

# Concession Outreach



Presented to DIA Way Joint Forum  
by Lisa Torres  
31 August 2009

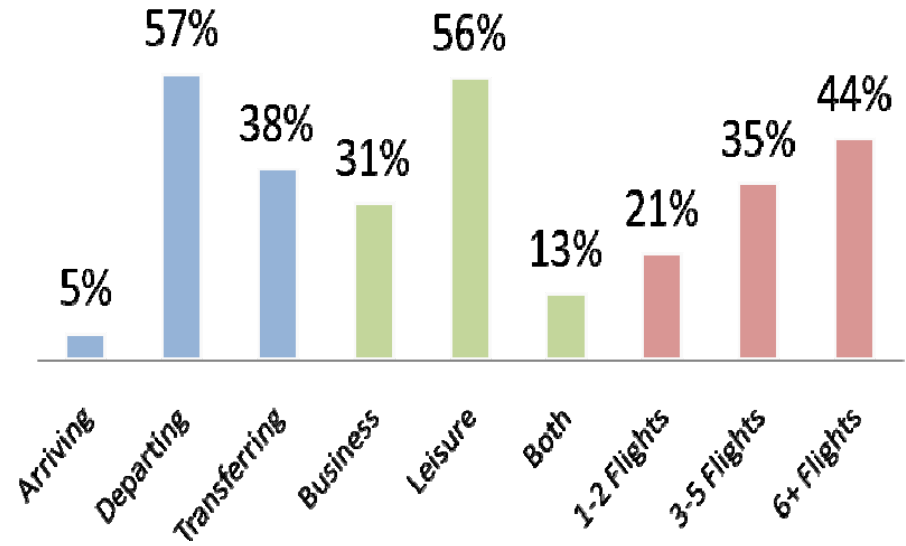
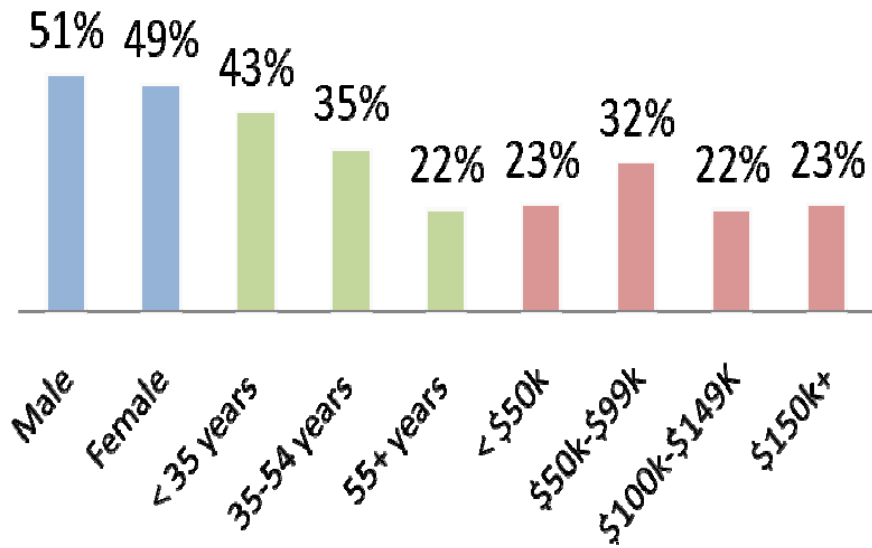
# Disclaimer

- Everything discussed today is subject to change.
- Past passenger growth and concession performance is not a guarantee of future results.
- The airline industry is undergoing a period of fundamental changes. Airline service, routes and frequencies can and will change.
- This briefing is solely for the purpose of informing interested parties and does not constitute an offer to enter into a concession agreement.

# Revenue

- DIA's concession program consists of 167,457 square feet of retail space that includes more than 140 merchants offering an exciting culinary, fashion and retail experience. The concessionaire program generates over \$245 million in annual gross sales and over \$38 million in revenue to the airport.
- Non-airline revenue keeps rates, charges and fees down for airlines which makes DIA an attractive airport to new airlines.

