strategic transportation & tourism solutions

AIR TRAFFIC FORECASTING SERVICES
Our Services

Forecasting services that...
- Provide a critical input into facility planning, financial analysis and commercial development.
- Enables decision-makers to better understand fundamental change through robust scenario analysis.
- Incorporates risk analysis in order to enhance financial planning and reduce uncertainty.

A Key Strategic Tool
Reliable and objective air traffic forecasts are essential for facility planning, financial analysis and capital investment, marketing strategies and commercial development for airlines, airports and air navigation services. The InterVISTAS forecasting practice has assisted airlines, airports, governments, communities and industries throughout the world in determining their future needs and developing cost-effective solutions.

Proving Insight Not Just Numbers
While InterVISTAS incorporates the most advanced econometric and statistical technologies in its assignments, the task of developing forecasts is not approached simply as a "numbers" exercise, but reflects in-depth thought and insight about the future.
Every forecasting assignment includes both a formal analysis of structured models, and consultations and research to develop a deep understanding of the local market conditions.

Understanding Change
Our forecasters specialize in situations involving fundamental change, such as the introduction of low cost carrier service or the development of a new airport. In these cases, the past is a poor indicator of the future, and scenario-based approaches are used, taking account of airline competitive practices, local economic development, tourism, future equipment trends, energy prices and economic growth.

Airport Financing and Privatizations
Through our forecasting work, InterVISTAS has supported airports seeking financing, advised banks and other investors, and worked with consortiums bidding to own or operate an airport.

Airport Master Planning
Our team includes planners with decades of experience in airport facility planning and capacity expansion. We assist airports with all aspects of master planning and understand the key role forecasts play in this process.

Noise and Environmental Impacts
From our traffic forecasts we can develop estimates of noise profiles and emissions impacts, with consideration given to technological developments.

Critical Review of Forecasts
We perform detailed critical reviews of existing forecasts for airports, governments, investors and bidding consortiums.

Regulatory and Policy Impacts
The InterVISTAS forecasting team can produce forecasts to help clients understand the impact of government policy and regulations, such as the liberalization of international air service bilateral, or the impact of emissions targets and taxes.

Forecasts to meet the Client’s Requirements
InterVISTAS can provide a wide range of forecast outputs to meet all aspects of the clients requirements:
- Annual passenger forecasts broken down into key markets (domestic/international, geographic markets, etc.).
- Annual cargo forecasts by key markets.
- Commercial and General Aviation aircraft movement and aircraft weight forecasts.
- Short-term forecasts of quarterly or even monthly traffic.
- Peak period forecasts and nominal schedules.
- Forecasts of originating, destination and connecting passengers.
- Constrained and unconstrained forecasts (e.g., due to runway or terminal capacity).
- Forecast noise profiles and environmental emissions.
- Quantitative risk analysis to determine the risk profile of the forecasts.
- Stress scenarios to examine the impact of recession, airline failure, terrorism, etc.
- Demand response to price changes (airfare, fuel prices, airport fees and charges, etc.).
Quantitative Risk Analysis: Incorpoating Uncertainty into the Forecasting Process

As with any projection of future activity, air traffic forecasts are subject to a degree of risk and uncertainty. The forecasts are based on underlying assumptions regarding economic growth, traffic development, fuel prices, aviation technology, etc. which are developed from the best available intelligence and analysis. However, it is not possible to determine how these factors might vary over time and when certain events may occur; e.g., the timing of recessions, fuel shortages, etc. Furthermore, one-off events may have an impact on air traffic but are impossible to predict, such as terrorism attacks and major natural disasters.

The traditional approach to this issue in air traffic forecasting is to supplement the base or medium case forecasts with high and low case forecasts. This conveys that there is uncertainty in the forecast, and provides a rough range for likely outcomes. However, at InterVISTAS, we have developed a more sophisticated approach to provide much greater understanding to our clients: quantitative risk analysis.

Quantitative risk analysis recognises that there are a number of key drivers of the forecast (economy, fares, fuel prices, etc.) and that each of these drivers has its own level of uncertainty or its own probability distribution. This type of risk analysis utilizes the probabilities of these drivers to create a large number of potential scenarios. One scenario might be normal economic performance but with high fuel costs and a terrorism event. Another might be weak economic performance and high fuel costs but with no terrorism event. Typically, the quantitative forecasts will create thousands of such scenarios, each time randomly generating values for each of the forecast drivers.

The real power of the quantitative risk analysis lies in its ability to provide meaningful statements regarding this range of possible forecast outcomes. Rather than produce just a single static outcome, the quantitative process can also provide a probability-weighted range of traffic outcomes, and allow questions to be addressed, such as:

- What is the probability that passenger traffic growth will exceed 4% per annum over the next 20 years?
- What is the probability that passenger traffic will be greater than 20 million in five years time?
- What is the probability that passenger traffic in 2020 will be less than 25 million?
About InterVISTAS

InterVISTAS is a dynamic team of transportation, tourism, environmental planning and economic development professionals dedicated to assisting private and public sector clients in developing and achieving their visions and potential.

