

To: General Purposes Committee

From: Janice Podmore,
Acting Chair
Richmond Tall Ships Festival Society

Date: October 03, 2003.

In March of 2003, the City of Richmond voted to 'encourage the development of a non-profit society' to host the Richmond Tall Ships Challenge^R 2005 event.

In May of 2003, the Richmond Tall Ships Steering Committee requested \$37,000 of a budget of \$80,000 to go towards the development of a Tall Ships festival business plan, ship recruitment package, registration of a non profit society and funding to sign a "host port agreement" with the American Sail Training Association for the Tall Ship event in July of 2005.

Late May, Richmond City Council approved the spending of \$25,000 to the Steering Committee. The stipulation was that these funds needed to be matched and that the \$25,000 to be spent only on the development of the business and sponsorship plans. The business plan was to be complete before any further requests for support were made to the City of Richmond for the 2005 Tall Ships event.

By mid-August, matching funds were raised through a Charter Sponsor program. This enabled the hiring of Panther Management and Marketpulse to prepare the business plan.

Total funds raised - \$62,500, not including gifts in kind.

Tasks completed include; registration of the Richmond Tall Ships Festival Society, development of a Charter Sponsor Program to raise needed funds, completion of the business plan, planning of the ship recruitment package (anticipated completion date Nov. 3rd).

The contract with the American Sail Training Association was received for information Oct. 2, 2003. The City continues to hold first rights of refusal for the 2005 event and until that has been released, the Society cannot conclude negotiations of the "host port agreement."

The business plan is now submitted as per Council's directive.

**RICHMOND TALL SHIPS FESTIVAL SOCIETY
REQUEST
TO CITY OF RICHMOND**

The Richmond Tall Ships Festival Society now requests the City of Richmond support their efforts to bring the tall ships to Richmond in July of 2005, and that;

1. The City of Richmond endorse the Tall Ships event for 2005 and become the “Host City” for the Richmond Tall Ships Challenge 2005,
2. The City of Richmond assign to the Richmond Tall Ships Festival Society the rights to host the 2005 Richmond Tall Ships Challenge event so that the ASTA contract can be competed and signed by November 1st 2003,
3. As part of the endorsement and as Host City of the event, the City of Richmond contribute \$150,000 of cash and \$350,000 of inkind goods and services to the operations of the event,
4. \$10,000 of the \$150,000 cash request be paid to the Richmond Tall Ships Festival Society upon approval by City Council of the Society’s request to host the Tall Ships event. The remainder of the funds shall be dispersed in several instalments, to be determined, between March of 2004 and May of 2005,
5. The City designate one individual to sit on the Board of Directors of the Tall Ships Festival Society,
6. The City of Richmond assume the responsibility for any debt incurred by the Richmond Tall Ships Challenge^R 2005.

In recognition of the significant support given by the City of Richmond to the event, Richmond will be recognized as the “Host City” for the Tall Ships Challenge 2005, through the continued use of the Richmond City heron logo as a key component of the 2005 event’s logo. The Society will create an icon event for the City that will bring wide acclaim, opportunities and legacies to the city, its citizens and its corporate community.

The Tall Ships Festival Society will act as the producer or “host port organizer” for the Richmond Tall Ships Challenge^R 2005.

FINANCIAL LIABILITY

The Richmond Tall Ships Festival Society is committed to bringing to the citizens of Richmond an outstanding successful internationally recognized tall ships festival in the summer of 2005.

Financial success is a critical aspect of the overall success of the event. To that end the Society will work diligently to achieve the goal of a break-even budget. The business plan outlines the many steps to be taken to keep the financial risk to an acceptable minimum and the bottom-line in the black.

The benefits and legacies gained through hosting this event are far reaching. This icon event showcases 'Richmond's Island City by Nature' in a way no other event or attraction can.

Through the event the City will receive wide recognition and gain millions of dollars of economic benefits. The Tall Ships bring tremendous branding and tourism opportunities to the city, while the exposure generated helps market Richmond in developing strong relations with national, multi national corporate interests as well as international relations. The Tall Ships provide an opportunity to work with the corporate and government sectors in achieving city's objectives, it provides training of over two thousand volunteers ready to assist with events such as the 2010 Olympics and builds immense community pride.

The ultimate beneficiaries for the 2005 Richmond Tall Ships Challenge[®] are the City of Richmond and its citizens.

While the Society will go to great lengths to ensure the financial success of the event, many unforeseen circumstances can have major impacts on these best intentions. Everyone knows the impacts of 9/11, SARS, Mad Cow, unusual weather patterns and forest fires have had on tourism and travel in BC these past 24 months. The Society is unable to plan for the financial impacts of events such as the ones described have.

The Board of Directors for the Society also understand that, unlike other non-profit enterprises that have ongoing activities from year to year that allow for long term financial planning, this society does not.

The Richmond Tall Ships Festival Society will therefore require the additional financial support of the City through the underwriting of any debt incurred by the Society from hosting the Richmond Tall Ships Challenge[®] event. As a non-profit society with very limited financial resources, this support is critical to attracting the strong support of the business community, the provincial and federal governments and their agencies, and ASTA and the Tall Ships.

CAPITAL INFRASTRUCTURE

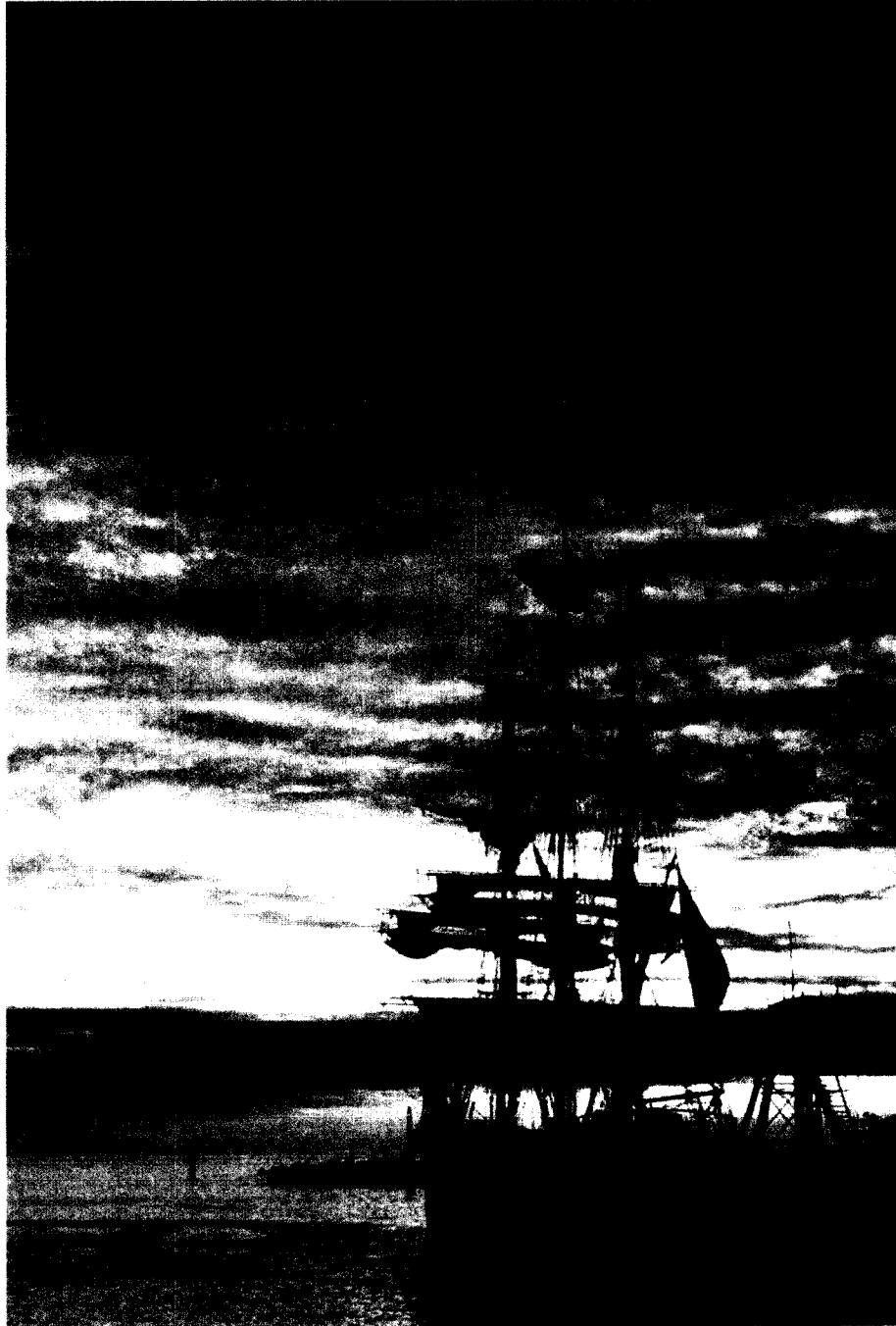
With the exception of minor dock and ramp improvements the society will not be building new facilities or capital projects like the boardwalk built in Steveston before the Tall Ships in 2002.

The Tall Ships Festival Society may recognize capital project contributions such as dredging in 2002, through the sponsorship program.

CITY OF RICHMOND IN-KIND SUPPORT BREAK DOWN

The society has determined the following to have a value to the event of \$350,000,

- a. Site crews for preparation and dismantling the site,
- b. Garbage removal,
- c. Set up and tear down of City owned tents, picnic tables, benches, generators, stage, garbage cans, recycling, barricades and the like,
- d. Storage,
- e. Development and implementation of the transportation plan,
- f. Emergency services,
- g. Insurance
- h. Print services, (i.e. hand books, Captain's manual, maps)
- i. Hosting of the Mayor's Welcoming Reception,
- j. Protocol
- k. Use of parts of the Steveston Community Centre
- l. Parking facilities



Business Plan
Richmond Tall Ships Challenge® 2005

TABLE OF CONTENTS

1. THE EXECUTIVE SUMMARY AND INTRODUCTION	1
1.1 Executive Summary	1
1.2 Introduction	4
2. SOCIETY AND INDUSTRY	5
2.1 The Organisation	5
2.2 The Tourism and Attraction Industries	7
2.3 Product	8
2.4 Risk Management	12
3. MARKET	13
3.1 Strategy	13
3.2 Marketing Plan	15
3.3 Merchandising/Concession Program	18
4. TICKETING	19
4.1 Categories and Proposed Prices	19
4.2 Ticketing Policies and Procedures	22
4.3 Ticket Revenue	23
5. SPONSORSHIP	24
5.1 Strategy	25
5.2 Committee Make Up	25
5.3 Fundraising Concept	26
5.4 Establishing the Target	26
5.5 Sponsorship Campaign	27
5.6 Fulfillment Process	29
5.7 Timelines	31
5.8 Expertise	32
5.9 Office Requirements	32
5.10 Business Requirements	32

6. VOLUNTEER PROGRAM	33
6.1 Volunteer Recruitment	34
7. OPERATIONS	35
7.1 Staffing	35
7.2 Location and Site Plan	35
7.3 Transportation	38
7.4 Location and Site Plan	38
7.5 City Support	39
7.6 Office/Administration Facilities	41
8. MANAGEMENT	41
8.1 Organisation Chart	42
8.2 Board of Directors	44
8.3 Professional Advisors	44
9. OVERALL SCHEDULE	46
10. CRITICAL RISKS AND PROBLEMS	47
10.1 Critical Success Factors	47
10.2 Threats To Success	47
11. FINANCIAL INFORMATION	48
11.1 Budget	49
12. APPENDICES	52
Appendix 1 - Panther and MarketPULSE Experience	52
Appendix 2 - Target Market	56
Appendix 3 - Comparative Prices	57
Appendix 4 - Ticket Types and Prices	60
Appendix 5 - Ticket Sales and Revenue Details	61

1. EXECUTIVE SUMMARY AND INTRODUCTION

1.1 Executive Summary

The Tall Ships are a major event of international stature. Cities throughout North America compete to host the Tall Ships because of their universal appeal, the significant media attention they generate and their ability to bring communities together in presenting a celebration of Sail. The 2002 Richmond Tall Ships Challenge® demonstrated the public support for what was the most significant event in British Columbia in 2002.

The Tall Ships Society is proposing to present the Tall Ships again in 2005 and have commissioned the preparation of the business plan to detail the opportunities and risks associated with hosting the event. The business plan presents the optimum marketing and operations strategies for ensuring success of the event, projections of costs and a detailed budget. The plan was developed after careful analysis of all elements of the 2002 Tall Ships Challenge®. It builds on the accomplishments of that event and outlines opportunities for improvement to ensure the 2005 Tall Ships Challenge® will be “Better in Every Way”.

