



September 12, 2007

To: The Board of Governors of Exhibition Place

From: Dianne Young, CEO

Subject: **Extension of Official Supplier Agreement with GES Canada**

**Purpose:**

This report recommends the Board extend the current three year agreement with GES Canada ("GES") as the "Official show display service provider" to Exhibition Place including Direct Energy Centre" for an additional six (6) month period terminating on June 30, 2008.

**Financial Implications and Impact Statement:**

Approval of the extension of the agreement under the same terms and conditions of the previous agreement between the Board and GES will result in a positive income stream to the DEC of approximately \$45,000 which sum is included within the 2008 Operating Budget.

**Recommendations:**

**It is recommended that the Board extend the current agreement with GES as the Official Show Display Service Provider for a six (6) month period to June 30, 2008 on the same terms and conditions as set out in this report and the current approved agreement.**

**Background:**

At the December 10, 2004 meeting of the Board, approval was given to enter into a three (3) year contract for an official supplier of display show services within the DEC. The term of this contract is set to expire on December 31, 2007.

**Comments:**

Staff is awaiting the confirmation of the Conference Centre construction in the Automotive Building before going out to the marketplace to explore potential options. The new Conference Centre will secure additional events to the grounds upon completion and could therefore provide significant new revenue stream for show display services and at the same time provide additional opportunities for third party providers to offer more fees to the Board. In order to finalize negotiations respecting the terms of a new arrangement, Exhibition Place staff are

recommending the extension with GES on the same terms and conditions as in the present agreement which are as follows:

- (a) Term: Six (6) months, commencing January 1, 2008 and expiring on June 30, 2008. Excludes rights during the Grand Prix, Royal Agricultural Winter Fair, CNE and within the Ricoh Coliseum.
- (b) Rights: To be the Official Supplier of Show Display Services in the DEC 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 for the 3<sup>rd</sup> year of the agreement
- (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 NTC 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.
- (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, City of Toronto and Arcturus-SMG Canada 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 CEO and the City Solicitor.

Conclusion:

This report recommends that the Board extend the current three year contract for an additional period of six (6) months for Official Supplier status with GES, under the terms and conditions outlined in this report

Contact:

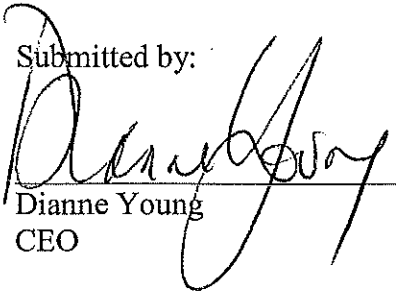
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Submitted by:

A handwritten signature in cursive script, appearing to read "Dianne Young". The signature is written in black ink and is positioned to the right of the printed name and title.

Dianne Young  
CEO

