



Horizons Newsletter



TOURISM BUREAU HEAD REGINA LABEGA

PJIAE HAS REPOSITIONED ST. MAARTEN

Tourism Bureau Director Ms. Regina Labega says the new terminal building of PJIAE has repositioned St. Maarten for all the island's markets. The new facility has taken travel to new heights and while there is an increase in hotel inventory, the island seems to attract a more upscale kind of traveler who spends more. She calls for more liberal aviation industry regulations, better representation in new and potential markets and increased marketing dollars; a complete paradigm shift in thinking needs to be invoked for the island to fully take advantage of all opportunities that are being laid bare.

"Our new airport building makes 2007 look promising. All reviews are just spectacular. We're hosting the St. Maarten Annual Regional Tourism Show (SMART) in May and reactions that we have been getting from our partners are that they can't wait to come down; they saw pictures and presentations and they have heard how wonderful it is,"

Ms. Labega said during a recent interview with Horizon. She hinted that in terms of reaps, the airport already helped achieve a major milestone. "Low cost airline Spirit is conducting its inaugural flight to St. Maarten on April 20 and that is without a doubt a direct result of the airport upgrade. That is wonderful. It means an addition of substantial airlift from the US mainland," she said.

And, having maintained a presence in South America may turn out profitable. "Brazil, Russia, India and China –the Bric Countries-



Ms. Regina Labega

are expected to do well inbound and outbound. They have a lot of people and natural resources," Ms. Labega explained. She said her office would continue its efforts to attract Latin-American airline Copa Airlines which has approximately 110 daily scheduled flights to 36 destinations in 21 countries in North, Central and South America and the Caribbean. "We're taking into consideration the restrictions of going into the US; CoPa needs to recognize that SXM could be the hub," said Ms. Labega. She used the example of Tucuman International Airport of Panama, which serves as a busy transit gateway, handling passengers from all over South -, Mid - and North America. "Everything from Argentina, Chile, and Uruguay could converge right in St. Maarten and transit on," she said.

The Tourism Industry Official said that even though tourism is a volatile industry –prone to external circumstances- the expectations are good. "Oil prices maintained their favorable stability. A few years ago there was talk of all kind of hostile takeovers and mergers in the airline industry because of high oil prices. Oil is now back at low price and given the persistent cold weather, we're going to have a good season. We

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SOUALIGA BUSINESS CLASS LOUNGE IN A CLASS BY ITSELF



The Soualiga Business Class Lounge

What makes the Soualiga Business Class Lounge different from its predecessor in the former terminal building? Well, for starters: the lounge is not much bigger, but definitely even more upscale. What hasn't changed is high level of service that Lounge Manager Ms. Ketty Paines and her staff of six, all female, continue to offer to customers who call at the lounge in the departure hall in the Terminal Building.

To start with, this Soualiga Lounge is easier to reach than the previous one, since it has no stairs. This certainly makes access easier for physically challenged passengers. The lounge in the new facility has a similar concept to the one in the former terminal. It has a pantry where snacks provided by Duzon's Catering can be stored and semi-prepared. The staff of the Soualiga Lounge operates the bar. "Hostess, receptionist, bartender, we do it all," said Ms. Paines.

At the bar, customers can have complimentary soft drinks, coffee, tea and an assortment wines. The staff can also mix cocktails, but that is a service customers have to pay for. "We are trained to mix drinks and we made our own manual to do so," said Ms. Paines, who together with her team stands for providing impeccable service to the customers.

Elements of the NTB's theme of sun, sea and sand can be found throughout the Soualiga Business Class Lounge. The colours green, representing the island's nature, light brown for the sand, and a soft shade of yellow for the sun are abundant, giving the area a relaxing atmosphere. "We tried to keep it close to nature. It has to feel as relaxed as possible; our customers should get that sense of privacy, the same one they have in their own living room,"

said the Lounge Manager. The lighting has been adapted and the décor is even more upscale compared to the previous lounge.

