



# *Greenville-Spartanburg Airport District Strategic Business Plan 2021-2025*

**Flight Plan to Recovery and Resiliency**

April 2021

# About Us

**Greenville-Spartanburg International Airport (GSP) is a commercial service and general aviation airport located in Greer, South Carolina.**

It is owned and operated by the Greenville-Spartanburg Airport District (District). GSP's enabling statute was signed into law on May 25, 1959, with the first flight taking off on October 15, 1962. The Greenville-Spartanburg Airport Commission (Commission) is the governance body for the District. The bylaws were last promulgated and adopted by the Commission on May 26, 1989 pursuant to Sections 55-11-110 through 55-11-210 of the Code of Laws of South Carolina 1976, as amended.



**May 25, 1959**

GSP's enabling statute was signed into law.



**October 15, 1962**

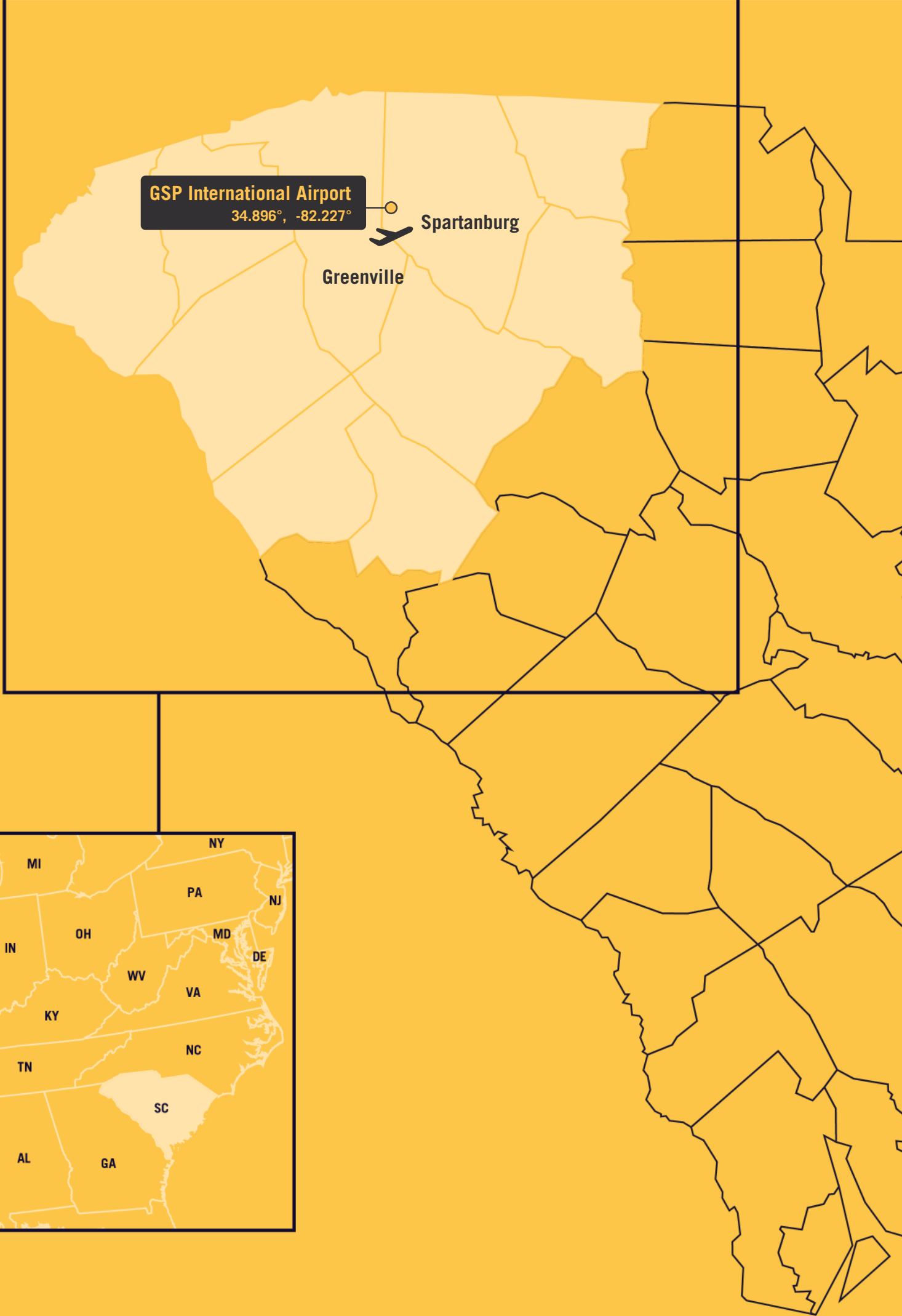
The first flight takes off from GSP.



**Full independent governing authority**

GSP is a self-sustaining enterprise, receiving no subsidies from state or local taxpayers.

Current information may be found at [www.gspairport.com](http://www.gspairport.com)





# Chair's Message

## *Minor Shaw Chair*

### ***It is my pleasure to present GSP's Strategic Business Plan for 2021-2025: Flight Plan to Recovery and Resiliency.***

Adopted by the Greenville-Spartanburg Airport Commission on September 28, 2020, the plan is the second developed and released during my tenure as Chair. Like the first, it was developed in conjunction with my fellow Commission members, Dave Edwards our CEO, and the GSP Executive Team.

