

May 12, 2009

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young
Chief Executive Officer

Subject: **2010 Rental and Services Price List**

Summary:

This report recommends Rentals and Services pricing for 2010 and is being submitted for the consideration of the Board. A comprehensive review and update of the price list is done annually to factor in the increase in labour costs to assure a competitive return to the Board on services offered. Generally the increases that are being recommended either reflect directly the increase in labour rates associated with the supply of the service or increases that are in keeping with the market place surveys that were undertaken.

Recommendation:

It is recommended that the Board:

- 1) **Adopt the price list for third party Rentals and Services attached in the confidential Attachment 1 effective January 1, 2010; and,**
- 2) **The confidential information in Attachment 1 not be released publicly except to Show Management upon execution of a License Agreement in order to protect the competitive position and the future economic interests of The Direct Energy Centre and Exhibition Place and Allstream Centre.**

Financial Impact:

There are no negative financial implications resulting from the adoption of this report.

Decision History:

At its meeting of June 20, 2008, the Board approved the third-party rentals and services price list for 2009. The price list is adjusted on an annual basis to factor increases in labour costs and market conditions and in keeping with the practice of competitive venues.

Issue Background:

A comprehensive review and update of the price list is done annually in conjunction with the commencement of the Operating Budget Process as the price of services impact show revenues.

Comments:

Attached as Confidential Appendix I is the proposed Price List for rentals and services which staff are recommending be adopted effective January 1, 2010. The price list was compiled by a

team of staff from Exhibition Place and the prices being recommended have been compared to other service providers in the industry, (e.g. Showtech pricing for electrical, GES for rentals and Bell Canada for telecommunication services). It is intended that some of the pricing from this list will also be used, where applicable, to the Allstream program. However, staff from marketing, event, facility and finance are in the process of developing pricing structure for this new Allstream program area given that the nature of the conference and convention business is different from the trade and consumer business and will required specialized rental and services pricing.

Prices have also been reviewed to factor in the increase in labour costs to assure a competitive return to the Board on services offered. On an ongoing basis the services and cost of services are monitored to evaluate their profitability and competitiveness in the market place. Generally the increases that are being recommended either reflect directly the increase in labour rates associated with the supply of the service or increases that are in keeping with the market place surveys that were undertaken. For the information of the Board where there is a price change for 2010 it is noted in the respective columns. If there is nothing noted in the “change” column then the price for 2010 is the same as in 2009.

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Submitted by:

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