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PROPOSAL

SMALL COMMUNITY

AIR SERVICE DEVELOPMENT

PILOT PROGRAM

Docket Number: OST-2002-11590 - 48

Submitted by:

City of Baker City
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Baker City, Oregon 97814

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1 DESCRIPTION OF THE COMMUNITY

Baker City is a community of 9,880 residents located in Northeastern Oregon. It is the county seat for Baker County, a rural county with a population of 16,000. Baker City's economy is based on natural resources, agriculture, and tourism. With recent declines in the natural resource industry, Baker City is attempting to position itself as a tourist destination, due to the nearby natural features of mountains, wilderness areas, the Hells Canyon National Recreational Area, and historical assets from the gold mining era of the late 1800's.

As shown on the attached map (Exhibit A), Baker City is in an isolated location with the nearest airports with scheduled air service being Pendleton, Oregon, located 92 miles to the west, and Boise, Idaho, located 125 miles to the east. Air service from Pendleton is limited to flights to Portland, Oregon for connection to other scheduled flights. Boise, Idaho offers full service for flights to other locations, however, airfares are generally higher from Boise than at hub airports. Both Boise and Pendleton are reached via Interstate 84 (I84), however, to reach Pendleton from Baker City, a motorist must traverse two mountain passes, often a daunting task in the winter. There are no passes between Baker City and Boise however, I84 traverses the Burnt River Canyon, an area known for high winds and blowing and drifting snow in the winter. During the winter of 2001/2002, this section of the freeway was closed on 6-8 occasions. The closures generally lasted 12-24 hours. During those periods, driving to Boise was a practical impossibility.

The population of Baker City has remained almost constant over the past

40 years, fluctuating between 9,000-10,000.

II. HISTORY OF AIR SERVICE TO BAKER CITY

Prior to 1970, Baker City was provided with scheduled air service by what was then known as “Air West”. Service was limited to one round trip each day to both Portland and Boise. In 1970, Air West ceased operating from Baker Municipal Airport and the city had no scheduled air service of any kind until 1977 when a service known as “Air Oregon” started. This service was an attempt to combine passenger service with bank courier planes that were already flying into and out of Baker City each day. This service lasted approximately three years before being discontinued. The major reason for the lack of success was the fact that the bank courier plane used by Air Oregon departed from Baker City in the evening. Business travelers wishing to go to Portland almost always wish to leave in the morning hours and return the same day. This service was not available with Air Oregon.

Since 1980, the city of Baker City has had no scheduled air service of any kind. There has been a Fixed Base Operator (FBO) at the airport who would provide air charter services, however, the last FBO operation at the airport ceased in May of 2001 and there is presently no commercial operation at the airport whatsoever. Baker City residents wishing to fly to any destination must first drive either the 1 hour and 45 minutes to Pendleton for limited service, or two hours to Boise for normal airline service.

111. BAKER MUNICIPAL AIRPORT FACILITIES

The existing Baker Municipal Airport facilities are adequate for the Sky

Taxi air service described in this proposal. The main runway length of 5,085 feet is designed for use by medium-size business and private aircraft. Runway design strength is 50,000 single-wheel, 65,000 dual-wheel loading. This runway has medium intensity runway lighting, controllable by the pilot. In addition, the airport has a full-length taxiway parallel to the main runway (12-30). The airport also has two crosswind runways. Runway 16-34 is 4,500 feet in length, while Runway 8-26 is 4,000 feet in length. Neither are lighted.

Baker City is a non-precision airport, however, instrument flight rule (IFR) weather conditions are present only 3.4 percent of the time. Generally flat terrain allows minimum visibility for landing at Baker City of 400 feet X 1 mile.

Security equipment at the airport would not be required because flight itineraries would terminate at Fixed Base Operators at the various destination airports. From there, passengers would have to pass through security prior to boarding any scheduled air service.

The airport is located approximately three miles north of the Baker City limits.

IV. STRATEGY FOR PROVIDING AIR SERVICE

As shown in the Air Service Development Action Plan (Exhibit B) and “Franchise Summary” (Exhibit C), Baker City intends to provide air service to residents of Baker City and nearby communities through the use of the “Sky Taxi” Program. Sky Taxi is an on-demand air service utilizing centralized dispatch to make more efficient use of the fleet of aircraft available to it, while still providing timely service to the passenger. This is a startup operation with first

flights being conducted April 1, 2002. Presently, there are eight franchisees in the Sky Taxi system although, as yet, only three of the franchises have their aircraft flying. The others have either purchased aircraft and they are in the process of renovation, or are still seeking appropriate aircraft.

Baker City has paid a \$5,000 deposit on a Sky Taxi franchise to, in effect, "hold our place in line". A final decision on whether to complete the purchase of the franchise must be made by January 1, 2003. As shown in the Sky Taxi Franchise Summary (Exhibit C), one of the benefits of the centralized dispatch system is that it will seek to equalize use of the franchise aircraft. This means that a franchise holder in an isolated location, such as Baker City, will still receive a share of flights generated in and around more populated areas. A Sky Taxi airplane based in Baker City may well spend most of the working day flying passengers back and forth in the urbanized areas of western Oregon.

Profitability of the franchise will not depend on traffic to and from Baker City alone. The major benefits of having a plane based in Baker City are guaranteed next day service (at the latest), and lower fares within the Eastern Oregon Region.

The Sky Taxi model attempts to provide fast and affordable air service to the large number of community airports throughout the northwest that have facilities adequate for twin engine aircraft, but do not have scheduled air service. The model is attractive to Baker City because it allows local residents the ability to make connections with hub airports and the rest of the passenger air service system, and also allows fast and economical travel to many other small

communities in Oregon and Washington. Unlike charter, the Sky Taxi passenger does not have to pay for either waiting time or empty return trips back to the charter's base.

V. COMPARISON OF FARES

As stated earlier, Baker City has no scheduled air service at this time and does not anticipate such service in the future. Therefore, there cannot be any fare comparisons between the Sky Taxi operation and commercial air service from Baker City. Comparisons can be made with air charters, however.

Standard rates for a plane similar to the Cessna 414AW to be flown by Sky Taxi range from \$550 to \$785 per hour. Thus, a charter flight from Baker City to Portland in a comparable airplane would cost approximately \$1,800 exclusive of any waiting time. The projected fare for a ticket on a Share Fare to Portland from Baker City (purchased with one week advance notice) is \$201 each way or \$402 round trip. Even at the VIP fare rate of \$604 each way or \$1,208 round trip, the cost is still 50 percent less than charter rates.

Since the Baker City Sky Taxi airplane would be helping serve demand in the small populace portions of the northwest, it is constructive to compare rates between cities that presently have scheduled air service.

Depart	Arrive	Sky Taxi Share Fare (1 way)	Airline Full Coach Fare (1 way)	Sky Taxi Flight Time	Airline Flight Time	Road Miles
Portland	Seattle	\$127	\$134	0:42	0:55	170
Portland	Medford	\$194	\$268	1:08	1:05	273
Eugene	N. Bend	\$77	\$247	0:23	3:17	116
Portland	Yakima	\$114	\$204	0:37	3:15	185
Portland	Van. B.C.	\$215	\$311	1:16	1:15	320

These fares will be particularly attractive to the business traveler who often values time over money. By flying directly to and from small airports without the security concerns of scheduled airlines, many hours can be saved from the overall length of the trip. We do not expect that every fare in the Sky Taxi system will be less than airline full-coach fare, however, even fares slightly above full-coach have been shown by survey to be attractive to the business traveler.

VI. GRANT REQUESTED

Because of the newness of the Sky Taxi model, and its attendant uncertainty, the City Council of Baker City has been reluctant to finalize purchase of the Sky Taxi franchise and associated airplane. The operating budget of the Municipal Airport has historically been between \$15,000 and \$25,000. These funds are entirely spent on maintenance. Income, derived from ground leases and a small fuel flowage fee, has never reached expenditure levels. These amounts are clearly far below the funding levels necessary for an air taxi business.

The potential for the Sky Taxi franchise to generate sufficient funding to sustain itself is certainly there, however, the Council is reluctant to risk the potential loss of several hundred thousand dollars. The City's General Fund, responsible for fire, police, and general administration, is budgeted at only \$4 million per year.

Losses of the potential magnitude of a Sky Taxi operation that does not generate the passenger loads necessary for profitability would have a direct and immediate impact on the City's ability to provide adequate public safety personnel. The City is therefore requesting the Department of Transportation award a grant to Baker City from the Small Community Air Service Development Pilot Program in an amount equal to any operational losses that may occur up to a maximum of \$200,000 for the first 12 months, and an additional amount equal to any operational losses in the second 12-month period up to \$100,000. Losses beyond those amounts would be the responsibility of Baker City. At the end of the two-year period, the City will have the option of continuing the Sky Taxi franchise with no Federal subsidy or ceasing operations and liquidating any assets. The City understands it would, in that event, suffer a substantial loss due to depreciation in the value of the Cessna 414AW. It will therefore make every attempt to maintain operation of the franchise.

Sky Taxi, Inc. will receive all revenue from passenger travel and remit it to the franchise holder on a biweekly basis. Fiscal information will therefore be available in a timely fashion. Reports to the Department of Transportation can be made on whatever basis is desired, although quarterly reports are

recommended. Baker City has sufficient reserve funds to pay anticipated expenses subject to reimbursement from the Department of Transportation

SUMMARY OF FUNDING		
ITEM	AMOUNT	SOURCE
Office/Maintenance Hangars	\$100,000.00	City of Baker City
Franchise Amount	\$50,000.00	Baker-Morrow County Regional Strategies
Aircraft	\$500,000.00	City of Baker City
Start-up Expenses	\$11,000.00	City of Baker City
Operational Losses (if any) 1 st Year	Up to \$200,000.00	Department of Transportation
	Over \$200,000.00	City of Baker City
Operational Losses (if any) 2 nd Year	Up to \$100,000.00	Department of Transportation
	Over \$100,000.00	City of Baker City

EXHIBIT B

City of Baker City

AIR SERVICE DEVELOPMENT ACTION PLAN

I. Objective

The objective of the Baker City Air Service Development Plan is to ensure the availability at the Baker Municipal Airport of service sufficient to provide transportation at reasonable rates to other small and mid-sized cities in the Pacific Northwest as well as to larger cities for connection with scheduled air service.