All of us - GSP, the aviation industry, the Upstate, and our nation - face unparalleled challenges from COVID-19 and the dramatic effects the contagion has had on our economy and lives. Against that backdrop, we are confident that GSP will play a critical role in assisting the Upstate's recovery by uniting our people with their families and our businesses with their markets.

Our confidence is born from the success of our strategies and our performance over the

last six years. GSP hosted record numbers of passengers, stood up Cerulean Aviation (Cerulean) - our new fixed based operator providing superior performance to our general aviation, cargo and airline users, and cut the ribbon on a beautifully redesigned passenger terminal replete with new Upstate offerings for our residents and visitors.

Our Strategic Business Plan outlines our Vision, Mission and Core Values as well as our Strategic Goals that together capture our priorities. We identify performance measures for each goal, allowing us to monitor GSP's continuing progress and, if needed, to reset our direction. Our Commission is proud that our efforts have been thorough, examining the aviation industry, GSP's place in it and the needs of each of you - our users and GSP's community and region.

As always, please provide us with your feedback so we can incorporate your thoughts in our ongoing efforts at managerial and operating excellence.



# President/CEO's Message

**Dave Edwards** President/CEO

***Our new five-year strategic business plan is GSP's management playbook to recover, increase resiliency and continuously improve over the next five years.***

While COVID-19 has brought unprecedented challenges to the Upstate, nation and the world, the Greenville-Spartanburg Airport District (operator of GSP) is successfully weathering the aviation and economic challenges, and is well positioned to continue our Mission—to advance the economic prosperity of the region by providing safe, convenient, user-friendly and cost competitive air transportation.

The Commission and Executive Team's focus on our Mission has set the stage for the realization of our long-term Vision—serve as the region's global transportation hub and

economic catalyst by providing best-in-class infrastructure and service. Under our previous strategic business plan we opened our new and expanded passenger terminal; launched Cerulean Aviation, our GSP run fixed based operator supporting general aviation aircraft and fueling as well our air cargo users; and added new locally themed passenger amenities such as Thomas Creek Grill, RJ Rockers Flight Room and the Palmetto Distillery for our passengers. In just our second year with our new independent survey firm (Airports Council International), I'm proud to say that GSP was ranked by the Airport Service Quality awards as the Best Small Airport in North America in 2020.

These developments were achieved without taxpayer subsidies as GSP operates with resources provided by our users. We leverage these resources to operate our

infrastructure, invest in the future and retain a reserve to guard against industry downturns, even one as severe as COVID-19. Our team is also successful at winning grants distributed by the Federal Aviation Administration, which contributes to the low rates and charges we assess and recover from our users.

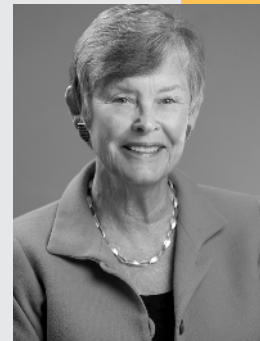
As we have grown to host over 2.6 million passengers (2019), we never forget that our job is to provide Upstate hospitality and best in class service to our passengers and users. We hope to see you at GSP soon. In the meantime, please have a look through our strategic business plan for 2021-2025. We are excited to share it and to see what the next five years will bring for the Upstate.

# Commissioners' Perspectives on the 'Performance Airport'

**GSP's six Commission members are appointed by the Governor of South Carolina.**

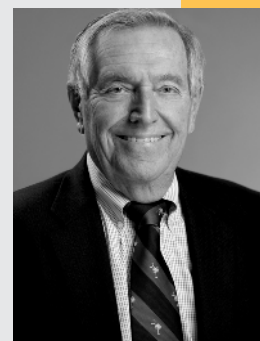
Three of the members are chosen from the residents of Spartanburg County upon the recommendation of a majority of the members of the Spartanburg County Legislative Delegation. Three members are chosen from the residents of Greenville County upon the recommendation of a majority of the members of the Greenville County Legislative Delegation. The term of office for Commissioners is six years.

GSP is an independent governing authority; the Commission's sole responsibility is to oversee the management and operation of GSP. The airport is a self-sustaining enterprise, receiving no subsidies from state or local taxpayers.



**Minor Shaw**

"We don't have beaches, nor are we the home of state government in the Upstate, so we always must be entrepreneurial and focus on economic development. Through its commercial approach and creative leadership, I'm proud to say that GSP has helped lead our region's reinventions and transformations."



**Hank Ramella**

"GSP's moves to create Cerulean and build out our industrial park have diversified our services and made us financially stronger; we contribute increasing amounts of economic value to the Upstate."



**Leland Burch**

"Through the many years I have served as a Commissioner, I've been fortunate to participate in the region's growth and demand for air service. I'm most proud of the fact that the community tells me how much they love the airport's convenience, easy access and beauty."



**Valerie Miller**

"Wingspan's terminal redevelopment was an outstanding financial and customer success. Our customer amenities and local flavor greet visitors with excellent service and a lovely view of the Upstate. All of this was done without taxpayer assistance or issuing debt."



**Doug Smith**

"The Commission and our CEO's fiscal conservatism has served us well; even during COVID-19's unprecedented challenges to aviation, our financial position has enabled GSP to respond quickly and aggressively move forward."



**Jay Beeson**

"Since I joined the Commission last year, I have been delighted by how financially conservative we are and what good shape we are in despite aviation's challenges. The culture here, started by Roger Milliken and reinforced by our Commission and executive leadership team, is outstanding."

