

Airport Action/ Business Development Plan Section One

Situation Analysis



Situation Analysis

1.0 Introduction

The City of Rockdale, through its agent – the Texas Department of Transportation, Division of Aviation - has retained Airport Development Group, Inc. to prepare a business action plan which recommends strategies that maximizes the “airport asset” for its community airport – the H.H. Coffield Regional Airport. The City, Airport Advisory Board and other key community constituent groups believe that the Airport is an underutilized asset and through investment to improve the airport environment and more aggressive marketing, the Airport can be part of the economic growth of Rockdale and Milam County, Texas.

A business action plan will assist the City of Rockdale with managing and developing the business side of the Airport in their desire to grow the business asset. This Plan is a companion document to the Airport Development Plan created in 2013 for the City through a TXDOT Aviation grant initiative. This plan identifies business opportunities for the Airport; as well as a review of the present management of the Airport.

In the following sections, a marketing program will suggest means to promote aviation revenue opportunities at the Airport as well as outlets to promote the Airport to aviation and non-aviation audiences to build support and value for the Airport as a regional business tool.

1.1 General Background

The H.H. Coffield Regional Airport is located approximately 2.5 miles southeast of downtown Rockdale in Milam County at the intersection of US Highway 77 and Farm to Market Road 908. The airport is well-situated at the confluence of US Highways 77 and 79 to effectively serve a large triangular Texas metropolitan business market of Austin, College Station and Waco. The Airport is owned and operated as a general aviation airport by the City of Rockdale.

The City of Rockdale and the H.H. Coffield Regional Airport are well-positioned within this triangular region to become a prime business hub for commerce with a supporting airport to serve the region. This five-county area (Milam, Burleson, Brazos, Robertson and Williamson) has experienced modest population growth since 1990 and increasing retail sales which result from a strong, above average median household income.

The key to a strong and successful business action plan is the ability to review and determine the most appropriate business opportunities for H.H. Coffield Regional Airport. The plan will suggest to the Airport’s owner, the City of Rockdale, to how best define, and recruit, appropriate aviation business opportunities for the airfield and region, with a net gain of new businesses that produce more jobs and revenue for the region.

H.H. Coffield Regional Airport is at an elevation of approximately 474 feet. The Airport has eight based aircraft that contribute to approximately 2,400 annual operations as of the September 2011 annual inspection. All aircraft are single engine, but anecdotal observation has witnessed occasional turbine operations. Aircraft operations count consists of 1,600 local general aviation operations and 800 itinerant general aviation operations. Runway 17-35 is 2,962 feet long and 50 feet wide with unknown pavement strength. The runway is equipped with non-standard Low Intensity Runway Lights (LIRL) and markings and no VGSI, REIL, or airfield signage or supplemental wind cones.

The Airport encompasses approximately 41 acres dedicated to airport services, as well as future development. The Airport facilities include three hangars; and fuel service. The Airport does not offer any aircraft-related services, i.e. – flight instruction, aircraft rental, airframe and power plant maintenance.



An unidentified business jet lands at the H.H. Coffield Regional Airport in 2006.
Photo courtesy of TXDOT Aviation.

1.2 Current Business Environment

The business environment, in the H.H. Coffield Regional Airport Service Area, is affected by the growth and health of the national economy, the state economy, and the local economy. As we know, the business climate is constantly changing. The following is an overview of the current economic situation for business.

The Nation

The U.S. economy expanded modestly in 2012, continuing the slow recovery seen since the recession ended in mid-2009. Although economic growth is expected to remain slow again this year, the Congressional Budget Office (CBO) anticipates that underlying factors in the economy will spur a more rapid expansion beginning in 2014.

Even so, under the fiscal policies embodied in current law, output is expected to remain below its potential (or maximum sustainable) level until 2017. By the CBO's estimates, in the fourth quarter of 2012, real (inflation-adjusted) Gross Domestic Product (GDP) was about 5.5 percent below its potential level. That gap was only modestly smaller than the gap between actual and potential GDP that existed at the end of the recession because the growth of output since then has been only slightly greater than the growth of potential output. With such a large gap between actual and potential GDP persisting for so long, the CBO projects that the total loss of output, relative to the economy's potential, between 2007 and 2017 will be equivalent to nearly half of the output that the U.S. produced last year.

