

n 18 March 1947 Dáil Eireann - the Irish Parliament - passed a critical and historic piece of legislation that was the first step in the creation of the global duty free industry. The Customs Free Act exempted transit and embarking passengers, goods and aircraft at Shannon Airport from normal Customs procedures. It established Shannon as an international centre of industrial trade and distribution – and gave birth to a global industry.

One man – Brendan O'Regan – recognised the huge potential that lay in the emergence of transatlantic traffic, first through flying boat base Foynes and then through Shannon. And it was his enterprise and inspiration that carved out a niche for duty free in the world of travel.

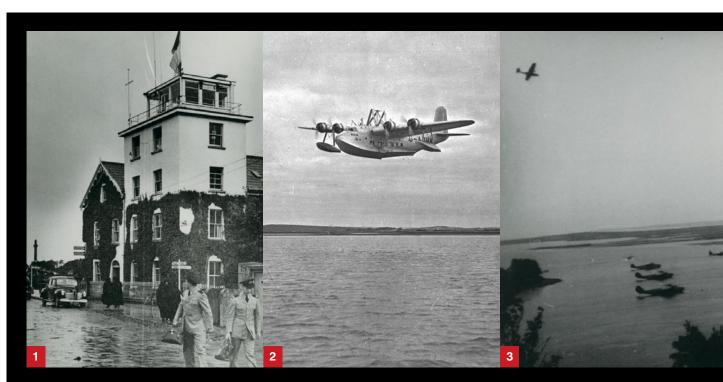
Encouraged by his father, who owned the Old Ground Hotel in Ennis, O'Regan was already an experienced figure in hotel management by the early 1940s. He studied in Germany, France, Switzerland and the UK before returning to manage another of his father's hotels in Ireland in 1938: the Falls Hotel in Ennistymon, County Clare.

In 1943 the government appointed O'Regan as Catering Comptroller at Foynes, which was a refuelling point for seaplanes travelling between the UK and US. He



A world first: Brendan O'Regan (left) with then Aer Rianta Group Chief Executive Derek Keogh, pictured during the 50th anniversary celebrations for duty free in 1997 at the kiosk that first sold duty free goods at Shannon Airport

was conscious of the image that the Irish should present to visitors, so he redecorated the restaurant to give it a strong Irish character and employed well-educated



- Terminal building at Foynes Airport (1939–1945)
- 2 A seaplane at Foynes in the early days of transatlantic travel*
- 3 Flying boats docked at Foynes harbourt

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Irish people as staff to maintain that positive image of Ireland.

With the emergence of transatlantic planes that could land on the ground rather than at sea, O'Regan was transferred from Foynes to the airbase at Rineanna (now Shannon) in 1945.

That Shannon became the birthplace of duty free was no accident. Ireland's strategic location as the door to mainland Europe prompted the Irish government to begin developing Shannon Airport as early as 1936. In October 1945 the first scheduled passenger flight from the US to Ireland, operated by American Overseas Airlines, landed there. And the airport quickly emerged as a vital refuelling point for long-haul flights.

As the era of transatlantic travel dawned, O'Regan spotted the opportunity to take his catering experience one step further – and offer goods for sale to transit passengers.

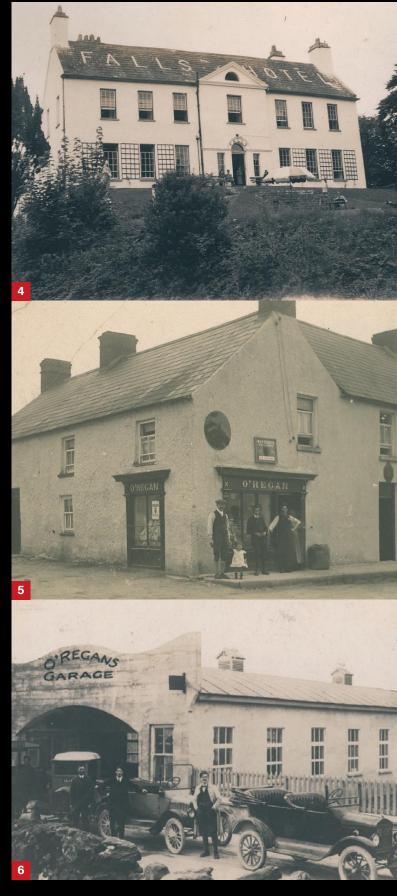
He convinced the airport authorities that the transit area should not be considered technically part of the state, and that passengers making purchases there should not be liable for Irish taxes and duties. With the help of Transport & Power Minister Sean Lemass (a future Prime Minister of Ireland) O'Regan gained sufficient support for his revolutionary concept to see it enshrined in law in March 1947.

Two months later, in May, from a small kiosk in the terminal building at Shannon Airport, Ms Kitty Downes was employed to sell souvenirs, Irish linen goods and other locally produced items for transatlantic passengers.

From a base of Irish-made goods the buying team at Shannon quickly realised the vast potential in quality internationally branded merchandise. Among the French fragrance houses to be listed in those early days were Dior, Chanel, Carven, Caron and Balmain.

