Ontario Convention Market Analysis
Final Report

Ontario Ministry of Tourism
Investment and Development Office
February 2008

HLT ADVISORY

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1. Introduction
Background and Purpose

Background

The "convention" industry is an important sector of the overall Canadian tourism industry, with Ontario receiving a considerable proportion of total spending. In 2004, visitor spending in Ontario by business convention visitors generated almost $800 million in spending on accommodation, food and beverage, recreation and entertainment facilities, and transportation service providers. This spending generated significant economic benefits across a variety of fronts ranging from direct government revenues to the impact on cultural and heritage attractions in host communities.

Competition among convention locations is fierce however. Throughout North America cities (and more senior-level jurisdictions) wishing to increase share of the convention market have expanded and upgraded exhibit and meeting space. At the same time, there has been an increase in the sophistication of the industry. Convention organizers are well aware of the economic benefits attached to convention activity and they increasingly require that potential host locations bid for their presence.

Ontario's tourism sector faces several challenges. Effective management of these challenges for the industry requires a sustained government response built on the Ontario Tourism Strategy and its long-term, innovative plan for the sustainability and growth of Ontario's tourism industry.

Purpose

The Investment and Development Office of the Ministry of Tourism (the "Ministry") issued a Request for Proposals to "engage a consultant from to complete a Convention Market Analysis Study to determine the size of the North America and Ontario meeting, convention, and trade and consumer show market, including demand, supply and potential capacity."

The Ministry's intent is that the Study will inform a framework to better understand the meeting, convention, and trade and consumer show market and outlook. In addition the study will support Ontario Government decision-making designed to sustain the competitiveness and growth of Ontario's tourism industry.

1. Introduction
Scope of Study

HLT Advisory Inc. ("HLT") and Tradeshow Week Research ("TSW Research") were engaged by the Ministry to complete the study. The primary objective of the study is to determine the size of the North American and Ontario meeting, convention, trade show and consumer show market.

In completing this Study, HLT and TSW Research undertook the following:

- Identified industry-wide trends within Ontario and North America
- Inventoried venues capable of hosting meetings, conventions, trade shows and consumer shows in North America
- Inventoried additions to the supply of convention and exhibition venues which are under construction, planned and proposed
- Analyzed current demand for meetings, conventions, trade shows and consumer shows in Ontario and North America
- Analyzed incentives and distribution channels used by industry and the public sector to attract meetings, conventions trade shows and consumer shows
- Surveyed past and potential users of Ontario convention centres and trade centres
- Estimated the potential size of the meeting, convention, trade show and consumer show market in North America
- Estimated Ontario's share of the North American and relevant international market for meetings, conventions, trade shows and consumer shows
- Estimated the five- and ten-year demand outlook for North American and Ontario meetings, conventions, trade shows and consumer shows.

Upon completion of these steps we completed the following report.

2. The "Public Assembly" Business
Introduction

Broad references to the "convention" industry and "convention centres" tend to mask a diverse range of events, and the venues in which these events are accommodated. Each of these events may use similar facilities—often due to a lack of purpose-built alternatives—but the "ideal" facility for each event type can be substantially different.

Event types

In addition to "conventions", conferences/congresses, trade shows, and consumer shows, round out the range of public-assembly events. Convention, conference and congress organizers require significant amounts of meeting space while trade show organizers typically look to the functionality of the exhibit area as the key site selection criterion. The primary objective of a trade show is to bring the sellers of goods or services, within a specific industry, together with buyers. While the general public is usually not invited to a trade show, consumer shows focus on selling product to the resident/area population. Consumer shows require large amounts of parking and, ideally, access to public transportation.

Venue types

From a venue perspective, the term "convention centre" may include large full service buildings offering exhibition and meeting space (a "typical" convention centre), a meeting-only venue (usually referred to as a conference centre), purpose built exhibition halls that usually include some meeting space (a "trade show" or "exhibition" centre) as well as hotels offering substantive meeting and/or exhibit space. The operating objectives and parameters for each of these buildings is as different as the ownership structure and the event focus.

The tables on the following two pages profile these event and venue types.

2. The “Public Assembly” Business
Event Types and Definitions

For the purposes of this analysis, events are grouped into four broad categories reflecting the different market focus, attendance and economic impact generation capability

Characteristic	Conventions	Tradeshows	Conferences and Meetings	Consumer Shows
Market Focus	Information exchange between professional groups and associations Can include a trade show component	Forum to bring industry buyers and sellers together Sometimes sponsored by trade or technical associations	Smaller corporate or association meetings More specific in purpose than a convention Includes local business meetings, management and board meetings, technical meetings, sales meetings and training seminars	Public shows where suppliers display/sell goods directly to public Typically charge admission
Attendance Profile	Most out-of-town attendance Visit often combined with vacation, spouse often comes along	Some out-of-town attendees and exhibitors Visit seldom combined with vacation, spouse rarely accompanies delegate	Varies by event	Local attendees
Rotation	Rotation determined by association charter Prefer tourist destinations	Meet in major markets to maximize number of buyers and sellers Little rotation	No rotation	Locally produced
Revenue Generation	Registration fees Sponsorships	Exhibit booth sales	Registration fees Sponsorships	Admissions Booth sales
Economic Impact	High economic impact	Moderate economic impact	Limited economic impact	Limited economic impact

Source: HLT Advisory Inc.

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2. The "Public Assembly" Business
Venues and Cities: Types and Definitions

For the purposes of this analysis, venues are grouped into four broad categories reflecting the event served and other key characteristics. Venues can be adapted to suit a variety of events or purpose built if demand warrants.

Characteristic	Convention Centre	Conference Centre	Exhibition Centre/Trade Centre	Convention Hotel
Event Focus	Conventions with and without exhibits	Conventions without exhibits	Trade and consumer shows with limited meeting requirements	Events generating guest room demand
Building Space Parameters	Extensive meeting and exhibiton space Quality audio/visual Banquet/food and beverage	Meeting space Quality audio/visual Banquet/food and beverage	Exhibit space/meeting space varies by building focus	Meeting space; exhibit space in largest hotels
Unique Site Requirements	Adjacent/proximate hotels	Adjacent/proximate hotels	Parking	Market specific
Ownership (Typical)	Public sector	Public sector/some private sector	Private and public sector	Private sector
Measures of Success	Economic impact	Economic impact and P&L	Depends on ownership/governance structure	Room nights sold P&L

Source: HLT Advisory Inc.

Cities are often segmented into "tiers" for classification purposes. The definition of "tier" is subjective and is based on factors such as attractiveness as a convention destination (e.g., air access, range of hotels), supply of meeting and exhibition space, population base and destination awareness. Within a Canadian context, a "Tier 1" city is typically able to attract a number of international events (in addition to national and regional events), while a Tier 2 city might focus on national events and a Tier 3 city primarily regional events. In Ontario, Toronto is the only true Tier 1 city. Ottawa, currently a Tier 2 city, has destination attributes attractive to international event planners but is underserved in terms of meeting and exhibition space (although this limitation is being addressed through the proposed expansion of the Ottawa Congress Centre). Virtually all other Ontario cities primarily service the regional market and, as such, are considered Tier 3.

2. The "Public Assembly" Business
Economic impact: The focus is convention centres

Most North American convention centres were built and are operated as a means of generating economic impact in a given city and/or region. Economic impact is maximized by giving priority to those events attracting the largest number of out-of-town visitors (i.e., delegates of regional, national and international conventions). Bottom-line orientation is often not a priority, as the "success" of many convention facilities is not measured by profitability for the convention venue itself but rather on the volume of spending at the community level. As a result, convention centres are often used as low-cost attractors with competition on a "price" basis becoming much more common. In fact, some destinations (generally Tier 2 and 3 U.S. cities, but a growing number of Canadian cities as well) not only have the ability to provide the convention centre for free but also are aggressively doing so, provided the economic impact of the event is significant enough.

From the Provincial Government's perspective, overnight business convention visitors generate significantly more economic impact than typical overnight visitors.

Overnight Visitors to Ontario - 2004

	All Overnight Visitors	Business Visitors	Business Convention Visitors
Average Length of Stay - Nights	2.5	2.2	2.5
Average Expenditure per Person	$84	$506	$598

Source: Ontario Ministry of Tourism

Business convention visitors accounted for 1% of the total visits to Ontario in 2004 but generated 5% of the total visitor spending.

A delegate spending study released by the Destination Marketing Association International ("DMAI") in 2004 indicated that convention delegates spend an average of $1,449 per event visit. This study is currently being updated and will be released by DMAI in 2007. A Canadian study, conducted for Meeting Professionals International Canada ("MPI"), is expected in 2008.

2. The "Public Assembly" Business
The implications of focusing on economic impact?

The focus on generating economic impact explains several characteristics of the industry, including:

- The tendency towards ownership, and often management, by local or regional governments.
- Restrictions (sometimes express) on competing for events (i.e., banquets, smaller meetings) that could be accommodated within privately-owned facilities (i.e., large hotels, privately-or publicly-owned trade show facilities).
- Exemptions from municipal property taxes.
- Recognition that success is dependent on the development and funding of a long-term marketing strategy given that lead times required to secure conventions are often 3+ years long—and often several years longer for larger, international events.

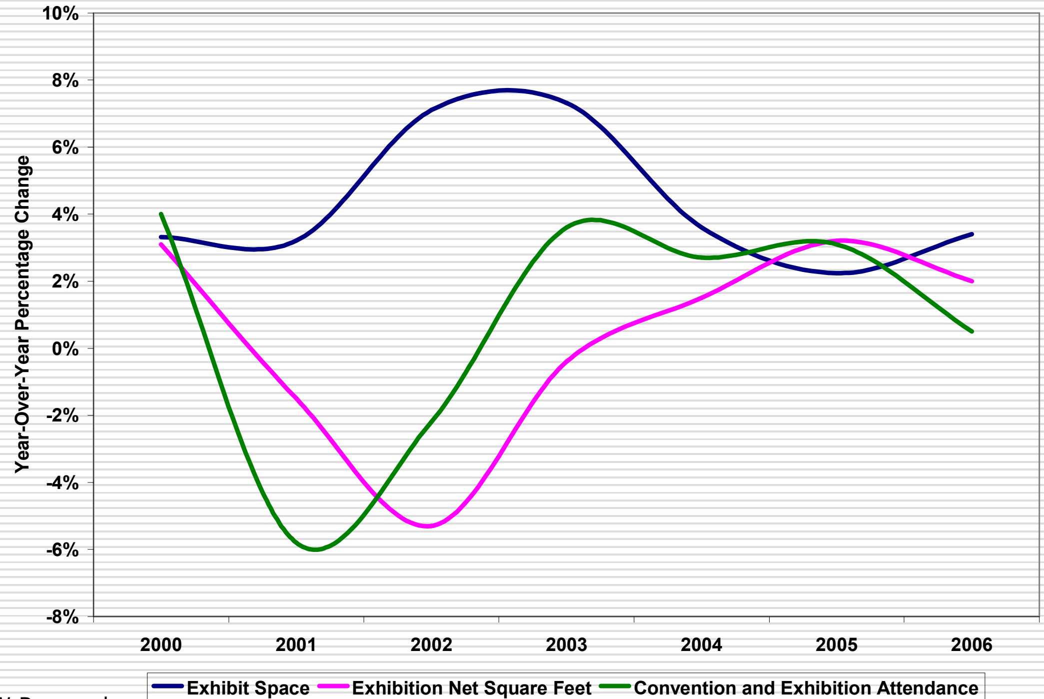
Conventions however, are just one of several types of events suitable for convention facilities. Trade shows, consumer shows and smaller-scale conferences and meetings (i.e., the corporate market) may also be held in convention facilities.

The extent to which these events are targeted by a convention facility, as opposed to a local hotel or trade/consumer show facility depends on the aggressiveness and mandate of the convention centre in a specific location—as well as the number/quality of and the relationships with these other space providers. More importantly, in markets where sufficient trade and consumer show activity occurs (e.g., Toronto), purpose-built exhibition facilities have been developed by both the public and private sectors. As trade shows are perceived, often correctly so, as not generating the same levels of economic impact as conventions dedicated exhibition/trade centres often do not receive the same incentives as convention centres (e.g., more limited marketing support; in the case of private trade centres the necessity to pay property tax). The variance in these incentives often causes friction within the broader tourism industry.

2. The "Public Assembly" Business
North America Supply/Demand Balance

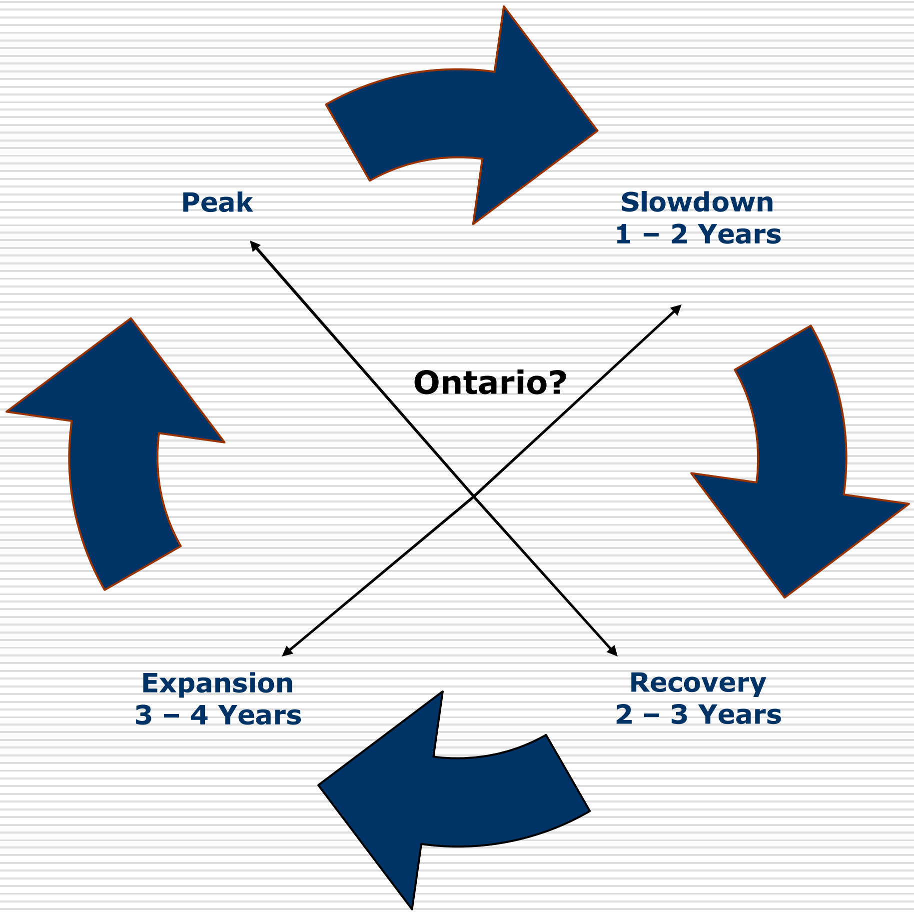
From 2000 to 2006 growth in the supply of exhibit space in the United States and Canada exceeded growth in demand for business-to-business exhibition net square feet (at least 30,000 square feet of exhibit space) and business-to-business convention and exhibition attendance every year with the exception of 2005. Over this period growth in exhibit space supply averaged 4.3%/annum while growth in business-to-business exhibition square foot usage and business-to-business convention and exhibition attendance averaged 0.4% and 0.8% respectively.

This suggests that supply growth is outpacing demand growth. Further, an additional 8.6 million square feet of exhibit space is in the development pipeline representing an additional 10.1% supply growth.



Source: TSW Research

2. The “Public Assembly” Business
Where is Ontario in the Industry Growth Cycle?



Adapted from TSW Research publication

Recovery:
- Attendance grows faster than net square footage
- Slow merger and acquisitions market
- Negative national and local press

Expansion:
- First attendance grows faster than net square footage, then at about the same rate
- Strong corporate travel and meeting spending
- Hotel rates rise
- More business-to-business events launched
- Positive press – “events are back”

Peak:
- Net square footage grows increasingly faster than attendance
- Strong exhibition and event mergers and acquisitions
- Strong corporate travel and meeting spending
- Harder to launch business-to-business events
- Strong convention hotel development

Slowdown:
- Net square footage demand increases faster than attendance growth declines
- Marginal new shows cancelled or postponed

2. The "Public Assembly" Business

Occupancy Levels at North American Venues

One measure of success for a public-assembly building is the utilization or occupancy level (i.e., the number of days in any given year that the venue, or parts of the venue are used). While this measure demonstrates activity—and an obvious extension to revenue and bottom-line profitability levels—within the venue, occupancy does not necessarily demonstrate "success"… particularly if success is defined as generating economic impact within the host community. In this case, success is more a function of the type of event than the quantum.