1.1.1 Benefits of the Tall Ships

Hosting the Tall Ships presents a wide range of benefits for Richmond. Key among these are the media attention brought to the city, advancement of the infrastructure on the Steveston waterfront, outstanding community support including the participation of over 2,000 volunteers and the economic activity generated by thousands of visitors to the event.

1.1.2 The Product

The Tall Ships are scheduled to visit Richmond from July 14 to 18, 2005.

The Tall Ships Society has had preliminary discussions with the American Sail Training Association (ASTA) and is confident that ship recruitment can be enhanced to include 1/3 more vessels with an increased contingent of premier ships. This will mean a more dramatic Parade of Sail, more ships to see from the shore and increased opportunities for onboard viewing of the ships.

In addition to the vessels, the Tall Ships event will have a variety of features including:

- i. A festival site filled with colour and entertainment
- ii. A Community of Steveston Street Festival

- iii. The Parade of Sail
- iv. The Ship Departure
- v. Shows such as the Vancouver Symphony
- a. Special Events on the River – boom boat ballet, parade of steam, hovercraft Demonstrations, etc.
- vi. Tall Ships Gun Battle

1.1.3 Marketing and Public Relations

The Tall Ships brought international recognition to Richmond in 2002. The very extensive media attention brought to the community helped raise the profile of the city. Through effective marketing for the 2005 Tall Ships Challenge®, and the presentation of a superior event, Richmond could capture the imagination of the world by becoming the West Coast Home of the Tall Ships.

The marketing and media strategy will build on the award winning marketing program from the 2002 Tall Ships Challenge®. The universal appeal of the Tall Ships will again be used to bring focus to the “Island by Nature” positioning of Richmond and initiatives to spotlight the city’s water ways and ocean front. It will underscore the historical significance of Steveston, and draw thousands of visitors to explore this unique community.

1.1.4. Budget

The Tall Ships are a major event of international stature with a significant financial impact. The budget has been designed to operate on a break-even basis with any surplus to be distributed to assist community organisations. Every effort has been made to ensure revenue projections are conservative and that expenses are addressed in a comprehensive manner. This will ensure an accurate assessment of the financial opportunities and risks associated with the event. A detailed budget has been prepared and appears in the appendix.

1.1.5 Revenue

Revenue will be generated from three sources: government support, corporate sponsorship, and on-site sales. An outline of the sponsorship program has been prepared including strategies for securing funding from government, corporate sponsors, suppliers and the community “Friends of the Tall Ships” campaign. Government and sponsor/supplier programs are projected to generate a total of \$2.1 million.

On-site revenues will come from ticketing, merchandise, program sales, food and beverage, parking, ground transportation, water tours and water shuttles. Total on-site revenue is

projected at \$1.3 million. Maximising on-site revenue will be contingent on charging for general admission to the site with an additional charge to board the ships.

1.1.6 Expenses

Expenses include ship recruitment, marketing and promotion, site and festival costs, dredging and moorage, transportation, emergency services and security, city services, fleet hosting costs, volunteers, signage, management and administration. Total expenses are projected at \$3.4 million.

1.1.7 Volunteers

Over 2,000 volunteers gave their support to the 2002 Tall Ships Challenge®. An enhanced volunteer recruitment and management program, including a close relationship with Volunteer Richmond is proposed for 2005.

1.1.8 Operations

The operational plan will be developed and refined at the committee level. A Landside Manager and a Waterside Manager will report directly to the General Manager. Close cooperation and consultation with The City is necessary and particular attention will be paid to transportation, parking and traffic flow. Operations will also work closely with Finance in order to implement effective cost control and reporting.

1.1.9 Festival Site

The proposed Tall Ships site will encompass Garry Point, 7th Avenue Pier, 6th Avenue Pier, Gulf of Georgia Cannery – 3rd Avenue Pier, Steveston Landing, Number One Road Pier, Britannia Shipyards, Number 3 Road Pier and Riverport. Consultations are required with the Steveston Harbour Authority and Fraser River Port Authority before a detailed plan of the site can be finalised.

1.1.10 Transportation and Parking

The transportation plan will be enhanced to ensure sufficient shuttles are available from parking areas and between sites. Water shuttles will also be integrated into the transportation plan. The Tall Ships society will seek the guidance of the city in dealing with Translink and in preparation of the transportation plan.

1.1.11 Management and Administration

The business plan proposes a combination of volunteer management, contracted expertise and city staff support to plan and operate the Tall Ships event. A General Manager will be hired to work directly with the Chair. Committee Chairs will be responsible for a variety of planning and operational functions. Organisation charts appear in the index and identify Committee responsibilities and key paid staff / contract positions.

1.1.12 City Support

Specific support from the city includes site crews for preparation and dismantling the site, some garbage removal, tents, generators, storage, use of parts of the Steveston Community Centre and parking facilities.

The following business plan is designed as a road map for the presentation of the Tall Ships in 2005. It demonstrates that a superior Tall Ships event can be hosted with minimal downside financial risk. The plan builds on the strongest elements of the event in 2002 while detailing strategies required for success in 2005.

1.2 Introduction

An overwhelming Public Response, coupled with unprecedented media exposure made the 2002 Richmond Tall Ships Challenge® one of the premier events ever hosted by Richmond, British Columbia. The 2002 Tall Ships Challenge® generated an international focus on Richmond. Articles about the event were carried in publications worldwide. This international exposure would have cost millions of dollars to buy.

Communities around the world are dedicating enormous resources to the attraction of events large and small. With the exception of the Olympics, few have attracted events with the mystique and universal appeal of the Tall Ships.

Richmond is banking on our future through an extensive program designed to capitalise on its rivers and oceanfront. What better way to promote its island setting than by hosting an event that is centred on the water and appeals to seafarers and landlubbers alike. What better way to promote Richmond as a tourist and business destination than by hosting an event of international stature that captures imagination of a universal audience.

Richmond demonstrated in 2002 that it is a “can do city” by hosting an event of international calibre. Thousands of volunteers contributed to the success of the Tall Ships in 2002. The community of Richmond rallied with a common initiative, to invite the world to Richmond British Columbia to savour the grandeur of the Tall Ships.

Research conducted at the event demonstrates the gratitude of visitors for the hospitality of Richmond, appreciation for a job well done and almost universal enthusiasm for returning to Richmond for another Tall Ship event.

The success of the 2002 Tall Ships Challenge® overwhelmed many of the resources dedicated to the event. There were transportation and parking issues, long lines to see the ships and an undersupply of food and beverages. The problems were not related to a lack of interest, public appeal or attendance, even though these are issues for most “new” events. The problem with the Tall Ships Challenge® in 2002 was quite the opposite – it was much more popular than expected.

Richmond can be proud of presenting one of the premier events to take place in British Columbia in 2002.

2. SOCIETY AND INDUSTRY

2.1 The Organisation

The Tall Ships Society is a non-profit society set up under the provincial societies act to develop and manage the 2005 Tall Ship Festival.

The Richmond Tall Ship Society will be made up of community-minded directors that have a wide skill base that includes event organizers, community and corporate leaders.

The nine members of the Steering Committee will be invited to become the founding directors of the Tall Ship Society. Once the Society is in place, the Board of Directors will elect new members.

The Organization Chart in Section 8 will provide further details.

2.1.1 Business Principals

The 2005 Tall Ships Festival Society presently consists of Janice Podmore, Acting Chair, Julie Halfnights, Bryan Johnstone, Tom Corsie and Barry Coulson. Four of these individuals were on the Board of the 2002 Richmond Tall Ships Challenge® and have worked diligently to secure the Tall Ships for 2005.

2.1.2 Progress to Date

Comprehensive reports were developed by the committees running the Tall Ships event in 2002. These detail the procedures for 2002 with recommendations for improving the event for 2005.

Panther Management and MarketPULSE Strategic Direction have been contracted based on their extensive event experience (see Appendix 1) to develop a business plan for Tall Ships 2005.

The American Sail Training Association (ASTA), owners of the Tall Ships Challenge®, have been contacted and dates have been secured for the Tall Ships in 2005.

The Tall Ships 2005 Organization has been set up to closely resemble the organizational structure of most major international events. The organization will be managed by a variety of committee chairs, each of whom will be supported by deputy chairs in charge of specific areas of planning and delivery. An organization Chart appears in the Appendix.

2.1.3 Communicating With The City Of Richmond And Other Key Interest Groups

The Tall Ships will seek sponsorship support from the Federal Governments, Provincial Government and City of Richmond. A committee chair will be dedicated to liaise with government agencies. This will streamline communication and ensure the needs of these key sponsors are met. The City of Richmond has specific communication needs. These will be met through Board membership, regular reports from committee chairs and through direct lines of communication between Tall Ships functional directors and city departments.

Community relations will be set up within the Marketing and Communications Department to liaise with community organizations and the general public.

Communication with other key interest groups will be managed by various interest groups as outlined below:

Interest Group	Tall Ships Liaison Responsibility
Levels of Government	Government Liaison
Community	Marketing and Communications – Community Relations
Businesses	Marketing and Communications
City of Richmond	Board Member
Emergency Services	Operations Committee
Translink	City of Richmond
Fraser River Port Authority	Board Member
Steveston Harbour Authority	Waterside Committee - Liaison
Tourism Richmond	Board Member
Large Corporate Sponsors	Sponsorship Committee

2.2 The Tourism and Attraction Industries

2.2.1 Tourism Industry

The Tourism and entertainment industries in Canada have struggled under the weight of SARS, Mad Cow, a slumping US economy, the rise in the value of the Canadian Dollar and the lingering threat of terrorism which has kept travelers close to home. Forest fires, the economic impact of the softwood lumber dispute and a generally sluggish economy has kept British Columbians close to home.

Tourism British Columbia reports that the outlook for 2004 is brighter, barring any unforeseen terrorist or health problems. Economists are predicting a 2% - 4% increase in the travel sector. It is hoped that this trend will continue through 2005.

2.2.2 State of the Attraction Industry

The decline in the tourist industry was not reflected in declines in major event attendance. The PNE had almost no change in its attendance, despite an increase in price from \$8.00 to \$10.00). The Abbotsford International Air Show, Folk Festival, Children's Festival and Jazz festival were showed no increase in attendance from 2002. Commensurate with projected increases in the tourism industry, all local events are looking for better attendance in 2004/2005.

2.2.3 Competition for the 2005 Richmond Tall Ships Challenge®

There is a broad range of events competing for discretionary entertainment dollars in the Lower Mainland. These include the Abbotsford Air Show, the Jazz Festival, Folk Festival, PNE, numerous shows such as the boat and car shows and even the Salmon Festival in Richmond two weeks prior. Fortunately, none of these events run at the same time as the Tall Ships.

The Tall Ships will visit Victoria in 2005. This will create considerable competition for Richmond. The Victoria event is earlier and will absorb much of the publicity around the Tall Ships in the local press. If the 2005 Tall Ships event in Victoria is successful, they can be expected to pursue hosting the event again in the future. It will be incumbent on the Richmond Tall Ships 2005 Society, and its sponsors, to put on the best event possible to avoid falling under the shadow of the Victoria Tall Ships event or even losing the Tall Ships to them on a permanent basis.

The Victoria Tall Ships will compete for funding from major sponsors and government agencies.

It should be noted that Victoria also has an Air Show that runs sequentially with the Abbotsford International Air Show. Abbotsford, however, has managed to establish its position as the premier event by hosting a wider array of aircraft and performers. Abbotsford also has a much larger market from which to draw attendance.

The Tall Ships will also be visiting Anacortes/Everett, Tacoma, and possibly Portland. This will reduce the ability to attract visitors from the Pacific Northwest to the Richmond event.

2.3 Product

2.3.1 Product Profile

The Tall Ships are on the verge of becoming an Icon for the City of Richmond. The Tall Ship sails are everywhere from the wide display of posters and pictures of the 2002 Tall

Ships Challenge® in homes and offices, to the cover of the Richmond Annual Report to the hearts of people young and old.

In 2005 Richmond will once again experience the excitement and magic of an outstanding internationally recognized Tall Ship event. Garry Point Park will once again be filled with spectators during the Parade of Sail, Symphony by the Sea and for the Fleet Farewell. The docks and boardwalks of Steveston will welcome thousands of visitors to view the ships and shops. And vibrant street-focused festival will once again celebrate Richmond's rich cultural history, promote sail training for youth and foster new appreciation and awareness of cultures in Richmond and around the world.

By taking a strong initiative early on and by implementing an effective marketing plan, Richmond will be regarded as Canada's Tall Ship capital on the west coast.

