

# Tees Valley

## Durham Tees Valley Airport (MME)

Significant business demand  
for a London flight

**Tees Valley**  
unlimited

Tees Valley is situated in the North East of England, nestled between North Yorkshire and County Durham. It covers an area of **304 square miles** with a growing population of over 660,000.

The five local authorities of **Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland** and **Stockton** come together under the local enterprise partnership **Tees Valley Unlimited** to drive forward growth and economic equity, with a shared commitment to a vibrant local airport crucial to ensuring connectivity for export-led businesses across the Tees Valley and beyond.



### Growing Economy

Tees Valley contributes over **£10 billion** to the UK economy every year and saw an additional 6,500 private sector jobs created in the last 12 months.

Tees Valley GVA per head continues to grow and is currently at **79%** of UK GVA per head.

Over **30%** of the UK process industries are located in Tees Valley with a significant engineering base and one of the largest oil and gas clusters in the UK, a digital super cluster, growing renewable energy hub which has seen over **£75m** of investment in offshore wind in the last year alone and advanced manufacturing excellence demonstrated across Tees Valley's largest companies; **62%** of which are foreign owned, just under half of those outside Europe.

Major projects underway in Tees Valley include; Thai firm SSI's steel manufacturing plant in Redcar, which employs over 1,000 people and has seen an investment of **£1.6bn** since 2011; and Japanese company Hitachi's **£4.5bn** investment in Newton Aclyffe to manufacture and assemble trains from 2014.

### Accessing Global Markets

Exports from the North East hit a record high of **£13.75bn** in the year to March 2012 – one of only three regions in the UK to grow. North East exports are larger as a proportion of the economy than any other region, centred around the chemical and advanced manufacturing sectors.

Figures in 2012 showed North East exports to the rest of the world rose above those to Europe for the first time.

In fact, Tees Valley's business base has links all over the world, including; **France** (EDF, Mersen), **Holland** (Heerema, Hertel), **India** (FirstSource, Respondez, Tata Steel, Tetley), **Norway** (STS, Pipetech, Jacobs), **Saudi Arabia** (SABIC, Cleveland Bridge), **USA** (Cummins, Darchem, Huntsman, United Biscuits), **Switzerland** (Ineos, ABB), **Germany** (BOC, Siemens), **Japan** (Nifco, Dupont), **Thailand & Singapore** (SSI, SembCorp).

Connectivity to hubs in London are vital to ensure that such major companies can continue to access key international markets. A survey by TVU in 2010 found that **46%** of over 50 of the largest employers in the area used hub airports for onward travel.



### Attracting Inward Investment

Tees Valley is home to a bold **Enterprise Zone** – 12 sites supporting Teesside's industrial heritage and strength across emerging new sectors. **Business Rate Relief** of up to **£55,000** per year for five years and **Enhanced Capital Allowances** on qualifying plant and machinery offer immense possibilities for growth and success. These are already attracting significant international investment, for example from US-owned Air Products who are building the world's largest renewable energy plant, investing **\$500m**, here.

Tees Valley is also identified as a key government **Centre for Offshore Renewable Engineering (CORE)** linking into assets and infrastructure, skills and training.

### Importance of the London Connection

Therefore as the most important contribution of the aviation industry to economic growth is its facilitation of business connectivity and international trade, the link to a London hub is of crucial importance in facilitating inward investment and supporting Tees Valley export-led businesses.

A 2010 survey showed that **43%** of Tees Valley companies said that the London link was their most frequently used. From 50 of the largest firms interviewed, they took a total of 500 to 850 flights a year to London.

Over **20%** of large companies requested London as the most favoured new route from MME.

### International Residents

Two leading Universities (Teesside and Durham), five main colleges and bespoke training providers support a significant international student population in excess of 3,500 scholars.



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## Wide Catchment Area

There is a significant catchment area for passengers and businesses within a short distance of Durham Tees Valley Airport:

Resident catchment for Durham Tees Valley Airport				
Drive time from MME	Passengers aged 0-15 yrs	Passengers aged 16-64 yrs	Passengers aged 65+ yrs	Total Passengers
30 mins	210,000	740,000	190,000	1,140,000
60 mins	610,000	2,260,000	600,000	3,480,000
90 mins	1,310,000	4,690,000	1,210,000	7,210,000
Business catchment for Durham Tees Valley Airport				
30 mins drive time	60 mins drive time	90 mins drive time		
34,750	115,000	249,000		

MME's catchment area is relatively compact with over 55% of passengers coming from within Tees Valley. The huge concentration of industry in the area has the potential to ensure demand for flights to London is high and constant.

