



## ACADEMY OF CONCESSIONS

*Spring Semester, 2009*

*Faculty:*

**Professor Stephen Freibrun**

**Professor Abbas Mirza**



**Orlando, Florida ~ February 15-17, 2009**

**Passion. Expertise. Results.**

# Agenda Overview – Academy of Concessions 201

## *Four Mid-Level Courses for Today's Challenging Environment*

**Concessions 201 ~ 08:30am – 10:00am**



### **1. Contingency Planning**

**Jim Smith, Director of Corporate Properties of JetBlue**

*JetBlue developed an exciting new concession program, but unanticipated schedule reductions or economic impacts require steady, consistent revenue streams. Mr. Smith will address ways to maximize store location and concept mix in the midst of it all.*



### **2. Finding the Best Sources of Non-Airline Revenues**

**Patrick Heck, Deputy Manager of Aviation for Revenue and Business Development, Denver International Airport**

*Airports want to increase non-airline revenue, airlines continue to put pressure on airports to reduce costs – strategies to identify non-airline revenue opportunities.*

# Agenda Overview – Academy of Concessions 201

## *Four Mid-Level Courses for Today's Challenging Environment*

**Concessions 201 ~ 08:30am – 10:00am**



- 3. Going Green: Environmental Challenges for Airports**  
Craig Ebert, Sr. Vice President at ICF International, and  
Abbas Mirza, Principal at SH&E

*Moving beyond recycling programs, what comes next for airports and retailers in their efforts to reduce their carbon footprint in response to environmental concerns.*



- 4. Extracting the Greatest Value From Your Contracts**  
John Cugasi, Concession Director at Atlanta Hartsfield  
International Airport

*In a changing consumer market, traditional agreements may not provide the optimal revenue yields necessary to maintain or grow non-airline revenue.*

# Agenda Overview – Academy of Concessions 301

## *Advanced Thinking for the New Consumer Economy*

**Concessions 301 ~ 10:15am – 11:45am**



### **5. Analyzing your Parking Operations and Rate Structure**

**Mike McKeon, Regional Vice President at Impark**

*Looking at new parking product services and rate structure opportunities to add new services, improve customer satisfaction, and maximize parking rates.*



### **6. New Technologies to Drive Advertising Revenues**

**Stacy Ferris-Kodak, Vice President of Business Development, JCDecaux North America**

*Moving beyond the age of diorama “wall-paper”, when and how new display technologies can attract higher-value advertisers and deliver the maximum number of impressions.*



## Course 1

# CONTINGENCY PLANNING AND YOUR CONCESSION PROGRAM

*Professor:*

**Abbas Mirza**

*Guest Speaker:*

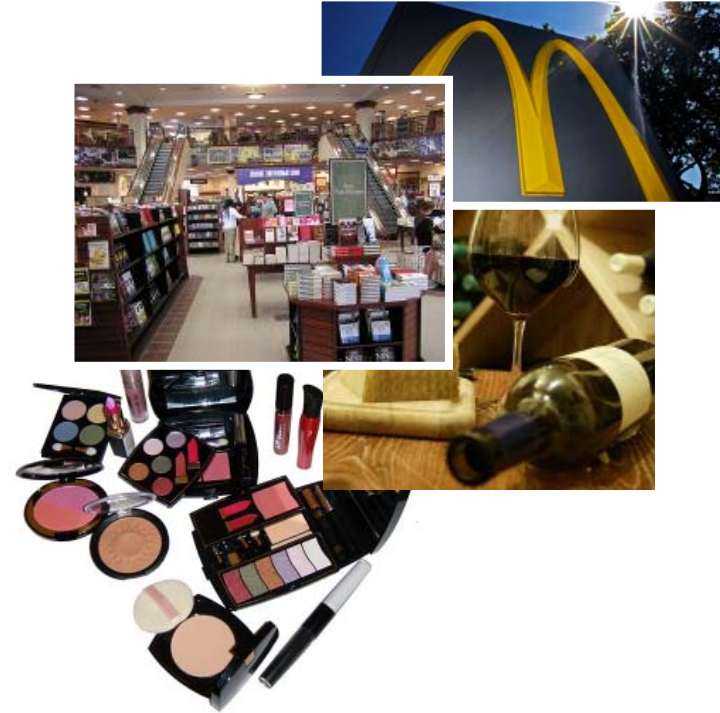
**Jim Smith**

# Academy of Concessions 201

# Consumer Spending is Undergoing a Shift That May Last Many Years and Needs to be Considered

## *Situation*

- ◆ Seeing fewer passengers in total; in recession; The consumer landscape is radically changing
- ◆ People are focusing on necessities instead of niceties
- ◆ Price awareness and price sensitivity has increased during these times
- ◆ Trading up turns to trading down...or across
- ◆ Need to adopt innovation to encourage the impulse purchaser



