

PANYNJ announce revisions to contract for 2.4 million square foot New Terminal One at JFK

The Port Authority of New York and New Jersey (PANYNJ) closes out this year with the announcement of revisions to the agreement to construct a massive new Terminal One at John F. Kennedy International Airport. A \$9.5 billion project, the 2.4 million square foot state-of-the-art new international terminal will anchor the south side of JFK.

The Terminal will be built in phases, becoming the fourth major terminal project announced by the Port Authority as part of a complete transformation of JFK.

The announcement was made on Monday by New York Governor Kathy Hochul, who said that PANYNJ had reached a revised agreement with The New Terminal One (NTO) - a consortium of financial sponsors building the new terminal.

The project was initially scheduled to break ground in 2020. Due to the severe impact of COVID-19 on air travel, the terms of the agreement needed to be restructured.

New contract extends lease

A key element of the restructured agreement is an extended lease term to 2060 to provide sufficient time after the terminal opens to enable the private investors to recover their multi-billion-dollar investments. The City of New York's ten-year emergency extension of the master lease for JFK Airport, which had been set to expire in 2050, enabled this important element of the restructured deal with NTO, said the statement.

The new terminal will be built in phases, subject to international passenger traffic levels, with full completion anticipated in approximately 2030.

When completed, The New Terminal One will be the largest international terminal at JFK and aspires to be among the top-rated airport terminals in the world.

"As we recover from this pandemic, I want to ensure that everyone traveling to New York has a welcoming and streamlined experience, and that New Yorkers have the modernized transportation hubs they deserve," said Governor Hochul. "The time to get large infrastructure projects done is now, and I'm committed to getting JFK's brand new Terminal One underway and completed as soon as possible."

The Port Authority Board of Commissioners voted on the proposed lease agreement at its meeting on Thursday. The full cost of the terminal will be privately financed by the NTO consortium, which includes financial partners Carlyle, JLC Infrastructure, and Ullico. A joint venture of Munich Airport International and CAG Holdings is the operating and technical services partner to the consortium.

Private/public initiative

As part of the project, the Port Authority will undertake a number of infrastructure upgrades and improvements, including roads, parking, and utilities including a new electrical substation.

The New Terminal One will be built on the sites of the current undersized and outdated Terminal 1, the aging and obsolete 59-year-old Terminal 2, and the site of the former Terminal 3, which was demolished in 2013.

Construction of the new terminal is scheduled to begin in mid-2022 and the first phase, including the new arrivals and departures hall and first set of new gates, is expected to open in 2026.

The New Terminal One will ultimately have 23 new gates, as well as bright and airy check-in halls and arrival spaces designed to enhance the customer experience and compete with some of the highest-rated airport terminals in the world.

Customers will enjoy world-class, New York-inspired dining and retail amenities, as well as space for lounges,



an indoor green space and family-friendly amenities.

The New Terminal One will incorporate the latest advances in both sustainability and security and be infused with a uniquely New York sense of place.

In October 2018, following a competitive review of leasing proposals, the Port Authority entered into exclusive negotiations for the development of two major new internationals.

Continued on page 2.



Rendering shows an interior view of the New Terminal One's arrivals hall.

Credit: PANYNJ

Revised contract signed for New Terminal One at JFK *Continued from page 1.*

The new terminals, one on airport's north side and one on the south side, would lead the transformation of JFK and increase the airport's capacity to accommodate projected growth.

This week's announcement reflects a significant vote of confidence by the private sector in the future of JFK Airport, the return of air travel, and the economic recovery of the region, said PANYNJ.

This week, the Port Authority Board also voted on the authorization of the full \$2.9 billion of funds which were included in the Port Authority's 2017-2026 Capital Plan for the JFK Redevelopment program. These funds are allocated to enabling infrastructure in direct support of JFK Redevelopment, including roadway improvements, utilities, improved parking facilities, a ground transportation center and airfield work. (To date, approximately \$1.24 billion of those funds have been authorized through separate Board actions.)

