

# *HECFI Review*

*General Issues Committee Jan. 31, 2013*

## **Hamilton Entertainment and Convention Facilities Inc.**



**COPPS COLISEUM · HAMILTON CONVENTION CENTRE · HAMILTON PLACE · THE MOLSON CANADIAN STUDIO**

**[hecfi.ca](http://hecfi.ca)**

# Agenda

1. Opening Remarks
2. Operational Highlights
3. Financials
4. Q & A

# What have we accomplished?

## Operational Highlights

# 1. **Cost Containment (salaries, operating expenses, process improvements)** <sup>3</sup>

**We have continued to reduce the Municipal Operating Contribution:**

2011 vs. 2010 = approx. \$1.2 M reduction

2012 vs. 2011 = approx. \$900K further reduction

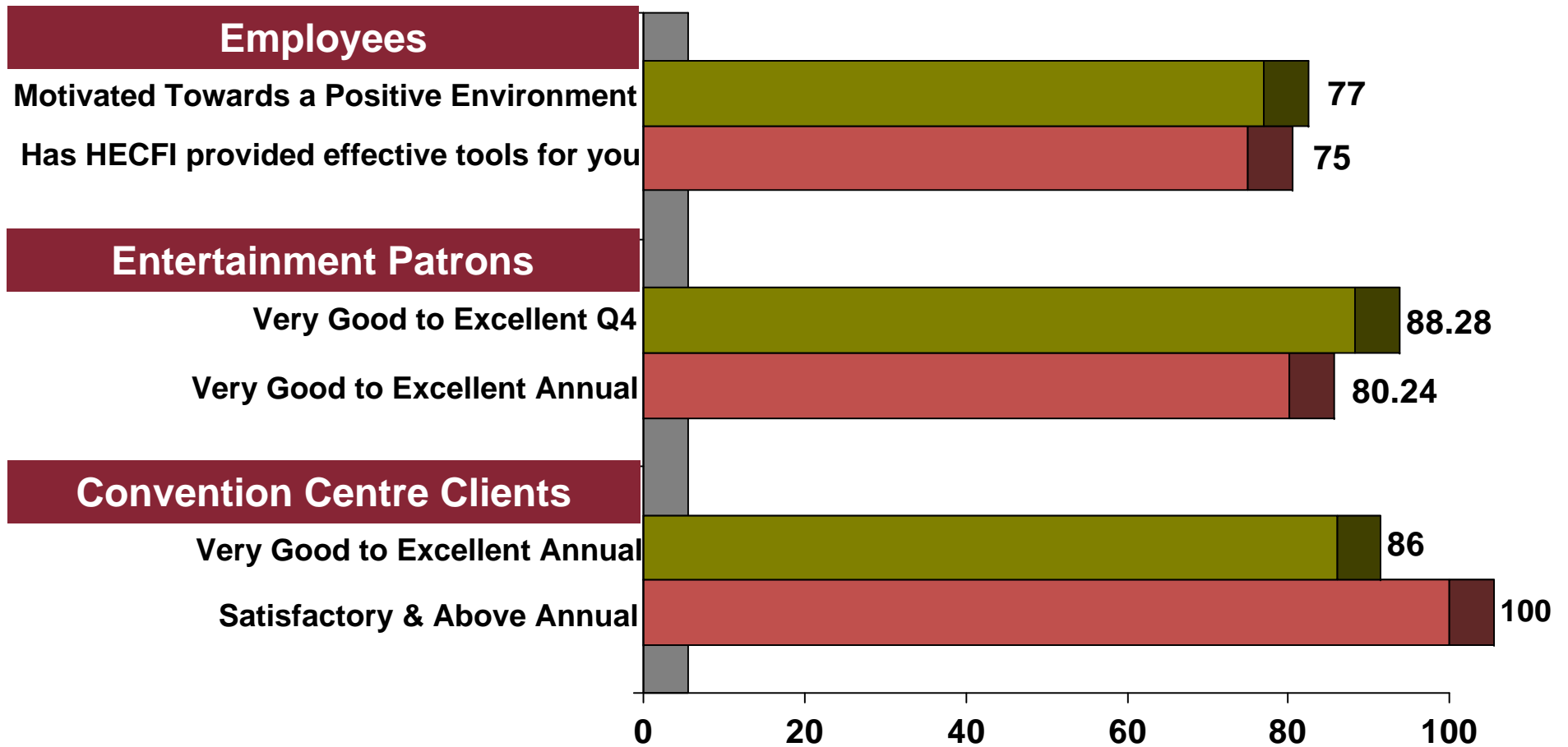
## 2. Staff remained loyal, dedicated and resilient through turbulent times

