

# WE'LL MOVE YOU .... AND YOUR STUFF

*The past five years have seen Edmonton International Airport quietly transform itself into a big player in air cargo. Here's a look at EIA's "unglamorous" side.* BY BEN FREELAND

Talk to just about anyone working in the air cargo business and they'll invariably tell you that theirs is the neglected, "unsexy" side of commercial aviation. Even though passenger aviation is scarcely the romantic phenomenon it was in the 1960s, it still receives outsized attention compared to windowless jets that typically live in faraway corners of airports, well removed from passenger activity. It is perhaps this physical isolation that makes air cargo an "out of sight, out of mind" business. At Edmonton International Airport (EIA), however, the expanding EIA Cargo Village and the ever-increasing number of cargo jets stacked on its newly expanded apron is typically the first thing one sees when arriving at the airport, and thanks to its optimal geographic position and proximity to mixed industrial and commercial developments, EIA Cargo is on fire – and for once people appear to be taking notice.

The past decade has been good to EIA. In 10 years the airport has doubled its passenger throughput from 4.1 million passengers in 2004 to 8.2 million in 2014, placing it as one of North America's fastest growing airports. The air-



NORM RICHARD, EIA CARGO BUSINESS DEVELOPMENT DIRECTOR

port now provides the region with over 60 non-stop passenger destinations, including recent international additions Reykjavik and Amsterdam, giving EIA three non-stop European connections for the first time in decades. At the same time, EIA has undergone equally stunning growth on the cargo side. While the last five years have been rough for the global air cargo market, EIA has grown its cargo business by 25 per cent, with five consecutive years of growth. It has also seen massive facilities investments, with a new \$10 million air cargo apron, a new road carrier hub for Rosenau Transport, and a

210,000 square foot warehouse facility due to open in the first quarter of 2016.

EIA cargo business development director Norm Richard remains bullish on the future of the airport's cargo operations, even in light of economic uncertainties. "We're still growing," he asserts. "We've seen Cargojet up-gauge their operations to a wide-body 767 aircraft. FedEx's wide-body Airbus A310 operations are doing well. We had 50 cargo charters in 2014 with big aircraft like the 747 and the Antonov 225, and we're very excited about the belly cargo

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opportunities with the KLM Airbus A330, which will give us a new air cargo connection to Europe, with improved access to the Middle East and Africa. Of course, we need to be smart in our investments and if we see signs of contraction we'll adjust our plans accordingly. But for now we're seeing tremendous return on our investments."

The new cargo facility, custom built by the California-based company Panattoni Development, will serve as a connector between Rosenau's ground cargo operations and EIA's air cargo services. Once completed, it will allow shippers to deliver goods from Edmonton to anywhere in the globe within 24 hours. Moreover, this development, together with the recently expanded outlet mall slated to open in 2017, comprises a \$225-million mixed-use project that is expected to create up to 1,000 jobs.

For Brad Hoffman, Western Canada VP of Panattoni Development, the choice of Edmonton International Airport as a location for this massive new cargo hub was a no-brainer. "EIA presents a unique opportunity for mixed-use development," says, the California-based company in charge of building the new cargo facilities. "It's not often you see



BRAD HOFFMAN, WESTERN CANADA VP OF PANATTONI DEVELOPMENT

industrial areas on the back step of retail and in such close proximity to conference facilities, hotels, eateries, and so on. Add to that the amazing regional connectivity you have with the QEII and the Canadian Pacific's intermodal yard, and you have the absolute perfect location for this sort of development."

Like Richard, Hoffman remains optimistic about the development's future, even in the midst of economic uncertainty. "There definitely has been a bit of a slowdown, but we're confident that we will continue to thrive," he says. "Consumer goods don't fluctuate nearly as much as

commodities do, and we continue to be strong on the consumer goods side. Also, the industrial real estate market continues to be very strong, with a 2.5 per cent vacancy rate in the Leduc-Nisku region and half that in and around the airport. We're confident that the growth we've been seeing will continue for the foreseeable future."

Cargo: it's sexier than you think. And as far as EIA's cargo operations are concerned, it's about to become far less out-of-sight and a far more visible component of a growing regional transport and logistics-based economy. **bit**