Thus, the Port Authority capital is leveraging private investment at a rate of more than 5:1 when taking into account the full private investment of more than \$15 billion that has been committed to the four projects comprising the full JFK redevelopment program.

The development of The New Terminal One is expected to result in over 10,000 total jobs including more than 6,000 union construction jobs.

NTO is a private consortium comprised of Carlyle, JLC Infrastructure (formed in 2015 by Loop Capital and Magic Johnson Enterprises), and Ullico (the only labor-owned insurance and investment company), and is supported by Reach Airports, a joint venture between Munich Airport International and Carlyle's airport platform, CAG Holdings, providing technical services. NTO selected a design build team, led by AECOM Tishman, and Gensler, a design and architecture firm.

The passenger facilities at The New Terminal One will feature significantly larger check-in, security and concessions areas with high ceilings, natural light and modern architecture coupled with interior green space, exhibits and art featuring iconic New York landmarks and local artists. World-class retail, restaurants and bars will include locally inspired restaurants, craft beverage options and Taste NY stores. Free, high-speed Wi-Fi and an abundance of charging stations throughout the terminal will enable passengers to stay connected at each step of their journey.

State-of-the-art technology will further improve the customer experience and security in the new terminal including elements such as

touchless passenger journey, digital passenger flow and queue management, TSA security lanes featuring the latest technology, advanced video search analytics, biometric-based systems and a flexible design to accommodate future technology and/or regulatory changes.

Sustainability enhancements will include the use of renewable energy technologies such as a solar hot water, aircraft de-icing and fluid recovery, and the conversion of diesel ground service equipment to electric-powered ground service fleet across the airport - such as baggage tractors and belt loaders.

Plans for The New Terminal One will build on the momentum of the other three major components of the airport's transformation.

The \$3.9 billion development of a state-of-the-art new Terminal 6, to be built by JFK Millennium Partners, on the airport's north side that will seamlessly connect with JetBlue's existing Terminal 5 was approved by the Port Authority Board of Commissioners in August. The \$1.5 billion expansion of Terminal 4, led by Delta and JFK International Air Terminal, was approved in the spring and will begin construction in the immediate future.

Work also began in December 2019 on the \$425 million expansion of JFK's Terminal 8, led by American Airlines, which operates the terminal, and British Airways, which will be relocating to Terminal 8 from Terminal 7, set to be demolished to make way for the new Terminal 6.



Top: Rendering of an interior view of the New Terminal One's post-security retail and dining plaza.



Bottom: An interior view of the New Terminal One's customs hall.

Credit: PANYNJ

Hudson becomes first Travel Retailer to deploy Amazon One

Hudson continues to expand its digital offerings, and has now become the first retailer in the travel industry to offer Amazon's palm recognition service, Amazon One. Amazon One is now available at Hudson Nonstop – powered by Just Walk Out technology – at Dallas Love Field Airport (DAL).

Hudson Nonstop at DAL now offers travelers two different options to enter and pay – either by inserting their credit or debit card, or by hovering their palm over the Amazon One device at the store's entry gate. First-time Amazon One users can sign up at the dedicated Amazon One enrollment kiosk located outside of Hudson Nonstop to securely associate a credit or debit card with their unique palm signature before entering the store.

If a traveler has previously enrolled in Amazon One at select Amazon Go, Amazon Books, Amazon 4-star, Amazon Fresh,

Amazon Pop Up, or Whole Foods Market stores, they will not need to visit the enrollment kiosk – they can simply hover their palm over the Amazon One device at the entry gates to enter this Hudson Nonstop. Once travelers have completed their shopping, the card linked to their Amazon One ID will be charged for the items they selected and left the store with.

"The integration of Amazon One into our technology portfolio demonstrates Hudson's unique ability to continually redefine and elevate the travel experience," said Jordi Martin-Consuegra, Chief Executive Officer of Hudson. "With consumers increasingly demanding greater convenience and speed, we look forward to leading the charge in introducing new innovative solutions and retail concepts that are designed to meet and exceed the expectations of our travelers and partners."

