



JACKSON MUNICIPAL AIRPORT AUTHORITY

Your Connection to the World

Food & Beverage Concessions Outreach

WELCOME





AGENDA

Food & Beverage Concessions Outreach

Introduction

Invocation

Welcome

Introduction of CEO

CEO Remarks

Concessions #101

Procurement Process

ACDBE Certification

Questions & Answers

Closing Remarks

Jackson-Medgar Wiley Evers International Airport

Concessions Outreach



December 8, 2021



Jackson-Medgar Wiley Evers International Airport
Concessions Outreach

Concessions 101

Bhavesh Patel, Vice President, Airport Retail Concessions, Unison Consulting



Airport vs. Street: The Differences

- The Airport is open 365 days per year
- Passenger traffic varies throughout the day, the year, and the terminal areas
- Passengers are here to travel rather than shop or eat
- Concessions must operate when there are flights - often 16 hours per day, with no exceptions
- Deliveries must be scheduled and screened
- Employees must be badged



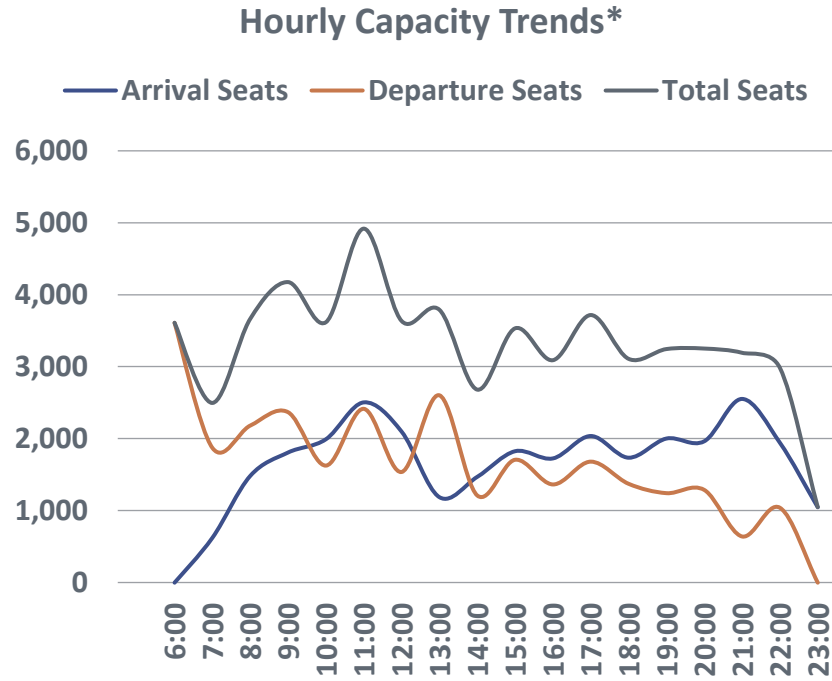
Airport vs. Street: The Differences

Typical Business Terms

- Term: 7 to 10 Years based on Category
 - No Renewal Options
- Rent to the Airport is the greater of:
 - Minimum Annual Guarantee (MAG)
 - Percentage Rent of Gross Sales
 - Annual Adjustment
- Security Deposit equal to 6 to 12 Months of MAG
- Required Mid-Term Refurbishment
- Street Pricing + 10%

Airport vs. Street: The Challenges

- Terminals have periods of intense activity followed by periods of relative calm
- Concessionaires must be equipped to handle demand during the peaks
 - Achieve a large percentage of sales during peaks
 - Staffing Levels
 - Inventory



*Example for illustration purposes only

Airport vs. Street: The Challenges

- Extended hours of operations to accommodate flight delays and flight cancellations
- The airport is not only affected by local weather but also by weather in other parts of the country
- Existing and future security requirements
 - May impact operating costs
- Comply with required service and operational performance standards
- Comply with specifications outlined in Tenant Design Criteria Manuals

Airport vs. Street: The Challenges

- Typically, concessions spaces in airports are smaller than the same use would occupy on the street
- Building concession units in an airport environment requires high capital investment
 - Average Build Out Costs per Square Foot
 - Food Service: \$800 +
 - Retail: \$600 +

Airport vs. Street: Possible Solutions

- If you feel that you have the right concept for the Airport, there are several ways to submit a bid
- If you have the financial capacity to build and operate, you can submit directly
- If you feel that you need help to achieve your goals, there are the following options:
 - Joint venture – A partnership between two or more companies to form a new entity that can deliver the required results to the Airport
 - Typically, this is done between a Prime Operator and at least one ACDBE partner
 - Sublease
 - If there is a package of spaces, you may want to partner with another company to agree to sub-lease one or more spaces from that company if they are the successful bidder