The CBO expects that economic activity will expand slowly in 2013, with real GDP growing by just 1.4 percent. That slow growth reflects a combination of ongoing improvement in underlying economic factors and congressional fiscal tightening that has already begun or is scheduled to occur—including the expiration of a 2 percentage-point cut in the Social Security payroll tax, an increase in tax rates on income above certain thresholds, and scheduled automatic reductions in federal spending. That subdued economic growth will limit businesses' need to hire additional workers, thereby causing the unemployment rate to stay near 8 percent this year, the CBO projects. The rate of inflation and interest rates are projected to remain low.

After the economy adjusts in 2013 to the fiscal tightening inherent in current law, underlying economic factors will lead to more rapid growth, the CBO projects—3.4 percent in 2014 and an average of 3.6 percent a year from 2015 through 2018. In particular, CBO expects that the prior negative effects of the housing and financial crisis will continue to fade and that an upswing from the previous low levels of housing construction, rising real estate and stock prices, and increasing availability of credit will help to spur a virtuous cycle of faster growth in employment, income, consumer spending, and business investment over the next few years.

Texas

The Texas economy continues to grow at a robust pace. The state's economy gained 355,600 nonagricultural jobs from February 2012 to February 2013, an annual growth rate of 3.3 percent compared with 1.5 percent for the U.S.

The state's nongovernment sector added 336,800 jobs, an annual growth rate of 3.8 percent compared with 1.9 percent for the nation's private sector.

Texas' seasonally adjusted unemployment rate fell to 6.4 percent in February 2013 from 7.1 percent in February 2012. The nation's rate decreased from 8.3 to 7.7 percent.

All Texas industries and the state government had more jobs in February 2013 than in February 2012. The state's construction industry ranked first in job creation, followed by mining and logging, leisure and hospitality, other services, professional and business services, and trade.

According to Site Selection Magazine, 40 percent of the new U.S. jobs created since June 2009 were created in Texas. The state was recognized by the publication in 2011 as offering the best climate to conduct business in the nation.

Milam County and Rockdale

The county's economy is looking better, but significant job growth will lag behind an improving economy as the county's unemployment rate of 7.9 percent exceeds the current state unemployment figure of 6.3 percent. Local business remains cautious. Local leaders stated that they are hesitant to add workers even though some indicators suggest the worst of a year-old downturn may be over and the county's economy appears poised to move ahead.

In 2011, Milam County residents had a per capita personal income (PCPI) of \$32,003. This PCPI ranked 174th in the state and was 80 percent of the state average, \$40,147, and 77 percent of the national average, \$41,560. The 2011 PCPI reflected an increase of 3.2 percent from 2010.

The 2010-2011 state change was 5.0 percent and the national change was 4.4 percent. In 2001, the PCPI of Milam was \$21,729 and ranked 161st in the state. The 2001-2011 compound annual growth rate of PCPI for Milam County was 3.9 percent. The compound annual growth rate for the state was 3.2 percent and for the nation was 2.9 percent.

Within a 30-mile radius of Rockdale, community leaders and business owners have access to a trade region of more than 80,000 people. Many of these households have annual incomes exceeding \$50,000 – a potential indicator of disposable income available for aviation pursuits.

The community leaders want to continue to support existing employers while attracting new businesses that will contribute to the well-being of the area. "Quality of life" is a key ingredient for the people in Rockdale. It is very important that every effort is utilized to maintain and enhance the "quality of life." New business enterprises should fit the overall community goals.

The "quality of life" is enhanced by a low cost of living for the residents in the area and should be attractive for recruiting new business enterprises to the area. The lower cost of living will allow the residents to afford more with a lower salary. This should be a positive point for companies coming to the area.

Employment in Milam County is becoming more diverse. Emphasis is being placed, by economic development groups within the City and County, on the attraction/development of high tech

business enterprises. Opportunities exist to recruit businesses away from the metropolitan triangle of Austin, Bryan and Waco along with new business investment from outside the State of Texas.

Table 1-1 lists the distribution of employment in Milam County.