Hudson currently has two Hudson Nonstop stores powered by Amazon's Just Walk Out technology: DAL, and the recently opened location at Chicago Midway International Airport (MDW).

The deployment of Amazon One at Hudson Nonstop at DAL expands on the successful collaboration between the two retailers while building on Hudson's continued investments in its digital offerings, says the company.

This includes launching automated specialty retail (including vending machines), introducing additional checkout options such as mobile point of sale (POS), offering 24x7 duty free omni-channel shopping, and adding new payment methods like "Tap To Pay" and now Amazon One.

DFWC Academy Re-launched

The Duty Free World Council has launched a new training course based on the Council's Code of Conduct for the Responsible Sale of Confectionery, Chocolate, and Biscuits in duty free and travel retail, and a new Academy website. The developments mark the formal re-launch of the Academy and will be followed in early 2022 by the launch of a new accredited Certificate course in Duty Free and Travel Retail.

The confectionery course, in English and Spanish, is available now free of charge and all frontline retail staff, all brand owner staff involved in supplying the industry, and any third party service providers they engage, are invited to take the course. The course is based on the Code of Conduct for the category which was created earlier in the year by the Council with input from many of the industry's leading brands and retailers. It has been created to assist staff interpret and implement the Code in response to industry requests.

DFWC President, Sarah Branquinho, commented, "Today is a proud day for the Council and the Academy. Significant effort has been expended in the past months to find a new strategic partner, ACI World, and create a new Academy and this is the first in a series of new courses to be developed. Enrollment is free of charge, and I want to thank the category sponsors, Mondelez International, Nestle and The Hershey Company.

"Without their financial support and category insights, development of a 'free to user' course would not have been possible. My thanks also go to our AAG (Academic Advisory Group) members for their dedication to the relaunch of the Academy and their invaluable expertise in guiding course development."

Registration for the Academy's new Certificate course will open in January 2022 and the launch of this flagship programme will offer students the opportunity to learn more about all aspects of the industry: the business models, main players and most importantly will feature insights on the shopper and how to optimise sales.

AAG Chair, Aude Bourdier commented, "There has been such a loss of talent in our industry in the past 18 months; the provision of bespoke industry training is now more important than ever, and it is the Academy's role to provide this support to our global industry".

Academy Advisory member are: Aude Bourdier – Chair (Brown-Forman), Sarah Branquinho, Frank O'Connell and Gerry Murray (DFWC), Maureen O'Hara (ARI), Mona Al Ali (Dubai Duty Free), Barry Geoghegan (Duty Free Global), Tobias Baude (Imperial Brands PLC), Erin Lillis (Lacoste), Soufyen Amaar (Lagardère), Carine Ruiz (L'Oréal), Carlos Granados Moyano (Mondelez), John Rimmer (TFWA), Nicola Wells (USP).

MIA reports first month of growth since 2020

For the first time since February 2020, Miami International Airport reports that it served more passengers in one month than the same month in 2019. The Airport credits rising demand, expanded airline schedules, and the U.S. government allowing vaccinated non-U.S. citizens to enter the country as of November 8, for attracting a total of 3.9 million passengers in November – up six percent from 3.67 million in November 2019.

Contributing to the milestone month was a 12-day Thanksgiving holiday travel period that exceeded expectations at MIA: more than 1.7 million passengers between November 19 and November 30, up 14% over the same period in 2019. On November 28, the Sunday after Thanksgiving Day, MIA surpassed 164,000 passengers – the busiest travel day in the airport's history.

MIA is expecting another banner month in December, with its average number of daily departing airline seats up 19% and average daily departing flights up nearly 12% compared to December 2019. Most notably, MIA hub carrier American Airlines is now operating its largest Miami schedule ever, at 378 daily departures; Spirit Airlines added service to 19 destinations from MIA in mid-November, after launching first-ever Miami service in October with nine routes; and Frontier Airlines expanded its Miami network to a total of 36 nonstop domestic and international destinations – its largest number ever.