Proposed Schedule For 2005

Date	Location
June 23-26, 2005	Victoria, BC
June 30-July 4, 2005	Tacoma, WA
July 7-10, 2005	Anacortes or Everett, Washington, WA To be confirmed
July 14-18, 2005	Richmond, BC
July 19-20, 2005 (midweek)	Port Alberni, BC To be confirmed
July 28-31, 2005	Astoria, Portland, or Coos Bay, BC
Aug. 5-8, 2005	San Francisco Bay Area, CA
Aug. 12-15, 2005	Los Angeles, CA

2.3.2. Building on Success

The 2005 Tall Ships Festival will build on the success of the 2002 Tall Ships Challenge®. The event will capitalise on the wealth of experienced volunteers, the credibility developed with sponsors, the close relationship with ASTA as the Best Host City of the 2002 Tall Ships Challenge® and the knowledge gained through hosting the event in 2002.

2.3.3. Ship Recruitment

It's all about the ships.

The target for 2005 is 30 vessels with 2 or 3 being of the A Class – large navy vessels and 6 or 7 B class or attraction vessels.

From experience gleaned from the 2002 event, it was found that the Captains of all types of vessels need a lot of information in order for them to make the decision to sail across the Pacific into our coastal waters. They also need as much lead-time as possible.

The recommendation is that the ship invitations need to be sent by the end of October.

Decisions made by various navies to visit international ports of call are made with much thought and care. They often involve much larger national interests including trade, commerce, protocol, past visits, foreign affairs issues etc. For this reason the invitation list is broad. One vessel may receive 3 or more invitations through a broad network of contacts.

The invitation will be a full colour piece with photos of the 2002 award-winning public event. It will include invitations from the Mayor, Premier and Prime Minister. This high quality piece will demonstrate the credibility, commitment and professionalism of the Richmond organizing committee. It may also include a CD showcasing the 2002 event.

Invitations will be couriered or mailed to senior decision makers, senior Officers, Military Attachés, Ambassadors, Consulate Generals, Captains and owners around the world.

2.3.4 Benefits of the Tall Ships

- i. Thousands of visitors to the Tall Ships in 2002
- ii. Recipient of the American Sail Training Association's Port of the Year Award
- iii. Winning reputation as a port for 2002 will aid in attracting vessels from around the world for 2005
- iv. Award winning Marketing Program
- v. Rich community celebration that saw thousands of Richmond visitors returning day after day
- vi. Country-wide recognition for the City of Richmond and it's historic Steveston community
- vii. Winning partnership with the Steveston Harbour Authority – a warm and

- welcoming maritime host for the visiting vessels
- viii. Strong support from the Federal Government brought critically needed channel and harbour dredging for the fishing fleet
 - ix. \$100,000 of Federal dollars supported the operations of the event, Canadian Navy support and the Snowbirds
 - x. Outstanding financial support from the private sector
 - xi. Excellent working relations and support from federal and provincial crown companies, agencies as well as authorities – Fraser River Port Authority, Translink, BC Lottery, YVR, Legacies Now (Vancouver 2010 Bid Corporation)
 - xii. Outstanding community support – from a multitude of service clubs, youth groups, community groups and an outstanding crew of over 2,000 volunteers – Richmond’s most welcoming hosts

2.3.5 Youth Education

The Tall Ships Challenge® five weeks of sail training races and port visits are organized by ASTA to celebrate and promote sail training for youth, as well as education and adventure travel opportunities for the young at heart of all ages.

Several hundreds of thousands of visitors are expected to come to Richmond’s waterfront to view or board the vessels, learn about life on board ships from the crews and trainees, and get a taste of what life aboard a tall ship may be like.

The job of the host port is to promote sail training to the public. This is done two ways – through marketing and promotion pre event, and through on site activities.

The Richmond Tall Ships Festival Society, through marketing opportunities and through the website will promote sail training as a summer activity Richmond youth may become involved with. The website will offer direct links to ships and their captains so that families may make their own arrangements, as they did in 2002.

The Tall Ship Festival Society will also make speakers available to service clubs who may be interested in helping put ‘kids on ships’. It is hoped that service clubs will take up the challenge by selecting worthy young people with limited financial means and pay their passage for a sail training adventure on board one of the tall ships visiting Richmond in 2005.

On site there will be expanded opportunities for Ship Captains to promote their programs and provide demonstrations on the docks and in the line-ups. As well the Crew activities may include exchanges, soccer and baseball games with local teams and groups.

2.4 Risk Management

2.4.1 Managing Financial Risk to The City

By having a non-profit society host the event, the City realizes considerable staff hours savings (an estimated 10,000 man hours over 2005), reduces the numbers of city departments impacted by the event, and relieves pressure on City facilities and services.

In addition to the above savings the Society has embarked on a comprehensive business plan. Estimations of costs and revenues are conservative, and based in large part by a review of the extensive and professional reports submitted by staff and key volunteers of the 2005 event. It is felt that all targets are achievable.

A new stream of revenue has been added to the 2005 event – Gate Admissions. This is expected to provide significant new support to the bottom line.

Financial management is the responsibility of the Finance Committee. This committee is comprised of professional accountants. The Finance Committee will develop comprehensive protocols to handle budgeting, accounts, expenses, revenues, cash management, reporting etc. The Finance Chair reports at each meeting of the Board of Directors.

2.4.2 Insurance

The Richmond Tall Ships Festival Society asks that the City include in its coverage all the management of and costs of insuring the Tall Ships Festival Society, its volunteers, and all costs related to insuring the five-day event. In 2002 this cost of the insurance was \$20,000. It is estimated that that number could be up to \$50,000 for 2005.

The Tall Ships Festival Society will work with the City in finding an insuring sponsor. This sponsorship will help to reduce the cost of the insurance to the City.

3. MARKET

3.1 Strategy

3.1.1 Target Market

The Tall Ships appeal to a universal market with an emphasis on adults 35 years and older. The primary market is Richmond followed by the Lower Mainland, British Columbia, and the Pacific Northwest. International visitors represented 6% of those attending the 2002 Tall Ships Challenge®.

3.1.2 Market Research

Research was conducted on-site by the Richmond Tall Ships Committee. Surveys were conducted with 370 groups representing 1,243 visitors. The results of the research highlighted the following market facts:

The market is primarily adult with the majority 35 years or older with a slightly higher proportion of females.

22% of visitors were from Richmond, 58% from the Lower Mainland and 21% from outside the Lower Mainland area. Of those from the Lower Mainland, 16% had never been to Steveston before.

Of the visitors from outside the Lower Mainland, 10% were from British Columbia, 9% from the rest of Canada, 4% from the US and 2% from off shore.

Only 30% of visitors purchased a pass to board the ships. This means that no admission revenue was generated from 70% of the visitors to the Tall Ships site.

When asked how they heard about the Tall Ships, the majority cited newspaper followed by television, radio and web site / brochures. Almost 20% stated they had heard about the Tall Ships by word of mouth.

83% of those surveyed indicated they would come to see the Tall Ships again if they returned to Richmond.

3.1.3 New Prospects

The 2002 Tall Ships Challenge® did not attract large numbers of young people. There is an opportunity to modify the marketing program to attract more young people to the event.

With more lead time to develop marketing programs, more aggressive campaigns can be developed to attract larger numbers of visitors from outside the core market of the Lower Mainland. This will increase business for hotels, restaurants, and other local businesses.

Increased marketing in conjunction with Tourism British Columbia and Tourism Richmond will also help attract more visitors from the Pacific Northwest and Offshore. Tourism Richmond has committed to making the Tall Ships a primary focus of its marketing activities for 2005.

3.1.4 Identifying and Contacting Potential Attendees

The Tall Ships appeal to a universal audience. The Tall Ships 2002 marketing program generated extremely high awareness in local markets. This awareness will be leveraged for the 2005 event.

Marketing will use a variety of channels to promote the Tall Ships including newspaper, television, radio, a web site, brochures and outdoor advertising. Media sponsorships and co-operative programs with Tourism British Columbia and Tourism Richmond will greatly enhance the budget for advertising and promotion.

3.1.5 Event Features

The Tall Ship Festival will encompass a number of features that will be promoted. These include:

- i. The Tall Ship Festival Sites
- ii. The Parade of Sail
- iii. On board viewing
- iv. Fleet Farewell
- v. Shows such as the Vancouver Symphony and other concerts
- vi. Steveston Community Street Festival
- vii. International appeal of the Tall Ships
- viii. Link with the history of Richmond and Steveston
- ix. The Tall Ships Challenge® will feature more than just the ships. Additional attractions include:

- a. Canada's Snowbirds
- b. Special events on the river – boom boat ballet, parade of steam etc.
- c. Tall Ships Gun Battle
- d. Showcases Richmond, Island by Nature

3.1.6 Revenue

There will be 3 major sources of revenue for the 2005 Richmond Tall Ships:

- i. Government Support
 - a. Grants and other funding
- ii. Sponsorship
 - a. Corporate
 - b. Friends of Tall Ships
- iii. On-site Revenues
 - a. Ticketing
 - b. Passports/Program Sales
 - c. Merchandise
 - d. Food and Beverage
 - e. Parking
 - f. Ground Transportation
 - g. Water Tours and Shuttles

3.2 Marketing Plan

3.2.1 Marketing Strategy

To promote a large-scale event as complex as Tall Ships 2005, a number of advertising and collateral materials are necessary to provide the public with several levels of information. These materials will not only motivate them to come, but also provide sufficient information about the event (ie. schedule of events, how to get there, parking, etc.). Sponsorship sales tools will also be produced to convey the size and quality of the event.

The quality of the graphics communicates the quality of the event and it is also imperative to have a strong and consistent graphic presence to reinforce the brand for future events.

3.2.2 Marketing Objectives

- i. Attract hundreds of thousands of visitors from the Richmond and GVRD areas over a 5-day period

- ii. Raise over \$1M in cash for the event through:
- iii. Sponsorship
- iv. Presales (tickets, merchandise, etc.)
- v. On-site ticket sales
- vi. Merchandising
- vii. Create "Goodwill" for future events
- viii. Establish a flagship event for the City of Richmond
- ix. Build pride in the community
- x. Be fun for all members of the community
- xi. Extend learning base for next time
- xii. Be Financially Solvent
- xiii. Develop marketing partnerships with:
- xiv. City of Richmond
- xv. Tourism Richmond
- xvi. Tourism BC
- xvii. Various Commercial Sponsors
- xviii. ASTA
- xix. General Community
- xx. Media Partners

3.2.3 Target Marketing

See Appendix 2.

3.2.4 Advertising and Promotion

3.2.4.1 Role of advertising campaign/advertisement

- i. To establish Tall Ships 2005 as the 'must see' event of the summer by creating the awareness of and desire to experience the Tall Ships event in Richmond (Steveston) July 14-18, 2005.
 - ii. To persuade the public that the 2005 event will have more and bigger ships, be better organized than 2002.
1. Who or what are we competing with? Any other activity typically done in summer, including:
 - i. Victoria Tall Ship event
 - ii. Jazz Festival
 - iii. Camp (sports, social, educational, etc),
 - iv. Vacations away from the city (i.e. extended BC long-weekend vacations)
 - v. Playland

- vi. Space Centre & other museums
- vii. Maritime Museum: Children's Maritime Discovery Centre & Fireboats Exhibits
- viii. Whistler, Victoria, Beaches, ('standard' attractions for out-of-province visitors)
- ix. Movies/entertainment complexes (e.g. Silver City & Technology: television, computers, videogames, etc.)

2. Who are we talking to?

- i. Parents: want something fun and educational to do with their kids, want to 'share' a positive experience with their kids
- ii. Kids: want to have fun, may want to take part in sail training experience; teens want to hang out with their friends, meet new teens
- iii. Grandparents: want to share some history with their grandkids, show them what it was like in 'their day' (or at least closer to it!)
- iv. People who love boats/the ocean: all sailors and other people with a passionate obsession with the ocean

3. What is the single most important thing this advertising should convey? (benefit)

Come to the Tall Ships 2005 to Experience Real Passion

4. Why should people believe this?

- i. Rational support: Steveston's historic link to the Tall Ships, live link to Pacific Rim cultures, Cannery heritage, ASTA program with youth
- ii. Emotional support: adventure + reality = empowerment (ASTA benefit), enduring romance with the sea / taming the sea, tales of bravery on the high seas/ storytelling by local heroes (fishermen/cannery tales)
- iii. Tone and manner: curious, adventurous, fun
- iv. Brand character: Approachable, passionate, empowered

3.2.5 Marketing Mix

The following materials are key to the overall marketing of Tall Ships 2005. Two levels of advertising will be created: Awareness – 'Corporate' (i.e. overall brand) and Festival – 'Product' (i.e. specific events)

- i. Map and Calendar of Events – for on-site distribution
- ii. Souvenir Program or Passport
- iii. Posters (Awareness and Festival) – for distribution to sponsors and community supporters
- iv. Print Ads (newspaper and selected publications)
- v. TV and Radio ads (Awareness and Festival as permitted by media sponsorship agreement)

- vi. Transit Advertising and Outdoor
- vii. Website – Marketing will establish a subcommittee dedicated to overall website design and to manage day-to-day hosting and updates. These will include such things as press releases, ship and general festival information, schedules, etc. The website will also be used for sail education – plotting courses of visiting ships as they make their way to Richmond, promoting sail training opportunities for youth.
- viii. Public Relations – in addition to the designed collateral materials, public relations is the most powerful tool to provide information to the public. A PR firm will be contracted to manage press relations, media training, developing stories and editorial, etc.
- ix. Community Relations – to assist the community in understanding the scope and opportunity the Tall Ships bring to Richmond.
- x. Merchandising – merchandising is an excellent opportunity to capture additional revenues. A marketing subcommittee will be established to develop a complete merchandising plan and oversee the engagement of a qualified contractor to manage event merchandising.
- xi. Signage – Marketing will establish a subcommittee to oversee layout and production of all signage requirements in order to uphold the graphic standards and reinforce the brand image.

