

OTTAWA  
CONVENTION  
CENTRE



CENTRE  
DES CONGRÈS  
D'OTTAWA

An Agency of the Government of Ontario | Un organisme du gouvernement de l'Ontario

# OTTAWA CONVENTION CENTRE CORPORATION

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REVISED: ANNUAL BUSINESS PLAN 2020/21

## TABLE OF CONTENTS

1. EXECUTIVE SUMMARY .....	2
2. MANDATE AND VISION .....	4
3. ENVIRONMENTAL SCAN .....	6
4. RISK ASSESSMENT STRATEGIES 2020 - 2021 .....	7
5. ANNUAL GOALS & METRICS .....	12
6. BUDGET SUMMARY .....	17
7. HUMAN RESOURCES .....	20
8. INITIATIVES INVOLVING THIRD PARTIES .....	23
9. COMMUNICATIONS STRATEGY .....	27

## 1. EXECUTIVE SUMMARY

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As 2019/2020 came to a close, the year had been stronger than originally forecasted. Performance to budget in conventions was expected to exceed the budget of \$8.2M. The Ottawa Convention Centre (OCC) hosted 46 conventions in this fiscal to a target of 44 with several conventions booking and actualizing within the year. The number of conventions surpassed the prior year and we continue to see great success in growing our corporate and international convention segments. As we looked to close the fiscal on 2019/2020, the outlook for the new year remained positive.

On March 11, the World Health Organization declared a pandemic which immediately changed our outlook and the year ahead. We lost significant revenues with our first cancellations being the Ottawa Gatineau International Car Show, CUPE 2020 meeting, Travel and Vacation Show, Fisheries and Oceans Canada Symposium, and Science Students Annual Ball. Most difficult, was the temporary lay-off notices delivered to our 271 unionized team members and 50% of our salaried team members.

Despite a dismal close to the year, the centre surpassed its budgeted surplus of \$1.1M delivering a surplus of \$1.34M. Capital upgrades such as new flooring in the kitchen and stewarding departments, new front doors, upgraded security system, new wheelchair ramps, front of house carts and food and beverage service enhancements position us well when the time comes to resume operations.

Sales and Marketing efforts for the year forward will focus on recovery, rebuilding, and reopening. Working closely with our clientele to salvage requests to cancel have been the main focus of the first quarter of 2020. We have worked diligently to “postpone” conferences and events and move them to future years. The pipeline for 2021 reflects this.

The initiatives detailed in this business plan will reflect the current situation of working through the pandemic as well as the outlook for the next three years. While we may have been thrown off track, we have been nimble in our approach to creative views, to new business opportunities, and a robust recovery plan. This year will be our 10<sup>th</sup> anniversary of operations. It is important to look forward to welcoming our clients back, our valued colleagues back and to rebuilding the spirit of customer excellence which has been a main pillar of our tremendous success over the past years.

2020/2021 would have been the centre’s best and strongest year of convention business with more citywide conferences than previous years. Our sales and marketing team continue to fill the pipeline into the future. While our immediate efforts will be local and national, we are well poised to enter the international arena with our close and most strategic partner, Ottawa Tourism, when the time comes.

With restrictions being lifted and the OCC permitted to host business, this will provide an opportunity to prepare the facility and staff on new service and health protocols moving forward.

## 2019/20 RESULTS

Our calendar of events in 2019/20 covered a broad spectrum of clientele. Some of our short-term booked conventions for this fiscal included 2020 Pan-Am Championship & Olympic Qualifier, Varsity Spirit Cheerleading Competition, Shopify Global Summit & World Financial Annual Meeting. The OCC hosted 46 conventions in total including many repeat annual events and new conventions. Forecasting for this fiscal has proven challenging with meeting planners underestimating attendance to avoid any penalty clauses with the majority of our conventions greatly increasing their attendance to almost double in some cases. Such increases drive incremental revenues in additional food and beverage and rental charges. We also made great head winds in our sponsorship/partnership goals. Negotiating preferred supplier status for long time vendors, increasing advertising partners, and strategic partnerships with a wine sponsor, support our goals to increase revenues while choosing “local”.

Our sales and promotional efforts took us to Gleneagles in Scotland where we executed and hosted a very successful client event. We impressed them with our “Same but Different” concept showcasing what Ottawa has to offer. The feedback has been positive from our industry guests. The return-on-investment from this event will be strong. In fact, we have generated leads and site visits from this event. We’ve had many publications pick up our news release or publish their own stories about Ottawa. While the pandemic required Ottawa Tourism to cancel this event for 2020, given its past success, there is a high probability that this event will be repeated in the future when marketing dollars are back to pre-pandemic times.

The OCC is an integral player in our city and as such, we continue to pay it forward as a good corporate citizen and support our efforts at home as well as abroad for those less fortunate. We continue to support Mealshare as a founding partner as well as our own “Leave a Legacy” program whereby clients can donate left-over goods to the local Ottawa community or abroad with volunteer assistance from OCC colleagues.

## LOOKING AHEAD TO 2020/21

Our focus for this fiscal remains honed-in on crisis management working with postponements, staff reductions, and cancellations and recovery. Equally important is keeping our valued colleagues engaged during this pandemic through on-going communication and other communication streams.

Leveraging waiving cancellation fees for multi-year contracts in our national association sector has proven fruitful. An example of this is AMO (Association of Municipalities of Ontario). This association cancelled for August 2020. In waiving our cancellation fee, we were able to place this into 2024 and gain an additional year for Ottawa by signing 2025 as well.

## 2. MANDATE AND VISION

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### VISION

Inspired people creating extraordinary events.

Our vision is supported by the following four pillars:

1. Generate economic impact through incremental growth from the external visitor economy
2. Deliver extraordinary customer experience
3. To operate sustainably
4. To be the best convention centre in Canada

### CORE PURPOSE

We are Canada's Meeting Place. The Ottawa Convention Centre provides the stage where Canadians and guests from around the world come together in Ottawa, our Capital, to learn and grow by sharing their knowledge, views and practices.