Airport vs. Street: The Challenges

- Operating and Maintenance Expenses in an Airport Environment can be typically 20% to 30% higher than comparable non-airport locations
 - Higher Build-Out Costs
 - Security Requirements
 - Employee Badging and Parking
 - Marketing Fee
 - Receiving and Distribution
 - Storage Space and Office Rental
 - Longer Operating hours
 - Utilities & Common Maintenance Fees
 - Janitorial, Trash, and Grease Maintenance
 - Insurance Requirements
 - Business Licenses and Taxes



Airport vs. Street: The Challenges

- One of the biggest differences between operating Airport environment and a Street location are the Security requirements
- All employees working in a secure area must be badged
 - 10-year background check
 - FBI fingerprint check
 - 2 to 6 weeks to conduct background check and issue badge
 - Replacing a sick, terminated employee may require extra staffing and time
 - Employee Turnover can be expensive and frequent



Airport vs. Street: The Rewards

You've decided that you want to embrace the differences and challenges and open a location in the Airport

- The rewards may be great
 - High sales volumes
 - Greater realized profits
 - Exposure of your brand to hundreds of thousands of people annually
 - Ability to market your brand outside of your home market
 - "If you can make it here, you can make it anywhere"



THANK YOU

Excellence • Knowledge • Service • Leadership • Value



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PROCUREMENT PROCESS

Marvin Buckhalter
Director of Procurement-MBA, CPSM
Presenter



ACDBE Certification

Jack Thomas, Director of DBE
Presenter



ACDBE Goals

Overall and Contract Specific

- Three Year Non-Car Rental Goal is 24%
- Current News & Gifts: 30%
- Previous Food & Beverage: 25%
- Up-coming Food & Beverage: 25%-30%



Benefits of Certification

Why Should My Firm Become Certified?

- Participation in contracts with contract goals
- Notification of contracting opportunities
- Streamlined application process with local and national agencies having certification programs
- Marketing tool for your firm



Becoming Certified

Who Can Qualify as an ACDBE?

Like DBE eligibility standards, applicants must prove:

- Firm is for profit
- Independently owned, operated, and controlled by a socially and economically disadvantaged individual(s)
- Disadvantaged individual must possess 51% ownership interest in the firm through real and substantial investments
- Firms must qualify as a small business concern according to size criteria approved by FAA; presently \$56.42 million for non-car rentals and \$75.23 million for car rentals



Already DBE Certified?

JMAA or MDOT Certified Firms

- You do not need to reapply!
- To expand your certification to include new specialties, NAICS Codes, and be certified as an ACDBE, simply email your request to our certification specialist, Mary Geter-
mgeter@jmaa.com
- **Note:** You must be able to prove that the principal owner controls the firm as it relates to the requested specialty and NAICS Code
- **Note:** You must be economically disadvantaged with a PNW below 1.32 Million



Already DBE Certified?

JMAA or MDOT Certified Firms

Your certification must be:

- Active and renewed every year

When to renew

- Anniversary date of your certification through an “affidavit of no change” that no material changes have occurred in the ownership and /or operations of the firm that could affect your firm’s eligibility for certification

A wide-angle photograph of an airport terminal interior. The space is bright and modern, with a high ceiling featuring recessed lighting and long, horizontal light fixtures. The floor is made of light-colored square tiles. In the background, there are check-in counters, baggage claim carousels, and people walking. A sign on the left side of the frame partially reads "UR ON TO WORLD".

Non-ACDBE Certified Firms

Not Certified by JMAA, MDOT, or Another UCP as an ACDBE

- Apply for a new certification as an ACDBE at any time during the life of the firm
- There is no requirement for how long a firm must be operational before you can apply
- Must be ACDBE certified prior to bid opening
- Initial Application
- To apply for ACDBE certification, visit <https://jmaa.dbesystem.com/>

A wide-angle photograph of an asphalt runway stretching into the distance under a cloudy sky. The runway has white markings, including a large arrow pointing forward. The sky is overcast with grey clouds. In the background, there are some green fields and a few small buildings.

Already Certified by Another State's UCP?