3.2.6 Marketing Research

An informal survey was conducted during the 2002 event, and valuable insight was gained from the data compiled from festival attendees.

In 2005, we suggest incorporating a feedback mechanism such as a suggestion card system located on-site, or as a ‘comments’ area on the website, allowing attendees to rate services and entertainment in terms of a given scale, and also to answer open-ended questions that allow them to freely offer criticism or praise. Reasonable suggestions can then be implemented in order to improve future events.

3.3 Merchandising/Concession Program

Detailed information on the Merchandising and Concession Program has not been provided, however, it is apparent that there were at least 3 key areas from which valuable experience was gained.

The brand image of Richmond Tall Ships 2002 was altered during the run up to the event. This resulted in different branding on merchandise items. It also reduced the lead-time for the licensee to produce items with the revised image.

Certain products were more popular than others. These products sold out quickly while others remained unsold throughout. A simplified product line can now be offered that focuses on the popular items.

Locations of vendors did not always offer them the best opportunity to capitalize on the sales potential. Having observed the traffic flow and the popularity of the various events throughout the weekend, a more effective set of locations can be assigned.

It is also recommended that the services of a food concessions manager be contracted. The benefit of this approach is that the concession manager can more effectively hold the concessionaires accountable for the revenue generated by virtue of their ongoing relationship and their volume of business.

It is also recommended that a licensee be contracted for merchandise sales in order to reduce the risk to the society.

Merchandise can be a major revenue generator for the Tall Ships. Merchandise sales for Tall Ships 2002 provided valuable experience that will allow the program to be improved in 2005. Merchandise selection will be simplified to focus on popular items such as hats and T-shirts, which are traditionally the biggest selling items at a major event. With more time to develop the merchandise program, the selection and quality will be strong for Tall Ships 2005.

A licensee will be contracted to provide and sell merchandise for Tall Ships 2005.

Merchandise sales will come under the direction of the Marketing Committee who will be responsible for the selection of licensees, oversee the selection of merchandise items and ensure the proper use of the logo and other registered marks of the Tall Ships.

4. TICKETING

4.1 Categories and Proposed Prices

A multi-tiered ticket system will be implemented with logistical details to be finalized at the committee level.

Tickets will be priced according to the schedule below. There will be no reduction for children or seniors for general admission.

Ticket prices will include GST and ticket agent fees. There will be additional charges for telephone and Internet sales to cover postage and handling. Ticket prices may change slightly in accordance with ticket agent fees which are yet to be negotiated. Every effort will

be made to keep ticket prices in round amounts to increase the efficiency of ticket sales on site and limit the requirement to handle large quantities of coins.

4.1.2 Comparative Prices

A comparison of ticket prices for a number of Tall Ship Festivals and similar Lower Mainland events appears in Appendix 3.

4.1.3 Ticketed Elements

Ticketing is a key element of the Tall Ships Event. It will generate revenue needed to stage the event and also provide a means to control access to the ships.

There are four main elements to the Tall Ships Festival that could be ticketed:

- i. The Parade of Sale - best viewed from Garry Point
- ii. Viewing of the ships berthed at the docks from the shore
- iii. On-board viewing of the ships
- iv. Major evening entertainment

There is a limit to the number of tickets that can be sold for on-board viewing of ships, this is regulated by the number and size of the ships, the speed with which visitors can view the ships and the length of time available for ship viewing. Once this maximum number is reached, no more ticket revenue can be generated unless other elements of the Festival are ticketed.

In 2002, tickets were sold for ship viewing, with the additional elements being free of charge.

4.1.4 Ticketing Options

In developing the ticketing strategy for Tall Ships 2005, the Committee studied a variety of options which included:

- i. Making the site and ship viewing free to the public
- ii. Selling tickets for ship viewing only – as was done for Tall Ships Challenge®
- iii. 2002
- iv. Ticketing the whole site with no charge to view the ships
- v. Ticketing Garry Point for the Parade of Sail but not the rest of the site with an additional charge to see the ships
- vi. additional charge to see the ships
- vii. Ticketing the whole site with an additional charge to see the ships.

The Committee suggests that creating a festival site with controlled access and charging for admission plus selling passes to view the ships will provide the optimum ticketing scenario for Tall Ships 2005. This system will maximise the revenue needed to run the Tall Ships event, take advantage of any up-side in the number of visitors to Steveston, and provide a control facility for ship viewing.

The departure of the ships on the final day will be free of charge to meet the obligation of making the event accessible to everyone irrespective of income.

4.1.5 The Festival Site

In order to create a Tall Ships festival site that can be ticketed a number of issues must be addressed:

- i. What would the site include and how would it be secured?
- ii. What entertainment value would be available on site to justify the price of admission?
- iii. How would the interests of any businesses and residents within the site be addressed?
- iv. During what days and times would the site be secured?
- v. How would the various docking locations for the ships be incorporated in the festival site?
- vi. If there are a number of festival sites, how would ticket holders gain access to all sites?
- vii. What is the visitor capacity of the site (s)?

The Operations Plan (see Section 7) addresses some of these issues while others will be determined at the committee level.

4.1.6 Ticket Types and Prices

Ticket types and prices cannot be finalised without further consultation with the stakeholders and Steveston business regarding closure of the Festival Site. Assuming that the site will be closed, the prices and ticket inclusions are proposed as set out in Appendix 4.

4.2 Ticketing Policies and Procedures

4.2.1 General Site Admission

General admission tickets will one day tickets good for any day. There will be no limit to the number of tickets sold.

4.2.2 Boarding Passes

For Tall Ships 2002, ship boarding passes were good for all days. This simplified the tickets sales process but put considerable pressure on crowd control as organisers did not know which day(s) visitors would want to board the ships. This led to unsatisfactory wait times to view the ships of up to three hours on Friday. The wait time was reduced on Saturday and Sunday due to reduced numbers of visitors and increased efficiency of the boarding process.

To gain better crowd control and make the ship boarding process more enjoyable for all visitors, it is recommended that a limited number of boarding passes be sold for each day. There will be demand for ship boarding for “enthusiasts” on all days and a limited number of “All Days” passes will also be sold.

There will be discounts for children and seniors for ship boarding passes

Over 90% of ship boarding passes were sold in advance. This was partly due to the long lines both for ticket purchase on site and because potential ticket purchasers were discouraged by the long lines waiting to board the ships. It is expected that most boarding passes will be sold in the pre-sales period for Tall Ships 2005. Any unsold inventory of passes for each day will be sold on site.

4.2.3 Admirals Club

In 2002 there was a significant demand for Admiral’s Club passes which provided priority ship boarding and access to the Admiral’s Club on all days. Passes were limited to 400 due to concerns about the capacity of the Admiral Club facility. Due to demand for these passes and the fact the Admiral’s Club never reached capacity, the decision has been made to increase the number of Admiral Passes to 800. The Admiral’s Club passes will continue to be good for all days, will be transferable and include admission to the festival site and Admiral’s club

4.3 Ticket Revenue

4.3.1 Ticket Revenue Projections

Ticket revenue is based on the sale of a conservative estimate of 135,800 tickets. The chart below demonstrates the importance of General Admission tickets to overall revenue.

Ticket Category	Sales Projections	Revenue Projections
General Admission	85,000	\$494,063
Garry Point – Parade of Sails	30,000	\$75,000
Total General Admission	115,000	\$569,063
Ship Boarding (includes site entrance)	30,000	\$481,250
Admirals Pass	1,000	\$76,000
TOTAL	146,000	\$1,126,313

Detailed calculations for ticket sales and revenue appears in Appendix 5

4.3.2 Ticket Sales Procedures

4.3.2.1 Pre-event Ticket Sales

Tickets will be sold through a number of sales facilities. A ticket agent may be selected to provide phone, internet and outlet sales throughout Western Canada.

A limited number of tickets will be sold for ship viewing for each day. This will require a central ticket system to control the ticket inventory.

Tickets will be sold directly to the travel industry for inclusion in travel packages through the offices of the Tall Ships Society.

Tickets may also be sold through the facilities of a sponsor, and at outlets in Steveston prior to the event. Tickets were sold as a fund raiser by service organisations in 2002 with limited success. It is recommended that tickets only be sold through selected outlets in 2005.

4.3.2.2 On-Site Ticket Sales

On site, tickets will be sold through a number of ticket outlets located at key locations throughout the site. Ticket outlets may be operated in conjunction with a ticket agent with support from the Tall Ships society who will provide paid staff capable of handling cash.

4.3.2.3 Wrist Bands

Wrist bands will be issued for access control and to allow visitors to move freely between the ships and festival sites. Different coloured wrist bands will be used for general admission and ship viewing each day. The issuance of wristbands in 2002 created long lines and considerable customer dissatisfaction. The number of volunteers issuing wristbands will be greatly increased for 2005.

4.3.2.4 Ticket Agent

A limited number of tickets will be sold for ship viewing each day. This will require a central ticket system to control the ticket inventory. A ticket agent may be used to control the ticket inventory and to provide outlet, Internet and telephone sales prior to the event. A ticket agent may also be used to provide on-site ticketing services.

4.3.3 Site Capacity

The elements involved in estimating the capacity of the site to service guests to an acceptable level include the following:

- i. Parking capacity
- ii. Transportation capacity
- iii. An estimate of the percentage of guests wishing to board ships
- iv. On-board viewing capacity
- v. Photographs taken in 2002

We estimate the site capacity at about 40,000 people at any one time.

5. SPONSORSHIP

Sponsorship is a key element in the financing of the Tall Ships. The sponsorship program for the 2002 Tall Ships Challenge® was very successful, particularly for a “first time event”. Many sponsors have indicated an interest in participating again in 2005. Their

enthusiasm for the event will generate considerable momentum for the sponsorship program.

5.1 Strategy - Building on past success

Building a successful sponsorship program for the Richmond Tall Ships in 2005 is best accomplished by building on the program developed for the Tall Ships event in 2002. Success will be evaluated by the ability of the organization to achieve its stated financial targets for fundraising.

A great concern for the event is the issue of cash flow. As the event is not scheduled until 2005, sponsors may be reluctant to contribute funds earlier than 2005. To receive funds earlier, it is recommended that each sponsor upon signing also send a cheque for a portion of their sponsorship. The Charter Sponsors are excluded as they have already contributed.

5.2 Committee Make Up

5.2.1 Committee Heads & Departments

The sponsor marketing committee will be formalized as much as possible for consistent messaging and information dispersal. Given this is always a challenge when dealing with volunteers as it can lead to an uncontrolled array of information going out to sponsors, which is always a dangerous thing.

This sponsorship team would include individuals with a proven track record in securing grants from various government departments, door openers, representatives from outside agencies, and in some cases, the support of the Mayor's office to be successful.

Particularly when looking for funding that could add to the legacy of Richmond, it is suggested that the city could provide needed documentations, maps, images etc., that support requests for funding.

For some sources of support, such as additional dredging, it may be more advantageous to work with outside groups or authorities. The Tall Ships could act as a catalyst for the request, but as these contributions fall under other jurisdictions it would be appropriate work with the organizations to provide any support or endorsements that are required.

In other cases it may be appropriate that the city be the lead on the requests (i.e. capital project funding), or in others, the city may provide some expertise such as with HRDC grants.

For grant requests the Mayor's office would be asked to endorse such requests for funding.

As in 2002, the Government Sponsorship team needs to be mindful that federal and provincial policies may change at any given time. Richmond was very fortunate to receive the dredging support in 2002, but those same funds may not be available in 2005. Similarly in 2001-2002 funding that was expected from the Provincial Government dried up when the clamp down CORE REVIEW was announced.