The three carriers are among the five busiest passenger airlines at MIA.

Further details on the DFWC Academy and its courses can be found at www.dfwc.academy

Servy and Inflyter form strategic partnership to offer platform that combines retail and F&B airport digital shopping experience

Hospitality platform Servy has formed a new strategic partnership with travel retail technology expert Inflyter to provide a fully-integrated e-commerce platform offering travelers a more convenient and connected digital experience.

The newly-created alliance aims to present an integrated online marketplace with a single online shopping and pre-ordering service showcasing all retailers, brands and products available at the airport – from food & beverage and travel essentials to duty free categories of fashion, cosmetics, electronics and more.

Travelers will have the ability to browse all commercial offerings before they leave home and pre-ordering and purchasing in advance or even while they are waiting to depart.

The platform is designed to offer travelers greater convenience, choice and control over how and when they shop, and allows them to receive goods at a time and place

that best suits their needs. It includes multiple delivery and collection options including in-store collection, and delivery at gate and in-lounge.

Jeff Livney, Chief Experience Officer at Servy, said; “Our new joint proposition with Inflyter presents a fantastic opportunity for us to elevate the airport experience for travelers while also strengthening the business and commercial value for our airport and hospitality and retail partners.

“With our combined airport, retailer and brand relationships, this partnership offers a way to fast track the delivery of a truly integrated, omni-channel, e-commerce marketplace across all shopping categories, creating more streamlined digital, in-store and in-airport solutions for travelers,” he continued.

Wassim Saadé, Founder and CEO of Inflyter, said; “With purchases and time at the airport being increasingly planned, we

know travelers want to have advance access to an integrated digital shopping solution to help them reduce stress before departure (or minimize anxiety at the airport). Combining our e-commerce expertise and mobile and digital duty free shopping experiences with Servy’s leading omnichannel approach in hospitality, will offer the digital online shopping platform travelers want, and create a single airport e-commerce platform to drive incremental and online retail

revenues for all partners in the airport ecosystem.”

Servy is the industry leader in omnichannel airport e-commerce with a presence at more than 80 airports, while Inflyter’s multi-concession duty free e-commerce platform has been implemented with international travel retailers and airports across three continents. The new strategic partnership will support the two companies’ combined ambition to widen their global reach, including key growth across the EMEA region.



HMSHost speeds up service across 8 airports with Mashgin’s Computer Vision Self-Checkout

AI-powered scan-and-go systems instantly ring up food and beverage items, offering travelers an expedited checkout process in as little as 10 seconds

Global restaurateur HMSHost has partnered with eight high-traffic international airports to help eliminate food and beverage lines at the airport with the installation of 60 Mashgin Touchless Self-Checkout Systems.

Mashgin’s scan-and-go systems slash wait times at checkout and service counters and are 100% touchless. Using computer vision, the systems instantly identify and ring up multiple items so passengers can scan, pay, and hustle to catch a flight in as little as 10 seconds.

The self-checkout systems are being installed at food and beverage locations in Charlotte Douglas International Airport, Dallas/Fort Worth International Airport, O’Hare International Airport, Kansas City International Airport, Harry Reid International Airport (formerly McCarran International Airport), Lihue Airport, Los Angeles International Airport, and Sky Harbor International Airport.

In total, 28 Mashgin Touchless Self-Checkout Systems are currently in-market for passenger use, with an additional 32 installations slated for 2022.

“Innovation is continuous at HMSHost in our effort to deliver the most efficient and enjoyable guest experience,” said HMSHost Vice President of Digital Neil Thompson. “The Mashgin Touchless Checkout System is all about speed. We know customers want to get in and out. It removes the need to scan bar codes and is 400% faster than traditional point-of-sale systems.”

