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## EXHIBITION PLACE

January 11, 2000

To: The Board of Governors of Exhibition Place

From: Fatima Scagnol  
Corporate Secretary

Subject: Marketing Contracts – CNE 2000, 2001, 2002

### Recommendation:

**It is recommended that the Board of Governors concur with the recommendation of the Board of Directors of the CNEA with respect to entering into three-year agreements (2000, 2001, and 2002) with Stubbs Chapman, Echo Advertising, Holmes Creative, and Group Sales International.**

### Background:

The attached report, which is self-explanatory, will be considered by the CNEA Board of Directors at its meeting scheduled for Thursday, January 27, 2000. The recommendation of the CNEA Board will be reported orally by the Chair at the January 28<sup>th</sup> Board of Governors meeting.

### Discussion:

Given that the term is beyond one year, the foregoing requires approval of the Board of Governors.

### Conclusion:

This report recommends that the Board authorize three-year Marketing Contracts with the above-noted organizations for the CNEA.

Submitted by:

Fatima Scagnol  
Corporate Secretary

Reviewed by:

Dianne Young  
Interim General Manager

att.



December 7, 1999

To: The Executive and Board of Directors  
Canadian National Exhibition Association

From: David Bednar  
General Manager

Subject: Marketing Contracts – for CNE 2000, 2001, 2002

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**Recommendation:**

It is recommended that the Executive Committee and Board of Directors approve:

- (a) entering into three-year (2000, 2001, 2002) Marketing Contracts with Stubbs Chapman for Creative and Artistic services, Echo Advertising for Media Buyer services, Holmes Creative Communication for Media and Public Relations services and Group Sales International to solicit groups to purchase advance tickets, for subsequent approval by the Board of Governors of Exhibition Place; and
- (b) rescind its resolution of November 15<sup>th</sup>, 1999 with respect to the Marketing Contracts – CNE 2000 report attached as Appendix “A”.

**Background:**

At its meeting of November 15<sup>th</sup>, 1999, the Board entered into a discussion wherein the General Manager was directed to negotiate with the above-noted firms for a further two years based on the same terms and conditions of the agreement approved by the Board for the 2000 CNE.

The Board’s resolution of November 15<sup>th</sup> was as follows:

That report no. 9 dated October 27, 1999 from the General Manager be approved, thereby authorizing contracts with Stubbs Chapman, Echo Advertising, Holmes Creative Communication and Group Sales International for the CNE 2000; and **FURTHER** that, the General Manager determine if there is value to longer term Marketing Contracts for subsequent reporting to the Board.

**Discussions:**

Following the Board's direction, meetings have been held with our marketing partners regarding the value of three-year contracts. As a result, three year agreements have been negotiated which, if approved, will save the Board a total of at least \$20,835 over the next three years.

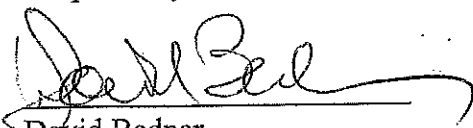
The following chart illustrates savings over the term of the three year agreements compared to original submissions presented to the Board at the November 15<sup>th</sup> meeting, assuming that there would otherwise be no increases if these contracts were re-negotiated yearly.

Marketing Partner	Original Submission (one year contract)	Submission based on 3 year Agreement	Savings
Stubbs Chapman	\$56,500	2000 - \$54,500 2001 - \$54,500 2002 - \$54,500	\$2,000 \$2,000 \$2,000
Echo Advertising	\$45,000	2000 - \$40,000 2001 - \$43,000 2002 - \$46,000	\$5,000 \$2,000 <\$1,000>
Holmes Creative Communications	\$66,000	2000 - \$65,000 2001 - \$65,000 2002 - \$65,000	\$1,000 \$1,000 \$1,000
Group Sales International	\$19,285	2000 - \$17,340 2001 - \$17,340 2002 - \$17,340	\$1,945 \$1,945 \$1,945
Minimum Total Savings			\$20,835

In December 1998, Requests for Expression of Interest were issued for media buying and media relations services. Proposals were received and following extensive review, the above listed diverse group of marketing professionals was presented to and approved by the CNEA Board of Directors at their February 11<sup>th</sup>, 1999 meeting. The assembly of this group in its inaugural year significantly changed the methods of marketing the CNE producing results that strongly supported the objectives and strategic direction of the Marketing Plan.

