

Coupchiak Aviation

Coupchiak Aviation, Inc., an on-demand air service based in Togiak, offers charters and seat fares in the Togiak, Alaska Peninsula and Bethel areas. Business owner Norman Coupchiak not only flies and maintains the plane, but also takes the reservations. In operation for five years, his air service has increased its number of passengers annually.

Community

Togiak is located 67 air miles west of Dillingham, which is 325 miles southwest of Anchorage. It lies in Togiak National Wildlife Refuge, the gateway to Walrus Island Game Sanctuary. Togiak is the largest village in Bristol Bay. Most adult residents speak Yup'ik as a first language.

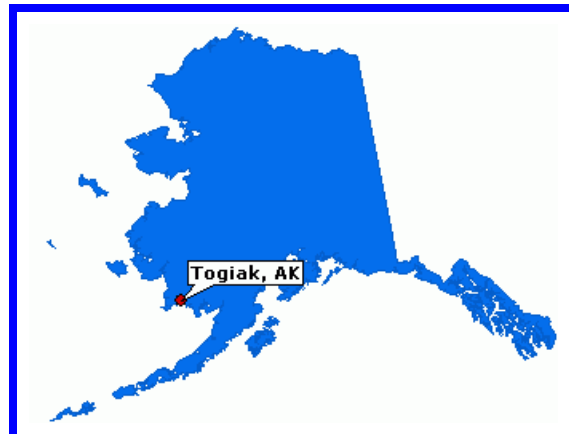
Togiak's economic base consists primarily of commercial salmon, herring, and herring roe-on-kelp fisheries. 244 residents hold commercial fishing permits. There are several floating processing facilities and one on-shore fish processor near Togiak. The entire community depends heavily on subsistence activities.

Business History

Coupchiak grew up in Togiak around boats and planes. He fished with his family, but loved the opportunities to fly. He started his career as a pilot in 1991 flying for Pen Air. After ten years he decided to go out on his own because he wanted to live in Togiak instead of Dillingham, and to continue to fly.

With the help of his friend Dave Markoff, a school teacher and bush pilot, Coupchiak prepared a business plan in 2001. The following year, he approached First National Bank of Alaska in Anchorage for a loan to purchase a plane. The loan was approved and he bought a Piper PA32 Cherokee-Six, which has six seats.

The plan was to use the plane to fly people from Dillingham and Bethel to nearby villages on an "on-demand" basis, which means advance reservations are not required. He would fly the 67 miles to Dillingham with local Togiak passengers in the morning and then pick up people wanting to travel to Bristol Bay villages or to fly "over the hump" of the Eek Mountains to Bethel.



Togiak, Alaska

Population:	809
Major Employers:	Commercial fishing, subsistence
Location:	On the coast, 67 miles west of Dillingham
Ethnicity:	93% Yup'ik Eskimo
Median Income:	\$23,977

Coupchiak set a per-seat fare based on an hourly rate of \$480. In the first summer of operation he flew 38,000 miles in four months, establishing his reputation as a reliable provider of transportation in both regions.

Economic and Community Impact

The business purchases its fuel in Dillingham and other locations. The current price of aviation fuel in Dillingham is \$5.90/gallon. The cost of fuel accounts for 40-50% of the cost of operating the business. Airplane maintenance represents another 25%. Coupchiak has established a relationship with a reliable mechanic in Dillingham, who checks the plane out several times a week to insure it is running in optimal condition. The business also maintains a car in Dillingham to provide drop off service to the passengers and to allow Norman to get around town easily while running errands.

Coupchiak Aviation	
Employment:	Owner; one part time
Percent Local:	100%
Percent Native:	100%
Ownership:	Norman Coupchiak
Legal Status:	Sole proprietorship
Years in Operation:	5 years

In Togiak, Coupchiak's sister coordinates the dispatch functions and is paid hourly for her service. This involves communicating with customers and her brother regarding each day's destinations, which might change several times in the course of any given day. The communications equipment includes radios, the internet, a fax machine, and cell phones.

The company pays a lease fee to the State of Alaska for space at the Togiak Airport. Insurance and accounting services are purchased from Anchorage firms.

The most significant benefit to the community is access to an air service based in Togiak. Most mornings Coupchiak is available to transport any Togiak person to wherever they want to go. Instead of waiting for a scheduled air carrier, customers enjoy the convenience of readily available transportation based in the village.

Business Management

Coupchiak manages the business with the help of his sister, his mechanic, and his accountant. This small team has generated \$250,000 a year in sales, which have continued their gradual growth each year since the business started. The business provides a living for Coupchiak and his family, allowing him the freedom to do the work he loves.

The company only accepts cash and checks as payment, and has been able to keep to keep up the payment schedule for the First National Bank of Alaska loan. When the engine needs to be replaced at 100,000 miles, Coupchiak will approach the bank in good standing..

Marketing. The majority of Coupchiak's marketing has been word of mouth. The business telephone number is listed in the Togiak, Dillingham, and Bethel phone directories, and also on line with other air services. Coupchiak met with institutions such as the health corporations, the nonprofit organizations, and the school districts in the

regional hubs to promote his service, and they have given him a significant portion of business. The mainstay of his business, however, is the traveler coming to the airport when he arrives somewhere and booking passage to the next village or the regional hub.

Challenges and Lessons Learned

The greatest challenge facing Coupchiak Aviation is managing the steady growth of its customer base. Coupchiak is working six days a week, and operating 10 to 12 hours a day in the summer. He finds that even when he is not at work, he is thinking about it most of his waking hours. While the pace of the demand lessens somewhat in the winter, he does find being the only pilot a burden at times. However, he is not yet prepared to take on the cost and management of another pilot at this point. He has considered seeking a partner, but has yet to identify the ideal candidate.

Coupchiak's advice to others contemplating an air service business is to be prepared to work long hours and to find the best mechanic possible. He refrains from getting involved in local politics, because all sides of any local dispute need to fly. Coupchiak believes strongly in providing high quality customer service, because there are other choices of carrier. Twice a year he offers reduced rates as an incentive to new clients to try him out. In the end, he believes it is his customer service that keeps clients coming back to Coupchiak Aviation.