

HAMILTON
CONVENTION
CENTRE
BY CARMEN'S

ANNUAL REPORT 2017



“Between 2013 and 2017, Carmen’s Group has saved Hamilton taxpayers approximately \$6 million.”

A MESSAGE FROM OUR CEO

Dear Mayor, Members of Hamilton City Council, and Community Stakeholders,

Carmen’s Group is proud to be the stewards of the Hamilton Convention Centre and we are delighted to share that 2017 was another marquee year for our operation. It was the first year since the commencement of our management contract that the City of Hamilton achieved a net financial surplus and the venue also experienced many positive achievements within its convention services program.

Between 2013 and 2017, Carmen’s Group has saved Hamilton taxpayers

approximately \$6 million (via operating subsidy reductions) while contributing nearly \$600,000 in utility payments during the same timeframe. This positive financial performance has ultimately been achieved through the development of a robust event calendar and leveraging operational savings through Carmen’s Group’s extensive supplier network.

The flagship downtown venue hosted many visitors from around the world into Hamilton in 2017 at conferences including the American Public Garden Association’s International Conference and the Canadian Council for the Advancement

of Education National Conference. We also welcomed and hosted many of the community's largest gala events including the YWCA Women of Distinction Gala, Good Shepherd's Glamour in the Hammer, B'Nai B'Rith and CYO Sports Celebrity Dinners, Hamilton Health Sciences Foundation Gala, City Kidz Dreams Banquet and the Dreamcatcher Gala. In all, the venue hosted over 137 total events including 39 international, national or provincial conventions, conferences or events last year.

The venue earned rave reviews from convention organizers and guests alike, as many of the customer service metrics improved year over year, including our industry-leading event Net Promoter Scores and Google scores. Among the positive testimonials received this year are the following: "We were blown away by the exceptional service and staff... Not a single detail was missed" and "If I were to host an event in the Hamilton area, this would be my first choice." The Hamilton Convention Centre and Sheraton Hotel also hosted the Canadian Society of Association Executives (CSAE) Trillium Chapter's Winter

Summit, the overarching body of national association organizers, for their first visit to Hamilton in many years. Needless to say, many from the group were impressed with Hamilton's new hospitality offerings and committed to bringing their association events back to Hamilton soon.

Carmen's Group and the Hamilton Convention Centre also worked very closely with Tourism Hamilton, our accommodation partners and the Ontario Restaurants Hotel and Motel Association (ORHMA) throughout the year to formalize the launch of a Destination Marketing Program, as per council's approved 5-year Tourism Strategy. The newly initiated program will enable the City of Hamilton and all of its Tourism partners to compete more aggressively in securing provincial, national and international events into our city.

We are excited that the Hamilton Convention Centre is contributing to the unstoppable momentum building in the community, as we are eager to show the rest of the world that Hamilton is the place to be!

PJ MERCANTI
CEO, CARMEN'S GROUP

ADVISORY BOARD



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DeGroote School of
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Commercial Services
FirstOntario Credit Union



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Crescent Hotels and
Resorts

OPERATIONAL HIGHLIGHTS

DEVELOPING A TEAM OF CHAMPIONS

- Recruited an Operations Manager and two Sales and Event Services Associates
- Achieved an Employee Engagement Score of +47

OPERATING IN A WINNING SYSTEM

- Hamilton Convention Centre's culinary team has taken great strides in elevating the quality of its food product offering, by working with local purveyors who are able to supply the high quantities that are demanded. The team has also worked much closer with event organizers to design more customized dining experiences, applying first-class culinary techniques to ensure a first-class delivery.
- A newly adopted model of training has been introduced at the Hamilton Convention Centre in order to improve guest experiences. Additionally, more full-time resources have been added to the event planning department to ensure that customer needs are being met and exceeded.

