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Park It!

Teams and venues look for new ways to solve the same old problems with parking.

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SPORTS & EXHIBITION AUTHORITY

The Pirates and Steelers don't control the parking they share at their sports complex on Pittsburgh's North Shore. Instead, a third-party vendor handles that for the Sports & Exhibition Authority.

surface lot. They see everything from technology to signage that could improve the fan experience and improve revenue.

"There are local governments who have 10-year-old buildings and are shocked when they realize how inefficient their [parking] systems are compared to new ones," said Jeff Becker, vice president of vertical markets for Amano McGann, a manufacturer of parking hardware and software whose clients include New Meadowlands Stadium and Nationals Park.

"I say, 'How old is the PC on your desk? What, are you still running Windows 98? You update your computers, right? Why haven't you updated your parking system technology?'"

Who controls the spots?

From his office window at PNC Park, Lou DePaoli, the Pittsburgh Pirates' executive vice president and chief marketing officer, can see nearly 6,000 parking spots that, even if he could fill them 81 times a year with Pirates fans, wouldn't mean a thing to the team's bottom line. After decades of retaining the parking revenue at Three Rivers Stadium, the club receives no revenue from the parking at PNC Field.

"Zippo. Not one space, lot or dollar," DePaoli said. "In fact, we show negative revenue because we have to purchase seasonlong spots for our suite holders."

In his quarter century as a sports facility operator, Bill Squires has managed Yankee Stadium and Giants Stadium, was the first general manager at Disney's Wide World of Sports, and oversaw the opening of Cleveland Browns Stadium. Though the business of stadium management has changed dramatically during that time, Squires says one thing has remained constant:

Fans always complain about parking.

"They want easy ingress, easy egress and they want to tailgate," Squires said. "And they don't like paying for it."

The same, decades-old challenges with parking have some in the industry calling for a fresh approach, regardless of whether it's a municipal-owned garage or a team-operated

The club shares the sports complex on Pittsburgh's North Shore with the Steelers. The Sports & Exhibition Authority controls parking for Pirates and Steelers games, and generated nearly \$1 million last year in parking for the events.

Indeed, the fragmented market of parking is part of the problem in addressing ways to make improvements. The task of initiating fixes may rest with a municipality, a team, a third-party vendor or a combination of the three.

"My God. Sports facility parking is like snowflakes — no two are alike," said Rick Nafe, president of the Stadium Managers Association and vice president of operations and facilities at Tropicana Field, home of the Tampa Bay Rays.

Approximately one half of NFL clubs own their parking, while about one-third of MLB clubs can make the same claim, according to a survey of the 2009 season completed by researchers at Slippery Rock University and the University of Ottawa.

In Cleveland, the Indians share a city-owned parking garage with the Cavaliers. Like the Pirates, the Indians must purchase spaces for employees, suite holders, media and season-ticket holders. The Cavs, on the other hand, receive 1,700 free spaces. In Detroit, Lions fans looking for season parking pay \$125-\$280 per season to Olympia Entertainment — the owners of the Tigers and Red Wings.

The New England Patriots, Washington Redskins, New York Jets and New York Giants each have enough team-controlled parking to generate upward of \$700,000 a game. The Florida Marlins, on the other hand, pocketed just \$450,000 all season as a secondary tenant in Sun Life Stadium.

In Cincinnati, Hamilton County in July signed a five-year, \$19.3 million contract with Central Parking to manage its riverfront parking, which includes Great American Ball Park, Paul Brown Stadium and US Bank Arena.

Lease agreements between teams and municipalities are often complex and vary widely from city to city, and the range of parking management services provided to venue owners by third-party vendors is vast.

"Because the landscape is so scattered, one of the biggest challenges is comps," said Steven Warshauer, executive vice president of Standard Parking, whose clients include Nationwide Arena in Columbus and Yankee Stadium, which has the biggest parking inventory in New York City.

Warshauer said the cost of tickets for an Eagles concert may not vary from Omaha to New York City, but parking operators must be able to pull from a vast database to know what services and prices match with each venue.

"For example, the Eagles are the Eagles wherever they play," Warshauer said. "That concert ticket may be \$300 in Omaha and \$300 in New York City. You might think parking's probably going to be cheaper in Omaha, but you have to be able to look at supply and demand, traffic and everything else."

What's your gripe?

■ What is your biggest complaint about parking at a sporting event?

Time to leave after the event	50%
Cost	31%
Lack of available parking near the stadium/venue	9%
Lack of organization	5%
Time to get parked	3%
Safety/security	1%
Cramped spaces	0%
No response / Not sure	2%

■ Which of the following statements best describes how stadium/arena parking affects future attendance?

