



Management Report

July 2010

Table of Contents:

- Executive Summary
- Casino
- Marketing
- Operations
- Programs
- Archives Exhibit
- Rentals
- Travel

Reason for Confidentiality:

The Confidential Programming Attachment to this report is confidential as it involves security of property belonging to the Canadian National Exhibition, and it is recommended that this information not be disclosed at this time, in order to protect the economic interests and competitive and legal position of the Association.

Executive Summary:

Casino

The CNE Casino will operate from August 2nd to September 6th, 2010. The Casino operations staff are wrapping up the Training School portion and are in the final stages of registering staff with the Alcohol and Gaming Commission of Ontario for the 2010 season. The 2010 hiring campaign was extremely successful, with a large portion of last year's staff returning for this year's event.

Marketing

The CNE Marketing Department is busy executing the 2010 Marketing Plan and Media Buy as approved at the March meeting of the Board. The new CNE website is now up and running. It has been completely re-designed with a cleaner more contemporary look, and the content has been re-organized so that information is easier to find for our customers. CNE Facebook and Twitter updates are now featured on our Home Page. We are currently working on an interactive calendar and site map which will be added to the web site very soon. The CNE will also be working with Cellflare, which (at no cost) will be providing CNE messages and updates to subscribers across all smart phone platforms, in return for recognition on the CNE web site, guidebook etc.

Our tickets are now on sale at TheEx.com and with our new retail partner: Mac's Convenience Stores. We are experiencing the same "start up" issues with Mac's that we have encountered with new retail partners in past, but expect to have the issues resolved very soon, long before our Early Bird Discount Advertising Campaign hits market. Our Media Buy is in the final phase of being booked; our first generic print piece is in market, and work is well underway on the CNE Guidebook, Family Fun Guide etc. This year, the daily schedule will be stitched into the middle of the Guidebook rather than handed out as a separate piece on site.

The bulk of the CNE Advertising will hit the Greater Toronto Area immediately following the Civic Holiday in August. Out of Home Advertising on Bus Kings will go up first, followed by newspaper, radio and online advertising, which will all be fully engaged by the second week in August and continue throughout the fair.

The CNE Events team has been very active in the community over the past few months attending festivals, events and Canada Day celebrations throughout the Greater Toronto Area and will continue to do so leading up to the fair.

Sponsorship – In an accompanying report "Sponsorship Update" you will note that we were at \$803,090 or 89.0% of the overall budget of \$900,000. Since the issuance of that report, we have confirmed some additional sponsorships, to the tune of \$37,212, which puts us at \$840,302, or

93.4% of the overall 2010 objective. It is anticipated that we will fulfill our overall objective of \$900,000.

Operations

Chairs with Flair - The “Chair with Flair” art competition took place the third week of June. A total of 148 Muskoka Chairs were submitted for judging. The chairs were decorated by elementary school children from across the Toronto District School Board. Volunteer judges from the Art Gallery of Ontario, Toronto District School Board and Field Day Inc (our creative agency of record) spent the morning of June 18th judging the chairs. The best three chairs from the primary grades and best three chairs from the junior grades were selected along with seven honourable mentions from the two categories. The winning chairs and honourable mentions will be featured in a special display in the Direct Energy Centre during the CNE. The remainder of the chairs will be distributed throughout the grounds for use by our visitors.

New Express Trains - Two of the new express trains arrived early from the manufacturer in the middle of June. Staff is waiting for the delivery of the remaining three. Once delivery of all units has been made, special training sessions have been arranged with the manufacturer to train drivers and mechanical staff. Field Day Inc. our creative agency of record is developing the creative wrap for each of the trains. The new Express Trains will be featured in our opening ceremonies and are sure to be a highlight of this year’s EX.

New Location of CNE Cash Office - CNE staff has been working with Exhibition Place staff in relocating the CNE cash office from its current location to an area that is larger and more centralized. Some funding through the ISF program has been identified to support this relocation. Staff is currently compiling all costs to see if the project is feasible at this time.

Environmental Initiatives - Staff is currently working on a guidebook to assist exhibitors in being good environmental stewards. The audit program is currently being developed to measure compliance with the CNE environmental rules governing refunds of environmental projects. The Environmental Sustainability Coordinator has also been working with the Rentals Department in planning how to roll out the next stage of the environmental deposit program to include all concessionaires and exhibitors.

CNE staff has been working with Exhibition Place staff in the development of mobile 3 kw solar photovoltaic system that can be used to power small stages. CNE Operations staff first saw similar mobile units while touring the Marin County Fair in California last year and later in the season at the IAFE trade show. Exhibition Place staff has been successful in securing a local firm, Solar Semiconductor, who has donated the panels, electrical components and staff to build the unit. Exhibition Place has provided the trailer on which the unit will be housed. The unit will make its debut at the 2010 CNE.

