

## **Hopkins facelift pays off early on**

*Four-year effort to upgrade terminal has yielded more consumer spending*

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4:30 am, July 21, 2010

It's a big year for Cleveland Hopkins International Airport.

Although a cloud hangs over Hopkins in the form of the proposed merger of Continental and United airlines, the airport is holding a party next Monday, July 26, to celebrate both a four-year effort to spruce up its terminal and retail operations and its 85th birthday as the nation's first municipally owned airport.

When he arrived to be Cleveland's airports chief nearly four years ago, Ricky D. Smith pledged to make the city-owned airport more attractive to passengers and airlines. He began by reorganizing the flow of the airport's ground transportation, notably its parking lots and taxi service, then brought in BAA USA, a retailer specializing in airports, to transform Hopkins' retail operations.

BAA is using its "Airmall" concept at Hopkins, a marketing strategy the firm's British parent pioneered in Europe. The idea, reinforced with the slogan, "Regular Mall Prices ... Guaranteed," brings local and national restaurateurs and merchants and lower prices to airport retailing.

By the end of this year, BAA will have redeveloped 76,000 square feet of retail space at the airport. Among the new retailers for travelers to sample are Hudson News and Hudson Booksellers, Quaker Steak & Lube and Great Lakes Brewing Co.

The city also has updated the concourses and restrooms.

Though passenger satisfaction hasn't been gauged formally, the strategy is succeeding financially. The average retail dollar spent per passenger has risen since Mr. Smith's arrival to \$12 per passenger from \$5.

"Our goal is to get to \$15 per passenger," he said.

### **Every dollar counts**

The city gets a portion of that revenue and that share is important because of the complicated financial structure of airports. Every dollar the city nets from parking, food operations and other concessions makes Hopkins less costly to the airlines, which pay Hopkins landing fees. The lower the fees Hopkins needs to charge the airlines to maintain its operations, the more willing they are to keep or increase service at Hopkins, which some observers say is critical to the region's attractiveness to businesses.

Mr. Smith said the landing fee has dropped to \$2.45 per ton of aircraft from \$6 per ton in 2009.

"It's been a struggle keeping (the landing fee) down because traffic is down," Mr. Smith said.

Mr. Smith said his staff has been doing the kind of business development spadework that could lead to a new airline or two flying into Hopkins or to the addition of service by an existing airline. But, until the Continental-United merger is resolved and the economy stabilizes, it's unlikely Hopkins will land new business.

Even so, Mr. Smith believes he has succeeded in his pledge to improve the airport. It appears he's right, based on anecdotal comments by travelers, even though the airport's ranking in an annual survey of airports doesn't reflect any change.

### **Decent early reviews**

"I like it, it's a very neat place," said Robert Salmon of Chevy Chase, Md., a semi-retired business consultant and former Clevelander who flies into Hopkins to visit family and through it on business trips.

"The prices (at the restaurants and other retailers) seem reasonable compared to other places," he said.

He's been through Hopkins three times in the last six months, he said in a phone call. He considers it the best transfer point when he's traveling on business to the West Coast.

"The chance of being on time through Cleveland is better than other places," he said.

Other travelers agreed.

"It's friendlier and definitely cleaner," said Terry Aiken of Hudson, a real estate agent with the Keller Williams brokerage, who was at the airport last Wednesday to meet his son's plane. "The pickup area is much improved."

BAA has put a Dunkin' Donuts coffee shop in the baggage claim area, which until now has lacked any food service. It also put a Dunkin' Donuts and Hudson News café in the ticketing area, along with table seating. Until now, that concourse, which is outside the secured area, has not had any food service.

Paul Barnes, national sales manager for Hunter Laboratories Inc. in Reston, Va., said the airport “smelled musty” when he got off the plane last Wednesday, but he was otherwise complimentary.

“It's starting to shape up, although they've got a ways to go yet,” he said. “The food court is looking more hospitable than in the past.”