### ECONOMIC MANDATE

The Ottawa Convention Centre operates profitably, and in cooperation with our tourism industry partners, generates positive economic impact for all three levels of government.

### SHARED VALUES

WE always treat each other with respect and fairness

WE strongly celebrate innovation and initiative

WE act upon our responsibility to our government and are responsive to our community and the environment

We contribute as a team to our shared success and collective passion to grow our business

We go the extra mile to deliver extraordinary experiences

## LEGISLATIVE AUTHORITY AND MANDATE

OCC is an Agency of the Government of Ontario governed by the Ottawa Convention Centre Corporation Act (1988). OCC is operated by a twelve-member Board of Directors with nine provincial and three municipal appointees. The Centre opened in 1983, was demolished in 2008 and re-opened in 2011. Its legislated mandate is to “operate, maintain and manage an international-class convention centre in a manner that will promote and develop tourism and industry in Ontario”.

OCC is an operational enterprise agency of the Ministry of Heritage, Sport, Tourism, and Culture Industries. OCC is committed to providing excellent, high calibre bilingual customer service, and to ensuring that services are timely, responsive, accessible and accountable.

The Memorandum of Understanding (MOU) between the Ottawa Convention Centre Corporation and the Ministry of Heritage, Sport, Tourism, and Culture Industries, provides an accountability and governance framework, including the following accountability relationship:

- a) The Minister is accountable to the legislature and Treasury Board/Management Board of Cabinet for the Centre’s fulfillment of its mandate, its compliance with government and Ministry policies and for reporting and responding to the Legislature on the Centre’s affairs.
- b) The Chair is accountable to the Minister for the performance of the Centre in fulfilling its mandate for carrying out the roles and responsibilities assigned to the Chair by the governing Act, MBC directives and the MOU.
- c) The Deputy Minister is accountable for advising and assisting the Minister regarding the Minister’s responsibilities for the Agency.
- d) The President & CEO is accountable to the Chair and the Board for the management of the Centre, the supervision of the Centre’s staff, and for carrying out the roles and responsibilities assigned by the Board, Management Board directives, the Act, MOU and other relevant legislation.
- e) Staff of the Centre is accountable to the President & CEO for carrying out the roles and responsibilities as assigned to the staff by the President & CEO.

### 3. ENVIRONMENTAL SCAN

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#### GENERAL OBSERVATIONS

This plan outlines OCC's revenue opportunities, financial projections and strategic and tactical sales and marketing plans for the year. As 2020 will reflect an unprecedented challenge, there is great optimism as we see a strong year ahead in 2021/2022. Unfortunately, the pandemic and loss of business required temporary lay-off notices to our unionized workforce as well as a 50% reduction in our salaried staff component. Our partners Aramark and Encore also saw a reduction in their staff complement due to the virus. The probability of a second wave of the pandemic will require on-going evaluation of expenses and the ability to fund our annual obligation to the Ontario Financing Authority.

As we enter our 10th year of operations, we will have addressed our growing need to replace capital, furniture, fixtures and equipment to ensure the stewardship of our facility and the competitiveness of our offerings. While a portion of upgrades have taken place in 2019/2020, significant projects such as carpet replacement will be deferred to future years. Currently, capital upgrades will be prioritized around health and safety. With the pandemic a continuing concern, we will require personal protective equipment as a component of our capital plan. We are continuing to work with the Ministry to determine how to address capital investment with very limited reserves. An ongoing future obligation will be the \$1M payable to the Ontario Finance Authority each year. With our reserves being utilized to fund the centre during its closure, our previous reserves may not allow for payment through to 2022/2023.

Our international efforts have been placed on hold. ThinkOttawa is currently not being resourced given our international efforts will take years to rebuild and travel not scheduled to rebound for at least 2-3 years or until a vaccine has been found. Physical distancing will require a complete re-set of how we conduct meetings safely. New floor plans and capacity charts will decrease our ability to host events with significant attendance numbers.

Ottawa was experiencing a positive trajectory in our market share in the Convention and Meetings Sector. With hotels running below 20% occupancy, the Municipal Accommodations Tax will not generate enough marketing dollars to significantly increase sales and marketing when we are provided the opportunity to re-open and resume hosting events.

**4. RISK ASSESSMENT STRATEGIES 2020 - 2021**

Risk category: Operational	
Health & Safety (Guests & Staff)	
<b>Description</b>	OCC recognizes its obligation to provide and maintain a safe, healthy and secure workplace for our employees and for anyone that may visit the workplace such as clients, third party suppliers, contractors, delegates and/or members of the public. We must ensure strong processes and procedures are in place to protect the facility and our tangible and intangible assets and resources from internal and external threats. Our goal is to ensure the proper functioning of the facility and to mitigate risks.
<b>Related strategic priority</b>	Financial Sustainability
<b>Impact and Scope</b>	<b>High</b> The impact is risk to reputation and financial stability, health risk, risk of injury and/or damage to assets and the facility.
<b>Mitigation</b>	Continue to make Health and Safety a focus by remaining compliant with all government legislation, standards and acts. Review and continue to improve our training and provide refresher trainings for Occupational Health & Safety, Emergency Response & Fire Life Safety as well department specific Standard Operating Procedures (SOP). Review processes annually updating as required with current data and identify new needs. Develop a <i>Pandemic Recovery Plan</i> and update processes and procedures to mitigate risks that include reorientation, training, visual aids and adjustments to building flow and capacities. Continue to monitor and act on recommendations from the Health and Safety Committee. Continue to schedule bimonthly facility walks with the Senior Leadership Team. In 2019-2020 we replaced our antiquated camera software with advanced leading-edge technology. Continue to participate in food quality and safety audits, monitored through a safety portal and reviewed and audited by a third party.

