



# Exhibition Place

**ACTION REQUIRED**

## Item No. 34

December 2, 2011

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Show Display Services Agreement – GES Canada**

### Summary:

This report recommends the Board enter into a four (4) year agreement with GES Canada (“GES”) as the “Official show display service provider” to Exhibition Place including Direct Energy Centre and the Allstream Centre.

### **Recommendations:**

**It is recommended that the Board approve:**

- 1) **An agreement GES Canada for a period of four (4) years commencing January 1, 2012, on the terms and conditions outlined in this report and such terms and conditions satisfactory to the CEO and the City Solicitor; and,**
- 2) **The confidential information in Attachment 1 not be released publicly in order to protect the competitive position and the future economic interests of Direct Energy Centre and Allstream Centre at Exhibition Place**

### Financial Impact:

Approval of the agreement between the Board and GES will result in a positive income stream to Exhibition Place and the Allstream Centre in accordance with the 2012 operating budget and as outlined in the confidential Attachment 1 to this report.

### 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.*

At its meeting of November 4, 2011, the Board approved a three-month extension with GES as the Official supplier of display show services within the Direct Energy Centre under the same terms and condition as the previous agreement. The term of that extension expires on December 31, 2011.

### Issue Background:

A Request for Proposal (RFP) was issued through the City of Toronto Purchasing Department for Show Display Services. The RFP was for the Direct Energy Centre and Allstream

Conference Centre at Exhibition Place and did not apply to the CNE, the RAWF, the Ricoh Coliseum, and the Honda Indy. The RFP also reserved the right to reject any or all proposals.

Once submissions were received, staff reviewed all proponents with emphasis on experience, service levels, pricing and incremental revenue to the Board. All proponents, as required by the RFP, must abide by all collective agreements at Exhibition Place and comply with the Fair Wage policy of the City of Toronto. The services being recommended in this report are ones that are incremental to services provided by Exhibition Place.

The designation of “Official Supplier” is an accepted industry practice and is utilized by other trade and consumer show venues, such as the Metro Toronto Convention Centre. The designation has been very beneficial for the DEC and allowed it to (i) earn an incremental revenue stream; (ii) participate in cooperative marketing and sales initiatives; and (iii) provide clients with an opportunity to utilize the benefits associated with “one-stop shopping”.

Proposals for show display services were submitted by one (1) proponent which is a major provider of this service in the industry. It is recommended that the Board enter an agreement with GES as the "Official Supplier" of Show Display Services. The commission to be received from GES is outlined in the confidential attachment to this report. In addition, GES will provide \$10,000 free products and services to the DEC annually, and will provide a discount to the DEC for services provided to the Board as outlined in the confidential Attachment 1 to this report.

Comments:

The substantial terms and conditions of this agreement are as follows:

- (a) Term: Four (4) years, commencing January 1, 2012 and expiring on December 31, 2015.
- (b) Rights: To be the Official Supplier of Show Display Services in the Direct Energy Centre and the Allstream Centre which services include planning and design, floor marking, the provision of exhibit booths (both drape and hard wall), carpet, plants and flowers.
- (c) Fees: Per the submitted RFP response
- (d) Reporting/Auditing Requirements: As required to allow the Board to determine and confirm amounts payable under the agreement.
- (e) Taxes: GES shall be responsible for payment of all taxes, rates and assessments levied with respect to its activities and presence on the grounds.
- (f) Office Space: GES shall be given the right to occupy office space within the DEC for the sole purpose of providing the services permitted under the agreement, subject to such terms and conditions as may be required.
- (g) Equipment/Expenses: GES shall provide and maintain all equipment and furnishings required for its purposes and be solely responsible for the payment of all expenses and costs associated with its operations, including utility costs to occupy its office space.
- (h) Rates: All rates to be charged to exhibitors or other persons shall be as set out in the agreement.
- (i) Joint Marketing Initiatives will be mutually agreed by the parties.
- (j) Indemnity/Insurance: GES shall indemnify the Board and City of Toronto with respect to any and all expenses, costs or claims as a result of GES's exercise of its rights under the agreement or use of the grounds. GES shall provide sufficient insurance in such form and amount as required by the CEO, in consultation with the City's Insurance & Risk Management Group.

- (k) Union Obligations: GES shall comply with all trade union/association agreements affecting work done on the grounds.
- (l) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the General Manager and the City Solicitor.

Contact

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Submitted by:

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