# Our Flight Plan to Recovery and Resiliency

**In February 2020, GSP was in the midst of a decade of passenger and cargo growth and was poised to have another record year. The fast propagation of the COVID-19 pandemic quickly wreaked havoc on the global aviation system and traffic levels everywhere plummeted, including at GSP.**

**Airport Management and Recovery:** Our new strategic business plan recognizes our challenges ahead. These include building back our traffic and contributing to the Upstate's economic growth, making ourselves even more resilient. This will allow GSP to mitigate future downturns, whether caused by the ups and downs of the market, or by external factors such as a pandemic, natural disaster, or September 11-type attacks.

The existential crisis facing the global aviation industry was felt severely at GSP; fortunately, our management philosophy going into the

crisis helped to mitigate its effects. We maintain extremely low debt levels, we have reasonable charges assessed to our users, and we have diversified our revenue streams. Together with the federal government's aggressive response in supporting airlines and airports, we today are in a strong position to recover.

As we prepare for recovery still at a time when the pandemic is hitting air travel hard, we are careful to forecast recovery scenarios that cover the wide range of possibilities and ensure that GSP will be successful under any of the forecasts. This directly feeds our budget process and has meant some costs have been deferred especially on the facilities side.

**Our Collective Resiliency Efforts:** At the same time, we have been advising our staff, passengers and airport tenants on the role each can play in our *Prepare for Take Off!* Campaign. This early

leadership reduced the risks of transmission where there was still concern that air travelers faced disproportionate risks (since then studies have shown with precautions they do not).

For the future, look for additional measures that GSP will take, including innovative uses of technology to make your journey through GSP more seamless and contactless. These measures will pay dividends in the future as they will reduce the risks of air travel still further.

We are confident that our Flight Plan is the right one and, as always, we welcome your suggestions.



## Face masks required

Passengers are required to wear face coverings in public areas.



## Plexiglass shields

Plexiglass shields have been installed in high-traffic areas, such as ticketing counters, gates, security checkpoints and stores.



## Touch points

You can reduce touch points by utilizing mobile boarding passes and carry on luggage.



## Gate areas

Passengers are encouraged to space themselves out in gate seating areas to minimize congestion.



## Ground markings

Stickers have been placed around airport public areas to encourage all passengers to practice social distancing and keep a six foot radius around themselves.



## Cleaning

We are cleaning more frequently in all areas with medical grade products to ensure public safety.



## Hand sanitizers

Additional hand sanitizing stations have been placed around the airport for use.



## Security

Increased queue line spacing is encouraged to improve social distancing.



## Wash your hands

All passengers are encouraged to wash your hands with soap and water for at least 20 seconds.

# Governance, Business Planning and Performance

## *The Greenville-Spartanburg Airport District enjoys a state-of-the-art governance model.*

Thanks to the farsighted leadership of individuals such as Roger Milliken and previous Commissions, GSP was among the first U.S. airports to create and sustain a single-purpose airport authority, meaning our Commission is solely dedicated to the Upstate's aviation needs and overseeing the airport.

Among public agencies, airport authorities are relatively unique in that they recover their costs from the airport's variety of users and do not rely on local taxpayer or general fund support. GSP takes this one step further by setting a goal of financial sustainability and diversifying its revenues. That has proven so successful that even when all airports' users and revenues have plummeted, GSP has persevered, sustained by strong leadership, financial reserves and very low debt relative to comparable airports.

**The 2014-2020 GSP Strategic Business plan was extremely successful with GSP's leadership exceeding each of its performance goals over the period. These included:**

### **Safety**

Reducing injuries by more than half in a time of growth and new operating responsibilities

### **Economic Development**

\$2.9 billion in total economic output, three times the previous estimate

### **Air Service**

GSP grew faster than its six regional, and seven national benchmark airports, doubling its passenger traffic from 1.3 to 2.6 million annually

### **Opportunity**

Airport management prioritize outreach to local and disadvantaged businesses in its construction projects and contracts

### **Customer Service**

Implementing new global measures, GSP outperformed its peer airports

# Continuing Stewardship:

## *Making GSP a one-of-a kind experience*



GSP has prioritized its aesthetic through multiple expansions and upgrades, creating a modern facility that transports over 2.6 million passengers per year. GSP's campus of over 3,700 acres puts it in a unique position to provide continued economic growth and development to the Upstate.



From its inception, GSP has strived to create and maintain a unique and high-quality campus landscape. From the initial mid 20th-century landscape to the present, our task has been to maintain and improve the landscape of the campus and make the GSP experience truly one-of-a kind.

“  
You only  
have one  
chance  
to make  
a first  
impression”

### **Roger Milliken**

Chairman of the  
Greenville - Spartanburg  
Airport Commission,  
1959-2010

# GSP Master Plan

2019

As the owner, sponsor and operator of the Greenville-Spartanburg International Airport, the Greenville-Spartanburg Airport District, evaluates the airport periodically through preparation of an airport master plan, to ensure that the airport and its environs are safe and efficient, and to evaluate the growing needs of the airport's users and the aviation needs of surrounding communities.

An airport master plan study is needed to address key issues, objectives and goals pertinent to the airport's development over a 20-year planning period; a completed master plan is also a key enabler to receiving Federal Aviation Administration (FAA) Airport Improvement Program discretionary funding—something GSP has been very competitive in receiving. The FAA recommends an airport update its master plan every seven to ten years. GSP's previous master plan was completed in 2003.

The GSP Master Plan Update (Study) was initiated in early 2017. The Study analyzed existing and future operations at the airport to determine future development needs. The Study was finalized in December 2019 with the formal publication of the 2019 GSP Master Plan Update (Plan).