- **Currently 52 Full Time Employees (from 65 in mid 2011)**
  - 34 non-union FT salaried employees
  - 4 FT contract employees
  - 11 FT - IUOE772 employees
  - 3 IATSE 129 Heads
- **Approximately 750 event driven part time team members**
- **2 Full time staff resigned**
  - 1 was replaced with contract personnel
  - 1 Director (Sales and Corp. Dev.) was not replaced
- **Union partners collaborated as 4 contracts were finalized**
  - 3 @ 0%, 0%,0%, 1.9%
  - 1 @ 0%, 0%, 1.9%, 1.9%

## 2. Staff remained loyal, dedicated and resilient through turbulent times

- Since October - # of workshops, individual coaching sessions, and communication forums have been provided for all staff to attend:
  - Managing Change
  - Preparing for Interviews
  - Understanding Your Personal Style
  - Financial Planning
  - Transition Newsletters
  - All Employee Meetings
  - Employee Portal
  - ‘Coffee with John’
- In November - 16 non-union (11 FT, 5 PT Supvrs) Convention Centre team members learned they would not be offered jobs
- In November - GS interviewed all full time and event supervisors
- Current target - discuss job offers with GS or severance is Feb. 19th

# 3. High Satisfaction Levels Continue



## 4. Operations – Excellent Capital and Operating Budget Exp. Management

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- At Copps
  - Added additional wireless capability
  - Upgraded Hamilton Room (revenue generation)
  - Installed Ice Dams for efficiencies, cost savings and better ice
  - Repaired exterior doors to street
- Hamilton Place
  - major exterior revitalization (includes Convention Centre)
  - Refreshed artist dressing rooms
  - Upgraded 2 main floor meeting rooms
- Convention Centre
  - Refinished parquet floors & moveable walls in Chedoke
  - City retro fitted the ventilation system in both HP and the CC



## 5. Entertainment – Steadily improved in an a still unsettled market 8

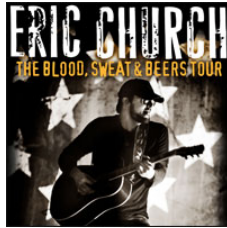
- Although ticket sales and operating revenues relatively flat for past 3 years, we achieved improvements to the bottom line
- Tighter risk management, staying focused on core business
- Collaborated with local promoters and venues – led by our new programmer who joined from Live Nation in Jan.

## 5. Entertainment – Steadily improved in a still unsettled market 9

- Experienced some budget impacting changes during the year e.g
  - Moved to 2013 – Carrie Underwood, Leonard Cohen
  - Cancelled – Tom Petty, Cirque Michael Jackson, Kelly Clarkson, Nutcracker, Royal Winnipeg Ballet
- Recent trends are positive and Major acts continued to come to Hamilton in 2012
  - Hedley, Jim Cuddy, Jann Arden, Alan Jackson, Johnny Reid, John Pinette, Springsteen, Seinfeld, Sheepdogs, Jeff Dunham

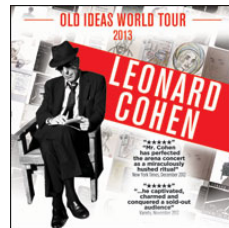
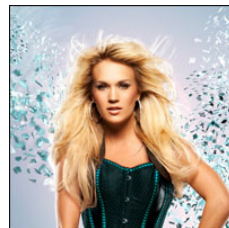
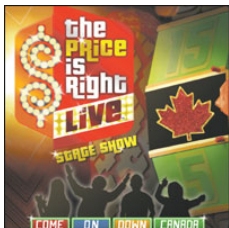
# More Great Performances Coming Up

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Lord of the Dance February 1  
 Eric Church February 13  
 Dean Brody February 14  
 Blue Rodeo February 15 & 16  
 Josh Ritter February 17  
 Platinum Blonde February 22  
 Diana Krall March 3

Price is Right March 22 (2)  
 Brit Floyd March 24  
 Carrie Underwood March 28  
 Leonard Cohen April 9  
 Great Big Sea April 10  
 Jerry Seinfeld May 29  
 HPO Feb. 9, Mar. 2, 23  
 Bulldogs 9 in Feb. 7 in Mar.