TABLE 1-1 DISTRUBUTION OF EMPLOYMENT SECTORS IN MILAM COUNTY	
Industry	% Share
Education and Health Services	22.8%
Government	15.1%
Professional and Business Services	14.9%
Wholesale/Retail Trade	13.1%
Manufacturing	13.0%
Construction	10.4%
Agricultural, forestry and mining	8.3%
Trade, Transportation, Utilities	6.4%
Leisure and Hospitality	5.8%
Information and Other Services	1.1%

Table 1-2 lists the major employers for Rockdale. The area’s employment base has become more diversified. Healthcare and education, government and trade services remain the largest industries.

TABLE 1-2 MAJOR EMPLOYERS IN ROCKDALE, TEXAS	
Company	Industry
Walmart Supercenter	Retail
Renaissance Villa	Alzheimer home
Bland Construction	Construction
Brookshire Bros.	Grocery
Citizens National Bank	Banking facility
City of Rockdale	Municipality
Classic Bank	Banking Facility
Manor Oaks Nursing Center	Health Care
Veolia ES Industrial Services	Industrial
Perry & Perry Builders Inc.	Construction
Richards Memorial Hospital	Hospital
Rockdale Federal Credit Union	Financial
Luminant	Electric power

The H.H. Coffield Regional Airport can conveniently serve patrons for aviation services within a five county region – Milam, Brazos, Burleson, Robertson and Williamson. These five counties have a combined population of approximately 714,890.

Table 1-3 lists the economic data of the five counties potential served by the H.H. Coffield Regional Airport market area.

TABLE 1-3 COUNTY ECONOMIC DATA FOR THE H.H. COFFIELD REGIONAL AIRPORT AREA					
	Milam	Brazos	Burleson	Robertson	Williamson
Population	24,157	200,665	17,291	16,545	456,232
Households	9,323	67,612	6,490	5,971	147,912
Median Household Income	\$39,751	\$37,161	\$42,679	\$38,397	\$71,346
Retail Sales	\$181,361, 000	\$2,119,149,000	\$42,679,000	\$115,236,000	\$9,918,009,000
% of Pop. Over 25	68%	47%	69%	67%	59%
% of HHold Inc. over \$50,000	41%	41%	45%	40%	69%
Non-Farm Businesses	418	3,765	306	275	8,055
Non-Farm Employees	4,180	53,932	2,511	2,608	116,345

The average household income for these five counties is \$45,867 compared to the \$49,392 state average.

1.3 Global Strategies

Demographics, economics, global competition, new technologies, communications, and new production methods are transforming the work place. The U.S. is becoming a service-based economy and is no longer the manufacturing center for the world.

Organizations are merging and downsizing with industrial and commercial programs being developed as worldwide partnerships or alliances. In the 1990s, the federal government budget for defense and aerospace was drastically reduced. The surviving aerospace companies and defense contractors were re-engineered to a blend of “military and nonmilitary business” to remain competitive. Companies are relocating from the large centers of commerce to smaller towns with lower labor cost and to areas where business incentives will produce lower operating cost.

Within the aviation sector, federal budget cuts and realignment of appropriations to support the nation’s commercial and general aviation airfields are placing increasing pressures upon the airport sponsors’ capacity to shoulder a greater burden of the financial share, or postpone investment, to maintain, or enhance, their airport.

1.4 Current Situation

The market for business is global. Companies, large and small, are affected in all areas by global competition. The creation of the North America Free Trade Association linked the U.S. with Canada and Mexico as one homogenous market for the production and sales of goods and services. The combination of the technical skills of the U.S. and Canada along with the lower cost of labor in Mexico will allow for the production of high quality goods at competitive pricing. There is a movement to form the North American Union by 2020 which would allow the U.S., Canada, and Mexico to combine their economic strengths and be more competitive with China and the European Economic Union.

The manufacturing industry is reorganizing into smaller, more specialized units. The manufacturing industry is becoming broad, diverse, and segmented. It has found that there are increased global opportunities for U.S. products and this market wants quality products. Through the use of automation, U.S. companies have found that they can lower the cost of production and increase the quality of goods produced. The trend is for major companies to convert from mass production to lean production of specialty products. The key to this conversion will be keeping labor and operating cost lower and, at the same time, produce a quality product. There will be an increasing need for highly skilled workers and improved methods in quality control.

