



The last word

Landrum & Brown's Mark Perryman talks to *Airport World* about the popularity of airport real estate.

Do airports realise the true potential of their land?

Airports across the globe are rapidly gaining an appreciation of the assets they have – whether they be land or facilities – and the potential for maximising the latent revenue from those assets. We are finding that an ever-increasing number of airports are looking inward for revenue enhancement as the funding streams from traditional sources becomes more difficult to obtain.

Can you provide some examples of “innovative” land use at airports?

Actually there's nothing really new – it's really more of a realisation that an airport is, in many perspectives, just like any other city. What we are seeing are airports expanding their traditional services such as parking and freight facilities to provide more community based services and/or infrastructure.

We see airports developing facilities like service plazas with gas, food, retail, lodging, and other services on the access ways to and from their airports. Airport operators are looking to develop more of a destination feel for their gateways rather than being just the traditional terminal that someone only goes to, in order to leave. We see airports looking to work more closely with the local development community to better utilise and market their lands that are currently vacant or underutilised.

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What is the appeal of the airport site or being located close to an airport?

Airports are natural magnets of commerce and industry. Locating a business with close access to reliable air transportation – be it for passenger service or cargo distribution – is typically a major factor that goes into a company's decision to locate in a particular community.

It's often cited as either the first or second consideration when any major business enterprise is looking to relocate or start up. Whether a local community wants to admit it or not, having a thriving airport is one of the most significant economic indicators of the business health of a community. Airports attract business. Business attracts people and the community infrastructure to support those people. It ends up being a very synergistic relationship.

Has L&B been asked to postpone or put any projects on hold due to the tough economic environment?

Although we have seen slowing in some sectors of the industry, we have not been asked to postpone or stop work on any of our airport projects. In fact, we see many airports looking toward the future and looking at how to better utilise the assets and facilities they have, while looking at how to position themselves to remain competitive and poised for economic rebound.

Will 2011 be a good year for infrastructure development at US airports?

I see 2011 as a year of self-reflection for many airports in the US. With funding streams growing ever tighter, many of our clients are looking to do more with the assets and facilities

they have. They are looking at this time of economic uncertainty as an opportunity to, in some cases catch up, and in other cases, revamp and reposition for the future.

What excites you about the airport industry?

The aviation industry is unique in its ability to connect people and commerce around the world in a way that promotes cultural understanding and acceptance. And, of course, the aviation market is also a growth market. Regardless of any major world crisis, the aviation industry has a track record of bouncing back quickly, while sustaining upward growth patterns. Predictions have been made that in the next 20 years aviation will typically grow at a faster rate than the general economy, and between now and 2025 forecasts predict that passengers will almost double.





Factfile

Name: Mark Perryman

Age: 48

Job title: President & COO,
Landrum & Brown

Nationality: American

Time in aviation industry:
28 years

Best known for:
Helping airports gain approvals for
major development projects such
as new runways and terminals.

Little known fact:
Starts every morning off with a
Coca Cola.

When did L&B enter the aviation industry?

L&B was founded by Charles O Landrum and John F Brown in January 1949 to provide planning and financial services to US airport owners/operators. The firm's first client was the City of St Louis Lambert Field, followed thereafter by Detroit's Willow Run and numerous other major metropolitan airports, when the aviation market was still in its infancy. Our clients today include all of the top 50 airports in the US and a growing number in Asia, Australasia and the Middle East.

What services do you provide for airports?

L&B's multi-disciplinary team offers clients excellence in all aspects of airport-related planning. In a sentence, we aim

to improve efficiency and maximise the use of existing airport facilities.

How much scope do you have to plan something completely new and different?

There tend to be common elements to planning projects, as the process of planning is rooted in basic steps that start with understanding the situation, considering options to achieve desired goals, and making a decision on which way to go. However, just about every project we work on is unique enough in its issues, technical aspects, cultural, regulatory and political frameworks, that in most cases we have to customise our work scope for each project. In the end, it comes down to gaining the client's trust that we will deliver a quality product for a reasonable fee. Long-standing

relationships with clients help achieve this trust.

Are 'airport cities' the shape of things to come?

The concept of the 'airport city' is gaining increasing currency worldwide as a component of airport planning and as a way to maximise the economic value of airport resources. The land side areas within airport property boundaries and the areas surrounding the airport should be planned for compatible land uses that will enhance the economic benefits of the region as a whole while not unnecessarily constraining the future airport expansion needs.

How environmentally friendly are airports when it comes to building new infrastructure?

Nearly every major airport planning assignment now

includes elements of sustainability, as a way of doing business. Airports are becoming savvier about the need to show their progress towards environmental stewardship. Generally, airports are ahead of many industries in this regard, through their ongoing environmental best practices, as well as new initiatives. Today, airports are more becoming more proactive in documenting and measuring their efforts and sharing their successes. As a result, airports are receiving the rewards and recognition for the good work they are doing.

Is the current economic slowdown a concern for L&B?

It is for everyone, but as the aviation industry faces yet another round of challenging times, it also creates interesting opportunities.

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