Risk category: Operational	
Limited Access to Hotel Room Blocks	
<b>Description</b>	Ottawa has a robust hotel community resulting in limited availability for blocks of rooms committed to convention business leading into 2020. Through the pandemic, this has changed significantly. With physical distancing a priority when business resumes, the OCC is at an advantage due to its open spaces.
<b>Related strategic priority</b>	Financial Sustainability
<b>Impact and Scope</b>	<b>Low</b> Meeting planners prefer to contract with as few hotel properties as possible to mitigate their risk of attrition clauses. As we grow our market share in the international congress market as a destination, this segment relies less on room blocks and looks to secure funding support in a more overall recognition of securing Ottawa as a destination.
<b>Mitigation</b>	Marketing messaging will focus on Ottawa as a walkable, safe city with a wide variety of hotels. The Light Rail Transit system, now fully operational, will assist with bringing more hotels accessible in a three minute, three stops to reach the OCC. We will continue to market the city as a safe and walkable city.

Risk category: Operational	
Emergency & Crises	
<b>Description</b>	OCC has a comprehensive Emergency Preparedness Plan which is shared with our clients. A major destination's strength has been and continues to be the safety and security of the asset, contents and most importantly guests and personnel. It is the expectation of clients, guests and colleagues that we provide a safe and secure environment. It is incumbent upon the Centre to communicate our plan to our clients and colleagues and continually prepare for emergencies. Accordingly, we have plans in place to resume business as quickly as possible if an emergency were to occur.
<b>Related strategic priority</b>	Client & Colleague Satisfaction
<b>Impact and Scope</b>	<b>Moderate</b> It is impossible to predict an emergency or the intensity of the occurrence; however, planning and preparation to manage an issue is important in order to minimize the threat and build leadership skills to take control of the issue and to ensure business continuity.
<b>Mitigation</b>	We continually improve our emergency preparedness planning by reviewing and updating our information and procedures. Going forward, we continue with floor warden training to ensure everyone has the knowledge and confidence to respond effectively to all emergencies. We continue to conduct risk assessments of the facility and our practices to ensure we are minimizing the impacts of an emergency and responding effectively. We will also continue our collaborative efforts with our neighbouring facilities (Westin Ottawa and Rideau Centre and TD Place) to assist each other during emergencies and whenever possible our team will participate in seminars and workshops offered by the City of Ottawa Emergency Management division as well as other outside organizations.

Risk category: Information Technology & Infrastructure	
Cyber Risk	
<b>Description</b>	<p>Cyber Risk is defined as any risk of financial loss, disruption or damage to the reputation of an organization from a failure involving its technology systems.</p> <p>The most common risks we are currently facing are ones which involve e-mail spam and spoofing, in which the user utilizes the name of a Manager to try and obtain funds through a wire transfer, infection through a virus through downloadable content, or by asking for account information.</p>
<b>Related strategic priority</b>	Financial Stability, Client & Colleague Satisfaction
<b>Impact and Scope</b>	<b>Low</b>
<b>Mitigation</b>	<p>Monthly, weekly, and incremental daily backups of all data are performed. Weekly and monthly backups are stored offsite to ensure data protection in case of a fire or similar structural event which could impact the servers and data stored in the building, as well as to aid in the protection against viruses and ransomware. Anti-virus software is kept current on all PC's, and a strict policy is in place to help manage the threat of unlawful malware/software from infecting our systems which can often occur through employees connecting remotely. An online security course will be taken by all employees upon orientation. yearly internet online security course to be taken by all employees who have access to a computer and data within the centre.</p>

Risk category: Operational	
Anticipation of a Recession	
<b>Description</b>	During Ottawa's Economic Outlook session on November 5, 2019 economists suggest that a recession is looming in the next several years. With the pandemic, Canada has been thrown into a recession and much of the world in which we draw customers and supplies from have also been greatly affected.
<b>Related strategic priority</b>	Financial Sustainability
<b>Impact and Scope</b>	Historically, when a recession hits, the association market continues to meet annually although it may greatly reduce its operating convention budget. The corporate sector, however, will likely cancel annual conventions and events. We anticipate the association market moving forward with hybrid meetings in the short term.
<b>Mitigation</b>	Contract multi-year contracts with the association market to ensure the sales pipeline is strong. Develop a sales and marketing offer with Ottawa Tourism to incent meetings and conventions to stay in Ottawa vs. circulating throughout the country.

## 5. ANNUAL GOALS & METRICS

In the upcoming year, OCC will focus on the strategic priorities outlined below. The Executive Leadership Team (ELT) has identified strategies and performance measures to achieve these goals. The ELT meets on a weekly basis to review financial goals and performance goals as well as client satisfaction and human resources updates.

Strategic Goal #1: Financial	
<b>Goal</b>	<p>OCC's long-range financial imperative is to generate the revenues to support a surplus and maintain cash flows sufficient to provide for lifecycle requirements.</p> <p>OCC's mandate is to generate economic benefits to the City of Ottawa and the Province of Ontario.</p> <p>OCC will generate the following financial results in 2020/21:</p> <ul style="list-style-type: none"> <li>• Gross revenue of \$ 2.8M;</li> <li>• Economic impact of \$ 10M;</li> <li>• Booking pace target of \$ 19.7M</li> <li>• Net operating loss of \$ 3.6M</li> </ul>
<b>Strategies</b>	Our current year's strategy is to cut expenses where possible, while maintaining our building and continuing to communicate with our clients. We continue to re-book events in the future as the re-opening timeline shifts.
<b>Performance measures</b>	OCC will monitor progress utilizing financial statements and internal reports which are reviewed with senior management on a monthly basis and with the Finance & Audit Committee of the Board of Directors quarterly.