The £8.1m Long Newton Interchange allows quick and easy access from the **A66** which serves East and West across the UK and links to the main arterial **A1M** at Darlington and **A19** at Thornaby. Darlington Railway Station on the East Coast Mainline is 15 minutes away.

## Business Demand

Durham Tees Valley serves one of the UK's most important industrial complexes including over half of the country's petrochemicals industry and over a third of the pharmaceutical industry.

Existing major global chemical and advanced engineering users include SABIC which employs over 1,000 people in Tees Valley, GSK, Huntsman, Vopak, AMEC, Hertel, Tracecco, ABB and PD Ports.

Over 60% of large Tees Valley companies surveyed use MME for over 10 flights per year with 30% using it for over 50 flights per year. Over 75% of Tees Valley SMEs surveyed use MME for at least 1 flight per year, with over 35% using it for more than 10 flights per year.

63% of large company respondents said that business growth and development would be the main reason for future flight growth – **44% of Tees Valley companies expect to see growth in turnover in the next 12 months.**

(Survey by Tees Valley Unlimited)

## Demand for London route

Major large employers in Tees Valley using flights to London include AMEC, ABB engineering, Tetley, Johnson Matthey, Faithful & Gould, PD Ports, Taylor Woodrow, Cleveland Bridge and Magnet. Between just them, they employ over 3,000 people and have headquarters across the world, from London and Saudi Arabia to India and Switzerland.

Tees Valley has major business links to London with a number of key businesses in the area having headquarters in the capital. In addition, Tees Valley stakeholders recognise that a vibrant international airport plays a key role in the local economy by enhancing trade and export routes and highlighting the area as open for international investment.

## Previous Successful London flight

BMI ran a successful three-times-a-day London Heathrow flight from Durham Tees Valley Airport until 2009 serving over 100,000 passengers a year demonstrating clear demand.

Year	Passenger Numbers
2002	152,900
2003	145,600
2004	144,400
2005	152,500
2006	110,800
2007	88,200
2008	81,400

A 2008 report found that "one-stop connectivity available from Durham Tees Valley is estimated to be around 35% higher with the Heathrow service than without".



## Confidence

A 2011 survey found that 72% of passengers would use the airport more if there were a wider range of flights – favoured destinations include London 25.9% / Western Europe 52.6% / Eastern Europe 10.7%.

95% of people said the airport was important to Tees Valley's future - All 8 associated MPs and 6 Council Leaders have expressed support for a successful and vibrant airport. James Wharton MP said that MME is "a great facility with the potential to be hugely successful...if a Heathrow route can be secured it would be a game changer for the airport."

The North East Chamber of Commerce stress that "there is an abundance of businesses in the North East that depend, or are beginning to depend, on air links to access markets and compete on the national and international stage."



## Satisfaction

At its peak, MME saw almost one million passengers a year - indicative of a genuine market need. MME was named in the top 10 UK Airports by Which? Magazine and scored a maximum 5 Stars for overall airport experience.

Competitive advantages include car parking next to the terminal (no bussing) short check in time (infrastructure to support 1.5 million capacity) comfort (recent terminal upgrade provides airside and landside lounge space) road and rail connectivity and no freight flight restrictions.

## Facts and Figures

**Owner:** Peel Investments (DTVA) Ltd

**IATA:** MME

**ICAO:** EGNV

**Operational:** 6.00am - 10.00pm extensions available on request

**Fire and Rescue:** RRF Category 7 (upgrade on a request basis)

**Runway:** 2,291m x 46m

**Instrument Landing:** Runway 23 CAT I ILS, Runway 05 CAT I ILS

**Current Operations:**

- ▶ KLM to Amsterdam 3 x daily year round (hub service)
- ▶ Eastern Airways to Aberdeen 4 x daily year round
- ▶ Thomson Holidays to Majorca weekly summer service
- ▶ Newmarket Holidays one off departures
- ▶ CITS and Flybe to Jersey weekly summer service
- ▶ Thomson Holidays to Alicante and Tenerife weekly winter service
- ▶ Transun Holidays to Lapland winter service