



# Management Report

October 2010

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### **General Manager's Comments**

Congratulations are in order to the board and staff on the production of a top notch 2010 CNE. Many of us have received numerous positive comments on everything from programs to cleanliness. While I will not be able to report attendance until our AGM, I can tell you that we were in positive territory for much of the run, especially in the middle days. Opening Day was strong and from Tuesday of the first week through Thursday of second, we had better year-over-year attendance almost the entire period. This is a very good trend and indicates *that* our marketing strategy, program improvements, and operational and site plans are all working for us. Unfortunately, we had 7 days that experienced and/or were threatened by rain (or forecast of rain), including the critical Saturday and Monday of the final weekend. Although several of those rain days looked like they were better attended than other rain days I have seen in the past, this much adverse weather, especially on 3 weekend days, has undoubtedly hurt some of our attendance and revenues. In anticipation that we will likely not meet budget expectations, managers and staff are reducing discretionary spending wherever possible, and practical, from now until the end of the year.

As reported in my email message to you after the fair, there was no need for the Executive Committee to use the powers delegated to them at the Board meeting in July. Any emergencies that arose were minor and routine.

### **Casino**

The 2010 CNE Casino, open from August 2 to September 6, 2010, was another successful year for the casino, thanks to the hard work of all staff. Our 20th anniversary year also saw the addition of two Texas Hold 'Em Poker tables, the casino's most popular game, and was the first year that casino surveillance was entirely digital. This transfer will keep 7000 VHS tapes out of the landfill annually, and will save the costs associated with running hundreds of VCRs around the clock throughout the event. With cooperation from the Alcohol and Gaming Commission of Ontario, the casino management team worked with our on-site IATSE representative, Mark Goldenberg, to install the digital system in-house, allowing for significant cost savings. The new system provides increased speed and accuracy of surveillance reviews, as well as greatly reducing the amount of time gaming must be delayed should a review be necessary.

### **Marketing**

The CNE Marketing Department is in the process of reviewing the preliminary 2010 research results and individual campaign sales results, to evaluate the success of the 2010 Marketing and Communications campaign.

Fantail Inc, the CNE's new media relations team, did a first rate job in securing free editorial coverage for the fair and the CNE's new web site featuring an interactive calendar and map proved to be very popular with our users. The CNE web site was accessed by at total of 667,425 unique visitors with an approximate average of 33,000 unique visits per day leading up to and throughout the 18-day fair. The peak days for website traffic were on August 19<sup>th</sup>, the last day of the Early Bird discount (41,904 unique hits); Opening Day on August 20<sup>th</sup> (47,568 unique hits); and Labour Day Sunday (37,452 unique hits).

The CNE also reached an all time high of 25,000 Facebook fans (which has escalated enormously from the original 1,965 members of 2007, our inaugural year on Facebook). We also made major inroads in developing our follower base on Twitter, which involved an intense campaign that recruited an army of bloggers who reported on their individual activities onsite

each and every day of the CNE. These Twitter newsfeeds were then re-tweeted and appeared on screens at Information Booths throughout the grounds.

Once the final research and sales results are in hand, the Marketing staff will be sitting down to review the data, evaluate the effectiveness of our individual campaigns and communication tools, and determine ways to enhance and improve both online and offline communication for the 2011 fair.

### **Operations**

The CNE Operations team is currently wrapping up the last bit of paperwork and the move-out of the fair is drawing to a close. The “Chairs with Flair” program was certainly a hit with our visitors. A number of families whose children worked on the chairs attended the fair and were happy to see the chairs being enjoyed by all. Many patrons inquired about whether they could purchase these pieces of art. Staff is giving consideration to a number of options for the chairs and will communicate the next steps in this important program over the next few months.

The new CNE Express Trains were enjoyed by many of our patrons. The ride provided was certainly more comfortable for our patrons. The trains became an attraction themselves and gauging by the line-ups, they were one of our most popular rides.

While we are still awaiting the results of our waste diversion and electrical conservation programs we anticipate that the success of both these programs has resulted in a cleaner and more environmentally friendly CNE. The CNE waste diversion and electrical conservation programs were expanded at this year event with more of our partners participating in these efforts and inclusion of more public participation. With support of the CNEA foundation, we were able to hire an Environmental Management student from Dalhousie University, Lindsay Auvinen. Lindsey worked with our concessionaires and exhibitors as a resource person for our environmental efforts. This allowed us to provide support to our partners in explaining the CNE environmental program and goals along with acting as a resource in identifying environmentally friendly products and practices. An additional grant from the CNEA Foundation was used to have our environmental efforts measured against a recognized standard. An application was made prior to the fair for EcoLogo Certification and, following an on-site inspection, the CNE was awarded the certification. The CNE is the first fair in North America to receive this award and it has resulted in the CNE being recognized as the greenest fair in this hemisphere.

Staff are now fully engaged in planning for the 2011 CNE and will be updating the CNEA Directors in future management reports with progress on next year's fair.

### **Programs**

Staff are evaluating the effects and success of the 2010 CNE. While we feel overall success, there is always room for improvement. We have been receiving anecdotal reactions and using our own personal observations but we are awaiting feedback from the Program Committee and the research.