The Soualiga business Class Lounge can accommodate 75 to 80 passengers. And, if there is a function at the lounge, one section can be closed off. Because of its proximity to the A gates, the Lounge handles quite some customers. On busy days, mostly in the weekend, the lounge on average receives 80 to 100 passengers. During the week, that number is less: 30 to 35 passengers. One of the services the Soualiga Lounge offers is keeping track of passenger's boarding times and letting them know when it is time to board.

The airport has agreements to provide lounge services to business class passengers of several airlines, including Air France, KLM and Caribbean Airlines, but passengers holding a so-called priority pass of the International Business Lounge Organisation can also make use of the lounge. Agreements with other airlines are being worked on.

Though the lounge mainly caters to business class passengers, coach passengers can also make use of it for a fee of US\$ 20. Besides enjoying drinks and snacks, customers can watch TV, read newspapers and magazines. Travellers can even make copies and send faxes; for a fee of course.

Ms. Paines explained the neatness of the lounge and her staff: "Appearance is very important. We are the reflection of the service we provide. I stress a lot on appearance," she said. Having studied tourism and having worked for American Airlines and Arrindell Aviation Services, and running the Soualiga Lounge since 2001, giving top customer service has become second nature to the Lounge Manager, who is very much focused on cleanliness. The lounge is cleaned by cleaning staff around the clock cleaning to give it that clean feel and look that customers of a business class lounge expect.

Ms. Paines is also in charge of the Head of State Room and the VIP Room. As the names suggest, the Head of State Room is for top Government officials and Heads of state, and the VIP Room for VIP's. For the Heads of State Room, The Lounge Manager works closely with the Protocol Office of Island Government. The VIP Room for arriving VIP's is available for a fee and only open upon request which has to be filed at least 24 hours prior to the arrival/departure of the VIP.

...in the next edition of *HORIZONS*:

PJIAE safety outlined

Art at PJIAE

KOOP EUROPE ADVANCES WELL WITH EXPANSION PROJECT

Construction company Koop Europe BV is proceeding well with the Apron East Extension project, according to Project Manager Maarten Lois. After demolition of the last parts of the old terminal building and its foundation in January 2007, workers have turned the bare rock soil into a solid apron. Construction of the three-story 25m2 Operations (OPS) Tower, is also progressing well on the site.

Parts of the works include a new foundation for which a dry concrete mix, so-called cement treated base course (CTBC), will be used. On top of that 30 cm CTBC layer, Koop will pour in total 12,000 tonnes asphalt, of which 8,000 ton in the first phase and 4,000 ton in the second phase. The asphalt is prepared at Koop's plant located next to the passenger parking. Asphalt for the apron has to comply with specifications of NACO, the Netherlands Airports Consultants B.V. The asphalt needs to have a certain degree of elasticity. The mix is imported from the Netherlands.

The first phase encompasses the site on which the old terminal building used to be, while the second phase covers the area directly in front of the old terminal building where aircraft used to park. The old asphalt layer and foundation will be removed for this purpose. Once renewed, the area will be used for parking of private jets and other aircraft.

Koop has started with the west side of where the old terminal building used to be located. After that the east side will be done,



The project site

followed by the south side. The total construction sum of the Project Apron East Extension, excluding the ops tower, is US \$5.4 million. The project has to be completed by September 2007. The company has a crew of about 25 persons working on the project.

"The project is a nice addition to Koop's work and shows that the client, Princess Juliana International Airport operating company (PJIAE) has confidence in us," said Mr. Lois. Infrastructural work is also Koop's chore business, he added. The new terminal building (NTB) project, of which Koop was the main contractor, was a far bigger challenge. "This magnificent building serves as Koop's business card," he said. "We can honestly say that we are very proud of this building."

Lois took over from former Project Manager Ton van



Mr. Maarten Lois on the project site

Schaick in October 2006. Hailing from the Netherlands, The new Project Manager came to St. Maarten in January 2006 to assist with the Koop's largest ever project here. It isn't his first time on St. Maarten and as a matter of fact not even his first time working at the Princess Juliana International Airport. From 1983 to 1989 he came to the island as part of the team of Dutch construction company Interbeton, a division of the Hollandse Betongroep, now BAM. The team constructed the arrival and check-in buildings, refurbished the older part, constructed several roads, the parking lot and the cargo building. "In those times, suitcases were still thrown through a hatch," Mr. Lois said with a smile.

