

Creating a Significant Incremental Revenue Stream for the MVY Airport



THE BUSINESS OPPORTUNITY

RESPECTING THE SPECIAL AESTHETIC QUALITY OF THE ISLAND AND ITS AIRPORT

- Develop a significant, non-operating revenue stream for the MVY Airport to offset operating budgets, supplement FAA funding and to finance capital improvements by executing a branding display and digital video sponsorship program.
- This is a validated and proven business model that can reliably provide up to \$300M in annual non-operating revenue for the airport.
- The branding displays and digital video sponsorships capitalizes on the demand of luxury brands to reach HNW individuals through private aviation and affluent commercial aviation facilities.
- The branding displays are custom made by a noted Connecticut mill shop to provide a tasteful and compatible presentation within the airport environment and one that is in keeping with Martha's Vineyard's unique, historical architecture.
- LMP provides a total turn-key solution. All capital expenditures, installation costs, and operating and marketing expenses are absorbed by LMP. There is no financial risk to the MVY Airport.
- LMP and MVY Airport will share all sponsorship revenue on a 50-50 basis.

CREDENTIALS AND CAPABILITIES

- ✿ Luxury Media Partners is a Connecticut based out-of-home media company, with its principal sales office located in New York, NY.
- ✿ The company was founded by a senior executive in the media and marketing industries and a successful entrepreneur. Brian Pussilano founded Executive Media Network, a multimillion dollar OOH media firm that created a network of airline VIP clubs and FBOs that delivered over \$14MM in revenue to its marketing partners.
- ✿ Luxury Media Partners will be managed by two seasoned and successful executives who have an extensive network of decision makers at luxury brands and their media agencies.
- ✿ LMP has identified a lucrative marketing niche to leverage demand by luxury brands to reach affluent travelers at resort and leisure destinations by creating a sponsor supported network of aviation facilities in the most affluent zip codes in leisure time, resort and second and tertiary home destinations.
- ✿ Luxury Media Partners understands the private aviation audience. We have conducted, and invested in, extensive research to gain a comprehensive insight to their expectations; their lifestyle; their aspirations; their prominence and achievements and to their unique consumption behavior.
- ✿ Luxury Media Partners has successfully developed this revenue model for the Town of East Hampton Airport. The sales results of this first season, and the number of sponsors who have participated, clearly validate the LMP business model.
- ✿ Our objective is simple: to build a robust and sustainable, sponsor supported revenue stream for our marketing partners; to respect the expectations of their customer base; to provide successful marketing solutions for our sponsors; to operate the business with the highest standards of integrity and transparency.

MARKETING AND SALES STRATEGY

- ✿ Luxury Media Partners will be fully responsible for executing the marketing, sales and back-office functions of the sponsor display revenue program.
- ✿ LMP will focus its marketing and sales strategy on three of the most affluent, seasonal resort destinations in the the United States:
 - East Hampton, Nantucket, and Martha's Vineyard
- ✿ These resort destinations draw seasonal residents and visitors from the all the major Northeast population centers and other U.S. cities, as well as wealthy international travelers.
- ✿ The airports serving these destinations draw the wealthiest segment of residents and visitors. They are all passengers of private jets, charters and commercial aircraft making them an audience with unique demographic, consumption and lifestyle characteristics that are highly desirable to luxury sponsors.
- ✿ Luxury Media Partners will solicit only appropriate luxury brands and service clients for the sponsorship program.
- ✿ LMP has developed a pricing strategy that will ensure optimal revenue generation in exchange for a a unique value proposition for the sponsors.
- ✿ The LMP business model limits the number of sponsors who can participate in the program to ensure a lack of clutter and to maintain an aesthetically pleasing environment and experience.
- ✿ Our business model will also provide local businesses with an affordable digital video alternative that will allow them to reach the airport audience cost effectively and within their more limited marketing budgets.

RISK MANAGEMENT

- ☼ The MVY Airport will retain approval rights for:
 - The design and size of the sponsorship displays
 - The placement and number of sponsor displays
 - The business categories and marketing clients who can participate in the revenue program
 - Program content for the digital video displays
 - The creative execution of the branding messages

- ☼ Luxury Media Partners incurs all costs and expenses for the revenue program including:
 - Capital expenditures
 - Installation and permit costs
 - Operating, maintenance and repair costs
 - Compliance with Town codes and regulations
 - Sales, marketing and research costs
 - Billing, collection and back office support
 - General liability insurance of \$5MM for each occurrence with MVY Airport as a co-insured.

