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Love Field concessions: Competition breeds better deals

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At its best, competition is the most efficient way to get the highest quality at the fairest price. That ideal is ingrained in America's business culture and is the accepted standard in the public sector. That's why the proposed concession contracts for **Dallas Love Field** Airport are so troubling.

These contracts – lasting 19 years – would award major portions of our new terminal to the two incumbent concessionaires without having been vetted through the competitive process. This has short-circuited new ideas and concepts and discouraged competitors, including firms owned by minorities, women and emerging entrepreneurs.

The justification is faulty.

The incumbents cite hardships suffered after the 9/11 attacks. In reality, post-9/11 security restrictions created a captive audience. That, combined with more travel options as the Wright Amendment has been lifted, boosted sales 50 percent.

The incumbents also raise the challenges of operating during construction. But the new concourse is being built next to the existing facility. Travelers and vendors will experience little inconvenience.

Finally, the no-bid supporters cite the incumbents' experience, saying they've done a good job. But sales figures place Love Field near the bottom of midsize airports, and a recent J.D. Powers customer satisfaction survey gave Love Field concessions its lowest ratings.

Love Field deserves better. A competitive process assures taxpayers they're getting the best deal. It keeps prices down and quality high for travelers. And it invites firms to explore thematic concepts and branding for our new terminal.

We have a unique opportunity at Love Field. In 2014, the final Wright Amendment limitations will be lifted. We could see nonstop service to New York, Chicago and Washington, D.C. This will be a magnet for business travelers and tourists and help recruit firms to Dallas. Anyone who has flown through Austin-Bergstrom Airport knows what a high-quality terminal that is. Love Field should be just as good.

There now is a better proposal on the table for the City Council to consider June 23. It provides competitive bidding for concessions contracts, a fair return for incumbents during construction and boosts quality, service and choice while keeping costs reasonable for travelers. It also provides a strong incentive to ensure that minority- and women-owned businesses have meaningful participation in the new terminal. That is critical.

After countless hours studying this, I could fill several pages exposing the flaws in this no-bid process, to say nothing of the shortcomings in the contracts.

But I think it's better to address why this is so important for our city. Competitive bidding is critical to good government. It provides transparency and reduces the risk of cronyism. Citizens and businesses alike must have confidence their government is open and honest. Clearly, there are times a no-bid contract makes sense. But those should be very limited and not involve a 19-year contract — one of the largest the city will do covering hundreds of millions of dollars and limit an asset as important to our city's future as Love Field. Competitive bidding is the better course. It is the fiscally responsible and ethics-minded choice. Our citizens expect nothing less.

Tom Leppert is mayor of Dallas.