Nevertheless, utilization is an effective measure when looking at industry-wide trends. The theoretical maximum occupancy rates for exhibit halls is thought to be around 70% as a result of the requirement of move-in and move-out days for trade shows and consumer shows. A more likely (and efficient) occupancy level is thought to be in the 50% to 60% range. Greater occupancy levels may be achieved with banquet and meeting spaces. An annual study by PricewaterhouseCoopers focusing on North American venues (with an emphasis on convention centres), "2006 Convention Center Report", suggests average exhibit hall occupancies in the 50% to 60% range for those venues located in gateway cities (major U.S. and Canadian cities with excellent air access), and even lower levels for regional venues.

The occupancy levels at the four major Ontario convention centres (Hamilton Convention Centre, London Convention Centre, Ottawa Congress Centre and Metro Toronto Convention Centre) suggest somewhat stronger business levels, a function, in part, of the operating mandates of Canadian venues to include more bottom-line accountability (and therefore more "local" profit-based events) as opposed to pure economic impact generation.

Occupancy Rates* at Ontario Convention Venues

	2004	2005	2006
Exhibit Hall Occupancy	50.4%	57.1%	62.0%
Meeting Room Occupancy	46.8%	48.1%	51.6%
Ballroom Occupancy	43.5%	44.5%	54.7%
Total	49.4%	54.5%	59.6%

Source: Ontario Convention Venues

** Weighted Average*

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2. The "Public Assembly" Business
Implications for Ontario

The public assembly business can be segmented into four broad types of events specifically: conventions, conferences, trade shows and consumer shows. A variety of venue types service these events including purpose - built buildings such as convention and trade centres as well as buildings adapted to meet demand such as arenas used to service trade and consumer shows.

The justification for public ownership (and most often in Canada, management) of convention centres is the creation of economic impact for the broader community. On the other hand, the private-sector's involvement in public-assembly buildings occurs when the operating environment produces an opportunity for profit-based events such as trade and consumer shows. Trade and consumer shows generate profit for the event producer (and indirectly to venue owner) based on size and scale of the exhibition (the "sellers") and the ability to generate visitors to the event (the "buyers."). In the case of convention hotels, the profit-generating element is hotel room night sales.

As a result, a privately-owned venue will most likely prioritize events that maximize revenue to the venue. Most often these events are local or regional but in some cases (such as Toronto) have the potential to draw from a much wider area. A publicly-owned venue will prioritize events that maximize economic impact, such as conventions. Conventions are more likely to bring visitors to the host community; economic impacts are generated at the local, provincial and federal level although not all impacts are incremental. For the purposes of this analysis, consideration is given to economic impact at the provincial level (i.e., the ability to drive incremental visitation to Ontario).

The public assembly business has historically been successful in generating economic impact for Ontario. In 2004 (the last year for which full data is available), the convention business segment accounted for 1% of the total visitation to Ontario yet generated 5% of the tourist spending. Ontario has recognized the importance of the public assembly market as evidenced by the development and renewal of the Convention Development Fund.

Ontario offers a range of destinations and venues for the full array of event types. Within the convention marketplace, Toronto and Ottawa hold the greatest potential to create incremental visitation given current (and potential) size and scale of facilities as well as destination attractiveness factors. Niagara Falls and Windsor offer unique characteristics given the border and tourism focus. Hamilton and London have more regionally-focused opportunities. All of these destinations have a degree of potential in the trade and consumer show market.

3. Major Ontario Venues
Introduction

The balance of this report focuses primarily on the large convention and exhibition/trade centres in major cities across the province. The majority of these are publicly owned and reflect the mandate and focus of the public shareholder (either the municipal or provincial governments). The publicly-owned venues under consideration (excluding proposed venues) include:

- Direct Energy Centre (former National Trade Centre), Toronto
- Hamilton Convention Centre
- Lansdowne Park (Ottawa)
- London Convention Centre
- Metro Toronto Convention Centre
- Ottawa Congress Centre

Privately-owned venues include:

- Toronto Congress Centre
- Toronto International Centre

On an overall basis we have also taken into account the numerous convention hotels in various Ontario destinations as well as several local convention/meeting/exhibit facilities primarily focused on a local market.

3. Major Ontario Venues
Mandates of Publicly-Owned Ontario Venues

The delivery of economic impact is a common focus among the publicly-owned Ontario venue mission statements. Each venue also addresses local issues and objectives, including a bottom-line orientation.

City	Full Name of Centre	Mission Statement
Hamilton	Hamilton Convention Centre	- To maintain, operate, manage and promote the Hamilton Convention Centre, Hamilton Place Theatre and Copps Coliseum on Behalf of the City of Hamilton. - To positively impact the economic health of the area through the increased use of hotels, restaurants, retail shops and service by using the three facilities as the catalyst to retain local spending and attract people from outside the region. - To maximize the use of the three facilities while providing programming that reflects local interests and contributes to the quality of life. - Via effective, efficient management to constantly work towards the reduction of the annual municipal contribution by corporation of the City of Hamilton. - All of this is to be achieved while pursuing excellence of management and service in a manner that fosters local pride and enhances the city's reputation and image.
London	London Convention Centre	The London Convention Centre will be recognized by the community as an economic generator for the City of London. Core values: 1) Our associates and our partners are our greatest asset. 2) Operate in an ethical and trustworthy manner. 3) Inspire innovation, creativity and personal growth. 4) Demonstrate excellence in everything we do.
Ottawa	Ottawa Congress Centre	In cooperation with the National Capital Region's tourism industry partners, the mission of the Ottawa Congress Centre is to operate a fiscally responsible efficient and effective first-class multipurpose convention/meeting facility through the development of existing and new niche markets which will place Canada's Capital Region on the leading edge of the convention industry in the 21st Century.
Ottawa	Lansdowne Park	To be operated as a multi-purpose sports and entertainment facility catering to the needs of both local citizens and visitors and conduct such activities in a manner which minimizes impacts on adjacent communities.
Toronto	Metro Toronto Convention Centre	The mission of the Metro Toronto Convention Centre is to operate a world class convention centre in a manner that: - generates significant economic benefit to the community; - provides a showcase for conventions, trade shows, public shows, meetings, and food and beverage events; - operates on a cost recovery commercial basis; and - is managed in a manner consistent with an Operational Enterprise Agency of the Province.
Toronto	Direct Energy Centre (one of four operations at Exhibition Place)	The mission of Exhibition Place is to: - provide an opportunity for business stimiluation and economic development in the community; - provide a focus for public celebration and events; - preserve the 22 architecturally and historically significant structures on the grounds; and - provide a world class venue for trade and consumer shows and major city events and celebrations.

3. Major Ontario Venues

Profile of Publicly-Owned Ontario Venues

	Metro Toronto Convention Centre	Direct Energy Centre (National Trade Centre)
Owned/controlled by	Province of Ontario	City of Toronto
Governance structure	Operated by Metropolitan Toronto Convention Centre Corporation (single-purpose corporation)	Operated by Exhibition Place (a single-purpose corporation)
2006 Revenue	$57.9 million	n/a
Sales & marketing budget*	$3.1 million	$330,000
Marketing focus	Conventions generating significant economic impact (international, united states and national corporate and association groups)	Locally and regionally produced trade and consumer shows
Expansion plans	No current expansion plans	Conference venue—addition of 90,000 s.f. of rentable meeting space by 2009 300-500 room hotel (some meeting space) projected for 2010. Future expansion 2015/2017 additional 200,000 s.f. exhibit space and 100,000 square feet of meeting space

*The Tourism Toronto sales and marketing budget (i.e., the amount dedicated to marketing "Toronto" as a convention/trade show destination) is $8.2 million

3. Major Ontario Venues

Profile of Publicly-Owned Ontario Venues (cont'd.)

	Ottawa Congress Centre	Lansdowne Park
Owned/controlled by	Province of Ontario	City of Ottawa
Governance structure	Operated by the Ottawa Congress Centre, single-purpose corporation	Operated by City of Ottawa Business Transformation Services (City Department)
2006 Revenue	$10.2 million	$4.5 million
Sales & marketing budget	$1.7 million	Spend between $20,000 and $25,000
Marketing focus	Post-expansion marketing strategy under development – will focus on new target markets (U.S. and international)	Trade and consumer shows, primarily local and regional clientele
Expansion plans	Announced facility closure in September 2008, new facility to open in 2011 New facility profile (exhibit, meeting and ballroom space) to be announced. Funding commitments have been announced by the federal and provincial governments.	Currently, the City is conducting an international design competition for the redevelopment of Lansdowne Park. The redevelopment may or may not include a trade centre component.

Note: The Tourism Ottawa MC&IT sales and marketing budget is $1.5 million

3. Major Ontario Venues
Profile of Publicly-Owned Ontario Venues (cont'd.)

	Hamilton Convention Centre	London Convention Centre
Owned/controlled by	City of Hamilton	City of London
Governance structure	Hamilton Entertainment and Convention Facilities Inc. ("HECFI"), multi-purpose corporation. HECFI includes the Hamilton Convention Centre, Hamilton Place and Copps Coliseum.	Incorporated company with arms length reporting to the City of London, single-purpose corporation
2006 Revenue	$3.4 million	$3.9 million
Sales & marketing budget	$754,000	$517,000
Marketing focus	Regional and provincial markets, one- or two-day events with minimal hotel room requirements	Provincial associations and corporate meetings generating hotel demand
Expansion plans	No current expansion plans	No current expansion plans

3. Major Ontario Venues

Profile of Ontario Privately-Owned Ontario Venues

	Toronto Congress Centre	Toronto International Centre
Owned/controlled by	Toronto-based ownership group	Toronto-based ownership group
Sales & marketing	Do not actively participate with Tourism Toronto	Do not participate with Tourism Toronto but expect to do so once the conference centre is completed
Marketing focus	Locally produced trade and consumer shows Significant food and beverage event business	Locally produced trade and consumer shows Secondary market segment of meetings, concerts as well as ethnic and religious events
Expansion plans	300,000 square foot expansion under construction (completion early 2008) Planning a 25,000 square foot ballroom, additional exhibit space as well as a 400 to 500 room hotel	A conference centre is under construction that will offer 23,000 square feet of meeting space.

3. Major Ontario Venues
Ontario Venues

The following analysis focuses on the major publicly-owned convention and trade centres in Ontario as well as selected major privately-owned trade centres and convention hotels.

Identified but not included in the analysis are:

- privately-owned banquet and conference centres;
- facilities that offer exhibit space but whose primary use is another purpose (i.e., sports facilities such as the Ricoh Centre, exhibitions such as the Western Fair in London and unique venues such as the Elgin and Winter Garden theatres); and
- hotels with less than 20,000 square feet of meeting space.

These smaller venues play a role in accommodating a variety of event types but in most cases lack the critical mass to generate or assist in generating incremental visitation to Ontario.

4. Supply
Introduction

The field of competition for Ontario venues includes a broad range of Ontario facilities as well as venues located across Canada and North America. The size, scale and origin of attendees have the greatest impact on the destination decision. Suffice it to say, that within a North American context competition is substantial for all manner of event types. Demand characteristics are discussed in more detail in the following chapter.

As has been the case over the past few years, the growth in both the number and size of North American convention centres continues, although at a much slower rate than experienced through the 1990's. Supply trends of note to Ontario venues include:

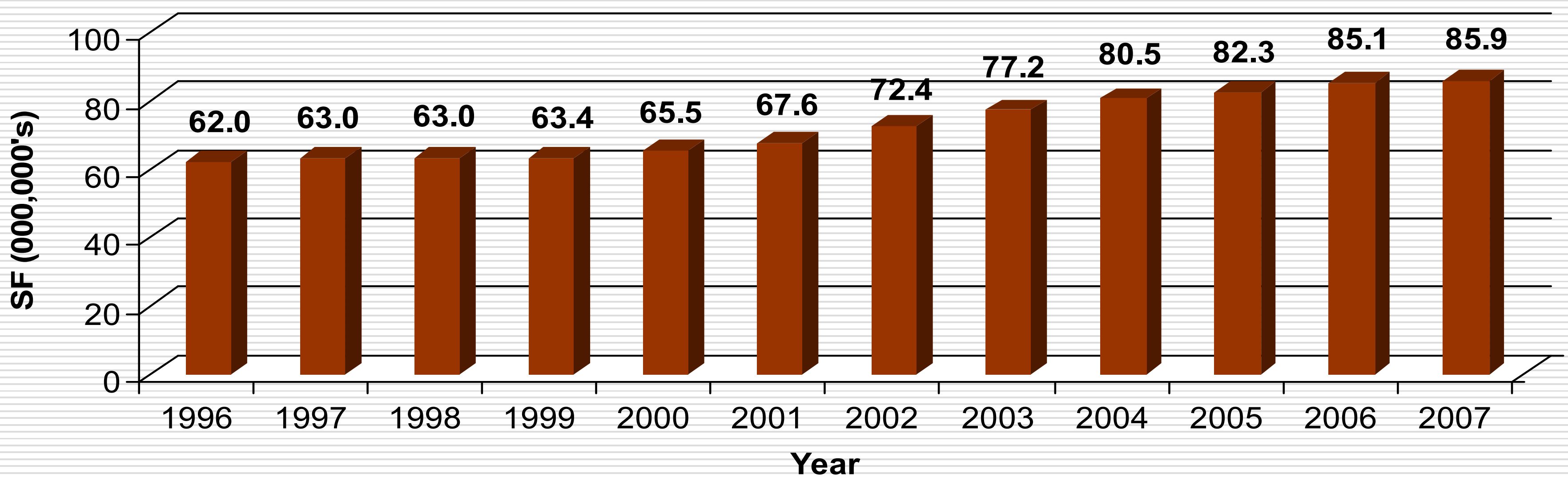
- Recognition by many in the North American convention ownership/management sector, that supply growth has outpaced demand. The effect of the supply – demand imbalance is most noticeable in those destinations lacking key attributes sought by meeting planners. Specifically, an adequate supply of nearby hotel rooms, convenient and cost effective air access, destination animation and appeal necessary to drive attendance.
- Price-based competition, most notably from Tier 3 cities that do not have the destination attributes to compete on merit.
- Considerable growth in "self-contained" convention centres where all convention components (i.e., hotel rooms, exhibit halls, meeting space, ballroom and entertainment) are provided under one roof. Several such facilities exist in Las Vegas (Sands Expo – the Venetian and Mandalay Bay) and are the exclusive product offering of dedicated hospitality operators such as Gaylord (Nashville, Orlando, Dallas, Washington D.C.). These facilities compete for events of the size and larger than what can be accommodated at Ontario convention venues. While these self-contained venues appeal to some, universal acceptance of this option by convention/meeting planners is still very much in doubt.

The following pages provide analysis of the supply profile with a focus on North American convention centre and trade/exhibition centre venues.

4. Supply

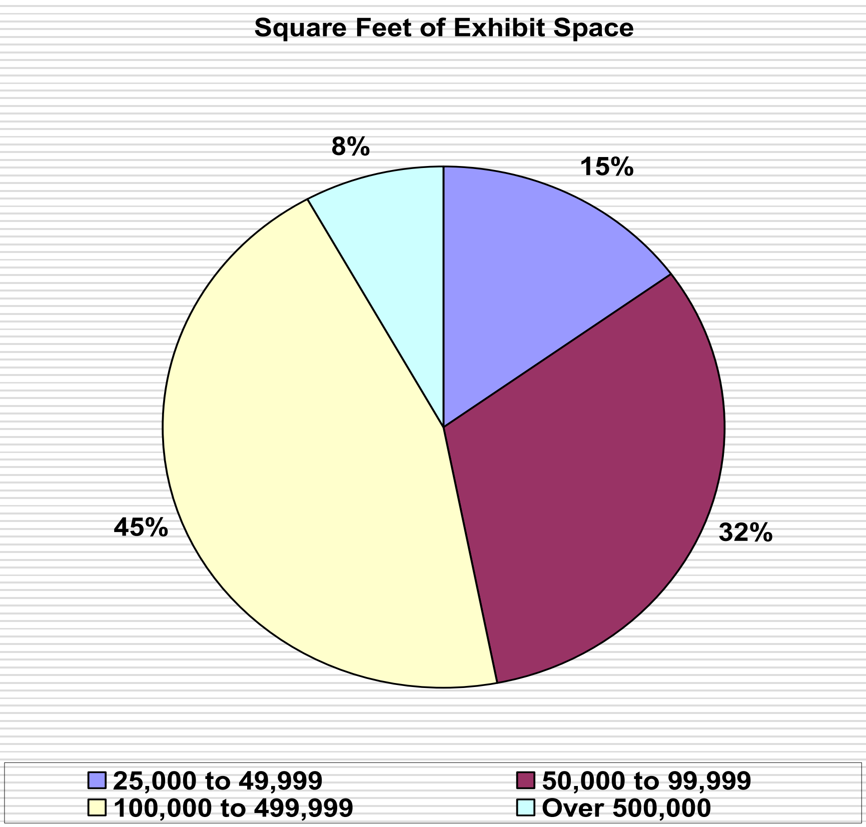
Growth in North American Exhibit Space (1996 to 2007)

Since 1996, the amount of exhibit space in Canada and United States venues has increased 38.5% from 62.0 million square feet to 85.9 million square feet. This represents a compound average growth rate of 3.0%. Exhibit space is the “default” measure of venue growth across convention centres and exhibition/trade centres. Meeting, banquet and associated support spaces are not included in this total but will be accommodated in each venue based on the market focus (e.g., conventions, conferences, trade shows) of the venue.