Certified as an ACDBE in Another State's UCP

- Interstate Applications

- The MUCP does not accept the certification of firms certified as ACDBEs from Uniform Certification Programs in other states
- Note: Interstate ACDBE firms must be certified with their state's UCP before beginning the interstate certification application process with JMAA
- Out of State ACDBE certified firms will need to complete an Interstate Application in B2G

ACDBE Certification Checklist

Understanding Certification

- Affidavit of Certification
- JMAA Contractor & Vendor Application
- Personal Net Worth Statement (REQUIRED)
- Personal Federal tax returns for the past 3 years for each disadvantaged owner
- Federal tax returns filed by the firm and its affiliates with related schedules, for the past 3 years
- Bank authorization and signatory cards
- Documented proof of any transfers of assets to/from your firm and/or to/from any of its owners over the past 2 years
- Documented proof of contributions used to acquire ownership for each owner
- Schedule of salaries (or other remuneration) paid to all officers, managers, owners, and/or directors of the firm
- Signed loan and security agreements, and bonding forms
- Descriptions of all real estate owned/leased by firm and documented proof of ownership/signed leases
- List of all employees, job titles, and dates of employment
- List of equipment and/or vehicles owned and leased

ACDBE Certification Checklist

Understanding Certification

- Resumes for all owners, officers of firm and key personnel of the applicant firm
- Title(s), registration certificate(s), and U.S. DOT numbers for each truck owned or operated by your firm
- Both sides of all corporate stock certificates and your firm's stock transfer ledger
- Corporate bank resolution and bank signature cards
- Corporate by-laws and any amendments
- Minutes of all stockholders and board of directors'
- Meetings
- Official Certificate of Formation and Operating Agreement with any amendments
- Shareholders' Agreement(s)

Navigating B2G Module

<https://jmaa.dbesystem.com/>

Understanding Certification Navigating B2G



Apply for Certification

Search and/or join our database of certified vendors

[Search Certified Directory](#)

[Apply for / Renew Certification](#)

Outreach

Opportunities for vendor involvement

[View Outreach Opportunities](#)

[Events](#)

Register as a Vendor

Search and/or join our database of registered vendors

[Search Registered Vendors](#)

Account Access

Lookup Vendor accounts or reset user passwords

[Account Lookup](#)

Certification Process



- Complete Application
- Submit Application
- JMAA Reviews Application
- JMAA Conducts Site Visit or Request On-Site from Home State UCP

- JMAA – MUCP Makes Determination
- Process can take 90 days
- Posted in JMAA/MDOT (DBE) Directory
- Ongoing Monitoring



Participation Mechanisms

Direct and Indirect

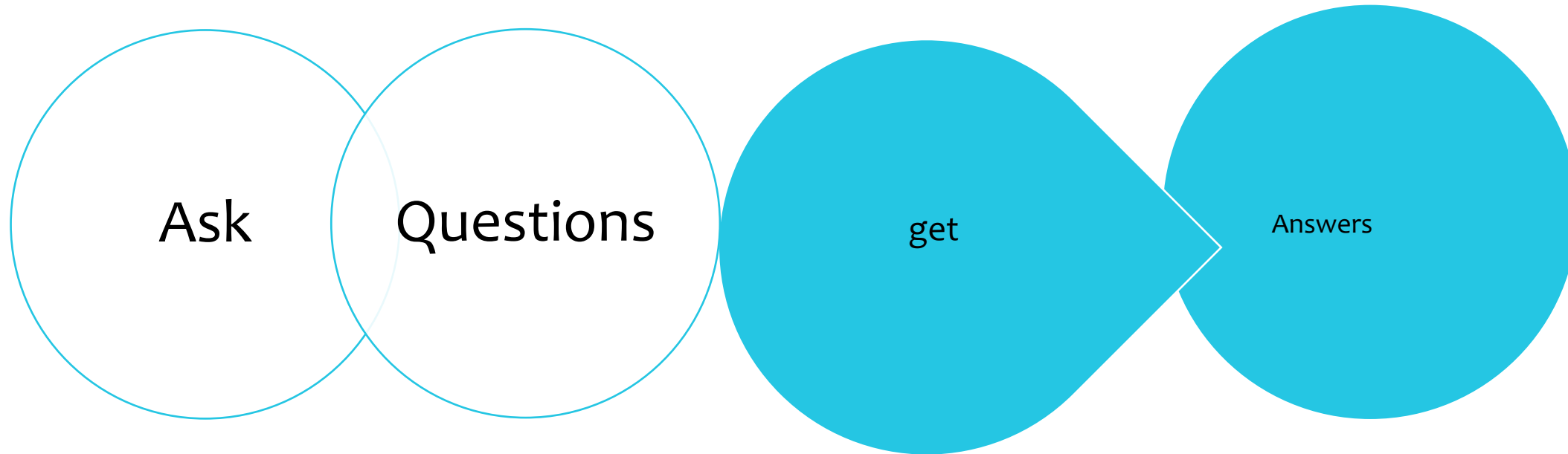
Direct

- Prime Concessionaire
- Sub-Concessionaire
- Joint Venture Partnership

Indirect

- Provider of Services to Concessionaires
- Sublease or Provider of Services to Concessionaires
- Provider of Management Services to Concessionaires

Questions & Answers





Thank You

Jack Thomas

Director of Disadvantaged
Business Enterprises

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