Preparation for CNE Move-In - The CNE Operations staff has been hosting production meetings with key Exhibition Place staff, Safety Engineers and CNE staff. These meeting provide an opportunity for CNE staff to update the various Exhibition Place Departments on the plans for this year’s fair and a forum for any challenges or problems to be discussed. CNE staff is currently completing the submission of work orders and event plans with the move-in commencing in the last week of July for the CNE Horse Show.

Safety - The CNE Operations department is just finalizing plans for this year health & safety orientation programs for outside suppliers and contractors. The purpose of this program is to

ensure that proper documentation is on file as per requirements under the Ministry of Labour regulations and to provide an opportunity for our consultants to outline key areas they will be focusing on in their inspections of the site.

A preliminary meeting was held with various departments of the Technical Standards and Safety Authority, who oversee the inspection and operation of amusement devices, fuels, pressure vessels and stuffed goods and articles, and the Electrical Safety Authority. Key staff and contractors met with the two authorities to review plans for the upcoming CNE.

The annual CNE Transportation meeting was held early this year so as not to conflict with G20. Staff met with representatives of the three emergency service providers (Police, EMS and Fire) along with representatives from Ontario Place, GO Transit, TTC, City Transportation, contracted security providers, and representatives from Exhibition Place, to review plans for this year, discuss changes to the CNE traffic management plan and provide briefing materials .

Meetings will be held later this month with City of Toronto Building and Inspections Departments to review all structures being used at the Fair and to identify those which will require building permits. The City of Toronto Health Department/CNE Food Handlers courses will be conducted in the early part of August for all food handlers at the Fair.

Programs

The Program Staff have completed most of the bookings for this year's fair (Please see attached confidential Programming Overview for details (Appendix C - Confidential) and are still finalizing some last minute surprises. You will see that we added Jamie Sale and David Pelletier as guest skaters for the first two weekends.

The CNE is offering Movies under the Stars and Summer Concerts for free to the public in Centennial Park. Please see attached Appendix B for full details.

We have been working with community groups to further the CNE's link with the community at large. These include the International Festival of Authors readings, First Robotics – High school robotic competitors, Green Day and more to come.

Archives Exhibit: - Located in the Swing Space of the Direct Energy Centre and entitled "Love, Longing and Lust at the CNE," the Archives' exhibit will explore the role the Ex has played in bringing couples together since 1879. Subsections within the exhibit may include:

- "Tell Us Your Story" where visitors will be able to post their stories on how they met the love of their lives at the CNE, or how they came to the Ex looking for love.
- The midway as a flirting and/or mating magnet for the young.
- Rides on the midway as an opportunity to get close, such as the Flyer or Laff in the Dark.
- The seamier side of love on the midway such as shows featuring exotic showgirls.
- Nudes at the art gallery as an innocent way for the young to expand their knowledge about life and love.
- Weddings bells at the CNE including the chapel in Stanley Barracks which held a number of wartime weddings and the more recent event called Marriage on the Midway.
- Fashion and cooking shows for brides-to-be.
- Exhibits featuring advice to the newly married on setting up a home and sticking to a budget.

- Palm readers at the CNE foretelling of love and adventure.
- Spectators sports such as weightlifting and aquarama and the parade of beautiful physiques.
- Concerts and dances offering opportunities to meet new people or enjoy time with a loved one.
- Exhibits staffed by lovely young ladies (and the odd gentlemen) dressed or posed in such a way as to appeal to the opposite sex, such as the female models draped over cars at the Auto Show.

To enhance the exhibit, staff have also arranged for a number of events to take place on the Courtyard Stage located to the west of the Archives' exhibit area. This will include Speed Dating on Wednesday & Thursday evenings and talks by paranormal researcher, Richard Palmisano followed by haunted tours of the CNE grounds on the two Tuesdays during the Ex (a "great date" experience).

Staff will also endeavor to raise funds for the CNE Foundation during the Ex by:

- Continuing the tote bag project that has proven quite successful in the past three years.
- Selling duplicate CNE memorabilia donated by a private donor including some old CNE medallions.
- Selling duplicate CNE memorabilia culled from the Archives' collections.
- Selling a brief publication summarizing the nature of paranormal activity on the CNE grounds written by Richard Palmisano.

As in past years, we have hired an intern from the Museums Studies Program at the University of Toronto to act as Exhibit Coordinator. This year, our intern is Meaghan Froh. Meaghan will receive a stipend through the University of Toronto, but Exhibition Place will also contribute to her salary.

