Concessions Forum
COVID-19 Update

6.17.2020
Welcome

Zenola Campbell
Vice President
Concessions
Agenda

Welcome
COVID-19 Update
Air Service Updates
Summer Demand Projections
Remobilization Update
BDD Updates
Q&A
Closing Remarks
COVID-19 Update

Dustin Jaynes
Captain – Regulatory Compliance & Planning
Department of Public Safety
Air Service Update

Milton De La Paz
Vice President of Airline Relations
DFW's domestic route network is largely intact

Source: Diio.mi Schedules as of June 9, 2020
DFW's international network timetable for return in CY 2020

Source: Diio.mi Schedules as of June 9, 2020
Resumption of international service in July
9 international routes return
DFW has retained more service than any other American Airlines' hub

Source: mi.diio.net, schedule data July 20 vs. July 19
DFW will be the busiest airport in the world in July

2019 Scheduled Departures (Top 25)

2020 Scheduled Departures (Top 25)

Source: Dio.mi Schedules July 2020 vs. 2019
Note: Top 25 Passenger Airports CY 19
DFW daily passengers grew 316% from the lowest point in mid-April

Source: DFW estimates based on internal data
July Flight Increases

Jeff Benvegnu
Vice President of Aviation Real Estate
## Average departures per day

<table>
<thead>
<tr>
<th>Terminals</th>
<th>June</th>
<th>July</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94</td>
<td>124</td>
<td>31.9%</td>
</tr>
<tr>
<td>B</td>
<td>118</td>
<td>173</td>
<td>46.7%</td>
</tr>
<tr>
<td>C</td>
<td>81</td>
<td>114</td>
<td>41.9%</td>
</tr>
<tr>
<td>D</td>
<td>58</td>
<td>76</td>
<td>29.5%</td>
</tr>
<tr>
<td>E</td>
<td>104</td>
<td>147</td>
<td>40.8%</td>
</tr>
</tbody>
</table>

Source: DFW Internal Data
FY20 Passenger Activity in Terminal E Satellite

Source: DFW Internal Data
Summer Demand Projections

Kevin Lemmons
Assistant Vice President of Concessions
Total DFW

Airport-wide we currently have excess SF open to meet passenger demand. Another 16k SF will need to reopen by August. 195k SF currently closed.
Terminal A

Terminal A currently has excess SF open to meet passenger demand. Another 6k SF will need to reopen by September. 51k SF currently closed.
Terminal B

Terminal B currently has excess SF open to meet passenger demand. Another 6k SF will need to reopen by August. 18k SF currently closed.
Terminal C

Terminal C currently has excess SF open to meet passenger demand. Another 3k SF will need to reopen by July. 21k SF currently closed.
Terminal D
Terminal D currently has excess SF open to meet passenger demand. No additional need in FY20. 71k SF currently closed.
Terminal E

Terminal E currently has excess SF open to meet passenger demand. Another 5k SF will need to reopen by August. 35k SF currently closed.
ACI Concessions Report

Airports Council International
Key Research Findings: Concessions and Services

When travel resumes, passengers expect concessions, retail and services **to be open**.

1. Take away restaurants (75%)
2. Rental Car Providers (49%)
3. Taxi Stands (40%)
4. Ride App Pick Up Areas (38%)

**Passengers are split** on mitigation strategies at restaurants and bars, but they expect some level of action.

1. Offer Take Away Only (23%)
2. Reduce Number of Tables (23%)
3. Limit Patrons (21%)
4. Limit Seating (19%)

Source:
Remobilization Update

Michael Baldwin
Assistant Vice President of Concessions
Remobilization Strategy

Key Drivers on Decisions to Re-Open

- Passenger Demand Forecasts/Triggers
- Gate Utilization
- Concessions Mix
- Summer Forecasts
- Phasing Strategies
- Operator’s Request to Re-Open
Remobilization Requirements

Re-Opening Process

- COVID Safety / Distancing
  - PPE (Masks, Gloves)
- Sneeze guards where applicable
- Pre-opening inspections
- Operating hours review
- Staffing / scheduling
- Product remobilization
Reopening Checklist