## *Objective*

- ◆ Maximize sales per enplanement and develop a contingency plan to maintain consistent, steady cash flows



## Course 2

# IDENTIFYING THE BEST POTENTIAL FOR NON-AIRLINE REVENUE

***Professor:***

**Stephen Freibrun**

***Guest Speaker:***

**Patrick Heck**

# Academy of Concessions 201

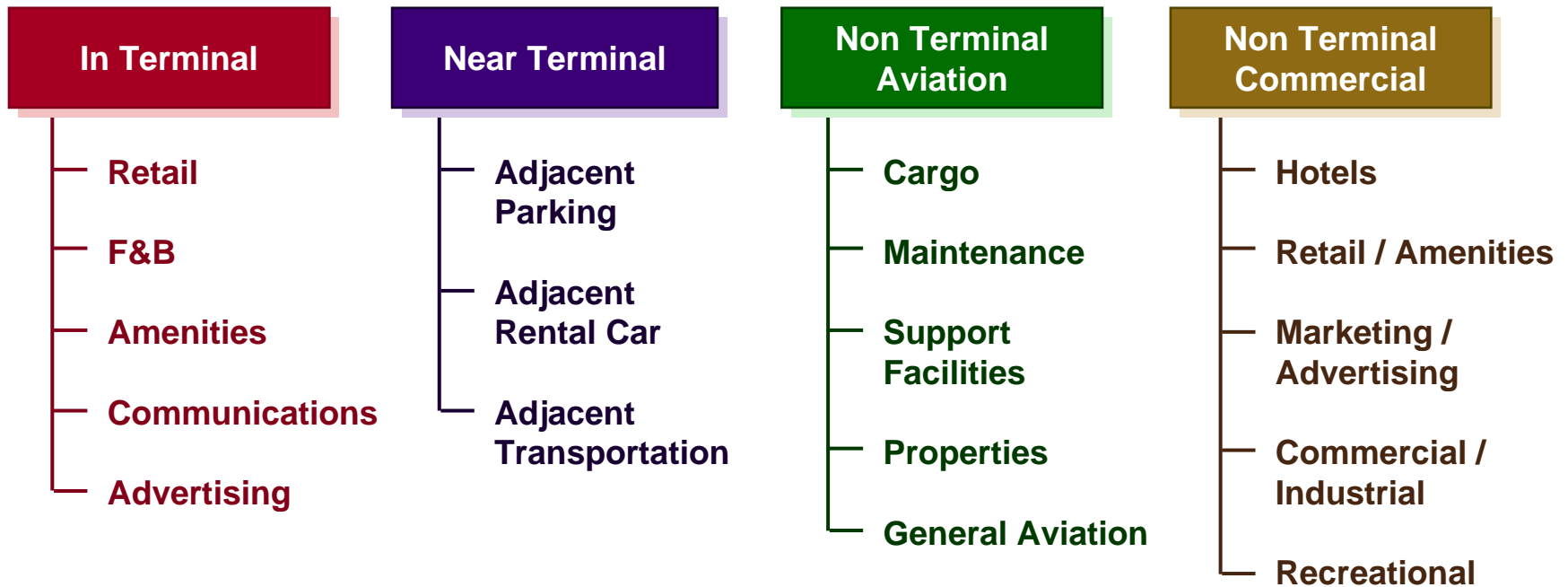
# Explore New Thinking for Driving Revenue Growth

## *Situation*

- ◆ With a slow economy and changing consumer behaviors, the best sources of revenue growth may come from outside the terminal

## *Objective*

- ◆ All airport assets on-, near-, and off-terminal should be assessed for turbo-charging revenue growth in this challenging environment