Due to enduring unemployment from the last recession, there appears to be an abundance of American workers. Unskilled and semi-skilled workers are plentiful and companies could easily fill their needs. The worker of today will not meet the needs of tomorrow's jobs. The jobs of tomorrow will require a better educated and a better-trained worker to meet the technical requirements of the job market.

Industry will be heavily recruiting to get the best employees for all areas of the country. The major manufacturing and production companies are downsizing and are outsourcing work that was previously done in their plants and factories. Smaller sub-contractors are taking on the responsibility for more of the production of parts and systems. For the past 18 years, the growth in employment in the U.S. has come from companies with less than 10 employees.

These smaller companies provide a specialized service for larger companies at a lower cost. Many individuals have found that with the new advances in communication and computer equipment, they can operate their companies from almost anywhere. Also, the concept of the "job" is changing drastically. The traditional 8-5 job as a career is being replaced, in many cases, by portfolio careers made up of contract, free-lance, part-time, consulting, and self-employment specialists. A generation ago, workers followed a rigid set of workplace rules, whereas employees today may not even have job descriptions. Below is a comparison of the typical job 30 years ago and today:

A Typical Job 30 Years Ago:

- * Fixed Position
- * Long Term Employment
- * Loyalty and security
- * Limited job description
- * Limited access to information
- * Fixed Salary
- * Conventional benefits
- * Escalator type advancement

Today's Jobs Include:

- * Assignments
- * Contracts
- * Employee adds value to company
- * Do whatever needs to be done
- * Abundant access to information
- * Fee plus share of profits
- * Handle own benefits
- * Career journey

1.5 Future Situation

Trends for the future will be centered on meeting customer satisfaction requirements through the use of new technology. Industry will have an increased need for highly trained workers and, at the same time, for lower production costs. There will be more emphasis on recruiting workers who can be trained to meet the requisite advanced skill sets. The American worker has established “quality of life” as a major goal in their professional and personal lives. Companies have found that they can lower their labor and production cost by relocating away from the major cities. Outsourcing of certain tasks and production has produced good quality products through lower costs. Communities like Rockdale are becoming more attractive destinations for relocated companies, and new companies who sub-contract to the major companies.

These smaller companies are looking for towns and communities that can offer lower cost labor, lower cost facilities, lower taxes, lower cost utilities, low crime rates, fewer environmental constraints, multi-modal transportation systems, access to universities and community education, and training programs. In order to attract and keep their management and staff, they are looking for areas that provide a better “quality of life” for the employee and their families.

1.6 H.H. Coffield Regional Airport Strategies

Community leaders were interviewed to determine the overall strategy for this plan. The views of this group were diverse, but there was concurrence in regards to the following strategy:

Vision

The vision for Rockdale is one where the culture and values will remain while the population and economy continues to grow. The community plans to support existing businesses and seek a broad and diverse base of companies and organizations that are in the technology and services sector. A strong consensus exists to invest in the H.H. Coffield Regional Airport to meet the general aviation needs of the region and attract aviation-related business that can be a stimulus for the local economy.

Mission

The mission of the H.H. Coffield Regional Airport is to become a viable general aviation airport, and meet the needs of airport patrons and other general aviation interest in the community, and region. To achieve this mission, the City of Rockdale will be focused towards a commitment to airport improvement for its patrons and future customers in everything the Airport develops and performs. It is the goal of the airport community that the Airport grow and evolve into a facility that offers a wide ranges of amenities and services to support aviation in the region.

Goals

In setting out to achieve its mission, the H.H. Coffield Regional Airport, and its sponsor – the City of Rockdale - seek to accomplish several key goals:

- Create an atmosphere which supports existing tenants, airport activities and embraces the benefits of aviation at the Airport;
- Plan for improvements necessary to meet the Airport’s needs, and maintain a safe operating environment;
- Dedicate appropriate reserve funds to maintain, and enhance, the Airport; and

- Support and promote current airport activities while recruiting appropriate aviation-related businesses or opportunities.

Objectives

The business objectives for the H.H. Coffield Regional Airport can be quantified as follows:

General Aviation Objectives

- Identify requirements to facilitate growth in corporate and general aviation; and
- Provide airport improvements to meet the needs and help existing owners.