Looking back at Koop's two years of hard work on the NTB, Mr. Lois said especially the last months were "very hectic" and "taxing." Logistically the project was also challenging. Because almost nothing is being produced locally, the vast majority of construction material had to be imported. In total 15,000 tonnes of sea freight was shipped in, including 845 containers, through the A.C. Wathey Harbor Facilities.

During the peak period of the construction of the NTB, Koop Europe BV worked with some 200 persons, of which 30 were direct staff. But, he said, "It was a good team. We worked well together. Otherwise we would not have been able to complete it. And for that a big thank you is in order," said Mr. Lois, mentioning specifically the sub-contractors.



The project site

KLM DEPLOYS MD-11, REDUCES FLIGHT FREQUENCY



Captain Aart de Lange

A major change is on the way for KLM and its flights to and from St. Maarten. As per March 25 2007, the airline will not only stop flying with the Boeing 747-400 and deploy MD-11's on the route Amsterdam-St. Maarten, it will also re-direct its returning flight to Amsterdam via Aruba.

Until March 25, KLM flights to Amsterdam made a stop-over in Curaçao to fuel, cater and drop off and pick up passengers. This stop-over will now take place in Aruba. KLM's last Boeing 747-400 departed from Princess Juliana International Airport on Thursday March 22.

The first MD-11 will land at PJIA on March 25. Per that date KLM also reduces the number of St. Maarten flights to two per week, which is in line with the regular reduction of flights in the off-season. Flights will be on Friday and Sunday, arrive at 5:10pm and leave at 6:20pm. KLM from October 2006 to March 22, 2007 flew the route three times a week. The number of flights will go up to three per week at the end of October 2007. This frequency will remain until March 2008. The MD-11 will stay at least for 2007 and 2008.

The reduction in flights and the deployment of the MD-11, which is a smaller aircraft than the Boeing 747-400, means less seat capacity to and from St. Maarten. The MD-11 has 294 seats while the Boeing 747-400 has 428 seats. The MD-11 also has less business class seats, a mere 24. The Boeing 747-400 on



The first KLM flight carried out with the MD11 arrived on Sunday March 25, 2007.

the other hand has 42 seats in the business class. Operating the MD-11 means about 140 fewer seats for St. Maarten, per flight. St. Maarten has to share the seats on KLM flights with the island where the stop-over takes place. KLM will stop operating Boeing 747-400's throughout the Netherlands Antilles and Aruba. The MD-11 was deployed on the Amsterdam-St. Maarten route on two earlier occasions: in 1995 and in 2002, but that didn't last more than a couple of months. In 2002 KLM used the MD-11 to operate direct Amsterdam-St. Maarten-Amsterdam flights for a short while.

Meanwhile, business has remained encouraging. The Heineken Regatta in March was good business for KLM and its sister airline Air France. Together both airlines transported some 600 passengers during the regatta season, said Arrindell Aviation Services' KLM lead agent Minerva Werleman. KLM this year didn't execute a charter flight.

KLM and Air France reported a good season. Air France Country Manager Mr. André Pasquali said the airline experienced a growth of about 10 per cent on the Paris-St. Martin route this season, compared to the previous season. He qualified Air France and KLM as



The KLM Boeing 747 was showered for its last departure

two of the three major airlines that service St. Maarten, together with American Airlines, when taking into account the volume. Air France will fly to PJIA seven times a week until the end of April. Per May 2, the frequency will be reduced to five flights per week. Per June 14, the frequency goes up to six flights per week. In the month October 5 the frequency will be five times per week. This will be increased to daily flights per October 27. In the summer period Air France will leave at 4:10pm and in the winter schedule at 5:10pm.

PJIAE PROMOTED AT NETWORK USA



PJIAE's delegation at Network USA. From left to right: Ms. Brill, Mrs. Pantophlet-Gregoria and Ms. Labega with an airline official

PJIAE officials –Mrs. Shirley Pantophlet-Gregoria, Ms. Norma Brill and Ms. Daphne Nicholson- held meetings with several airlines when they attended Network USA in Tampa Bay, St. Petersburg, Florida in March 2007.

