

Concession Owners Forum

September 9, 2009

The special Concession Owners Forum on September 9th included Airport Board members, Executive Staff, Concessions staff and concessionaires to begin a dialogue about the Terminal Development Program (TDP). The questions and comments posed at the Forum – and DFW's Concessions staff responses in blue – appear below in three common themes: Program Design, Program Process, and Communication.

Because it's so early in the process, we're unable to definitively answer all questions at this time.

Program Design

1. Will the terminal shape and line of sight remain the same? [Yes](#)
2. What impact will checkpoint consolidation have on concessions that are not near a checkpoint? [We're unable to determine the impact until the programming phase has been completed. The target date for completing the programming phase is spring to early summer of 2010.](#)
3. At other airports, the TSA has had issues with using glass windows versus solid walls. Will that be the case with the TDP? [DFW will work with the TSA on a solution.](#)
4. Signage needs to be improved to minimize the impact of the curved concourses. [Signage and concessions awareness will be incorporated into the program.](#)
5. People will seek out necessity items, but impulse items need to be seen. [In the programming phase, we will be reviewing adjacencies and product mix. The target date for completing the programming phase is spring to early summer of 2010.](#)
6. Some concessionaires are concerned about keeping the C-shape or village concept knowing that gate lock exists. [This will be finalized in the programming phase, which is expected to be completed by spring to early summer of 2010. Many airports are transitioning to a retail village solution, and it is proving to drive sales.](#)
7. The immediate impacts of over-building may have an overall positive effect in the long term but may have a severe impact in the short term and from a cannibalization standpoint. [We will build the optimal square footage for future growth, but we will not necessarily fill every location at this time.](#)

Process

1. Why doesn't the Airport complete an entire terminal at one time? Because of American Airlines' gate requirements, and from a time /value/money analysis, this approach has been deemed as not practical. The program is a balancing act of project cost versus money.
2. What is DFW considering in terms of future airline impacts similar to the Delta pulldown? The holdrooms will have an open architecture that will accommodate multiple aircraft types.
3. Will the base building contractor selection result in additional costs to the concessionaire? This will be finalized in the programming phase, which is expected to be completed by spring or early summer of 2010. We are committed to keeping concession construction costs down and will maintain that focus in every phase of the program.
4. Single source build-out providers increased the build-out costs in Terminal D. Will this be a requirement in the TDP? This will also be finalized in the programming phase, which is expected to be completed by spring or early summer of 2010. We will seek to have individual contractor opportunities whenever possible.
5. Concessionaires are concerned with using a consultant to formulate a plan without input from current tenants. Focus groups will be conducted on September 30th and October 14th to capture concessionaire feedback, and future sessions will be held periodically to keep an open dialogue about the process.
6. How will performance criteria take into account the different spending habits that vary by terminal, such as Terminal A versus Terminal B? We're in the process of determining performance criteria, and we will be gathering related feedback at the upcoming focus groups. The eventual criteria is expected to incorporate terminal-specific measures.
7. How will package locations be handled? This planning is still to be developed.
8. Love Field has a space utilization factor of 5.6 square feet per 1,000 enplaning passengers. Developing space based on expected future enplanements can be fatal for current operations. After further discussion with Gilbert Aranza – who raised this issue at the Forum – it was determined that the 5.6 square feet number at Love Field refers to food and beverage operations only. When adding in retail operations, the total Love Field space utilization is 8.7 square feet per 1,000 enplaning passengers.
9. Appropriate sizing should be used for future enplanement volumes. At DFW, we will utilize enplanement volumes to determine appropriate square footage.
10. Some concessionaires are concerned regarding policy versus individual evaluation.

A criteria has not been finalized at this time.

11. Some concessionaires are concerned about the impact on concession employees (retention, reassignments, etc.) during the construction period. DFW will provide as much communication as possible as early as possible about upcoming phasing so concessionaires can plan staffing needs accordingly.
12. Where do we stand on the moratorium? The concession construction moratorium is in effect through January 31, 2010. Future construction will be evaluated with a consideration to TDP phasing.

Communication

1. Concessionaires would like a date set for concessionaire discussions. Suggested dates are from September 28th through September 30th. Two focus group meetings will be conducted in order to allow all concessionaires an opportunity to attend and provide feedback. These have been scheduled for September 30th and October 14th. Both sessions will take place in the Rental Car Center Multi-Purpose Room from 1:00 PM to 4:00 PM on their respective days.
2. Concessionaires would like full versions of the concession studies that the Airport has commissioned. We will provide new studies as they become available. Prior studies will be posted next week.