New Business Development Objectives

- Identify and target companies, aviation and non-aviation, that could locate at the Airport;
- Determine improvements required to meet needs of target companies; and
- Recruit new businesses to the Airport.

1.7 Airport Development Plan

To facilitate the recruitment of additional industries and businesses to the H.H. Coffield Regional Airport, a quality airfield to support general and corporate aviation at the Airport is necessary. An Airport Development Plan (ADP) was finalized in 2013 and recommends a variety of improvements to the Airport to bring the facility into compliance with current Texas and FAA standards. This ADP is a companion document to this Airport Business Action Plan.

With improved, and safer, facilities, the Airport can offer competitive fees and lease rates at a significantly improved airport to attract both general and corporate aviation clientele.

1.8 Business Tactics

The business tactics are based on the strategies, objectives, and goals of the H.H. Coffield Regional Airport. In the near term (2013-2016), the business tactics for the Airport should center on:

In the near term (2013-2016)

- Optimize revenue on existing airport facilities and attract new tenants to generate additional new revenue through an effective business development program. It is an industry best practice that all revenue generated on the airport remain in the airport budget and be used to maintain, and enhance, the facility; and
- Identify and fund recommended improvements from the Airport Development Plan to improve utility and safety at the H.H. Coffield Regional Airport.

In the long term (beyond 2016)

- Leverage local, state, and possibly federal, funds or grants to maintain and enhance the airport facility to be recognized as a modern, safe, and cost effective facility, while at the same time, meets the needs of its customers; and
- Retain annual profits sufficient to cover future capital projects, promote the Airport and recruit new tenants compatible with aviation-related services.

1.9 Business Development

The community leaders of Rockdale have been seeking new business opportunities that fit the overall characteristics for their community. They have supported agencies for economic development and have supported the development of land for industrial business parks and commercial developments.

The City of Rockdale implemented a Comprehensive City Plan in February 2013. This planning document did not include any recommendations or provisions to include the H.H. Coffield Regional Airport into the City's comprehensive plan. A community airport should fit into the overall master plan of its sponsor's community and play an integral role in a multi-modal environment that attracts business investment to the community.

A 'Rockdale 2022 – Visioning Our Future' was a community exercise in prioritizing and scaling future civic improvements to create a better "quality of life" for its 5,643 residents. The 2012 plan was finalized for the City by TIP Strategies, Austin. Community feedback through this process indicated a preference for having a viable community airport in its economic development toolkit.

1.10 Changing Aviation Environment

As federal and state governments emerge from the 2008-09 recession, austere budgeting and dwindling revenue streams have impacted personal growth and business investment across many commercial sectors. Aviation has been unable to escape this economic morass.

With decreasing funds and increasing demands by airports for necessary repairs and enhancements, the Federal Aviation Administration (FAA) initiated a comprehensive review of the nation's general aviation airports in May 2012. This study attempts to classify airports nationally based on FAA-created criteria.

The complete study may be obtained on the Internet at:
http://www.faa.gov/airports/planning_capacity/ga_study

Many aviation industry analysts, state aviation directors and airport operators are concerned that the direct outcome of this FAA-initiated study will be to reduce the federal obligation of the FAA to airports through its Airport Improvement Program (AIP) grant program. AIP grants are available annually to all airports listed in the FAA's National Plan of Integrated Airports System (NPIAS).

Through AIP, each NPIAS airport is scheduled to receive \$150,000 annually for use toward planning and engineering project scheduled on the airport's annual Airport Capital Improvement Program (ACIP). The airport sponsor is obligated to a 10 percent match when executing a project using AIP grant money.

The H.H. Coffield Regional Airport was created as a private airport many years earlier by Mr. H.H. Coffield, and then donated to the City of Rockdale after his death. The Airport was not granted inclusion to the NPIAS because it was a privately created airport, and thus will not qualify for FAA grant funds under the current guidelines.

If the City of Rockdale wishes to acquire outside grant funds to improve the Airport, these funds must come from the Texas Department of Transportation's Division of Aviation (TXDOT) state grant

program. This program is constrained as to the size and scope of projects it may offer to airports but some financial assistance is better than none in this economy.

