

EMPLOYMENT CONTINUITY/ WORKER RETENTION AT MAJOR US AIRPORTS (excluding four Canadian airports in the North American top 50 by passenger volume)

Continuity policy/ mandatory retention - The following 10 US airports are known to have mandatory worker retention/employee continuity included in their contracting requirements, for at least some portion of the employment base in airport dining and retail. These policies have not undergone any specific legal review, and do not represent any recommendations. (*Sales per enplanement is average dollar spend per departing passenger)

Rank -- Pax	2012 SPE*	2102 SPE RANK	Retention Policy Airport	Governance	Management Model	Operators	Most Recent Transition	Specific Retention Policy	Employer Exemptions	Focus on Small Business/ACDBE	Focus on Local Concepts
3	\$9.33	24	Los Angeles International Airport	Municipal	Multiple prime operators, private developer with 17-year contract.	LAX prime leases in Terminals 4,5,7 & 8: HMSHost, Hudson, DFS and direct lease with CMS, an ACDBE. Tom Bradley Developer: Westfield (contracts with HMSHost, Hudson)	Transition ongoing since 2008-09 from prime operators to (in some cases new) operators. Developer subleasing in Tom Bradley Terminal to prime operators.	Required to retain outgoing operators' employees for 90-days.	No employer exemptions without board approval.	ACDBE mostly achieved via joint ventures with large prime operators. One ACDBE direct lease.	Local food and retail concepts operated by prime operators or sublessees to developer under brand license agreements.
6	\$14.10	1	John F. Kennedy International Airport	Port Authority	Third-party managers, private developers (airline-owned or leased terminals). Developers sublease to prime operators.	Terminal 1: AVAirPros, Terminals 2 & 3: Delta Airlines (OTG), Terminal 4: JFKIAT (SSP, Hudson), Terminal 5: JetBlue (OTG), Terminal 7: British Airways, Terminal 8: AA (Westfield)	Transitions on an ongoing basis in airline-controlled terminals. Most recent transitions to developer OTG in Delta and JetBlue terminals.	Required to retain outgoing operators' employees for 90 days, so long as the succeeding concession is of the same type as the preceding concession.	No employer exemptions.	Developer required to recruit ACDBE operators to meet goal, no small business focus.	Local food concepts operated by prime operators. No local retail concepts.
7	\$12.28	6	San Francisco International Airport	Municipal	Prime and independent operators, but no dominant operator	Multiple operators including HMSHost, High Flying Foods, Hudson, HBF and others.	Last transition from master concessionaire (HMSHost) to multiple operators.	Must be retained for a minimum 90 days of trial employment by the successor contractor.	No employer exemptions. SFO requires new operators to join a joint employer bargaining unit representing all tenants in contract negotiations with labor.	Direct small business and ACDBE participation as well as joint venture agreements with large operators.	Strong emphasis on local concepts. Directly operated by mostly local operators.
11	\$8.29	44	Phoenix Sky Harbor International Airport	Municipal/County	Multiple prime operators	HMSHost, Delaware North, SSP, Hudson, Paradies.	Ongoing transition since 2008 from dominant prime operator (HMSHost) to multiple prime operators.	New operators are required to hire from a pool of qualified workers until the pool is exhausted.	No employer exemptions.	ACDBE participation exclusively via joint venture agreements.	Some emphasis on local concepts operated by prime operators.
14	\$12.11	7	Newark Liberty International Airport	Port Authority	Private Developer	Developer: Westfield (contracts w/ HMSHost, Areas, Hudson)	Long-term developer contracts. Developer subcontracts to prime operators.	Required to retain outgoing operators' employees for 90 days, so long as the succeeding concession is of the same type as the preceding concession.	No employer exemptions.	Developer required to recruit ACDBE operators to meet goal, no small business focus.	Predominantly national food brands operated by prime operators. No local retail concepts.
20	\$7.89	54 (tied)	LaGuardia Airport	Port Authority	Private Developer	Developer: Marketplace Development	Long-term developer contracts. Developer subcontracts to prime operators. New bid for developer anticipated soon.	Required to retain outgoing operators' employees for 90-days, so long as the succeeding concession is of the same type as the preceding concession.	No employer exemptions.	Developer required to recruit ACDBE operators to meet goal, no small business focus.	Limited focus on local concepts. No local retail concepts.
21	\$8.01	49	Ft Lauderdale-Hollywood Intl Airport	County	Multiple prime operators	Lauderdale Partners/Delaware North, HMS Host, Paradies, Hudson	Dominant operators HMSHost and Delaware North received 15-year extensions in 2008. Other transitions took place between prime operators.	Required to offer continued employment for 45 days, unless not needed for operation. No obligation beyond 45 days.	No employer exemptions.	Exclusively via joint venture agreements with large operators.	Predominantly national food brands operated by prime operators. No local retail concepts.

