

FOCUS WATERTOWN

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OST-01-10644-10

May 16, 2002

The Honorable Norman Y. Mineta
Secretary
U.S. Department of Transportation
Room 10200
400 Seventh Street S.W.
Washington, D.C. 20590

Dear Secretary Mineta:

Focus Watertown has written this letter to seek your support and assistance in assuring Essential Air Service to Watertown, South Dakota.

Focus Watertown is an economic development organization consisting of over two hundred private and public sector investors. We have been most appreciative of the administration's efforts to strengthen the economy and thus the business community.

Watertown, SD has been struggling to assure that our commercial air carrier continue to provide service to our community. Our air service provider, Northwest Airlines, several years ago made a marketing decision to increase their traffic in the southeast South Dakota market by lowering fares in Sioux Falls, SD and in an effort to keep traffic in Sioux Falls that may have departed from Sioux City, Iowa or Omaha, Nebraska.

Northwest did not make a corresponding fare reduction at the Watertown facility even though the result was that now Watertown faced the same plight that Northwest was attempting to resolve in another location. In addition, Northwest began to deliver the remaining flights at time schedules that do not allow passengers to make adequate connecting flights. This forces business fliers to add additional cost of overnights to seemingly easy sales calls.

At the time the carrier made these fare and schedule changes, Watertown had approximately 10,000 boardings per year. Since the changes, as could be expected, our local boardings have decreased. We believe due to the above-mentioned marketing decisions and not necessarily due to lack of passengers.

Many of our Watertown region businesses are national and international in customer based and location. These businesses cannot afford to have valuable staff time be spent needlessly in having to stay overnight or leaving a day earlier. The businesses are losing sales and production opportunities. The resulting effect

The point of doing business

will be that the businesses either will not be able to grow at a rate that would be possible with adequate air service or they may decide to not locate within the nation's smaller rural communities. Both of these results will tend to negate the very efforts of the administration to have a broad based economic recovery covering all sectors of the nation.

Northwest Airlines has recently made fare and schedule changes due to substantial involvement by Watertown Mayor Barger and the South Dakota congressional delegation which we believe will continue to improve the boarding numbers at Watertown. We are asking you to support our congressional delegation in their efforts to assure continued Essential Air Service to Watertown, SD and to assure that service is provided at a three flight per day schedule. The loss of adequate air service to Watertown, SD would be a devastating economic blow to our community.

We would like to thank you for the administration's efforts regarding the economy nationally and of course for any assistance with this most critical issue for our community.

Sincerely,



Richard Benda
President

CC: Senator Tom Dashle
Senator Tim Johnson
Congressman John Thune