The Plan provides new forecasts of aviation demand, identifies physical improvements required to accommodate future demand, and promotes land use recommendations necessary to protect the airport and its environs. Additionally, a capital improvement plan, pavement management plan, Airport GIS (AGIS) Survey and revised Airport Layout Plan (ALP) drawing set are all included in the Plan.

For the 2021-2025 period of the Master Plan, key infrastructure projects will be delivered supporting an array of airside, terminal and landside projects.

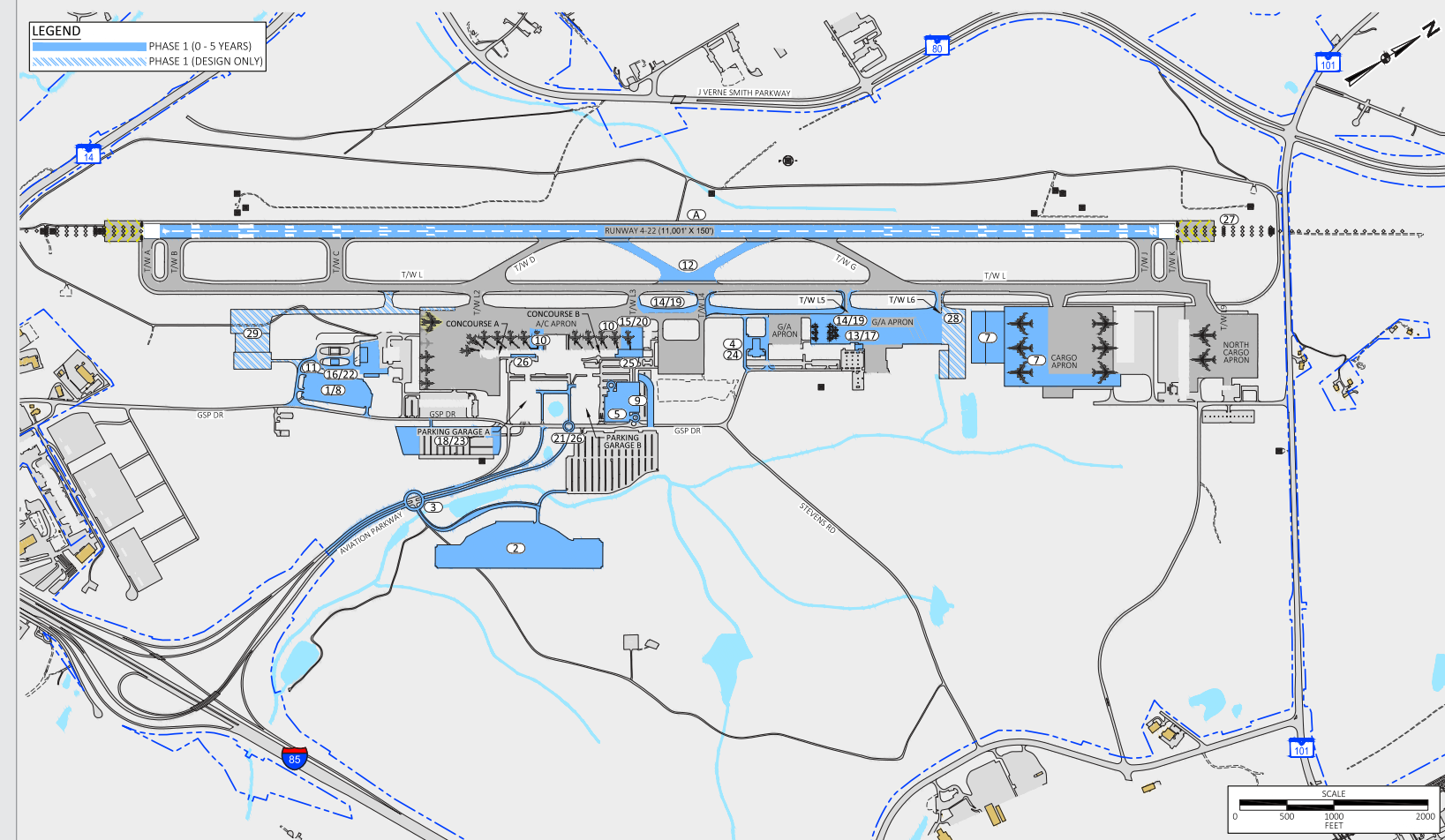
## Top Projects Include:

- Terminal Expansion**  
\$133,650,000
- Parking Garage C & Roadway**  
\$81,000,000
- Terminal Apron Expansion**  
\$16,500,000
- Pavement Improvement**  
\$15,400,000
- General Aviation Hangar Development**  
\$8,000,000
- Cargo Apron**  
\$7,500,000
- Fuel Farm**  
\$5,800,000
- South Aviation Complex**  
\$5,700,000
- FBO Expansion**  
\$5,300,000

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- Total for SBP piece**  
\$278,850,000
- CIP 5-year**  
\$293,650,000

*The Plan's overarching goal is to outline how GSP can best position itself to continue to provide for safe, reliable and efficient aeronautical operations, accommodate growing and changing aeronautical demands, and ensure regional economic success*





# *Our* **Mission**



*To advance the economic prosperity of the region by providing safe, convenient, user-friendly and cost competitive air transportation.*

# *Our* **Vision**



*Serve as the region's global transportation hub and economic catalyst by providing best-in-class infrastructure and service.*