Ready To Return

- Owner Contacts Business Unit Manager
- Name of Concession
- Terminal Location
- Owner / Manager Verifying Inspection
- Provide Target Open Date
- DFW Requirements, Sanitizing Procedures, Social Distancing Guidelines, Staff Training
- Total Seating Capacities
  - 75% for Restaurants
  - 50% for Bars
Reopening Mandates

Signatures of “4” Opens the Door

- Fire Marshall – Inspection Date, Code
- Tenant Project Manager - Development
- Compliance Analyst - Operations
- Owner/Manager of Location – Alignment
  - Service Level Agreement (SLA)
  - Best Practices
To-Go Alcohol Sales

- Employees must advise customers purchasing To-Go alcohol that the alcohol cannot be consumed on the aircraft.
  - Alcohol must be consumed in the terminal OR sealed and stowed before boarding and for the duration of the flight.
- Signs will be distributed over the next few days for posting at point of sale locations.

Federal Regulation FAR 121.575 states: "No person may drink any alcoholic beverage aboard an aircraft unless the certificate holder operating the aircraft has served that beverage to him."
Terminal C
Power Outages
June 27 – 28

- Full shutdown by sections over 2 nights
- Each affected section will be evacuated
- 9:00 PM – 3:00 AM each night
- Gates C2 – C17 Saturday, June 27
- Gates C17 – C39 Sunday, June 28
- Middle Gates (C17 – C22) could be impacted both nights
Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program

Tamela Lee
Vice President of Business Diversity and Development
Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program

FAA COVID – 19 Public Health Emergency Guidance

Supplemental Guidance from FAA: ACDBE Program Requirements During COVID-19 Public Health Emergency:

Commercially Useful Function (CUF) Reviews: 49 CFR 23.29 requires DFW International Airport to implement appropriate mechanisms to ensure compliance with the ACDBE program.
ACDBE Program

FAA COVID – 19 Public Health Emergency Guidance

FAA has stated that DFW Airport may use alternative methods for carrying out required CUF reviews, such as:

- Visiting work sites to take photographs and confirm the ACDBE’s presence and activities (if doing so does not compromise social distancing and does not conflict with COVID-19 guidance issued by State or local authorities).

- Using computer, tablet, and mobile device technologies, such as FaceTime, Skype, GoToMeeting, Zoom, and other similar telecommunication applications, to interview firm owners/key personnel and take virtual tours of job sites.

- Asking ACDBE firm owners to electronically submit key records, such as tax returns, distribution statements, etc. demonstrating that the ACDBE is carrying out a CUF. If firm owners do not have immediate access to physical records by the timeframe listed in their letter, they may request an extension to the due date with no late fees assessed.
• If an extension is needed to submit documentation, please inform BDDD you do not have access to records, and an extension will be granted.

• Before any lease extensions are granted, they are contingent upon tenants being in full compliance with ACDBE requirements and their lease 90 days prior to their current expiration date according to the Official Board Action approved by the Board dated December 5, 2019.

• No site visits or CUFs will be performed on closed locations. However, once you have re-opened your business, a CUF will be performed.
Q & A
Additional Q & A Feedback

• Is the Minimum Annual Guarantee (MAG) suspended to March 2021?
  Yes. MAG is suspended to March 1, 2021. As a result of this, the Airport is foregoing over $75M in revenue. Most airports are only suspending for a couple of months, and most are “deferring,” which requires concessionaires to pay back versus forgive all together.

• Can we get the reopening checklist?
  Please contact your business unit manager about two weeks prior to opening, and they will send the appropriate checklist.

• What is the status of Japan Airlines?
  JL will resume twice weekly service to Tokyo (HND) effective July 2nd.

• What is the status for Jet Blue?
  JetBlue just announced twice weekly service to JFK starting July 23rd.

• What is Spirit’s flight outlook?
  Spirit will increase service from about 11 daily flights today to about 24 daily flights beginning July 2.

• What is the link to the Texas guidelines for restaurants and retail locations?
  https://www.dshs.state.tx.us/coronavirus/opentexas.aspx
Thank You