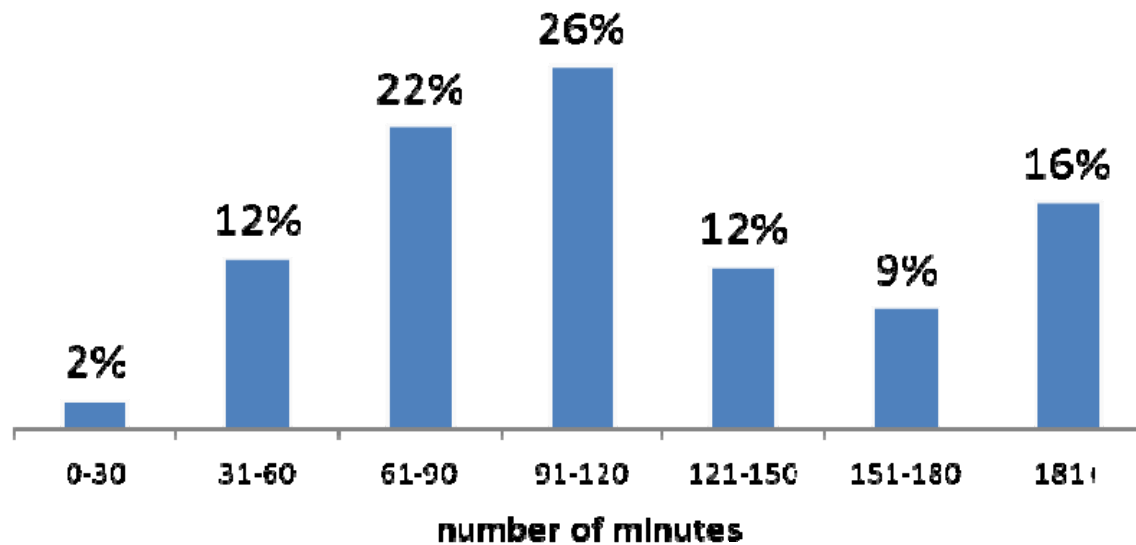
# Passenger



Source: [www.flydenver.com/concessions](http://www.flydenver.com/concessions)

# Passenger Dwell Time

Length of wait at Concourse (Dwell Time)



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# Passenger Spending Patterns



Source: [www.flydenver.com/concessions](http://www.flydenver.com/concessions)