Source: TSW Research

4. Supply
Venue Breakdown by Total Exhibit Area

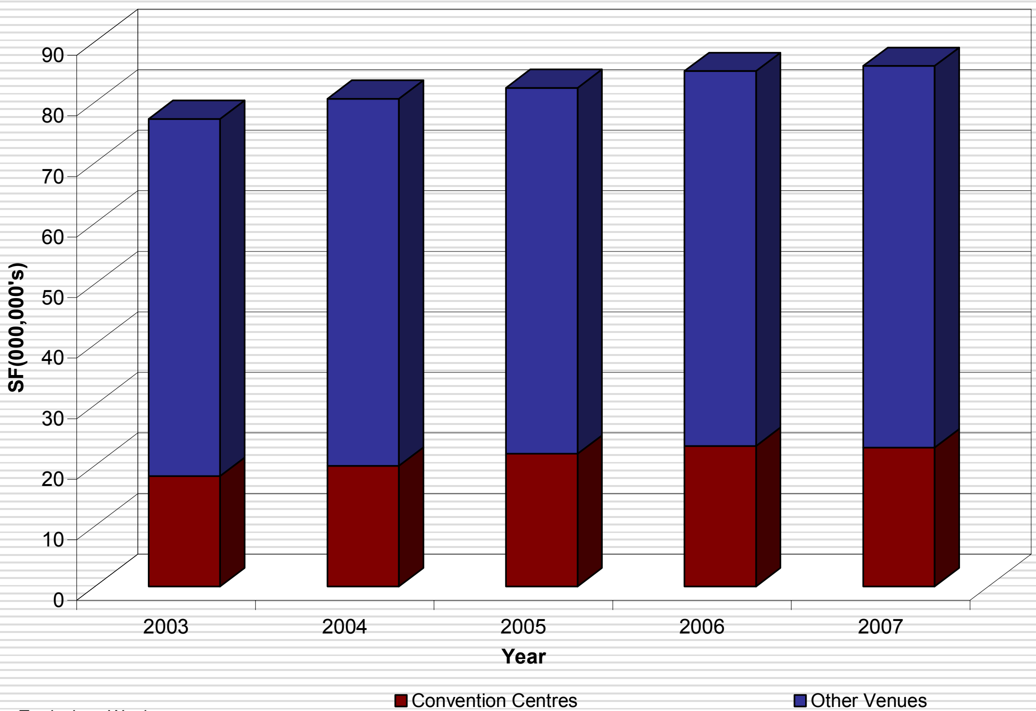


TSW Research maintains a comprehensive inventory of convention centres, trade centres and hotels with meeting space across North America. Of the 569 venues in this inventory, the majority offer between 50,000 and 499,999 square feet of exhibit space. Less than 40 venues offer more then 500,000 square feet of exhibit space (including the Metro Toronto Convention Centre).

Source: Tradeshow Week

4. Supply

Exhibit Space within Convention Centres



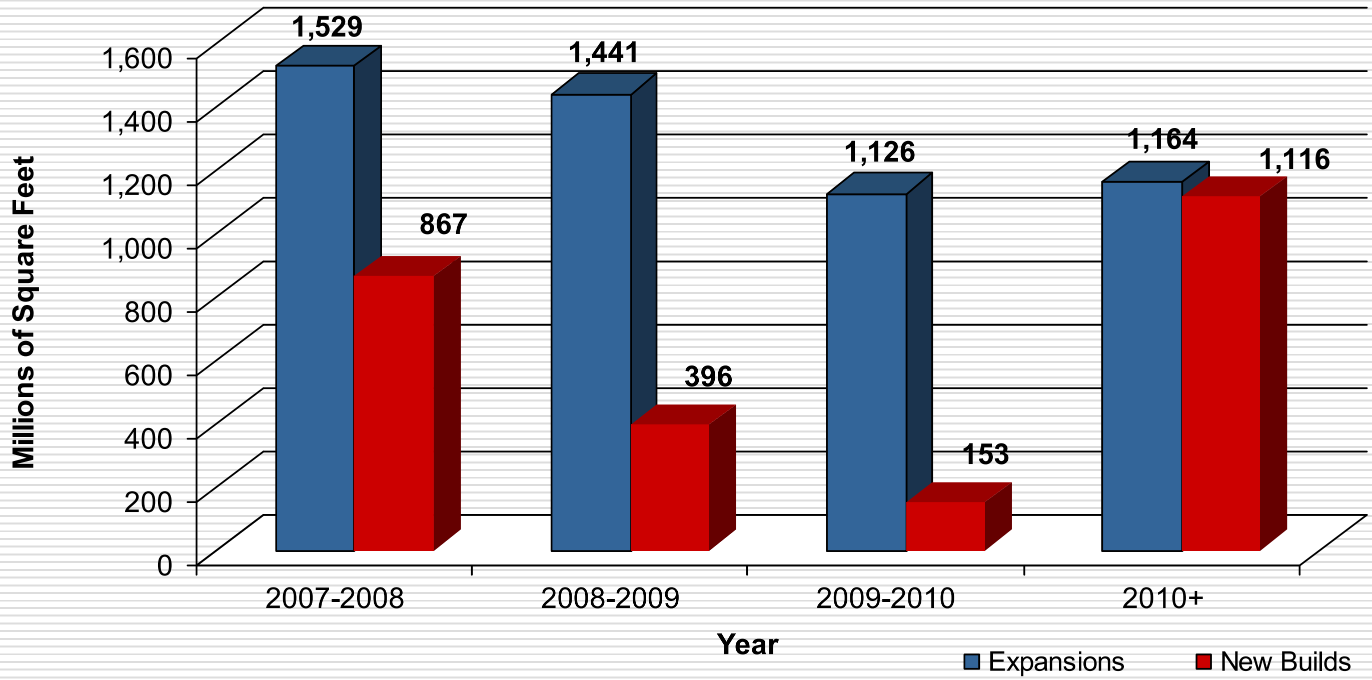
Source: Tradeshow Week

Convention centres, for the purposes of this study defined as venues with a ratio of exhibit space to meeting/ballroom space of 4:1 or less, account for approximately 25% of the total exhibit space inventory in Canada and the United States. The remainder of the exhibit space is located in purpose-built trade centres or in hotels with meeting space.

4. Supply

Projected Increases in North American Exhibit Space

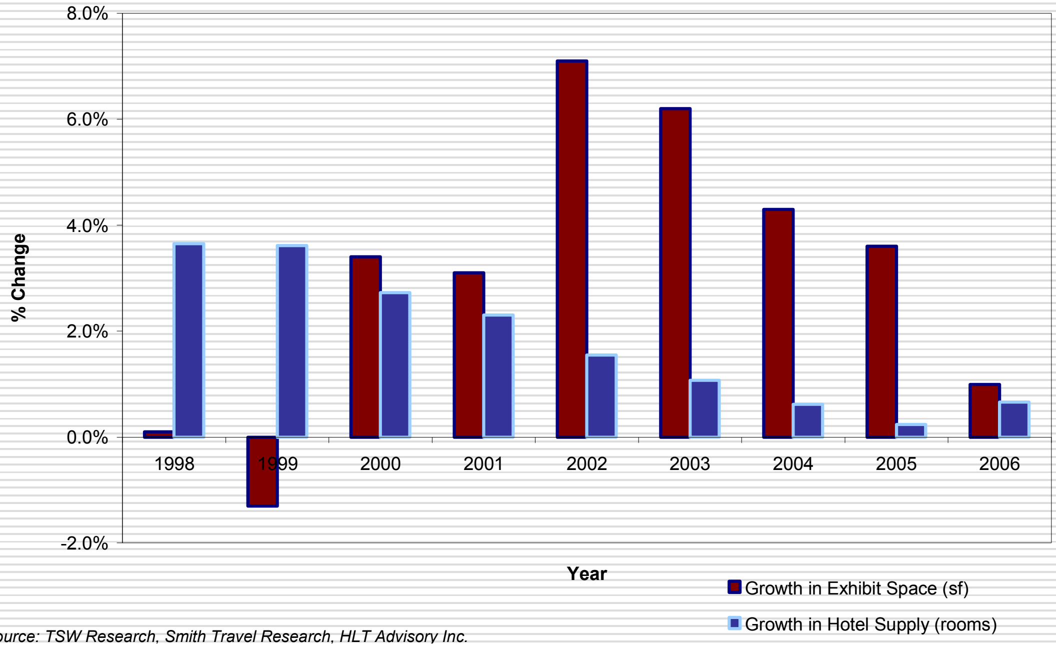
Total Exhibit Space in Canada and the United Space in all venue types (convention centres, trade centres and convention hotels) is projected to increase by 9.1% or 7.8 million square feet. Exhibit Space will increase by 5.5 million square feet or 6.4% by 2010. The majority of this growth will come from the expansion of existing venues.



Source: TSW Research

4. Supply

Growth in supply of exhibit space versus hotel rooms



Source: TSW Research, Smith Travel Research, HLT Advisory Inc.

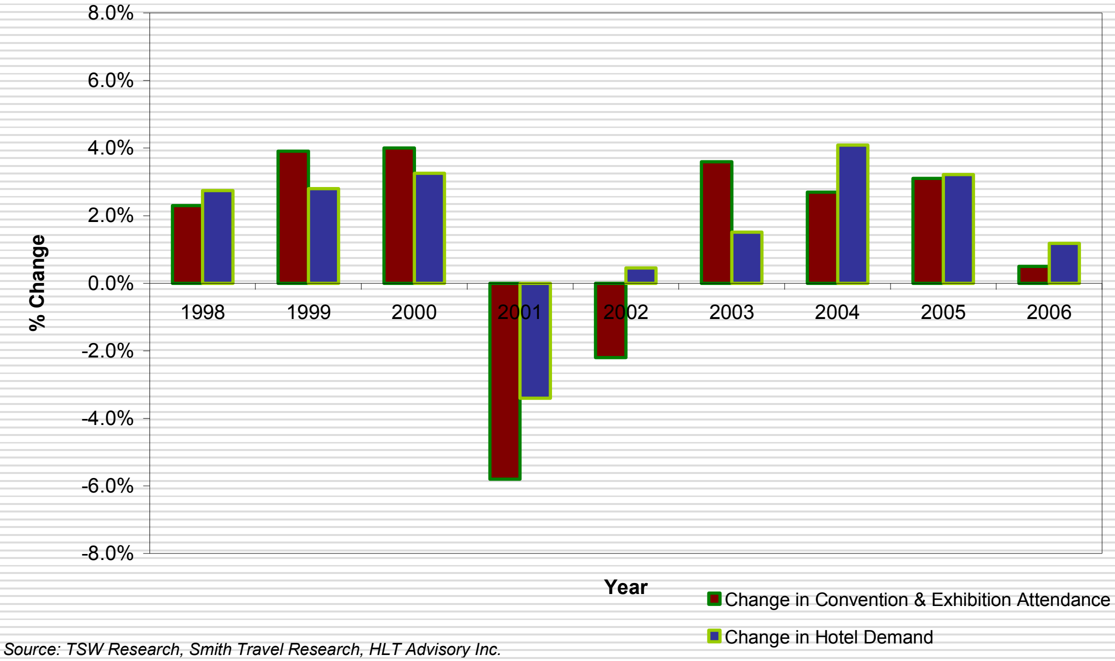
Since 2000, the growth rate of exhibit space has exceeded the growth rate of hotel rooms in the United States and Canada. Exhibit and meeting space can generate demand for hotel rooms, often during "shoulder" seasons.

Smith Travel Research reports on lodging industry operating data. In 2006, hotel occupancy was 63.4% in the United States and 59.4% in Canada. Functional capacity for hotels is considered to be about 75% occupancy.

Since 2000 a correlation can be seen in the growth of exhibit space (mostly public sector) and the addition of new hotel rooms (mostly private-sector driven), although the proportion of exhibit space growth is greater on a percentage basis.

4. Supply

Growth in Hotel Demand versus Exhibition Attendance

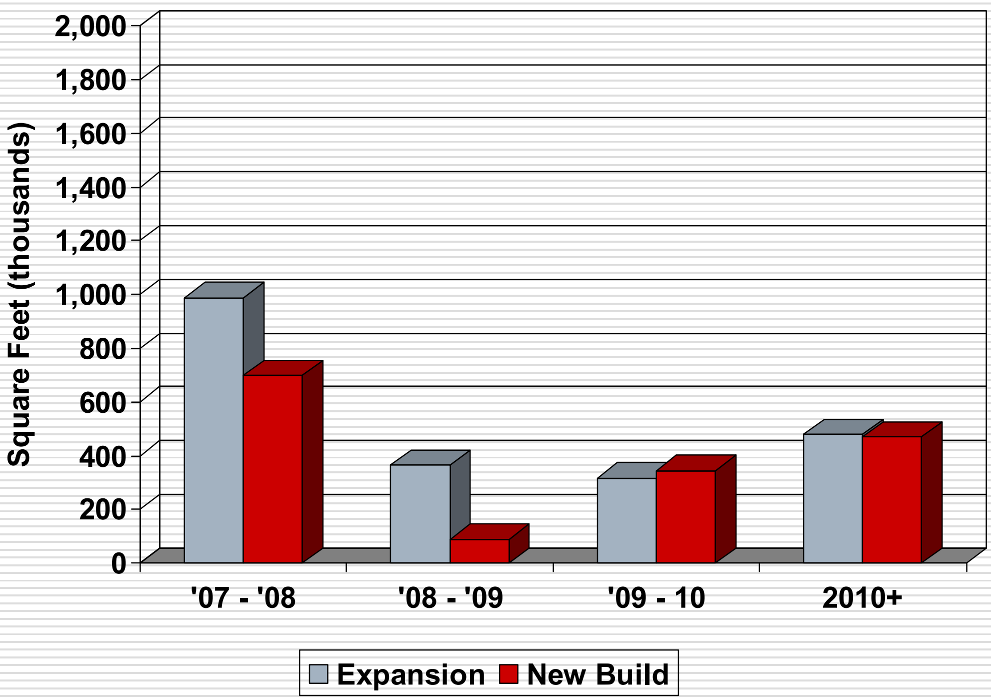


Source: TSW Research, Smith Travel Research, HLT Advisory Inc.

A similar correlation appears to exist between growth patterns in hotel demand and exhibition attendance.

4. Supply

Projected North American Meeting Space Growth



Source: Tradeshow Week

The TSW Research database indicates 3.8 million square feet of meeting space in the development pipeline (for all venue types – convention centres, trade centres and convention hotels), representing an increase of 15.1% over current levels.

The amount of meeting space that planners require is increasing (i.e., conventions desire an increasing number of breakout rooms, trade centres such as the Direct Energy Centre and Toronto Congress Centre are adding meeting space in response to exhibition planner demand). Meeting space is being added to the TSW Research development pipeline at approximately twice the rate of exhibit Space.

4. Supply

Inventory of Major Canadian Convention Centres

The table below summarizes the members of the Convention Centres of Canada, an industry association representing the largest fifteen publicly-owned convention centres in Canada.

