

The Board of Governors on April 17, 2009 approved the recommendations embodied in this report.

April 9, 2009

ACTION REQUIRED

To: The Board of Governors of Exhibition Place
From: Dianne Young
Chief Executive Officer
Subject: **Maple Leaf Consumer Foods Sponsorship Agreement**

Summary:

Maple Leaf Consumer Foods (formerly Maple leaf Food Service) (“Maple Leaf”) have been a preferred supplier and sponsor of the Direct Energy Centre since its opening in 1997 with the most recent agreement expiring on January 31, 2008. Maple Leaf indicated its desire to continue its relationship with the Board and staff have been negotiating with Maple Leaf and have reached agreement on terms and conditions as provided in this report. Due to the listeria crisis that threatened Maple Leaf’s actual survival during 2008, this sponsorship deal was not agreed upon until now.

As an official venue sponsor of the Direct Energy Centre, Maple Leaf will receive Category Rights as “Official Wiener, Deli and Poultry Meat Supplier” status as well as “Preferred Supplier” status in these categories for all shows and events excluding the Canadian National Exhibition; Royal Agricultural Winter Fair; Ricoh Coliseum; Caribana and catered events. Maple Leaf shall continue to ensure that all food products provided are of the highest quality and shall save harmless and indemnify the Board, Canadian National Exhibition Association, the City of Toronto and Maple Leaf Sports & Entertainment Ltd with respect to any and all claims, losses or expenses incurred by any of them as a result of the activities undertaken by Maple Leaf on the grounds.

Recommendations:

It is recommended that the Board:

- (1) **Approve of a three-year (2008 to 2010) sponsorship agreement with Maple Leaf on the terms and conditions outlined in this report and any such other terms and conditions satisfactory to the Chief Executive Officer and City Solicitor; and**
- (2) **Direct that the confidential report contained in Attachment 1 to this report not be released publicly in order to protect the competitive position and future economic interests of the Board.**

Financial Impact:

The agreement recommended in this report provides revenue to the Board over a three-year period.

Decision History:

At its meeting of May 27, 2005, the Board approved a three-year agreement with Maple Leaf Food Service which expired in January 31, 2008.

Issue Background:

Maple Leaf has been a preferred supplier and sponsor of the Direct Energy Centre since its opening in 1997 with the most recent agreement expiring on January 31, 2008 but with an indication from Maple Leaf that it wanted to continue its relationship with the Board.

Comments:

The proposed terms and conditions of an agreement between the Board and Maple Leaf are as follows:

- a) Term: Three years commencing February 1, 2008
- b) Sponsorship Rights:
 - (i) Category Rights
 - Official Wiener, Deli and Poultry Meat Supplier to the Direct Energy Centre
 - Official Venue Sponsor of the Direct Energy Centre
 - First Right of negotiations to enter into a further sponsorship agreement for wieners and deli meats
 - Use of Direct Energy Centre logo, marks and name
 - (ii) Business Development:
 - Preferred Supplier of Wieners and Deli Meats including value added poultry to the Direct Energy Centre for all shows and events as controlled by the DEC management excluding:

- Canadian National Exhibition
- Royal Agricultural Winter Fair
- Ricoh Coliseum
- Caribana
- Catered events

(iii) Name Awareness / Exposure:

- Maple Leaf will receive the following on-site signage locations
 - Direct Energy Centre Hall A - One (1) back-lit sign box over concession (2 ½' x 5')
 - Direct Energy Centre Hall B - One (1) back-lit sign box over concession (2 ½' x 5')

(iv) Maple Leaf Logo Integration:

- Direct Energy Centre website, Marketing Materials, Media Releases (subject to approval by Maple Leaf acting reasonably)