Description	Actual 2018-19	Actual 2019-20	FORECAST 2020-21	PLAN 2021-22	PLAN 2022-23
Economic impact (\$M's)	141	140	10	180	190
Gross revenue (\$M's)	17.9	18.1	2.8	19.7	20.8
Net operating income (\$M's)	1.35	1.34	(3.6)	1.4	1.9
Booking pace (\$M)	17.1	19.0	19.7	19	19.5

Strategic Goal #2: Occupancy					
<b>Goal</b>	Occupancy is based on the number of square feet sold compared to the number of square feet of available space in a given year. No allowance has been made for holidays or down periods between events. At the OCC full occupancy would be approximately 70%.				
<b>Strategies</b>	OCC will continue to work on improving occupancy with a focus on international congress markets and national and US corporate, association and congress markets in partnership with Ottawa Tourism. Occupancy may increase as clients will need more space due to physical distancing.				
<b>Performance measures</b>	Occupancy is tracked for each event, then summarized and reported quarterly.				
Description	Actual 2018-19	Actual 2019-20	Forecast 2020-21	Plan 2021-22	Plan 2022-23
Occupancy rate	47.2%	47.2%	12.9%	48%	50%

Strategic Goal #3: Customer Service					
<b>Goal</b>	<p>Maintain a client satisfaction score of 4.5 or better. We are anticipating client fatigue with response rates, due to many of our clients now being repeat clients.</p> <p>With the approval of capital funds in 2019 we have been able to increase specific equipment inventories and invest in some new equipment. This has improved our current inventory which was looking tired and out-dated.</p> <p>Our efforts, in 2020-21 will move to new protocols and standards to ensure the pandemic does not affect the confidence of our clients hosting events.</p>				
<b>Strategies</b>	<p>We will continue to ensure adherence to exceptional service in all phases of the sales and service cycle by initiating and engaging client focus groups, employing impromptu inspections and providing uncompromising leadership, improved training and coaching to all OCC colleagues. We will continue to build a culture of customer service with campaigns to deliver the extraordinary through employee engagement. We will continually review processes for more seamless and efficient service.</p> <p>We have updated our current survey and will now begin to align our convention metrics to AIPC/APEX (Ipsos) to support participation levels.</p> <p>Based on the pandemic, our immediate investment will change from upgrading our equipment to remain leading edge to an investment in health and safety processes and equipment. This will be necessary to maintain client confidence and ensure a safe experience for our facility occupants. We will update our survey with pandemic specific questions to monitor occupants experience and confidence levels during this unprecedented time.</p>				
<b>Performance measures</b>	<p>Client satisfaction surveys are sent electronically following each event in the building. Results are reviewed by the General Manager and Director of Events and then circulated to the management team weekly for review and action as required.</p>				
Description	Actual 2018-19	Actual 2019-20	Reforecast 2020-21	Plan 2021-22	Plan 2022-23
<b>Overall satisfaction</b>	4.57	4.8	4.5	4.6	4.6
<b>Response Rate</b>	36%	23%	23%	25%	25%

Strategic Goal #4: Human Resources				
<b>Goal</b>	<p>OCC colleagues continually provide exceptional customer service which is supported through our client satisfaction scores. OCC is committed to working with our colleagues to provide the best work environment and tools necessary to help them succeed within their roles. By engaging employees, we empower employees and create loyalty. Our goal is to open the lines of communication to gain employees perspectives and improve our colleague survey score. This outcome will ensure the financial success of OCC going forward with a high number of return clients and new bookings. In 2020-21 we will elevate our safety protocols and procedures in response to the pandemic and Public Health guidelines. With our decrease in workforce due to the pandemic, it will be even more critical to find ways to engage our colleagues.</p>			
<b>Strategies</b>	<p>The results of the colleague surveys are reviewed by ELT who, with department heads, discuss strategies and follow up. Working groups consisting of colleagues from various departments are formed with the goal of addressing all concerns and recommendations. OCC management is committed to providing effective leadership, training and coaching to colleagues. The colleague survey will take place in Spring or Fall when a larger employee engagement is possible.</p> <p>In 2020-21 OCC will be rolling out strategies to address recruitment, retention, employee engagement as well as succession planning. These issues are paramount to ensure engaged and fulfilled colleagues.</p>			
<b>Performance measures</b>	<p>In 2018-19 the colleague survey platform was changed to an online survey development cloud-based software and it was determined that we would conduct the survey on a biennial basis. We were scheduled to conduct our next survey in the Spring of 2020-21 but have postponed until 2021-2022 due to the layoffs in March because of the pandemic.</p>			
Description	Actual 2018-19	Actual 2020-21	Budget 2021-22	Plan 2023-24
Overall satisfaction	6.8/10	Postponed	5/10	6/10

Strategic Goal #5: Corporate Social Responsibility					
<b>Goal</b>	<p>OCC recognizes the role we play in the life and economy of our host community and that the community plays in supporting and enhancing the event experience of our clients. In doing so, we undertake to demonstrate ongoing corporate responsibility and maintain a positive community interface.</p> <p>While many organizations now practice some form of social responsibility programs, at the OCC we have decided to make it a core of our operations. Undertaking socially responsible initiatives not only allows us to appeal to socially conscious consumers but it also makes a tangible difference in the world. The new procedures (gloves, masks, prepackaged foods) implemented to ensure the safety of our occupants through the global pandemic will negatively impact our diversion.</p>				
<b>Strategies</b>	<p>We continue to offer three flexible CSR programs that enable clients to have a positive impact with minimal effort, all of them facilitated by the OCC team. These programs not only help those less fortunate in our neighbourhood, they are aimed at reducing waste destined for landfills.</p> <ol style="list-style-type: none"> <li><b>Leave a legacy Program:</b> clients may donate anything left after their event including obsolete marketing collateral, promo items, and non-perishable food.</li> <li><b>Mealshare:</b> clients can help put an end to youth hunger by donating a lump sum to Mealshare. In exchange, OCC will create tent cards to share how many meals the donation provided to youth in need.</li> <li><b>FoodRescue.ca:</b> allows us to donate unused food to charities such as the Ottawa Mission which issues the surplus to people in need.</li> </ol> <p>To reduce our requirement for green bins, OCC uses ORCA (Organic Refuse Conversion Alternative). ORCA takes all organic waste and breaks compost waste down into environmentally safe grey water, which then flows out to the sewage system. OCC continues to be part Carbon 613, a network of Ottawa businesses committed to working towards a reduction in greenhouse gases. This program provides us with educational support and direction as the OCC keeps sustainability top of mind. Source products with the least environmental impact to ensure safety through the pandemic.</p>				
<b>Performance measures</b>	<p>Review participation in the three CSR programs noted above at year end.</p> <p>OCC participates in a very rigorous food waste program and monthly food quality audits whereby the entire kitchen area is critiqued with results being reviewed by senior leadership.</p> <p>Waste diversion reports are produced and reviewed monthly and any anomalies are addressed immediately.</p>				
Description	Actual 2018-19	Actual 2019-20	Reforecast 2020-21	Plan 2021-22	Plan 2022-23
Waste diversion	59%	55%	55%	57%	60%

