

June 6, 2011

**ACTION REQUIRED**

To: The Board of Governors of Exhibition Place

From: Dianne Young  
Chief Executive Officer

Subject: **National Post Sponsorship Agreement – Direct Energy Centre**

Summary:

This report seeks approval of a one-year sponsorship agreement between the Board and National Post for the period of July 1, 2011 to June 30, 2012, with an option to renew for 2012 and 2013, as the Official Newspaper for Direct Energy Centre (DEC).

**Recommendations:**

**It is recommended that the Board:**

- (1) Approve a one-year sponsorship agreement, with the option to renew for an additional two years, with National Post on the terms and conditions outlined in this report and any such other terms and conditions satisfactory to the Chief Executive Officer and 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.**

Financial Impact:

The agreement recommended in this report provides revenue to the Board over the term of the sponsorship agreement.

Decision History:

At its meeting of July 17, 2006, the Board approved a three-year sponsorship agreement with the Toronto Star for 2007, 2008 and 2009, which agreement has since expired. Since that time, Direct Energy Centre has had no “Official Newspaper”.

Issue Background:

Over the last two years, all Canadian newspaper media outlets have gone through some major downsizing and advertising revenue reductions and the previous sponsorship with Toronto Star was not renewed and therefore, other newspaper media outlets were approached.

Comments:

Over the years the National Post has had promotional arrangements through various shows and events at Exhibition Place, including the annual CNE. The experience with the National Post has always been a very positive one for both the CNE and the Post and the National Post is now interested in becoming a sponsor to Direct Energy Centre is a very positive development at this time.

The proposed terms and conditions of an agreement between the Board and National Post are as follows:

- A. Term: The term of this Agreement shall be the period commencing July 1, 2011, and concluding June 30, 2012, with the option of renewing for the two following years. Both parties will have a 30-day escape clause. (Collectively the "Term").
- B. Entitlements: Throughout the Term, National Post will have the following sponsorship entitlements within the DEC:

Including the logo, trademark, trade name or image promoting the National Post as Official Newspaper in the form provided by the National Post as follows:

- On the DEC website, including a hot link from the partners page to National Post website;
- On marketing materials and media releases as appropriate;
- Permitting the National Post, to promote the "Official Newspaper" designation and use the DEC trade names and logos in the National Post's promotion and marketing materials solely with reference to its role as Official Newspaper of the DEC;
- First right of negotiation for a further agreement for the same integrated partnership package;
- Provide the National Post with booth space for sales and promotional opportunities in the common areas of the Galleria;
- Allow the placement by the National Post of ten (10) terminals, positioned in mutually agreed locations provided that the costs of installation and removal shall be the sole responsibility of the National Post. This quantity may be adjusted to meet additional demand with prior written acceptance by the DEC;
- Allow the National Post to display a portable style booth that will be displayed during the CNE timeframe in a mutually agreed location near the terminals;
- Permit the National Post placement of one (1) podium in the galleria area in a mutually agreed location near the terminals during all shows; and
- Provide the National Post with a contact list of all other DEC sponsors.

### Promotional Opportunities

- Allow the National Post to use the main Galleria lobby (public access to tradeshow events) for promotional display booths and distribution of newspapers, except during the period of the Honda Indy and the Royal Agricultural Winter Fair;
- Allow the National Post to undertake third party cross-promotional opportunities (e.g. bag National Posts; prepared samples in plastic bags); It is agreed that any third party partners must be approved in advance, in writing, by the DEC;
- Promote the services of the National Post to major international show producers and their exhibitors as identified by the National Post by distributing any marketing material provided by the National Post;
- National Post racks (different from the terminals) can be displayed during all shows (in the galleria), except during the Canadian National Exhibition; a maximum of 4 can be displayed;
- Provide the National Post with sampling opportunities (e.g. newspapers to be purchased by third parties) during DEC events. It is agreed that any third party partners must be approved in advance, in writing, by the DEC; and
- Explore and discuss ideas such as National Post ambassadors, demonstrations and prizing.

### Advertising

- Grant the National Post the right to place signage within Exhibition Place and the DEC at the locations listed below, provided that the costs of producing such signage and the cost of installation and removal shall be the sole responsibility of the National Post: Two (2) illuminated sign boxes, including one (1) in Hall A (west wall and Galleria entrance), one (1) in the main Galleria entrance near Hall C, and one (1) inside the main lobby to Allstream Centre;
- Two (2) promotional banners in the Galleria, which shall be relocated from time to time due to major show restrictions; and
- Two (2) directory map ads in the Galleria

Entertainment/Hospitality: Throughout the Term, the Sponsor will have the following rights and privileges:

- Four (4) annual parking passes to Exhibition Place; excluding the Honda Indy, Royal Agricultural Winter Fair included;
- A maximum of thirty-two (32) tickets to eight (8) events at the DEC in lots of four (4) per event; and
- Usage of a DEC or Allstream Centre exhibit hall or conference room free of charge for one day annually.

- C. Union Agreements: National Post shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- D. Assignment: The agreement between the Board and National Post shall not be assigned by National Post without the consent of the Board.
- E. Taxes: National Post shall be responsible for the payment of any and all rates, taxes or assessments that are imposed upon the Board or Ricoh by any taxing authority having jurisdiction.

- F. Insurance/Indemnity: National Post shall provide proof of insurance in a form and amount satisfactory to the Board 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 Board shall be entitled to thirty days notice of any intention to cancel or not to renew the policy. National Post 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 National Post, or its employees or any other person for whom it is in law responsible, in the exercise of its rights under the agreement.

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