II. Specific Accomplishments Anticipated

A. Service

Through the use of the "air taxi" model, Baker City hopes to provide service to all airports in the Pacific Northwest and northern California with paved runways of 3,000 feet or longer. This will make service available to 52 airports in Oregon, rather than the 7 with scheduled service. The service will be, as nearly as possible, at times that are specified by the passenger. It is not the intent of this plan to subsidize regularly scheduled service, but rather to make on-demand, efficient service a reality.

B. Fares

The City expects the "air taxi" service, when fully implemented, to provide air transportation services to small, medium and large airports at rates that are, on average, no more than 120 percent of full coach fare for scheduled airline service.

III. Implementation

A. Purchase of Office/Hangar Facility for Sky Taxi

By April 15, 2002, Baker City will have purchased an office/maintenance/storage hangar complex at the municipal airport. These buildings are presently owned by M&A Hangars, LLC and have been offered to the City for \$100,000. It is expected that the buildings will be used by the Sky Taxi operation in conjunction with a Fixed Base Operator offering more traditional FBO services. No new construction will be necessary for the Sky Taxi business.

B. Purchase of the Sky Taxi Franchise

A Sky Taxi franchise will be purchased from Sky Taxi, Inc. for \$50,000. Funding for this purchase has been committed by Baker-Morrow County Regional Strategies Partnership, a body created by intergovernmental agreement for the purpose of allocating economic development funds generated by the Oregon State Lottery.

C. Purchase of Aircraft

To operate the Sky Taxi franchise, the franchise holder must purchase a Cessna 414AW aircraft that has been specifically refurbished to meet Sky Taxi standards. The estimated cost of such a plane is \$500,000. Financing is available at 5 percent from Cessna. Annual payments are set forth in the pro forma attached to this Action Plan.

D. Operation of Sky Taxi Operation

The City will enter into a partnership with private enterprise to handle the day-to-day operation of the business. This would include hiring pilots, providing training, arranging work schedules, etc. The City and such private business would share profits and losses on a basis equal to investment and responsibility. If no private partner can be found, Sky Taxi, Inc. itself has agreed to manage the local operation.

E. Future

Sky Taxi franchises will have the exclusive opportunity to purchase the Morrow-Rutan MB-300 "Boomerang" aircraft when it is available in 2004-2005. This aircraft, in an advance stage of development, is a twin-engine, six-person plane made of composite materials that displays dramatically increased efficiency and performance when compared to the Cessna 414AW. Projections show that with the MB-300, fares could be reduced to below scheduled air service full coach fares. The increased range of the MB-300 will also increase the service area of the Sky Taxi system.



Imagine...

Fast, safe air service within a short commute to your local **airport**.

Imagine unscheduled booking... with travel when you want to **go**...direct to your destination.

Imagine business productivity gains & travel cost savings.

Imagine business class seating with plenty of leg and elbow room.

Imagine plenty of **carry-on** space, plus **room** for golf clubs & **skis**.

Imagine spending less time getting there and more time relaxing & playing once you're there.

Imagine all this at affordable fare prices...

Imagine SkyTaxi!



Reservations

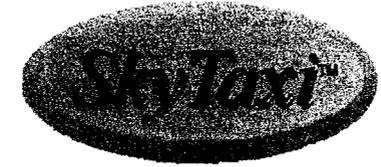
1-866-SKY-TAXI

1-866-759-8294

www.skytaxi.com

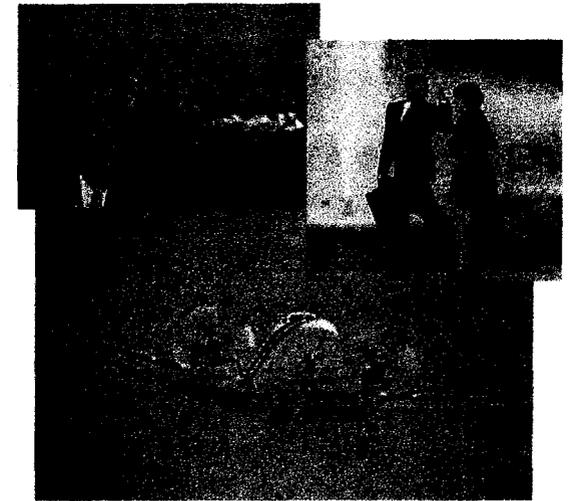


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Fly On-demand
Where You Want to Go When
You Want to Go...
At Airline Prices!



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NW. Utah, Nevada, W. Montana,
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Reservations

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Why Fly SkyTaxi...

Convenience...

unscheduled, on
demand, direct-to-
destination from
local airports



Affordable...

comparable to Airlines
ShareFare™, VIPFare™
& RegionFare™

Comfortable...

business class seating

Cost & Time Savings...

productivity enhancer

Service to...

out-of-the-way destinations & Hub
airports for continued travel

*When you simply must travel,
or you simply want to...
SkyTaxi is your clear choice.*



Imagine Convenience, Cost & Time Savings

Fly direct to your destination and spend time less time away from your home or office.

Fly When
You Want to



Easy
Airport
Parking



Avoid Hub
Airport Congestion

Regain Your Personal Productivity!



Fast, Easy Reservations
Reduced ~~Net~~ Travel Expenses

Quick Boarding
and Deplaning



Shorter Commutes to
Your Local **Airport**

See **More** Clients

Do More Travel on Your Current Budget



*Travel Like the
Company
Chairman!*

Imagine Comfort, Safety & Security

Our Cessna 414AW
Chancellor Aircraft
Feature:

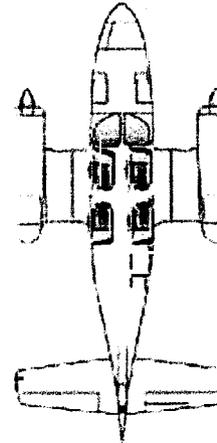
Plenty of Leg
and Elbow Room



Pressurized, Air
Conditioned Cabin

Lavatory on Board

Plenty of Carry-On
Space Plus Room
For Golf Clubs and Skis



Room to
Work
En-route

Arrive Relaxed Instead of Road Weary!

Secure Pre-Boarding Check In

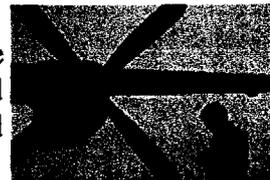


Flight Crews are
Flight Safety ·
International
Trained, FAA
Certified Professionals



Twin Engines for Safe
All Weather Operations

Aircraft are
FAA Certified
Maintained



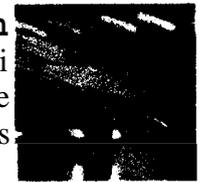
Imagine 1st Class Service

Our crew will load and unload your bags, provide umbrellas from the *SkyTaxi* lounge to aircraft, and...



In-Flight Services Including:
Beverages, Snacks, Newspaper

Shuttle Van
From SkyTaxi
to Airline
Terminals

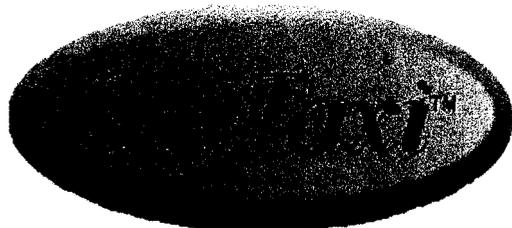


Coordinated
Ground Transportation

*Spend more time at your
destination and less time
getting there.
Arrive Ready to
Play!*



EXHIBIT C



SKYTAXI INCORPORATED

FRANCHISE SUMMARY

Phase One Launch*



A Revolution in Air Transportation

SkyTaxi Vision

- Provide On-Demand, Fast, Safe, and Affordable Air Service
- Provide Direct-to-destination Air Service to **Community** Airports in the **Pacific Northwest**
- Provide **Priority One Service** to **Home Base** Community Airports
- Provide **Coordinated** Ground Transportation at destinations
- Provide **"Premier"** Customer Service
- Provide **Net** Time Savings and **Reduced Net** Travel Costs
- Expand **SkyTaxi** System to **1600+** **Franchises** & **4000+** **Community** Airports Nationwide by 2010

SkyTaxi Franchised Operations

Using Cessna 414AW aircraft, **SkyTaxi** will launch **Phase 1** operations with franchisees in Oregon, operating unscheduled **direct** flights serving **community** airports in the **Pacific Northwest**. Home-based airport reservations will be given **priority one** status. **Franchisee** aircraft will be **dispatched** regionally within the **SkyTaxi** service area. **Franchisee** revenue is not limited to the home base market. The **franchisee** aircraft will **spend** the **duty day** flying fares throughout the **SkyTaxi** system and **end** their **duty day** back at their home base. The **SkyTaxi** system will **smooth** the distribution of the fares so that each **franchisee** receives a **near equal** share of the fare revenue. The initial service area will **extend** north to **Vancouver, BC**, south to **San Jose, CA**, southeast to **Salt Lake City, UT**, and northeast to **Missoula, MT**. The franchise structure provides a turnkey **opportunity** for entrepreneurs. The **SkyTaxi** franchisee/franchisor relationship will be treated as a team relationship.