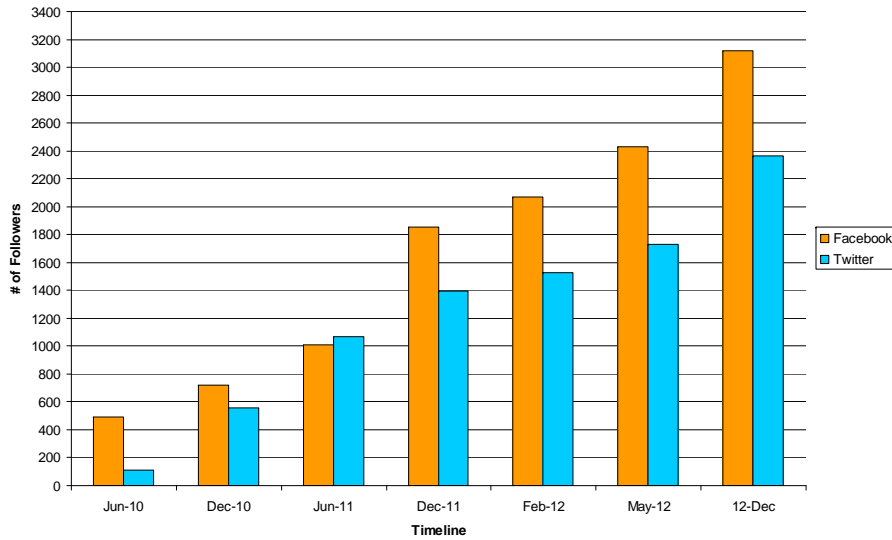


## 6. Marketing – shifted focus of Ads & Promos on the 4 venues vs. HECFI

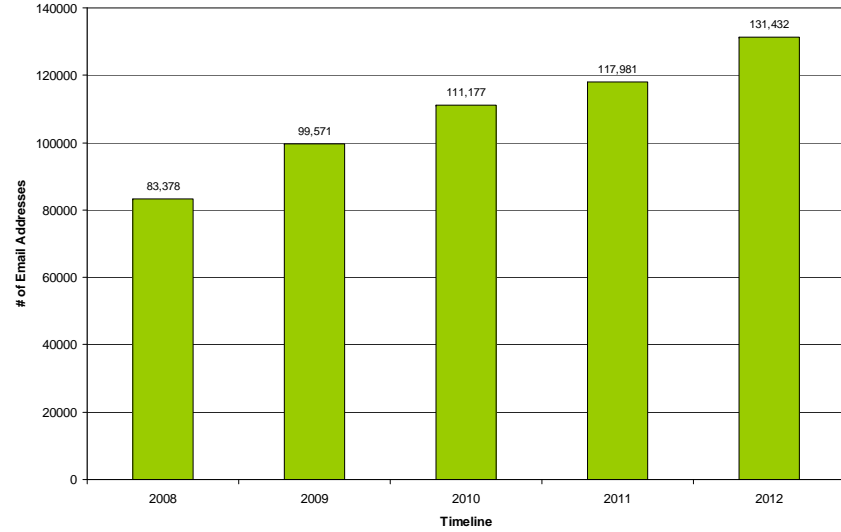
- Marketing tools enhanced e.g. mobile web site
- Expanded our e-marketing reach
- Supported partners' Marketing efforts e.g. HPO Compass, Bulldogs, BIA's, Tourism