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27	\$8.31	43	San Diego International Airport	County	Multiple prime operators	Food service: SSP, High Flying Foods, HMSHost	Transition from master concessionaire HMSHost to multiple prime operators in 2012.	Required to hire from pool of employees and retain for a minimum of 90 days.	Employers with 10 or fewer employees exempt, but there were no such employers.	No direct small business, one non-local ACDBE direct lease operator, otherwise exclusively via joint venture agreements with large operators.	Strong emphasis on local concepts all operated under license agreements/joint ventures with prime operators.
35	\$7.89	54 (tied)	Oakland International Airport	Port Authority/Municipal	Prime operators for food, one prime for retail	HMS Host, High Flying Foods, World Duty Free	From master operator Delaware North to two contracts with HMSHost 2006.	Required HMSHost to retain employees of Delaware North for a minimum 90 days per city ordinance.	City ordinance provided living wage and other exemptions for small business with 20 or fewer employees, but Port enacted resolution that removed the exemption for the airport. Recently lost lawsuit brought by ACDBE tenants against the Port. Currently on appeal.	Limited direct small business, ACDBE participation achieved via subtenant agreements with HMSHost.	Local concepts predominately via license agreements with prime concessionaire. One prime is local with local concepts.
40	\$8.53	40	San Jose International Airport	Municipal	Multiple prime operators	HMSHost, Pacific Gateway Concessions, Hudson	From master concessionaire HMSHost to multiple prime operators in 2007.	Operators "must retain workers performing services under the current concession agreement."	No employer exemptions.	ACDBE participation achieved both as subtenants and joint venture agreements with large operators.	Predominantly national food brands operated by prime operators. No local retail concepts.
Encouraged Retention/Continuity Policy Airports - Numerous airports encourage continuity of employment, but many do not include it in contract documents. The following three airports are examples with such language.											
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17	\$9.15	25	Detroit Metropolitan Wayne County Airport	County	Multiple prime operators	For food service: HBF, Midway Concessions, Areas	Transitioning from 35-year incumbent HMSHost to new prime operators, new contracts awarded in early 2014 for majority of the existing program.	New operators must interview existing employees and are encouraged, but not required, to hire	No employer exemptions from interviewing current employees.	One direct multiple unit food service ACDBE, otherwise achieved via joint venture agreements.	Increased emphasis on local concepts. ACDBE operator is a local firm.
24	\$8.11	48	Chicago Midway International Airport	Municipal	Private developer	Developer: Unison. (Contracts with HMSHost, Hudson, MAC One (local), Aero-Dine LLC (local))	Long-term developer contracts.	Required to include information about retention, preferential interviews etc. for existing employees as part of RFP management and operations plan	Information provided in RFP response is required, but no specific commitment required by proposers.	ACDBE participation via joint venture agreements with large operators, or directly recruited by developer.	Some local concepts operated by local operators under developer agreement. Also local concepts under prime license agreements.
41	\$8.82	30	Sacramento International Airport	County	Multiple prime operators	Food service: HMSHost & SSP, Retail: Paradies & Pacific Gateway	Awarded multiple new contracts in 2010 to prime operators, food service contract in 2014 to prime SSP. Primes are not universally unionized at SMF.	Proposers encouraged to give first consideration to current employees.	All employers encouraged to give first consideration to current employees.	Exclusively via joint venture agreements with large operators.	Strong emphasis on local food concepts achieved by brand license agreements with prime operators. Signature full-service restaurant local license with HMSHost.

Non-Retention/Continuity Policy Airports - The majority of airports have no specific labor or retention/continuity policies, Portland International is provided as detail example.

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29			Portland International Airport	Port Authority	Prime and independent operators, but no dominant operator.	40 operators among 60 locations. Two operators for news: World Duty Free, Paradies. Food operators include HMS Host, SSP, Sandovals Mexican (local). Retail includes Powell's, Nike, Columbia, Pendelton. HMSHost and SSP are not unionized in PDX.	Transition from master operator to current model in 1998. Transition has taken place in ongoing phases since then.	None currently. Portland has a significant number of contracts expiring in the next three years. Labor is pressuring to change its model to favor prime operators in order to make program more conducive to organizing.	N/A	Achieves ACDBE participation via subtenancy, joint ventures and via direct leasing with ACDBEs.	Strong emphasis on direct lease local concepts under self-operation such as Nike, Columbia, Powells, etc. Portland has one FTE devoted to direct small and local business recruitment.

The following 33 airports have no worker retention/employee continuity requirement (Rank by passenger volume noted): Hartsfield-Jackson Atlanta International Airport (1), O'Hare International Airport (2), Dallas/Ft. Worth International Airport (4), Denver International Airport (5), Charlotte Douglas International Airport (8), McCarran International Airport (9), Miami International Airport (10), George Bush Intercontinental Airport (12), Orlando International Airport (13), Seattle-Tacoma International Airport (15), Minneapolis/St Paul International Airport (16), Philadelphia International Airport (18), Logan International Airport (19), Baltimore/Washington International (22), Washington Dulles International Airport (23), Ronald Reagan Washington National Airport (25), Salt Lake City International Airport (26), Tampa International Airport (28), Portland International Airport (29), Lambert-St Louis International Airport (30), WP Hobby Airport (31), Nashville International Airport (32), Austin-Bergstrom International Airport (33), Kansas City International Airport (34), John Wayne Airport (36), Louis Armstrong New Orleans International Airport (37), Raleigh-Durham International Airport (38), Cleveland Hopkins International Airport (39), Love Field Dallas (42), San Antonio International Airport (43), Pittsburgh International Airport (44), Southwest Florida International Airport (45), Indianapolis International Airport (46).