In the meantime we have finished putting the 2010 CNE away and are paying attention to the numbers. A number of lessons learned from this year are being mulled over with an eye to next year.

Some things for us to re-consider for next year include:

- The thrill acts (Sway Poles and Globe of Death) were sub-par and we will not be contracting those performers again
- The dance party planned for around the Princess Margaret Fountain during the Daily Parade was not successful. While the idea is still a sound one, the choice of artist was not the correct one.
- The Sunday performances at the Bandshell are not drawing as well as we hoped. We will investigate other ways of presenting acts on those days, perhaps earlier start times.

Some of the highlights this year include:

- Another fantastic Rising Star competition with our winners Junior Grand Champion Mackenzie Boys-Eddy and Youth Grand Champion Dylan Hayden
- The Bandshell line-up. The best audiences we had were for *Down with Webster* and *Bobby Vinton*.
- The Farm continues to improve as the packed Better Living Centre indicated
- The beach at the FlowRider attracted all ages
- The visiting artists on the International Stage from China and Uruguay were extremely popular and offered our audiences something new and exciting. These performances were better attended than our usual presentations on this stage
- *The History of Rock and Roll* exhibit had something for everyone
- The sandsculptors continue to amaze our guests
- The skating and aerial acrobatic show was the best we have offered
- The *Beautiful Women Project* evoked some powerful emotions in a lot of our guests

We have started inquiring about certain exhibits and acts for the Bandshell for next year, but we are still in the early research stages. We will be paying special attention to this year's research results as we plan for 2011.

### **Rentals**

The Rentals Department is responsible for the Art's, Crafts & Hobbies, Food Building, Shoppers Bazaar, At Home Pavilion, International Pavilion, Warehouse Outlet and Warehouse Extension... All revenue targets this year were met or exceeded.

This was the first year that the Rentals Department was responsible for the Food Building. Despite unforeseen challenges, all vacant locations were rented with the end result showcasing twelve new and attractive booths. The professionalism in which these new booths were completed resulted in other concessionaires beginning upgrades of their own to remain competitive. The Rentals Department will be discussing future upgrades with some concessionaires whose booths have become dated. It is anticipated that these upgrades will be completed over a three year period.

This year the CNE Environmental Initiatives program required all Food Building concessionaires to use only compostable food and beverage containers/utensils as well as reframing from using Styrofoam. This resulted in mostly recycling and compostable bins being put out on the show floor. Some general garbage bins were set only as an alternative for garbage brought from the outside in. In addition each concessionaire was asked to add a healthy alternative to their menu options. The Environmental Initiatives program will be rolled out to the remaining indoor exhibitors in 2011.

Overall feedback from our exhibitors/concessionaires suggested sales were on par or slightly down compared to last year's sales. Those with exhibit space inside our buildings benefited on days where we received afternoon rain.

### **Upcoming Staff Travel**

In line with previous comments regarding discretionary spending, travel has been reduced to the following schedule.

#### **The Big E: Springfield, Mass – September 2010**

Scott Lytle, Virginia Ludy and Mike Knott will be visiting the Big E, in Springfield Mass., during its run from September 17<sup>th</sup> to October 3<sup>rd</sup>. Meetings will be scheduled with the fair's Exhibitor/Vendor Management to discuss rates, application selection policies, rules and regulations etc. If time permits they will be attending some other smaller fairs in the area.

#### **Canadian Association of Fairs & Exhibitions Head Office – November 2 & 3, 2010**

Virginia Ludy, as a CAFE Board member, will be traveling to Ottawa in November to assist the head office of CAFE with the job search for a new Executive Director.

#### **CAFE and IAFE Conventions: November 2010**

The Canadian Association of Fairs and Exhibitions (CAFE) and the International Association of Fairs and Expositions (IAFE) both have their conventions in the final Quarter of the year.

The CAFE Convention is being held in Calgary, AB from November 17<sup>th</sup> to 20<sup>th</sup>, with a theme of "Best of Show". David Bednar, Virginia Ludy, as CAFE Board Director, Danielle Bourre, as Rising Star co-coordinator, and Mike Knott, who will be leading two sessions at the convention, will be in attendance at CAFE this year.

The IAFE Convention will be held once again in Las Vegas, this year from November 29<sup>th</sup> to December 2<sup>nd</sup>, with a theme of "Aim Higher". As Chair of the IAFE International Committee, Virginia Ludy and Mike Cruz will be attending this convention. Whilst in attendance, Virginia will also complete the remaining requirements of her CFE accreditation. Mike Cruz will be a speaker at a session and will also be taking a number of Fair Institute Courses which are not available on-line.

#### **World Gaming Conference – November 12 - 19**

As reported in a separate travel expense report, if approved, Sean Higgins will be attending the World Gaming Conference in Las Vegas in November.

#### **Various fairs in Southern Ontario: Autumn 2010**

Staff from every department will endeavor to attend a variety of fairs across Southern Ontario. This will provide all departments with a look at what is happening with our rural counterparts and increase opportunities to network with

Respectfully submitted,

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David Bednar  
General Manager