



MIA SHOPS

Vol. 01 Issue 04

MIAMI INTERNATIONAL AIRPORT

Concessions Newsletter March 2007

MDAD Comments:

John W. Cosper, P.E.

Aviation Department,
Deputy Aviation Director
Capital Improvement Program



Miami-Dade Aviation Department (MDAD) is fortunate to have John Cosper heading the construction efforts. John W. Cosper joined MDAD in 2004 as Deputy Aviation Director for Construction. He is responsible for the overall direction of planning, design, and construction of the current \$6.2 billion Capital Improvement Program (CIP).

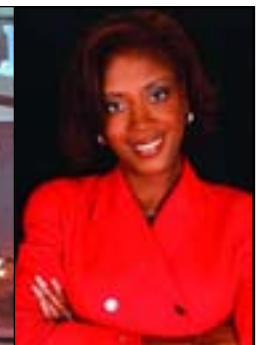
Mr. Cosper served as Senior Project Director for Hanscomb Faithful & Gould and was responsible for coordination and installation of EDS in 76 airports for TSA and served on the management team for the major expansion of facilities for DHL's operation in the U.S. As Vice President at HNTB Corporation, he was responsible for planning and design of the total rebuild (while still operating) of Louisville International Airport. Mr. Cosper graduated from Purdue

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Business Partner Feature:

This column is devoted to our business partners.

Global Miami Joint Venture



Beatrice Louissaint



Marie Louissaint

Islander Bar & Grill located in Concourse D. Beatrice and Marie Louissaint of Gateway Airport Concessions are members of Global Miami Joint Venture, a group that includes minority investors.

In the early 90's, Miami-Dade County had the vision to bring Miami International Airport into the 21st century by introducing the Capital Improvement Program which included new commercial opportunities for local and DBE companies to upgrade food and beverage and retail throughout MIA with local and national brands.

In 1999, Global Concession was awarded the Local Food and Beverage Master Developer/Operator at MIA. Felipe A. Valls Jr. is the Chief Executive Officer and

President of Global Concessions. Global Concessions formed Global Miami Joint Venture with its DBE partners, Airport Concessions Group, Inc. owned by Christopher O. Descalzo and Dale Robinson and Gateway Airport Concessions, Inc. owned by Marie and Beatrice Louissaint and operates the food and beverage locations under this contract.

Each partner is active in the day-to-day operations of Global Miami JV (Global) and together with a team of hard working

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MDAD Comments:

John W. Cospers, P.E.

continued

University with a Bachelor of Civil Engineering and is a registered professional engineer in several states including Florida.

Mr. Cospers arrived at MIA in the midst of a multi-year expansion and renovation program for Miami International Airport (MIA) which includes selected projects at the four General Aviation (GA) Airports.

During 2006, more than \$368 million was paid for construction at MIA. This equates to 5,300 jobs for construction workers, material manufacturing and delivery, architects and engineering professionals.

The terminal expansion nearly doubles the MIA terminal square footage to 7.4 million square feet. The expanded terminal will have 101 International gates and 26 domestic gates, for a total of 127 gates. Upon completion, 48 gates in the North Terminal; 52 tow gates in the Central Terminal; and 27 gates in the South Terminal designations with color codes way-finding signage. Three separate Federal Inspection Services (FIS) locations will provide a total capacity of 7,400 passengers per hour. One FIS location in each Terminal will improve the processing of international passengers.

The new one billion dollar South Terminal is nearing completion and planned to open in December 2007. It encompasses 1.7 million square feet and provides 1,040 feet of new landside curb for passenger drop off and pick up, new Concourse J, increases international capability at existing Concourse H, a new cruise ship passenger bus station and a new gate control tower.

The North Terminal, a 3.2 million square foot facility, is currently half way through

construction and partially in use by American Airlines and its alliance partners. To facilitate convenient passenger transfers between connecting flights in this more than a mile long terminal, it will be equipped with a 4-station rooftop train, capable of handling up to 9,000 passengers per hour (4,500 sterile and 4,500 secure) in each direction.