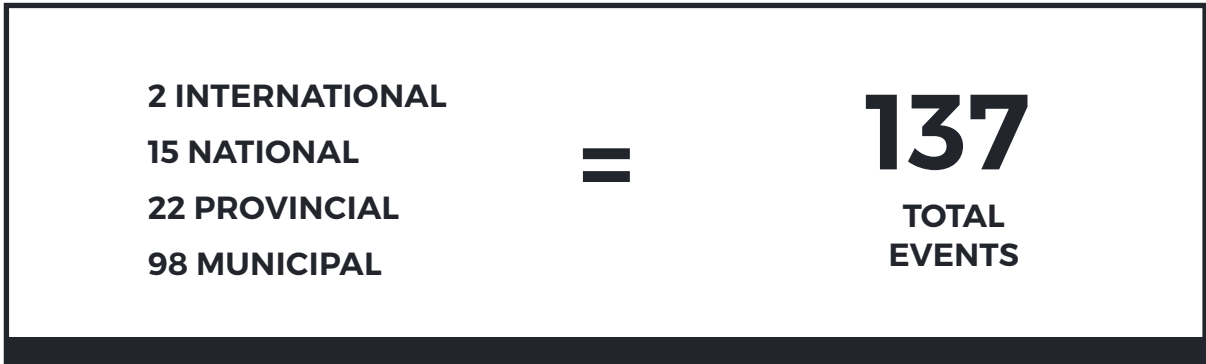
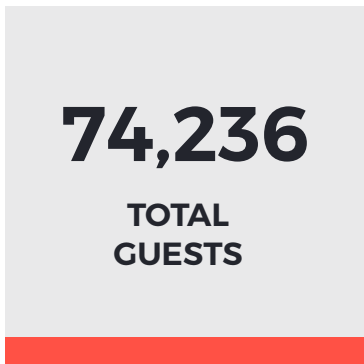
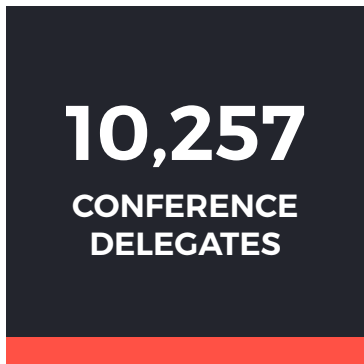
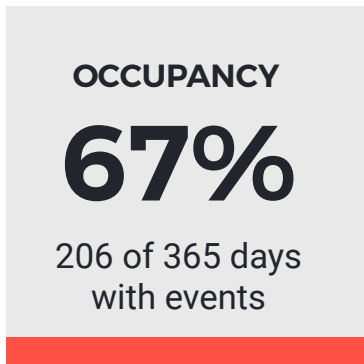
DELIVERING EXTRAORDINARY EXPERIENCES

- Achieved a Net Promoter Score of +65.
- Google Review Rating of 4.1

OPERATING SUSTAINABILITY, INCREASING THE PROFILE OF HAMILTON, DELIVERING COMMUNITY IMPACT

- Venue generated a \$20,000 cash surplus for the City of Hamilton
- Involved in over \$150,000 worth of direct sponsorship and in-kind donations for community initiatives.

2017 PERFORMANCE METRICS



FINANCIAL PERFORMANCE

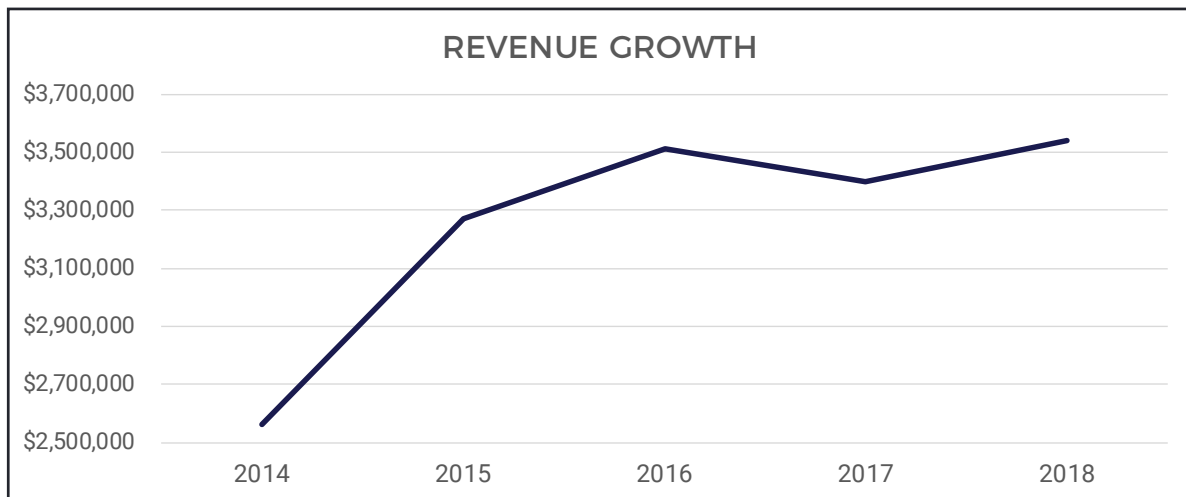
YEAR	REVENUE
2014	\$2.56M
2015	\$3.27M
2016	\$3.51M
2017	\$3.40M
2018	\$3.54M*