With the exception of the provincial Legacies Now program, Crown Corporations sponsorships will not be included in the Provincial Government totals (and have been removed from the totals for 2002). The decisions made by these Corporations and Authorities for supporting events such as the Richmond Tall Ships are made by evaluating how best the event meets their corporate goals and objectives. Meeting their criteria is best done through the Corporate Sponsorship Campaign as the objectives and program of this campaign better match the corporate requirements of the Crowns and Authorities.

5.2.2 Reporting

All sponsor committee members need to report to their department heads always. Specifically, they need to update the department head concerning who is contacting whom, what is being offered, the progress and status of the sale, fulfilment needs and contractual progress – in other words, sales process management. This information needs to be filtered into a central, single, database that is managed by the department head and/or staff.

5.3 Fundraising Concept

Recommend that the Sponsorship Program incorporate three strategies to achieve its target. Each of these strategies requires separate campaigns and teams to meet success.

- i. Government – Federal and Provincial
- ii. Sponsorship – Major Corporate
- iii. Suppliers and Friends of the Tall Ships

5.4 Establishing the Target

Establishing the financial target for the over all fundraising required for the Tall Ships involves understanding what was accomplished in 2002, estimating how the various stakeholders will respond to 2005, looking at the need of the overall budget and making an assessment as to what might be available. Targets are based on the following criteria:

- i. Historic success of the event
- ii. Market evaluation

- iii. Needs of the budget
- iv. Realistic assessment

It is important to understand reaching a financial target for fundraising is not accomplished by reviewing the budget and assuming sponsorship will offset any deficit left after ticket sales, merchandising and in-kind support is subtracted from the cost of the event. This revenue source is not guaranteed.

Advisors indicate that non-annual events such as the Tall Ships' generally grow their sponsorship program by 10 – 15% from the first event to the following event. Total sponsorship for 2002 was \$2,273,133

Projected targets for Tall Ships 2005 for cash and in-kind are:

Government	\$1,055,500
Corporate Sponsors & FOTS	\$ 444,050
Suppliers	\$ 775,750
 Total Sponsorship Cash and in-kind	 \$2,275,300

5.5 Sponsorship Campaign

Team is smaller – less is best. Recommend three individuals. When attracting major sponsors to support the Tall Ships it is important for key decision makers to have a confidence in the event as well as the organizations. The event sells itself, and the recruiters are the personal connection these major supporters have with the event. Donors need to have confidence in the recruiters and know that needs are met, they have access to key decision makers and they will be respected and recognized for their decisions.

The recruiters for this program need to be comfortable in the board rooms, be able to open doors and have access to key decision makers.

The sponsorship program needs build on past success, use testimonials from past sponsors. It is important that the fulfilment program meets the needs, not only of the company, but also of the key decision makers. Corporations will be attracted to the success of the past event, but that alone with not guarantee their continued participation. The program has to be flexible to address individual corporate needs (sampling on site, signage, extra tickets, use of logo) so that they can derive the needed benefits required to justify this business decision.

5.5.1 Benefits

The 2002 offering had varied benefits for the same levels over time. Consistent values of benefits will be defined, agreed upon and adhered to from the outset throughout the duration of the solicitation process.

5.5.2 Levels

Concurrent to the benefits, these will be redefined using the knowledge gained from the 2002 process.

5.5.3 Rights

Rights were well defined in 2002 but these need to be clearly defined for the fulfilment staff earlier (as soon as possible, even before contract signing) to avoid the rush of fulfilling sponsor rights, i.e. signage design, creation and placement

5.5.4 Costs

Sponsor levels were acceptable and concurrent with what the B.C. sponsorship market can bear given local event marketing circumstances and being a new, unproven event.

'Major Sponsor' and 'Sponsor' levels may be increased given the relative success in terms of visitor numbers from the 2002 visit.

5.5.5 Format

Rather than printing and binding a large quantity of standard sponsor packages it would be prudent to follow the recommendations from the 2002 sponsor manager's report to create a 'folder type' presentation piece with 'slip in' papers, customized to each sponsor's marketing needs, ability to pay and level of interest.

5.5.6 Control & Consistency

There were many versions of the sponsor solicitation document in circulation during the marketing process in 2002 - both hard and electronic. A committee/staff member will be

appointed to ensure consistency on all sales documents that are being distributed - embracing levels, benefits, costs, appearance and content.

5.6 Fulfillment Process

5.6.1 Individualized Corporate Plans

Each sponsor will have very different, very specific and very focused needs for their sponsorship of the 2005 Tall Ships Festival to work for them.

The corporate sponsor fulfillment process and the people who negotiate and manage the sponsor company's marketing needs must recognize, deal with and deliver this most central aspect of their 2005 Richmond Tall Ships Festival sponsorship commitment.

Each sponsor's needs list will be identified, negotiated, documented and eventually, delivered because this is what the value of their sponsorship will be judged upon.

The sponsor will be given an event contact who will understand their needs and establish a tasks and time line delivery vehicle promptly (even before contract) to make it effective.

Their contact will be aware of the sponsor's need for constant approval of their image appearing any and everywhere – print, signage, electronic, verbal – before it appears.

5.6.2 Separate Fulfillment Committee (FC)

Sales personnel rarely make effective fulfillment staff. The sponsor management will be handed off (once the fulfillment needs are agreed upon and contracted) to the FC. The FC will be made up of seasoned, fresh and dedicated individuals (a mixture of staff and volunteers) to oversee all wants and needs of the sponsor, as long as they are reasonable. These individuals must be equipped with the documented sponsor requirements and then establish a fulfillment tasks and timelines grid with deadlines.

5.6.3 Communication

Between the FC and the sponsor, the sponsor marketing committee and department heads, the event managers, signage company, the site managers, the C of R officials, and local regulatory bodies is essential to ensure timely and correct implementation of the commitments to the sponsor. A biweekly (and eventually weekly and daily) review process involving all the aforementioned is key to smooth sponsor fulfillment.

5.6.4 Sponsor evaluation/questionnaire

A post event poll of as many of the sponsors as possible is essential (like the one conducted in 2002), to judge how all aspects of the event performed from the perspective of a sponsor - mainly their marketing people. This should include approach, delivery, value, negotiation, contracting and most important - delivery.

The evaluation will include (but not be restricted to):

- i. Pre event promotion (advertising, media events, PR opportunities)
- ii. Inclusion in planning from a sponsor's needs (meetings & sponsor conferences)
- iii. Anticipation and resolution of issues (guerrilla marketing, discounting)
- iv. Awareness of extra opportunities (hospitality, Admirals/Club Passes, VIP treatment)
- v. Onsite profile (signage design, sign off, placement)
- vi. Ease of access/movement (parking, ship visits)
- vii. Product and services handling and display (retail opportunities and use on and off site)
- viii. Confidence that all and every promotional opportunity was presented and acted upon.
- ix. Ease of implementation, set up & delivery

The event marketers need to know:

- x. Did the event live up to sponsor expectations?
- xi. Were all the promised proposal and contracted deals fulfilled?
- xii. What did the 2005 Tall Ships Festival NOT live up to in terms of delivery?
- xiii. Were all contractual obligations fulfilled?
- xiv. Would you be willing to negotiate a further visit sponsorship?
- xv. If not, why not?

5.6.5 Appreciation/Thank You Event & Gifts

Every sponsor wants to be congratulated and rewarded for their company's participation – especially when the event is regarded to be an overwhelming success.

The mayor should be asked to participate with the marketing committee department head, 2005 Tall Ship chair person, event manager and (especially) the FC rep. in presenting sponsor representative(s), in front of their superiors, some sort of City of Richmond Tall Ship icon at a significant civic event. This is meaningful for a few reasons:

- i. It is another reason to connect /thank contributors to a very successful C of R event.
- ii. Never miss an opportunity to cement sponsor relationships with the C of R
- iii. Never miss an opportunity to make a key employee of any sponsor look good in front of their superiors
- iv. Never miss an opportunity to ask for a commitment for the next event

5.7 Timelines

Timelines will be established from the outset and circulated to all members and reviewed at all meetings to keep the sales program on track and avoid the 'end of cycle' crush that inevitably happens with programs like these.

5.7.1 Timeline

November 2003	Review what in-kind support may be required for waterside infrastructure Develop sponsor and Friends of the Tall Ships Programs Vet programs through professional advisors Make recommended changes
December 2003	Programs approved by Board of Directors Richmond Tall Ships Festival Society
Jan – February 2004	Survey deadlines for government asks or grants Develop timeline for Government needs Secure funding for design and print Design Print Time lines for targeted Corporate asks.
February 2004	Begin fundraising.
June 2004	Sponsor event
October 2004	Evaluate progress, Make changes,
January 2005	
March 2005	

May 2005 Fundraising complete.

Resources Required

5.8 Expertise

Be strategic on the use of cash resources for professional expertise.

Continue to utilize high level expertise to review proposed programs program – short-term involvement, maximum gain.

Recommend continued use of a professional advisor as a strategic resource for program evaluation and recommendations.

Hire mid-level expertise 6 months prior to event to handle all data, mailings, logistics, sponsor relations etc. Salary range \$3,500 - \$4,000.

Work with Finance committee so that financial data and tracking programs work both ways.

5.9 Office Requirements

- i. Office space,
- ii. Computer,
- iii. Necessary programs,
- iv. Use of copiers,
- v. Faxes etc.

5.10 Business Requirements

- i. Use of letterheads,
- ii. Business cards,
- iii. Development of needed brochures,
- iv. Packages,
- v. Mailings
- vi. Courier
- vii. Meeting space

6. VOLUNTEER PROGRAM

The Volunteer Program constitutes a legacy item for the City of Richmond in that it contributes to the infrastructure of the City's volunteer community through cooperation with Volunteer Richmond. With the Olympic looming on the horizon, this will contribute to Richmond's position as an active and vibrant community.

Staging the Tall Ships 2005 event would not be possible without volunteers. The 2002 Tall Ships Challenge® Volunteer Program was well handled and provides a sound basis for the strategy for Volunteers for 2005.

The original estimate for volunteer numbers in 2002 was 800. This number quickly increased as Committee Chairs submitted their requirements with over 2000 volunteers eventually being deployed for the event. This increase in numbers presented a considerable challenge for the Volunteer Committee but they did an excellent job of recruitment and scheduling with very limited human resources and infrastructure.

Recruiting, training and managing the 2000 volunteers needed for the Tall Ships is an enormous task. The Volunteer Committee for the 2002 Tall Ship event identified a number of opportunities for improvement in Volunteer recruitment, scheduling and operations. Key among these were the need for dedicated office space, more computers and telephone extensions, better lead time for recruitment, earlier identification of Volunteer requirements from Committee Chairs and improved food and water delivery. All of these issues will be addressed for Tall Ships 2005.

In order to address the problems faced by the 2002 Tall Ships Committee it is recommend that Volunteer Richmond be approached to undertake most aspects of volunteer management, with co-ordination from a Tall Ships chairperson. Volunteer Richmond is recognised and funded by the City of Richmond and already matches Richmond volunteers and available opportunities.

Given Volunteer Richmond's current operating format and substantial use of volunteers in their operation, it is reasonable to expect that Tall Ships volunteers will be able to play key roles in recruiting, data entry, scheduling and recognition.

The Volunteer Committee will be formed as early as possible to ensure maximum lead-time to develop the volunteer program. Office space will be allocated with a minimum of two dedicated computers and four phone extensions. With the earlier commencement of planning, Committees will be able to provide the Volunteer Committee with a timely list of volunteer requirements. Planned improvements to the entire food and beverage operation will insure volunteer needs for food and water are met.

The experience gained from 2002, coupled with the increased lead-time for program development will ensure the Volunteer program for 2005 will be "Better in Every Way".

6.1 Volunteer Recruitment

In 2002, the names of some volunteers were lost and many who volunteered early were never contacted. This was primarily due to the fact the Volunteer Committee did not secure a volunteer management software program until after the program began which hampered the efficiency of the data entry process. A specialised computer program will be used from the start to manage the recruitment and scheduling of volunteers. The volunteer database and application form will be synchronised to ensure the efficient entry of volunteer information into the system. Volunteer Richmond already operates a specialised computer system needed to support Tall Ships. A financial arrangement with the Tall Ships could provide the impetus for upgrades to the system that could remain as a legacy for Richmond and the 2010 Olympics.

Volunteer application forms will be ready for distribution by January 2005.

Volunteers will be recruited from the list of volunteers for the 2002 Tall Ships event, the Richmond Maritime Society, job fairs and community open house forums. Applications will be distributed at city recreation centres, libraries and other City of Richmond facilities, sponsor locations and a downloadable version will be available on the Tall Ships web site.