### Course 3

## GOING GREEN: ENVIRONMENTAL CHALLENGES AND CONCESSION PROGRAM IMPACT

*Guest Speaker:*  
**Craig Ebert**

*Guest Speaker:*  
**Abbas Mirza**

# Academy of Concessions 201



## Course 4

# EXTRACTING THE GREATEST VALUE FROM YOUR COMMERCIAL CONTRACTS

***Professor:***

**Stephen Freibrun**

***Guest Speaker:***

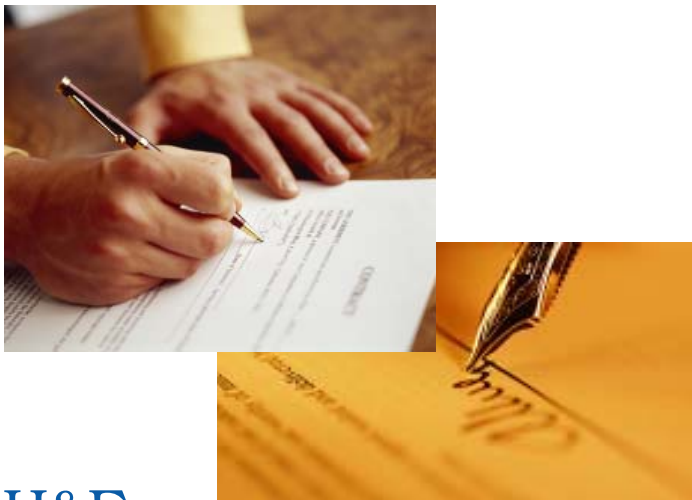
**John Cugasi**

# Academy of Concessions 201

# Solicitation Documents Can be Used to Drive Greater Revenues

## *Situation*

- ◆ RFPs and lease language can be better utilized to improve revenues and customer service
- ◆ Airport leases are sometimes considered fungible
- ◆ Older contracts are often used for developing new contracts



## *Objective*

- ◆ Focus on a combined scientific and methodological approach to selection is critical in today's climate
- ◆ While contract terms should continue to create win-win opportunities more dynamic approaches can be applied to help ensure the successes of a concession program
  - Rent commencement approaches
  - Rent collection and wash ups
  - De-risking contract structure
  - Revisit incentivization mechanisms



## Course 5

# PARKING OPERATIONS, RATE STRUCTURES AND OPPORTUNITIES FOR REVENUE GROWTH

*Professor:*

**Abbas Mirza**

*Guest Speaker:*

**Mike McKeon**

Academy of Concessions 301

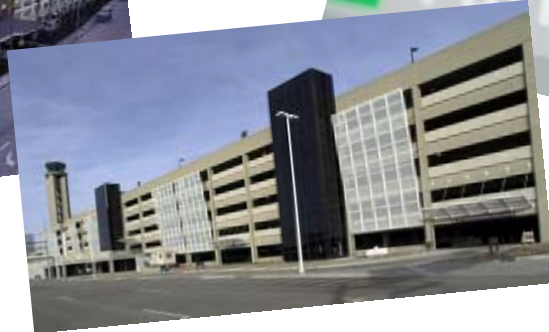
# Mounting Pressure to Find New Revenue Streams Include New Parking Facility Options

## *Situation*

- ◆ There are untapped opportunities to offer a wider array of parking services
- ◆ Demand pricing systems can price available spaces depending on utilization levels and even time of day

## *Objective*

- ◆ Explore creating more premium services and yield management pricing strategies to maximize commercial revenues from parking products





## Course 6

# ADVERTISING REVENUE OPPORTUNITIES THROUGH THE USE OF NEW DISPLAY TECHNOLOGIES

***Professor:***

**Stephen Freibrun**

***Guest Speaker:***

**Stacy Ferris-Kodak**

# Academy of Concessions 301

# The Mix of High-Tech Advertising Displays May be Changing

## Situation

- ◆ Recession's grip on advertising arena is strong
- ◆ High tech displays are expensive and designed to attract high-value advertisers, but these advertisers are budget constrained

## Objective

- ◆ Create near and longer-term strategies to account for the realities of near-term tighter advertising budgets in the out-of-home market



Densely spaced dioramas in a baggage claim area



Dioramas of various sizes line a circulation corridor