## 6. BUDGET SUMMARY

### STATEMENT OF OPERATIONS

	Actual 2018-2019	Actual 2019-2020	Forecast 2020-2021	Plan 2021-2022	Plan 2022-2023
Food & Beverage	10,954,258	10,880,407	1,118,000	7,190,760	9,301,441
Facility Rental	4,662,785	4,830,877	829,951	3,415,980	3,952,777
Commissions	1,499,358	1,423,472	247,351	1,022,940	1,279,183
Advertising	531,644	628,140	477,670	596,548	670,845
Other Income	270,332	315,927	169,310	186,894	152,897
<b>TOTAL GROSS REVENUE</b>	<b>17,918,377</b>	<b>18,078,823</b>	<b>2,842,283</b>	<b>12,413,122</b>	<b>15,357,143</b>
Revenue Growth	-9.12%	0.90%	-84.28%	336.73%	23.72%
<b>COST OF SALES</b>	<b>7,921,789</b>	<b>7,894,855</b>	<b>838,500</b>	<b>5,392,149</b>	<b>6,894,723</b>
<b>NET REVENUE</b>	<b>9,996,588</b>	<b>10,183,968</b>	<b>2,003,783</b>	<b>7,020,973</b>	<b>8,462,420</b>
Net Revenue Growth	-9.64%	1.87%	-80.32%	250.39%	20.53%
<b>NET REV PERCENTAGE</b>	<b>55.8%</b>	<b>56.3%</b>	<b>70.5%</b>	<b>56.6%</b>	<b>55.1%</b>
<b>EXPENSES</b>					
Facilities	4,634,541	4,653,946	2,825,026	4,307,760	4,726,615
Utilities	966,605	1,003,034	595,724	1,067,022	1,088,362
Sales & Marketing	1,348,749	1,455,337	653,940	1,173,203	1,307,067
General & Administration	1,695,692	1,736,395	1,530,356	1,632,614	1,665,267
<b>TOTAL EXPENSES</b>	<b>8,645,587</b>	<b>8,848,712</b>	<b>5,605,045</b>	<b>8,180,599</b>	<b>8,787,311</b>
Percent of Gross Revenue	48.2%	48.9%	197.2%	65.9%	57.2%
<b>OPERATING SURPLUS</b>	<b>1,351,001</b>	<b>1,335,256</b>	<b>(3,601,261)</b>	<b>(1,159,626)</b>	<b>(324,890)</b>
Percent of Gross Revenue	7.54%	7.39%	-126.70%	-9.34%	-2.12%
Interest expense	(1,068,177)	(1,060,452)	(1,052,358)	(1,043,880)	(1,034,995)
Amortization of deferred contributions	3,217,867	3,284,667	3,339,100	3,339,100	3,339,100
Gain on Debt restructuring	24,045,318				
Amortization of property, plant and equipment	(5,271,805)	(5,396,600)	(5,703,400)	(6,111,000)	(5,563,400)
<b>Excess of expenses over revenue</b>	<b>22,274,204</b>	<b>(1,837,129)</b>	<b>(7,017,919)</b>	<b>(4,975,406)</b>	<b>(3,584,185)</b>

## STATEMENT OF FINANCIAL POSITION

	Actual as at Mar 31, 2019	Actual as at Mar 31, 2020	Forecast as at Mar 31, 2021	Plan as at Mar 31, 2022	Plan as at Mar 31, 2023
<b>ASSETS</b>					
<b>Current</b>					
Cash	7,513,483	5,441,803	375,500	(1,593,090)	(2,122,749)
Accounts receivable	791,957	1,204,647	1,404,647	1,786,389	1,409,056
Prepaid expenses	99,691	93,821	93,821	101,854	109,548
<b>Total Current Assets</b>	<b>8,405,131</b>	<b>6,740,271</b>	<b>1,873,969</b>	<b>295,154</b>	<b>(604,144)</b>
Property, Plant & Equipment	140,415,817	137,515,138	133,310,491	129,828,361	127,877,137
<b>Total Assets</b>	<b>\$ 148,820,948</b>	<b>\$ 144,255,409</b>	<b>\$ 135,184,459</b>	<b>\$ 130,123,514</b>	<b>\$ 127,272,992</b>
<b>LIABILITIES &amp; NET ASSETS</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	2,673,598	2,768,284	3,630,998	4,434,169	4,944,284
Deferred revenue and customer deposits	2,658,351	2,223,317	2,823,317	2,835,663	2,994,737
Current portion of long term debt	169,548	177,641	186,120	195,005	204,314
<b>Total Current Liabilities</b>	<b>5,501,497</b>	<b>5,169,242</b>	<b>6,640,434</b>	<b>7,464,837</b>	<b>8,143,335</b>
Deferred revenue and deposits	969,850	700,000	700,000	700,000	700,000
Long-term debt	28,784,667	28,607,026	28,420,906	28,225,902	28,021,588
Deferred Contribution - capital assets	97,441,539	95,492,872	92,154,770	91,439,832	91,699,312
<b>Total Liabilities</b>	<b>127,196,056</b>	<b>124,799,898</b>	<b>121,275,676</b>	<b>120,365,734</b>	<b>120,420,900</b>
<b>Net Assets (deficit)</b>	<b>16,123,395</b>	<b>14,286,269</b>	<b>7,268,350</b>	<b>2,292,944</b>	<b>(1,291,242)</b>
<b>Total liabilities and net assets</b>	<b>\$ 148,820,948</b>	<b>\$ 144,255,409</b>	<b>\$ 135,184,459</b>	<b>\$ 130,123,515</b>	<b>\$ 127,272,992</b>