As the business developed the range was expanded to include German porcelain figurines and tableware from brands such as Hummel, Rosenthal and Kaiser. Along with these gift items, German camera brands such as Rollei, Leica and Minox proved a hit with travellers.

At the time US duty free allowances were very generous and travellers could be seen buying up to five or



4 The Falls Hotel in Ennistymon in the 1940s

5 O'Regan's Pub in Sixmilebridge

6 O'Regan's Garage, purchased along with the Old Ground Hotel in Ennis, Co. Clare

The Moodie Report



Shannon Airport chef Joe Sheridan, inventor of the Irish Coffee
9 Irish Coffees being poured and served*
Shannon Airport restaurant in the 1950s*



A life of achievement

Personal

Born: 15 May 1917, Sixmilebridge, Co. Clare

Parents: James O'Regan, Nora Ryan

Married: Rita Barrow, 1950; widowed 1997

Children: Andrew, Declan, Geraldine, Margaret, Carmel

Education: Sixmilebridge National School; Blackrock College, Dublin

Career

1938–1943 Manager, Falls Hotel, Ennistymon, Co. Clare

1943–1945 Catering Comptroller, Foynes air base

1945–1973 Catering Comptroller, Rineanna Airport (later Shannon); established Sales & Catering Organisation

1957–1973 Chairman of Bord Failte (Irish tourist board)

1959-1978 Chairman of Shannon Free Airport **Development Company**

1974–1979 Joint President of State Agencies Development Co-operation Organisation

The words of Dr Brendan O'Regan

"We are Irish, we are different"

"I've always felt that I belonged to the first generation of free Irishmen that had a chance to show what we could do"

"We were no longer bound by the horizons of this island"

"Human respect, the greatest motivating force for people"

"Creativity is the nearest quality to spirituality. We are here because we have been created, but we are also

"One of John Leydon's great guiding rules was that nobody should be blamed for action, they should only be blamed for inaction. I took that from him and I've used it all my life"

six bottles of spirits and 2,000 cigarettes. Because of the duty free savings goods were often cheaper than in the country of manufacture, making luxury goods affordable to travellers for the first time, and the reputation of duty free quickly spread.

In the years that followed duty free operations at Shannon mirrored social and commercial life in Ireland. There was little manufacturing in Ireland during the 1950s for example, but Aran knitwear – all made by hand – was introduced to the store and became an overnight success as a fashion accessory. The success of knitwear at Shannon prompted the birth of a thriving cottage industry, one that survives to this day.

Shannon Duty Free was also instrumental in building the fortunes of iconic Irish glassware name Waterford Crystal. Because of its popularity with international travellers, Waterford channelled a high proportion of its output through Shannon Airport, and laid the foundations for the brand's emergence as a leader both at home and overseas.

As duty free sales thrived at the airport, Brendan O'Regan and his team at Shannon Sales & Catering began a mail order service in 1954, devoted to bringing goods directly to people overseas at duty free prices.

But that wasn't O'Regan's only contribution to Shannon,



11-15 Shannon Airport duty free shop and bar in the 1950s*

The Moodie Report

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or to Irish life. In 1950 he travelled to the US as part of a team under the post-war Marshall Aid plan. The visit had a major impact on him, and on the return journey (on a liner) he put together a report that would become the blueprint for Shannon's development.

The duty free concept that began in the airport shops was extended to create an Industrial Free Zone around the airport. This encouraged overseas investors to set up their European manufacturing bases at Shannon, and there was rapid growth in inward investment by the 1960s. The town of Shannon developed to handle the accommodation needs of the growing population that came to work in this emerging industrial hub.

O'Regan also identified that tourist revenues could benefit many spheres of the economy, and realised the importance of developing modern facilities and infrastructure. He established Ireland's first hotel school in Shannon in 1951 – still today a college with an excellent reputation worldwide.

O'Regan believed that Shannon could become a centre for tourism, airfreight and industry. In 1957 his Sales & Catering Organisation took on the additional tasks of developing hotels and amenities to support tourism; the development of industrial investment, marketing and publicity; and the development of airfreight.

O'Regan's standing in government was so high that in the same year he was offered the position of Chairman of the Irish Tourist Board, a post he held until he retired in 1973.

His key initiatives included the renovation of Bunratty Castle and the creation of a Folk Park to attract tourists, with a programme of medieval banquets to entertain visitors. He was also centrally involved in organising tours of the region and establishing the Rent-an-Irish-Cottage scheme, which helped regenerate villages and communities in the area.

O'Regan's retirement coincided with the creation of Aer Rianta, Ireland's new national airport authority, into which his Sales and Catering Organisation was integrated.

Ten years later – in 1983 – Aer Rianta would take its first tentative steps overseas through the project team that helped create Dubai Duty Free. Without Brendan O'Regan's inspiration, the Irish industry influence could never have happened. ■



16–18 The development of Rineanna into Shannon International Airport*

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