1.11 Political Situation

The H.H. Coffield Regional Airport is owned by the City of Rockdale after it was gifted to the City from the estate of Mr. H.H. Coffield. The Airport is located near some small ranches in county territory. Presently, the Airport is not in conflict with environmental regulations or stewardship. The biggest problem affecting the Airport is lack of infrastructure. The Airport does not have a sewer system and water is available only from an on-site well. This is not sufficient to support industrial development. The Airport and the County will need to solve this problem before any type of industry can locate at the Airport. Smaller aviation -related business similar to the FBO at the Airport can probably operate under the existing situation.

1.12 Strategic Position for the Airport

The H.H. Coffield Regional Airport is classified as a general aviation airport. The Airport has the capability at the present time to handle general aviation, limited corporate aviation, and small aircraft charter service. The Airport will need to address major issues like facilities, incentives, resources, and competition to develop a position as prime general aviation airport in the region.

Facilities

The runway meets the operational minimum requirements of today's general aviation and very few corporate aviation aircraft. Other airport facilities will need to be expanded to accommodate new business. Presently, the Airport lacks available commercial building space or hangars for prospective tenants. New aviation-related business will want land with airport runway access. The Airport layout developed by Airport Development Group, Inc., consultant for the City of Rockdale, identifies current and recommended land-use and facility requirements. The Airport footprint is significantly constrained, which can be an impediment to new buildings and growth, and may require land acquisition.

The Airport Development Plan offers multiple scenarios for improvement opportunities to maintain current aviation standards with toward business development.

Support

A consensus appears to exist among city leaders, economic development, business owners and the airport community that improvements are needed at the H.H. Coffield Regional Airport. This same group wants the City of Rockdale to own and operate a viable and pro-aviation friendly facility. On the contrast, very few individuals have spoken in opposition to neither the airport nor wanting to invest public dollars into the facility.

How the improvements are to be paid opens a dialogue without specific solutions. The City has indicated that very few dollars are spent on the Airport, and accruing reserve funds to invest in major projects at the Airport has not been a priority by the City Council. The airport community has been lobbying the City regularly for continued investment to meet the basic needs of keeping the Airport viable and safe, i.e. – mowing the property, keeping the runway lights operable, maintaining a viable fuel delivery system to generate revenue for the Airport, and other items.

This continued support for the H.H. Coffield Regional Airport will result in a dialogue which creates solutions to improve the Airport and make it a valuable community asset.

Available Resources

The City of Rockdale has contacted TXDOT regarding grant requirements to fund various projects. The City has indicated limited resources exist to invest at the Airport.

1.13 Competitive Situation

A unique, competitive market exists for the H.H. Coffield Regional Airport. Seven general aviation airports are located within a 50-mile drive of the Airport. This market fragmentation presents a strong marketing challenge for the City of Rockdale, owner of the Airport.

Of the seven airport competitors, five airports are similar in configuration and runway length to the H.H. Coffield Regional Airport. The other two airports are larger general aviation facilities that cater to both general and business aviation aircraft with longer runways.

A beginning piece to examine in the competitive mix is the universe of registered aircraft in the region between the eight airports. This aircraft count from the FAA's online database offers a quick snapshot between available registered aircraft and where these aircraft are based. This plan will not address the reasons why aircraft owners choose where to base their airports.

As an element of the FAA's Asset Study, based aircraft and operational activity will eventually be prime determinants to funding active and vibrant general aviation airports. The City of Rockdale can use this database tool to actively seek and recruit new aircraft to the H.H. Coffield Regional Airport.

Table 1-4 is a comparison of registered aircraft in the county of the airport and based aircraft at each airport.

TABLE 1-4 REGISTERED AIRCRAFT AIRPORT ANALYSIS BY COUNTY		
Airport	Registered Aircraft	Based Aircraft
H.H. Coffield Regional Airport (RCK) Rockdale / Milam County	37	8
Taylor Municipal Airport (T74) Williamson County	436	47
Cameron Municipal Airpark (T35) Milam County	37	8
Hearne Municipal Airport (LHB) Robertson County	17	2
Caldwell Municipal Airport (RWV) Burlinson County	26	9
Coulter Field (CFD) Bryan / Brazos County	202	67
Georgetown Municipal Airport (GTU) Williamson	436	195
Austin Executive (KEDC) Travis County	883	9

Based on this comparison, there are opportunities for the H.H. Coffield Regional Airport to recruit aircraft owners to base their aircraft at the Airport which in turn would generate interest for aviation-related service businesses to locate on the field, i.e. – FBO, flight instruction, airframe and power plant services, etc.