## STATEMENT OF CASH FLOW

	Actual as at Mar 31, 2019	Actual as at Mar 31, 2020	Forecast as at Mar 31, 2021	Plan as at Mar 31, 2022	Plan as at Mar 31, 2023
<b>Cash flows provided by (used in)</b>					
<b>Operating Activities</b>					
Excess of expenses over revenue for the year	22,274,204	(1,837,126)	(7,017,919)	(4,975,406)	(3,584,185)
Items not affecting cash					
Amortization of property, plant and equipment	5,271,805	5,396,600	5,703,400	6,111,000	5,563,400
Amortization of deferred contributions related to property, plant and equipment	(3,217,867)	(3,284,667)	(3,339,100)	(3,339,100)	(3,339,100)
Gain on debt extinguishment	(24,045,318)				
Capitalization of interest to long-term debt					
	282,824	274,807	(4,653,619)	(2,203,506)	(1,359,885)
Net changes in non-cash working capital	1,724,893	(1,305,313)	1,263,711	425,744	1,038,827
	2,007,717	(1,030,506)	(3,389,908)	(1,777,762)	(321,058)
<b>Capital Activities</b>					
Purchase of property, plant and equipment	49,358	(871,626)	(1,498,753)	(4,708)	(13,596)
Increase (decrease) in construction holdback payable					
Redevelopment and deferred costs					
	49,358	(871,626)	(1,498,753)	(4,708)	(13,596)
<b>Financing Activities</b>					
Increase (decrease) in long-term debt	(161,824)	(169,548)	(177,641)	(186,120)	(195,005)
Contribution Payment to Ministry of Tourism					
	(161,824)	(169,548)	(177,641)	(186,120)	(195,005)
<b>Net cash inflow (outflow)</b>	1,895,251	(2,071,680)	(5,066,302)	(1,968,590)	(529,659)
<b>Cash April 1</b>	5,618,232	7,513,483	5,441,803	375,501	(1,593,089)
<b>Cash, March 31</b>	7,513,483	5,441,803	375,501	(1,593,089)	(2,122,749)

## 7. HUMAN RESOURCES

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### SUMMARY OF STAFF NUMBERS

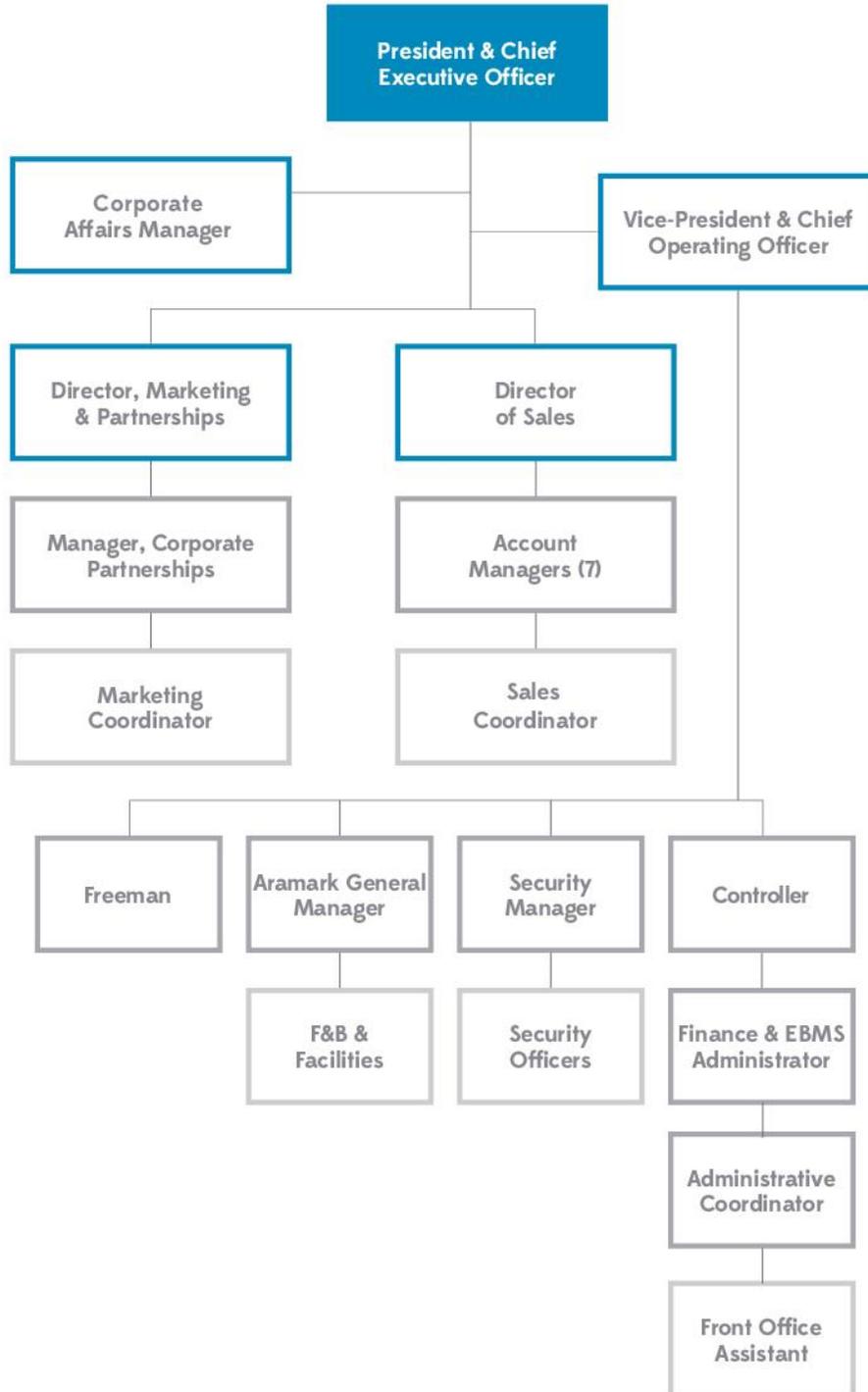
With exception of management and administration staff, the OCC has been unionized since December 1995, represented by the United Steelworkers of America (Locals 8327 and 5297). The collective agreement for local 8327 expired on September 30, 2017 and was ratified on February 2, 2018 for a three-year period ending in September of 2020. Local 8327 represents service personnel and reports to the Facility Services Provider, ARAMARK. Local 5297 represents security personnel and reports to OCC.

