

DEN' S CONCESSION PROGRAM GLOSSARY OF TERMS

The following represents non-exhaustive, non-binding definitions of terms and phrases commonly used in the planning, development, licensing, and management of the Denver International Airport's Concessions Program. Through this glossary City intends to provide general definitions of industry terms routinely used in individual solicitation documents and concession agreements. This purpose of this glossary is to provide a basis of understanding of various terms and phrases among prospective respondents and City.

This glossary does not provide definitive meanings to the terms and phrases stated herein. Moreover, in the event of a conflict between the definitions stated herein, and the official solicitation documentation and/or corresponding concession use agreement, the official solicitation documentation and/or concession use agreement control. Additionally, in no event shall any definitions stated herein become binding upon City. City reserves the right to define and/or update all terms and phrases stated herein as required based on the best interest of the City. Proposers are strongly encouraged to review both the official solicitation documentation and corresponding sample use agreement, and provide written requests for clarification of any perceived ambiguities.

Brand:

"Brand" generally refers to the trade name of concession concepts operating in more than one location locally, regionally, nationally, internationally, or within a defined area of the United States, meeting the following criteria:

- a) is operated by a corporate entity or through franchise or license agreement with a corporate entity; and
- b) operates with a consistent and/or distinctive and/or distinctive menu and service style (in the case of dining establishments) or consistent and/or distinctive and/or distinctive merchandise mix and price level (in the case of retail establishments); and
- c) operates with consistent and/or distinctive and/or distinctive trade dress, marketing, and advertising; and
- d) presented to and considered by the public as a single business.

"*Local Brand*" generally refers to a branded business meeting one of the following criteria:

- a) has one or more existing locations in the Greater Denver Area or Front Range Area, but not be widely operated outside of the Front Range Area; popularly associated with Denver or the Front Range; with a generally consistent and/or distinctive and/or distinctive menu and service style (in the case of dining establishments) or consistent and/or distinctive and/or distinctive merchandise mix and price point (in the case of retail establishments); and with a generally consistent and/or distinctive and/or distinctive trade dress at all locations; or
- b) was/is developed by a Greater Denver Area and/or Front Range Area based chef or restaurateur with one or more restaurants in the Greater Denver or Front Range Areas, popularly associated with the Greater Denver or Front Range Area; and such chef or

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restaurateur remains continuously involved with the operation of the proposed concession concept.

“*Airport Brand*” generally refers to proprietary concession concepts created by a single business entity and primarily operated in airports which:

- a) operate with the same trade name, trade dress, menu and service style (in the case of dining establishments), or merchandise mix (in the case of retail establishments); and
- b) do not have an identified relationship with a popularly recognized retail, dining, cultural, or media establishment based in the Greater Denver Area.

Proprietary concession concepts owned by a single business entity that licenses or franchises the concession concept can qualify as an Airport Brand if they meet the above described conditions.

Concession generally refers to a business, located within an airport, engaged in the sale, offering for sale, or the furnishing of any commodity, article, facility or service to the public under an agreement with the airport operator or a sub-agreement with a master developer or concessionaire. Concession includes, but is not limited to, web-based or other electronic businesses operating within and airport terminal or which passengers can access at the airport terminal, advertising services providing advertising displays or messages to the public at an airport, or a business providing goods and services to concessions at airports.

Concession Agreement generally refers to the non-exclusive revocable personal license authorizing the development, occupancy, and operation of a Concession on airport property.

Concession Location generally refers to the individual location of concessions within an airport.

Connecting Passenger (a/k/a Transfer Passenger) generally refers to any passenger changing from one plane or airline to another at an intermediate point on the way to their final destination.

Deplaning Passenger generally refers to a passenger disembarking from an airplane at an airport.

DEN generally refers to the Denver Municipal Airport System, as defined in the Denver Revised Municipal Code, and specifically including the Denver International Airport. (Although Denver International Airport is informally referred to as “DIA”, its official Federal Aviation Administration designator is “DEN.”)

