

Airport Concession Operators: Background and FAQ

BACKGROUND

The restaurants, coffee shops, and gift shops located at the Boise Airport are managed and operated through Prime Concessionaire agreements. The current agreement for the airport's Food & Beverage contract, as well as the Gift & Convenience contract, will expire next year (9/30/24). The airport will issue a Request for Proposal (RFP) to select the new concession operators at the beginning of 2024, but **many airport concession companies are aware of this upcoming deadline and are starting to prep for their response now.**

You may be approached by a concession operator regarding a potential partnership at the Boise Airport. Below are a few frequently asked questions to help provide you more information about this opportunity.

WHAT CONCESSION COMPANIES COULD BE PARTICIPATING IN THE RFP?

The airport is issuing a public solicitation, so any qualified concession operators may submit a proposal. If you are contacted by a concession operator, please consider this a legitimate request. Some of the main operators who have expressed interest in the airport's program are listed below*:

- Hudson (Avolta/AutoGrill/Dufrey)
- HMSHost (Avolta/AutoGrill/Dufrey/Stellar)
- Delaware North (DNC)
- Paradies-Lagardere
- SSP America
- Areas

*Potential operators submitting a proposal are not limited to the list above. Any qualified operator could participate.

WHY WOULD AN OPERATOR WISH TO PARTNER WITH A LOCAL COMPANY?

Boise Airport is seeking a mix of local, regional and national brands and products to offer a wide variety of choices for passengers and terminal tenants. Boise Airport would like to continue showcasing local brands to help establish a sense of place for passengers and to help make the airport's concession program unique to our region. Operators may seek to partner with local companies via licensing agreements or joint ventures.

WHY WOULD A LOCAL COMPANY WISH TO PARTNER WITH AN OPERATOR?

Operating at an airport can be capital intensive and labor intensive. The Boise Airport is open 24-hours a day, requiring concessions to be available for passengers at times that are outside normal business hours. The airport also has requirements around tenant



improvements which requires significant capital investment. Prime Concessionaire agreements are used in place of standalone agreements to help streamline business operations and to allow for economies of scale.

WHERE CAN I GET MORE INFORMATION ABOUT WHAT'S INCLUDED IN A PARTNERSHIP?

Partnership opportunities will vary by concession operators—and the opportunity to negotiate any potential partnership would happen directly with a concession operator prior to them responding to the airport's RFP. The Boise Airport is not involved in this process.

I HAVEN'T BEEN CONTACTED BY AN OPERATOR, BUT I'M INTERESTED IN THIS OPPORTUNITY.

Please fill out <u>this survey</u> (<u>https://www.surveymonkey.com/r/ACDBE</u>) to indicate your interest in partnering with a concession operator. Submitting this survey will add you to the airport's outreach list, notifying you of all upcoming events related to this opportunity—including airport-sponsored meet and greets with potential concessions operators.

WHY WOULD I WANT MY BRAND IN THE BOISE AIRPORT?

The Boise Airport served as the gateway to our region for nearly 4.5 million passengers in 2022, a record year for passenger travel. Early passenger statistics for 2023 are tracking 9% above those numbers and are expected to continue on this trajectory of rapid growth for the foreseeable future. A presence in the Boise Airport helps highlight your brand for visitors, showcasing the best of our region—as well as provide a well-known "local favorite" for members from our community when flying.

ANY OTHER QUESTIONS?

Please reach out to the Boise Airport's Properties and Contracts Coordinator, Dave Varn, at <u>dvarn@cityofboise.org</u>.