Speedy self-checkout

A combination of cameras and artificial intelligence allows passengers to place food and beverage items for purchase on the Mashgin kiosk tray where they are instantly recognized and rung up in a single transaction. The final step is to use mobile pay, credit or debit card to complete the transaction.

Jack Hogan, Vice President of Strategic Partnerships at Mashgin notes that HMSHost is one of its earliest retail partners and has been a visionary in offering innovative customer choices.

ETRC partners with Pi Insight and ForwardKeys to relaunch ETRC Index at upcoming Business Forum

The European Travel Retail Confederation (ETRC) will relaunch its ETRC Business Performance Index at the upcoming virtual ETRC Business Forum on January 27.

Created in 2004, the ETRC Index provides unique insights into airport shopping figures and trends in Europe thanks to data contributed by participating Travel Retailers. Available to ETRC members only, it will be published three times a year and a year-to-year update will be presented yearly at the annual ETRC Business Forum.

Compiled with the expertise of Pi Insight, the Index will present trends on aggregated sales movements covering airside airport retail in sales across four main categories – Beauty, Liquor, Confectionery & Fine Foods and Tobacco.

ForwardKeys will be providing their valuable passenger index with their historical flight data, drawing on the most comprehensive air ticketing datasets in the industry.

NITR announces VERSE: path to reach goal to deliver food in 50% of all TR shopping baskets

Nestlé International Travel Retail has announced an ambitious plan for driving sales of confectionery and the wider food category in global travel retail.

Using a newly developed model named VERSE (Value, Engagement, Regeneration, Sense of Place and Execution), NITR general manager Stewart Dryburgh outlined a plan to put food in 50% of all travel retail baskets by 2030.

“We believe there are significant opportunities to accelerate that return to growth. Retail has never been more critical to airports and, according to a recent Bain/Castlepole study, is destined to become more than 50% of major airport revenues in the near future,” said Dryburgh.

Food is superbly positioned to deliver against changing consumer needs, says Dryburgh, pointing to product assortments that are unique, sustainable or deliver a true sense of place.

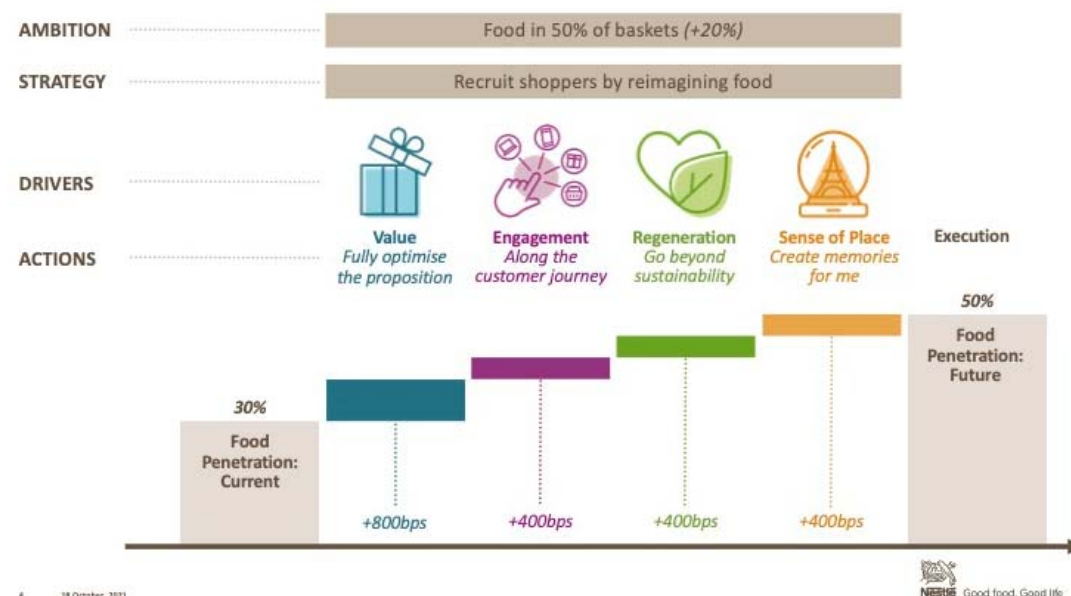
“Products which critically offer accessible price points to drive footfall back into stores,” he says. He also points to passengers from fast growing emerging markets who will have differing needs and purchase occasions that create revenue opportunities for the food category.