SATS Vision by NASA

The major airlines are grid locked (hub-locked) with 75% of all flights from/to 29 hub airports. New runway construction at these hubs has little hope of solving the problem. Since airline deregulation, the airlines have had to sacrifice traveler convenience in order to lower operations costs and keep fares cheap. The airlines could fly more direct flights, but airfares would double. The public could fly traditional air charter, but the fares are typically 4 to 8 times the airlines. Market research shows that 75% of airline flights are not direct to the travelers' destination. 25% of flights are over-booked, cancelled, or delayed. Parking, check-in lines, and new security procedures have added

SKYTAXI INCORPORATED

hours to the normal airline travel time. Meanwhile, the huge suburban and rural community airport infrastructure is greatly underutilized.

The long-term solution to the air transportation problem envisioned by NASA and the FAA is the **Small Aircraft Transportation System (SATS)**, available in 2008-10. The SATS vision is to create a safe travel alternative, freeing people from the existing transportation system delays, by creating access to more communities in less time.

Throughout U.S. history, our nation created major phases of economic growth driven by transportation advancements. Four hundred years ago, wealth was created at **seaports**, two hundred years ago at river and canal ports, one hundred years ago at railheads, and beginning **fifty** years ago at the nations **airports**. Throughout our history, saturation of these existing transportation **systems** helped drive the search for a new innovative system.

SATS will create the next era of transportation driven economic growth for the 21st century. This new transportation system targets the stimulation of a huge **latent** market. The **latent** market for air transportation is defined as trips not taken (for reasons of time, inconvenience, cost, comfort, or other factors), trips not imagined (because the traveler **has** never been able to experience the **service**), and trips not possible (due to the absence of enabling **infrastructure**). The SATS vision is to create a new paradigm in mobility, accessibility, and safety for the public. This will be by utilizing **small** aircraft for ondemand, **direct** point-to-point, personal and business transportation between regional, **suburban**, and rural general aviation **airports**. *SkyTaxi* will be the **first** SATS to the market, 3-5 years ahead of **any** future competition.

Market for *SkyTaxi*

A market **survey** of routine business travelers (12+ **trips/year**) resulted in 41% responding that **they** would use *SkyTaxi* over airlines on a high to medium frequency. The Airline Transport Association estimates the routine business **travelers** accounted for \$36 billion (1997 \$) of airline revenues annually. **This** indicates a \$15+ billion market for SATS. **US** DOT estimates air travel **will** increase at 3-7% annually and additional revenue will flow **from** the \$46 billion recreational air travel, the \$15 billion same-day package delivery markets, and the latent air transportation market of **unknown** size.

Travel by those living in the northwest is predominantly on the west coast. The average flight by SkyWest, one of the most successful regional airlines, is 200 miles. Over 2/3 of routine business travelers usually **pay** full last-minute coach fare and 93% chose schedule over price. **Our** market survey revealed that **these** business travelers would be willing to pay 120% **of** full coach fare for the convenience of flying on the *SkyTaxi* system. The most common comment during the survey **was** that **they** would use *SkyTaxi* **because** it would give them their productivity back. Passenger aggregation by the *SkyTaxi* system allows *SkyTaxi* to set fares comparable to airline fares **and** serve suburban and rural communities. For example, there are 52 airports in Oregon alone that **can** be served by *SkyTaxi* in addition **to** the 7 that currently **have** commercial airline service.

SkyTaxi Keys to Success

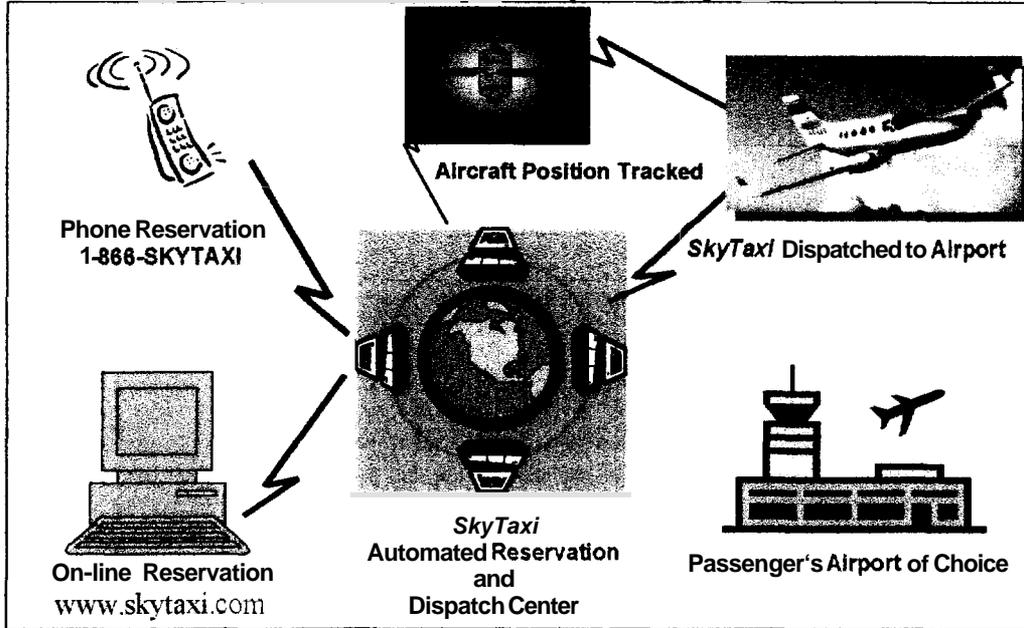
- o The proprietary *SkyTaxi Reservation and Dispatch System*
- o The proprietary *MB-300* aircraft being developed by Morrow Aircraft exclusively for the **fleet**
- o The *SkyTaxi* management team
- Strategic marketing plan to aggregate passengers
- o **First** to market as early adopter of SATS concept with a 3-5 year lead over any competition
- Team with motivated Franchisees

SkyTaxi Fare Structure

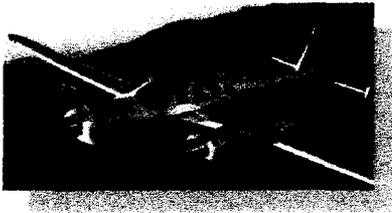
SkyTaxi sets fares based on the nautical miles from departure point to arrival point. The fare structure has **three** fare levels. These are **ShareFare™**, **VIPFare™** and **RegionFare™**. ShareFare is the **per** seat price. To reserve at the ShareFare price **requires** 7 day advance booking and the **aircraft** may make one stop en route to pick up or drop passengers. **This** allows the *SkyTaxi* dispatch system to aggregate passengers and maintain **high** load factor percentages.

A flight reserved at VIPFare or RegionFare allows for 1-4 passengers, guarantees that the flight will be non-stop, and either the departure or arrival time is determined by the reservation. VIPFare is currently set at three times the ShareFare price, so the customer is getting all four seats for the price of three.

SkyTaxi A Reservation & Dispatch System



The SkyTaxi MB-300 "Boomerang" Under Development



**Designed by World Famous
Aeronautical Engineer and Aircraft Designer
Burt Rutan**

Features of the MB-300 that Give SkyTaxi the Advantage:

- Turbine Jet Speed
- Piston Fuel Efficiency
- BusinessJet Comfort
- Unparalleled Safety
- Multi Mission Capable
- Sold only to SkyTaxi Franchisee's

Speed

- 75% power - 300 kts (345 mph)
- 65% power - 284 kts (326 mph)
- 50% power - 246 kts (283 mph)

Fuel Efficiency

True aircraft efficiency is measured in Seat Miles per Gallon of Fuel

Aircraft	Seat MPG
Boeing 757-200	96
MB-300	94
Cessna 414AW	47
King Air C-90B	34
LearJet 31A	12

Comfort

- "Business Class" leg room and seat width
- Pressurized with cabin altitude of 4,500 feet
- Low Cabin Noise

- Low susceptibility to turbulence
- Large baggage compartment separate from passengers (with ample room for skis, golf bags, etc.)
- Lavatory on board

Safety

- Twin engine, two pilot operation
- Certified for all weather operations
- Latest avionics for maximum situational awareness
- Unique aerodynamic design eliminates instability in single engine flight
- Single engine climb rate of 450 feet per minute with either engine out

Multi-Mission Roles

- Four Passengers with Baggage (and 2 crew)
- Air Ambulance
- Freight Hauling

Management Team

Ray Morrow, Founder and Chairman: Known as the “father of direct navigation” because of his leadership in Loran and GPS technology, Ray is a **successful** entrepreneur in the aviation **industry**. Ray’s experience includes the start-up of four other **successful** companies over the last 29 years. In 1982 Ray founded II Morrow Inc. and grew it into a world **leading** Avionics Company. UPS purchased II Morrow in 1986 and continues to operate the company **as** UPS Aviation Technologies in Salem, Oregon. He also co-founded American Blimp Corp., **the** world’s largest blimp manufacturer and operator for clients including Met Life, Budweiser, Sanyo, and others. Ray’s extensive business management and technical experience brings strong leadership to *SkyTaxi*.

Dale Johnson, Director of Products & Standards: Dale **has** been **an** active **part** of the aviation industry for over **40** years. He holds an Airline Transport Pilot rating with over 11,000 hours of flight experience in jet, propjet, and piston powered aircraft. He has eight years experience flying heavy **transport** aircraft with 6,000 hours of **all-weather** flying experience in a wide range of aircraft. Dale flew US Air Force cargo aircraft for 6 years. He also served as the USAF Senior Director of the Airlift Command Post, controlling all airlift operations in the South Pacific. After leaving the USAF, he flew jet airliners for Canadian Pacific and Pan Am. Dale spent **15** years with Flightcraft, Inc. as a marketing representative, also acting **as** Standardization Officer for their flight department, developing procedures and pilot checklists for their general aviation fleet.