Venue	Exhibit Space (sf)	Meeting/ Ballroom Space (sf)	Total Exhibit/ Meeting/ Ballroom Space (sf)	Exhibit Space to Meeting/Ballroom Space	Downtown Hotel Rooms	Ratio of Total Space to Hotel Rooms
Metro Toronto Convention Centre	453,648	122,227	575,875	3.7	16,616	34.7
Palais des Congrés de Montréal	199,052	130,730	329,782	1.5	14,044	23.5
Québec City Convention Centre	75,000	94,500	169,500	0.8	3,922	43.2
Shaw Conference Centre	105,000	37,700	142,700	2.8	4,682	30.5
Winnipeg Convention Centre	78,000	59,218	137,218	1.3	4,199	32.7
Vancouver Convention & Exhibition Centre	91,205	41,469	132,674	2.2	14,849	8.9
Calgary TELUS Convention Centre	47,047	42,140	89,187	1.1	9,935	9.0
Ottawa Congress Centre	54,113	14,941	69,054	3.6	7,026	9.8
Hamilton Convention Centre	19,662	32,652	52,314	0.6	1,331	39.3
World Trade and Convention Centre	20,000	30,000	50,000	0.7	2,671	18.7
London Convention Centre	-	43,357	43,357	n/a	1,355	32.0
Penticton Trade & Convention Centre	13,590	21,054	34,644	0.6	1,651	21.0
TELUS Whistler Conference Centre	-	27,470	27,470	n/a	5,936	4.6
Victoria Conference Centre	14,190	9,210	23,400	1.5	5,961	3.9
Prince George Civic Centre	18,000	4,800	22,800	3.8	1,621	14.1

Source: HLT Advisory Inc, convention centres

Upon completion of its expansion in 2009, the Vancouver Convention and Exhibition Centre will be the second largest convention centre in Canada with over 418,000 square feet of exhibit, meeting and ballroom space.

4. Supply

Inventory of Major Ontario Convention / Trade Centres

The summary of major Ontario venues includes four Convention Centres of Canada venues as well as two smaller conference centres in Blue Mountain and Burlington. The listing of trade centres includes not only those purpose-built venues (such as the Toronto International Centre and Toronto Congress Centre) but also arenas, stadiums and multi-purpose structures often used for trade and consumer shows.

Venue	City	Rentable Space	Largest Room
Convention Centres			
Burlington Convention Centre	Burlington	16,647	12,300
Hamilton Convention Centre	Hamilton	52,314	19,662
Village at Blue Mountain Conference Centre	Collingwood	59,248	29,250
London Convention Centre	London	62,656	33,033
Ottawa Congress Centre	Ottawa	67,794	42,638
Metro Toronto Convention Centre	Toronto	575,875	260,000
Trade Centres			
Scotiabank Place	Ottawa	9,020	7,350
Kitchener Memorial Auditorium Complex	Kitchener	98,916	13,400
Lansdowne Park/Ottawa Civic Centre Complex	Ottawa	114,000	36,000
Western Fair Association Event Centre	London	114,500	57,000
Copps Coliseum	Hamilton	117,000	87,000
International Centre	Mississauga	499,836	100,000
Toronto Congress Centre	Toronto	560,000	500,000
Direct Energy Centre	Toronto	829,563	125,000
Rogers Centre	Toronto		200,000

Source: TSW Research, HLT Advisory Inc.

4. Supply

Ontario Convention Hotels

Convention hotels play a significant role in servicing smaller, often corporate meeting demand.

Venue	City	Rentable Space	Largest Room	Hotel Rooms
Ottawa				
Brookstreet Resort	Ottawa	20,446	5,188	276
Westin Ottawa	Ottawa	24,202	16,942	495
Ottawa Marriott	Ottawa	24,700	6,431	480
Crowne Plaza Ottawa	Ottawa	25,844	9,840	411
Fairmont Chateau Laurier	Ottawa	33,675	5,886	429
Toronto/Central				
Hilton London	London	25,995	12,300	323
Kingbridge Centre	King City	26,000	3,329	124
Renaissance Hotel Toronto Airport	Toronto	26,000	7,140	249
Delta Meadowvale Resort and Conference Centre	Mississauga	31,723	9,100	374
Hilton Suites - Toronto Markham	Markham	34,162	14,040	332
Holiday Inn on King	Toronto	34,290	8,964	425
Best Western Parkway Hotel/Sheraton Parkway	Richmond Hill	35,000	10,030	439
Deerhurst Resort	Huntsville	40,000	8,064	400
Doubletree International Plaza Hotel	Toronto	42,156	14,850	433
Nottawasaga Inn, Convention Centre & Golf Resort	Alliston	46,683	21,600	269
Fairmont Royal York	Toronto	61,354	12,843	1,365
Westin Harbour Castle	Toronto	70,000	24,991	977
Sheraton Centre Hotel	Toronto	116,000	20,213	1,377
Niagara Falls/South				
Sheraton Fallsview Hotel & Conference Centre	Niagara Falls	22,788	7,776	295
Sheraton on the Falls	Niagara Falls	44,010	14,190	670
Delawana Inn	Honey Harbour	55,000	4,800	154

Source: TSW Research, HLT Advisory Inc.

Note: Includes Hotels with at least 20,000 square feet of rentable square feet of meeting and exhibit space.

4. Supply

New and Proposed Canadian Public-Assembly Venues

Several existing venues are undergoing expansion while several other destinations have proposed to develop convention or trade show venues. The lead time from planning to construction to opening can be substantial, particularly with publicly-funded venues, given the need for political approval. As an example, demand studies verified a need to expand the Vancouver Convention and Exhibition Centre as early as 1994 but construction did not commence until 2003 with opening expected in 2009.

Venue	City	Completion	Exhibit Space	Meeting/Ballroom	Other	Total Space
Under Construction						
Vancouver Island Conference Centre	Nanaimo	2008	0	19,597	9,054	28,651
Victoria Conference Centre Crystal Garden (Expansion)	Victoria	2008	0	25,000	0	25,000
Toronto International Centre	Toronto	2008	0	23,000	0	23,000
Casino Windsor	Windsor	2008	39,500	34,299	4,208	78,007
Toronto Congress Centre	Toronto	2008	300,000	0	0	300,000
Vancouver Convention and Exhibition Centre (Expansion)	Vancouver	2009	222,860	114,091	127,000	463,951
Proposed						
Barrie Waterfront	Barrie	TBD	150 residential/120 hotel units, 12,000 square feet			
Calgary TELUS Convention Centre (Expansion)	Calgary	TBD	Market assessment underway			
Charlottetown	Charlottetown	TBD	20,000 to 25,000 square feet - under study			
Shaw Convention Centre	Edmonton	TBD	Market assessment underway			
Moncton	Moncton	TBD	20,000 to 25,000 square feet - under study			
Niagara Falls Convention Centre	Niagara Falls	2011	100,000	30,700	0	130,700
Ottawa Congress Centre (Expansion)	Ottawa	2011	64,993	83,744	51,344	200,081
Saint John	Saint John	TBD	Market assessment underway			
Toronto Congress Centre - Phase II Expansion	Toronto	TBD	0	25,000	0	25,000
Toronto Congress Centre - Phase III Expansion	Toronto	TBD	Additional exhibit space			
Winnipeg Convention Centre	Winnipeg	TBD	Market assessment underway			
York Region	York Region	TBD	Tourism needs Assessment underway			

Source: HLT Advisory Inc.

4. Supply

Private-Sector Involvement in Venue Development

Demand for local and regional meetings, trade shows and consumer shows is often identified and serviced by the private sector. In addition to the Toronto International Centre and Toronto Congress Centre, the two largest privately-owned venues in Ontario, several smaller venues have been created over the past decade to service local/regional demand such as:

- Oakville Conference Centre—A privately-owned conference centre with over 10,000 sq. ft. of exhibit space.
- Burlington Convention Centre—A 16,600 sq. ft. centre including 12,300 sq. ft. of exhibit space and 1,500 sq. ft. of meeting space. This venue targets the Oakville/Burlington/Hamilton corporate market for business and social events.
- Paradise Banquet and Convention Centre—A conference centre/banquet hall with 50,000 square feet of rentable space. Facilities similar to Paradise Banquet and Convention Centre, although smaller, operate in various forms in a great many centres across Ontario.

Virtually none of the events hosted in these venues generate economic impact beyond the host community, nor is there such an expectation. Local and regional business is easier to identify, target and service; support from the destination marketing organization is not required nor is coordination among local hotels as the majority of events are "same-day" or, even if multiple days, are focused on attendees within easy driving distance.

As the private sector enters this marketplace, smaller events may be drawn away from publicly-owned venues. While private sector investment in and operation of smaller-scale, public-assembly venues should be viewed as a positive sign of a strong tourism/hospitality industry, there will be some negative impact on the revenue- (and profit-) generating ability of the public venues. Arguably, this allows the public venues more resources to focus on economic impact-generating events by freeing up time and resources, but will also affect profitability. A factor the public shareholder must recognize and take into account when evaluating performance.

4. Supply

Ontario Convention Centres in a North American Context

Only one Ontario facility, the Metro Toronto Convention Centre, is included in the Top Ten listing of TSW Research's database of 141 North American convention centres. The venues in Ottawa, London and Hamilton are among the smallest North American convention venues.

Top Convention Centres by Total Exhibit Space

Rank	Facility	City	State/Province	Total Exhibit Space
1	Orange County Convention Center	Orlando	Florida	2,053,820
2	Cobo Center	Detroit	Michigan	700,000
3	San Diego Convention Center	San Diego	California	616,363
4	Colorado Convention Center	Denver	Colorado	584,000
5	Boston Convention & Exhibition Center	Boston	Massachusetts	516,000
6	Miami Beach Convention Center	Miami Beach	Florida	502,848
7	America's Center	St. Louis	Missouri	502,000
8	Indiana Convention Center & RCA Dome	Indianapolis	Indiana	493,123
9	Metro Toronto Convention Centre	Toronto	Ontario	453,648
10	Moscone Center	San Francisco	California	442,000
106	Ottawa Congress Centre	Ottawa	Ontario	54,113
128	London Convention Centre	London	Ontario	33,033
139	Hamilton Convention Centre	Hamilton	Ontario	19,622

Source: TSW Research

4. Supply

Ontario Trade Centres in a North American Context

Eight Ontario trade centres are included in TSW Research's database of the top 160 trade centres, based on total exhibit space.

Top Trade Centres by Total Exhibit Space

Rank	Facility	City	State/Province	Total Exhibit Space
1	McCormick Place	Chicago	Illinois	2,200,000
2	Las Vegas Convention Center	Las Vegas	Nevada	1,940,631
3	Georgia World Congress Center	Atlanta	Georgia	1,370,000
4	Ernest N. Morial Convention Center - New Orleans	New Orleans	Louisiana	1,100,000
5	Kentucky Exposition Center	Louisville	Kentucky	1,035,000
6	Dallas Convention Center	Dallas	Texas	1,019,142
7	Pennsylvania Farm Show Complex & Expo Center	Harrisburg	Pennsylvania	1,000,000
8	George R. Brown Convention Center	Houston	Texas	930,000
9	International Exposition Center (I-X Center)	Cleveland	Ohio	902,000
10	Donald E. Stephens Convention Center	Rosemont	Illinois	845,000
16	Direct Energy Centre	Toronto	Ontario	804,563
22	Toronto Congress Centre	Toronto	Ontario	500,000
26	International Centre, Toronto	Toronto	Ontario	471,000
77	Rogers Centre	Toronto	Ontario	200,000
119	Copps Coliseum	Hamilton	Ontario	117,000
120	Lansdowne Park/Ottawa Civic Centre Complex	Ottawa	Ontario	111,000
130	Western Fair Association Event Center	London	Ontario	109,500
161	Kitchener Memorial Auditorium Complex	Kitchener	Ontario	13,400

Source: TSW Research

4. Supply

Development/Design Characteristics

During the rapid growth cycle of the 1980s, convention centres in North America were constructed with banquet and meeting spaces equalling 15% to 20% of the exhibit space. As convention centres expanded, industry needs pushed meeting and ballroom space to increase as a percentage of total rentable space. As the industry evolved over the last decade, the combined meeting space and ballroom space grew upwards of 40% of the total rentable space. This spatial relationship tends to hold true for convention venues of up to 600,000 square feet (i.e., larger than any venue in Canada). The buildings that adapted best to their markets have "fixed" the spatial relationships over time, increasing the proportion of meeting space to meet demand.

The Table below compares the rentable space at current Ontario convention venues to the proposed facility programs at the expanded Ottawa Congress Centre and the Niagara Falls Convention Centre. While the proposed total rentable space at these two venues is similar, the ratio of exhibit space to meeting space is quite different.

Rentable Space at Current and Proposed Ontario Convention Venues

	Hamilton Convention Centre	London Convention Centre	Ottawa Congress Centre	Metro Toronto Convention Centre	Expanded Ottawa Congress Centre*	Niagara Falls Convention Centre
Exhibit Space	19,662	0	54,113	453,648	64,993	100,000
Meeting/Ballroom Space	32,652	43,357	14,941	122,227	83,744	30,700
Other Rentable Space	0	2,703	23,683	260,000	51,344	n/a
Total	52,314	46,060	92,737	835,875	200,081	130,700

Source: HLT Advisory Inc., PKF Consulting "Niagara Falls Convention Centre Study Update", October 2004

Note: Halls "F" and "G" of the Metro Toronto Convention Centre exhibit hall (about 50,000 sq. ft. are finished at "hotel quality" standard and are frequently used as ballroom and plenary meeting space), bringing total meeting/ballroom space at the MTCC up to about 30% of the exhibit space.

4. Supply

Implications for Ontario

The growth in exhibition space and meeting space in North America over the past several years has been significant. Further, the development pipeline suggests that strong supply growth will continue over the short- to mid-term. Key implications for Ontario based on a review of North American supply trends include:

- Growth in the supply of exhibit space in North America has outpaced the growth in supply of hotel rooms since 2000, suggesting the private sector (responsible for most hotel development) is more cautious than public-sector proponents of public-assembly venues.
- An analysis of the largest convention centres and trade centres in North America in terms of total exhibit space indicates that Toronto is the only Ontario destination currently positioned to compete with the leading North American destinations.
- Canada appears to be experiencing growth in public-assembly supply with increases underway or planned in a variety of public- and private-sector venues offering a range of exhibit, meeting and ballroom space. Construction is underway on the expansion of six Canadian venues, including two privately-owned trade centres in Toronto. Twelve Canadian new-build venues and expansion projects are in the pipeline.
- The private sector involvement in the development of venues, while focused on regional and local markets, continues in markets with strong local economies.

Venue design is also evolving, reflecting user needs, resulting in much greater emphasis on flexible meeting and assembly space, at the expense of exhibit area…in all but the largest trade/exhibit halls.

5. Demand
Introduction

No one source tracks all events that utilize the various public-assembly venues under study in this analysis. However, a number of organizations track data that provide insight into the scope of the market potential, including:

- TSW Research's database of Canadian and United States Trade Shows includes 3,871 events, each of which more than 5,000 square feet of exhibit space. Of these events, 416 or 10.7% are held in Canada.
- The Destination Marketing Association International ("DMAI") has a database of over 18,000 organizations (associations, corporations and government groups) that hold about 37,000 meetings annually. In 2006, 71 of these organizations held 75 meetings in Canada.
- The Meeting Database Institute has a database of over 30,000 annual meetings ranging in size from two people to over 10,000. Approximately 60% of these meetings are held by corporate groups and 40% are held by associations. The database contains limited profiles of meetings held in Canada. However, the database includes 1,616 meetings which have met in Canada in the past.
- *Meetings & Convention* Magazine ("M&C") estimates the United States meetings market biennially. In the 2006 report (2005 data), M&C estimated 1,243,600 meetings occurred with an overall attendance of 136.5 million generating total expenditures of US$107.2 billion. A third of the 736 respondents to the M&C survey indicated interest in holding a meeting outside the United States. In 2005, Europe was the most popular international destination with 37% of meeting planners booking international meetings holding meetings there. Europe was followed by the Caribbean (36%) and Canada and Mexico (each with 25%).
- The International Congress and Convention Association ("ICCA") tracks international associations that meet regularly and rotate between a minimum of three countries. In 2006, ICCA's database of international association meetings included 5,838 events.

These sources have been used to provide a broad picture of demand for Ontario public-assembly venues.

5. Demand

Leading Destinations for Association Convention Events

Number of Association Conventions by Destination (2007)	
1. Las Vegas, NV	87
2. Orlando, FL	83
3. Chicago, IL	75
4. tie San Diego, CA	49
4. tie Toronto, ON	49
6. Washington, DC	44
7. Atlanta, GA	40
8. New Orleans, LA	37
9. tie Denver, CO	35
9. tie New York, NY	35
9. tie San Antonio, TX	35
9. tie San Francisco, CA	35
Source: TSW Research	

Association conventions (typically annual or biannual general meetings) have among the longest lead times for booking and are among the most coveted event types for convention centres, given the economic impacts generated.

TSW Research tracks the largest North American association conventions, almost all of which have a significant exhibition component. In 2007, Las Vegas is expected to host the most association conventions. Toronto is the only Canadian destination among the top 10 list of TSW Research's database, with 49 events expected in 2007. Not all these events will be accommodated at the Metro Toronto Convention Centre, with Toronto hotels and other Toronto-area venues hosting events as well.