1.14 Strengths, Weaknesses, Opportunities, Threats

S.W.O.T. Analysis

A basic business analysis tool is the S.W.O.T. (strengths, weaknesses, opportunities and threats) Analysis. This tool can assist an organization shape its competitive viability in the marketplace.

The true value of S.W.O.T. is that it can be implemented across any business discipline. It is not just limited to marketing, but to finance, manufacturing and production, sales —any operational aspect.

The key benefit S.W.O.T. offers when applied across areas of an organization is a 360-degree view of the company, which helps create better focus for decision-making. When an organization has an understanding of its strengths, weaknesses, opportunities and threats, it has invaluable overall operational knowledge, and that becomes the foundation for understanding everything upon which a business strategy is derived.

In addition to its more common use as a competitive assessment and sales projection tool, S.W.O.T. can be used to gauge the viability of a new product or brand, a sales distribution channel, shifting suppliers, a new idea, entering a new market, working with a partner, a potential investment, or outsourcing an activity.

S.W.O.T. is a never-ending analysis process for an organization, and its frequency of review/analysis is dependent upon an organization's structure and business goals.

Where possible, an organization should analyze the four components of S.W.O.T., internally and externally. Try to use the competition as a benchmark, which will offer goals to work toward and better insight. The four S.W.O.T. components break down as follows:

- ***Strengths*** — What are the things you do well as an organization? What do you consider your competitive advantages to be and why? Why do customers come back to you? One way to understand this strength is through customer surveys. In each area, strengths can include everything from your people, pricing/services value and processes to your ability to innovate and your promotional culture.
- ***Weaknesses*** — Where have you not been able to compete and why? Where are your gaps in capabilities and resources? Are you cash-strapped, do you have supply chain or inventory issues or do your vulnerabilities negatively affect your reputation?
- ***Opportunities*** — This assessment really comes down to market or competitor research. For example - where are competitors and how do they compete against you? Where are the emerging markets in your industry or even peripheral markets where you might expand your presence? Looking internally and externally, opportunities may fall in areas like new technologies to streamline operations or offer products to consumers in new channels. Think in terms of new markets, product/services development and business development.
- ***Threats*** — External threats exist in the form of competitors, legislation/regulation that may affect your product, service or company, shifting consumer demand, environmental issues

and the economy. Also, organizational threats can have a devastating impact on business success, such as a disgruntled airport manager or frequent turnover from board members that impede forward thinking and planning to sustain the airport.

Among the many benefits of an S.W.O.T. analysis is that it forces organizations out of the day-to-day routine; where they see only the effects of weaknesses or threats and may not understand their long-term potential impact. If an organization takes the time to look at the big picture, it opens the vision for a clear path to change and to keeping your organization profitable or viable. The ultimate advantage is that any organization will be a stronger competitor in the marketplace.

A S.W.O.T. assessment for the H.H. Coffield Regional Airport would reveal, but is not limited, to some of these issues:

Strengths:

- Location and easy access from surrounding region;
- Lack of physical impediments to air operations;
- Long-established airport;
- City of Rockdale owns the property debt-free;
- Strong community interest for active community airport;
- Active pilot community;
- Available acreage for expansion with minimal environmental impact;
- Ability to avoid noise impact issues for operations or property development; and
- Favorable terrain for the airport, and operating weather most of the year.

Weaknesses:

- Airport lacks dedicated airport manager to keep focus on growth and service;
- Up to this point no long range planning to develop airfield or attract new businesses;
- Limited revenue opportunities to sustain and enhance facilities;
- Limited airport property infrastructure restricts future development;
- Infrastructure development will be expensive, and maybe environmentally challenging;
- Airport lacks air and non-side facilities for expansion or tenant recruitment;
- Future development will require collaborative partnerships from many sectors; and
- Multiple airports within close proximity compete for revenue, operations and based aircraft.

