



INFORMATION REPORT

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	January 19, 2015
SUBJECT/REPORT NO:	Arena Advertising Request for Proposal (CES15001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Steve Sevor (905) 546-2424 ext. 4645
SUBMITTED BY:	Joe-Anne Priel General Manager Community and Emergency Services Department
SIGNATURE:	

Council Direction:

Not applicable.

Information:

The Recreation Division will be issuing a Request for Proposal (RFP) in March 2015 to sell advertising in 17 of 19 City operated arenas.

The City of Hamilton currently has an Agreement with Nustadia Recreation Incorporated (NRI) to sell rink board and ancillary advertising in all City operated arenas, with the exceptions of Glanbrook Arena and J.L. Grightmire Arena in Dundas. NRI was awarded the rights to sell the advertising as a result of a RFP that was conducted in 2006. The Agreement with NRI was signed in 2007 for a five year period. The City also had options to extend the Agreement for three consecutive one-year periods. The City has exercised all three one-year options. The Agreement was extended one final time so that expiration would coincide with the end of the 2014-2015 ice season. The Agreement is now due to expire on May 31, 2015.

Over the last eight years, the amount remitted related to advertising from NRI to the City as a result of the Agreement has been \$417,942.00.

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	Total
Proposed in original RFP	\$36,800	\$43,900	\$48,200	\$51,800	\$54,300	\$53,900	\$53,900	\$53,900	\$396,700
Total Revenue Remitted	\$33,188	\$44,625	\$51,800	\$53,663	\$55,908	\$58,300	\$60,229	\$60,229	\$417,942

OUR Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

OUR Mission: WE provide quality public service that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Values: Accountability, Cost Consciousness, Equity, Excellence, Honesty, Innovation, Leadership, Respect and Teamwork.

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The main focus of the existing Agreement with NRI is on the sale of rink board advertisements. However, the Agreement also includes advertising revenues generated from advertising in other parts of arenas (e.g. banners, score clock, washroom, floor graphics, television monitors, ice resurfacing machines and “in-ice” advertising). The RFP to be issued will continue to include these additional advertising opportunities. The RFP will also contain provisions that will allow resident minor sport organizations in arenas (e.g. hockey associations and figure skating clubs) to advertise local sponsors during special events (e.g. tournaments, Super Saturday) in a manner that does not adversely affect the otherwise exclusivity that will be provided to advertisers by the successful proponent of the RFP.

Currently the advertising in all City operated arenas with the exception of Market Street (J.L. Grightmire) Arena and Glanbrook Arena is sold by Nustadia Recreation.

Advertising in Glanbrook Arena is sold by the Glanbrook Junior C Rangers as per a long standing arrangement made between the Junior C team and the former Township of Glanbrook (pre-dates amalgamation). Recreation staff will be working the Glanbrook Rangers to finalize a written agreement that will formalize this arrangement going forward.

Since 2005, advertising in the J.L. Grightmire Arena has been sold by the Dundas Senior Hockey Club (Real McCoys), as per Council direction at that time. Council approved a motion in September 2014 to extend the advertising rights to the Real McCoys for an additional five years to November 2019, subject to execution of a formal agreement. An Agreement has been negotiated and is awaiting signature by both parties.

The advertising rights for the Glanbrook Arena and J.L. Grightmire Arena will not fall within the scope of the RFP due to these previously approved arrangements.