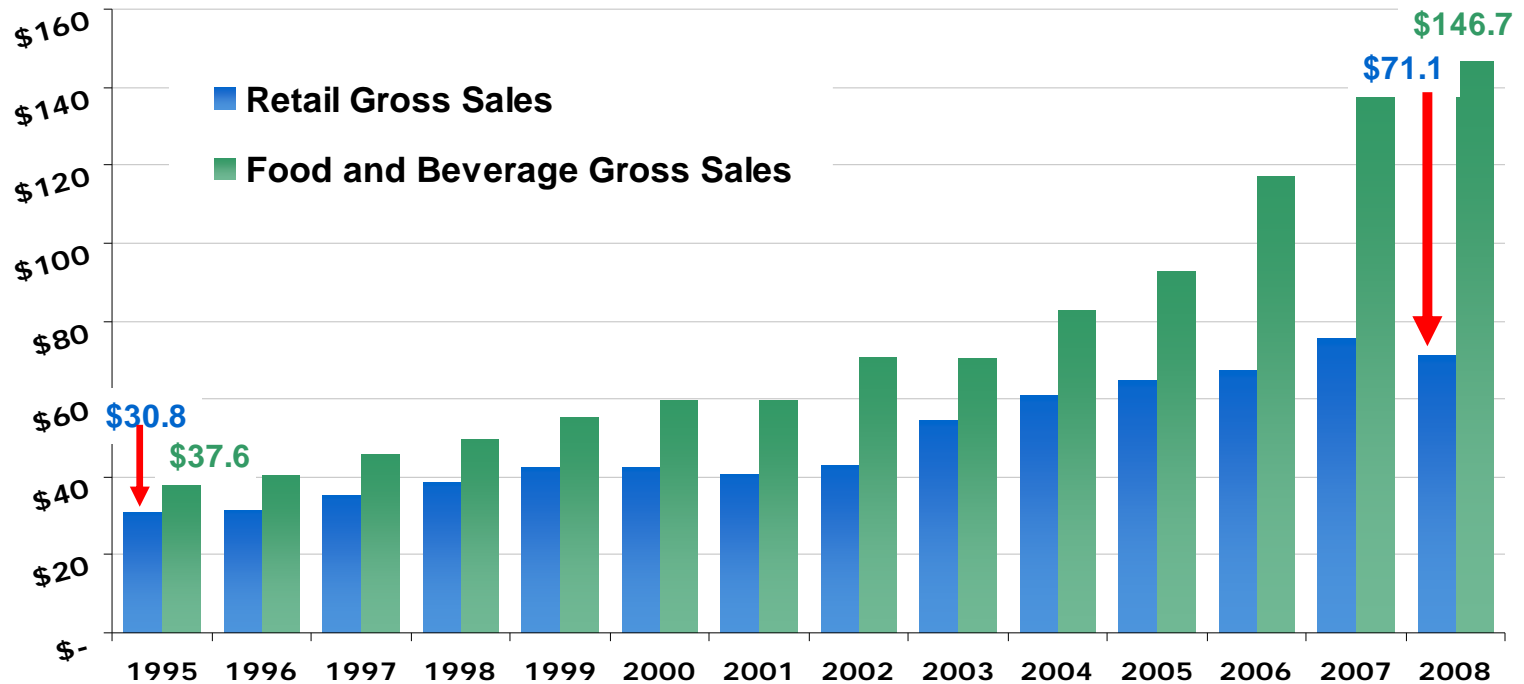
# 2009 projected sales per square foot

- Food & beverage
  - \$1,410.00
- Specialty retail
  - \$1,053.00
- Newsstands
  - \$1,936.00

Source: [www.flydenver.com/concessions](http://www.flydenver.com/concessions)

# Sales history

DIA Concession Gross Sales  
1995-2008

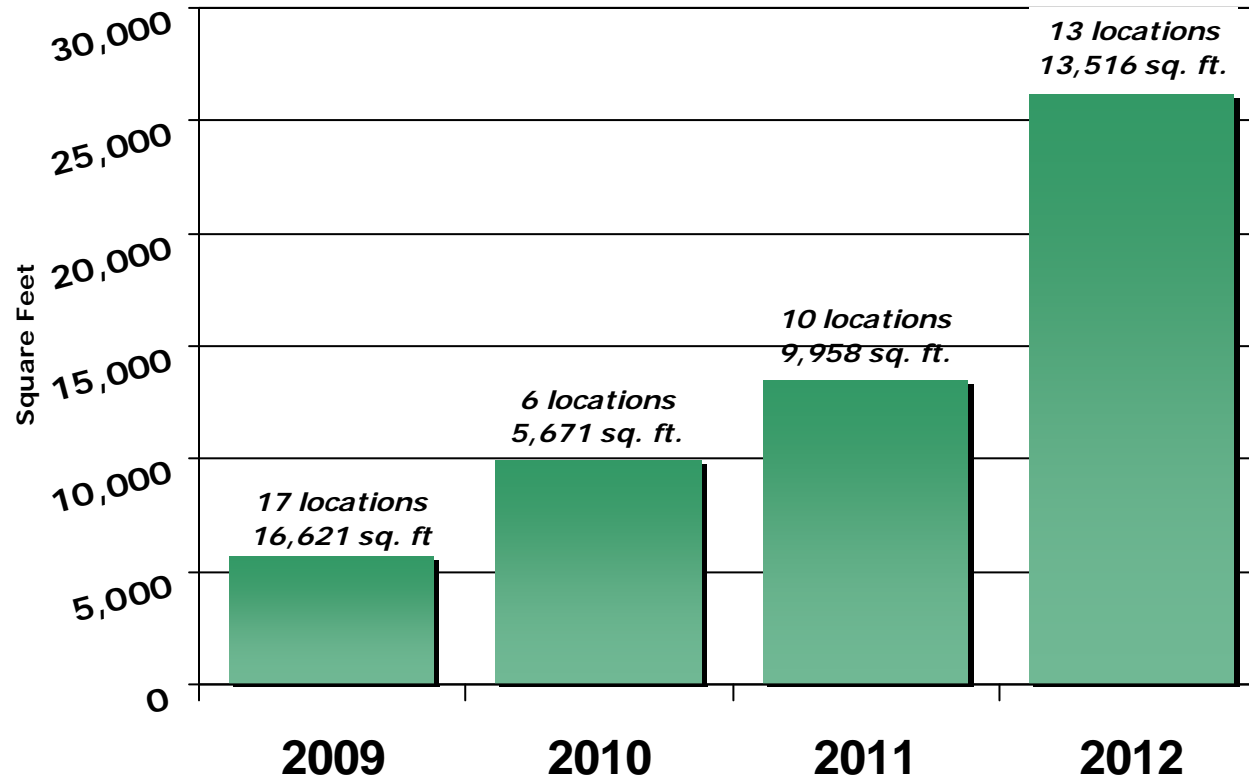


Source: [www.flydenver.com/concessions](http://www.flydenver.com/concessions)



