



CITY OF  
ST. CATHARINES

## Corporate Report

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**Report from** Economic Development and Customer Service, Economic Development and Tourism

**Date of Report:** December 17, 2012      **Date of Meeting:** January 7, 2013

**Report Number:** EDCS-012-2013      **File:** 68.45.109

**Subject:** Spectator Facility Naming Rights and Sponsorship

### Recommendation

That Council approve the revised terms for the sales phase for the Spectator Facility naming rights and sponsorship development; and

That the City Solicitor be directed to prepare the necessary by-law and agreement; and

Further, that the Clerk be directed to make the necessary notifications. FORTHWITH

### Summary

This report revisits an alternative comprehensive sales scenario presented by the Superlative Group in their original submission that engages the services of The Superlative Group (Canada) Inc. to sell sponsorship and marketing opportunities for the Spectator Facility title sponsorship naming rights, “premium” sponsorship opportunities and premium seating sales.

### Background

On May 28, 2012 Council approved The Superlative Group, Inc. as the preferred proponent to undertake both the valuation study phase and the sales phase for the Spectator Facility naming rights and sponsorship development.

The report presented a sales scenario for a “facility naming rights only” that included a sales commission of 10% of any facility naming rights agreement for the term or 6% of any facility naming rights agreement if paid in first 3 years. This report addresses an alternative comprehensive sales scenario presented by the Superlative Group in their original submission that engages the services of Superlative to sell sponsorship and marketing opportunities for the Spectator Facility Title Sponsorship Naming Rights, “Premium” Sponsorship Opportunities and Premium Seating Sales.

## **Report**

The Superlative Group has filed for a Canadian Incorporation to operate as The Superlative Group (Canada) Inc.

Since approval of the valuation study, The Superlative Group has presented staff with a valuation study and sales and marketing strategy. After reviewing these documents staff believes that Superlative Group (Canada) Inc. should be engaged to deliver a comprehensive sales strategy to maximize sponsorship revenues for the spectator facility. This strategy has been discussed with the Spectator Facility Fundraising Advisory Committee and all parties have agreed upon a coordinated approach to both sponsorship/marketing opportunities and community donations.

Superlative will implement a top down sales strategy, focusing first on selling the most valuable asset before subsequently moving down the inventory list. This strategy will ensure that the maximum possible naming rights, sponsorship and premium seating revenues are generated for the St. Catharines Spectator Facility.

Superlative will first begin to actively market the building naming rights to all potential partners. During this stage it is vital that there is one unified, organized and confidential sales campaign as the team works to tailor the unique opportunity to the most likely buyers and ultimately secure a commitment.

Once a naming rights agreement has been completed and agreed to, the sales team will begin selling other identified building sponsorships and suites.

## **Financial Implications**

The following presents the terms of the comprehensive sales plan:

- Naming rights (building, concourse, entry/lobby) - 6% with escalator of an additional 2% if naming rights secured by June 30, 2013
- Sponsorships (beer, beverage pouring, banking/ATM, Telecom) – 15%
- Premium Seating (suites, club seats) – 7%

Superlative will be paid a retainer fee of \$15,000/month for the term January 2013-August 2014 for these additional services with the funds to be derived from the proceeds of the fundraising.

## **Notification**

It is in order to notify Myles C. Gallagher, President & CEO, The Superlative Group, Inc., 26600 Detroit Rd., Suite 250, Cleveland, Ohio, USA, 44145.

## **Prepared, Submitted, and Approved by:**

David Oakes