A three year term with these marketing partners will prove to be cost effective and will continue to strengthen the effectiveness of marketing.

Respectfully submitted



David Bednar

General M. The foregoing report was reviewed by the Executive Committee at its meeting held on December 15, 1999 and is recommended to the Board of Directors for APPROVAL, for subsequent approval by the Board of Governors; and FURTHER that all contracts contain performance clauses related to key personnel.



October 27, 1999

To: The Executive and Board of Directors  
Canadian National Exhibition Association

From: David Bednar  
General Manager

Subject: Marketing Contracts - CNE 2000

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**Recommendation:**

**This report is submitted for the approval of the Executive Committee and the Board of Directors.**

The following recommendations are made for approval:

- 1) The renewal of Stubbs Chapman's contract, to provide Creative and Artistic services, for a one-year period commencing January 1, 2000 on terms similar to the 1999 contract and a fee not to exceed \$56,500.
- 2) The renewal of Echo Advertising's contract, to provide Media Buyer Services for the 2000 CNE, on terms similar to the 1999 contract for a fee not to exceed \$45,000.
- 3) The renewal of Holmes Creative Communication's contract, to provide Media and Public Relations Services for the 2000 CNE, on terms similar to the 1999 contract and a fee not to exceed \$66,000.
- 4) The renewal of Group Sales International's contract to provide a team of qualified staff for a seven month period, to solicit groups to purchase advance tickets to the 2000 CNE at a fee not to exceed \$19,285 plus a commission fee equal to ten percent of net revenue.

**Background / Discussion:**

Derek Chapman (Stubbs / Chapman) has provided Creative and Artistic services to the CNEA for three years. In 1998, the CNEA won two awards at the IAFE Convention for our marketing efforts. These awards were presented for Outstanding Multi Page Publication (for our guidebook), and Outstanding Television Spot. In 1999, Mr. Chapman developed a new graphic look that was implemented in all advertising and marketing of the CNE including point of sale

material and the web site. The CNE web site was awarded the "Ask Jeeves Silver Platter" and "Web This Week" awards acknowledging web site excellence. Derek has consistently exceeded the demands of his contract and made himself available for consultation and assistance.

Echo Advertising provided the media buying services including media strategy development, cost negotiations, analysis of research, liaison with media to use paid advertising to encourage promotional media coverage of the CNE. Their efforts resulted in providing the CNE with an advertising campaign that increased the efficiency of our media advertising buy through a more focused approach targeting designated markets while generating early awareness.

Holmes Creative Communications conducted a media and public relations campaign which more than doubled coverage of the CNE over previous years, increasing coverage in the GTA, Golden Horse and U.S. border cities. They expanded the traditional media coverage of the CNE targeting a broader base of media categories, eg. Ethnic Media, Music Media, Sports, Seniors, Agriculture, Aviation, Gardening/Home Design, etc. For 2000 we are planning to continue increasing our awareness in the varied cultures in our city, and Holmes Creative Communications have shown themselves to be a dedicated part of our team.

Group Sales International worked closely with CNE staff to actively pursue new group sales business resulting in ticket sales of approximately \$36,000. GSI targeted and initiated direct mail campaigns, fax broadcasts, etc. in the youth, travel trade and corporate markets. They were instrumental in partnering the CNE with two tour operators to leverage sales activities in the "day trip Buffalo market" and the "overnight Detroit market". GSI will continue to play a pivotal role in assisting the CNE in recapturing visitors from the non-GTA and U.S. border markets.

Conclusion:

This report recommends the renewal of a group of contractual services which, along with staff, will promote and market the CNE effectively and efficiently in the new year. Except for minor additions to cover retainers for the off season (totalling \$8,000), the costs are the same as 1999.

Respectfully submitted,

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David Bednar  
General Manager

