

A blue-tinted map of North America with a grid overlay. A black dot is placed over the location of Denver, Colorado, with the word "DENVER" written in black capital letters to its right.

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DIA – Hudson News and Tattered Cover

April 18, 2012



DENVER INTERNATIONAL AIRPORT
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Overview of New Concessions Partners

- Direct Negotiation with HG Denver JV
- Includes 4 Hudson Newsstands, 4 Tattered Cover Bookstores, and 1 combination Hudson Newsstand/Tattered Cover Bookstore
- The Tattered Cover Book Store is a well-known Denver brand partnering with an international airport operator

Tattered Cover

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- Established 40 years ago
- 3 locations in Denver area
- Vital member of the community
 - Numerous awards
- Recognized independent book store
 - Book signings
 - Lecture series
 - Film series



Hudson News

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- Founded 1918
- 650 locations in US and Canada
 - 70 Airports
- Subsidiary of Dufry (2008)
 - Based in Switzerland
 - Over 1000 stores worldwide
- Numerous Airport Revenue News Awards
 - Best airport retailer



Hudson News & Tattered Cover Book Stores



Concept: Newsstands & Book Stores

Location: 9 locations in the Jeppesen Terminal, A, B, & C Gates

Contract term: 10 years from construction (1/31/2024)

Projected opening date: February, 2014

Projected Year 1 Sales: \$17,900,000

Projected Employees: 78

Projected Annual Rent: \$2,700,000

ACDBE goal/participation: 20% / 20%



Aggregate Economic Benefits

- Hudson News rents from 18.25% to 22% of sales versus 12% to 17% of sales possible utilizing RFP under current concessions policy
- Book store rents are 11% of sales
- Hudson aggregate investment of \$3.5 million
- Jobs: Add 10 employees, 20 construction
- 2010 sales: \$13.7 million, rent: \$1.9 million
 - 2016 sales: \$18.9 million, rent: \$3.1 million
- Sales tax on increased sales: \$200k per year

Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program

- ACDBE goals are set by the OED Division of Small Business Opportunity (DSBO)
- Approximately \$43.6M ACDBE revenues over the term
- ACDBE revenues account for 20% of projected total

Rendering

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Questions?



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