Dan Waldron, Chief Marketing Officer: Dan **has** over **25** years of experience in **sales**, marketing, public relations, and advertising of primarily industrial goods and services. He founded and operated a full service advertising/public relations agency from 1974 to 1981. **His** agency managed marketing budgets for various business-to business **and** business-to-consumer service sectors, **as** well **as** various manufacturing sectors. In 1982 he joined a regional commercial printing company **as** minority stockholder and Account Executive. He became a major contributor to the strategy that brought the company from \$500,000 to **\$8** million in **annual** sales by 1996, and was among the **nations** top **5%** printing sales producers, 9 year running.

Board of Advisors

Burt Rutan, Founder, President, and CEO of Scaled Composites, Inc.: Burt **Rutan** is considered by **his** colleagues to be the greatest living aeronautical design engineer in the world. Scaled Composites is **the** most prolific designer of innovative aerodynamic designs with clients including Raytheon, Teledyne, General Motors, Bell, McDonnell **Douglas**, and NASA. **His** designs include the Voyager aircraft, the **first** to fly nonstop around the world without refueling, and the Proteus, a **high** altitude research **aircraft**. He designed and built the famous Boomerang the proof-of-concept for the MB-300.

Retired General Merrill “Tony” McPeak, US Air Force Chief of Staff during Operation Desert Storm: General McPeak served in high-level command positions for nine years. He also sits on the Board of Directors of TWA, Tektronix, and several other public and private companies.

Jim Thiele, President, CEO, and Co-founder of American Blimp Corp.: Jim **has** over 19 years experience designing and manufacturing lighter-than-air aircraft, and successfully led the timely and low-cost FAA certification of two blimp models.

Maurice (Bic) Bickert: Bic **has** over 30 years of management experience with ITT Corporation and spent **12** years with **ITT** doing merger and acquisitions, licensing, and turnaround work.

A Turn-Key Business Opportunity

Franchisee Responsibilities

- o Purchase or lease and operate *SkyTaxi* approved Cessna 414AW aircraft.
- Operate under the *SkyTaxi* FAR Part 135 operating certificate and **Operations Manual**.
- o Operate in accordance **to** *SkyTaxi* Policy **Manual**
- o Operate aircraft exclusively under *SkyTaxi* reservation and dispatch system.
- Hire and employ pilots with current *SkyTaxi* flight training certificate.
- Provide fuel for aircraft.
- Provide aircraft maintenance and service in compliance with *SkyTaxi* FAR Part 135 Operations Manual.
- Maintain *aircraft* hull, **aircraft** liability, and business liability insurance.
- o Provide exceptional customer service.

Franchisor Responsibilities

- Facilitate acquisition of *SkyTaxi* approved aircraft and pilot recruitment if necessary.
- Supervise Franchisee compliance with the *SkyTmi FAR Part 135 Operations Manual*.
- Supervise consistent Franchisee operations under *SkyTaxi Policy Manual*.
- Provide list of approved vendors for items required by *SkyTaxi Policy Manual*.
- Supervise pilot **training** and certification required by *SkyTaxi FAR Part 135 Operations Manual*.
- Provide *SkyTaxi* policies, procedures, and customer service training to flight crews.
- Maintain reserve pilot pool to relieve Franchisee pilots as needed for vacation, sick-time, etc.
- Develop, operate and maintain *Automated Reservation, Dispatch, and Fare Collections System*.
- Pay Franchisee net earnings weekly for the preceding week.
- Negotiate low **cost** fuel and insurance contracts.
- Supervise aircraft maintenance compliant with FAR Part 135 *Operations Manual* requirements (provided by designated maintenance facilities).
- **Insure** that replacement engines **are** on hand by the designated vendor.
- Provide strategic local, regional, and national marketing.
- Provide customer service departments for **both** Franchisees and *SkyTaxi customers*.
- Build a premier service company.

Franchisee Investment

Franchise License Fee:

\$50,000 (introductory for limited time – financing available)

- Grants the right to engage in providing air service under *SkyTaxi reservation and dispatch system*
- Reserves MB-300 aircraft production/delivery slot in order **&** executed franchise license agreements

Aircraft Down Payment:

\$50,000 (estimated**, zero down financing available)

*(Based on average \$500,000 cost **&** fully refurbished Cessna 414AW)*

Refurbished Cessna 414AW will include:

RAM upgrades, new exterior paint, new interior, and state of the art avionics package.

Franchise Operations Fees:

Marketing/Operations Fee: 5% of Franchisee's gross revenue

Royalty/Deadhead Reduction Fee:

Sliding Scale Formula: 0-25% of Franchisee's gross revenue based on franchisee's weekly average Seats Filled. *See chart below for examples:*

Average Weekly Seats Filled	Royalty Fee Percentage of Weekly Gross Revenue
1.5	0.00%
2	8.3%
2.5	16.6%
3	25%
4	25%

Aircraft Maintenance / Flight Training / Other Franchisor Approved Products & Services:

Billed to Franchisee by Designated/Approved Vendor

Term/Renewal:

- Initial Term: 10 years (Renewal or Extension: 10 years upon meeting *SkyTaxi* requirements)

Franchise Application Process:

1. Franchise Application **Submitted** \$5,000 Down Due (\$1,000 non-refundable administrative **cost**)
2. Aircraft Financing/Lease Approved, Franchise Application Approved \$45,000 Due – or \$5,000 on approval and 12 equal monthly installments of \$3500 each for **one** year.
3. Cessna 414AW Aircraft Refurbishment Completed Franchisee Commences Operations

SKYTAXI INCORPORATED

Startup Scenario - Proforma Weekly Operations (Days 1 - 3)

Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
			0:30	7:00 AM	Departure	
	0	CVO-HIO	0:24	7:24 AM	DH	73
			0:45	8:09 AM	Loading	
\$512	3	HIO-BFI	0:43	8:52 AM	ShareFare	131
			2:30	11:22 AM	Wait, Loading	
\$256	2	BFI-HIO	0:43	12:05 PM	ShareFare	131
			0:15	12:20 PM	Drop off	
		HIO-CVO	0:26	12:46 PM	DH	73
			0:30	1:16 PM	Post Flight, Fuel	
\$768	5	Totals	6:46			408
Total Flight Hours			2:16			
Total Seat Miles			655	ShareFare = Actual Seats		
Avg. Seats Filled			1.61	VIPFare = 3 Seats		
				Dead head = 0 Seats		



Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
			0:30	7:00 AM		
	0	CVO-SJC	2:27	2:27 AM	DH	442
			2:30	4:57 AM	Wait, Loading	
\$1,185	3	SJC-CVO	2:27	7:24 AM	VIP	442
			0:30	7:54 AM	Post Flight, Fuel	
\$1,185		Totals	8:24			884
Total Flight Hours			4:54			
Total Seat Miles			1,326	ShareFare = Actual Seats		
Avg. Seats Filled			1.50	VIPFare = 3 Seats		
				Dead head = 0 Seats		



Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	10:00 AM	Pre flight	
			0:30	10:30 AM	Departure	
\$243	2	CVO-PDX	0:26	10:56 AM	Share	81
			0:45	11:41 AM	Loading	
\$179	1	PDX-SEA	0:42	12:23 PM	Share	121
			2:30	2:53 PM	Wait, Loading	
\$328	3	SEA-AST	0:36	3:29 PM	VIP	110
			0:15	3:44 PM	Drop off	
	0	AST-CVO	0:37	4:21 PM	DH	112
			0:30	4:51 PM	Post Flight, Fuel	
\$750		Totals	6:51			424
Total Flight Hours			2:21			
Total Seat Miles			613	ShareFare = Actual Seats		
Avg. Seats Filled			1.45	VIPFare = 3 Seats		
				Dead head = 0 Seats		



SKYTAXI INCORPORATED

Startup Scenario - Proforma Weekly Operations (Days 4 - 7)

Fare	PAX	Route	Hours	Time	Flight Type	NM
				8:00 AM	Pre flight	
			0:30	8:30 AM	Departure	
	0	CVO-EUG	0:10	8:40 AM	DH	32
			0:42	9:22 AM	Loading	
\$1,149	3	EUG-MSO	2:22	11:44 AM	VIP	428
			0:15	11:59 AM	Drop off	
	0	MSO-LGD	1:06	1:05 PM	DH	199
			3:00	4:05 PM	Wait, Lunch, Fuel	
\$568	3	LGD-PDX	1:07	5:12 PM	VIP	203
			2:15	7:27 PM	Wait, Loading	
\$170	2	PDX-CVO	0:26	7:53 PM	Share	81
			0:30	8:23 PM	Post Flight, Fuel	
\$1,887		Totals	12:23			943
Total Flight Hours			5:11	ShareFare = Actual Seats		
Total Seat Miles			2,055	VIPFare = 3 Seats		
Avg. Seats Filled			2.18	Dead head = 0 Seats		



Fare	PAX	Route	Hours	Time	Flight Type	NM
				8:30 AM	No Flights	
\$0		Totals	0:00			0