# Our Values



- 1. **Safety and Security** C  
We embrace them as our priority

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- 2. **Innovation** C  
We embrace innovative solutions and are always ready for change

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- 3. **Accountability** C  
We accept responsibility for our actions

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- 4. **Integrity** P  
We are dedicated to honest and ethical practices

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- 5. **Servant Attitude** P  
We are dedicated to putting others before self

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- 6. **Teamwork** P  
We think and act like one team, bonded by mutual trust and respect

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- 7. **Excellence** A  
We are committed to ensuring excellence in all we do

- C Core values**  
lie at the heart of the District's identity
- P Permission-to-play values**  
minimum behavioral standards that are required for all employees of the District
- A Aspirational values**  
qualities and characteristics that the District desires to have and believes it must develop in order to maximize the success of the District

# Strategic

# Goals



## *Safety*

Provide safe, secure infrastructure for users, employees and tenants

## *Service*

Maintain and attract new passenger and cargo air service, while providing superior customer service to our passengers, other airport users, and tenants

## *Finance*

Increase and diversify aeronautical and non-aeronautical revenues to ensure future financial sustainability

## *Regional Leadership & Opportunity*

Be an Upstate employer of choice and contribute to the economic growth of the region, while providing GSP opportunities to local businesses

## *Cerulean*

Provide innovative services to support operations and contribute to GSP's self sufficiency (support the growth in cargo, charter, and corporate flight activity and grow revenues generated by commercial ground handling, commercial fueling and the Fixed Based Operator)

# Safety

*Provide safe, secure infrastructure for users, employees, and tenants*

Safety is the top goal for GSP. Measuring safety must go beyond focusing on the recording of injuries and include proactive measures to address safety precursors—practices that make it more likely that an injury might occur.

GSP training programs encourage our employees if they “see something, say something” whether to a fellow employee, tenant, passenger, or other user of our facilities.

## 2021-2025 Measures

Number and rate of injuries (rates will include OSHA reportable incidents per hours worked and for passengers’ incidents per enplanement)

Insurance claims and losses

## Enabling Initiatives

Refine the collection and analysis of precursor and injury information

Continue to build on staff safety training initiatives

Service at GSP takes on several meanings—air service, customer service, and service to those shipping cargo—each of which is included here.

## 2021-2025 Measures

For passenger air service, perform above medians for national benchmarked airports

For passenger air service, increase GSP’s capture and reduce our leakage to other airports within our service area

For cargo air service, attract at least one new cargo carrier

For customer service, outperform our peers on Airport Council International’s Airport Service Quality (ASQ) ratings and use GSP’s results to prioritize service improvements

## Enabling Initiatives

Target and win air service to priority markets, including Boston, Toronto and international markets

Diversify the air cargo business

Develop GSP-tailored passenger surveys (e.g., Escape Lounge GSP, parking services, Cerulean)

# Service

*Provide superior customer service to our passengers and other users, including maintaining and attracting new passenger and cargo air service*

## Finance

*Increase and diversify aeronautical and non-aeronautical revenues to ensure future financial sustainability*

The importance of our financial strategies during COVID-19 and the economic recession were visible to all as our public airport has been able to weather the storm without interruption to our services or our long-term strategies. We endeavour to be a self-sustaining commercial public enterprise.

### **2021-2025 Measures**

Depending on the pace of the economic recovery, target greater than a 35% annual gross margin for the airport (Variable)

Depending on the pace of the economic recovery, target a cost per enplanement of \$6.50 or lower (Variable)

Build a cash reserve equivalent to at least one year of operations and maintenance expenditures (Fixed)

Target airlines' revenues to be under 20% of total GSP revenues (Fixed)

### **Enabling Initiatives**

Impose a passenger facility charge (PFC) to enhance financial flexibility as well as to support and enhance GSP's capital improvement program

Become less reliant on airline revenues and federal sources of capital

Continue to be industry leaders in developing new and unique revenue opportunities

GSP provides infrastructure to a variety of users, enabling and supporting economic growth and regional prosperity. We continue to look for new ways both on- and off-airport to contribute to the Upstate and, where possible, to offer opportunities to local businesses.

### **2021-2025 Measures**

Use our economic impact study for five-year assessments of GSP's contributions to the region

Develop and deliver a capital program that supports GSP's infrastructure for the benefit of our users

Publicize procurements to local business partners and meet the federal government's disadvantaged business enterprise (DBE) goals

### **Enabling Initiatives**

Align GSP 360, our strategic focus on our available land, to our and our community's needs

Meet GSP diversity and inclusion goals, expanding local opportunities through implementation of an IDIQ procurement process, and target dissemination of procurements to disadvantaged communities

Further develop, across GSP's Executive Team, our involvement in the community, including economic development and partnerships

## Regional Leadership & Opportunity

*Contribute to the economic growth of the region through the continued expansion and development of GSP and its business lines, and provide GSP opportunities to local businesses*

Cerulean, focused on the following page, reflects the innovative culture of GSP and our willingness to lead, change and adapt to our dynamic industry, while providing a return to our core enterprise.