New cruise ship bus stations at North and South terminals with conveniently located ticketing/baggage transfer services for cruise ship passengers will facilitate smooth transition in and out of the airport in weather-protected environment.

The immigration/customs hall with high ceilings, brimming with light and panoramic views of downtown Miami, will welcome international passengers to the United States of America.

Color coded way-finding signs beginning at the access roadways will guide the passengers to their airline location within the North, Central and South terminal designations. Full-service ticket counters; Self-Service Devices (SSD) and curbside counters will provide check-in options to suit passenger preferences.

The completion and opening in January 2007 of a new international general aviation center on the north side of Miami International Airport has already happened. New airfield and terminal configurations at Miami International will permit more than eight (8) turnovers per gate per day as compared to an average of 4.5 turns prior to the CIP implementation, thus making MIA highly efficient with higher productivity.

Global Miami Joint Venture

continued

employees and managers are committed to provide the highest, best food quality and value at all of the company's local and national concepts at MIA.

In the past three years, Global has designed, constructed and opened 15 new food and beverage facilities throughout the terminal building. Global and HMS/Host can both boast of having consistently the highest sales per enplaned passenger in food and beverage ever experienced at MIA. In fiscal 2006, MIA's average food and beverage sales per enplaned passenger were \$5.48 which is the best performing airport among US airports far exceeding MIA projections year after year.

All Global restaurants enjoy the benefits of having access to the Valls Group central commissary that boasts a federally inspected meat/poultry/fish portion control plant, a 25,000 sq. ft. warehouse for all dry goods and a large bakery where all desserts and pastries are created from scratch daily exclusively for all of the company owned restaurants.

All the cooking and baking is done 24 hours a day at the MIA commissary and is delivered to each location throughout the airport as sales dictate. Quality control during every facet of production, handling, cooking and baking is conducted to ensure freshness and consistency of all of the products served at the MIA operations.

Café Versailles, La Carreta Restaurant and the other operations enjoy a reputation of "must visit when in MIA" with passengers, visitors and airport employees who can't wait to get their daily fixings of our "cafecito, cortadito, pastelitos, croquetas, Cuban cuisine and other familiar national brands".

Airline Changes:

MDAD Air Operations provides the latest information on newly scheduled airlines to arrive and/or depart including charter airlines.

From the Air to You

By Lonny Craven

- Santa Barbara Airlines purchased two new B757-200 aircraft and departs daily from Concourse F.
- AVIOR Airlines from Valencia Venezuela started operating a B737-200 (approximately 110 passengers) in mid January 2007 and departs three days a week from Concourse F.
- AeroSur started in December 2006 with B757-200 aircraft, which are owned and operated by Ryan International. Flights depart from Satellite E on Sunday, Tuesday and Thursday.

Thank you to all our airlines who offer fantastic air service for our MIA passengers.



Concessions Sales Performance

By Betty Ortiz-Valdes

Miami International Airport (MIA) increased its passenger traffic by 5.7% or 211,800 enplanements FY07 during the period of October to December 2006. Sales were up \$16.9 million over the prior year. The sales increase was attributed to rental car sales which increased \$6.4 million, retail \$5.3 million, duty free \$4 million, food and beverage \$.9 million and services by \$.3 million year-to-date. All categories experienced an increase over both budget and actual sales in FY 06.

FY 07 Actual (October 2006 - December 2006)

Sales (Millions)	Actual FY 07	Budget FY 07	Actual FY 06
October to December			
Food and Beverage	\$ 21.5	\$ 20.4	\$ 20.6
Retail	15.1	11.9	9.9
Duty Free	12.3	10.4	8.2
Services	4.7	3.9	4.5
Sub-Total	\$ 53.6	\$ 46.6	\$ 43.2
Rental Cars	\$ 63.0	\$ 62.3	\$ 56.6
Other Commercial Operations:	\$ 1.2	\$ 1.5	\$ 1.1
Grand Total Commercial Operations	\$ 117.8	\$ 110.4	\$ 100.9

The sales per enplaned passenger year to date (October to December 2006) was \$17.36 as compared to \$14.18 in FY 06. The increase in sales per enplanment is attributed to the opening of retail stores in the Central Terminal and a new duty free operator.