Bad traffic and delays during ingress and egress will lead to fans opting not to come back in the future.	65%
The game itself is all that matters; parking-related issues will not keep fans away.	18%
Depending on the outcome of the game, traffic and parking delays may have an impact on future attendance	14%
No response / Not sure	3%

Source: Turnkey Sports Poll, September 2010. Turnkey Sports & Entertainment conducts the poll in conjunction with Sports-Business Journal and sends it to a panel of 1,100 senior-level sports industry executives spanning professional and college sports. Visit www.turnkeyse.com.

Prepaid approach

One industry source cited a recent efficiency study for an NFL team that showed the franchise was losing approximately 20 percent from its net parking revenue because of inefficiencies in both personnel and equipment, despite generating nearly \$700,000 a game in its parking lots.

The longtime industry-expected level of such parking revenue “slippage” — lost or stolen cash, counterfeit tickets and other inefficiencies — is 5 percent.

“Let’s say an average NFL stadium does \$400,000 a game,” said Squires, the facility operator who founded The Right Stuff Consulting, a facility consulting firm. “That’s \$20,000 [in slippage] per game. Times a whole season? That’s a lot of money.”

Numbers like those are among the reasons why publicly owned venues such as Tropicana Field in St. Petersburg, Fla., Qwest Field in Seattle and Great American Ball Park and Paul Brown Stadium in Cincinnati have recently upgraded or are currently modernizing their parking systems.

The most common approach to improving efficiency is the use of wireless handheld devices with integrated card-swipe and bar-code readers, which allow teams to implement a prepaid parking program. The fan gets into the lot faster, has a guaranteed spot and might spend that \$30 cash elsewhere in the facility.

Approximately two-thirds of NFL teams and one quarter of MLB clubs have a prepaid parking inventory of 75 percent or higher, according to the Slippery Rock University survey.

Handheld scanners have been used at turnstiles inside venues for several years. Venue operators use the data uploaded into the devices to audit ticket revenue and monitor consumer behavior, such as when a fan arrived, what entrance he used and what concessions he purchased. Improvements in Wi-Fi technology have allowed that perimeter to move into the parking lots.

“The best thing about technology is it takes the human element out of the operation,” said Todd Nevill, vice president of Central Parking System. “Removing the arms and legs from the process takes away our slippages, it reduces labor costs, it gives us a greater ability to have accurate car counts and helps us monitor the folks who have taken the time to make their own tickets.”

Wireless systems, such as those installed by Amano McGann at New Meadowlands Stadium and Cowboys Stadium, give auditors up-to-the-minute reporting throughout the facility, dramatically reducing the use of counterfeit or photocopied passes.

“For the operator or ownership, you have your funds up front,” Becker said. “If there happens to be a no-show, you can resell the space. On-site transaction time is reduced to less than 10 seconds. You can plan personnel levels based on your prepaid sales, which allows you to reduce staffing.”

The costs to implement new wireless technology depend on many factors. An arena parking garage with four entrances may require only \$70,000 to modernize its system, while a stadium with 80 entrances, such as Cowboys Stadium, would require all the bells and whistles and cost \$1.5 million.

But wireless technology can have hiccups, as New Meadowlands Stadium discovered as it welcomed fans to a preseason game between the Jets and Giants.



AMANO MCGANN

Wireless technology speeds traffic flow by allowing quick scans of pre-paid parking passes.

New Meadowlands had 28,500 parking spaces waiting, 3,000 more than the previous stadium. Fans had prepaid \$250 for the season for a guaranteed spot, so there would be no holdup from cashiers making change. Attendants would use wireless scanners for the prepaid passes. Nearly half a billion dollars had been spent on transit improvements and to install variable message signs on inbound roads to direct fans through new traffic patterns.

Still, as traffic thickened and fans shared their thoughts through the Twitterverse, or called friends and sent photos of their experiences, one weakness in the system became obvious.

"Not enough bandwidth," Becker said. The crush caused delays in the scanners used in the parking lots, which caused backups for arriving fans.

Although the Meadowlands' wireless network, set up by stadium sponsor Verizon Wireless, was not scheduled to be complete until the middle of this month, temporary cell towers have since been brought in to help handle the parking ticket data until work can be completed on the permanent infrastructure.

New names in the market

Web and wireless-enabled payment services, a standard for several years in the ticket industry, appear to finally be making inroads with sports fans looking for parking.

Click and Park is an online parking reservation system that allows event attendees to reserve and pay for their parking online, and provides driving directions and real-time traffic updates. Standard Parking, one of the biggest players inside and outside of sports, acquired the product 15 months ago and integrated it into the company's management of Super Bowl XLIII and the 2010 Vancouver Winter Olympics.

Owning the technology also helped Standard win a management extension for the 10,700 parking spaces in 10 garages and seven surface lots in the arena district in Columbus, and new business at Nassau Veterans Memorial Coliseum on Long Island. The New York Yankees, a Standard Parking client, had a Click and Park logo on their website this season, one of the few professional teams to have a direct link to a parking company.