Our People

The InterVISTAS forecasting team is made up of senior professionals with a diverse range of skills and experience in forecasting, economics, statistical and econometric modeling, facility planning, air service development, airline network planning, airport privatization and financial analysis.

Ian Kincaid
Director, Economic Analysis
Mr. Kincaid has 15 years experience in aviation and transportation forecasting projects in Europe, North and South America, Africa and Australia. Mr. Kincaid specializes in forecasting the impact of fundamental change and quantifying uncertainty. Mr. Kincaid holds a MSc in Operations Research from the London School of Economics.

Dr. Michael Tretheway
President, InterVISTAS Consulting
Dr. Tretheway earned a PhD from the University of Wisconsin and served for 14 years as Associated Professor of Transportation & Logistics at the University of British Columbia. He is widely considered as a leading transportation economist and has served as an expert witness and advisor to governments, airlines, airports, ports and railways in the United States, Canada, Australia, New Zealand, Africa and before the European Commission.

Solomon Wong
Senior Vice President, Borders, Security & Planning
Mr. Wong has served as a consultant to government agencies and facility operators on transportation planning, security and border facilitation issues. For clients, he specializes in the integration of new processes and technologies to passenger and goods processing. He holds a Master of Science in Planning.

Kenneth Currie
Senior Vice President
Mr. Currie focuses on legal and economic analyses of airline and airport issues, with particular emphasis on aviation network systems, operating economics, the aviation regulatory system, and the international competitive framework of the industry. He holds a degree in Economics, a Law Degree and is a member of the State Bar of California.

Douglas C. Bañez
Director, Finance and Privatization
Mr. Bañez focuses on economic analyses of airline and airport issues, with particular emphasis on air traffic forecasting, international aviation networks, air carrier marketing presentations and air cargo studies. He has extensive experience on client work related to airport facilities development, including economic and financial analyses of proposed projects. Mr. Bañez holds a Master of Business Administration and a degree in Economics.

Mark Ray King
Director, Aviation Economics
Mr. King has been building models to analyze all aspects of airlines and airports for over 21 years. He specializes in airport demand and business plans, airline route and network planning, labor cost and competitiveness, air service marketing, and airport capital finance. Mr. King is an MA candidate in Economics at George Mason University.

Edward Scerbo
Director Finance and Privatization
Mr. Scerbo has extensive experience in the business aviation industry, assisting companies with business planning and development, forecasting, finance, and strategy. He has been involved with numerous corporate M&A functions and corporate transformations, conducting financial, operational and market due diligence.

Rick Russell
Director, Aviation Services
With over 30 years of international consulting experience in Europe, Middle East, Asia and the United States, Mr. Russell is a civil aviation and tourism development specialist, creating business strategies and providing market assessments. He has particular expertise in international business development and aviation privatizations in emerging markets.

Our Clients

We serve airlines, airports, aircraft manufacturers, governments and investors. Our staff have assisted many clients by developing forecasts, including the following:

- Albany County Airport Authority
- Chicago Midway International Airport
- Edmonton Airports
- John C Munro Hamilton International Airport
- John F. Kennedy International Airport
- Kelowna International Airport
- Kingston Ontario Airport (City of Kingston)
- Las Vegas McCarran International Airport
- Los Angeles World Airports
- Mauritius International Airport
- Santiago International Airport, Chile
- Stewart International Airport, New York
- Vancouver International Airport
- Abu Dhabi International Airport, United Arab Emirates
- Birmingham International Airport, UK
- Curacao International Airport
- Government of Jordan
- Jorge Chavez International Airport, Peru
- Juan Santamaría Airport, Costa Rica
- Kingdom of Bahrain Department of Civil Aviation
- Kingdom of Saudi Arabia, General Authority of Civil Aviation
- Manchester International Airport, UK
- Nassau International Airport, Bahamas
- Owen Roberts International Airport, Cayman Islands
- Port of Spain Crown Point International Airport, Trinidad and Tobago
- Quito International Airport, Ecuador
- San Juan International Airport, Puerto Rico
- Sharm-el-Sheikh Airport, Egypt
- Sydney International Airport, Australia
- Townsville Airport, Australia
- Boeing Commercial Aircraft Company
- European Bank for Reconstruction and Development
- Gouvernement du Québec Ministères de Transport
- Government of Nova Scotia Department of Tourism
- Government of Ontario Ministry of Transport
- Havaday Development

About InterVISTAS

Our Mission
To provide leading-edge solutions, enabling our clients to create and achieve their future visions.

Contact Us

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