The following items will be managed by the Volunteer Coordinator in cooperation with Volunteer Richmond:

- i. Scheduling
- ii. Volunteer Uniforms
- iii. Volunteer Orientation
- iv. Identification
- v. Volunteer Check-In
- vi. Volunteer Services
- vii. Volunteer Food
- viii. Volunteer Parking
- ix. Volunteer Recognition

7. OPERATIONS

Excellent records have been kept from the 2002 event in the form of the Final Reports. This information, along with the experience and expertise of those who made the 2002 event happen constitute an invaluable asset as the Society moves to establish the Tall Ship Festival as a sustainable, ongoing icon event for the City of Richmond.

7.1 Staffing

A detailed plan of the committee structure is set out in the organization chart. Items with asterisks indicate the areas in which specialists will be contracted; these are also summarized in Section 7.

7.2 Location and Site Plan

7.2.1 Waterside

It is imperative that good relations be created and maintained along the waterfront. Approval from the Steveston Harbour Authority Board is essential as well as the approval and support of the Fraser River Port Authority. Furthermore, there are many other groups involved in Waterfront operations, which are key to the success of the Tall Ship Festival. These groups include Canadian Coast Guard, the commercial fishing fleet and other commercial operators, and the partners such as Fraser River Pile Driving and Miller whose support in 2002 came in the form of barges, tugs, towing, walkways and various other waterside services. It is recommended that a waterside manager be employed to facilitate all aspects of the waterside operations and to liaise with the City. This person's credibility, relationships and experience are critical to their success.

The ticketing plan calls for a general admission fee as well as a ship-boarding fee. This will require that access to the site be controlled. Further consultation with the City, local business groups and emergency services is required in order to determine the exact locations of fencing, however, it is recommended that the site be run as 9 separate venues, each with its own controlled area and its own management team.

7.2.2 Venues

The venues would be as follows:

- i. Garry Point
- ii. 7th Avenue Pier
- iii. 6th Avenue Pier

- iv. Gulf of Georgia Cannery, 3rd Avenue Pier
- v. Steveston Landing
- vi. Number One Road Pier
- vii. Britannia Shipyards
- viii. Number Three Road Pier
- ix. Riverport

There is potential for the placement of a facility to the east of Number One Road Pier which in its present form would afford general admission guests a good view of the ships. This location would require dredging and piling but these may be consistent with Richmond's waterfront initiative.

7.2.3 Steveston Harbour

Consultation with Steveston Harbour Authority is required as well as a presentation to their board in order to obtain permission to use their water lots and to determine the terms and conditions under which they may be used. Full government support is a pre requisite to commencing discussions with the harbour board. The Harbour Authorities mandate is to provide for the commercial fishing fleet and to maintain the access for working vessels. Consequently, it is imperative that access for the commercial fishermen be included in the site plans and that areas such as the Seine Wharf be kept clear.

De-centralizing Tall Ships berthing will enable the festival to coexist with the fishing fleet in a more harmonious fashion.

July may prove to be a better time for the event as far as the fishing fleet is concerned though the position of the deep-water fleet cannot be determined at this time and will have an effect on the availability of the 6th Ave Pier.

Normal dredging operations call for a depth of 3 metres at low tide so additional dredging may be required to accommodate larger vessels in their allocated berths.

7.2.4 Fraser River Port Authority

Consultation is also required with Fraser River Port Authority (FRPA) under whose jurisdiction the main channel falls. The FRPA is responsible for navigation and administration of the lower Fraser River.

In 2002, FRPA provided significant support to the Tall Ships in the form of secondary dredging. Recent developments in the form of government downloading of secondary dredging responsibilities have lead to a situation in which FRPA requires all of its financial resources in order to fulfill its primary mandate which is the main navigation channel.

Between 2001 and 2003, DFO has spent approximately \$250,000,000 on small harbour infrastructure including, capital upgrades and improvements, maintenance and dredging. This is an area in which funding may be available for dredging of Steveston Harbour.

Soundings of the Harbour falls under the responsibility of the Canadian Coast Guard and is carried out by Public Works. It is recommended that early efforts be made to be included in the sounding program to avoid incurring the additional cost of a separate program.

In summary, FRPA is an approving agency that will oversee the safe and proper use of the channel. FRPA is supportive of the Tall Ship Festival but is not in a position to offer the same level of financial support as it did in 2002.

7.2.5 Water Tours

Water tours proved to be very popular in 2002, providing visitors with a unique experience that sets the Tall Ship festival apart from other festivals. The water tours generate good revenue and increase the opportunities for guests to view the ships. In 2002, no revenue was realized by the Tall Ship Festival from this activity and it is recommended that negotiation be undertaken to:

- increase the capacity of the water tours
- integrate them into the transportation plan
- collect revenues

Line-ups, inability to board the ships and inability to view the ships were areas of dissatisfaction to guests in 2002. Besides controlling the numbers of on-board viewing tickets sold as set out in the ticketing plan, line ups can be affected by developing systems and procedures to move on-board guests through the ships quickly thus increasing the on-board capacity as well as the number of ships that a guest may view. This will require additional Liaison Officers, volunteers and briefings with ships captains and crews.

7.2.6 Landside

Garry Point is a major venue for the Parade of Sail, the Farewell, and the symphony performance. However, lessons learned in 2002 and through consultation with key participants suggest that a focal point more centrally located would be beneficial.

Activities will be located more centrally in the Village of Steveston to create a “ribbon” of services and entertainment along the natural route of flow of the ship viewers. Every effort will be made to generate opportunities for local businesses as a result of the festival. To this end, a dialog with the Steveston business improvement association will be maintained throughout.

Street closure will be requested with times and locations published well in advance. The locations are to be determined by the committees in consultation with the City, the Emergency services and local businesses. The locations of the 2002 closures are well documented and provide an excellent starting point.

7.3 Transportation

This report seeks only to offer a general overview of the critical issue involved in transportation planning. The Society will look to The City to develop a full transportation plan.

It is strongly recommended that the City undertake the negotiations with Translink. Critical elements of the transportation planning include the following:

- i. City to undertake this role
- ii. Consultation with emergency services
- iii. Consultation with Translink
- iv. Consultation with parking lot partners
- v. Parking capacity
- vi. Transport capacity
- vii. Dedicated emergency service access routes
- viii. Dedicated bus routes
- ix. Access for the disabled
- x. Access and parking for commercial fishermen
- xi. Traffic flow patterns
- xii. Road closure locations
- xiii. Road closure times

7.4 Location and Site Plan

Generally speaking the Festival will occupy the same area as in 2002. Decentralization and improved traffic flow will be the focus of developing a refined site plan. Transportation and emergency services routes will be developed as part of the transportation plan. Activities at Garry Point will be relocated more centrally leaving Garry Point as a prime venue for the Parade of Sail only.

While it would require a significant capital commitment, the Imperial Landing area is well positioned between Britannia and Number 1 Road and would provide excellent ship viewing from the shore as well as providing a community waterfront legacy in keeping with the waterfront initiatives being undertaken by The City.

7.5 City Support

In defining the scope of The City's support to the operations of the Festival, it is necessary to establish a baseline for the size, scope and duration of the Festival. The Festival will target, up to 3 A class vessels and 7 B class vessels. Landside operations would be of the same scale as the 2002 Festival with much of the Garry Point infrastructure moving to a more central location.

Support from the City is requested in the following areas:

7.5.1 Site Crew

Trades people and equipment for set up, operations and tear down.

2 crews of 10 people made up of 3 water crew, 4 carpenters and 3 electricians. These crews will provide safe access, water hook-ups and electrical tie ins on the waterfront as well as electrical service, water supply and drainage and basic site infrastructure on the landside. Furthermore, 2 electricians and 2 carpenters are required to be on call throughout the event. The estimated cost for these services including equipment is \$80,000. The cost of materials and supplies to support the above activities is a further \$45,000.

7.5.2 Garbage

Garbage on site can be collected by Festival staff and dumpsters can be removed by contractors, however removal of garbage from fixed receptacles to the dumpsters falls within the jurisdiction of City employees. This aspect requires negotiation.

7.5.3 Tents

Use of the City's tent inventory, set up and removal will be by the main tent contractor.

7.5.4 Generators

9 generators:

- 1 350 kw
- 2 100 kw
- 2 35 kw
- 4 25 kw

Plus: fuel, servicing, feeder cable and distribution. Fuelling and servicing can be undertaken by the site crew.

7.5.5 Storage

Both outside and inside storage for items such as ramps, equipment, signs and promotional materials.

7.5.6 Facilities

Use of the Steveston Community Centre for a period of 2 weeks prior to the event, throughout the duration of the event itself and for one week post event.

7.5.7 Parking

Use of all parking lots that were used in 2002 and are still available as well as any other spaces which can be used for parking, shuttle turnarounds and bussing. Enforcement.

7.5.8 Transportation

Planning and implementation

7.5.9 Emergency Services

Police, fire and command centre.

7.5.10 Printing Services

Document reproduction

7.5.11 Archives

Access to records and photographs of 2002

7.5.12 Protocol

Mayor's reception and other protocol functions

7.5.13 Insurance

Assistance with obtaining insurance

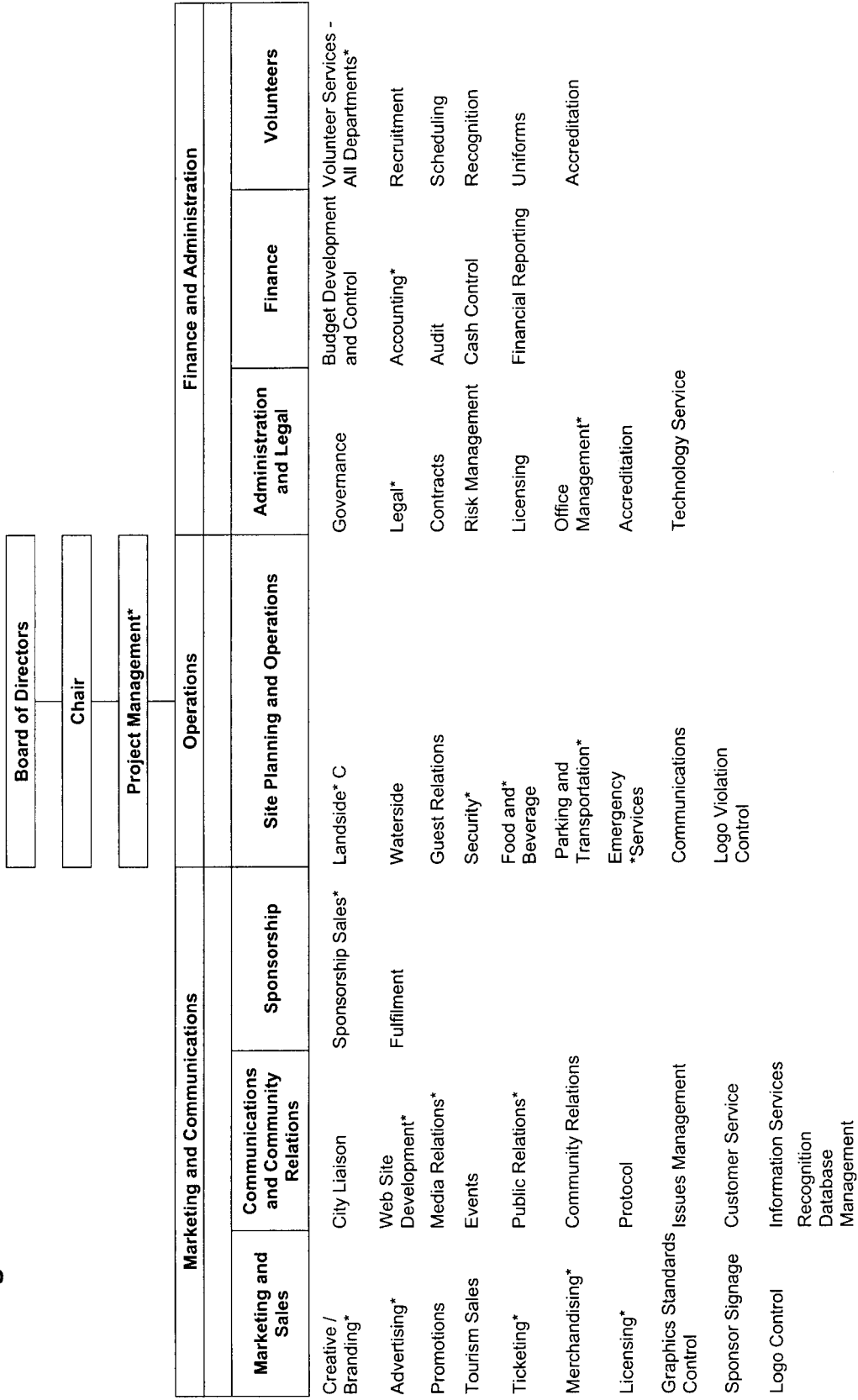
7.6 Office/Administration Facilities

The Society will find office space sufficient to accommodate its staff throughout the planning period. Steveston Community Centre provided excellent facilities for the on site ops centre and these are request again for 2005. One refinement to the plan as a result of the experience of 2002 will be to set up the site office and relocate 2 weeks before site activities commence.

