	Prague	PRG	Czech Republic	8,003	68.6%	3,666	11,669
23	Budapest	BUD	Hungary	7,083	61.2%	4,498	11,581
24	Geneva	GVA	Switzerland	7,619	66.0%	3,922	11,541
25	Warsaw	WAW	Poland	2,347	20.8%	8,941	11,288
26	Dusseldorf	DUS	Germany	4,829	43.3%	6,315	11,144
27	Edinburgh	EDI	United Kingdom	5,423	55.3%	4,379	9,803
28	Stuttgart	STR	Germany	4,269	51.8%	3,969	8,238
29	Jerez	XRY	Spain	1,761	22.5%	6,077	7,839
30	Oslo	OSL	Norway	3,990	51.1%	3,819	7,809

Subtotal Top 30

330,702 40.4% 488,472 819,175



Top 30 Unserved Asia Markets



Rank	Market	Code	Country	Reported O&D	SAN Capture	Adjusted O&D
1	Manila	MNL	Philippines	28,369	25.8%	109,917
2	Seoul	SEL	South Korea	22,095	25.3%	87,481
3	Shanghai	SHA	China	22,501	45.4%	49,581
4	Beijing	BJS	China	20,489	51.8%	39,580
5	Hong Kong	HKG	Hong Kong	14,417	37.5%	38,419
6	Bangkok	BKK	Thailand	8,163	26.6%	30,737
7	Singapore	SIN	Singapore	13,171	43.1%	30,542
8	Taipei	TPE	Taiwan	13,162	45.4%	29,008
9	Ho Chi Minh City	SGN	Vietnam	13,621	47.7%	28,559
10	Okinawa	OKA	Japan	12,082	48.2%	25,050
11	Delhi	DEL	India	6,070	25.2%	24,071
12	Osaka	OSA	Japan	12,156	67.1%	18,126
13	Bengaluru	BLR	India	5,666	34.1%	16,614
14	Mumbai	BOM	India	4,925	32.3%	15,269
15	Guangzhou	CAN	China	1,419	10.7%	13,303
16	Denpasar-Bali	DPS	Indonesia	2,052	16.7%	12,270
17	Hyderabad	HYD	India	3,079	26.9%	11,462
18	Fukuoka	FUK	Japan	7,847	68.9%	11,393
19	Chengdu	CTU	China	985	12.1%	8,107
20	Hanoi	HAN	Vietnam	1,641	23.1%	7,100
21	Kuala Lumpur	KUL	Malaysia	2,244	32.7%	6,864
22	Chennai	MAA	India	2,390	36.0%	6,644
23	Jakarta	JKT	Indonesia	2,826	42.7%	6,617
24	Cebu	CEB	Philippines	1,055	17.6%	6,001
25	Angeles/Mabalacat	CRK	Philippines	1,411	28.1%	5,028
26	Shenzhen	SZX	China	518	10.3%	5,009
27	Nagoya	NGO	Japan	3,843	84.7%	4,538
28	Busan	PUS	South Korea	3,408	75.3%	4,529
29	Da Nang	DAD	Vietnam	957	21.4%	4,473
30	Phuket	HKT	Thailand	868	23.8%	3,643

Thank you!

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