5. Demand

Top Host Cities for all Conventions and Exhibition Events

Top 10 Destinations for all Convention and Trade Show Events (2007)

Rank	Events	City
1	250	Las Vegas
2	150	Chicago
3	145	New York
4	136	Toronto
5	112	Atlanta
6	100	Orlando
7	91	Boston
8	84	Washington
8	84	Dallas
10	81	San Diego

Source: TSW Research

Of the entire TSW Research database of over 5,036 events using at least 5,000 square feet of exhibit space, Las Vegas is expected to lead all other North American destinations in 2007 with 250 events, or 5.0% of the total events.

The only Canadian destination represented in the top ten is Toronto with 136 events or 2.7% of the total Canadian and United States events.

5. Demand

Leading Industry Sectors

Rank	Leading Industry Sectors (2007) Industry	No. of Shows
1	Medical & Healthcare	536
2	Home Furnishings & Interior Design	500
3	Sporting Goods & Recreation	353
4	Apparel	330
5	Landscape & Garden Supplies	300
6	Building & Construction	295
7	Education	261
8	Computers & Computer Applications	242
9	Gifts	240
10	Jewelry	186

Source: TSW Research

The Medical and Healthcare sector lead all other industry sectors in total events and is expected to widen the gap over the short to medium term as the population ages and interest in health and wellness becomes a preoccupation of the baby boomers. This demographic bias is also seen to be supporting interest in the number of home furnishing, recreation and landscape-based events.

5. Demand

Destination Selection Criteria

Hotel Room Price/Quality	63%
Finding Open Dates	49%
Labour Costs and Service Issues	46%
Number of Hotel Rooms, Capacity	44%
Hotel Block Attrition Clauses and Issues	41%
Regional Professional Demographics	33%
Quality of Area Near the Venue/Headquarter Hotel	33%
CVB/City Government Marketing Efforts and Support	28%
Airport Capacity	25%
Parking Capacity	23%
Restaurants - Quality, Reputation, etc.	22%
Safety Issues/Low Crime, etc.	19%
Road and Highway Access	19%
Cultural Amenities, Nightlife	19%
Technology Service Costs and Service Issues	14%
Regional Consumer Demographics	13%
Public Transportation Access	13%
Total Population	12%
Health of City/Regional Economy	10%
Golf Courses and Other Sporting Opportunities	10%
Family-Oriented Activities Nearby/In City	10%
Gambling/Gaming Nearby	5%
Space for Outdoor Exhibits and Tents	4%
Amusement Parks Nearby	2%
Professional Sports in City/Nearby	1%
Other	11%

Source: TSW Research

TSW Research surveyed event producers to determine the key factors used when selecting a host city for their event. Three of the five top factors were hotel related:

- Hotel room price/quality
- Number of hotel rooms, capacity
- Hotel block attrition clauses and issues

Finding open dates is the second most important criteria for show producers when selecting a venue and reflects the attractiveness of established destinations ("everyone wants the same dates"). Often, excess demand exists for high-season dates (high season may vary by destination, venue and event type).

5. Demand
Venue Selection Criteria

Costs	77%
Meeting Space Size and Quality	66%
Open Dates	66%
Exhibit Space Size and Quality	65%
Number of Hotel Rooms Nearby	62%
Exhibit Space Rental Rates	53%
Labour Costs and Service Issues	53%
Exhibit Space Configurations	51%
Food and Beverage Quality and Costs	35%
Parking Capacity	27%
Exclusive Contracts	25%
Expansion/Renovation/Construction Issues	23%
Quality of Area Near the Venue	23%
Technology/Telecom Service and Cost Issues	17%
Venue Staff Customer Service	17%
Public Transpiration Access	12%
Road Access Information	8%
Signage Issues	6%
Space for Outdoor Exhibits and Tents	6%
Other	6%

Source: TSW Research

Similar to destination selection criteria, price or cost is the most important criteria for show producers when selecting a venue. Other criteria related to cost includes labour cost, exhibit space rental rates, food & beverage costs and technology & telecom costs.

Appropriate meeting and exhibit space is also important to show producers.

5. Demand
Top 50 Canadian Trade Shows

TSW Research's 3,827 trade show event database (for 2007) includes 273 events that will be held in Canada: and of that, 114 will be held in Ontario.

TSW reports annually on the Top 50 Canadian trade shows (in terms of total net square feet of exhibit space). The Table below summarizes the Top 50 Canadian trade shows over the past four years.

Total Net Square Feet and Attendance				
	2003	2004	2005	2006
NSF	5,464,190	5,758,308	5,322,432	5,821,718
% Change	n/a	5.4%	-7.6%	9.4%
Attendance	452,374	439,761	409,983	413,776
% Change	n/a	-2.8%	-6.8%	0.9%
Source: TSW Research				

With the exception of a decline in 2005, the total net square feet of exhibit space in the Canadian Top 50 has grown over the past three years. At the same time, event attendance declined each year between 2003 and 2005, increasing slightly in 2006.

The events that make up the TSW Research Top 50 have been relatively consistent with an average of 36 events from the previous year included in the list each year since 2003 (i.e., turnover in the Top 50 of 28%).

5. Demand

Top 50 Canadian Trade Shows—Location and Frequency

The events that make up the TSW Research Top 50 have been relatively consistent with an average of 36 events from the previous year included in the list each year since 2003 (i.e., turnover in the Top 50 of 28%).

New Events to Top 50 List (from previous year)	2003	2004	2005	2006
New Events to Top 50 List (from previous year)	n/a	14	16	12
Events in Top 50 vs. 2006	32	42	38	n/a
Source: TSW Research				

Some of the variance in the Top 50 is due to biennial events (e.g., The Global Petroleum Show – the largest event in 2004 and 2006), while others are one-time events (e.g., American or international events held in a Canadian venue). Some shows are outgrown by other events (e.g. Atlantic Building Materials Show). All the Canadian-based shows that were included in the Top 50 in 2003 through 2005 but were no longer in the Top 50 in 2006 still exist.

Toronto has consistently been the destination hosting the most trade shows in the Top 50 with over half of the events each year. Montreal is the second most popular destination with the number of Top 50 trade shows at this destination ranging between nine and 12 annually.

Canadian Top 50 Trade Show Destinations	2003	2004	2005	2006
Abbotsford	0	0	1	0
Calgary	2	2	2	2
Edmonton	3	3	4	3
Fort MacMurray	0	0	0	1
Moncton	1	1	1	0
Montreal	12	12	9	10
Quebec City	0	0	2	0
Saint-Hyacinthe	0	0	1	0
Saskatoon	1	1	1	1
Toronto	29	29	27	29
Vancouver	2	2	2	3
Winnipeg	0	0	0	1
Total	50	50	50	50
Source: TSW Research				

5. Demand

Top 50 Canadian Trade Shows—By Sector

An analysis of the industry breakdown of the Top 50 Canadian Trade Shows is provided in the Table to the left. As shown, the industry breakdown has been relatively consistent. Of note:

- Gifts industry trade shows in the Top 50 have declined from eight in 2003 and 2004 to six in 2006
- Medical and Healthcare industry trade shows increased from none in 2003 and 2004 to three in 2006.

Top 50 Canadian Tradeshows
Number of Events by Industry

	2003	2004	2005	2006
Advertising & Marketing	0	0	2	2
Agriculture & Farming	4	4	4	4
Air-Conditioning Heating & Refrigeration	0	1	0	1
Apparel	3	3	3	3
Automotive & Trucking	1	3	1	3
Beauty & Hair Care	3	3	3	3
Building & Construction	3	3	3	3
China & Glassware	2	2	2	2
Communications	0	1	0	0
Dental	1	1	0	0
Electrical & Electronics	0	1	0	1
Food & Beverage	6	5	5	5
Gifts	8	8	7	6
Home Furnishings & Interior Design	1	1	2	2
Industrial	3	4	1	3
Libraries	1	0	1	0
Manufacturing	2	0	2	1
Medical & Health Care	0	0	1	3
Mining	1	2	2	1
Office Equipment	1	1	1	1
Packaging	1	0	1	0
Paper	1	1	1	1
Petroleum, Oil & Gas	1	1	2	1
Printing	1	0	1	0
Real Estate	1	1	1	1
Sanitation and Waste Management	1	1	0	0
Sporting Goods & Recreation	4	3	4	3
Total	50	50	50	50

5. Demand

Trade Shows Held in Canada – 2007

In 2007, 273 trade show events with at least 5,000 square feet of exhibit space were held in Canada. This represents 5.4% of the total United States and Canadian events in the TSW Research database. Of these 273 events, 114 or 41.8% were held in Ontario. Ontario also generates 41.0% of the total Canadian net square feet of Exhibit Space, 44.1% of the exhibiting companies and 30.6% of the attendance. The majority of these events were held in Toronto.

Rank	City	Events	Share	Net Square Feet	Share	Exhibiting Companies	Share	Attendance	Share
1	Toronto	95	34.8%	6,574,400	35.4%	23,052	38.8%	586,550	25.9%
2	Montreal	39	14.3%	2,586,092	13.9%	8,717	14.7%	397,550	17.5%
3	Calgary	26	9.5%	1,562,500	8.4%	4,945	8.3%	113,400	5.0%
4	Vancouver	25	9.2%	1,597,800	8.6%	5,070	8.5%	116,900	5.2%
5	Edmonton	16	5.9%	1,235,300	6.7%	4,342	7.3%	413,900	18.3%
6	Quebec City	8	2.9%	480,000	2.6%	1,430	2.4%	32,800	1.4%
7	Ottawa	7	2.6%	403,050	2.2%	1,300	2.2%	40,400	1.8%
8	Winnipeg	6	2.2%	403,050	2.2%	1,060	1.8%	47,300	2.1%
9	Regina	5	1.8%	1,140,000	6.1%	1,330	2.2%	193,100	8.5%
10	Halifax	5	1.8%	300,000	1.6%	720	1.2%	15,400	0.7%
13	London	4	1.5%	240,000	1.3%	760	1.3%	17,600	0.8%
16	Hamilton	3	1.1%	180,000	1.0%	430	0.7%	24,900	1.1%
20	Sudbury	2	0.7%	70,000	0.4%	210	0.4%	12,000	0.5%
25	Vaughan	1	0.4%	60,000	0.3%	190	0.3%	4,400	0.2%
27	Sarnia	1	0.4%	60,000	0.3%	150	0.3%	8,000	0.4%
30	Orillia	1	0.4%	20,000	0.1%	100	0.2%	500	0.0%
	Subtotal Ontario	114	41.8%	7,607,450	41.0%	26,192	44.1%	694,350	30.6%
	Total Canada	273	100.0%	18,546,842	100.0%	59,417	100.0%	2,266,200	100.0%

Source: TSW Research

5. Demand

Trade Shows held in the North America, Canada and Ontario

TSW Research database includes all trade shows with 5,000 net square feet of exhibit space or more.

- In 2007, 5,036 such events where held in the United States and Canada of these events, 3,827 are trade shows. The compound average growth rate in number of trade shows between 2003 and 2007 is 2.4%. As shown, the growth in number of trade shows in the TSW Research database has slowed each year over this period. For comparison purposes, the compound average growth rate in the supply of exhibit space in the United States and Canada was 2.7% over the same period.
- TSW Research's event database includes 273 trade shows that will be held in Canada in 2007. The number of Canadian events in the TSW database has declined by a compound average growth rate of 5.1% since 2003.
- TSW Research's event database includes 114 trade shows that will be held in Canada in 2007. The number of Canadian events in the TSW database has declined by a compound average growth rate of 2.9% since 2003.
- Ontario's share of the total number of Canadian and United States trade shows in the TSW database has declined from 3.7% in 2003 to 3.0% today.
- Ontario's share of the Canadian trade shows in the database has fluctuated between 38.1% and 43.3% over the last three years.

	Total Canada and the United States		Canada		Ontario			
	Events	Growth	Events	Growth	Events	Growth	Share of Total	Share of Canada
2007	3,827	0.7%	273	-2.6%	114	-3.5%	3.0%	41.8%
2006	3,800	2.2%	280	1.1%	118	7.6%	3.1%	42.1%
2005	3,716	2.3%	277	-10.1%	109	-21.1%	2.9%	39.4%
2004	3,631	4.2%	305	-10.2%	132	3.0%	3.6%	43.3%
2003	3,479	5.2%	336	n/a	128	n/a	3.7%	38.1%

Source: TSW Research

Note: TSW Research Database includes trade shows and consumer shows. We have assumed the 2007 ratio of trade shows to consumer shows has remained constant throughout the 2003 to 2007 period.

5. Demand

Trade Shows Held in Canada – Recurring vs. "One Time"

The TSW Research database of trade shows held in Canada includes 1,471 individual events over the five-year 2003 to 2007 period (an annual event which occurred in each of the five years would be considered five individual events). Of these 1,471 events, 1,213 or 81.5% were recurring events (i.e., events that occurred more than once in the five-year period). Only 258 events, or an average of 52 per year, were "one-time" events.

Trade Show Events Held in Canada Between 2002 and 2007

Times Event Held in Canada	Total Number of Events	Event Distribution (Number of Canadian Venues) 5+	4	3	2	1
5+	538	5	4	3	19	66
4	252		5	3	7	48
3	249			9	5	69
2	174				17	70
1	258					258
Total Events	1,471	26	40	54	172	1,179

Source: TSW Research, HLT Advisory Inc.

Of the 1,213 recurring events, 971 or 80% (1,179 less 258) were held at the same destination each time, although in some cases different venues. The remaining events occurred in multiple destinations.

5. Demand

Year-Over-Year Metrics of Trade Shows Held in Canada

The TSW Research database includes information on total net square feet of exhibit space, the number of exhibiting companies as well as event attendance.

	Net Square Feet (000s)		Exhibiting Companies		Attendance (000s)	
	Total	Change	Total	Change	Total	Change
Canada						
2007	17,745	1.7%	69,069	-13.4%	1,569	-2.5%
2006	17,444	8.1%	79,800	9.1%	1,609	11.0%
2005	16,135	-16.5%	73,128	-19.3%	1,449	-18.5%
2004	19,313	-3.2%	90,585	4.2%	1,778	12.0%
2003	19,951	n/a	86,904	n/a	1,587	n/a
Ontario						
2007	7,752	5.1%	33,630	-15.7%	684	9.8%
2006	7,375	12.8%	39,884	30.2%	623	2.0%
2005	6,540	-18.7%	30,629	-22.4%	611	-20.6%
2004	8,042	8.6%	39,468	7.8%	769	14.2%
2003	7,404	n/a	36,600	n/a	674	n/a

Source: Tradeshow Week Data Book, Tradeshow Week Quarterly Reports

5. Demand
Conventions Held in Canada

Destination Marketing Association International ("DMAI") maintains a database of over 18,000 organizations associations, corporations and government groups that hold about 37,000 meetings annually. Of these organizations, about 1% or 352 have reported meeting in Canada since 2002. These 352 organizations reported holding 401 meetings in Canada since 2002 as well as an additional 224 meetings in Canada prior to 2002.

The DMAI database is maintained by member Destination Management Organizations (DMOs). The database is dependent on these DMOs inputting the information in the database. Those events occurring at a destination that did not utilize the local DMO (e.g. an event occurring at a convention hotel that in which the lead was generated by the hotel or hotel company's sales office) are most likely not included.

The table below provides a breakdown of the 401 events in the DMAI database by host city.

	Calgary	Edmonton	Montreal	Ottawa	Toronto	Vancouver	Total
Events	37	2	105	4	210	43	401
Average Registered Attendance	942	225	1,475	288	1,990	915	1,616
Average Total Attendance	987	225	1,580	281	2,230	910	1,773
Average Peak Rooms Picked Up	366	57	765	143	840	462	725

Source: Destination Marketing Association International, HLT Advisory Inc.

Over 50% of the 401 Canadian events were held in Ontario. The majority (98.1%) of these reported Ontario events occurred in Toronto with the remainder occurring in Ottawa. Only four of the reported events in the DMAI database where held in Ottawa.

Toronto and Montreal, the Canadian cities with the largest convention venues in terms of rentable space, have held the most events since 2002 with 210 and 105 respectively. Vancouver and Calgary, with Canada's sixth and seventh largest convention centres, held 43 and 37 events since 2002.

5. Demand

Conventions Held in Canada—Toronto and Ottawa

The table below shows the convention events in the DMAI database held in Ontario each year from 2002 through 2007 (partial year). Toronto's convention business suffered in 2003 as a number of events were cancelled (or postponed) due to the SARS pandemic. According to Tourism Toronto, 2006 was the first year Toronto fully recovered from the SARS outbreak.

Average total attendance has fluctuated widely each year. However, average peak rooms picked up has increased each year in Toronto. This suggests the average economic impact generated from each event may be increasing.