Opportunities

- H.H. Coffield Regional Airport in best position of four area airports to grow and expand facilities, recruit business investment;
- Purchase of adjacent properties to expand and develop airport;
- Potential to develop limited airport property into revenue producing business development;
- Enhanced potential revenue stream with more aggressive fuel sells strategy and facility;
- Enhanced facilities enable successful recruitment of aviation-related businesses;
- Continued population and economic growth in region;
- Availability of grants and loan programs to support the airport's capital projects' plan;
- Low cost of doing business keeps Rockdale economically competitive for expansion; and
- Demand for GA facilities and services in the region remain steady.

Threats

- Avoid the "build it and they will come" syndrome, plan for growth and seek investment;
- Lack of dedicated airport manager inhibits market awareness with competitors;
- Potential reduction, or loss, of state airport funding;
- Deteriorating airport infrastructure and lack of funding for remediation;
- How can airport survive with minimal city investment and no state funding?;

- Competing business park developments in the region;
- Available funding for infrastructure development to support property development;
- Personal agendas; and
- Multiple airports within close proximity compete for revenue, operations and based aircraft.

This analysis is not a one-time event but needs to be revisited each and every time a significant change occurs at the H.H. Coffield Regional Airport, or on a regular strategic plan schedule, that results in operational or financial impacts at the airport to its manager, airport board, membership ranks or relations with outside regulatory or funding partners.

A suggested strategy is to make this an annual function of the Airport Advisory Board to review the S.W.O.T. analysis and update as necessary to remain competitive and consistent with the marketplace and city finances.

The strengths, weakness, opportunities and threats analysis will point out existing advantages and disadvantages of the H.H. Coffield Regional Airport. The lack of development in the past may not be a disadvantage because the Airport is now free to create a land use plan that will fit current and future needs of the community as it continues to grow.

On the following page, **Table 1-5** offers a multi-element overview of the seven competing airports in the H.H. Coffield Regional Airport service area. This table provides a snapshot comparison of features and services that can assist the City of Rockdale adjust the needs of the aviation marketplace and create an action list of projects to accomplish that will make the Airport competitive with its regional neighbors.

**TABLE 1-5
AIRPORT MARKET COMPARISON CHART**

	Rockdale (RCK)	Taylor (T74)	Cameron (T35)	Hearne (LHB)	Caldwell (RWV)	Bryan (CFD)	Georgetown (GTU)	Austin Exec (KEDC)
Distance from RCK	0	28	17	30	26	50	46	45
County	Milam	Williamson	Milam	Robertson	Burleson	Brazos	Williamson	Travis
Airport Owner	City of Rockdale	City of Taylor	City of Cameron	City of Hearne	City of Caldwell	City of Bryan	City of Georgetown	Privately owned
NPIAS	No	Yes	Yes	Yes	Yes	Yes	Yes	No
Based Aircraft ¹	8	47	8	2	9	67	195	9
Registered Aircraft in County ²	37	436	37	17	26	202	436	883
RWY Length ¹	2962 x 50	4000 x 75	3200 x 50	4000 x 75	3252 x 50	4000 x 75	5000 x 100	6025 x 100
RWY Lights	LIRL	MIRL	MIRL	MIRL	MIRL	MIRL	MIRL	MIRL
Fuel	100LL	100LL / Jet A	100LL	None	100LL	100LL / Jet A	100LL / Jet A	100LL / Jet A
Service Hours	UNATTD	0800-1700	UNATTD	UNATTD	UNATTD	0730-1930	0700-1730	24 hrs
Local Transportation	None	Courtesy Car/ Taxi	Taxi	Courtesy Car/ Taxi / Rental	Taxi	Courtesy Car / Taxi	Courtesy Car	Courtesy Car / Rental
Food / Lodging	1 mi	.5 mi	2 mi	1.5 mi	1 mi	3 mi	1.5 mi	12 mi
Repairs Available	No	Yes	No	No	No	Yes	Yes	Limited
Flt Instruction	No	Yes	No	Yes	No	Yes	Yes	No
FBO	No	Yes	No	No	No	Yes	Yes	Yes
Annual Est. ¹ Operations	2,400	26,100	1,500	5,700	2,700	16,200	127,000	2,700

¹ FAA 5010 Master Record

² FAA Registered Aircraft Database