NET ANNUAL REVENUE POTENTIAL FOR Martha's Vineyard AIRPORT

YEAR	MINIMUM	REALISTIC	OPTIMISTIC
2009	\$100,000	\$150,000	\$200,000
2010	\$200,000	\$250,000	\$300,000
2011	\$250,000	\$300,000	\$350,000
2012	\$250,000	\$300,000	\$350,000
2013	\$250,000	\$300,000	\$350,000
TOTAL:	\$1,050,000	\$1,300,000	\$1,550,000

ASSUMPTIONS:

1. Airport management approves a minimum of five (5) sponsor displays and two 52" digital video screens.
2. Seasonal sponsorship term of May through September.
3. Displays are positioned in highly visible areas to passengers. and auto traffic.
4. Sponsor displays are externally illuminated for visibility after sundown.

POTENTIAL SPONSOR CATEGORIES

- LUXURY RETAIL
- LUXURY REAL ESTATE
- MUSEUMS AND CULTURAL VENUES
- LUXURY AUTOMOTIVE
- WEALTH MANAGEMENT AND PRIVATE BANKING
- UPSCALE HOME ACCESSORIES AND IMPROVEMENTS
- MANAGEMENT AND TECHNOLOGY CONSULTING
- DESTINATION MEMBERSHIPS
- LUXURY WINES AND SPIRITS
- UPSCALE HOTELS, RESORTS, SPAS AND EXPERIENTIAL TRAVEL
- AUCTION HOUSES
- EXECUTIVE WELLNESS
- FRACTIONAL OWNERSHIP AND JET CARD PROGRAMS
- LUXURY WATCHES AND JEWELRY
- LOCAL RESTAURANTS, ACCOMMODATIONS AND FRACTIONAL OWNERSHIP
- YACHT CHARTERS AND FRACTIONAL OWNERSHIP
- FIRST CLASS INTERNATIONAL TRAVEL
- PREMIUM BOTTLED WATER

SPONSORSHIP DISPLAY RENDERINGS

4' x 6' ILLUMINATED EXTERIOR DISPLAY



4' x 6' ILLUMINATED EXTERIOR DISPLAY



4' x 6' ILLUMINATED EXTERIOR DISPLAY



72" x 33" EXTERIOR BRANDING DISPLAY



3' x 5' ILLUMINATED EXTERIOR DISPLAY



RED CARPET BRANDING



4' x 6' ILLUMINATED EXTERIOR DISPLAY



3' x 5' BRANDED POLE BANNERS



BRANDED GIFT BAGS



1. Gift bags would be distributed to all arriving passengers on Memorial Day, July 4th and Labor Day Weekends.
2. Clients provide appropriate gifts, product samples, gift cards, promotional offers, etc.
3. A “surprise and delight” amenity designed to enhance the customer experience.

52" LCD DIGITAL VIDEO SCREEN

Welcome to the MVY Airport

Sat July 5
10:15AM



**KNOWLEDGE
TO ACT.**

FINANCIAL
LEGAL
TAX & ACCOUNTING
SCIENTIFIC
HEALTHCARE
MEDIA



THOMSON REUTERS
thomsonreuters.com

Today's weather:  86°/67°

APPENDIX

FREQUENTLY ASKED QUESTION

FAQ:

People who live on Martha's Vineyard and who vacation here regularly don't like advertising to intrude on their lives. **Won't your branded sponsorship displays annoy them?**

ANSWER:

First, our branding displays are restricted to the airport and nearby spaces; most Martha's Vineyard residents and visitors will never see it.

Second, we position our display units very carefully, so that they are visible but not intrusive; in addition, the display fixtures are tasteful, classic in style and beautifully crafted, so that they actually enhance the appearance of the facility.

Third, the people who fly in and out of Martha's Vineyard are well accustomed to seeing the kind of upscale, luxury brands that we will present; it is an accepted part of their lifestyle and, in fact, the presence of the displays validates that the airport truly understands its market.

Fourth, the Town of East Hampton had similar concerns and has learned that if the branded displays are executed tastefully, with the appropriate brands and services, the customer will accept it without any objection.

And Fifth, the passengers who use your airport are successful and prominent in their respective fields. They understand that the town is challenged to provide greater services with limited available resources. They **accept the sponsor displays as a creative business solution to bring additional revenues to offset costs and to provide amenities and services without having to impose additional fees and taxes.**

ESTIMATED CAP EX AND INSTALLATION INVESTMENT

DESIGN - MANUFACTURER- TRANSPORTATION - AND INSTALL DISPLAYS AND LIGHTING	\$100,000
INSTALLATION OF SOFTWARE - HARDWARE - DSL LINE - CABLE SUBSCRIPTION FOR DIGITAL SCREENS	\$22,000
TOTALS:	\$122,000