The following is a current overview of personnel as of July 2020. As a result of the pandemic, 6 fulltime non-union management positions have been eliminated.

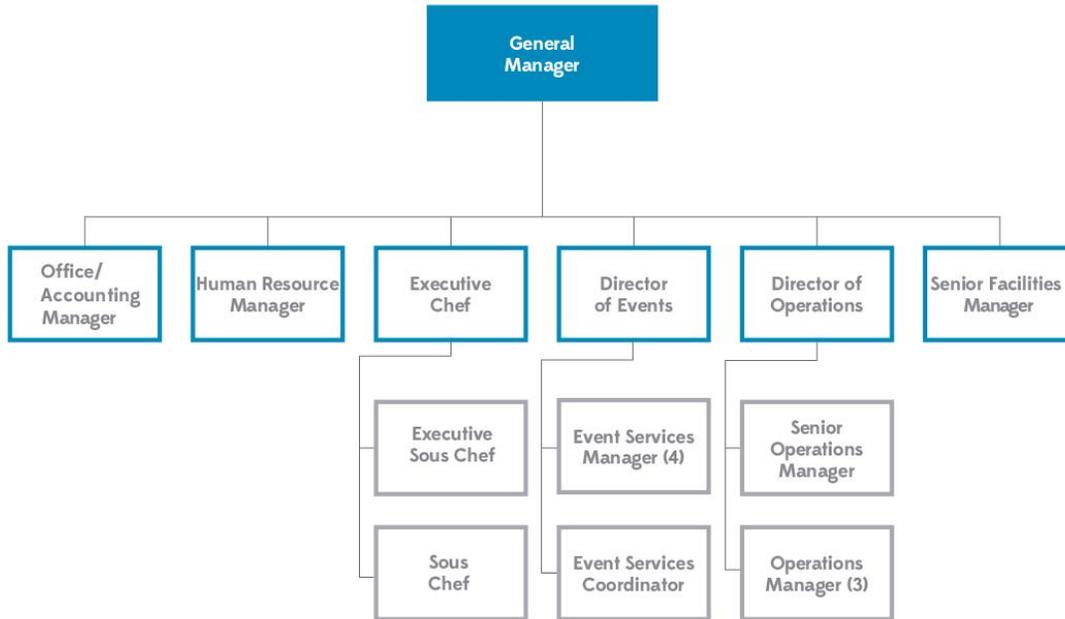
The number has been updated to reflect this. Of the existing chart, 21 non-union and 244 union employees (local 8327) are on a temporary layoff.

CLASSIFICATION	OCC	ARAMARK	TOTAL
Fulltime union	8	68	76
Part time union	0	104	104
Casual union	9	82	91
<b><i>Subtotal Union personnel</i></b>	<b><i>17 (Local 5297)</i></b>	<b><i>254 (Local 8327)</i></b>	<b><i>271</i></b>
Fulltime non-union	20	23	43
Part time non-union	0	3	3
<b><i>Subtotal non-union personnel</i></b>	<b><i>20</i></b>	<b><i>26</i></b>	<b><i>46</i></b>
<b>TOTAL</b>	<b>37</b>	<b>280</b>	<b>317</b>

## OTTAWA CONVENTION CENTRE ORGANIZATIONAL STRUCTURE



## OCC FACILITY SERVICES PROVIDER ORGANIZATIONAL STRUCTURE



## 8. INITIATIVES INVOLVING THIRD PARTIES

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### STRATEGIC PARTNERSHIP WITH OTTAWA TOURISM

A cohesive approach between the Destination Marketing Organization (DMO) and the Centre is critical as resources become fewer, expectations higher and competition grows. With Ottawa Tourism receiving notification in 2019 of its provincial funding cuts coupled with the pandemic and Ottawa hotels generating insignificant revenues through the Municipal Accommodations Tax to support any marketing, it is ever more important to ensure resources are fully utilized. Critical to our future success is to look forward and beyond the devastation the pandemic has placed on our business. While the OCC and Ottawa Tourism collectively have little to no marketing dollars, we will look to piggy-back on programs offered through Destination Ontario, Destination Canada and the Tourism Industry Association of Canada. Sales relationships with customers have always been important; however, they will become even more essential and critical during this period. Social media resources will be utilized to keep our customers informed of our safety protocols and future opening plans.

### ARAMARK – FACILITY SERVICE PARTNERSHIP

OCC and Aramark entered into a 15-year partnership in 2010 in which Aramark provides comprehensive support services for the centre. OCC's reputation as a world class convention centre is strengthened by our extraordinary customer service delivery and exceptional product offerings which are managed by Aramark. A key metric in monitoring this outcome is our customer satisfaction survey. The OCC has held steady year over year at 4.6 out of 5 on our key client survey responses related to overall satisfaction, loyalty and value received for price paid. It is clear that OCC continually delivers quality and consistency in an industry held to exacting standards. The pandemic has affected the services and revenues of our partners resulting in Aramark downsizing its management team to recognize these challenging times both in the OCC and corporate wide.

Looking forward, our goal will be to continue to exceed customer expectations and increase our scores and to win "Best Convention Centre in the World" through AIPC. Our challenge is to maintain these scores in an ever changing and competitive market as client expectations are becoming more demanding and service standards will be adjusted to reflect the era we will be operating in when business resumes and future pandemics are a strong reality.

