

BOUTIQUE AIR

Essential Air Service Proposal

Joplin, MO

DOT-OST-2006-23932

February 5, 2024

About Boutique Air

Our Story

Headquartered in San Francisco, California, Boutique Air has been in operation since 2007. We began by flying fire surveillance missions for the U.S. Forestry Service and Bureau of Land Management. We evolved to provide air charter services across the west coast with our fleet of Pilatus and Beechcraft aircraft.

In July of 2012, Boutique Air applied for commuter operating authority from the Department of Transportation. Boutique Air began flying scheduled service between Los Angeles and Las Vegas in January of 2014.

We have worked to develop effective marketing distribution channels with a reservation system that connects to all primary Global Distribution Systems (GDSs), allowing travel agents access to our flight inventory. You will find us on Worldspan and Galileo (Travelport), Sabre, and Amadeus. In addition, we are on the major Online Travel Agencies (OTAs), including Expedia, Travelocity, Priceline, and Orbitz.

Essential Air Service

On April 22, 2014 Boutique Air received its first EAS contract when the DOT selected the airline to provide service between Clovis, New Mexico and Dallas/Ft. Worth, Texas. Since then, we have continued our track record of success, providing reliable and high quality air transportation to over twenty EAS communities over the past 9 years.

We have also since branched out to providing air transportation services other than Essential Air Service. Boutique Air currently transports passengers for the Nevada Department of Corrections and has also ran competitive, unsubsidized air service to seasonal destinations such as Redmond, Oregon, Burlington, Vermont, and Palm Springs, California.

Our Aircraft

Boutique Air currently operates a modern fleet of Pilatus PC-12 and Twin-Engine Piaggio P180 aircraft. Boutique Air ensures that aircraft are equipped with amenities beyond those found in typical commercial airline aircraft, and that pilots provide a level of customer service beyond that of normal commercial airlines, as they may routinely fly both public and private charter flights. Our aircraft have the following amenities:

- 8 or 9 Passenger Seat Configuration
- Leather Seats
- Pressurized Cabin
- Power Outlets
- Enclosed Lavatory
- Refreshments Provided on all Boutique Flights

Proposal

Our airline service will be operated with 8 or 9 seat modern Pilatus PC-12 or Twin-Engine Piaggio P180 Avanti aircraft. We are proposing a two, three, or four year contract duration for the community to consider with a 7% subsidy increase each year. Our bid consists of either 30, 35, or 42 weekly round trips to Kansas City from Joplin. These will be direct, nonstop flights.

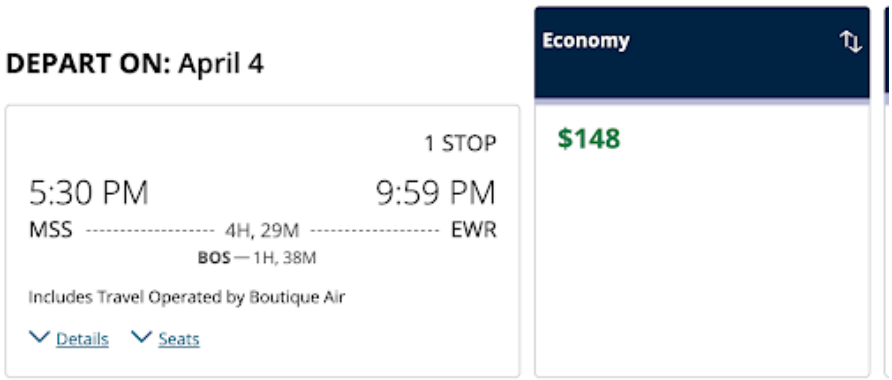
Marketing

In order to increase brand recognition in the communities, Boutique Air will spend at least $20,000 per year in each market if it is selected for advertising & marketing to help ensure that air service for the community is a success. We will utilize a combination of radio, print, billboard, television, GDS's and internet advertising.

United Airlines Interline and Codeshare Agreement

Boutique Air launched an interline and codeshare agreement with United Airlines on May 1, 2017. Customers of Boutique Air will have flow-through ticketing and baggage capabilities for those flights that connect with United Airlines.

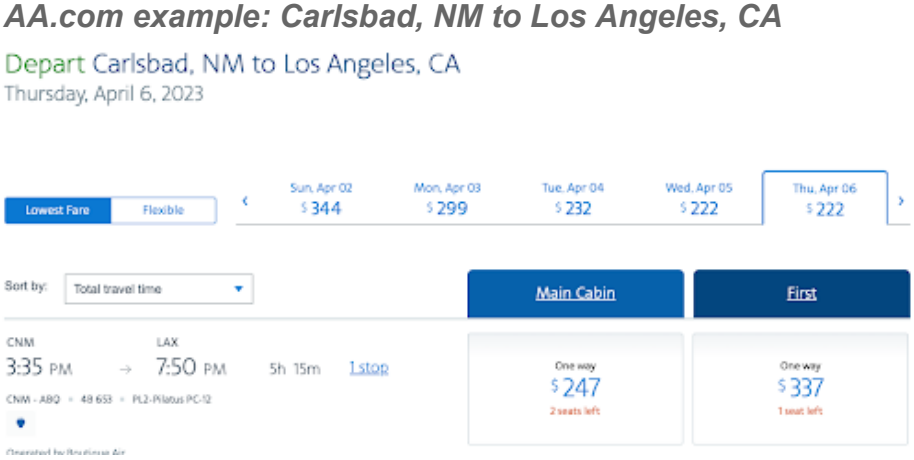
United.com example: Massena, NY to Newark, NJ