8. MANAGEMENT

A general manager will report directly to the Chair. The committee chairs and contracted specialists will report to the General Manager. Waterside operations and landside operations will have their own management teams. The 9 locations outlined in Section 7.2.2 will each have their own venue managers and operations teams. A land site manager and a waterside site manager will have overall responsibility for those two areas of operations and will coordinate their activities with other areas such as marketing, finance, emergency services and transport.

8.1 Organisation Chart



Landside	Waterside	Site Planning Fit-out	Security	Operations		Communications Equipment
				Food, Beverage and Merchandise	Parking and Transportation	
Site Operations Manager*	Site Operations Manager*					
Venue Managers	Venue Managers	Construction of Waterside and Landside Facilities*	Site Security*	Food Services*	Parking C	Command Centre* C Cell Phones
Festival	ASTA Liaison	Signage	Parking enforcement* C	Maritime Market	Shuttle Service C	Fire* C Radios
Programming*	Ship Recruitment*	Set up and tear down C		Merchandise Outlets	Bussing C	Ambulance*
Crew Events	Ship Liaison Officers	Materials Management C		Volunteer Food	Traffic Control C	Police* C
Access Control	SHA	Dredging*			Production Transportation	Coast Guard*
Ticketing Operations	Vessel Support	Pilots				St John's Ambulance/First Responders* Hospital Liaison
	Parade of Sail Fleet Farewell					
	Water Transportation Coast Guard Liaison Fraser Port Authority Steveston Harbour Authority					



8.2 Board of Directors

The Board of Directors will be no less than 8 Directors and no more than 18. One of the positions will be reserved for Tourism Richmond.

Stakeholders for the Tall Ships include the City of Richmond, Tourism Richmond, Fraser Port Authority, Steveston Harbour Authority and the Community of Steveston. The Steering Committee looks forward to discussing with the stakeholders how best their interests can be represented on the Society.

The Board of Directors will set working committees. These committees will report through their respective Chairs to the Board of Directors.

8.3 Professional Advisors

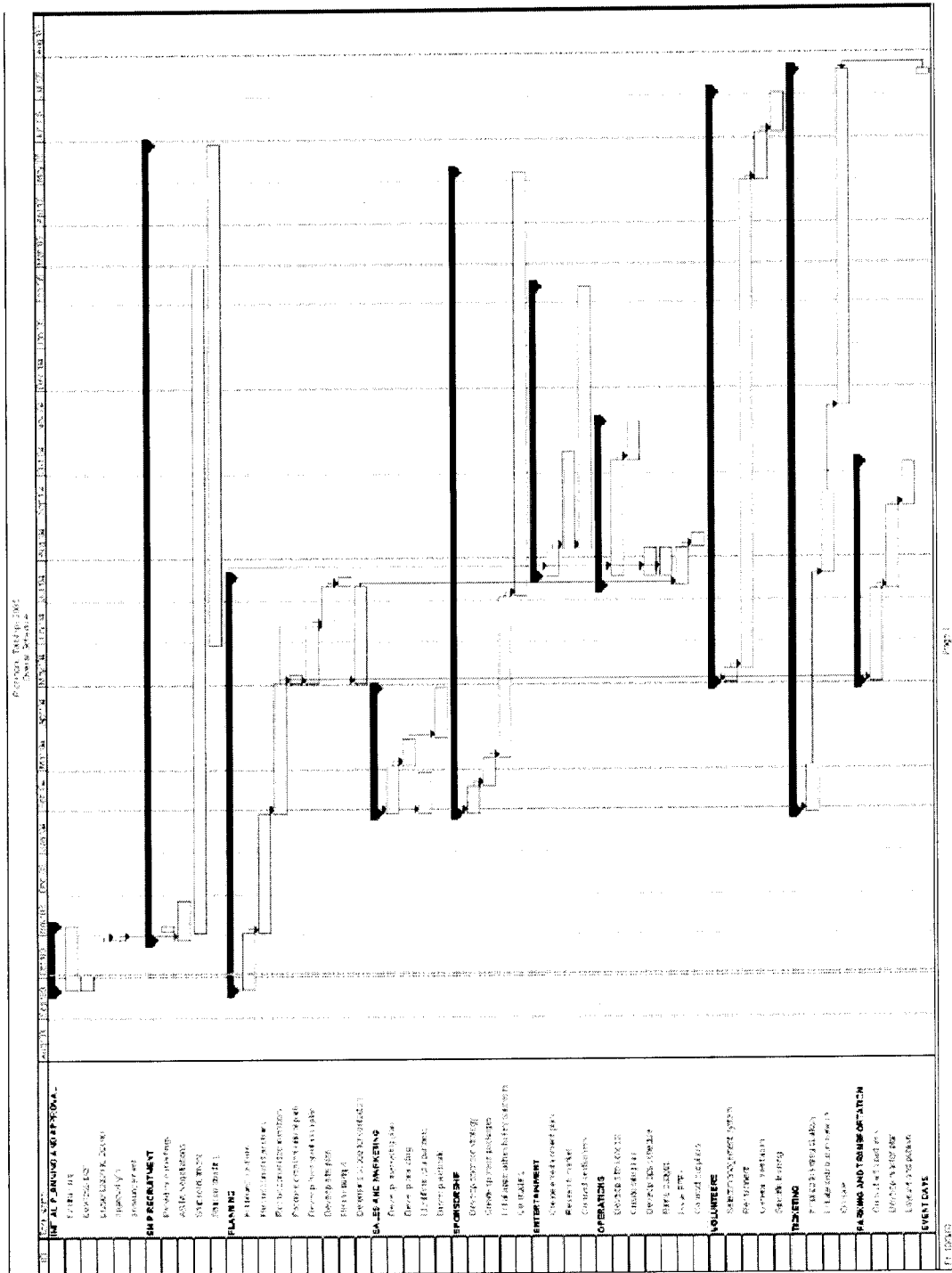
Professional contractors will be engaged in a number of key areas to ensure professional planning and execution. These include:

- i. Sponsorship
- ii. Site Design and Operations
- iii. Ticket Sales
- iv. Food and Beverage
- v. Transportation
- vi. Merchandise Sales
- vii. Creative Branding
- viii. Advertising
- ix. Ticketing
- x. Merchandising
- xi. Licensing
- xii. Web Site Development
- xiii. Media Relations
- xiv. Public Relations
- xv. Sponsorship Sales
- xvi. Landside
- xvii. Security
- xviii. Food and Beverage
- xix. Parking and Transportation
- xx. Emergency Services
- xxi. Legal
- xxii. Office Management
- xxiii. Accounting
- xxiv. Volunteer Services – All Department
- xxv. Site Operations Manager
- xxvi. Programming

- xxvii. Site Operations Manager
- xxviii. Ship Recruitment
- xxix. Construction of Waterside and Landside Facilities
- xxx. Dredging
- xxxi. Site Security
- xxxii. Parking Enforcement
- xxxiii. Food Services
- xxxiv. Command Centre
- xxxv. Fire
- xxxvi. Ambulance
- xxxvii. Police
- xxxviii. Coast Guard
- xxxix. St. John's Ambulance/First Responders



9. OVERALL SCHEDULE



panther management

MARKET PULSE

10. CRITICAL RISKS AND PROBLEMS

Negative factors will be identified and discussed in a forthright manner. To identify possible risks and problems, it will be determined which business plan assumptions or potential problems are most critical to the success of the event. Plans for minimizing the impact of unfavourable developments in each risk area will be developed.

10.1 Critical Success Factors

- i. Planning
- ii. Co-ordination
- iii. Communication
- iv. Management
- v. Publicity and Promotions
- vi. Waterfront goodwill
- vii. Ship Recruitment
- viii. Disaster Planning
- ix. Pricing and the demonstration of value
- x. Transportation
- xi. Public and media relations
- xii. Security
- xiii. Emergency services
- xiv. Signage
- xv. Legal
- xvi. Accounting
- xvii. Entertainment planning and booking

10.2 Threats To Success

- i. Limited number of ships
- ii. Lack of City support
- iii. Lack of approval by Steveston Harbour Authority
- iv. Lack of approval by Fraser River Port Authority
- v. Lack of Federal support for dredging operations
- vi. Strong performance by Victoria Tall Ships 2005
- vii. Poor weather
- viii. Lack of media support
- ix. Bad press or PR problems
- x. Health crisis
- xi. Poor government support
- xii. Closed fishing preventing private boats from freeing dock space

- xiii. Unsuitable docking facilities due to lack of dredging and dock construction
- xiv. No professional event management
- xv. Insufficient budget
- xvi. Lack of sponsor support
- xvii. Poor security or crowd control
- xviii. Over crowding of the site
- xix. Insufficient planning or lead times
- xx. Poor budgeting/cost control
- xxi. Organisational problems – lack of co-ordination
- xxii. Insufficient volunteers – poor volunteer training
- xxiii. Problems in dealing with ASTA
- xxiv. Insufficient disaster planning
- xxv. Lack of emergency services in the event of a serious problem
- xxvi. Insufficient shuttle busses

11. FINANCIAL INFORMATION

The Chair of the Finance committee must be an experienced, designated accountant (CMA, CGA or CA). This person will also sit on the executive of the board of directors. They will be responsible for the following:

- i. Oversee the budgeting process
- ii. Establish cost control systems
- iii. Set up financial accounts
- iv. Financial reporting structures
- v. Regular reports to the board
- vi. Banking
- vii. Insurance and risk management
- viii. Tax status and filings
- ix. Audits
- x. Contracted financial services

11.1 Budget

DRAWING		TOTAL
REFERENCE	DESCRIPTION OF WORK	EXPENSE/REVENUE
<i>EXPENSE</i>		
FLEET RECRUITMENT		
	TOTAL	240,000.00
MARKETING		
PRINT		
	TOTAL	101,115.00
PRODUCTION		
	TOTAL	10,700.00
ADVERTISING		
	TOTAL	347,750.00
PROMOTION		
	TOTAL	3,210.00
PUBLIC/MEDIA RELATIONS		
	TOTAL	180,830.00
SPONSORSHIP RECOGNITION		
	TOTAL	55,533.00
FESTIVAL		
	TOTAL	373,673.77
FLEET LOGISTICS		
	TOTAL	33,705.00
DREDGING AND MOORAGE		
	TOTAL	424,094.50
SUPPLIES & ENGINEERING		
	TOTAL	63,665.00

DRAWING		TOTAL
REFERENCE	DESCRIPTION OF WORK	EXPENSE/REVENUE
<i>EXPENSE</i>		
TRANSPORTATION		
	TOTAL	225,502.50
EMERGENCY SERVICES & SECURITY		
	TOTAL	216,889.00
<i>EXPENSE</i>		
FLEET EVENTS		
	TOTAL	20,330.00
PROTOCOL EVENTS		
	TOTAL	30,495.00
WASHROOMS & SHOWERS		
	TOTAL	24,610.00
CITY SERVICES		
	TOTAL	114,490.00
VOLUNTEERS		
	TOTAL	70,620.00
SIGNAGE		
	TOTAL	42,800.00
ADMINISTRATION		
	TOTAL	174,410.00
	SUB TOTAL EXPENSES	2,754,422.77
VARIABLES		
	TOTAL	396,730.13
MANAGEMENT & ADMIN		
	TOTAL	370,220.00

DRAWING		TOTAL
REFERENCE	DESCRIPTION OF WORK	EXPENSE/REVENUE
<i>EXPENSE</i>		
	TOTAL EXPENSES	3,521,372.90
<i>REVENUE</i>		
GOVERNMENT	TOTAL	1,055,500.00
CASH	TOTAL	444,050.00
IN KIND	TOTAL	775,750.00
EVENT REVENUE	TOTAL	1,461,954.38
	TOTAL REVENUES	3,737,254.38
	REVENUE LESS EXPENSE	215,881.47

12. APPENDICES

Appendix 1 - Panther and MarketPULSE Experience

panther management has been successfully managing projects from their earliest conception through to completion for the last 10 years. Although the scale and scope of each project is different, the objective never changes: deliver the best product for the best price in the least amount of time while having fun doing it.

Over the years, *panther* has developed a unique flair for the creative. Our approach has always been to let the clients be visionaries, the designers creative and hold it all together by completely understanding the needs and values of the project.

panther's team is made up of a group of individuals that have had the opportunity to build under a variety of conditions in a variety of locations throughout Canada and around the world. We pride ourselves on our level of professionalism in all aspects of a project.