OCC and Aramark are recognized for having comprehensive service recognition programs, such as the "Encore! Encore!" and "WEST" (Welcome, Engage, Smile, Thanks) programs. These programs are complimented by our highly regarded client service acknowledgement Golden Pin and Star programs. OCC continues to be rated as Aramark's top performer in their North American convention centre business segment.

Mentoring leaders in the hospitality industry is a common goal for both OCC and Aramark. It is with this in mind that Aramark, with the support of OCC, is providing developmental leadership opportunities for managers and supervisors across their "sister" properties in order to gain valuable experiences in much

larger facilities than the OCC or in producing events of a greater scale than would be accommodated in Ottawa. This is a reciprocal opportunity as occasionally OCC utilizes managers and supervisors from other “sister” facilities where additional requirements are necessary due to heavy event demand

## **ENCORE – AUDIO VISUAL, INFORMATION & COMMUNICATIONS TECHNOLOGY & SHOW SERVICES PARTNER**

In 2010, OCC and Encore entered into a 15-year partnership in which the Freeman Group of Companies provides the primary event service offerings for our events, including audio visual (AV), information communications and technology (ICT), and decor.

In January 2019, The Freeman Company (Encore’s parent company) and PSAV entered in a purchase agreement for PSAV to acquire Encore Event Technologies including Encore AV Canada. In October 2019, the deal was approved and moved forward. While this represents no current change to the relationship between the OCC and Encore, it is anticipated that this merger and acquisition could enhance the technology options on site.

In June 2020, Freeman advised that they would be providing regionalized service only in the rigging and electrical side of their business and would have limited service in Ottawa. We are currently in an 8-year contract with Freeman for rigging and temporary electrical services which will expire March 2026. Our contract will likely be amended due to this recent announcement of their restructuring and regionalization.

At the time of writing this business plan, it is not yet known what affects this announcement by Freeman will have on its agreement with the OCC.

Technology is a critical factor in securing conventions. It is extremely competitive and there is a high demand requirement to obtaining bookings. Encore provides a turnkey service for conventions and events and OCC earns a commission on service sales which is an important revenue source. The effectiveness of this provided solution is demonstrated through our customer satisfaction surveys and in our negotiated bookings. Without these services being available at such a professional level, our ability to sell events in the facility would be impaired. Encore AV has provided our clients with audio visual and ICT necessities of event production since April 2011. On average, they service 95% of the events taking place in the facility. Our partnership objectives are two-fold: i) to maximize Encore market share of events and increase revenues and ii) maintain client service levels and standards.

To achieve these goals, Encore and OCC maintain a Service Partner Program. This program has sustained our client survey scores at 4.5 out of 5. To address market share and more importantly increase the share of events currently not using our service partner, OCC and Encore have engaged in a collaborative sales and service cycle. This collaborative sales approach has allowed Encore to service 95% of our clients.

Our ability to address the ever-changing needs of our client base is a key tenet of our partnership with Encore. There are shorter booking windows, more detailed and vigorous negotiations, greater technology demands and higher demands of quality and service expectations. As a result of our agreement, Encore can easily step outside of a rigid proposal system and provide flexible risk appropriate offerings to exceed client

needs that are not only domestic but international in scope. This approach is very healthy and conducive in an environment where being seen as easy to do business with is an essential ingredient in fostering a solid reputation.

Encore continually innovates to provide cutting edge solutions to its customers and venue partners and recently launched an Innovative Event Opportunity Management System that allows the venue and Encore teams to work seamlessly together by integrating the venue business system to a robust sales funnel functionality that will provide a level of integration, visibility, and reporting unique in our industry. This exclusive tool is a collaborative technology solution that is currently being used by Encore and OCC to grow mutual revenues and market share and has been funded solely by Encore.

Encore is currently working with OCC to implement Envision, an Encore designed web-based tool and app, whereby instead of sending staff on costly and time-consuming site visits, you can do the same work just as efficiently from your desk. With virtual tours, sponsorship management, and space planning, Classic Envision provides show organizers and meeting planners a simplified online solution to plan and execute their event. Whether you want to scout the venue, view floor plans, or plan sponsorship opportunities, Envision allows you to virtually tour the facility from your phone, tablet, or computer. For a more branded experience, Custom Envision showcases sponsorship opportunities throughout the venue. While launch of Envision is currently on-hold, we look forward to launching this when business resumes in future years.

Encore downsized its team on both the electrical and rigging as well as Audio Visual side at the OCC. Further reductions may be imminent however currently uncertain with the OCC closed.

## **SHAW COMMUNICATIONS – NAMING RIGHTS PARTNER**

On October 16th, 2014 The Ottawa Convention Centre and Shaw Communications Inc. announced a 10-year naming rights agreement. Together with renaming the facility as the Shaw Centre, the partnership also provides the opportunity to showcase Shaw Communications products, such as Wi-Fi to clients and guests. In particular, visitors to the Shaw Centre now have access to Shaw Go Wi-Fi – Shaw's carrier-grade Wi-Fi network – throughout the building with complimentary access available to all guests in the Level 1 foyer and Trillium ballroom. This relationship will help position the OCC/Shaw Centre and our city for continued growth in the lucrative national and international meetings and conventions marketplace. Over the coming decade, OCC/Shaw Centre will leverage the strength of one of Canada's leading brands and media organizations to enhance and increase its profile and standing as a world class convention facility.



## 9. COMMUNICATIONS STRATEGY

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### OVERVIEW

Continuing previous years initiatives, our main communication goal will maintain brand awareness in the marketplace by highlighting our facility's distinctive features, superb staff and benefits to our market segments. We do so while continuing to communicate with existing customers, responding to queries, anticipating/answering their needs and engaging them for retention purposes. Keeping in mind that our previously targeted industries may need to be adjusted to potential new industries as restrictions ease and businesses who previously did not require our services may now.