# E - Marketing Continues to Grow

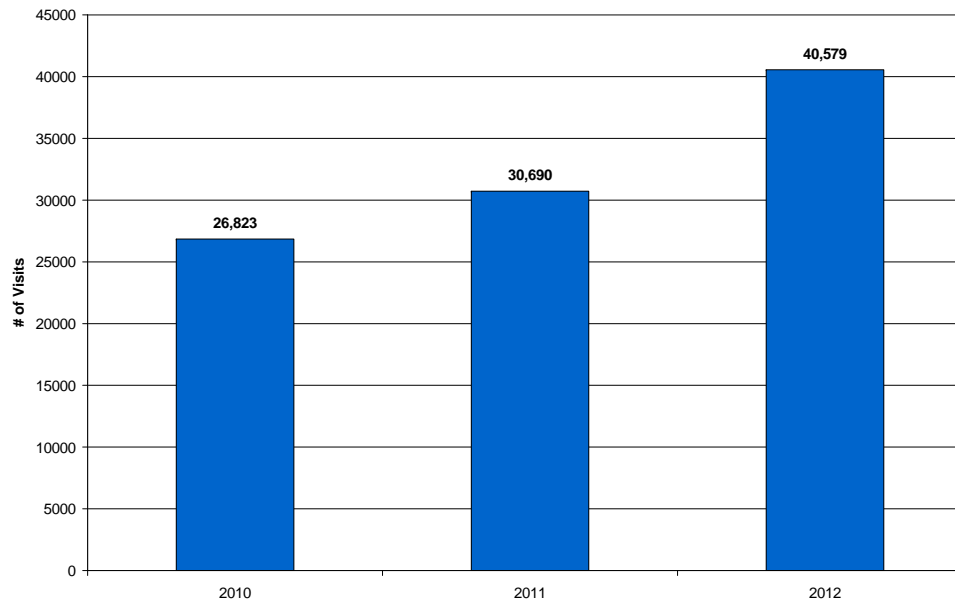
Facebook and Twitter Followers








Email Database



Average Monthly Website Visits



# Marketing Tools

Social Networks	E-Marketing	Traditional
New Website:  Avg. hits/month up 9900 or 32%	131,500+ e-Blast data base Up 11.4%	Newspaper Advertisements
3120 Facebook Fans  Up 68%	5 Ticketmaster Outreach programs	Radio & TV
2370 Twitter Followers  Up 41%	Banner ads on targeted web sites	Billboards & LED's
New Mobile Sites  Now 20% of volume	Facebook and Google ads	Bus & Bus Shelter Ads
QR Codes 	Embedded videos	Banners
	Online satisfaction surveys	Tailgates
	Patron opinion surveys re shows	Street Team & HSR Flyers

## 7. HCC – took on all challenges and improved the bottom line

- Recruited a new Sales Representative in March
- Completed a mid year margin project
  - improved profitability of new deals, refined processes & lowered the cost of execution
- Staff has spent extensive time with transition meetings, file reviews etc.
- Staff continue to sell every day
  - Primarily focused on 2013 – all deals reviewed by Carmen's
  - Have secured business and built a pipeline of opportunities into 2013, 2014, 2015, and 2016
- Service delivery teams continue to put smiles on faces