Total Flight Hours 0:00
 Total Seat Miles 0
 Avg. Seats Filled 0.00

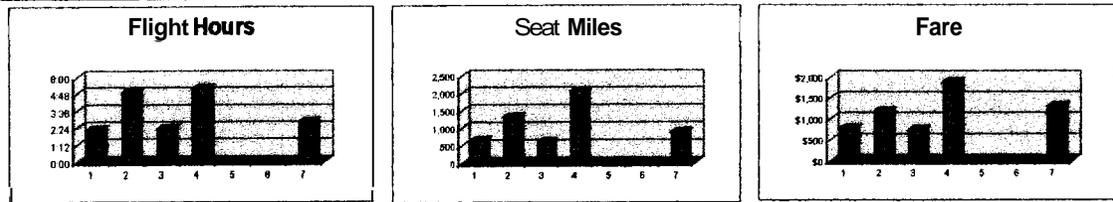
Fare	PAX	Route	Hours	Time	Flight Type	NM
				6:30 AM	Pre flight	
			0:30	7:00 AM	Departure	
\$51	1	CVO-ONP	0:14	7:14 AM	Share	42
			0:30	7:44 AM	Loading	
\$194	2	ONP-PDX	0:31	8:15 AM	Share	96
			0:45	9:00 AM	Loading	
\$492	3	PDX-6S2	0:33	9:33 AM	Share	125
			0:15	9:48 AM	Drop off	
	0	6S2-ONP	0:15	10:03 AM	DH	45
			1:00	11:03 AM	Lunch, Fuel	
\$51	1	ONP-CVO	0:14	11:17 AM	Share	42
			2:15	1:32 PM	Wait, Loading	
\$170	2	CVO-PDX	0:26	1:58 PM	Share	81
			2:45	4:43 PM	Wait, Loading	
\$340	1	PDX-CVO	0:26	5:09 PM	Share	81
			0:15	5:24 PM	Drop off	
	0	CVO-SLE	0:12	5:36 PM	DH	37
\$1,298		Totals	11:06			549



Total Flight Hours 2:51 ShareFare = Actual Seats
 Total Seat Miles 894 VIPFare = 3 Seats
 Avg. Seats Filled 1.63 Dead head = 0 Seats

SKYTAXI INCORPORATED

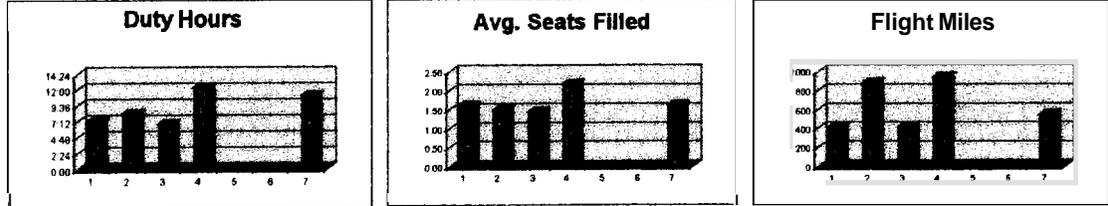
Startup Scenario - Proforma Weekly Operations (Days 1 -7 summary)



AVG 2:30

792

\$1,178



AVG 6:34

1.67

458

Duty Hrs. / Flight Hn.
38.2%

Royalty %
2.86%

Avg. \$ / NM
\$1.84

Weekly Fare
\$5,888

SKYTAXI INCORPORATED

Typical Franchisee Weekly Operation

Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
				7:00 AM	Departure	
	0	CVO-HIO	0:24	7:24 AM	DH	73
			0:45	8:09 AM	Loading	
\$512	4	HIO-BFI	0:43	8:52 AM	Share	131
			0:30	9:22 AM	Loading	
\$969	3	BFI-BOI	1:59	11:21 AM	VIP	358
			1:00	12:21 PM	Lunch, Fuel	
	0	BOI-SLE	1:43	2:04 PM	D.H.	312
			0:30	2:34 PM	Loading	
\$461	3	SLE-MFR	0:55	3:29 PM	VIP	161
			1:00	4:29 PM	Wait, Loading	
\$264	2	MFR-S07	0:45	5:14 PM	Share	136
			0:45	5:59 PM	Loading	
\$460	4	S07-PDX	0:45	6:44 PM	Share	117
			0:45	7:29 PM	Loading	
	0	PDX-CVO	0:26	7:55 PM	DH	
			0:30	8:25 PM	Post Flight, Fuel	
\$2,666	16	Totals	13:55			1288

Total Flight Hours 7:40
 Total Seat Miles 2,821
 Avg. Seats Filled 2.19

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
				7:00 AM	Departure	
\$170	2	CVO-PDX	0:26	7:26 AM	Share	81
			0:20	7:46 AM	Loading	
	0	PDX-HIO	0:15	8:01 AM	DH	24
			0:30	8:31 AM	Loading	
\$559	3	HIO-MFR	1:06	9:37 AM	VIP	199
			0:15	9:52 AM	Loading	
	0	MFR-SJC	1:45	11:37 AM	DH	35
			2:30	2:07 PM	Lunch, Loading	
\$1,185	3	SJC-CVO	2:27	4:34 PM	VIP	442
			0:30	5:04 PM	Post Flight, Fuel	
\$1,914	8	Totals	10:34			781

Total Flight Hours 5:59
 Total Seat Miles 2,085
 Avg. Seats Filled 2.67

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

SKYTAXI INCORPORATED

Typical Franchisee Weekly Operation

Fare	PAX	Route	Hours	Time	Flight Type	NM
				6:30 AM	Pre flight	
			0:30	7:00 AM	Departure	
\$243	4	CVO-PDX	0:26	7:26 AM	Share	81
			0:45	8:11 AM	Loading	
\$179	1	PDX-SEA	0:42	8:53 AM	Share	121
			1:30	10:23 AM	Wait, Loading	
\$328	3	SEA-AST	0:36	10:59 AM	VIP	110
			0:15	11:14 AM	Drop off	
	0	AST-CVO	0:37	11:51 AM	DH	112
			1:00	12:51 PM	Lunch, Fuel	
\$267	3	CVO-OTH	0:28	1:19 PM	VIP	86
			0:15	1:34 PM	Drop off	
	0	OTH-MFR	0:32	2:06 PM	DH	96
			2:15	4:21 PM	Wait, Loading	
\$567	3	MFR-PDX	1:07	5:28 PM	VIP	202
			0:45	6:13 PM	Loading	
\$254	3	PDX-CVO	0:26	6:39 PM	Share	81
			0:30	7:09 PM	Post Flight, Fuel	
\$1,838	17	Totals	12:39			889



Total Flight Hours 4:54
 Total Seat Miles 1,882
 Avg. Seats Filled 2.12

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

Fare	PAX	Route	Hours	Time	Flight Type	NM
				6:30 AM	Pre flight	
			0:30	7:00 AM	Departure	
	0	CVO-EUG	0:10	7:10 AM	DH	32
			0:42	7:52 AM	Loading	
	3		2:22		VIP	428
			0:15	10:29 AM	Drop off	
	0	MSO-LGD	1:06		DH	199
			1:00	12:35 PM	Lunch, Fuel	
\$379	2	LGD-PDX	1:07	1:42 PM	Share	203
			2:15	3:57 PM	W: Loading	
\$170	2	PDX-CVO	0:26	4:23 PM	Share	81
			0:30	4:53 PM	Loading	
\$51	1	CVO-ONP	0:14	5:07 PM	Share	42
			0:30	5:37 PM	Loading	
	0	ONP-PDX	0:31	6:08 PM	DH	96
			0:45	6:53 PM	Loading	
\$340	4	PDX-CVO	0:26	7:19 PM	Share	81
			0:30	7:49 PM	Post Flight, Fuel	
\$2,089	12	Totals	13:19			1162



Total Flight Hours 6:22
 Total Seat Miles 2,212
 Avg. Seats Filled 1.91

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

SKYTAXI INCORPORATED

Typical Franchisee Weekly Operation

Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
				7:00 AM	Departure	
	0	CVO-LMT	0:55	7:55 AM	DH	165
			0:30	8:25 AM	Loading	
\$1,225	3	LMT-U42	2:32	10:57 AM	VIP	457
			1:00	11:57 AM	Lunch, Fuel	
	0	U42-ONO	1:43	1:40 PM	DH	311
			0:15	1:55 PM	Loading	
\$731	3	ONO-UAO	1:28	3:23 PM	VIP	266
			1:15	4:38 PM	Wait, Loading	
\$618	3	UAO-BLI	1:14	5:52 PM	VIP	222
			0:15	6:07 PM	Drop off	
	0	BLI-BFI	0:28	6:35 PM	DH	85
			0:30	7:05 PM	Loading	
\$252	2	BFI-PDX	0:42	7:47 PM	Share	126
			0:45	8:32 PM	Loading	
\$85	1	PDX-CVO	0:26	8:58 PM	Share	81
			0:30	9:28 PM	Post Flight, Fuel	
\$2,911	12	Totals	14:58			1713



Total Flight Hours 9:28
 Total Seat Miles 3,168
 Avg. Seats Filled 1.85

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

Fare	PAX	Route	Hours	Time	Flight Type	NM
			0:30	6:30 AM	Pre flight	
				7:00 AM	Departure	
\$37	1	CVO-SLE	0:12	7:12 AM	Share	37
			0:30	7:42 AM	Loading	
\$992	4	SLE-ONO	1:30	9:12 AM	Share	271
			0:15	9:27 AM	Drop off	
	0	ONO-PDT	0:45	10:12 AM	DH	136
			1:50	12:02 PM	Lunch, Fuel	
\$316	2	PDT-PDX	0:55	12:57 PM	Share	167
			0:45	1:42 PM	Loading	
\$363	3	PDX-S21	0:40	2:22 PM	Share	123
			0:30	2:52 PM	Loading	
\$1,026	3	S21-OAK	2:06	4:58 PM	VIP	380
			0:45	5:43 PM	Loading	
	0	OAK-CVO	2:19	8:02 PM	DH	419
			0:30	8:32 PM	Post Flight, Fuel	
\$2,734	13	Totals	14:02			1533