The healthy growth of food in general in domestic markets is another plus, he says, even though it has stalled in travel retail.

The disparity between the purchase of confectionery in domestic and travel retail presents another opportunity for additional food categories.

“In domestic markets confectionery represents 7% of packaged food, whilst in travel retail it represents 77%. This not to say we’re over-focused on confectionery, but that we have a major opportunity to exploit the growth potential of other segments in food,” he says.

“To be 100% clear, confectionery was, and is will continue to be the beating heart of the food category, but greater value creation can be achieved by taking other strongly growing segments within



domestic markets and translating them into growth opportunities in Travel Retail.”

As the number one driver of cross category purchase and the second most purchased category (M1nd- Set Cross Category Research Dec 2021), Dryburgh believes food can play a leading role in both recruiting a new generation of shoppers and converting browsers to buyers.

“Our ambition is clear,” he says, “to take food from the second place to the most purchased category in travel retail - a food item in half of all baskets by 2030.”

To achieve this ambition, NITR developed the **VERSE model** to provide a pathway to shopper recruitment and meet this category growth ambition.

Value. Value is more than price; it is the full benefits that the consumer receives, encompassing brands, exclusive products, service, experiences and more. Value needs to be created for all stakeholders moving forwards.

Dryburgh highlights the performance of Nestlé’s NIDO milk powder in the Middle East, (“In the last decade alone retailers in the

region have sold over \$1.3 billion dollars of milk powder”), biscuits and spreads, coffee led by Nescafe, and infant nutrition for Chinese consumers led by illumina.

Engagement is critical to recruiting shoppers. Dryburgh stresses the need to adopt an end-to-end approach – creating a truly omnichannel experience of digital and physical experiences all along the customer journey.

“We must remember that over 55% of customers decide if they are going to shop before they leave home (m1nd-set research 2020) and communicate pre travel,” he says.

Regeneration is a new concept which Nestlé launched this September. Regeneration goes beyond sustainability to helping to protect, renew and restore. Dryburgh highlights *PI Insights 2020 Sustainability Research* for TFWA that shows sustainability impacts on purchase decision for 71% of travel retail consumers while 78% are concerned about their impact on the environment.

“Regeneration will be a concept that will resonate with a whole new generation of shoppers who do not yet shop in travel retail.” Dryburgh points to the move to paper pack-

aging for Smarties as an award-winning, first step example which is generating significant growth in domestic markets.

Sense of Place will continue to be key to converting passengers to shoppers in travel retail. Maple syrup from Canada, dates from the UAE, cheese from France etc.

Execution is what consumers see in-store and where initiatives become tangible. Flawless execution will be crucial to unlocking the growth opportunities that are available.

Dryburgh believes that the VERSE model thinking can work for all categories within travel retail, fueling total industry growth.

But to realize the opportunity, the industry needs to reprioritize food, recognizing it as one overarching category with three sub-categories, each of which has distinct roles.

Building on the dynamic confectionery core, TR must strategically add sub-sectors such as coffee and infant nutrition along with the power of local foods.

“There is so much opportunity out there, we just need to work together to harness the undoubted potential!”

Travel Retail Made Right: Mondelez WTR underlines commitment to sustainability and innovation and goes carbon neutral with Cannes stand

Mondelez World Travel Retail (WTR) emphasized its commitment to sustainable practices and engaging experiences in the travel retail industry when the company returned to the 2021 TFWA World Exhibition & Conference with a digitally focused carbon neutral stand.