FY 07 Actual (October 2006 - December 2006)

Sales per Enplaned Passenger	Actual FY 07	Budget FY 07	Actual FY 06
October to December			
Food and Beverage	\$ 5.48	\$ 5.07	\$ 5.55
Retail	3.85	2.94	2.65
Duty Free	6.82	5.55	4.76
Services	1.21	.97	1.22
Total	\$ 17.36	\$ 14.53	\$ 14.18
Sales per Deplaned Passenger			
Rental Cars	\$ 15.86	\$ 15.98	\$ 15.12

Source: Miami-Dade Aviation Department

Other News:

Mystery Shopper Program to be Implemented at MIA

Concessionaires individually contract mystery shoppers to determine the effectiveness of their MIA concessions. The result of the observations of the mystery shoppers provides an indication of how well each shop is performing and providing customer service. The most recent passenger surveys indicate that customer service could improve at MIA. To improve customer service ratings, the Miami-Dade Aviation Department will coordinate their own third party mystery shopper program to ensure all concession locations will be shopped and evaluated.

Miami-Dade Aviation's Commercial Operations is working with the County's Office of Strategic Business Management to implement a Secret Shopper Program to provide this service at MIA concessions this spring. This program is funded through the Concessions Marketing budget.

Shopping will be conducted by individuals that will have no association with the concessionaires and can provide an independent feedback on their observations.

Prior to starting the assignments, shoppers will attend a mandatory two-hour session covering program information and customer service training. Instruction will focus on the criteria evaluated for each shopping assignment and County customer services standards, enabling shoppers to have the tools and understanding to score effectively. This information will be used to compare each year with the past year.

The results of the survey will be shared with our tenants individually and a summary report provided as well.

Concession Delivery Zone Created East of Gate D44

Lonny Cravens, Airside Operations, responded to a request for assistance to help locate an area where vendors could deliver products to the concessionaires. Lonny identified a concession delivery zone located east of Gate D44 who is authorized to have deliveries airside.



The concession delivery zone is strictly for deliveries only and not to be used as a parking spot. This will assure tenants that their vendor delivery trucks will have a safe zone place for deliveries up to and including 18 wheelers. The Safety and Security Division, Commercial Operations, and Concessionaires are working to minimize ramp side deliveries during the day when the airline schedules are heavier. This is the continuation of that effort to continue our safe and secure supply system to our vendors.

Special thanks to the concessionaires who have deliveries in that area for assisting in getting the information to the vendors. Thanks to Lonny Craven for making this happen!

MIA Celebrates Super Bowl Week

Congratulations to all who participated during Super Bowl week. Stores looked wonderful and everyone looked great in their Super Bowl t-shirts. Global Miami JV opened its operations at 3:30 am to coincide with certain airline counters opening early for the Super Bowl fans. Thanks for being on the "ball" and helping improve our customer service image!

2007 Event Calendar:

Let's celebrate and recognize special occasions with promotions whenever possible.

March 17th	St. Patrick's Day	Touch of Green (or Irish)
May 13th	Mother's Day	
June 17th	Father's Day	
July 4th	Independence Day	
September	Fall - School	
October	Halloween/Harvest Time	
November/December	Holidays	
December	Decorated Stores Promotion	

We'd like to see some special activity like an Irish quartet on March 17th which would be featured at various locations in the Terminal. If you have some ideas, let us know! Contact Betty Ortiz-Valdes at (305).876.7382 or by email at bortiz@miami-airport.com.

The partners are extremely proud to be a part of the current success and bright future of Miami International Airport. Locations under Global Concession JV are:

- Manchu Wok
- Islander Bar & Grill
- South Beach Snack Bar
- Havana Jet Bar
- Cozzoli's Pizza
- Villa Pizza
- South Beach Bar
- Café Versailles
- Au Bon Pain
- La Carreta Restaurant
- Café La Carreta

Tenant News:

Global Miami JV Promotes Juan Sanchez



Global Concessions promoted Juan Sanchez to Senior Assistant Manager. Juan joined Global in December of 2004, as an Assistant Manager, and has consistently shown his dedication to his operations and employees. Juan will oversee Cozzolis, Au Bon Pain "A" and "G".