For teams, the biggest untapped market in the parking world might just be in what they don't control. Industry experts say more than half of the stadium and arena parking in the country is under private ownership — the folks holding up the \$20 parking signs outside their business or even their home.

Chicago-based ParkWhiz is the biggest player in the space, booking inventory for independent lot owners within a few blocks of 30 big league venues. Think StubHub for parking.

"Our biggest customers are the mom-and-pops who might own a bakery that has 20 spots available," said Aashish Dalal, co-founder and CEO of ParkWhiz. "The seller can sit in his parking lot and adjust his inventory and prices in real time as game time approaches."

Like StubHub, the lot owner sets the prices, ParkWhiz tacks on an additional 10 percent, and receives a 15 percent cut from the base rate from the parking vendors. There are no contracts. After seeing exponential growth this year, ParkWhiz is closing in on sports transaction No. 100,000.

Currently, ParkWhiz offers about 600 reserved parking spots at Redd's Restaurant, located just a few blocks from New Meadowlands Stadium. Buyers can ride a shuttle and get a free appetizer.



DAKTRONICS

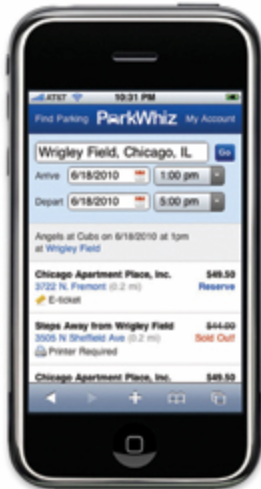
The Minnesota Department of Transportation purchased message signs for fans seeking parking information en route to Target Field.

The company has agreements in place for 6,000 spaces within walking distance of Super Bowl XLV, including several churches. And all reservations are refundable up to the day prior to the game.

A year ago Jason Boseck formed Parking Data Ventures, a database that aggregates parking information from all of the largest parking companies in North America and makes it available to consumers via the Internet and mobile data devices. Boseck believes the information that can be gleaned from people's parking habits would be a gold mine to teams, and to fans.

"If you are part of a demographic that is making a reservation at a high-end restaurant in Chicago, for example, there's a high probability that you have attended a Cubs game," Boseck said. "These transactions generate a lot of data. The Cubs would want this information."

Boseck also sees opportunities for teams to market themselves through mobile parking apps. "Let's say a fan made a parking reservation at 5:00 three blocks from Camden Yards, and the Orioles have a 7:05 game. It's a natural upsell opportunity for the Orioles to have a real-time ad saying 'tickets available.'"



ParkWhiz targets independent parking lot owners seeking clients for spots near major sport facilities.

"There is so much parking inventory outside the venue footprint," Boseck said. "From a guest service perspective, if you can get that information in front of your fans, like with a direct link from the team site, you are providing a service."

Pointing the way

Teams and venue operators have shown more interest, not only in the parking experience, but have begun to realize that psychologically to the fan, you still have to get to the parking area.

Daktronics spokesman Mark Steinkamp said the company has seen strong demand for displays that help with parking, or wayfinding. "We have seen a steady increase in these types of projects that help direct traffic within cities, as well as those used on freeways and highways," Steinkamp said.

Wayfinding is often a volatile topic since few teams actually own all of their parking, and those that do usually believe that the municipality should be responsible for signage outside the venue's footprint. And responsibility for those expenses is seldom spelled out in team leases.

But signage, and ideally, clear sight lines to the venue, are critical.

"If you can't see the facility from where you parked, the minute you step out of your car, even if it's only 10 minutes away, suddenly, psychologically, it's a six-hour walk," Nafe said. "You start thinking about all the things that could happen along the way."

The Minnesota Department of Transportation purchased 33 variable message signs for fans en route to Target Field. The signs give advance notice about which lots are full, which meters are being enforced, and which roads are open for pedestrians.

And nearly every pro and college team now has links from their sites to real-time traffic updates.

All signs clearly point to the fact that there is money to be made in parking. Ray Baker, president of Denver's stadium district, said to some teams, on some days, it may seem to be the only way they make money. Baker helped develop Coors Field and Invesco Stadium at Mile High in Denver.

That's why the Yankees persuaded New York City to commit \$340 million to develop more than 6,000 spaces at the ballpark and the Marlins were able to get the city of Miami to spend more than \$100 million on a 4,600-space structure at the new Marlins ballpark under construction. Both teams will get to keep the parking revenue.

The lingering question is how many teams and municipalities will spend the money needed to modernize what they already have. Most industry insiders estimate that less than a quarter of existing sports venues have the most efficient system for their parking. Will teams start to see that, while the technology comes at a cost, the margins will improve?

"The revolution in parking technology comes with a high price tag," said Dale Denda, research director for Parking Market Research in McLean, Va. "But if parking operators can bring in an argument to maximize revenue, guess what? The pie gets bigger, and their partners get a bigger piece of pie."