	Events		Average Total Attendance		Average Peak Rooms Picked Up	
	Number	Change	Number	Change	Number	Change
Toronto						
2002	52	n/a	1,561	n/a	734	n/a
2003	27	-48.1%	2,902	85.9%	740	0.7%
2004	30	11.1%	1,802	-37.9%	759	2.6%
2005	37	23.3%	2,919	62.0%	837	10.3%
2006	45	21.6%	1,846	-36.8%	842	0.6%
2007*	19	n/a	3,094	67.6%	1,293	53.5%
Ottawa						
2002	0	n/a	0	n/a	0	n/a
2003	2	n/a	275	n/a	185	n/a
2004	1	-50.0%	150	-45.5%	50	-73.0%
2005	1	0.0%	375	150.0%	177	254.0%
2006	0	-100.0%	0	-100.0%	0	-100.0%
2007*	0	n/a	0	n/a	0	n/a

Source: Destination Marketing Association International, HLT Advisory Inc.

** Partial Year*

Note: The Ottawa figures reflect a lack of complete reporting of events in the DMAI database.

5. Demand

Conventions Held in Canada—Destination Allocation

Of the 352 association and corporate groups in the DMAI database that have held conventions in Canada since 2002, 128 of those have met in Canada on multiple occasions. These 128 groups have held 401 meetings in Canada (dating back to 1985). Toronto was by far the most popular destination for these groups hosting 184meetings by 110 individual groups an average of 1.7 times. Montreal and Calgary have also been successful in hosting groups on multiple occasions.

	Calgary	Edmonton	Hamilton	Montreal	Ottawa	Quebec	Toronto	Vancouver	Victoria	Total
Meetings by Location (Multiple Meetings in Canada)	48	12	1	90	20	11	184	34	1	401
Groups Holding Meeting at Destination	34	11	1	71	19	11	110	29	1	128
Groups Holding Meeting at Destination (Capture Rate)	26.6%	8.6%	0.8%	55.5%	14.8%	8.6%	85.9%	22.7%	0.8%	100.0%
Average Meetings at Destination per Group	1.4	1.1	1.0	1.3	1.1	1.0	1.7	1.2	1.0	3.1

Source: Destination Marketing Association International, HLT Advisory Inc.

The 352 organizations in the DMAI database holding events in Canada since 2002 have held a total of 625 events in Canada. Of these 625 events, 224 have been held in Canada once (in most cases United States or international based groups). Over half of these "one-off" events were held in Toronto. Ottawa was the only other Ontario city to host one-off events with two of its 22 events coming from groups holding a single event in Canada.

This analysis suggests that Toronto is the primary destination for both groups holding multiple events and one-off events in Canada.

Groups Holding Events in Canada 2002 to 2007

	Total Events	Multiple Events	One-Time Events
Calgary	62	48	14
Edmonton	14	12	2
Hamilton	1	1	0
Montreal	145	90	55
Ottawa	22	20	2
Quebec City	12	11	1
Richmond	1	0	1
Toronto	301	184	117
Vancouver	66	34	32
Victoria	1	1	0
	625	401	224

Source: Destination Marketing Association International, HLT Advisory Inc.

5. Demand

Conventions Held in Canada—Frequency and Destination

Of the 128 groups that report to DMAI holding a meeting in Canada since 2002, and held more than one event in Canada, 105 or 82.0% have used multiple Canadian destinations.

Of the 23 groups that held multiple events in one destination, Toronto was the choice destination on 19 occasions (including ASTM International, who have held their event in Toronto seven times) with Montreal the choice on the four other occasions.

Groups Holding Multiple Conventions in Canada - Number of Destinations Used

Total Number of Groups	Times Event Held in Canada	Total Number of Events	Distribution of Groups (number of destinations used) Five +	Four	Three	Two	One
3	9	27	1	1	1	0	0
3	8	24	2	1	0	0	0
4	7	28	1	1	1	0	1
11	6	66	5	3	1	2	0
6	5	30	2	4	0	0	0
2	4	8		0	2	0	0
20	3	60			3	10	7
79	2	158				56	23
128		401					

Source: Destination Marketing Association International, HLT Advisory Inc.

5. Demand

Event Activity at Ontario Publicly-Owned Venues

The following Table shows the convention, trade shows, consumer shows and meeting at the four Ontario members of the Convention Centres of Canada in the years 2004 to 2006. As shown, both the Metro Toronto Convention Centre and the London Convention Centre have realized a significant increase in conventions/conventions over the three-year period (i.e., the event type that typically generates the highest economic impact). Apart from a decline at the Hamilton Convention Centre in 2005, the number of conventions/conferences held in Hamilton and Ottawa have been relatively stable.

The number of meetings have declined over the three-year period in both Hamilton and Ottawa. Hamilton has been affected by the opening of a conference centre adjacent the Holiday Inn Select in Oakville and the Burlington Convention Centre. In Ottawa, an eight-week labour disruption in 2006 impacted the number of meeting (as well as food and beverage) events.

Ontario Convention Centres - Events by Event Type 2004 through 2006

	Hamilton Convention Centre			London Convention Centre			Ottawa Congress Centre			Metro Toronto Convention Centre		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
Conventions/Conferences	30	22	29	16	22	29	39	38	35	24	32	42
Trade Shows	1	4	1	11	5	1	10	16	16	32	29	28
Consumer Shows	7	5	12	5	5	3	12	12	11	42	55	53
Meetings	182	134	122	195	194	224	228	226	167	432	474	452
Total	220	165	164	227	226	257	289	292	229	530	590	575

Source: Hamilton Convention Centre, London Convention Centre, Ottawa Congress Centre, Metro Toronto Convention Centre, Convention Centres of Canada, HLT Advisory Inc.

5. Demand

Ontario Venues Compared with CC of C Venues

Comparing the aggregate convention/conference, trade and consumer show events held in the four Ontario convention centres to the results for the aggregate Convention Centres of Canada total, provides an indication of market share in a Canadian context. However, as these aggregate numbers include local, provincial and regional events (where venues outside the local, provincial or regional area will be ineligible to host an event) can distort the total…

Ontario Convention Centre Market Share by Event Type - 2004 to 2006

	Ontario			Total Canada			Ontario Market Share		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Conventions/Conferences	109	114	135	442	481	529	24.7%	23.7%	25.5%
Trade Shows	54	54	46	175	176	171	30.9%	30.7%	26.9%
Consumer Shows	66	77	79	128	162	175	51.6%	47.5%	45.1%
Meetings	1,037	1,028	965	2,932	3,404	3,591	35.4%	30.2%	26.9%
Total	1,266	1,273	1,225	3,677	4,223	4,466	34.4%	30.1%	27.4%

Source: Hamilton Convention Centre, London Convention Centre, Ottawa Congress Centre, Metro Toronto Convention Centre, Convention Centres of Canada, HLT Advisory Inc.

Note: Canadian event counts from the Convention Centres of Canada Benchmarking Study

5. Demand

Event Activity at Ontario Publicly-Owned Venues

In 2006 in Ontario, publicly-owned convention and trade centers held 2,156 total events. The totals provided by the venues cannot be reconciled to the TSW Research and DMAI data as different reporting methodologies are used.

It should be noted that different venues classify events using different parameters. For example, some "meeting" events held at the Metro Toronto Convention Centre would be considered "conventions" at other Ontario venues (at the MTCC a convention must have more than 500 delegates and be at least two days in length). This results in events being classified as meetings that would likely be classified as conventions at the other Ontario venues.

Ontario Publicly-Owned Convention and Trade Venues - Events by Event Type 2006

	Hamilton Convention Centre	London Convention Centre	Ottawa Congress Centre	Lansdowne Park (average event load)	Subtotal Ottawa	Metro Toronto Convention Centre	Direct Energy Centre	Subtotal Toronto	Total Ontario
Conventions/Conferences	29	29	35	4	39	42	0	42	139
Tradeshows	1	1	16	2	18	28	16	44	64
Consumer Shows	12	3	11	30	41	53	25	78	134
Meetings	122	224	167	50	217	452	28	480	1,043
Food and Beverage Events	215	162	240	40	280	88	31	119	776
Total	379	419	469	126	595	663	100	763	2,156

Source: Ontario publicly-owned convention centres and trade centres

5. Demand

Event Activity at Ontario Publicly-Owned Venues (cont'd.)

An analysis of the convention/conference, trade and consumer show events held in 2006 at Ontario's publicly-owned convention centres shows the vast majority (89.6%) of conventions and conferences do not regularly occur (i.e., these are "one-time" events or events on a rotation that may visit the venue once every few years). Conversely, the majority of trade shows (80.4%) and consumer shows (89.9%) occur on an annual basis.

Ontario Convention Venues - Recurring and One-Time Events by Market Segment

	Hamilton Convention Centre	London Convention Centre	Ottawa Congress Centre	Metro Toronto Convention Centre	Total	
Conventions/Conferences						
Recurring	7	3	3	2	15	11.1%
One-Time Provincial/Regional	11	20	10	21	62	45.9%
One-Time National	9	6	19	14	48	35.6%
One-Time International	2	0	3	5	10	7.4%
Total	29	29	35	42	135	100.0%
Tradeshows						
Recurring	1	1	8	27	37	80.4%
One-Time Provincial/Regional	0	0	8	1	9	19.6%
One-Time National	0	0	0	0	0	0.0%
One-Time International	0	0	0	0	0	0.0%
Total	1	1	16	28	46	100.0%
Consumer Shows						
Recurring	11	3	10	47	71	89.9%
One-Time Provincial/Regional	0	0	0	5	5	6.3%
One-Time National	1	0	1	1	3	3.8%
One-Time International	0	0	0	0	0	0.0%
Total	12	3	11	53	79	100.0%

Source: Hamilton Convention Centre, London Convention Centre, Ottawa Congress Centre, Metro Toronto Convention Centre, HLT Advisory Inc.

5. Demand

Convention Saleable Weeks by Delegate Source of Origin

	Geographic Orientation		
	Canadian	United States	International
Saleable Season	All Year	Mar. to Oct.	Mar. to Oct.
Saleable Weeks	52	35	35
Less: Weeks with Major Holidays			
First Week of January	1	n/a	n/a
Easter	2	2	2
Memorial Day/Mother's Day	1	1	1
Canada Day	1	n/a	n/a
July 4th	n/a	1	n/a
Civic Holiday (August)	1	n/a	n/a
Labour Day/Rosh Hashanna	1	1	1
Yom Kippur	n/a	1	n/a
Simhat Torah	n/a	1	n/a
Columbus Day	n/a	1	n/a
Thanksgiving (Canada)	1	n/a	n/a
Thanksgiving (United States)	n/a	1	n/a
Christmas/New Years	1	n/a	n/a
Subtotal	9	9	4
Total Saleable Weeks	43	26	31

Source: HLT Advisory Inc.

Attractive dates vary by event type. In Canada, convention demand is highest during non-holiday weeks in the spring and fall. While client-specific requirements vary, generally convention organizers avoid holiday periods and seasonal fluctuations. As a result, convention "season" is only a subset of the entire year. Typically, convention events have booking priority at the venues with other event types (i.e., trade shows, consumer shows) filling in the scheduling gaps or the non-saleable weeks for conventions. The above table breaks down the number of saleable weeks by geographic market.

5. Demand

Total Demand Estimates for Toronto and Ottawa

Combining the publicly-owned and privately-owned venues together with convention hotels gives an indication of total demand within Ontario's two major cities.

Toronto 2006 Event Load

	Metro Toronto Convention Centre	Direct Energy Centre	International Centre/ Toronto Congress Centre*	Convention Hotels**	Total Toronto
Conventions	42	0	10	220	272
Tradeshows	28	16	250	10	304
Consumer Shows	53	25	60	5	143

Source: Metro Toronto Convention Centre, HLT Advisor Inc. estimates

**** Estimated aggregate event load for private trade centres***

***** Estimated aggregate event load for the Fairmont Royal York, the Sheraton Centre and Westin Harbour Castle - defined as group events generating at least 500 occupied room nights***

Ottawa 2006 Event Load

	Ottawa Congress Centre*	Lansdowne Park	Convention Hotels**	Total Ottawa
Conventions	35	4	100	139
Tradeshows	16	2	10	28
Consumer Shows	11	30	5	46

Source: Ottawa Congress Centre, HLT Advisory Inc. estimates

**** The Ottawa Congress Centre experienced an eight-week labour disruption beginning on April 12, 2006***

***** Estimated aggregate event load for the Chateau Laurier, Westin Ottawa and Marriott Ottawa - defined as group events generating at least 400 occupied room nights***

6. Key Success Factors (KSF)
Introduction

In this section, the Key Success Factors ("KSF") for a convention venue in attracting convention events are discussed. The analysis is focused on convention events because these are the events that have the potential to attract the most non-resident delegates thereby generating the greatest economic impact. The KSF for conventions include:

- Air lift to the destination
- Quality hotels close to or adjacent to the venue
- Quality venue space
- Cost of destination and venue
- Attractive destination

6. KSF #1
Air Lift to Destination

The number of destinations with non-stop service to the host destination as well as the frequency and capacity of the flights is one of the most critical KSFs in attracting convention events. The source of origin of event delegates will determine the air lift requirements.

Total Airport Destinations by Region

Region	Toronto	Ottawa	Montreal	Philadelphia	Washington	Chicago	Boston	Atlanta	Dallas	Miami	Vancouver	Los Angeles
Canada	27	13	29	2	4	9	6	3	4	2	41	5
United States	41	10	21	82	91	140	22	163	127	46	24	77
Caribbean*	25	-	13	11	5	10	5	22	3	27	5	1
Central & South America	19	-	3	2	9	20	2	29	26	36	9	27
Atlantic Islands	2	-	-	-	-	-	1	-	-	-	-	-
Europe	27	1	25	17	12	22	11	19	4	-	10	8
Africa	-	-	2	-	1	-	-	2	-	-	-	-
Middle East	1	-	2	-	4	3	-	2	-	-	-	1
Asia/Oceania	7	-	1	-	4	18	-	3	2	-	10	19
Total Destinations	149	24	96	114	130	222	47	243	166	111	99	138

Source: Toronto Pearson International Airport, Ottawa International Airport, Montréal-Pierre Elliott Trudeau International Airport, Philadelphia International Airport, Metropolitan Washington Airports Authority, Chicago Airport System, Logan International Airport (Boston), Hartsfield-Jackson Atlanta International Airport, Dallas Fort Worth Airport, Miami-Dade International Airport, Vancouver International Airport, Los Angeles International Airport.

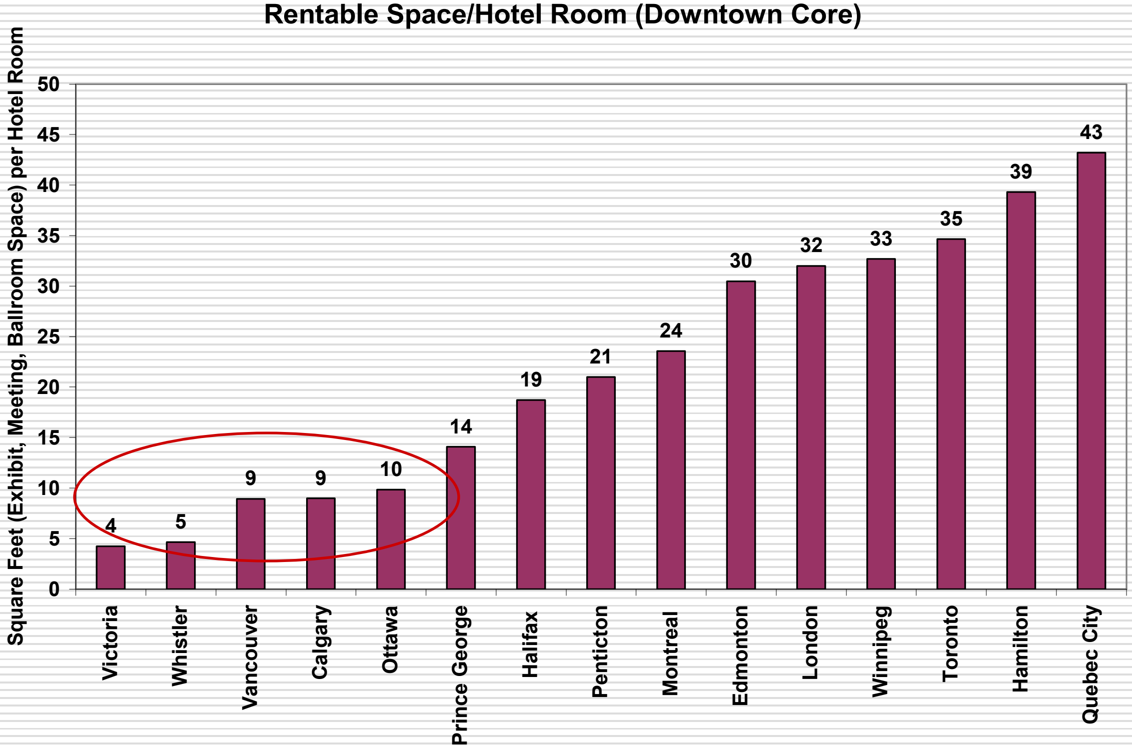
** Six destinations in Cuba are served from Toronto - they have been counted as one destination.*

Toronto is well-positioned from this perspective serving more United States destinations than any Canadian city, more European destinations than all of the selected destinations as well as a number of Asian destinations. The only cities whose airports serve more destinations than Toronto are Atlanta (hub for Delta Airlines), Chicago (hub for American Airlines and United Airlines) and Dallas (hub for American Airlines). The cities included in the table were selected as representative of typical competitors to Toronto for convention events.