Get To Know Ron Lopez -DFA's Loss Prevention Manager



You may have seen him apprehending or assisting Miami-Dade Police in the apprehension of individuals trying to walk away with your company's property. In the short time that he has been on board with Duty Free America's

(DFA), he has saved your company and ours thousands of dollars by preventing or stopping criminal activity.

His name is Ron Lopez and he comes to DFA with an extensive background in the field of loss prevention and investigation, ranging from casino surveillance to white collar criminal investigations. Ron is a former US Army Veteran, assigned to the 82nd Airborne Division where he honorably served his country for 8 years. In addition to the Public Sector, Ron also has experience as a business owner of an international investigation agency. More recently, Ron worked for Best Buy as a Product Process Manager. A position that allowed him to develop his skills in the retail sector as he was in charge of interfacing between inventory and loss prevention.

A holder of the prestigious Certified Fraud Examiner (CFE) and Certified Research Examiner (CRE), Ron is still a licensed private investigator in the State of Florida. Ron is a valuable asset to DFA and we have confidence that he will continue to provide the safety and security of our greatest assets: People and Products. Ron Lopez can be reached at (305) 869-4926 or by e-mail at rlopez@dutyfreeamericas.com.

Duty Free Americas Names Terry Floyd - New MIA General Manager



Terry Floyd was recently appointed General Manager for Duty Free Americas (DFA) at Miami International Airport. Terry joined DFA in April 2006 as a Concourse Manager. Terry was formerly

General Manager of the International Travel Retailer, DFS Group, where he was responsible for the Guam Airport operations in Mid-Pac.

He first joined DFS Group in 1991, and held key management positions throughout North America. Most recently, Terry was General Manager of the duty free operations at JFK/T4, prior to transferring overseas to lead the Guam Airport operations.

With over 15 years in the duty free business, Terry's experience in Airport retail will prove valuable as DFA expands its store and product offerings at Miami International Airport.

Terry is a graduate of the University of Texas with a BBA in Financial Management, and is fluent in Mandarin. He relocated to South Florida for the opportunity to join the DFA Team and enjoy his favorite pastime...jet-skiing.

New Store Openings:

Duty Free America's Bold New Look: E-Lobby Store

By Terry Floyd



Duty Free Americas (DFA) introduces the newly renovated E-Lobby store back into the mix of duty free shops at MIA. Under construction for eight weeks, this store emerged on December 20, 2006 with a bold, fresh look that leads the way to future store design concepts from Duty Free Americas.

This store expanded its wide assortment of liquor, tobacco, beauty and fashion. Products are only available in duty free shops for the international traveler. Note the quality of goods at remarkable values on display as you walk by the open window walls. The glass walls allow maximum exposure and greater visibility into the store.

Luxury brands such as Ferragamo, Christian LaCroix, line the windows, leading you into a full selection of

watches by Cartier and Tag Heuer. Prior to check-out, you will be amazed by the selection of fragrances/cosmetics, liquor and tobacco catering to all destinations on the globe.

Please tell your international travelers to visit a one of kind shopping experience in DFA's newly renovated store where only Customer Service exceeds the superior design.



Taxco Sterling Co., Terminal G

Taxco Sterling opened its doors on January 14, 2007. They have amazed everyone with their unique jewelry,



animal statues, and home accessories. The store features silver; however, many of the jewelry and home accessories are made with semi precious stones and materials. They also have a small assortment