# Future concession space availability

**DIA Concession Program**  
*Expiring agreements & sq. footage, 2008-2012*

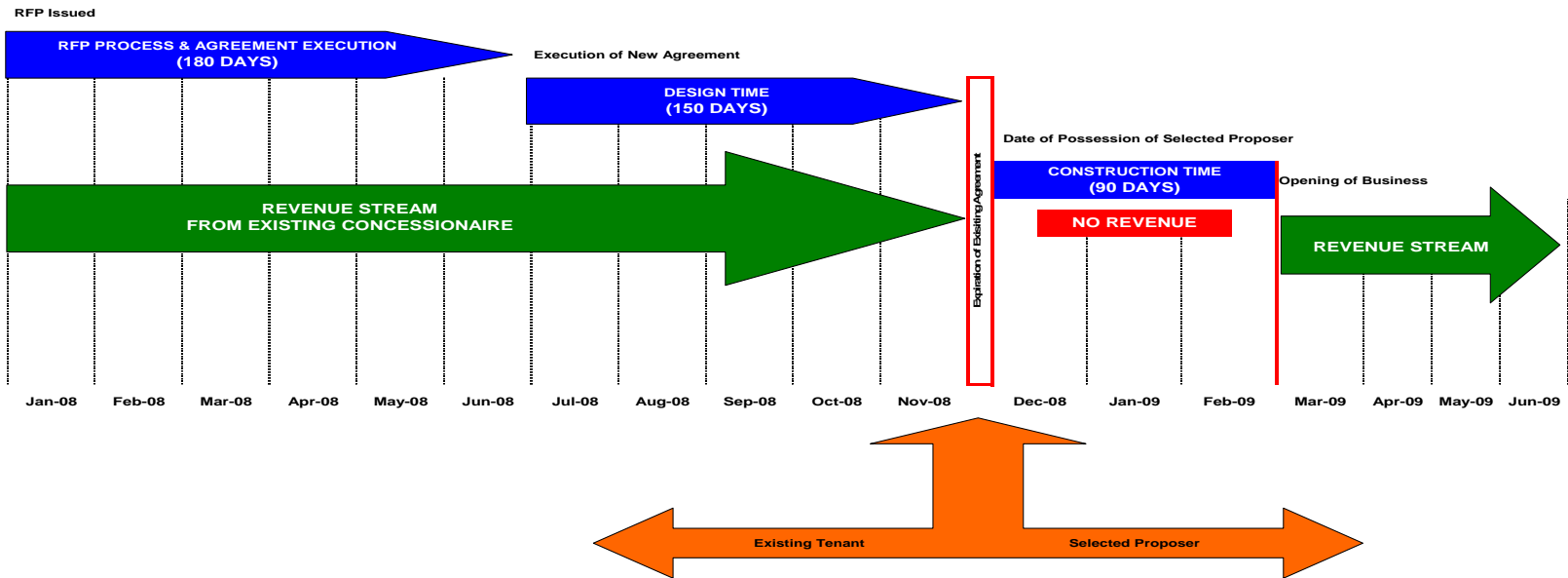


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# RFP process

- I. Issue Request For Proposals (RFP)
- II. Mandatory Pre-Proposal Conference
- III. Issue Addenda
- IV. Submit Proposals
- V. Proposals are Reviewed by Staff
- VI. Evaluation Committee
- VII. Selection/Agreement
- VIII. Contracting Process

# RFP Timeline



# Minimum Qualifications

- I. Experience
- II. Operational Profitability
- III. Financial Capacity
- IV. ACDBE Goal

# Financial Capacity

- I. Private Equity
- II. Bank Funding
- III. Company Funding

# DIA and the RFP processes

- I. Request for Proposal (RFP) competitive process
- II. Terms are specified and vary by concept type
- III. MAG or % of Revenues
- IV. ACDBE Goals
- V. Continuous improvement

# Airport Concession DBE

- What is ACDBE
- ACDBE Eligibility
- ACDBE Goods and Services
- ACDBE Certification Process
- ACDBE Goals

# Frequently asked questions

- How long do you have to stay open on a typical day?
- Employee hiring and retention?
- Who is responsible for badging?
- Where do employees park?
- What is the typical term length?
- Does DIA offer exclusives?
- Does DIA assist with construction costs?
- What is the average cost of construction at DIA?
- Does DIA require concessionaires to use certain contractors?



# Next steps

**Register for Notification:**

[www.flydenver.com/concessions](http://www.flydenver.com/concessions)

**Association Web site related to airport concessions:**

**Airport Revenue News (ARN)**

[www.airportrevenue.com](http://www.airportrevenue.com)

**Airports Council International (ACI)**

[www.aci-na.com](http://www.aci-na.com)

**Airport Minority Advisory Council (AMAC)**

[www.amac-org.com](http://www.amac-org.com)

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