



Exhibition Place

ACTION REQUIRED

Item No. 19

May 17, 2012

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **CNEA Sponsorship Agreement - President's Choice Financial Canada**

Summary:

This report recommends the Board authorize a four-year sponsorship agreement with President's Choice Financial Canada ("PCFC") as the exclusive "Official/Banking Financial" provider to the Canadian National Exhibition Association ("CNEA") for 2012 to 2015.

Financial Impact:

The agreement recommended in this report provides revenue to the CNEA over the four-year period and is set out in the Confidential Attachment.

Recommendations:

It is recommended that the Board:

- (1) Approve a sponsorship agreement with President's Choice Financial Canada for a four-year period (2012 to 2015) based on the terms and conditions outlined in this report and any such other terms and conditions satisfactory to the Chief Executive Officer of Exhibition Place, the General Manager of the CNEA, and the 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.**

Decision History:

The Exhibition Place 2009-2012 Strategic Plan had a Financial Goal to *seek additional revenue opportunities* and as a Strategy to support this Goal we will *foster long-term partnerships and alliances with public and private sector organizations*.

This report was considered by the CNEA Board of Directors at its meeting held on May 17, 2012, and is recommended to the Board for approval.

Issue Background:

For a number of years, CNEA staff has been pursuing banks and financial institutions to come on board as a full-fledged sponsor in this category. BMO who have been a Credit Card sponsor for

many years have been offered the opportunity over the last few years to participate as a full-fledged overall banking / financial sponsor, but have continuously indicated only an interest in the credit card business.

CNEA staff has been in negotiations with PCFC over the last few months and is recommending a sponsorship relationship with the CNEA as the Official Banking / Financial Sponsor.

Comments:

The proposed terms and conditions of an agreement between the CNEA and PCFC are as follows which include the payment of a sponsorship fee as set out in the Confidential Attachment and include the following:

- A. The CNEA will provide the following entitlements to PCFC
 - i. Six (6) prime exhibit access locations to effectively promote its products and services and its related features and benefits for financial and banking services and products as listed below. All locations are 10' X 10' in size unless otherwise agreed. Specific locations to be mutually agreed upon by both parties to this agreement.
 - ii. Industry Exclusivity for Financial Services – Credit Cards, Insurance, Gift Cards other than telecom products.
 - iii. Presenting sponsorship of Skyride with logo on 120 chair lifts
 - iv. Option to display five (5) - 20' X 5' PCFC banners of Lakeshore fenceline. Banners to be supplied by PCFC.
 - v. Corporate logo on Lakeshore Blvd. on signage provided by the CNEA
 - vi. Corporate logo on Sponsor Boards, on the west and east side of the Food Building
 - vii. Corporate logo recognition on all Grounds and Train Route Maps
 - viii. Corporate logo recognition on 5 trains (People Movers) that tour the grounds.
 - ix. Corporate logo recognition in guidebook
 - x. Official Sponsor of the CNE 2012 – 2015
 - xi. Official and Exclusive Bank sponsor of the CNE 2012 – 2015
 - xii. Presenting sponsor of the International Pavilion at the CNE 2012 – 2015
 - xiii. Assuming that the CNE continues to have a First Family Promotion with partners such as CHUM FM and Transat Holidays, \$2,000.00 from the Sponsorship Fee paid to the CNEA will be awarded to the winners as sponsored by PCFC's MasterCard.
 - xiv. Use by PCFC of CNE name and logo
 - xv. Guaranteed visibility of PCFC on the CNE website - www.theex.com
 - xvi. To conduct market research where applicable, PCFC will be provided with a copy of results to be provided to CNE
 - xvii. First right of negotiation for 2016
 - xviii. Sponsor Post-Event Report
 - xix. Complimentary General Admission 18 Day Passes (50)
 - xx. General Eighteen-Day Parking Passes (6)
 - xxi. General One-Day Parking Passes (20)
 - xxii. Staff passes for on-site activation staff (list of names to be provided by PCFC)
 - xxiii. Tickets to Opening Ceremonies (4)
 - xxiv. Tickets to CNE's private chalet on waterfront for the 3-day Air Show (4 tickets / day)
 - xxv. Opportunity to purchase admission passes at group rates

- B. Union Agreements: PCFC shall comply with all agreements in force between the CNEA and any union or association with respect to Exhibition Place.
- C. Assignment: The agreement between the CNEA and PCFC shall not be assigned by PCFC without the consent of the CNEA.
- D. Taxes: PCFC shall be responsible for the payment of any and all rates, taxes or assessments that are imposed upon the CNEA by any taxing authority having jurisdiction.
- E. Insurance/Indemnity: PCFC shall provide proof of insurance in a form and amount satisfactory to the CNEA and containing provisions including the Board, CNEA, and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording. Insurance shall be primary before any insurance held by the additional insured and the CNEA shall be entitled to thirty days' notice of any intention to cancel or not to renew the policy PCFC shall indemnify the Board, the CNEA and the City of Toronto with respect to any and all liability arising from any damage or injury as a result of the acts or omissions of PCFC, or its employees or any other person for whom it is in law responsible, in the exercise of its rights under the agreement.

Contact:

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Submitted by:

Dianne Young
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