*revenue forecast

2014-2018

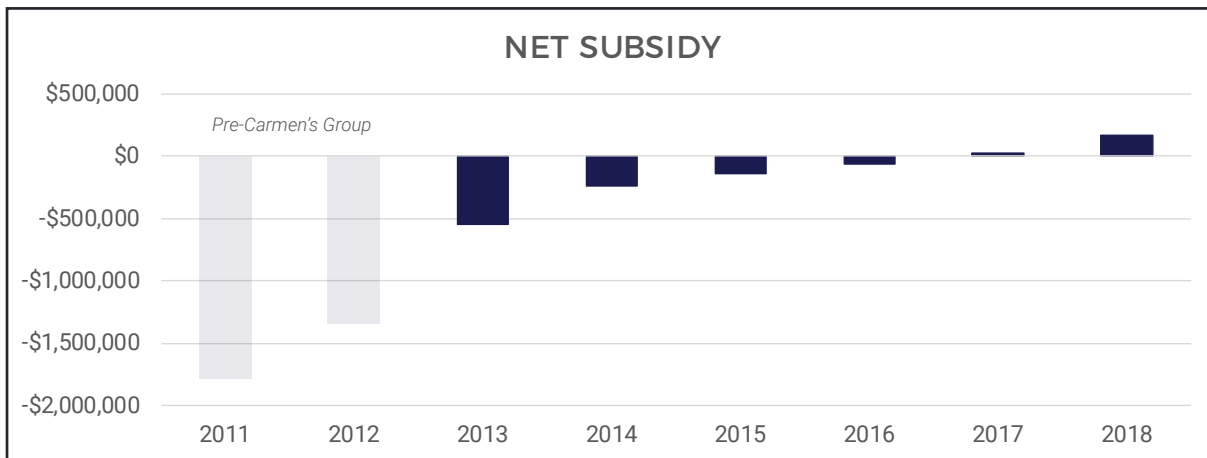
38%

INCREASE



HAMILTON CONVENTION CENTRE SUBSIDY REDUCTION

YEAR	OPERATING SUBSIDY	HCC UTILITY CONTRIBUTION	ACTUAL (NET) SUBSIDY
2011	-\$1,786,000		
2012	-\$1,344,000		
		<i>*Before Carmen's Group</i>	
2013	-\$650,000	\$105,000	-\$545,000
2014	-\$344,000	\$105,000	-\$239,000
2015	-\$250,000	\$115,000	-\$135,000
2016	-\$200,000	\$135,000	-\$65,000
2017	-\$125,000	\$145,000	\$20,000
2018	\$0	\$165,000	\$165,000



CAPITAL IMPROVEMENTS



CLOCKWISE Lobby, Chedoke Ballroom, Webster Ballroom & Lounge

2017 EVENTS

CONVENTIONS & CONFERENCES

- American Public Gardens Association
- Canadian Council for the Advancement of Education National Conference
- Canadian Society of Association Executives' Trillium Chapter Winter Summit
- Canadian Pediatric Review
- McMaster University Continuing Health Sciences Education
 - *Internal Medicine Program*
 - *Thromboembolism Program*
 - *Rheumatology Program*
- Hamilton Health Sciences
 - Life After Breast Cancer Conference
 - Neuro Rehabilitation Conference
- St. Joseph's Healthcare Leadership Conference
- Ontario Senior Games Association
- Canadian Condominium Institute Conference
- Hamilton Law Association Conference
- Aboriginal Health Care Conference
- New Democratic Party Caucus Services Convention

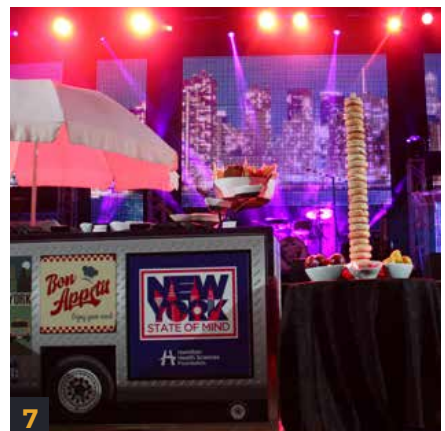
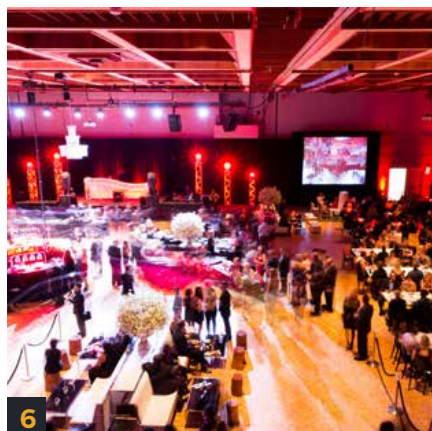
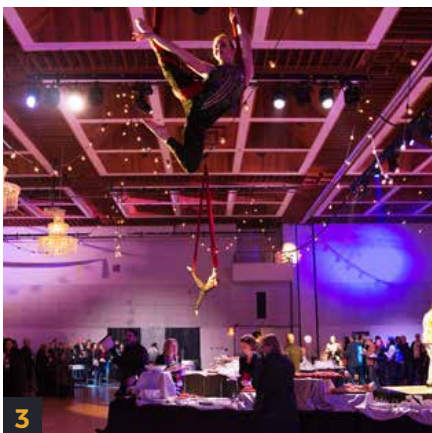
TRADE & CONSUMER SHOWS

