


Out of the box



New Airline Deal Spotlights Leakage from the Community

Last month representatives from Cody met with United Airlines to discuss more favorable rates and schedules for service from Yellowstone Regional Airport. Accompanying the Cody delegation were two WYDOT Aeronautics representatives. Many substantial items were discussed in negotiations aimed at improving the affordability of Cody's air service. *No single issue was more significant than the number of tickets sold in Billings from Cody's market area.*

The state reports Cody's airport loses three out of every five tickets sold within the Big Horn Basin area. That's a total of 48,546 seats and almost twice the number of annual enplanements at YRA!

This is but one example of the serious "leakage" which occurs to the Billings market on a wide array of items. A report by the University of Wyoming's Market Research Center provides some raw numbers on leakage in a variety of industries. For example, Park County loses \$12.7 million per year in grocery sales, over \$20 million in car sales and service, and nearly \$20 million in building materials and supplies. These are significant

numbers when you look at the overall impact on our businesses during this economic downturn.

Just think what Cody and Park County would look like if simply half of those expenditures were made at home!

People say they shop in Billings because of price. This is the main reason given for airline tickets. Obviously, we have to compare things on an "apples to apples" basis and factor in mileage, time, etc. when looking at Billings prices, just as we must consider sales tax for Wyoming purchases. It begs, though, the notion that a person should at least compare the cost first!

Cody residents need to look at the "true" price of shopping elsewhere. Businesses need to look at their pricing in relationship to Billings. The end result could be of benefit to us all. It certainly has been a positive for air service.



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