6. KSF #2

Availability of Proximate Hotels

An adequate inventory (including range of quality and price point) of hotel rooms as well as reasonable contracting provisions is essential to addressing convention planners requirements. Hotel rooms are required proximate to the convention venue in order to minimize transportation (bussing) costs.



Many of the destinations considering or undertaking expansions (i.e., Victoria, Vancouver, Calgary and Ottawa) have a ratio of total rentable space to downtown hotel rooms of less than 10 square feet per hotel room. Conversely, Hamilton has too few hotel rooms in its downtown core to support convention demand.

6. KSF #3
Quality of Venue and Service

The appropriateness of a venue's exhibition, meeting and ballroom space is an important criteria for meeting planners. Once they have determined that enough space of each type (exhibit space, number and size of breakouts, size of ballroom) is available, they consider:

- Amount of contiguous exhibit space—Ideally, exhibitors may be accommodated in one contiguous space. The exhibit space should be column free. Sufficient loading docks and access to the exhibit floor is important. Event organizers look to minimize the move-in and move-out time requirements to both reduce the cost to themselves (through exhibit hall rentals) and their exhibitors (often a significant source of revenue for the organizer).
- Number and size of breakout rooms—Event organizers (both convention and trade show) are looking for an increasing number of breakout rooms. These rooms should be "hotel quality" as should the main ballroom used for plenary sessions, meals, gala dinners, etc. An appropriate mix of Exhibit Space to meeting/ballroom space is desired. The venue's exhibition, meeting room and ballroom space should be easily accessible to each other.
- Technology and Telecom—State-of-the-art technology is increasingly becoming a requirement for event organizers and participants.
- Ability to provide "hotel quality" food and beverage—Event organizers look for quality food and beverage offerings at a reasonable cost.

6. KSF #4

Cost of Destination and Venue

The overall cost of a destination or venue is a key factor for event organizers. For many association groups, the annual meeting or convention is a key source of funding. If a destination is too expensive, attendance may be adversely affected negatively affecting convention revenues. Further, the cost to the event organizer affects convention profitability, which may adversely affect the association's financial situation. As a result, venues and CVBs look for ways to reduce the overall cost to organizers.

Departure Airport		Destination Airport: TOR YYZ	OTT YOW	MTL YUL	PHL PHL	WAS DCA	CHI ORD	BOS BOS	ATL ATL	DAL DFW	MIA MIA	VAN YVR	LA LAX
TOR	YYZ		$ 0.49	$ 0.37	$ 0.74	$ 0.78	$ 0.50	$ 0.69	$ 0.42	$ 0.22	$ 0.23	$ 0.17	$ 0.14
OTT	YOW	$ 0.47		$ 2.05	$ 0.71	$ 0.55	$ 0.42	$ 1.00	$ 0.57	$ 0.23	$ 0.20	$ 0.14	$ 0.13
MTL	YUL	$ 0.38	$ 2.20		$ 0.66	$ 0.61	$ 0.33	$ 1.04	$ 0.54	$ 0.20	$ 0.23	$ 0.17	$ 0.14
PHL	PHL	$ 0.58	$ 0.57	$ 0.53		$ 2.11	$ 0.15	$ 1.31	$ 0.18	$ 0.10	$ 0.08	$ 0.10	$ 0.28
WAS	DCA	$ 0.63	$ 0.45	$ 0.51	$ 2.11		$ 0.31	$ 0.46	$ 0.21	$ 0.10	$ 0.12	$ 0.11	$ 0.07
CHI	ORD	$ 0.42	$ 0.35	$ 0.32	$ 0.15	$ 0.31		$ 0.24	$ 0.19	$ 0.20	$ 0.08	$ 0.14	$ 0.07
BOS	BOS	$ 0.57	$ 0.84	$ 0.85	$ 1.31	$ 0.46	$ 0.24		$ 0.26	$ 0.48	$ 0.11	$ 0.10	$ 0.16
ATL	ATL	$ 0.35	$ 0.49	$ 0.46	$ 0.18	$ 0.21	$ 0.19	$ 0.26		$ 0.17	$ 0.19	$ 0.11	$ 0.19
DAL	DFW	$ 0.18	$ 0.19	$ 0.17	$ 0.10	$ 0.10	$ 0.20	$ 0.48	$ 0.17		$ 0.27	$ 0.15	$ 0.09
MIA	MIA	$ 0.19	$ 0.16	$ 0.19	$ 0.08	$ 0.12	$ 0.08	$ 0.11	$ 0.19	$ 0.27		$ 0.10	$ 0.06
VAN	YVR	$ 0.17	$ 0.14	$ 0.16	$ 0.12	$ 0.14	$ 0.17	$ 0.11	$ 0.13	$ 0.18	$ 0.11		$ 0.22
LA	LAX	$ 0.11	$ 0.11	$ 0.12	$ 0.28	$ 0.07	$ 0.07	$ 0.16	$ 0.19	$ 0.09	$ 0.06	$ 0.18	

Note: Price based on the lowest advertised, one-way ticket.

- Greater than $0.30/mile
- Between $0.20 and $0.30/mile
- Between $0.10 and $0.20/mile
- Less than $0.10/mile

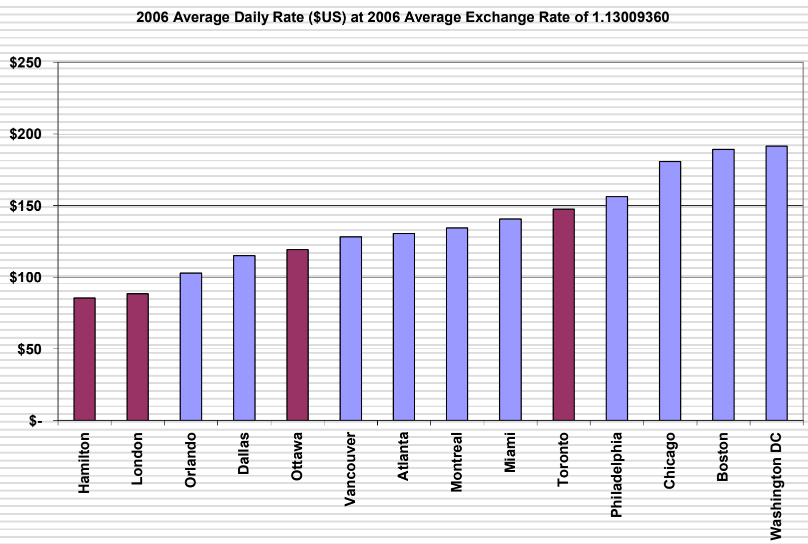
The adjacent table shows the average cost per mile for a one-way fare between major urban centres likely to compete with Toronto and Ottawa for national, United States and international conventions. The table represents an average of the lowest available fares on Expedia on November 12, 2007 for travel on January 22, 2008 and April 22, 2008.

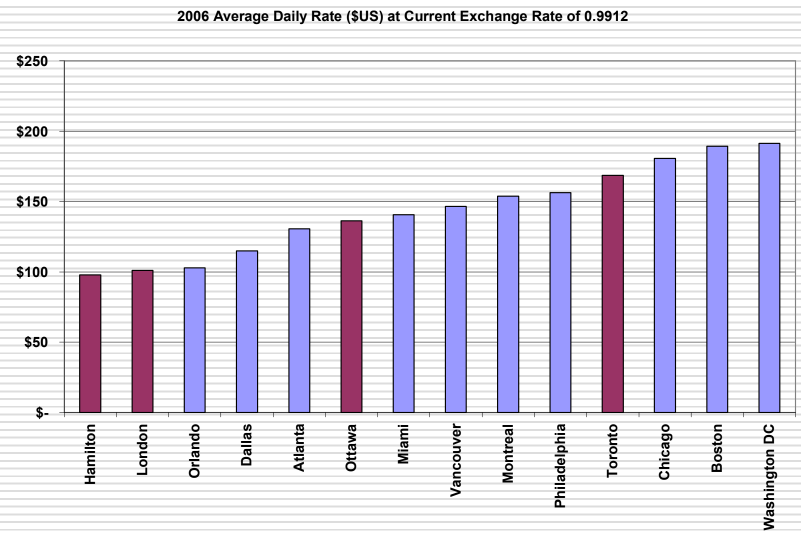
Toronto, Ottawa and Montreal are among the most expensive destinations. One reason for this is the success of the two major Canadian airlines in maximizing air fares. Price competition is more prevalent in the United States, which has five major airlines (i.e., lower air fares).

6. KSF #4
Cost of Destination and Venue

The two graphs on this page show 2006 average daily rates ("ADR") for the downtown core of selected North American cities expressed in US dollars. The graph on the left converts the Canadian ADR to $US at the average 2006 exchange rate. The bottom graph converts the ADR at the current exchange rate of 0.9912.

As shown, the Ontario cities do not compare as favourably to the United States cities when the current exchange rate is applied.





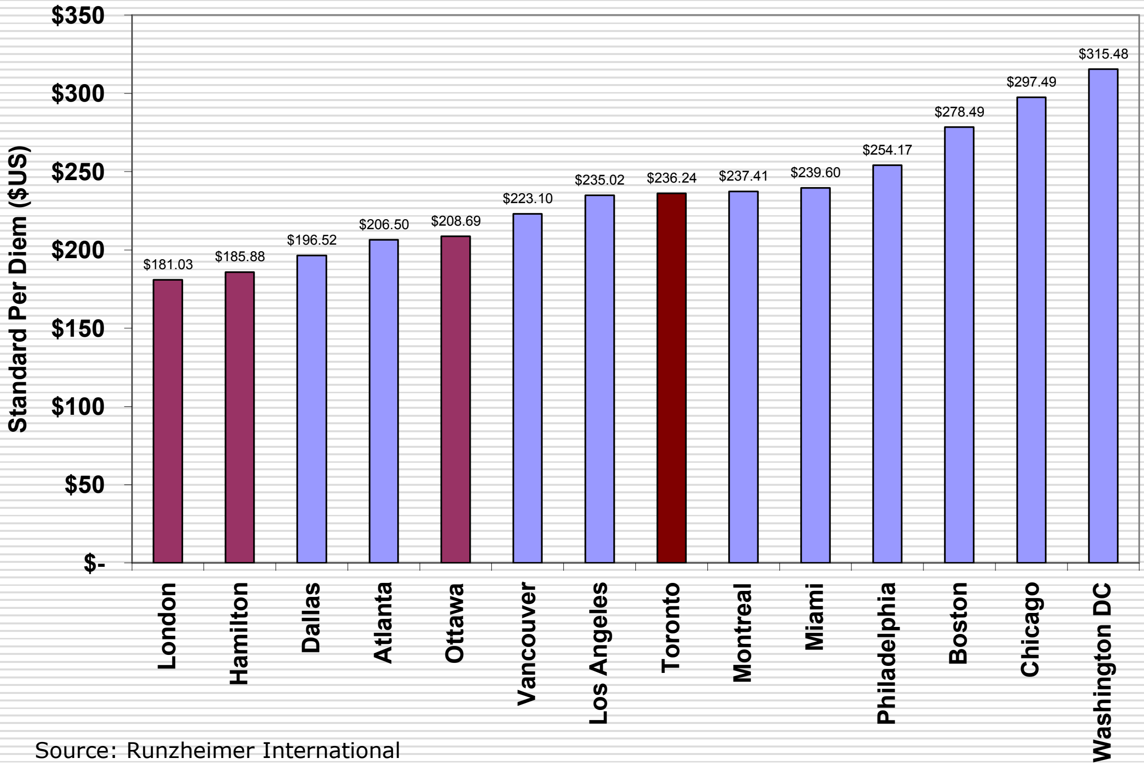
Source: Smith Travel Research, PKF Consulting

6. KSF #4

Cost of Destination and Venue

Despite the relatively high air travel and hotel costs, the overall cost to delegates in Ontario compares favourably to selected competing convention destinations. Runzheimer International tracks costs such as meals, lodging and transportation to provide standard per diem rates for various locations. The Table to the right shows per diem rates for September 26, 2007 expressed in United States dollars at that day's exchange rate of 0.9958.

The Canadian dollar has strengthened in recent years with respect to the United States dollar, reaching an all-time high of $1.10 in November. This has decreased the value proposition for Canadian destinations soliciting United States events. Compounding this is the fact that the then favourable exchange rate has historically been used by Canadian CVBs and convention venues to attract events to Canada.



Source: Runzheimer International

6. KSF #5
Tourism Appeal of the Destination

In Section 5, the results of a TSW Research survey of selection criteria used by show organizers when selecting destinations and venues in which to hold their event is provided. While the most important criteria considered the appropriateness and availability of the venue space and the cost of the destination and venue, the overall attractiveness of a destination was also important:

- **The population and demographics of the city/region—**Is there a strong local support to generate attendance at the event?
- **Proximity and quality of hotels, restaurants, entertainment options, retail and tourist attractions to the venue**—A correlation exists between a city's popularity as a tourist destination and its attractiveness as a convention destination. To the extent the tourism infrastructure is proximate to the convention venue, the more attractive a destination is to meeting planners.
- **The safety and security of a destination—**Safety and security in a city, particularly proximate to the venue and hotels, are a requirement of a convention destination. A city must be (or be perceived to be) a low crime area, clean and safe. The 2003 SARS outbreak in Toronto is an example. Prior to the outbreak, Toronto was considered a safe destination. Major events were cancelled or postponed almost immediately with the beginning of the pandemic. The negative effects of the outbreak on the city's convention industry was felt for several years until Toronto was again perceived to be "safe".

6. Key Success Factors
Implications for Ontario

Toronto, and to a lesser extent Ottawa (though considerably enhanced post-expansion), are well positioned to succeed in attracting national and international events.

- Air lift to major Canadian urban centres as well as international destinations is relatively good, especially to/from Toronto.
- As the national capital, Ottawa has a head office base among national associations. Many of these groups have been prohibited from meeting in Ottawa due to lack of suitable exhibit and meeting space at the Ottawa Congress Centre.
- Ottawa's downtown hotel supply exceeds the demand requirements created by the current Ottawa Congress Centre. Toronto's supply of quality hotel rooms proximate to the Metro Toronto Convention Centre is sufficient.
- Both Toronto and Ottawa have considerable appeal as tourist destinations, with significant tourism infrastructure generating leisure demand.

One of the principal challenges faced by Toronto and Ottawa within a North American and international context is cost, a challenge exacerbated by exchange rates. Recently, the provincially-funded Convention Development Fund ("CDF") has provided a compelling sales aid for several Ontario cities, but even with these incentives, pricing is a challenge. Ontario is no longer a "cheap" destination. Unfortunately, given the reliance on and promotion of historical cost advantages (much of this exchange rate-based), the cost challenge is one of the industry's own making and one that the industry will need to address through provision of alternate price-value sales approaches.

7. Issues and Challenges
Introduction

In addition to the industry data and interviews conducted as part of this analysis, HLT and TSW Research undertook a survey of event planners to identify awareness of and interest in Ontario as destination for one or more events (the "Survey"). The Survey was sent via email to 3,208 TSW Research database entries (mostly US-based event planners) as well as event planners identified by the Ontario publicly-owned venues. The Survey was not intended as a statistically valid analysis of event planners but does provide (largely anecdotal) insight into current thinking about Ontario as an event destination.

The Survey identified several challenges that could potentially prevent the hosting of an event in Canada/Ontario, including:

- border crossing issues such customs, duties an passport requirements – 54%;
- United States/Canada exchange rate – 33%;
- venue/convention centre costs – 23%;
- cost of transportation to Ontario/venue – 19%; and
- hotel rates – 10%.

The Western Hemisphere Travel Initiative ("WHTI") requiring United States Citizens to have a passport when arriving by air (and extended to include arrivals by land and sea sometime after summer 2008) has had a modest effect on travel to Canada, although the negative perceptions created have been far greater than the actual effects. Confusion over the shifting requirements of the WHTI has had more of a negative effect on Ontario's attractiveness as a convention destination. The Canadian dollar, worth US$0.65 as recently as 2001, has strengthened over the past six years achieving a record high of US$1.10 in November 2007. After many years of marketing Canada as a "value" destination, largely as a result of currency differentials, pricing is no longer a strategic advantage.