# Financial Performance



# Financial Performance Forecast YE 2012 16

**We have continued to reduce the Municipal Contribution:**

2011 vs. 2010 = approx. \$1.2 M reduction

2012 vs. 2011 = approx. \$900K additional reduction

**2012 Budget allocation was \$416K less than 2011** ↓

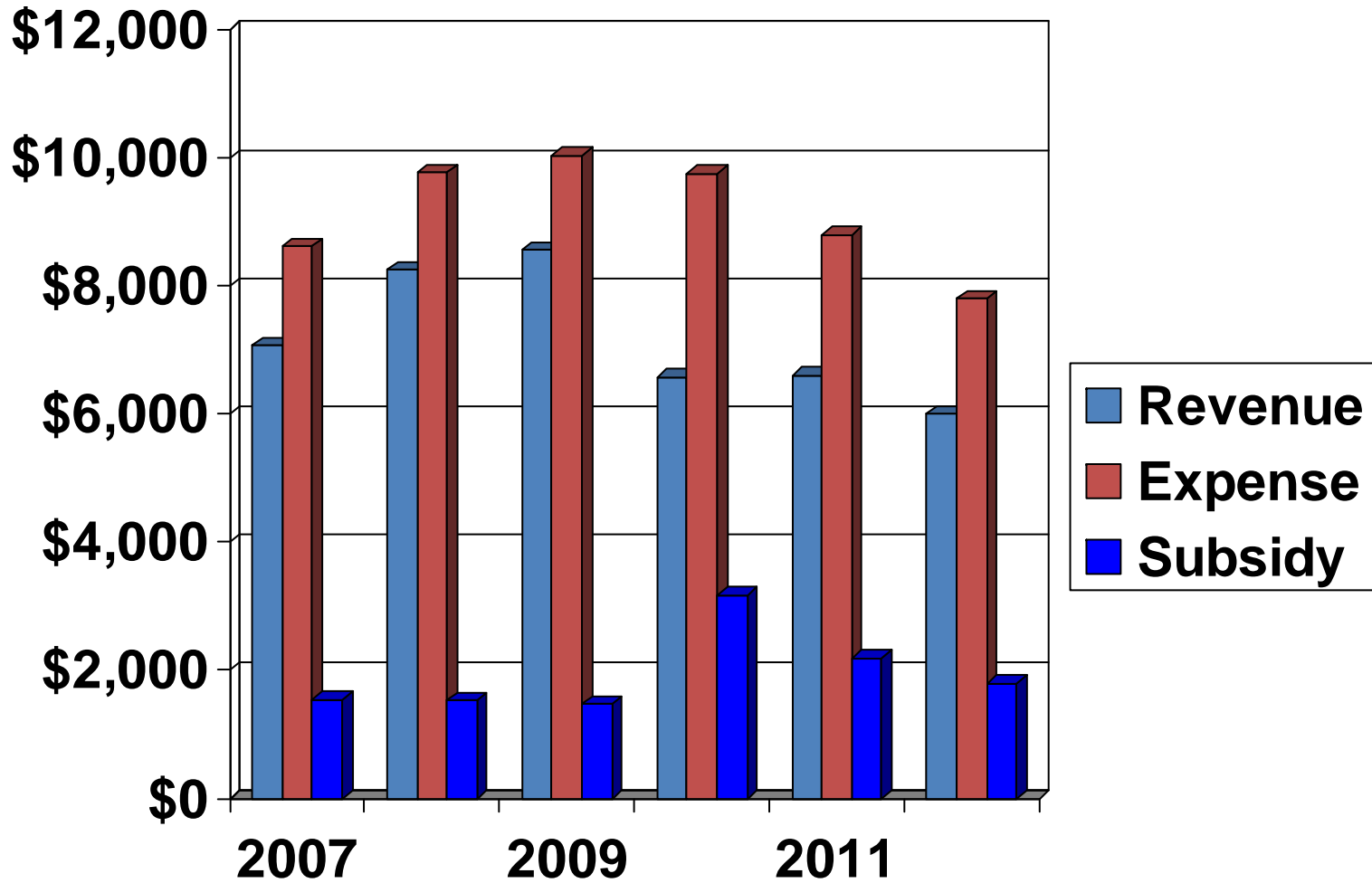
**Bottom line gains have been made across the organization**