Collaborating with non-profit tree planting charity One Tree Planted to plant over 3,500 trees, the Mondelez WTR team proactively offset the carbon footprint of their presence at the event. Mondelez WTR calculated its CO2 footprint by combining the production of the booth as well as all staff travel, accommodation and delivery transportation. The team added a double-digit percentage on top of this sum to comprehensively cover smaller miscellaneous activities potentially not taken into consideration, neutralizing Mondelez WTR's stand and contributing even more towards climate neutrality.

In addition, for each Toblerone 360g bar sleeve printed for visitors to the Mondelez WTR Experience Room, another tree will be planted.

The One Tree Planted collaboration is the latest initiative in the company's broader sustainability roadmap, which comprises corporate-wide and industry-specific commitments that include the development of more ethical promotional activities and in-store engagement; packaging innovation and recyclability; award-winning products with sustainably-sourced ingredients; and pioneering more sustainable design practices for travel retail.

The carbon neutral stand follows on the heels of Mondelez International's first-ever zero-waste activation - a multi-brand Cocoa Life umbrella concept that debuted at Oslo Airport in August, bringing the company's sustainable cocoa sourcing program to life for travelers.

The sustainability measures introduced by Mondelez WTR are aligned with Mondelez International's overall sustainability strategy, including the company's recently announced commitment to a 2050 target of net zero greenhouse gas emissions across its full value chain.



Mondelez WTR offset its carbon footprint in Cannes with its booth design and through a collaboration with tree planting charity One Tree Planted.

Complementing the sustainability aspect of Mondelez WTR's stand – and in line with the company's commitment to digital innovation – the stand also featured Mondelez WTR's award-winning immersive 'Digital Home', first introduced at Summit of the Americas – A Virtual Experience. The 360-degree experience was upgraded for TFWA World Exhibition to incorporate motion-sensing technology which allowed stand visitors to experience all the features of the digital home in a contactless way.

Jaya Singh, Managing Director at Mondelez WTR, said: "It was a true privilege to return to Cannes this year and reconnect as an industry, and I would like to sincerely thank TFWA for providing suppliers with a much-needed opportunity to meet face-to-face with partners as we progress our journey to emerge stronger together. The Mondelez WTR team were delighted to be back and to showcase our enduring dedication to innovation for the good of the wider industry. Our new stand really set the tone for an exciting year ahead, particularly in terms of our pioneering digital initiatives and our sustainability commitments.

On the topic of sustainability, Mondelez WTR ... [is] committed to creating a better, more responsible, and more sustainable future for the travel retail industry alongside our valued partners. We are committed to 'Travel Retail Made Right'."



PEOPLE



Umair Ansari

The Estée Lauder Companies has appointed **Umair Ansari** as Vice President and General Manager, Travel Retail Europe, Middle East and Africa (TR EMA), effective January 1, 2022. He will be based in London.

Since 2019 Ansari has led Travel Retail's Middle East, Africa and India hub out of Dubai.

He joined The Estée Lauder Companies in 2004, holding positions of increasing responsibility with Global Supply Chain and Global Business Planning. In 2011, he assumed the role of Vice President, Program Management Team (PMT), overseeing the enterprise-wide transformation and cost efficiency portfolio.

In March 2015, Ansari joined Travel Retail as Vice President, Strategy and Business Development. In 2017, he was appointed Vice President / General Manager, Travel Retail Worldwide for Aramis and Designer Fragrances, Origins, Smashbox, GLAMGLOW and BECCA.

French luxury house **Chanel** has announced the appointment of **Leena Nair** as its global chief executive officer. Nair has spent 30 years at **Unilever Plc**, and is currently chief human resources officer (CHRO). She will step down from her role in January. She will take on the role at Chanel at the end of January 2022, based in London.

According to **WWD**, Nair will be assuming the title previously held by Chanel co-owner **Alain Wertheimer**. Wertheimer will now become global executive chair of Chanel.