Total Flight Hours 8:27
 Total Seat Miles 2,964
 Avg. Seats Filled 1.93

Share = Actual Seats
 V.I.P. = 3 Seats
 DH = Deadhead, 0 Seats

SKYTAXI INCORPORATED

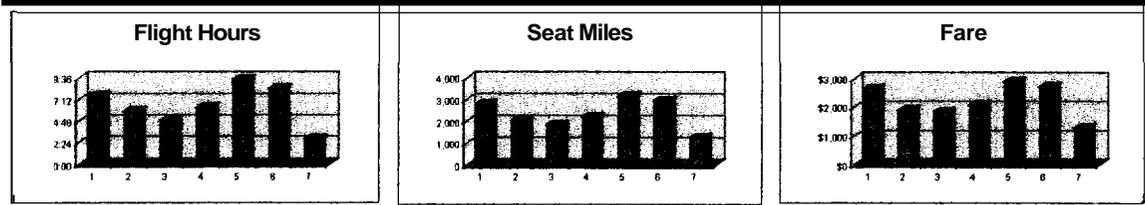
Typical Franchisee Weekly Operation

Fare	PAX	Route	Hours	Time	Flight Type	NM
				6:30 AM	Pre flight	
			0:30	7:00 AM	Departure	
\$51	1	CVO-ONP	0:14	7:14 AM	Share	42
			0:30	7:44 AM	Loading	
\$194	2	ONP-PDX	0:31	8:15 AM	Share	96
			0:45	9:00 AM	Loading	
\$492	4	PDX-6S2	0:33	9:33 AM	Share	125
			0:15	9:48 AM	Drop off	
	0	6S2-ONP	0:15	10:03 AM	DH	45
			1:00	11:03 AM	Lunch, Fuel	
\$51	1	ONP-CVO	0:14	11:17 AM	Share	42
			2:15	1:32 PM	Wait, Loading	
\$170	2	CVO-PDX	0:26	1:58 PM	Share	81
			2:45	4:43 PM	Wait, Loading	
\$340	4	PDX-CVO	0:26	5:09 PM	Share	81
			0:15	5:24 PM	Drop off	
	0	CVO-SLE	0:12	5:36 PM	DH	37
				5:36 PM	50 Hr Maintenance	
\$1,298	14	Totals	11:06			549

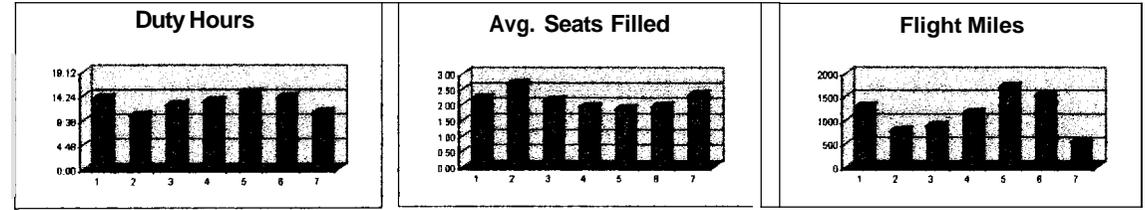


Total Flight Hours 2:51
Total Seat Miles 1,262

50 Hr Maintenance = Overnight Stay SLE
Share = Actual Seats
V.I.P. = 3 Seats



\$2,207



AVG 12:56 2.14 1131

Duty Hrs. / Flight Hrs. 50.5% Royalty % 10.64% Avg. \$ / NM \$1.95

Weekly Fare \$15,450

SKYTAXI INCORPORATED

Proforma Franchisee Operatton

	Week*	Month*	Week**	Month**	Year**
Revenue	\$ 5,888 100.0%	\$ 25,515 100.0%	\$ 15,450 100.0%	\$ 66,950 100.0%	\$ 803,400 100.0%
Fuel, Maintenance, OH (0.85/NM)	\$ 2,727	\$ 11,817	\$ 6,728	\$ 29,154	\$ 349,843
Direct Operating Cost	\$ 2,727 46.3%	\$ 11,817 46.3%	\$ 6,728 43.5%	\$ 29,154 43.5%	\$ 349,843 43.5%
Pilot Wages (\$50/Hr)	\$ 878	\$ 3,805	\$ 2,278	\$ 9,873	\$ 118,473
Marketing & Operations Fee (5%)	\$ 294	\$ 1,276	\$ 773	\$ 3,348	\$ 40,170
Misc. (Telephone, Uniforms, etc)	\$ 154	\$ 687	\$ 380	\$ 1,646	\$ 19,756
Training (\$4500 annual)	\$ 87	\$ 375	\$ 87	\$ 375	\$ 4,500
Royalty Fee (Avg Seats Filled)	\$ 169	\$ 732	\$ 1,643	\$ 7,121	\$ 85,451
Business Liability Insurance (1.5%/Rev)	\$ 88	\$ 383	\$ 232	\$ 1,004	\$ 12,051
Total Variable Operations Expense	\$ 1,670 28.4%	\$ 7,238 28.4%	\$ 5,392 34.9%	\$ 23,367 34.9%	\$ 280,402 34.9%
Gross Profit	\$ 1,491 25.3%	\$ 6,460 25.3%	\$ 3,330 21.6%	\$ 14,430 21.6%	\$ 173,156 21.6%
Aircraft Loan Interest (5%)	\$ 481	\$ 2,083	\$ 481	\$ 2,083	\$ 24,999
Hull Insurance	\$ 118	\$ 503	\$ 116	\$ 503	\$ 6,032
Misc (Rent, G&A, Charts, etc.)	\$ 275	\$ 1,182	\$ 275	\$ 1,192	\$ 14,300
Total Fixed Expense	\$ 872 14.8%	\$ 3,778 14.8%	\$ 872 5.6%	\$ 3,778 5.6%	\$ 45,331 5.6%
Net Profit EBT	\$ 619 10.5%	\$ 2,682 10.5%	\$ 2,458 15.9%	\$ 10,652 15.9%	\$ 127,824 15.9%
Cash Flow Modifiers					
Aircraft Loan Principle 500K	\$ (395)	\$ (1,712)	\$ (395)	\$ (1,712)	\$ (20,540)
Overhaul Reserve (0.21/nm)	\$ 874	\$ 2,921	\$ 1,662	\$ 7,203	\$ 86,432
Franchise Fee Payment	\$ (808)	\$ (3,800)	\$ (808)	\$ (3,500)	\$ (40,000)
Net Cash Flow	\$ 90	\$ 391	\$ 2,917	\$ 12,643	\$ 153,716

Franchise Investment	
Franchisee License Fee Down Payment	\$10,000
Initial Pilot Training (2 pilots)	\$3,800 (Additional 2 pilots) \$3,800
Operations Equipment	\$7,000
Total Investment	\$20,800 \$3,800

*Note: First two columns represent initial two startup months.

**Note: Last three columns represent operations after first two startup months.

Contact Information

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NOTES:

As of December 27, 2001, this franchise Summary is for conceptual illustration purposes only and is not an offer or a solicitation of an offer to purchase franchises or securities by SkyTaxi, Inc. (Franchisor). Currently, SkyTaxi, Inc. is only offering franchises in the state of Oregon. Although it is the intent of Franchisor, SkyTaxi, Inc. has not yet registered nor disclosed any franchise offerings with the Federal Trade Commission, or any other state, as required by state and federal regulations. SkyTaxi, Inc. will provide interested parties with a Uniform Franchise Offering Circular (UFOC) as required by Oregon law prior to any final engagement between interested party and Franchisor.

Example of aircraft financing obtained from Aircraft Finance Center (100% financing, 5.0% variable, 15 years). SkyTaxi, Inc. will not offer any direct financing, but will facilitate aircraft financing and/or leasing.

The pro forma numbers shown are the best available and represent the best efforts by SkyTaxi, Inc. to provide reasonable expectations. Actual Franchisee financial performance may vary. This pro forma is not a guarantee of revenue or profit.

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Northwest Region Service Area

Effective 12/27/01

ShareFare™
 The per seat price. You are sharing the SkyTaxi with up to 3 other passengers.

VIPFare™
 You are effectively chartering the entire SkyTaxi for 1-4 passengers.

Primary Service Area
 Flights must originate or terminate at airports in this service arm.



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ONE-WAY FARES (Effective 11/30/01)

Depart City:	State:	Trip NM	ShareFare	VIP	Flight Time
Baker City	OR				
OREGON					
Albany	OR	233	\$ 216	\$ 647	1:17
Ashland	OR	273	\$ 250	\$ 750	1:31
Astoria	OR	276	\$ 253	\$ 758	1:32
Aurora	OR	221	\$ 205	\$ 615	1:13
Baker City	OR				
Bandon	OR	313	\$ 284	\$ 852	1:44
Bend	OR	161	\$ 153	\$ 460	0:53
Boardman	OR	112	\$ 112	\$ 335	0:37