The conference was very well attended and according to the organizers, was the biggest so far with over 60 airlines and over 100 airports participating along with other companies who attended as exhibitors. The total number of delegates amounted to over 325. Although Network USA mainly features carriers from North and South America, there were also a few from Europe.

Ms. Regina Labega of the St. Maarten Tourist Bureau, who is also a member of the Board of Directors of PJIAE N.V. also attended Network; she did so however, in her capacity as Tourism Director. PJIAE had an exhibition stand, in which promotional items of the airport were handed out. This was the first Network since the new terminal building opened; “We were eager to feature our new terminal to delegates, by displaying material such as brochures, banners, a dvd etc. highlighting the changes to having a new and larger passenger terminal,” said Ms. Brill. She said many of the delegates showed much interest in St. Maarten and as usual, inquired much about the spectacular landings at PJIA for which the airport is known the world around.



Network USA 2007 was well attended

Continued from page 1

will see 3 to 4 percent increase in visitor numbers,” she said. The Tourism Director emphasized though that that she doesn't want the focus to be solely on increasing numbers. “We noticed that last year we got an increase of 0.06 percent over the year before in terms of visitors; but we definitely had more revenue. Between 20 and 30 percent! Our wholesalers pointed that out to us. It shows that St. Maarten is attracting the upper scale tourist who is also just staying longer.

She said though that St. Maarten needs to take a good look at its strategies toward the European markets. “There is a wonderful opportunity we're not taking advantage of. The Euro is so strong, making this destination a good destination where European people could get great opportunities. More bang for their buck so to speak. We have direct flights to Europe with Air France, CorsAir and KLM, so we have the airlift. What we need to do is structurally put in place marketing to take advantage of this. In particular the Dutch market. They have a lot of discretionary income right now and they travel,” said Ms Labega.

She said that the UK market is also very lucrative, as the pound remains strong. “The UK traveler just doesn't stop traveling; they are volatile, no matter what happens. Now one of our major objectives is to get an airline out of the UK market, but right now it's a situation where the chicken is placed before the egg. We need that fundamental infrastructure in place necessary in case potential visitors have questions. That would help the destination penetrate that market,” she said.

The tourism director said that infrastructure meant an office in the European market and substantial funding to market the island.

“The risk is right now too great for the airlines. There is nothing structurally in place. Remember that we spoke to First Choice charter airline a few years back? They are flying to Aruba now. If you compare us with Aruba competitively, you would see why Aruba would attract service from England faster. They have representation over there and they have systematic funding,” she said.

She said it would make common sense to have a presence in Europe. “Especially now that we're talking about the new country St. Maarten, we should also think about what type of aviation agreements we want to enter into with what other countries. That will be important for the partners of the airport to know. A lot of the islands around here are moving for open sky agreements. One of the first things we should do as a new country is tackling the issue of aviation liberalization,” she said. Taking into account the new hotel inventory that has come on stream, having as few barriers for increased airlift as possible makes perfect sense, she said.

The Tourism Director meanwhile had high hopes for the new marketing campaign launched jointly by her office and the French Office de Toerisme. “Our new slogan “Bring your appetite for life” got raving reviews. “It plays on the fact that when you come to St. Maarten, you can live. We're the culinary capital of the region, winning culinary competitions. People can come here and truly enjoy life; calm relaxation, active nightlife, good food and beautiful nature. We have built a multi-million superclass airport and other amenities have been added to the tourism infrastructure. From when you arrive, you feel that you come into a world-class destination. It all coincides perfectly,” said Ms. Labega.

DAE WANTS TO BE THE ANTILLEAN AIRLINE

Dutch Antilles Express (DAE) is working hard on its public image as a true Antillean airline, there for all the islands. "It is your Antillean airline. We have been there all the time, also for St. Maarten," DAE's Chief Executive Officer Mr. Floris van Pallandt recently told Horizons. DAE started in February 2007 with jet service between Curaçao and St. Maarten and the airline is very satisfied with this development.