**Total HECFI = est. (\$375K) — no impact on taxpayers** ↑

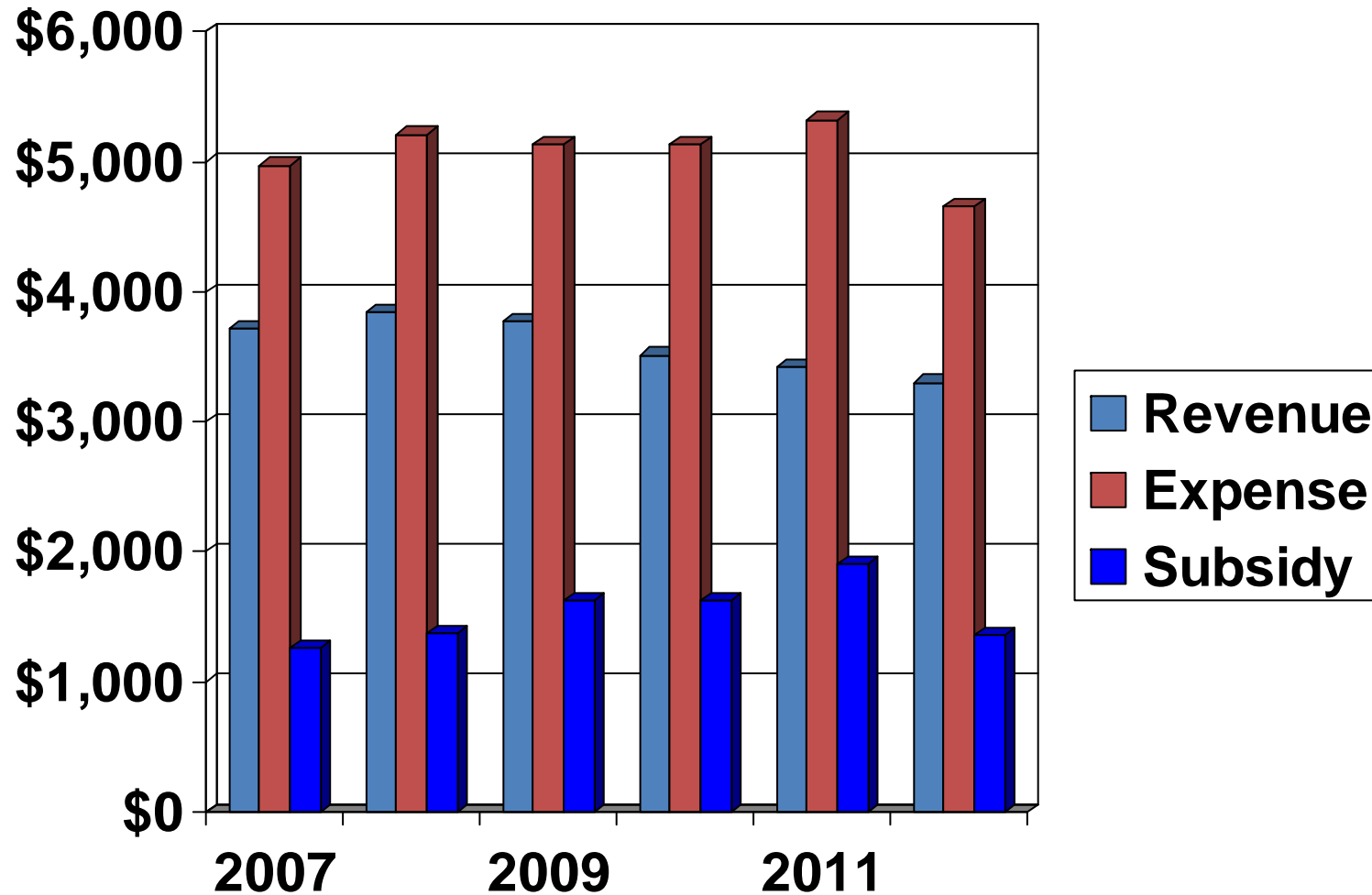
Hamilton Convention Centre (\$165K) - \$265K improvement ↑

HP & Copps (\$210K) – \$75K Improvement ↑

# Hamilton Place & Copps Coliseum Revenue and Expense Trends



# Convention Centre Rev & Exp Trends



# 2013 – lots still to do but our house is in order

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1. Budget – approved at 0% increase over 2012
2. Entertainment group is on plan for Q1
  - Strong bookings and sales
  - Bulldogs attendance up significantly
  - Alignment reached on Bulldogs lease
3. Hamilton Convention Centre
  - 2013 pace of confirmed sales off approximately \$170K yr/yr at the end of January
  - Typically January's # represents 55-60% of the year end achievement e.g. Jan. 2012 \$1.86M booked, year end = \$3.3M est. = 56.4%
  - Straight line math suggests top line will be lower by approximately \$300K without additional sales and marketing resources

**Thank you for this opportunity**

**Discussion / Questions?**