SPECIAL EVENTS (selected listing)

Project	Client
Playground Touring Road show Vancouver BC, Toronto ON, London UK, Boston MA, New York NY, Miami FL	Playground Destination Properties
CBC 50 th Anniversary Stake Holders & Public Launch Events Vancouver, BC	CBC Television
XBOX Product Launch Vancouver, BC	Microsoft
Northwind Train Service Launch North Vancouver, BC	BC Rail Ltd.
Thoughtshare Trade Show Booth Vancouver, BC	Thoughtshare Communications
MAC Fashion Cares (2000 – 2001) Vancouver, BC	MAC Cosmetics
Milinx Product Launch Vancouver, BC	Milinx Product Solutions
YVR Art Foundation Passage Gala Vancouver, BC	YVR Art Foundation
The Commodore Ballroom Opening Night Vancouver, BC	House of Blues Concerts Canada

The Fairmont Vancouver Airport Opening Vancouver, BC	Canadian Pacific Ltd.
Grey Cup, 1999 - Party At The Plaza Vancouver, BC	Canadian Football League
Fairmont Airport Hotel, Grand Opening Vancouver, BC	Canadian Pacific Hotels & Resorts
Playdium, Metropolis @ Metrotown Burnaby, BC	Playdium Entertainment Corp.
Molson Indy Concerts 1996-2002 Vancouver, BC	Molson Indy Vancouver
GVO Concert on the Green Vancouver, BC	FM Systems / Notable Ent.
"From Canada with Love" - A Salute to Canada's Winter Olympians, Calgary, AB	CBC & The Calgary Olympic Development Association
NHL All Star Hockey League Reception Vancouver, BC	National Hockey League
Virgin Megastore Opening Vancouver, BC	Virgin Retail Group
Planet Hollywood Opening Vancouver, BC	Planet Hollywood
375 th Anniversary of The Bay Vancouver, BC	The Hudson's Bay Company
Airshow Canada Abbotsford, BC	Airshow Canada Society
Vancouver Sun Run 1996-97 Vancouver, BC	Verkuil Communications
EXPO '86 - Various Pavilions Vancouver, BC	Expo '86 Corporation
EXPO '88 - Various Pavilions Brisbane, Australia	Government of Canada
MUSIC '91 Vancouver, BC	BC Year of Music Society
Richmond Public Market Gala Opening Richmond, BC	RPM Ventures Ltd.
Slam City Jam (1993-2003) Vancouver, BC	Jack of Hearts
The Affinity Launch- Vancouver, BC	BC Tel Mobility

MarketPULSE is a full service marketing firm that provides custom research and strategic marketing direction to clients launching new products or programs, expanding into new markets, developing their brand identity or refining existing sales, marketing or customer relationship activities.

MarketPULSE is dedicated to exceeding the expectations of our clients by providing them with superior marketing direction and research that achieve the highest possible level of marketing success.

MarketPULSE is also a leader in development and implementation of ticketing plans for large events and provides these services to sporting events and expositions around the world.

MarketPULSE provides the following services:

- Strategic planning and operational direction to organisers of major international events
- Creation of marketing plans
- Brand development
- Product launch management
- Communication strategy development and execution
- Assessment of the market demand and required specifications for new products or programs
- Research and analysis of potential new markets and strategic planning for market expansion
- Assessment of existing marketing and customer relationship operations and strategies
- Qualitative research focused on increasing revenue
- Ticketing planning, strategy and implementation

MarketPULSE clients include:

2006 Commonwealth Games – Melbourne

International Forum of Cultures 2004 – Barcelona

2002 Commonwealth Games - Manchester

1994 Commonwealth Games - Victoria
EXPO 02 – Neuchatel
EXPO 98 – Lisbon
EXPO 86 – Vancouver
NIKE World Masters Games - Portland
Toronto 2008 Olympic Bid - Toronto
Vancouver 2010 Olympic Bid - Vancouver
APEC - Asia Pacific Economic Conference –
Vancouver
Richmond Tall Ships

Appendix 2 - Target Market

- i. Target Group Consumers (based on U.S. and RTS 2002 learning)
- ii. Primarily families (parents aged 30-55) and adults over age 35
- iii. Post-secondary educated, higher disposable income
- iv. Wired/connected – e.g. 2x more likely to have cell phones & home computers
- v. Main Geographic Areas we're pulling our target group from:
- vi. Richmond Residents¹: 160,000
 - a. "New International" = 1/2 of Richmond residents are recent immigrants (highest in
 - b. GVRD): almost 1/2 of all new immigrants arrived in past decade; 1/4 arrived in the previous decade
 - c. Top 5 sources for recent immigration: Hong Kong, China, Taiwan, Philippines, India
 - d. 1/2 of all Richmond are visible minorities; 33% Chinese, 7% south Asian, 3% Filipino
 - e. Mother tongue: 52% English, 30% Chinese
 - f. Educated = 60% have some form of post secondary education (based on Stats Canada site, 1/3 of Canadians over 15 have more than grade 12 (more than 13 years of schooling)²; high rate is likely due to immigration education requirements.
 - g. Families = 80% Richmond households are families; 60% families have 3+ in household (higher than other GVRD areas); 10% are single parent
 - h. Age Groups: 25-44 = highest and key target group (50,000); 45-64 = grandparents (36,000) & 65+ grandparents (18,000); 5-14 = youth target (20,000);
 - i. Working – 60% work in Richmond (sales & service); 75%+ drive to work
 - j. Incomes³ assumed higher than average incomes
- vii. GVRD/Surrounding areas: 2,028,996 (Vancouver CMA = 50% of BC) and their visitors (i.e. friends & family)
- viii. Visitors from out of town/province/country: 8,000,000+/year (to GVRD)⁴

¹ Based on Census data found on Richmond web site

² Based on Statistics Canada Site: "population by total, average and median years of schooling, 1996 census"

³ Based on learning from previous Tall Ships Festivals

⁴ Based on data from GRVD website

Appendix 3 – Comparative Prices

*All prices include GST except where indicated

Event	Site Access		Ship Viewing		Additional Ticket Types	Event Tickets	Special Arrangements
	1 Day	Multiple Day	1 Day	Multiple Day			
Richmond Tall Ships 2002	No Charge	No Charge	NA	Advance \$10.00 On Site \$12.00 Access to ships on a first come first served basis	Admirals Club \$60.00 Priority access to ships with access to Admiral's Club VIP facility	Free	
Tall Ships Toledo 2003	Advance \$12.00 On-site \$15.00 Includes entry to festival site for 1 day, entertainment, dockside and on-board viewing of ships and displays plus shuttle service to and from designated event parking lots to International Park and Water Street Tall Ships Sites	NA	Included with Site Access pass	NA	Day Sail Tickets Available. Prices varied according to ships		Huntington National Bank Customers \$3.00 discount with proof of account
Tall Ships Sarnia 2003	\$5.00 Ground admission only		\$11.00 \$9.00 Sr/Child Site access included	\$14.00 \$12.00 Sr/ Child	Combo Ticket \$40.00 Access to grounds with boarding privileges all weekend and tickets to 2 shows	\$20.00 x 2 shows	
Tall Ships Chicago 2003	NA	NA	\$8.00	NA			
Abbotsford Air Show	\$20.00 Adult \$10.00 Child (6-12)	NA	\$10.00 Runway seating- in	NA	Executive Club \$105.00 \$1045.00 for	NA	Corporate Chalets Available

Event	Site Access		Ship Viewing		Additional Ticket Types	Event Tickets	Special Arrangements
	1 Day	Multiple Day	1 Day	Multiple Day			
	\$75.00 Carload – up to 8 Prices include parking		addition to site access		<p>12 Executive Club Tickets (\$87.00 ea.) plus GST Priority VIP access, Parking close to Executive Club, fully catered barbecue menu, soft bar service, opportunity to meet performers, hosted tour of Military Hot Side, complimentary program</p> <p>Presidents Club \$145.00 \$1650.00 for 12 tickets (\$137.50 each) plus GST Priority VIP Access, Parking close to President's Club, hosted tables, gourmet breakfast and lunch, full bar service, recognition in program, opportunity to meet performers, special washroom facilities hosted tour of Military Hot Side,</p>		

Event	Site Access		Ship Viewing		Additional Ticket Types	Event Tickets	Special Arrangements
	1 Day	Multiple Day	1 Day	Multiple Day			
					complimentary program.		
PNE	\$10.00 \$8.00 Children (6-13) children under 5 free Access to grounds for 1 day.	NA		\$29.75 General Ride Passport 23.50 Limited Ride Passport (under 1.21 metres tall)			At Shoppers Drug Mart save \$3 on General Ride Passport \$2.00 on General Admission
Vancouver Folk Music Festival	Friday - \$40.00 Adult, \$25.00 Youth (13-18), Child 3-12 Free Saturday/Sunday \$55.00 Adults, \$30.00 Youth, \$7.00 Child	NA		\$120.00 Advance \$ 130.00 Gate \$ 65 Youth \$ 12 Child			
Vancouver Children's Festival	\$6.00		Show tickets various depending on artist. Includes site admission				\$2.00 discount on same day performance ticket with site admission ticket 20% discount on second show ticket for different show time same day

Appendix 4 – Ticket Types and Prices

Ticket Category	Inclusions	Price (Gross)	
		In Advance	At the Gate
One Day Site Admission	Unlimited Numbers Admission to the Tall Ships Festival Site for one day. No Child/Senior discounts	\$4.00	\$5.00
4 Day Site Pass	Unlimited numbers Admission to the Tall Ships Festival Site on all days	\$8.00	\$10.00
One Day On-Board Ship Viewing Pass (Numbers limited)	A pass to view ships on a specific day. Includes admission to the site. Limited numbers will be sold for each day.	Group Sales TBD	Adult\$10.00
Three Day Ship Viewing (Numbers limited)	A pass to view ships on all 3 days of ship viewing. Includes admission to the site. Limited numbers will be sold.	Adult\$15.00	N/A
Admiral's Pass	A transferable pass providing access to the site on all days, priority access to the ships, Steveston Festival area, Tall Ship docks, Garry Point Park activities of Parade of Sail, Farewell Sail, evening performances, VIP parking and access to the Admiral's Club facility.	\$95.00	N/A

Appendix 5 – Ticket Sales and Revenue Details

General Admission										
Garry Point	15,000									
Ship Boarding	35,000									
Admirals Pass	800									
TOTAL	135,800									
SITE ADMISSION	Quantity	PRE - SALES				ON-SITE SALES				Total
		Pre-Purchase 0%	Number of Tickets	Price	Revenue	Site Sales 100%	Number of Tickets	Price	Revenue	Revenue
GARRY POINT	15,000		0				15,000			
Adult		100%	0	\$4.00	\$0	100%	15,000	\$5.00	\$75,000	
TOTAL GARRY POINT			0		\$0		15,000		\$75,000	\$75,000
GENERAL ADMISSION	85,000	35%				65%				
1 DAY	63,750	75%	22,313			75%	41,438			
Adult		100%	22,313	\$4.00	\$89,250	100%	41,438	\$5.00	\$207,188	
Total 1 Day			22,313		\$89,250		41,438		\$207,188	\$296,438
4 Day Pass	21,250	25%	7,438			25%	13,813			
Adult		100%	7,438	\$8.00	\$59,500	100%	13,813	\$10.00	\$138,125	
Total All Days			7,438		\$59,500		13,813		\$138,125	\$197,625
TOTAL GENERAL ADM.			29,750		\$148,750		55,250		\$345,313	\$494,063
SHIP BOARDING	Quantity	Pre-Purchase	Number of	Price	Revenue	Site Sales	Number of	Price	Revenue	Total
		100%	Tickets			100%	Tickets			Revenue
1 DAY	8,750					25%	8,750			
Adult						100%	8,750	\$10.00	\$87,500	
Total 1 Day							8,750		\$87,500	\$87,500
3 DAYS	26,250	75%	26,250							
Adult		100%	26,250	\$15.00	\$393,750					
Total All Days			26,250		\$393,750					\$393,750
TOTAL SHIP BOARDING			26,250		\$393,750		8,750		\$87,500	\$481,250
ADMIRALS PASS	Quantity	Pre-Purchase	Number of	Price	Revenue	Site Sales	Number of	Price	Revenue	Total
		100%	Tickets			0%	Tickets			Revenue
ONE DAY	NA									
Adult										
Total 1 Day										
ALL DAYS	800	100%	800							
Adult		100%	800	\$95.00	\$76,000					
Total All Days			800		\$76,000					\$76,000
TOTAL ADMIRAL PASS			800		\$76,000				\$0	\$76,000
TOTAL REVENUE					\$618,500	\$507,813				\$1,126,313
TOTAL TICKETS			56,800				79,000	135,800		

Note: Children under 6 are admitted free

1,126,313

