PRESENTATION 1

Edwin Roth, APCOA, Inc., Cleveland

APCOA began in 1949 with the operation of the first airport pay parking lot at Cleveland Hopkins International Airport. In the most recent year, APCOA gross revenues amounted to about $1 billion. At airports, parking revenues probably were second in size only to landing fee revenues.

Two issues concerning airport parking will be addressed: expansion and control of revenues.

Expansion. Parking lot demand at airports is considerably different from the demand for conventional parking facilities in metropolitan areas: for example, airport parkers park either for less than two hours (short term) or for the period of their trip (long term). Short-term parking spaces may turn over up to 8 times a day compared with 1-1/2 to 2 times a day for urban central business district parking.

Parking garages are a likely solution to the increasing demand for airport parking. The structures should be as close as possible to the passenger terminal and should serve both short-term and long-term parkers. Certain mechanical structured parking facilities have worked in Europe, but probably would not work in the United States. Before a commitment is made to a specific structural parking solution at an airport, it is important to make a feasibility study and to analyze the airport user traffic patterns at that particular airport.

Revenue Control. The background of cash register technology was reviewed; the electronic cash register has shown a great deal of promise for airport parking. However, it can be relatively slow--requiring as much as 20 seconds per average transaction. In its search for improved cash register technology, APCOA looked to the fast food industry. Fast food operations, like airport parking facilities, are concerned with relatively limited numbers of items and high flow.

Parking lot employee theft results in considerably lower losses than customer cheating schemes. Customer cheating, including ticket swap scams, results in a revenue loss of about 2.7%; cashier miscalculations, up to 0.4%; and employee dishonesty, another 0.1%.

Wherever there is a cash operation, the opportunity for revenue loss exists. A number of methods to minimize this loss can be employed, such as:

1. Employee screening during hiring, including lie detector tests if appropriate;
2. Daily reconciliations;
3. Use of roving audit teams (incognito);
4. Gross index checks (i.e., comparing parking lot revenues and passenger volumes and the like); and
5. Rotating employees at collection stations.

To date, no revenue control equipment has been devised that is foolproof or 100% reliable; therefore, successful parking revenue control systems require reliable backup procedures.

Some revenue control systems are not fast enough. The "ultimate" revenue control system would somehow label individual cars, but such a system has not been developed yet.

Factors that affect parking lot systems include the following:

1. Climate variability (weather, humidity, etc.),
2. Sticking of tickets,
3. Dust control (on photo cells),
4. Ticket sizes,
5. Electrical circuit disturbances which can result in altered time clock settings, and
6. Wild miscalculations which are otherwise unexplainable.

Regarding the efforts of equipment companies to devise better systems, there are some half dozen manufacturers in the revenue control market. Rather than try to design a single system for any and all airports, they should develop control system components which could then be combined into a package for specific applications at the individual airports.

The presentation concluded by stressing the importance of comparing the benefits (in terms of a reduction of losses) with the costs before deciding on a "revenue control system."

PRESENTATION 2

Martin Bloom, Park-N-Fly, St. Louis

The presentation began with a discussion of the evolution of the high level of service in the Park-N-Fly facilities. Only after operations were under way was it understood that a high level of service was the foundation of success for remote airport parking facilities.

When Park-N-Fly began operations at airports, its parking lots were lightly used. They had originally planned that patrons would be picked up by shuttle buses at specific locations within parking facilities and transported to the passenger terminal. Because of the light usage, however, the shuttle buses were able to follow the cars of departing passengers when they entered the parking facilities so that passenger pick-up would occur at the car, thus minimizing walking distance and baggage handling. The passengers were then transported directly to curbside. The same type of service was provided for arriving passengers.

Once business improved in the Park-N-Fly lots, operators found it was important to continue this car-to-curbside service. Park-N-Fly is currently operating six off-airport parking facilities and building three more.

Remote lots with prompt shuttle service offer the best kind of long-term parking service provided at large airports today. A comparison of remote parking with available garage parking at major airports, demonstrates the favorable rate structures and walking distances of remote facilities.

Regarding the applicability of valet parking, it is fine for departing passengers and for arriving passengers in the off-peak, but for arriving passengers during peak periods, considerable delay is incurred in waiting for the automobile to be brought to the valet pick-up point.