"St. Maarten is very important to DAE," said Mr. Van Pallandt, explaining that more than half of the St. Maarten traffic originates on that island. This implies that DAE is in high demand among its St. Maarten customers.

The jet service, which started February 15 this year has only improved service on the St. Maarten-Curaçao route. DAE has daily jet service on this route; from Thursday to Sunday the airline has a second ATR propeller flight in the evening hours. Flying time on DAE's jet is one hour and 20 minutes which is shorter compared to the ATR aircraft which makes the flight in about two hours. Another plus for the passenger are the luxurious leather seats in the Fokker 100. Seats also have a bigger pitch.

"The jet actually adds a business product for an economy tariff. You sit more comfortable in our Fokker than in coach on most inter-continental flights," said the CEO. In combination with the second ATR flight the jet service also makes it attractive for business people to travel to Curaçao and return to St. Maarten the same day. The same also applies for people from Curaçao. The increased capacity also facilitates long weekend getaways.

With the second Fokker 100, which arrives early April from Brazil where it had its C-check, DAE plans to expand in the region. Routes to and from new destinations like Santo Domingo in the Dominican Republic (4 times per week), Bogotá in Colombia (2 times per week) and Port of Spain in Trinidad & Tobago (3 times per week), all originating in Curaçao, will be introduced. Also in April, DAE will move its head office from Bonaire to Curaçao. The call centre, revenue accounting and handling will remain in Bonaire. Operations have always been in Curaçao.

The Caracas flight was introduced in the third week of March 2007. Van Pallandt said DAE and his team were very enthusiastic about the expansion. Because of the multiple connections, it means that DAE actually creates many more routes. "It doesn't only mean that we now have a Curaçao-Caracas flight, it also means we have Aruba-Bonaire-Curaçao-St. Maarten-Caracas flights," said Mr. Van Pallandt, who said the airlines intended to make the connecting times as short as possible.

With the second jet DAE will have doubled its capacity, but keeping in mind operational integrity and back-up capacity. This, said Mr. Van Pallandt, will repay itself in customer loyalty as DAE's top priority, next to safety, is dependability and punctuality. The jet has been doing very well and will stay on St. Maarten. "We are satisfied with the jet's performance. We get positive reactions from passengers, especially about the interior and the comfort," he said.

PJIAE's New Terminal Building has also contributed to



The jet adds to DAE passenger comfort

improved passenger comfort, said the CEO, who does have concerns about the cost development which would affect the airlines and passengers. "The improvement was highly needed, but St. Maarten should also realise that it has to compete with others in the region," he said.

As for DAE's tariffs, Mr. Van Pallandt said that these remained unchanged since the days of the now bankrupt Dutch Caribbean Airline (DCA) and its predecessor Air ALM. Tariffs are stipulated by the Central Government. DAE has been trying to lower its tariffs since the start of this year, and also last year, which was before Insel Air started to fly. The Central Government however said "no" to DAE's introductory jet tariff of Naf. 200.

Eventually a compromise was reached; the introductory rate is Naf. 270. DAE, before Insel Air started flying, carried the responsibility of being the only connection between Curaçao and St. Maarten. "We filled the gap that DCA left. Without costing the tax payer one extra cent, we gave content to the responsibility that the Central Government has to maintain connections between the islands, flying with a high punctuality and a low cancellation rate, at tariffs stipulated years before," he said. He mentioned that cost did rise.

Mr. Van Pallandt has been in charge of DAE since May 2005 when the company started operations. Before that, BonairExpress and Exel flew between Aruba, Bonaire, Curaçao and St. Maarten. The former KLM official came from England where he ran KLM UK and its subsidiary Buzz. When Buzz, which had become a separate entity in 2002, was acquired by Ryan Air in 2003, he left the company. From 1995 until 1998, Mr. Van Pallandt was director of KLM Cityhopper.

Having worked in the UK he is used to operating in a highly competitive and liberalised environment. The DAE CEO said he was approached by Niek Sandmann, owner of the Bonaire based company BBPM, DAE's shareholder early 2005. "I have 26 years of experience in aviation and I have run four airlines in ten years as CEO. I can tell you that what is being said about DAE fearing competition is absolutely not true."