- Mission to Seafarers of Southern Ontario
- I Heart Beer Festival Trade Show
- Lululemon Athletica Consumer Show
- Vintage Marketplace Consumer Show
- Prestige Winter Bridal Show
- Fall Wedding Show
- Bump, Baby, and Toddler Expo
- ConBravo!

SPECIAL EVENTS

- Living Rock Ministries Soupfest
- Hamilton Health Sciences Foundation Fundraising Gala
- YWCA Women of Distinction Awards Gala
- City Kidz Fundraising Gala
- Dreamcatcher Foundation Fundraising Gala
- CYO Sports Celebrity Dinner
- B'Nai Brith Sports Dinner
- Good Shepherd
 - *Glamour in the Hammer Fashion Show and Gala*
 - *Winter Wonderland*

NOTEWORTHY EVENTS



1 Dreamcatcher Foundation Gala 2 ConBravo! 3 CSAE Trillium Chapter Winter Summit 4 JUNO Awards Industry Night 5 An Evening with Tony Bennett 6 TDL Group 7 Hamilton Health Sciences Annual Gala

CARMEN'S GROUP

COMMUNITY INITIATIVES

DESTINATION MARKETING PROGRAM

PJ Mercanti, CEO of Carmen's Group, was the Co-Chair of the Hamilton Hospitality Partners Steering Committee (HHPSC). Over the past two years he worked with partners from Tourism Hamilton and the accommodation industry as well as the Ontario Restaurant Hotel and Motel Association (ORHMA) to help develop a new Destination Marketing Program. In November 2017 the HHPSC was disbanded and the newly formed Hamilton Tourism Development Investment Group was activated, which will see funds raised starting in January 2018 for tourism promotion. The 'Made in Hamilton' model is fully transparent, with funds held in trust with ORHMA, and where each of the participant partner properties vote on how the funds will be invested, with the advice and guidance of Tourism Hamilton.

CORPORATE HEADQUARTER RELOCATION

Carmen's Group Recently relocated its corporate headquarters into Downtown Hamilton at the historic City Centre. All of its sales and operations, finance and accounting, human resources, marketing and communication, information technology, process improvement and business development functions will be managed out of this new space.

CARMEN'S GROUP CARES

We are committed to creating a better future for our community by being involved and making a positive difference.

Hamilton is our home and we believe in being good citizens within the community that we live, work and play. Through our Carmen's Group Cares program, we actively pursue opportunities to better the lives of those who need a helping hand. Our team is committed to donating our time, resources, and knowledge to improving our community in a meaningful way.

We focus our support primarily at the community level in the areas of youth, education, social services & poverty reduction. We are particularly interested in providing support to organizations that focus on empowering children with the resources they need to live healthier and more successful lives.

CARMEN'S GROUP CARES HIGHLIGHTS

Charity of Hope Gala with Chantal Kreviazuk

\$125,000 Raised (\$1.3 Million Raised to Date)

Hamilton Sign

\$25,000 Donation, Assisted in Securing the fundraising goal of \$300,000

Amici Cup

\$10,000 Raised for CYO, Food 4 Kids, cystic fibrosis (Inaugural event)

Hamilton Tiger-Cat Kicks for Kids

\$5000 Raised (\$60,000 Raised to Date)

An Evening with The Great One

\$45,000 Raised for Hamilton Bulldogs Foundation, Food 4 Kids, Canadian Tire Jumpstart (\$1.2 Million to Date Raised at 'An Evening With' Events)

Project Concern: It's a Kids Christmas with Hamilton Police Services

500 Individuals served

Good Shepherd Winter Wonderland Christmas Dinner

3000 Individuals served