Rentals

The Rentals Department continues to work closely with the Operations Department in the transition of the Food Building and Outdoor retail responsibilities. Sales in both areas are on track with last year's May numbers. Sales figures in the Art's, Crafts & Hobbies, Shoppers Bazaar, At Home Pavilion, International Pavilion and Warehouse Outlet/Extension are also on track with last year's figures and it is anticipated that all revenue targets will again be achieved this year. Please see attached Appendix A for details.

Applications continue to be processed and we are confident that all revenue lines will be achieved in all pavilions including Food Building.

Upcoming Staff Travel

Calgary Stampede: Calgary, AB – July 2010

Karen Bradford will be traveling to Calgary to see the new Ice Skating Show (by the same firm who will be supplying our skating show in 2010) and Danielle Bourre will visit to review their youth talent contest. Both staff will also take the opportunity to visit the Stampede.

Canadian Association of Fairs and Exhibitions – Board Meeting: Ottawa, ON - September

As the CNE representative for CAFE, Virginia Ludy will be attending CAFÉ Board meeting in September in Ottawa.

International Festivals Conference: St. Louis, Missouri – September 15-17

This year's annual IFEA Convention & Expo (International Festivals & Events Association) will be held in St. Louis in mid-September. Entitled "The Gateway to New Ideas", this year's convention will provide an excellent opportunity to network, share and discuss new ideas, trends, challenges, opportunities, creativity and possibilities as we look to the future. Zis Parras, Karen Bradford and a yet-to-be-confirmed representative of the Operations department will be attending the convention this year.

The Big E: Springfield, Mass – September 2010

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

International Entertainment Buyers Association: Nashville, TN - October 3 – 5, 2010

Danielle Bourre will be attending this year to review new possibilities for 2011. This convention is a network for talent buyers, concert promoters, agents, managers, artists and other related entertainment professionals.

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. Attendance at these conventions usually depends on the financial success of the fair, and therefore is decided later. If revenue targets are achieved, we will send five or six delegates to both events. Exactly which staff members attend will be decided later depending on factors such as trade show and education sessions offered at each event.

The CAFE Convention is being held in Calgary, AB from November 17th to 20th, with a theme of "Best of Show". 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 definitely be in attendance at CAFE this year (Danielle's attendance is paid by the convention board).

The IAFE Convention will be held once again in Las Vegas, this year from November 29th to December 2nd, with a theme of "Aim Higher". As Chair of the IAFE International Committee, Virginia Ludy will be attending this convention. Whilst in attendance, Virginia will also complete the remaining requirements of her CFE accreditation.

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,

David Bednar
General Manager



Appendix A

Building Rental Summary as at July 8, 2010

Building	2009 Budget	2009 Achieved To Date	2009 Total Achieved	2010 Budget	2010 Achieved To Date
Arts, Crafts, Hobbies/ Streetscape QE Bldg	\$308,407	\$305,011 99%	\$307,869 100%	\$314,575	\$301,890 96%
At Home / Shoppers NTC - A	\$893,957	\$841,880 94%	\$899,846 101%	\$911,836	\$873,161 96%
Outdoor Retail Outdoor Sites	\$177,965	\$191,480 108%	\$191,481 108%	\$181,524	\$225,500 124%
International Pavilion NTC - B	\$818,515	\$779,270 95%	\$815,277 100%	\$834,886	\$832,602 100%
Warehouse Outlet and Extension	\$340,676	\$386,625 113%	\$403,623 118%	\$347,490	\$394,369 113%
Food Building	\$896,100	\$644,113 72%	\$889,997 99%	\$905,061	\$889,364 98%
Rentals Totals:	\$3,435,620	\$3,148,379 92%	\$3,508,093 102%	\$3,495,372	\$3,516,886 101%

TUESDAYS in CENTENNIAL SQUARE*

FREE MOVIES IN THE PARK

All Showings at
DUSK
Approx. 9:00pm

*Dates during the CNE will be showing at the BANDSHELL

Pre CNE at CENTENNIAL SQUARE

July 6th	Night at the Museum 2
July 20th	Diary of a Wimpy Kid
July 27th	Percy Jackson & The Olympians: The Lightning Thief
Aug 3rd	How to train your Dragon

During the CNE at the BANDSHELL

Aug 24th	Alice in Wonderland
Aug 31st	Avatar

THURSDAYS in CENTENNIAL SQUARE

FREE CONCERTS IN THE PARK

All Concerts at
7:30PM



7th Toronto Regiment
Royal Canadian Artillery Band

Thursday, July 8th



Governor General's
Horse Guards Band

Thursday, July 22th



Queen's Own Rifles
of Canada Band

Thursday, July 29th



Royal Regiment
of Canada Band

Thursday, Aug 5th

For more information visit THEEX.COM
or call 416.393.6300

LET'S GO TO THE EX
CANADIAN NATIONAL EXHIBITION
Aug 20 - Sept 6/10
THEEX.COM