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM	VIP Fare		Trip Time
<i>OREGON Continued</i>				
Brookings	OR	337 \$	304 \$	913 1:52
Burns	OR	99 \$	100 \$	299 0:32
Canby-Mulino	OR	213 \$	198 \$	595 1:11
Cape Blanco	OR	323 \$	293 \$	878 1:47
Chiloquin	OR	231 \$	214 \$	642 1:17
Christmas Valley	OR	165 \$	157 \$	472 0:55
Condon	OR	112 \$	111 \$	334 0:37
Cottage Grove	OR	242 \$	223 \$	669 1:20
Creswell	OR	239 \$	220 \$	661 1:19
Estacada	OR	202 \$	189 \$	567 1:07
Eugene	OR	245 \$	225 \$	676 1:21
Florence	OR	284 \$	259 \$	778 1:34
Gold Beach	OR	331 \$	300 \$	900 1:50
Grants Pass	OR	289 \$	263 \$	790 1:36
Hermiston	OR	94 \$	96 \$	288 0:31
Hillsboro	OR	231 \$	213 \$	640 1:16
Hood River	OR	174 \$	165 \$	495 0:58
Independence	OR	238 \$	220 \$	660 1:19
John Day	OR	65 \$	71 \$	212 0:21
Joseph	OR	48 \$	56 \$	169 0:16
Klamath Falls	OR	244 \$	225 \$	674 1:21
La Grande	OR	37	\$	142 0:12
Lakeview	OR	205 \$	192 \$	575 1:08
Lexington	OR	97 \$	98 \$	295 0:32
Lincoln City	OR	274 \$	250 \$	751 1:31
Madras	OR	152 \$	146 \$	438 0:50
McDermitt	OR	179 \$	169 \$	508 0:59
McMinnville	OR	236 \$	218 \$	654 1:18
Medford	OR	274 \$	251 \$	753 1:31
Newport	OR	276 \$	252 \$	757 1:32
North Bend	OR	299 \$	272 \$	817 1:39
Oakridge	OR	221 \$	205 \$	615 1:13
Ontario	OR	69 \$	74 \$	222 0:22
Pendleton	OR	77 \$	81 \$	242 0:25
Prineville	OR	145 \$	140 \$	420 0:48
Prospect	OR	248 \$	228 \$	684 1:22
Redmond	OR	156 \$	149 \$	448 0:52
Rome	OR	145 \$	139 \$	418 0:48
Roseburg	OR	267 \$	245 \$	734 1:28
Scappoose	OR	230 \$	213 \$	638 1:16
Sisters	OR	172 \$	163 \$	488 0:57
Sunriver	OR	176 \$	166 \$	498 0:58
The Dalles	OR	159 \$	151 \$	454 0:52
Tillamook	OR	266 \$	244 \$	731 1:28
Troutdale	OR	208 \$	194 \$	582 1:09
Wasco	OR	138 \$	134 \$	402 0:46
<i>CALIFORNIA</i>				
Alturas	CA	250 \$	230 \$	691 1:23

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM	VIP Fare	Trip Time
<i>CALIFORNIA continued</i>			
Arcata	CA 370 \$	333 \$ 1,000	2:03
Atwater	CA 474		2:37
Auburn	CA 391 \$	352 \$ 1,055	2:10
Beckwourth	CA 331 \$	299 \$ 898	1:50
Bishop	CA 458 \$	409 \$ 1,227	2:32
Boonville	CA 438 \$	392 \$ 1,176	2:26
Bridgeport	CA 409 \$	367 \$ 1,100	2:16
Byron	CA 464		2:34
Cameron Park	CA 405 \$	363 \$ 1,090	2:14
Cedarville	CA 232 \$	214 \$ 643	1:17
Chico	CA 361 \$	326 \$ 977	2:00
Cloverdale	CA 440 \$	394 \$ 1,181	2:26
Colusa	CA 397 \$	356 \$ 1,068	2:12
Concord	CA 462		2:34
Covelo	CA 397 \$	356 \$ 1,069	2:12
Crescent City	CA 344 \$	311 \$ 934	1:54
Davis	CA 428 \$	383 \$ 1,148	2:22
Dorris	CA 263 \$	241 \$ 723	1:27
Eagleville	CA 243 \$	224 \$ 671	1:20
Eureka	CA 377 \$	339 \$ 1,018	2:05
Fall River Mills	CA 288 \$	263 \$ 789	1:36
Fortjones	CA 305 \$	277 \$ 832	1:41
Fortuna	CA 388 \$	349 \$ 1,047	2:09
Franklin	CA 434 \$	388 \$ 1,164	2:24
Garberville	CA 399 \$	358 \$ 1,074	2:12
Grass Valley	CA 375 \$	337 \$ 1,012	2:04
Groveland	CA 441 \$	395 \$ 1,184	2:27
Half Moon Bay	CA 497		2:45
Hayfork	CA 359 \$	324 \$ 971	1:59
Hayward	CA 482		2:40
Jackson	CA 419 \$	376 \$ 1,127	2:19
Kingdon	CA 444 \$	397 \$ 1,192	2:28
Lakeport	CA 427 \$	382 \$ 1,147	2:22
Lee Vining	CA 426 \$	382 \$ 1,145	2:22
Lincoln	CA 399 \$	358 \$ 1,073	2:12
Little River	CA 436 \$	390 \$ 1,169	2:25
Livermore	CA 475		2:38
Lodi	CA 437 \$	391 \$ 1,172	2:25
Mammoth Lakes	CA 445 \$	397 \$ 1,192	2:28
Mariposa	CA 460		2:33
Markleeville	CA 386 \$	347 \$ 1,040	2:08
Marysville	CA 392 \$	352 \$ 1,057	2:10
Modesto	CA 465		2:34
Montague	CA 288 \$	262 \$ 787	1:35
Napa	CA 455 \$	406 \$ 1,218	2:31
New Jerusalem	CA 467		2:35
Novato	CA 464		2:34
Oakdale	CA 455 \$	406 \$ 1,219	2:31
Oakland	CA 480		2:40
Orland	CA 372 \$	335 \$ 1,004	2:03
Oroville	CA 372 \$	335 \$ 1,005	2:04

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM	VIP Fare	Trip Time
<i>CALIFORNIA continued</i>			
Petal	CA 4	\$ 410 \$ 22	2:32
Placerville	CA 399	\$ 358 \$ 1,075	2:13
Quincy	CA 334	\$ 302 \$ 907	1:51
Ranch Murieta	CA 418	\$ 374 \$ 1,123	2:19
Red Bluff	CA 352	\$ 318 \$ 954	1:57
Redding	CA 336	\$ 304 \$ 911	1:51
Rio Vista	CA 445	\$ 397 \$ 1,192	2:28
Ruth	CA 378	\$ 340 \$ 1,020	2:05
Sacramento (Executive)	CA 423	\$ 379 \$ 1,137	2:21
Sacramento (International)	CA 415	\$ 372 \$ 1,115	2:18
Sacramento (Mather)	CA 417	\$ 374 \$ 1,122	2:19
Sacramento (McClellan)	CA 413	\$ 370 \$ 1,110	2:17
San Andreas	CA 431	\$ 385 \$ 1,156	2:23
San Francisco	CA 489		2:42
San Jose (International)	CA 495		2:45
San Jose (Reid-Hillview)	CA 495		2:44
Santa Rosa	CA 450	\$ 402 \$ 1,207	2:30
Shelter Cove	CA 409	\$ 367 \$ 1,101	2:16
Siskiyou County	CA 283	\$ 258 \$ 775	1:34
South Lake Tahoe	CA 379	\$ 341 \$ 1,023	2:06
Spaulding	CA 292	\$ 266 \$ 799	1:37
Stockton	CA 454	\$ 405 \$ 1,215	2:31
Susanville	CA 303	\$ 276 \$ 828	1:41
Tracy	CA 468		2:36
Trinity Center	CA 325	\$ 294 \$ 883	1:48
Truckee	CA 356	\$ 321 \$ 964	1:58
Tulelake	CA 244	\$ 225 \$ 675	1:21
Ukiah	CA 428	\$ 383 \$ 1,149	2:22
Vacaville	CA 439	\$ 393 \$ 1,179	2:26
Weed	CA 296	\$ 269 \$ 808	1:38
Willits	CA 416	\$ 373 \$ 1,119	2:18
Willows	CA 384	\$ 345 \$ 1,035	2:07
Woodland	CA 421	\$ 377 \$ 1,132	2:20
Yolo County	CA 426	\$ 382 \$ 1,145	2:22
Yuba City	CA 392	\$ 352 \$ 1,055	2:10
<i>IDAHO</i>			
Aberdeen	ID 251	\$ 231 \$ 693	1:23
American Falls	ID 257	\$ 236 \$ 709	1:25
Arco	ID 215	\$ 200 \$ 601	1:11
Athol	ID 199	\$ 186 \$ 558	1:06
Blackfoot	ID 264	\$ 242 \$ 727	1:28
Boise	ID 112	\$ 111 \$ 333	0:37
Bonnars Ferry	ID 251	\$ 231 \$ 692	1:23
Buhl	ID 197	\$ 184 \$ 553	1:05
Burley	ID 232	\$ 214 \$ 643	1:17
Caldwell	ID 97	\$ 98 \$ 295	0:32
Cascade	ID 88	\$ 91 \$ 273	0:29
Coeur D'Alene	ID 190	\$ 178 \$ 535	1:03
Council	ID 67	\$ 73 \$ 219	0:22
Driggs	ID 305	\$ 277 \$ 831	1:41
Emmett	ID 89	\$ 92 \$ 276	0:29

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM	VIP Fare	Trip Time
<i>IDAHO Continued</i>			
	11	\$ 173	1:01
Grangeville	ID	106 \$	0:35
Hailey	ID	180 \$	1:00
Idaho Falls	ID	269 \$	1:29
Jerome	ID	202 \$	1:07
Kellogg	ID	185 \$	1:01
Lewiston	ID	107 \$	0:35
MacKay	ID	198 \$	1:06
Malad City	ID	298 \$	1:39
McCall	ID	82 \$	0:27
Mountain Home	ID	145 \$	0:48
Nampa	ID	103 \$	0:34
Paris	ID	331 \$	1:50
Pocatello	ID	263 \$	1:27
Preston	ID	314 \$	1:44
Rexburg	ID	274 \$	1:31
Salmon	ID	177 \$	0:58
Sandpoint	ID	223 \$	1:14
St Anthony	ID	277 \$	1:32
St Maries	ID	167 \$	0:55
Twin Falls	ID	211 \$	1:10
Weiser	ID	61 \$	0:20
<i>MONTANA</i>			
Anaconda	MT	231 \$	1:17
Bozeman	MT	296 \$	1:38
Browning	MT	306 \$	1:42
Butte	MT	243 \$	1:20
Choteau	MT	304 \$	1:41
Conrad	MT	322 \$	1:47
Cut Bank	MT	327 \$	1:49
Deer Lodge	MT	240 \$	1:20
Dell	MT	226 \$	1:15
Dillon	MT	233 \$	1:17
Ennis	MT	272 \$	1:30
Eureka	MT	281 \$	1:33
Fairfield	MT	303 \$	1:41
Glacier Park	MT	264 \$	1:28
Great Falls	MT	320 \$	1:46
Hamilton	MT	186 \$	1:01
Helena	MT	275 \$	1:31
Kalispell	MT	256 \$	1:25
Libby	MT	237 \$	1:19
Lincoln	MT	260 \$	1:26
Missoula	MT	208 \$	1:09
Philipsburg	MT	218 \$	1:12
Plains	MT	208 \$	1:09
Polson	MT	237 \$	1:19
Ronan	MT	234 \$	1:18
Shelby	MT	339 \$	1:53
St Ignatius	MT	224 \$	1:14
Stevensville	MT	196 \$	1:05

