

From Raspberries to Revenue: Abbotsford International Airport



BRIGHT IDEAS IN ECONOMIC DEVELOPMENT

SYNOPSIS

In 1997, Abbotsford International Airport's largest income by line item was the modest revenue from raspberry farm operators located on the property. Fast-forward 22 years and the airport is using a company-first model to attract businesses, and is now poised to host a record-setting one million passengers in 2019!

LOCATION

Abbotsford

REGION

Lower Mainland/
Southwest

POPULATION

141,400

ECONOMIC BASE

Trade,
construction,
health care,
manufacturing,
transportation/
warehouse

INNOVATORS

Abbotsford
International
Airport



INTRODUCTION

[Abbotsford International Airport](#) (YXX) has a unique way of doing business. With 842,212 passengers making use of the facility in 2018, and a large variety of airlines and flight training companies based there, they've created an ecosystem based on listening to the needs of their businesses, that is empowering airlines to stay and grow.

This busy asset is located on the southwest end of town has a number of airline companies that have chosen to provide a great selection of priority routes at economical fares to passengers from all over the Lower Mainland.

The airport is also home to B.C.'s growing aerospace cluster. How did YXX do it?

THE CHALLENGE

In 1997, [Transport Canada](#) sold the Abbotsford Airport to the [City of Abbotsford](#) for a nominal fee of \$10.



At the time, the airport was seeing only 3,000 passengers per year. In fact, traffic was so low that the largest revenue generator by line item for the property wasn't air travel related at all – but from raspberry farm operators using the land.

The City recognized the challenge and understood an asset like this one could act as a valuable driver for economic growth and sustainability. The challenge was how to go about doing it?

Did they follow suit with the status quo for airport development, or did they look at innovative ways to attract airlines and bring in businesses for the long term?

THE STRATEGY

An airport authority was formed to manage the airport on behalf of city council. Since 1997, over \$80 million has been reinvested in infrastructure at YXX.



These funds were raised through airport revenue streams and provincial and federal grants. As a result, the airport operates year-round independently of local tax dollars. The airport is self-sufficient based on its current business model and revenue stream. Over the past 20 years, the airport has gradually grown in size. They steadily gained more passengers, reaching half a million in traffic annually and levelling out at this number in 2014. And although this was better than in years prior, there was still more to do.

In 2015, YXX took on a new approach – a business model by the airlines, for the airlines. They shifted their branding from a business standpoint to that of a public asset. The goal was to provide a platform to enable the airlines and aerospace corporations to continue to grow and innovate.

The tagline “YXX is open for business!” reinforced this business model aligning them with ultra low-cost carriers. By making this mindset switch, Abbotsford International was no longer competing with the private sector, but empowering it. This momentum propelled YXX to become Canada’s fastest-growing airport by passenger volume in 2018.

They consulted with all their partner airlines to determine the needs for the companies to continue to do business there; they engaged their stakeholders to tailor the airport experience to their requests; and they interviewed passengers to determine what their travel priorities were. Once equipped with this information, they rolled out a plan that would earn them approximately 470,000 more passengers in just three years.

By getting rid of its \$10 airport improvement fees, they made air travel more affordable and accessible. Low fares meant passengers were choosing to fly out of YXX instead of taking buses and cars, and as such, business at the airport grew.

YXX is home to a number of aerospace companies, including [Alpine Aerotech](#), [Conair Aviation](#), [Cascade Aerospace](#) and [Chinook Helicopters](#). They also host four national carrier airlines: [Westjet](#), [Flair](#), [Air Canada](#) and [Swoop Airlines](#). Through these partnerships and others, they continue to consult and refine their fee structure and add routes to build their international capacity, like Mazatlán, Puerto Vallarta, Las Vegas and more. They are also able to provide a unique training program for aspiring pilots through their diverse aircraft partners.

Additional initiatives they host include the [Canada National Airshow](#), the [Abbotsford International Airshow](#), and [Girls Fly Too](#) annually. These initiatives bring in tourist revenue from all over Canada, North America and the globe.

LESSONS LEARNED

- **Consultation is key:** By asking the airlines what they needed to succeed, they have built strong, trust-based relationships, and were able to empower the companies to grow.
- **Think outside of the box:** There is always room for innovation, even in established industries. Whether it is through an annual air show, or offering a venue for aerospace training, there is always an opportunity to try something new.



SUCCESSES

Abbotsford International Airport is poised to host a record-setting one million passengers in 2019. Through their business platform, YXX has empowered airlines to grow and succeed, and has been able to provide consumers with affordable fares for quality travel.

Through the various aerospace corporations based out of YXX, many high-skill workers have moved to the community to staff these incredibly technical roles.

By building the number of workers in the community with niche skillsets, YXX is contributing to a strong and resilient economy.

As a leading economic driver for the community, YXX contributes to the local and provincial economy and empowers the greater business community to help grow the airport. It’s truly a partnership at YXX.

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