

Berlin Airports' long-haul marketing support scheme



In the run-up to the opening of the new Capital Airport Berlin Brandenburg, Berlin Airports would like to work with interested airlines on pushing ahead with the sustainable development of high-frequency, long-haul flights and thus lay the foundations for further growth in this segment.

For airlines, the establishment of long-haul flights means higher marketing expenses and increased operating costs. In order to minimize the greater risk associated with new longhaul routes, Berlin Airports is offering marketing support to "First Movers" in order to establish new long-haul destinations from the aviation location of Berlin Brandenburg (TXL, SXF and BER).

A total of 28 weekly departures ("28/7") - including frequency increases - will receive support during the period given.

Airlines interested in long-haul support should contact the marketing department of Berlin Airports well before flights are open for booking. Contact can be made either electronically at marketing@berlin-airport.de, by post or by fax at:

Flughafen Berlin-Schoenefeld GmbH
Schoenefeld Airport
12521 Berlin
Germany

Fax: +49 30 6091-2009

Support will only be granted on conclusion of a long-haul support agreement if the following criteria are met:

1. Support criteria

The airline is obliged to add a long-haul route in the period starting from the 2010 winter flight schedule up to and including the 2013 summer flight schedule (one year after the opening of BER) in accordance with the following criteria:

- ▶ The destination of the proposed long-haul route was not served by Berlin Airports in the respective previous flight schedule season and is at least 200 km from a destination already connected to Berlin. If a destination is advertised by several airlines, the first to open it to bookings will receive the support.
- ▶ The proposed long-haul route is more than 3,999 km (measured in a great circle) away from the airports SXF, TXL or BER.
- ▶ The proposed long-haul route shall offer at least three weekly non-stop departures in a rolling year. A split into two or more destinations is allowed, if these destinations are added in the same period and meet this criteria.
- ▶ The proposed long-haul route must be served by an aircraft with at least 170 seats.
- ▶ The proposed long-haul route must be served for at least four years.

2. Terms of support

Berlin Airports shall grant marketing cash support according to booking availability and will carry out marketing activities aimed at marketing the airline's proposed long-haul route.

Marketing-Cash Support

- ▶ The amount of marketing cash support depends on the number of flights offered per week. The maximum amount shall be granted for seven flights per week.
- ▶ Marketing cash support shall be reduced proportionately for less than seven flights per week.
- ▶ Support shall be provided for 24 months.

- ▶ The airline shall submit a marketing strategy at the latest two months after booking opens.
- ▶ Payment shall be made on a quarterly basis upon submission by the airline of a statement of use of funds once the flight is open for booking.

Marketing activities

- ▶ Berlin Airports will carry out marketing activities aimed at marketing the airline's proposed long-haul route.
- ▶ The maximum amount of marketing activities shall be granted for an average of seven flights per week.
- ▶ The amount of marketing activities shall be reduced proportionately for less than seven flights per week.
- ▶ Support by marketing activities shall be provided for 24 months.

Additional frequencies

If within the 24-month support period the frequency of the proposed long-haul flight increases to more than in the previous month, the originally agreed marketing cash support and marketing activities per additional frequency per month flown shall be increased to a maximum of seven weekly flights as soon as the frequency increase is open for booking.

Reduction in frequencies

If within the 24-month support period the airline reduces the frequency of the proposed long-haul flight to less than in the previous month, marketing cash support and marketing activities shall be reduced proportionately.

Non-compliance with terms of agreement

If the airline cancels the proposed long-haul route before four years have elapsed or reduces frequencies to on average less than three weekly flights in a rolling year, payment of marketing cash support and marketing activities carried out by the airport shall cease immediately. The airline is obliged to pay back 50% of the marketing cash support already granted.