ONE-WAY FARES (Effective 11/30 01)

Arrive City:	Trip NM			VIP Fare	Trip Time
MONTANA Continued					
Superior	MT	196 \$	183 \$	549	1:05
Thompson Falls	MT	204 \$	190 \$	571	1:08
Three Forks	MT	280 \$	255 \$	766	1:33
Townsend	MT	290 \$	264 \$	792	1:36
Troy	MT	241 \$	223 \$	668	1:20
Twin Bridges	MT	245 \$	226 \$	678	1:21
West Yellowstone	MT	294 \$	268 \$	805	1:38
NEVADA					
Austin	NV	333 \$	301 \$	903	1:50
Battle Mountain	NV	267 \$	245 \$	734	1:28
Beatty	NV	490			2:43
Boulder City	NV	560			3:06
Carson City	NV	359 \$	324 \$	971	1:59
Dayton	NV	354 \$	320 \$	959	1:58
Echo Bay	NV	543			3:01
Elko	NV	266 \$	244 \$	731	1:28
Ely	NV	367 \$	331 \$	992	2:02
Eureka	NV	333 \$	302 \$	905	1:51
Fallon	NV	332 \$	301 \$	902	1:50
Fernley	NV	332 \$	301 \$	902	1:50
Hawthorne	NV	389 \$	349 \$	1,048	2:09
Jackpot	NV	229 \$	212 \$	636	1:16
Jean	NV	565			3:08
Las Vegas (Henderson)	NV	555			3:05
Las Vegas (International)	NV	549			3:02
Las Vegas (North)	NV	541			3:00
Lovelock	NV	297 \$	271 \$	813	1:39
Mesquite	NV	519			2:52
Minden	NV	370 \$	333 \$	1,000	2:03
Overton	NV	529			2:56
Owyhee	NV	196 \$	184 \$	551	1:05
Panaca	NV	459 \$	410 \$	1,229	2:33
Reno (Reno-Tahoe)	NV	341 \$	308 \$	925	1:53
Reno (Stead)	NV	333 \$	301 \$	904	1:50
Round Mountain	NV	379 \$	341 \$	1,023	2:06
Sandy Valley	NV	561			3:07
Searchlight	NV	589			3:16
Smith	NV	376 \$	338 \$	1,014	2:05
Tonopah	NV	417 \$	374 \$	1,122	2:19
Wells	NV	266 \$	244 \$	731	1:28
Winnemucca	NV	246 \$	226 \$	679	1:21
Yerington	NV	364 \$	328 \$	985	2:01
UTAH					
Blanding	UT	584			3:14
Bountiful	UT	361 \$	325 \$	976	2:00
Brigham City	UT	329 \$	298 \$	893	1:49
Bryce Canyon	UT	507			2:49
Cedar City	UT	487			2:42
Delta	UT	413 \$	370 \$	1,109	2:17
Eagle Mountain	UT	384 \$	346 \$	1,037	2:08
Escalante	UT	519			2:53

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM	VIP Fare		Trip Time	
<i>UTAH Continued</i>					
Fillmore	UT	438 \$	391 \$	1,174	2:25
Glen Canyon	UT	551			3:03
Green River	UT	498			2:45
Halls Crossing	UT	560			3:06
Hanksville	UT	509			2:49
Heber City	UT	393 \$	353 \$	1,060	2:11
Huntington	UT	459 \$	409 \$	1,228	2:32
Hurricane	UT	514			2:51
Junction	UT	477			2:39
Kanab	UT	536			2:58
Loa	UT	487			2:42
Logan	UT	327 \$	296 \$	889	1:49
Manila	UT	435 \$	389 \$	1,166	2:24
Manti	UT	440 \$	393 \$	1,179	2:26
Milford	UT	450 \$	402 \$	1,206	2:29
Moab	UT	522			2:53
Morgan	UT	355 \$	320 \$	960	1:58
Mount Pleasant	UT	434 \$	389 \$	1,166	2:24
Nephi	UT	413 \$	370 \$	1,110	2:17
Ogden	UT	344 \$	311 \$	934	1:54
Panguitch	UT	495			2:44
Parowan	UT	484			2:41
Price	UT	452 \$	404 \$	1,212	2:30
Provo	UT	395 \$	355 \$	1,065	2:11
Richfield	UT	456 \$	407 \$	1,220	2:31
Roosevelt	UT	448 \$	400 \$	1,200	2:29
Salina	UT	448 \$	400 \$	1,201	2:29
Salt Lake City (Intl)	UT	363 \$	327 \$	980	2:00
Salt Lake City (Muni)	UT	369 \$	333 \$	998	2:03
Spanish Fork	UT	401 \$	360 \$	1,079	2:13
St George	UT	512			2:50
Tooele	UT	359 \$	323 \$	970	1:59
Vernal	UT	460			2:33
Wendover	UT	307 \$	279 \$	837	1:42
WASHINGTON					
Anacortes	WA	306 \$	278 \$	835	1:42
Arlington	WA	278 \$	254 \$	761	1:32
Auburn	WA	246 \$	227 \$	680	1:22
Bellingham	WA	316 \$	287 \$	860	1:45
Bremerton	WA	269 \$	247 \$	740	1:29
Brewster	WA	221 \$	205 \$	614	1:13
Burlington	WA	298 \$	272 \$	815	1:39
Chehalis	WA	252 \$	232 \$	696	1:24
Chelan	WA	211 \$	197 \$	590	1:10
Chewelaw	WA	218 \$	202 \$	607	1:12
Colfax	WA	132 \$	128 \$	384	0:43
Deer Park	WA	198 \$	185 \$	555	1:05
Electric City	WA	202 \$	188 \$	565	1:07
Ellensburg	WA	183 \$	172 \$	517	1:01
Ephrata	WA	174 \$	164 \$	493	0:57
Everett	WA	270 \$	248 \$	743	1:30

ONE-WAY FARES (Effective 11/30/01)

Arrive City:	Trip NM			VIP Fare	Trip Time
<i>WASHINGTON Continued</i>					
Friday Harbor	WA	317 \$	288 \$	864	1:45
Goldendale	WA	150 \$	144 \$	432	0:50
Hoquiam	WA	295 \$	269 \$	807	1:38
Ione	WA	242 \$	223 \$	669	1:20
Kelso	WA	237 \$	219 \$	656	1:18
Kennewick	WA	111 \$	110 \$	331	0:36
Kent	WA	242 \$	224 \$	671	1:20
Lind	WA	142 \$	137 \$	410	0:47
Mattawa	WA	151 \$	145 \$	435	0:50
Moses Lake	WA	165 \$	157 \$	470	0:54
Mount Vernon	WA	298 \$	272 \$	815	1:39
Oak Harbor	WA	296 \$	270 \$	809	1:38
Odessa	WA	165 \$	157 \$	470	0:54
Olympia	WA	257 \$	236 \$	709	1:25
Omak	WA	238 \$	220 \$	659	1:19
Oroville	WA	265 \$	243 \$	729	1:28
Othello	WA	138 \$	134 \$	401	0:46
Pasco	WA	111 \$	110 \$	331	0:36
Port Angeles	WA	316 \$	287 \$	860	1:45
Port Townsend	WA	292 \$	266 \$	797	1:37
Prosser	WA	126 \$	124 \$	371	0:42
Pullman	WA	127 \$	124 \$	373	0:42
Pulyallup	WA	240 \$	222 \$	665	1:20
Quillayute	WA	345 \$	312 \$	935	1:54
Quincy	WA	175 \$	165 \$	496	0:58
Renton	WA	252 \$	232 \$	695	1:23
Republic	WA	245 \$	225 \$	676	1:21
Richland	WA	117 \$	116 \$	348	0:39
Ritzville	WA	149 \$	143 \$	428	0:49
Sequim					
Sequim	WA	305 \$	278 \$	833	1:41
Shelton	WA	274 \$	251 \$	752	1:31
South Bend	WA	284 \$	260 \$	779	1:34
Spokane (Felts Field)	WA	181	\$171	512	1:00
Spokane (International)	WA	177 \$	167 \$	500	0:58
Sunnyside	WA	137 \$	132 \$	397	0:45
Tacoma	WA	256 \$	235 \$	704	1:25
Toledo	WA	241 \$	222 \$	666	1:20
Vancouver	WA	219 \$	204 \$	611	1:13
Walla Walla	WA	87 \$	90 \$	270	0:29
Waterville	WA	202 \$	189 \$	567	1:07
Wenatchee	WA	192 \$	180 \$	541	1:04
Wilbur	WA	188 \$	177 \$	531	1:02
Winthrop	WA	245 \$	226 \$	677	1:21
Yakima	WA	164 \$	156 \$	468	0:54