## 2021-2025 Measures

Align levels of workforce to changes in Cerulean's business

Account for higher levels of forecast risk and change in the industry

Increase the net contribution to GSP across Cerulean's three business lines: Fixed Based Operator (FBO), Commercial Fueling, and Ground Handling/Support

## Enabling Initiatives

Continue to develop cost-accounting procedures across our business lines in order to measure the full cost of providing services

Enhance recruitment, retention, and responsiveness of the Cerulean workforce

Market Cerulean, including in conjunction with other GSP marketing efforts

## Cerulean

*Perform with a high level of business acumen to support operations and contribute to GSP's self sufficiency*

# GSP and Innovation

## The story of Cerulean

***In 2016, GSP's management team opened Cerulean Aviation, seeking to become "Upstate South Carolina's premier customer service organization specializing in aviation ground support." Improved ground support services were critical for GSP's users, including passenger airlines, general aviation users and the fast-growing air cargo industry.***

Cerulean was created after an Executive Team-Commission Review determined that GSP should operate its Fixed Base Operator (FBO) in order to ensure that the airport's wide variety of users would get the service they deserve and that the management team would work toward it being self-sustaining and providing a contribution to the overall enterprise.

Just five years later, Cerulean has proven to be a stellar and innovative success, supporting three of GSP's strategic goals in its 2014-2020 plan.

**Economic development:** Just in 2017 alone, nearly \$400 million of domestic and international air cargo goods were shipped through GSP by regional firms (Source: 2018 GSP Economic Impact Study).

**Air service:** Cerulean provides ground handling, fueling, cargo loading and other services to commercial flights. As a premium Fixed Based Operator (FBO), it serves a variety of general aviation users. The high-level of service, measured through positive feedback, is vital to attracting new customers to GSP.

**Financial management:** With its goal of being self-sustaining financially, Cerulean is a key component of the airport's efforts to grow revenue and diversify. Since 2016, Cerulean has grown significantly from \$818.3 thousand in revenue to \$8.7 million in 2019, a more than ten-fold increase. It provides an important contribution to the enterprise; during this time of COVID, this diversification has been critical with air cargo flights playing an increasing role for Upstate businesses.

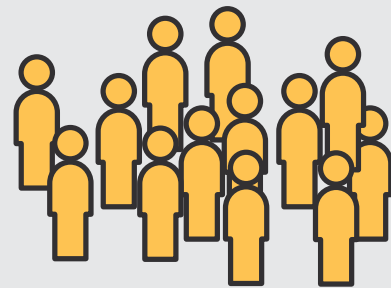


*Cerulean's success is a product of GSP's continuing efforts to remain flexible, responsive and innovative to today and tomorrow's industry. It offers a great example that FBOs can provide top-level service while being financially successful.*

