



Exhibition Place

Item No. 22

April 26, 2011

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Westin Harbour Castle – CNEA Sponsorship Agreement**

Summary:

This report seeks approval of a sponsorship agreement between the CNEA and Westin Harbor Castle (WHC) for the period of the annual Fair in 2011, 2012, 2013 and 2014.

WHC has been a sponsor of the CNEA since August 2009 with the most recent agreement expiring on September 6, 2010. CNE staff have been in negotiations with WHC and are recommending a continuation of the sponsorship relationship with WHC as the Official and Exclusive Hotel Sponsor.

Recommendations:

It is recommended that the Board, subject to the approval of the CNEA Board at its meeting of May 12, 2011:

- (1) Approve a four-year agreement between the CNEA and WHC, as outlined in this report and on such terms and conditions satisfactory to the CNEA General Manager and the CNEA 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 CNEA and the Board.**

Decision History:

At its meeting of May 12, 2011, the Board of Directors of the CNEA will consider the recommendations in this report, wherein the Chair will report the decision of the CNEA Board to the Board at its meeting of May 13, 2011.

Pursuant to CNEA Bylaws any agreement in excess of 1 year must be approved by the Board of Governors of Exhibition Place.

Issue Background:

The sponsorship relationship with WHC has been a very positive one for the CNE. The proposed terms and conditions of an agreement between the CNEA and WHC are very similar to the previous agreement (although the sponsorship revenue has increased substantially).

Comments

The terms and conditions of the proposed agreement are as follows:

(a) The CNEA will provide the following sponsorship entitlements to the WHC:

- 350 General Admission Passes to be built into guest packages.
- 500 Kids Passes valued to build into guest packages.
- Westin Harbour Castle tiles ad on Special Offers page with link
- Will facilitate co-promotion with one of our radio partners for a family Weekend package to be won at the Westin Harbour Castle.
- Entitlement for hotel to sell admission and ride passes to guests and staff at the Corporate Program discount of 33% (approx).
- A guarantee of a minimum of 900 room nights during the 18 days of the fair leading up to Labour Day at a rate not to exceed \$99.00 per night to be reviewed monthly between WHC and CNE staff. Contract for following year to be reviewed by October 31st whereby each party will have an opt out option.
- Usage of CNE name and logo.
- Listing as the Official Hotel of the Canadian National Exhibition.
- Corporate logo recognition on Lakeshore Blvd.
- Corporate logo on Sponsor Boards, prominently located on the Food Building.
- Corporate logo recognition on all Grounds and Train Route Maps.
- Corporate logo recognition on Information booths throughout the grounds
- Corporate logo recognition on CNE Program (Quantity – 1,250,000 approx).
- Sponsorship recognition in all related CNE literature.and linkage on CNE website

(b) Union Agreements: the Westin Harbour Castle shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.

(c) Assignment: The agreement between the Board and the Westin Harbour Castle shall not be assigned by the Westin Harbour Castle without the consent of the Board.

(d) Taxes: the Westin Harbour Castle shall be responsible for the payment of any and all rates, taxes or assessments that are imposed upon the Board by any taxing authority having jurisdiction.

(e) Insurance/Indemnity: The Westin Harbour Castle 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. the Westin Harbour Castle 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 the Westin Harbour Castle, or its employees or any other person for whom it is in law responsible, in the exercise of its rights under the agreement.

Contact:

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Dianne Young
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