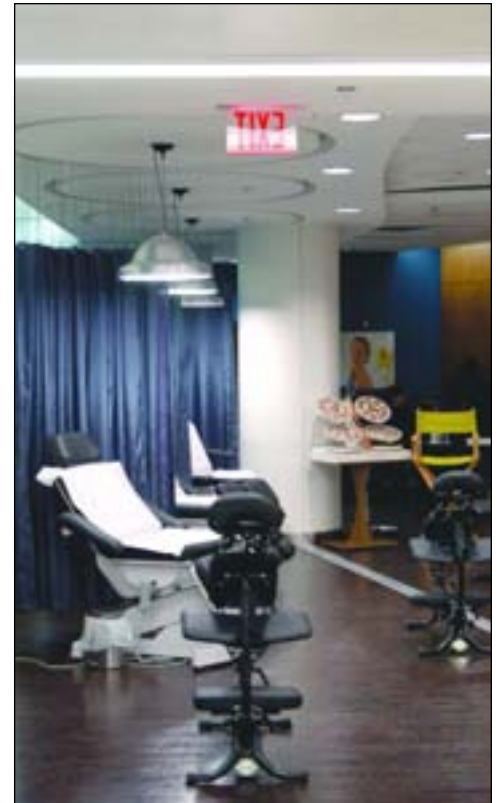


of gold jewelry. The location has been very popular with all of the airport employees and has become the place to go if you are looking for that perfect unique gift.



**Jetsetter Spa,
Terminal H**

Jetsetter Spa opened December 15, 2006 in Terminal H on the 2nd floor as a sub-tenant of Westfield Concession Management, Inc. It is your secret indulgent retreat here at the airport. With services such as facials, massages, manicures and pedicures, you will no longer have to go offsite to feel rejuvenated. This location also features the first sleep pods in a U.S. airport! These cocoons are made for the passenger who has a long layover and little rest. The sleep pods allow the use to spend some time in a comfortable environment that embraces them and allows them to relax and rest. Appointments can be made and employee discounts are available for all non-sale or special promotions items. Come by the spa today and see the sleep pods and stay to pamper yourself!



Tenant News Article:

**InMotion Entertainment
Sets All-Time Retail Record**

The Miami team, led by manager Peter Castro, won a company-wide rental contest for growth over the previous month. The employees of the store all shared a \$500 prize. The Miami store set its all-time retail record for a month in December 2006.



From left:
Amanda Oconor (Sales Associate),
Peter Castro (Store Manager),
Aiza Castillo (Sales Associate).

Not pictured:
Mauricio Gonzalez (Assistant Manager), Marie Ulysse
(Sales Associate),
Jessica Ravelo (Sales Associate).

Airline Statistics:

Miami International Airport

Passenger Traffic

October 2006 to December 2006

Month	Domestic Arrival	Domestic Departure	Int'l. Arrival	Int'l. Departure	Total Arrival	Total Departure	Total Passengers
OCT	665,358	662,922	549,297	525,267	1,214,655	1,188,189	2,402,844
NOV	719,057	706,111	586,124	588,209	1,305,181	1,294,320	2,599,501
DEC	802,626	756,123	649,120	686,461	1,451,746	1,442,584	2,894,330
TOTAL	2,187,041	2,125,156	1,784,541	1,799,937	3,971,582	3,925,093	7,896,675

Source: Miami-Dade Aviation Department

Terminal/Concourse	Domestic Arrival	Domestic Departure	Int'l. Arrival	Int'l. Departure	Total Arrival	Total Departure	Total Passengers
A	357,483	254,872	421,348	529,687	778,831	784,559	1,563,390
C	245,713	185,441	10,388	61,934	256,101	247,375	503,476
D	792,104	868,859	546,628	460,999	1,338,732	1,329,858	2,668,590
E	245,880	305,995	447,010	392,696	692,890	698,691	1,391,581
F	74,106	69,767	290,739	292,350	364,845	362,117	726,962
G	202,126	187,962	40,399	32,362	242,525	220,324	462,849
H	269,629	252,260	28,029	29,909	297,658	282,169	579,824
TOTAL	2,187,041	2,125,156	1,784,541	1,799,937	3,971,582	3,925,093	7,896,675

Source: Miami-Dade Aviation Department

We want to hear from You!

Got new employees, celebrating an anniversary or other news? We'll include some tenant happenings when we have room. If you have contributions to MIA's Concession Newsletter, you may contact Patricia Ryan at 305.876.8131 or by email pryan@miami-airport.com.

**The next tenant meeting will be held on March 21, 2007 at 10:00 a.m.
Terminal E, Hotel Conference Room, 7th Floor**