# Then & Now

Strong airport growth over the last 5 years

**↑ 50%** Employees



2014  
**134**



2019  
**201**

**↑ 37%** Passengers



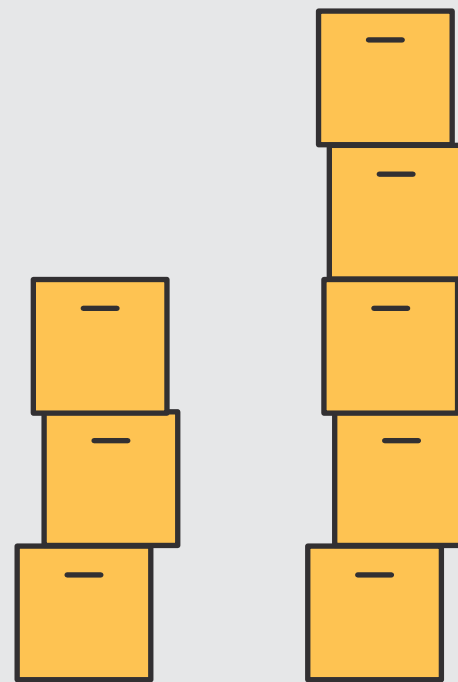
2014  
**1.9**  
million



2019  
**2.6**  
million

# Air Cargo Activity

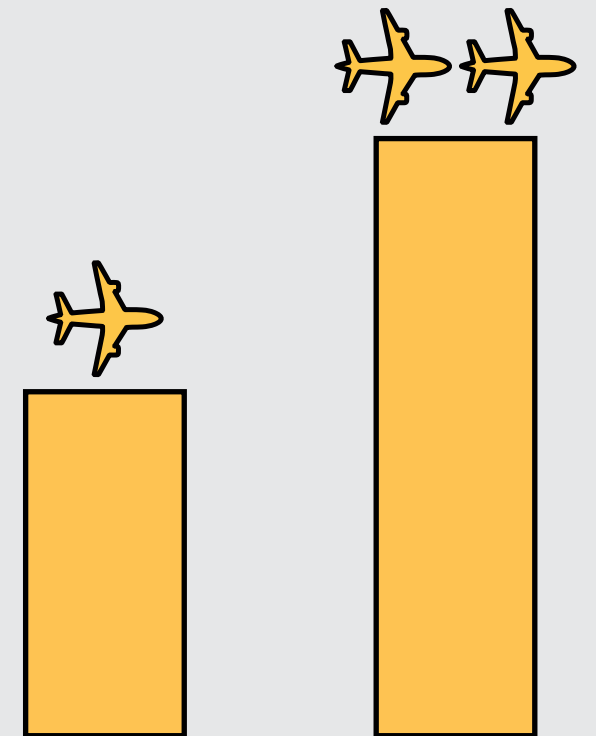
**↑ 84%** Cargo Uplift



2014  
**31K**  
tons

2019  
**57K**  
tons

**↑ 73%** All-Cargo Landed Weight



2014  
**120K**  
tons

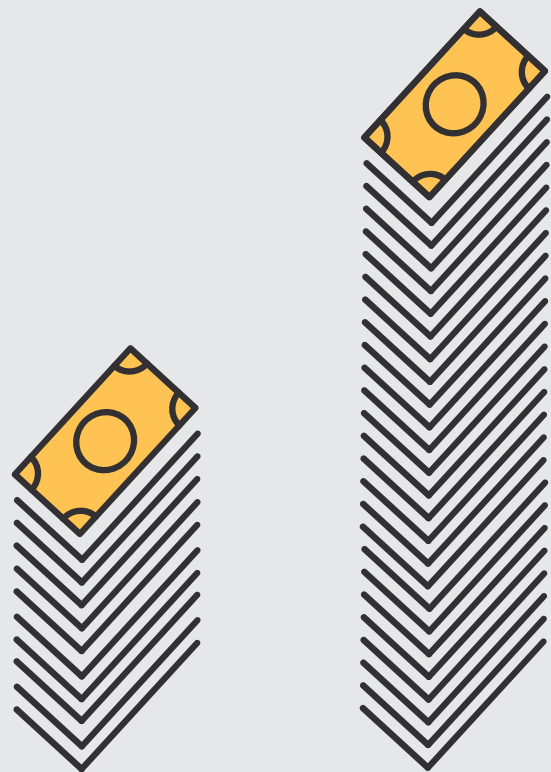
2019  
**208K**  
tons



# Economic Impact

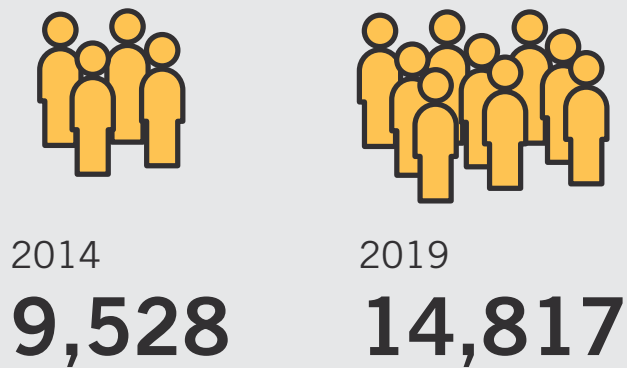
↑ 255%

**Economic Impact**



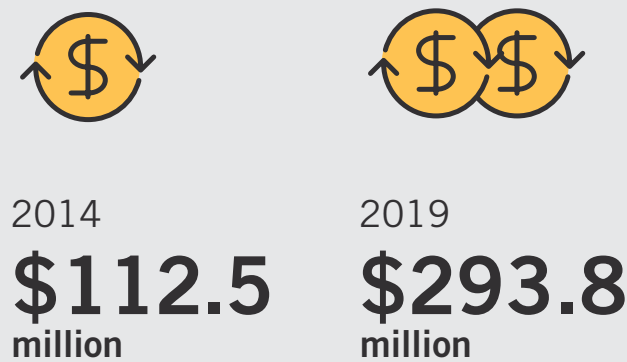
↑ 56%

**Jobs**



↑ 161%

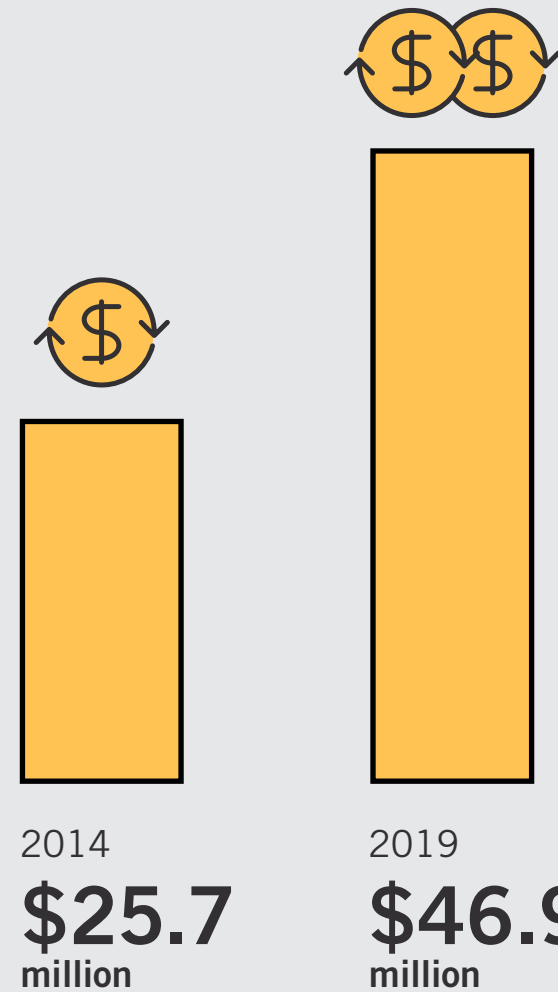
**State & Local Taxes**



# Financial Metrics

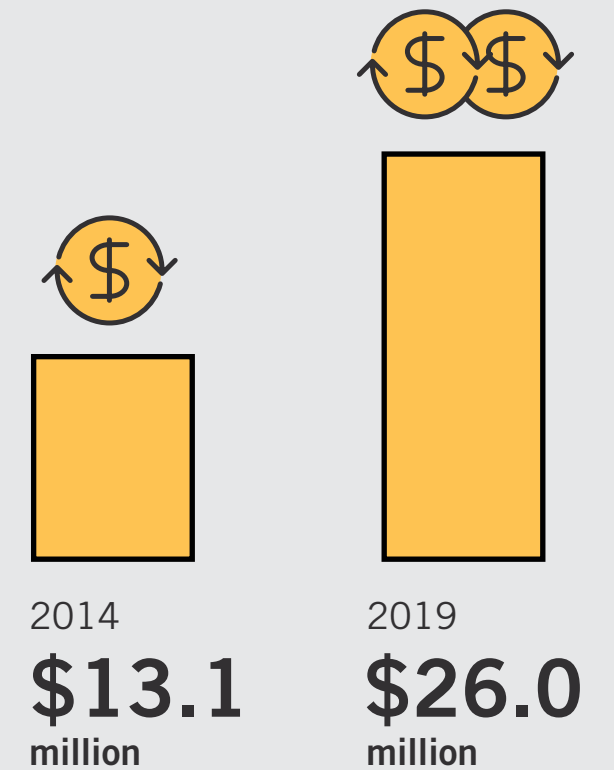
↑ 82%

