

A stylized map of North America in shades of blue, with a grid of latitude and longitude lines. A black dot is placed over the location of Denver, Colorado, with the word "DENVER" written in blue capital letters to its right.

● DENVER

The Marshall Group, LLC and MRG Denver, LLC PLANE-201416498 and PLANE 201416814

Neil Maxfield
Senior Vice-President Concessions
February 2015



DENVER INTERNATIONAL AIRPORT
TOGETHER WE SOAR

The Marshall Retail Group, LLC and MRG Denver, LLC – Flight Stop

- Concept: Flight Stop
- Location: A Gates – West Subcore
- Contract term: 7 years
- Proj. opening date: July 2015
- Proj. Year 1 gross sales: \$4,500,000
- Proj. employees: 8+
- Projected annual rent to DIA: \$750,000
- ACDBE goal/achieved: 25% / 25%

UNION STATION MARKET



The Marshall Retail Group, LLC and MRG Denver, LLC – MISURA, CRISLU, TUMI

- Concept: Misura, Crislu, Tumi
- Location: B Gates – Center Core
- Contract term: 7 years
- Proj. opening date: July 2015
- Proj. Year 1 gross sales: \$4,500,000
- Proj. employees: 8+
- Proj. annual rent to DIA: \$450,000
- ACDBE goal/achieved: 25% / 25%

Misura

CRISLU

TUMI



Aggregate Economic Benefits

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- \$4.5M in annual gross revenues
- \$1.2M in annual rents to DIA plus percentage rent
- \$163K in annual sales tax to CCD
- 16+ full and part-time employees
- 25 - 30 construction jobs
- ACDBE goals are set by the OED Division of Small Business Opportunity (DSBO)
- Approximately \$1M in newly recognized ACDBE revenues



Selection Process

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- Current concessionaires (Itza Wrap/Itza Bowl & Spirit of the Red Horse):
 - are on month-to-month tenancy
 - were determined PVC Benefit ineligible
- RFP issued November 2013 for Specialty Retail Concession
 - Received 7 proposals, one non-responsive
- 25% ACDBE Goal
- 25% Achieved
 - LEI Airport Concessions LLC – 8% share of JV
 - Operating partner based locally in Denver
 - St. Croix Airport Retail Inc. – 17% share of JV
 - Managing partner with expertise in Airport specialty stores
- Successful proposer is new to Denver bringing new concepts and brands to Denver International Airport



Our New Partners

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- The Marshall Retail Group, LLC and MRG Denver, LLC
 - Largest independent specialty retailer in the airport and casino resort marketplace, based in Las Vegas, Nevada
 - LEI Airport Concessions Inc.
 - 100% ACDBE company based in Denver
 - Will oversee the operations & recruiting, hiring and training for Concession personnel staff among other duties
 - Lenee M. Koch, President
 - St. Croix Airport Retail Inc.
 - 100% ACDBE company based in Minnesota
 - Will provide continual and onsite specialty retail operational and training
 - Pady Regnier, President, CEO



Implementation Questions

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- Status of the Itza Wrap/Itza Bowl contract?
 - Currently month-to-month tenancy
 - Found benefit ineligible in PVC Program
 - Mission Yogurt (MY) submitted an appeal in accordance with PVC Rule 45
 - MY appeal based upon claimed use of erroneous data
 - PVC appeal was denied and MY filed for an Administrative Hearing
- How does the approval of this contract affect Mission Yogurt's Itza Wrap/Itza Bowl concession?
 - Grants MRG Denver, LLC the rights to construct, manage and operate a concession in this location



- PVC Program rewards top concessionaire performers
- PVC Rule 45, Section 13 expressly states:

“If DIA determines, in accordance with the Guidance, that a location occupied by a PVC Candidate that has achieved the Program Benefit in one major merchandising category is more appropriate for a different major merchandising category, DIA shall make reasonable, diligent efforts to find an alternative location and offer that alternative location to the PVC Candidate.”



PVC Program Performance

● DENVER

- PVC Program
 - On-going since December 2012
 - Comprehensive amount of data has been collected
 - Benefit determinations based upon facts
 - Metrix Advisors is the Program Administrator
- Itza Wrap/Itza Bowl PVC performance
 - Analysis of data from August 2009-December 2014 indicates that Itza Wrap/Itza Bowl's performance is below PVC Benefit Eligibility

Quick Serve	A	Schlitzsky's	A-INNER-E	PHASE 3	36	2.583		
	B	Heidi's Brooklyn Deli	B-RJF-E	PHASE 2	36	2.444		
		Itza Wrap! Itza Bowl!	B-CENTER-E	PHASE 1	35	1.114	←	
		Pizza Hut Express/Haagen Daz	B-OUTER-W	PHASE 1	36	1.944		
		Sara Lee Sandwich Shoppe	B-OUTER-E	PHASE 1	36	1.000		
	C	Woody Creek Bakery & Café	C-INNER-E	PHASE 3	36	2.889		
Quick Serve Count						6.0	2.0	2.144

Based upon 3rd Quarter Mock PVC Scorecard

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