



The Realities of Intra Caribbean Tourism: Who Gets It.

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**Presented by
Lesroy Browne – Advisor to the CEO**

The LIAT Network

- LIAT's footprint is relatively wide – Stretching from Santo Domingo to Guyana.
- Some of the 21 markets that we serve have a population that is less than one hundred thousand persons.
- The average sector time we fly in our network is less than an hour due to the distance between the islands.

The Route Map

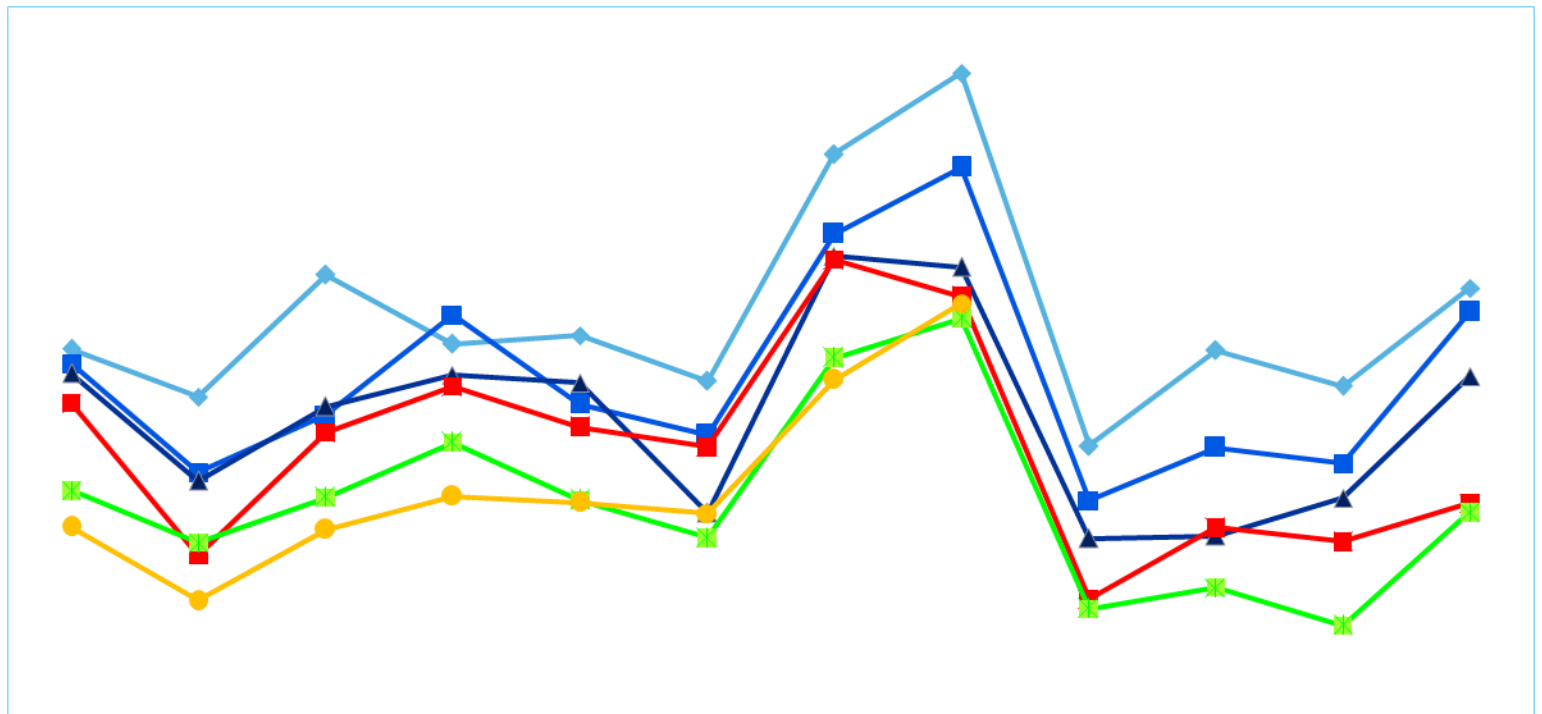




LIAT in the Region

- The majority of the CTO member territories are served by LIAT.
- More than 75% of our traffic is from persons domiciled in the region.
- Persons travel for a myriad of reasons :- business, cultural and sporting activity, medical and educational to name a few.
- LIAT is a major contributor to intra regional travel and indeed Caribbean tourism.

Passenger Traffic by Month (2008-2013)



jan feb mar apr may jun jul aug sep oct nov dec

—◆— 2008 —■— 2009 —▲— 2010 —■— 2011 —✖— 2012 —●— 2013



Sustainable Tourism needs Sustainable Air Carriers

- The sustainability of Intra-Caribbean Tourism is dependent on sustainable Regional Air Carriers.
- Intra regional sustainable air service has been identified as a public good.
- Viability has been a major challenge for Caribbean regional air carriers.
- LIAT has stayed the course for 57 years and is now being re-energized.



Re-Fleeting

- In December 2012, LIAT's four main Government Shareholders approved a fleet modernization project.
- The project involves the replacement of LIAT's aging DH8 fleet with new ATR 600 series aircraft.
- The plan is to acquire 12 aircraft through a combination of lease and purchase.

Re-Fleeting

- The CDB is providing a loan of USD65mn. to the four Shareholder Governments which is to be on-lent to the airline.
- Co-financing is provided by shareholder equity contributions and from LIAT's sale of existing aircraft.
- To date there are four new ATR's (3 ATR-72's and 1 ATR-42) in the fleet and by year end we hope to have six ATR aircraft.



Re-Branding

- Our new logo is displayed on the new aircraft.
- Through a series of brand camps we are sensitizing all staff about the 'new' LIAT.
- Training programs are on-going to ensure improvements in customer service.

Our New ATR72



The Realities of Intra-Caribbean Tourism

Air Travel, the main mode of travel in the Caribbean, is considered to be:

- Costly – total air fare inclusive of Government taxes.
- Inconvenient – Unable to move between some territories in a day.
- A hassle – The completion of E/D cards for each territory visited and the security procedures employed.



The Realities of Intra-Caribbean Tourism

- In recent times, many Caribbean territories have begun to recognize the importance of Intra-Caribbean tourism to their economies.
- Sustainable intra-Caribbean tourism may necessitate air service on a risk sharing basis.



Who Gets it.

Territories that are:

- Building an attractive product.
- Effectively marketing their product.
- Introducing innovative “pulling” programs.
- Allowing easier access – less entry requirement (visa)



Thank you!