**Airport Revenues**



↑ 98%

**Airport Expenses**



# Executive Team

The GSP Executive Team has combined airport experience of over 90 years. The team is well versed in all aspects of airport management with a passion for entrepreneurial ventures and a goal for GSP to be best in class by leading the way on many items for the airport industry.



**David N. Edwards, Jr., A.A.E.**  
President/CEO



**Kevin E. Howell, CM, IAP**  
Senior Vice President/COO



**Basil O. Dosunmu, CPA, CIA, CM**  
Senior Vice President, Administration and Finance/CFO

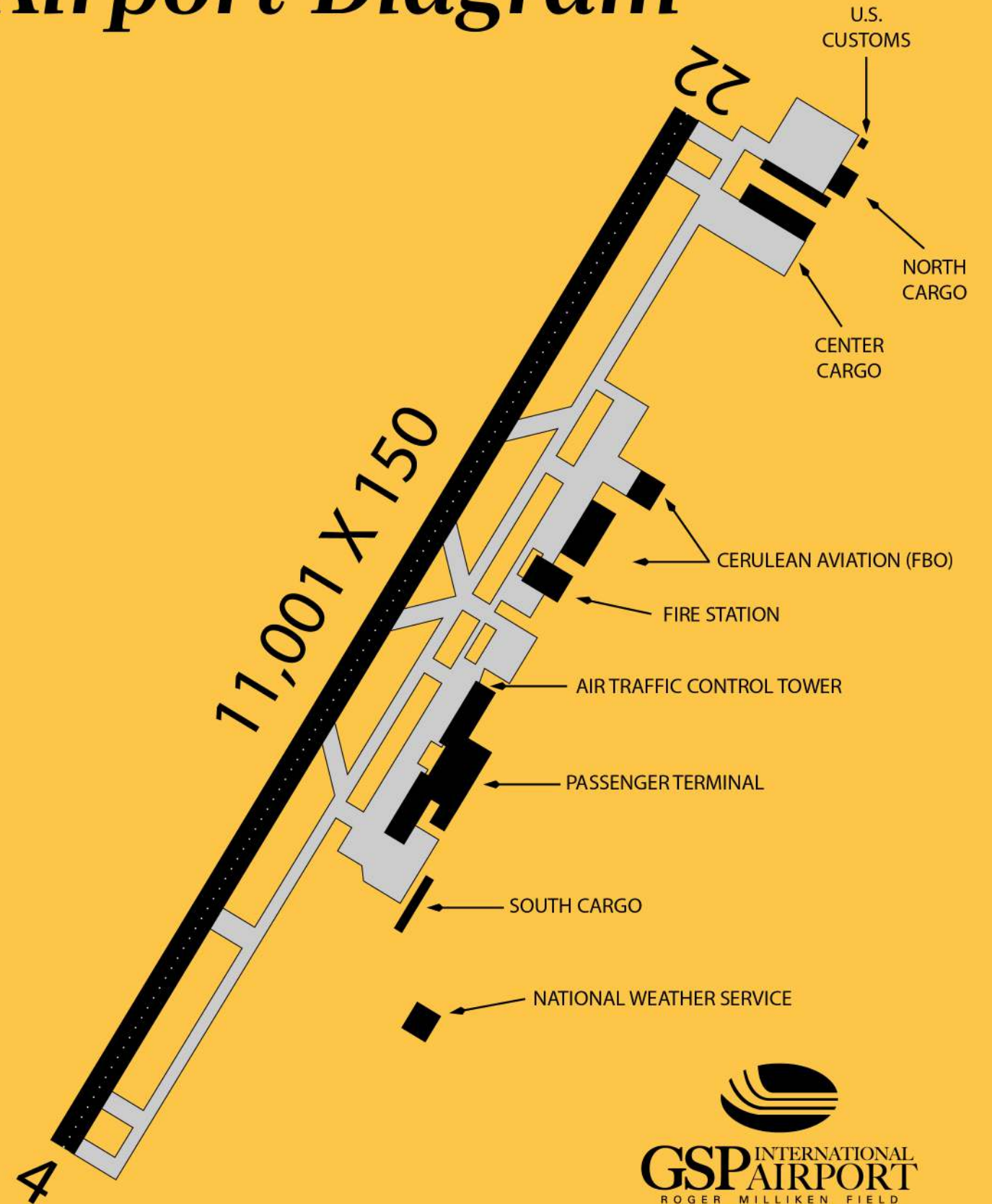


**Scott C. Carr, A.A.E.**  
Vice President, Commercial Business and Communications



**Casey Cooperman**  
Executive Assistant

# Airport Diagram





**GSP** INTERNATIONAL  
**AIRPORT**  
ROGER MILLIKEN FIELD