American Airlines Interline Agreement

In addition Boutique Air has an interline agreement with American Airlines as of August 7, 2019. Passengers are also able to book through United.com and AA.com and connect with any of United or American flights.

AA.com example: Carlsbad, NM to Los Angeles, CA



Community Input

Shortly after the bids are complete, Boutique Air will schedule meetings with airport and/or city officials. This will allow us to answer any questions and provide additional information.

While we can't promise we will be able to implement everyone's suggestions, we welcome feedback from the community, as well as anyone who may have an interest in the proposed flights. What we can promise is that we will listen to your feedback, and give it the attention and consideration it deserves.

With respect and appreciation,



Shawn Simpson
CEO, Boutique Air

Joplin, MO to Kansas City, MO

Option 1: 30 Weekly Round Trips to MCI

Operations	**P180**	**PC-12**
Scheduled Flights	3,120	3,120
JLN-MCI	1560	1560
MCI-JLN	1560	1560
Scheduled Flight Time	1,760	2,045
Scheduled Block Time	2,410	2,695
Scheduled Seats	28,080	28,080
Scheduled ASM	4,173,290	4,173,290
Revenue		
Passengers	26,676	26,676
Average Fare	$49	$49
Fare Revenue	$1,307,124	$1,307,124
Expenses		
Direct Operating Expenses	$4,450,740	$4,025,118
Indirect Operating Expenses	$688,428	$561,943
Airport Facilities	$154,200	$154,200
Ownership	$1,012,330	$1,063,945
Total Expenses	$6,305,698	$5,805,206
Profit Element		
Margin (5.0%)	$315,285	$290,260
Total Annual Subsidy Year 1	$5,313,859	$4,788,342
Total Annual Subsidy Year 2	$5,313,859	$4,788,342
Total Annual Subsidy Year 3	$5,685,829	$5,123,526
Total Annual Subsidy Year 4	$6,083,837	$5,482,173

Joplin, MO to Kansas City, MO

Option 2: 35 Weekly Round Trips to MCI

Operations	**P180**	**PC-12**
Scheduled Flights	3,640	3,640
JLN-MCI	1,820	1,820
MCI-JLN	1,820	1,820
Scheduled Flight Time	2,053	2,385
Scheduled Block Time	2,811	3,144
Scheduled Seats	32,760	32,760
Scheduled ASM	4,868,838	4,868,838
Revenue		
Passengers	30,467	30,467
Average Fare	$49	$49
Fare Revenue	$1,492,873	$1,492,873
Expenses		
Direct Operating Expenses	$5,251,516	$4,974,031
Indirect Operating Expenses	$803,166	$655,600
Airport Facilities	$154,200	$154,200
Ownership	$1,012,330	$1,063,945
Total Expenses	$7,221,212	$6,847,776
Profit Element		
Margin (5.0%)	$361,061	$342,389
Total Annual Subsidy Year 1	$6,089,399	$5,697,292
Total Annual Subsidy Year 2	$6,089,399	$5,697,292
Total Annual Subsidy Year 3	$6,515,657	$6,096,102
Total Annual Subsidy Year 4	$6,971,753	$6,522,829

Joplin, MO to Kansas City, MO

Option 3: 42 Weekly Round Trips to MCI

Operations	**P180**	**PC-12**
Scheduled Flights	4,368	4,368
JLN-MCI	2,184	2,184
MCI-JLN	2,184	2,184
Scheduled Flight Time	2,464	2,862
Scheduled Block Time	3,374	3,772
Scheduled Seats	39,312	39,312
Scheduled ASM	5,842,606	5,842,606
Revenue		
Passengers	34,988	34,988
Average Fare	$49	$49
Fare Revenue	$1,714,396	$1,714,396
Expenses		
Direct Operating Expenses	$5,960,951	$5,433,454
Indirect Operating Expenses	$963,799	$786,720
Airport Facilities	$154,200	$154,200
Ownership	$1,214,796	$1,489,523
Total Expenses	$8,293,746	$7,863,898
Profit Element (5.0%)		
Margin (5.0%)	$414,687	$393,195
Total Annual Subsidy Year 1	$6,994,037	$6,542,696
Total Annual Subsidy Year 2	$6,994,037	$6,542,696
Total Annual Subsidy Year 3	$7,483,620	$7,000,685
Total Annual Subsidy Year 4	$8,007,473	$7,490,733