Dual Branding generally refers to a subdivided Concession Location(s) offering two or more distinct brands, sometimes with a single point of sale and shared sales staff. Generally, a dual-branded concession location contains separately defined areas within the Concession Location for each brand and separately identifies each brand on the storefront.

Enplaning Passenger (a/k/a Enplanement) generally refers to a passenger boarding an aircraft at an airport. The total number of passengers boarding aircraft at the Airport is generally referred to as “enplanements”.

Front Range Area generally refers to the most populous region of the State of Colorado, consisting of the cities of Fort Collins, Greeley, Loveland, Longmont, Boulder, Golden, Denver, Aurora, Lakewood, Thornton, Westminster, Centennial, Arvada, Englewood, Broomfield, Brighton, Castle Rock, Commerce City, Littleton, Northglenn, Parker, Wheatridge, Colorado Springs, and Pueblo.

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Greater Denver Area generally refers to the Denver-Aurora, CO Metropolitan Statistical Area, as defined by the U.S. Office of Management and Budget.

Gross Receipts (a/k/a Gross Sales) generally refers to all monies paid or payable to concessions at an airport from customers for sales made, services rendered, or customer orders fulfilled by a concession at the Airport, subject to certain deductions and/or offsets. The definition of Gross Receipts for a specific concession will be set forth in the Agreement for the concession.

Gross Revenue generally refers to the total compensation received by an airport, before any deductions or allowances, from its Concession Program.

Local Business generally refers to a business currently domiciled in and earning a majority of its annual revenues from operations in the Greater Denver Area.

Minimum Annual Privilege Fee (MAPF) generally refers to the minimum annual amount of compensation paid to an airport for the privilege of operating a Concession on airport property. The definition and calculation of MAPF for a specific Concession will be set forth in the specific Concessions Agreement.

Percentage Fee generally refers to the amount of Gross Receipts, paid to an airport as compensation for the privilege of operating a Concession on airport property. The definition and calculation of Percentage Fee for a specific concession will be set forth in the specific Concession Agreement.

Privilege Fee generally refers to the sum of MAPF and Percentage Fee payable to an airport as compensation for the privilege of operating a Concession on airport property. Typically, Concessionaires at DEN pay the greater of the MAPF or Percentage Fee annually. The definition and amount of Privilege Fee for a specific concession will be set forth in the specific Concession Agreement.

Proposer generally refers to the legal person submitting a proposal in response to a Request for Proposals. Proposer generally includes all legal persons comprising the business entity submitting a proposal.

Proposer's Ownership generally refers to all legal person(s) with any ownership interest, and/or option to purchase ownership interest, of the Proposer. In the case of a multi-level Proposer's Ownership structure, the level of or percentage of ownership interest to which any specific term or condition of an RFP or Agreement applies will be set forth in the RFP or Agreement.

Rent generally refers to a tenant's regular payment to a property owner for use of property or land under a lease. However, Concessions Agreement at DEN are not lease and therefore, the term "Rent" does not refer to compensation payable under Concession Agreements at DEN.

Sense of Place generally refers to a collection of qualities and characteristics (visual, cultural, social, and environmental) providing meaning to a Concession Location and making the Concession Location different from others. In the DEN concessions program, "Sense of Place" generally refers to expressions and metaphors of the unique spirit, environment, geography, culture, heritage, lifestyle, diversity, and flavors of the Greater Denver and Front Range Areas, as shown in Concession products, menus, Concession Location designs, and brands.

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Theme generally refers to the unifying characteristics of a Concession Location's trade name and dress, product mix, menu, and facility design giving a particular setting or ambience to the Concession.

Value Pricing (a/k/a Street Pricing) generally refers to an airport's policy governing the maximum prices of goods, merchandise, and services sold at the airport. The specifications of the Value Pricing requirements for a specific concession will be set forth in the corresponding RFP and Concession Agreement.