

# US airport restaurateurs, retailers and minority businesses call for financial relief



**USA.** The Airport Restaurant & Retail Association (ARRA) and Airport Minority Advisory Council (AMAC) have jointly urged US airports and Congress to ensure financial relief measures for their members, airport restaurateurs and retailers. Otherwise, they warned, many will be forced out of business. The call for assistance comes amid the deep and unprecedented business impact caused by the spread of COVID-19.



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[As reported](#), ARRA is a new organisation created by US retail and food & beverage concessionaires to represent their business. AMAC is a trade association dedicated to advancing the participation of minorities and women in the aviation and aerospace industries.

Members of both ARRA and AMAC, which include restaurants, gift shops and retail stores, have been hit hard by the rapid decline in airline bookings and passenger counts in the US.

Some states and municipalities are closing restaurants, including at airports, to help contain the spread of the outbreak. The associations noted that “all stakeholders in the industry—airlines, airports, airport retailers and

restaurateurs, and other related companies—are financially suffering”.

The associations represent a US\$10 billion industry made up of firms of varying sizes, including many small and local businesses which contribute US\$2.5 billion to airport revenue streams, they pointed out. Together, these businesses employ more than 125,000 workers in US airports.

They said: “The restaurants and retail shops are a vital part of the airline passenger’s travel experience, and a major revenue source on which airports depend for their operations, development and bond financing.”

AMAC Chair John Clark said: “Our members are suffering tremendous sales losses exceeding 50% and in some cases as high as 90%. The industry is facing a major financial crisis. Many businesses, including those classified as small and/or disadvantaged, may not be able to continue operations.”



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ARRA Chair Pat Murray added: “Our members’ ability to retain and pay employees, as well as pay rents to airports, has been seriously jeopardised. Some of us will likely be unable to meet our debt obligations and will be forced out of business if quick action is not taken to provide relief.”

The two associations urged airports to engage with their members quickly and adopt mitigating actions to save the businesses including:

- Waiving rent, other fees and the imposition of penalties for at least six months with the opportunity to extend depending on the extent and impact of the crisis.
- Suspending and deferring concessionaires’ capital investment requirements.
- Providing operational flexibility including adjustments to operating hours, locations and menus/product selections; selective temporary closing of stores and restaurants to better align with passenger volumes and flows and reduce the impact on employees.

They added: “ARRA and AMAC strongly support the airports’ request for emergency financial assistance and flexibility to help sustain operations, preserve jobs and bonds, including assistance and flexibility for concessionaires during this critical time. ARRA and AMAC urge Congress and the Administration to also provide financial relief and assistance to airport concessionaires to ensure business continuity, secure loans and

make debt service payments.”

Specific measures ARRA and AMAC urge Congress and government to act upon are:

- To provide grants and low-interest or interest-free loans to concessionaires to allow concessionaires to cover operating expenses;
- To provide loan guarantees to concessionaires to assure their ability to continue making debt service payments and secure loans for their continuing capital investment requirements.