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January 20, 2003

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: **Official Supplier Agreement for Audio-Visual Technical Production Services and Equipment Rentals**

**Recommendation:**

It is recommended that the Board approve of entering into a new agreement with Parallel Production Services ("Parallel") for one year as the official supplier for audio-visual technical production services and audio visual equipment rentals at Exhibition Place on the terms and conditions set out in this report and such other terms and conditions satisfactory to the General Manager & CEO and the City Solicitor.

**Background:**

At its meeting of January 18, 2000 the Board gave approval to enter into a one-year agreement with Parallel with an option to renew for two years. At its meeting of February 23, 2001 the Board approved the additional two year term.

**Discussion:**

The Parallel agreement was entered into to provide one stop shopping for clients within the NTC as well as attempting to achieve the following benefits:

- Incremental revenue from technical equipment rental beyond existing in-house rentals and for production services to clients;
- improved customer service to clients and increase the "one-stop" shopping menu provided at the NTC;
- access to new clients through marketing initiatives of the official supplier;
- access to expanded state-of-the-art technical equipment; and

- access by NTC, CNEA and the Board to production and technical services and equipment at reduced rates.

Staff at Exhibition Place and the NTC has agreed that having Parallel as an Official Supplier has been beneficial from both a financial and service perspective. Staff is recommending the Board enter into a new agreement with Parallel but the new agreement only be for a one-year term as with the new Coliseum Arena being constructed at this time, staff will be reconsidering this entire service area in conjunction with the new arena. The essential terms and conditions of the agreement are as follows:

- (a) Parallel is the "Official Supplier" (not exclusive supplier) of audio-visual technical production services and audio-visual equipment rentals at Exhibition Place;
- (b) Parallel pays the Board a 20% commission on all gross revenues earned on sales of production services;
- (c) Parallel pays the Board a 80% commission on all gross revenues earned on rental of Board equipment;
- (d) Parallel provides a 25% discount for A/V technical production services provided to the Board and 30% discount for all Parallel equipment.

Conclusion:

This report recommends that the Board approve a one-year agreement with Parallel to be the official supplier for audio-visual technical production services and audio-visual equipment rentals at Exhibition Place. Mr. Ernest Vincent is in agreement with the terms and conditions outlined in this report.

Contact:

Arlene Campbell, Director of Finance & AGM,

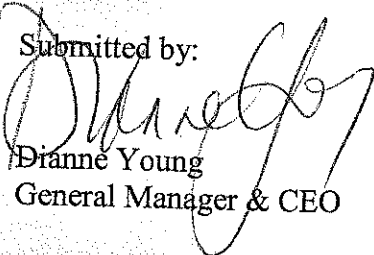
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Submitted by:

  
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