The following pages outline some additional issues and challenges facing Ontario, primarily in the North American and International marketplace.

7. Issues and Challenges

Security Concerns Affecting Travel Mobility

Following September 11th, heightened security concerns have had a limiting effect on international travel. One of the by products of this increased concern is the greater requirement for visitors to the United States to obtain a visa. Canada's policy with respect to travel visas captures some 20 fewer origin points. The Table below shows the countries where citizens are not required to have a visa to enter Canada and the United States.

	Andorra	Antigua & Barbuda	Australia	Austria	Barbados	Belgium	Botswana	Brunei	Canada	Czech Republic	Cyprus	Denmark	Estonia	Finland	France	Germany	Greece	Iceland	Ireland	Israel	Italy	Japan	Korea, Republic of	Latvia, Republic of	Liechtenstein
Canada	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓*	✓	✓	✓	✓	✓
US	✓		✓	✓		✓		✓	✓			✓		✓	✓	✓		✓	✓		✓	✓			✓

Continued	Luxembourg	Malta	Mexico	Monaco	Namibia	Netherlands	New Zealand	Norway	Papua New Guiney	Portugal	San Marino	Singapore	Slovenia	Solomon Islands	Spain	St. Kitts & Nevis	St. Lucia	St. Vincent	Swaziland	Sweden	Switzerland	United Kingdom	United States	Western Samoa
Canada	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓*	✓	✓
US	✓		✓	✓		✓	✓	✓		✓	✓	✓	✓		✓					✓	✓	✓*	✓	

Source: Visa Waiver Program Travel Guide, CIC Canada

* - *National Passport holders only.*

** - *British citizens, British Overseas citizens who are readmissable to the UK, citizens who derive their citizenship through birth, descent, registration or naturalization in one of the British dependent territories of Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, Pitcairn, St. Helena or the Turks and Caicos Islands.*

*** - *for citizens with the unrestricted right of permanent abode in England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.*

Canada may be seen as an attractive alternative for international groups looking to generate U.S. visitation without basing the event within the United States.

7. Issues and Challenges
Emergence of Third Party Planners

Third party meeting planners, such as MCI, SmithBucklin and Experient, are becoming increasingly prevalent in the meeting, convention and trade show industry.

These organizations take over many or all of the event planning tasks for associations and corporations. The destination and venue decision is typically made by the association or corporation (as opposed to the third party planner, although they can sway the decision). Third party planners often do, however, run an open and transparent RFP process for destination and/or venue selection.

One way in which third party planners justify their fees is negotiating better rates and incentives for their clients. In fact, the ability to show purchasing power is a key success factor for third party planners. Hotel sales professionals, for example, often deal with third parties instead of the end user. This has changed how hotel sales are conducted, reducing the importance of relationship building.

7. Issues and Challenges
Non-Traditional Competitors

The emergence of "all in one" convention venues such as those operated by Gaylord Hotels as well as the multiple convention hotels in Las Vegas hotels is having a significant impact on established convention venues. When the Gaylord National Resort & Convention Centre opens in Maryland in April 2008 Gaylord Hotels will control four convention venues offering almost 8,000 rooms and 1.9 million sq. ft. of meeting and exhibit space.

Top Convention Hotels by Total Exhibit Space

Rank	Facility	City	State/Province	Total Exhibit Space	Rooms
1	Sands Expo & Convention Center/Venetian Resort Hotel Casino	Las Vegas	Nevada	1,125,600	4,049
2	Mandalay Bay Resort & Casino	Las Vegas	Nevada	934,731	3,309
3	Rosen Shingle Creek	Orlando	Florida	445,000	1,500
4	Gaylord Texan Resort & Convention Center	Grapevine	Texas	400,000	1,511
5	Gaylord Palms® Resort & Convention Center	Kissimmee	Florida	400,000	1,406
6	Walt Disney World Swan and Dolphin Resort	Lake Buena Vis	Florida	329,000	1,509
7	Gaylord Opryland® Resort & Convention Center	Nashville	Tennessee	263,772	2,881
8	Caesars Palace	Las Vegas	Nevada	240,000	3,348
9	Hilton Anatole Hotel	Dallas	Texas	231,103	1,606
10	MGM Grand Hotel & Casino	Las Vegas	Nevada	230,000	5,034
33	Sheraton Centre Toronto Hotel	Toronto	Ontario	100,000	1,377
75	The Westin Harbour Castle	Toronto	Ontario	49,638	977

Source: TSW Research, HLT Advisory Inc.

Gaylord Hotels have been relatively successful. In 2006, they achieved an occupancy of 78.0%, an average daily rate ("ADR") of $155.01 and a revenue per available room (RevPAR) of $120.93. For comparison purposes, Smith Travel Research operating statistics for the United States as a whole in 2006 was occupancy of 63.4%, ADR of $97.33 and RevPAR of $61.93.

Gaylord Entertainment is currently looking to develop a fifth property in San Diego, California, creating an ability to service association meeting planners venues for an east (Orlando, Maryland) central (Nashville, Texas) and west (San Diego) rotation. Gaylord will be able to accommodate all the convention needs of national United States Associations.

7. Issues and Challenges
Increasing Importance of Social Responsibility

Event organizers (both corporate and association) are becoming increasingly socially responsible. The future leaders of these organizations are must more likely to be concerned that they, and their organization, are socially responsible.

Green Meetings

Increasingly, event organizers want to ensure their events are "green" or environmentally friendly. They are concerned about the environmental footprint their event leaves behind. The Convention Industry Council ("CIC") has studied "green meetings" and "green venues". Recommended best practices for event venues include:

- use recycled and recyclable materials;
- not pre-filling water glasses;
- using reusable china and linen as opposed to disposable products as well as other environmentally-friendly products;
- energy efficient venues;
- arrange to have leftover food donated to a local food bank or separated for pick up by composting operation or local farm;
- shifting as much written communication as possible to email; and
- minimize the use of collateral materials and use double-sided, recycled paper with soy-based ink.

The CIC also has best practices for event organizers in destination, accommodation, event venue and transportation selection.

Ontario venues can make themselves more attractive to organizers concerned with green venues by adhering to environmental programs and having details of those programs available to interested event organizers.

7. Issues and Challenges
Increasing Importance of Social Responsibility

Pharma Code

An issue affecting the ability of Canadian venues to attract lucrative medical conferences is the Canadian Pharma Code, which is more stringent than the United States code. Canada's Research Based Pharmaceutical Companies created their own code to avoid government regulation. The code limits the sponsorship and hospitality opportunities available to pharmaceutical companies. The code is voluntary and self policing – in Canada, significant fines may be levied for infractions.

The differences between the Pharma Codes in Canada and the United States are significant:

- In the United States, pharmaceutical companies may promote their brands. In Canada, pharmaceutical companies may promote their companies but not their brands. This is less attractive to the pharmaceutical companies.
- In the United States, pharmaceutical companies can underwrite convention costs such as transportation. This is not allowed under Canada's Pharma Code.

The Canadian Tourism Commission ("CTC") believes the differences in Pharma Codes between the two countries can mean a difference of $100,000 to $1 million in profits for an event. This makes United States venues significantly more attractive. As these events typically book up to ten years in advance, this issue may have long-term implications for the Canadian convention industry.

7. Issues and Challenges
Changing Dynamics for Associations

Association dynamics are changing. SmithBucklin recently completed a study of such mergers. In recent years, several associations have merged in an effort to address issues such as:

- duplicated memberships;
- similarity in association functions;
- increases operating costs;
- defend associations against industry consolidation; and
- enabling organizations to retain members, their associated fee income and to remain relevant in changing association or industry environments.

This trend is a concern to convention venues as it decreases the universe of events, lowering overall demand.

Another trend is associations "piggybacking" events to capitalize on similar audiences. This can lead to enhanced revenues through greater attendance, lower costs through increased bargaining power (i.e., a longer, larger event) as well as provide more value to their memberships. Destinations and convention venues benefit considerably from such arrangements. For example:

- In 2007 the Software and Information Industry Association's Software Strategy Summit was co-located with the IDG World Expo's Software as a Service event at the Santa Clara Convention Center.
- The Worldwide Food Expo, held biennially in Chicago is co-located with the AMI International Meat, Poultry & Seafood Convention and Exposition and the Food, Dairy & Beverage Exposition.
- The co-location of specialty food shows All Asia Food Expo, Expo Comida Latina – New York and Kosherfest contributed to boosting attendance at these events by 15% in 2006.

7. Issues and Challenges

Relationships with CVBs

	Ottawa		Toronto		Hamilton	London
Venue	Ottawa Congress Centre	Lansdowne Park	Metro Toronto Convention Centre	Direct Energy Centre	Hamilton Convention Centre	London Convention Centre
Destination Marketing Organization	Ottawa Tourism and Convention Authority	Ottawa Tourism and Convention Authority	Tourism Toronto	Tourism Toronto	Tourism Hamilton	Tourism London
Relationship	Relationship Improving	Venue does not participate with CVB	Work together to administer CDF	Good Working Relationship	DMO responsible for marketing, venue for operations	Work together to market venue, LCC participates in DMO initiatives

Source: Venues and Destination Marketing Organizations

Ideally, CVBs or Destination Marketing Organizations ("DMOs") and convention centres work together to attract major events to the destination and venue. However, often tensions exist between the venue and CVB.

Funding levels between the CVB and venue are significantly different. A survey of Canadian and United States venues and CVBs found the average marketing budget for venues was $735,733 while the average CVB marketing budget was $3,523,312. Further, the CVB controls the incentive funding or hotel taxes resulting in the venue being dependent on the CVB. In the United States, many venues are taking over responsibility for their own marketing.

Another source of tension is the CVB's control of the venue. The TSW Survey found the CVB controls the booking window an average of 19 months out, often resulting in friction between the two parties. For example, some venues have bottom-line responsibility and the CVB positions the venue as a loss-leader.

A further source of tension is the two parties often have different measurements of success, as shown in the following Table.

7. Issues and Challenges
Success Metrics

A significant difference in mandates of Canadian and United States convention venues is how success is measured. In a survey conducted by TSW Research of convention venues and CVBs, respondents were asked "How does your CVB, venue and/or hotel measure overall CVB and convention centre marketing success?". Forty percent of United States based respondents mentioned "convention center profit/loss" among other factors. In Canada, 62% of respondents responded the same way. This result indicates a greater willingness to subsidize convention centre operations in the United States than in Canada.

	Venues	CVBs	All Respondents	Canadian Respondents
Total Number of Rooms Booked	79%	86%	81%	100%
Total Economic Impact	68%	64%	67%	88%
Convention Centre Profit/Loss	45%	43%	44%	62%
Total Number of Visitors	36%	57%	43%	65%
Hotel Community Occupancy Levels	38%	64%	46%	50%
Public Relations	21%	29%	24%	25%
Hotel Community Gross Sales or Profit	7%	7%	8%	25%
Visitor Related Tax Revenues	30%	54%	39%	n/a
Bureau Profit/Loss	2%	18%	8%	n/a
Do Not Measure	11%	0%	7%	n/a
Other	16%	14%	18%	38%

Source: TSW Research

7. Issues and Challenges

Restrictions on Using International Venues

About 64% of the United States-based respondents to the Survey indicated their organization was able to meet in Canada with over 30% reporting they have held their largest, most-important event in Canada. Almost three quarters of the respondents to the Survey showed a willingness to consider an Ontario destination to hold their events (90.0% of Canadian-based respondents and 53.4% of United States-based respondents).

	Canada	United States	Total
Able to Meet in Canada	n/a	63.9%	n/a
Have Held Event in Canada	n/a	30.6%	n/a
Would Consider Ontario for Event	90.0%	53.4%	74.6%

Source: TSW Research

The Survey of past and potential users of Ontario convention facilities indicated that 90.0% of Canadian-based respondents and 53.4% of United States based respondents would consider Ontario as a convention destination. Those respondents who would consider Ontario for their event were asked if they would consider various Ontario destinations.

	Canada	United States	Total
Toronto	81.1%	94.1%	85.2%
Ottawa	68.9%	23.5%	54.6%
Niagara Falls	35.1%	11.8%	27.8%
London	33.8%	5.9%	25.0%
Hamilton	23.0%	5.9%	17.6%
Other Ontario Destinations	28.4%	8.8%	22.2%

Source: TSW Research

This result is not surprising considering Toronto's airlift, hotel supply in the area of the convention venue, the quality of the rentable space at the Metro Toronto Convention Centre and the cost for meeting planners and delegates compared to other Tier 1 convention destinations in North America. The next two most popular destinations were Ottawa and Niagara Falls (likely a result, in part, of name recognition). The Survey results suggest, however, the ability to attract national and international events is significantly higher in Ottawa than Niagara Falls.

8. Opportunities for Ontario
Introduction

The supply and demand trends within the North American (and Ontario) public-assembly marketplace, taken together with key success factors and the variety of issues facing the industry frame a future market size profile for Ontario. The following pages summarize future supply implications and a demand outlook for the six principal "destinations" identified in this analysis: Toronto, Ottawa, London, Hamilton, Windsor and Niagara Falls. The selection of these six markets also reflect the current (and anticipated) location of the principal, publicly-owned (and therefore economic impact focused) public-assembly venues in Ontario.

8. Opportunities for Ontario

Current and Future Supply

Current and Proposed Exhibit and Meeting/Ballroom Space

	Current Exhibit Space	Current Meeting/ Ballroom*	Proposed (by 2010) Exhibit Space	Proposed (by 2010) Meeting/ Ballroom*	Total Exhibit Space	Total Meeting/ Ballroom*
Toronto						
Metro Toronto Convention Centre	453,648	122,227	0	0	453,648	122,227
Direct Energy Centre	804,563	25,000	(162,000)	90,000	642,563	115,000
International Centre	471,000	28,836	0	23,000	471,000	51,836
Toronto Congress Centre**	500,000	60,000	300,000	25,000	800,000	85,000
Total	2,229,211	236,063	138,000	138,000	2,367,211	374,063
Growth Percentage					6.2%	58.5%
Ottawa						
Ottawa Congress Centre***	54,113	14,941	10,880	68,803	64,993	83,744
Lansdowne Park	111,000	3,000	0	0	111,000	3,000
Total	165,113	17,941	10,880	68,803	175,993	86,744
Growth Percentage					6.6%	383.5%
Hamilton/London						
Hamilton Convention Centre	19,662	32,652	0	0	19,662	32,652
London Convention Centre	0	43,357	0	0	0	43,357
Total	19,662	76,009	0	0	19,662	76,009
Growth Percentage					0.0%	0.0%
Windsor/Niagara Falls						
Niagara Falls Convention Centre	0	0	100,000	30,700	100,000	30,700
Casino Windsor	0	0	39,500	37,941	39,500	37,941
Total	0	0	139,500	68,641	139,500	68,641
Growth Percentage					n/a	n/a
Total Ontario	2,413,986	330,013	288,380	275,444	2,702,366	605,457
Growth Percentage					11.9%	83.5%

Source: HLT Advisory Inc.

** Meeting/Ballroom space may also be used for exhibitions*

*** Does not include Phase III expansion at the Toronto Congress Centre (currently undefined)*

**** The 51,344 square feet of pre-function space is not included. When included, the total rentable space at the expanded Ottawa Congress Centre would exceed 200,000 square feet.*

Between 2007 and 2010 some 560,000 square feet of exhibit, meeting and ballroom space will be added to ten venues in Ontario. Some 288,000 square feet or 51% of this total is exhibit space, the balance meeting/ ballroom space.

The border communities of Windsor and Niagara Falls are taking two very different approaches to the market with Niagara Falls focusing much more on exhibit-based events (75% of the Niagara Falls venue is dedicated to exhibit space versus 50% in Windsor).

The Ottawa Congress Centre expansion will see a substantial increase in meeting/ballroom space to complement expanded exhibit areas.

The private sector exhibit halls in Toronto continue to expand while the Direct Energy Centre will add meeting capacity in part at the expense of exhibit space.

8. Opportunities for Ontario
Demand Outlook

The total North American convention, trade and consumer show activity for 2006 is estimated based on the *Meetings Market Report* and TSW Research. Compound average growth rates over the previous decade reflect modest growth at about 2.5%.

Looking at the demand outlook for Ontario, consideration must be given to the growth in supply (particularly new buildings in Windsor and Niagara Falls) as well as modified building focus for the Direct Energy Center and the privately-owned trade centres in Toronto. Consideration of supply increases results in growth in the convention market of about 25% over the next ten years, including all convention events held in convention centres, trade centres and large convention hotels.

Current and Projected Event Load*

	Current 2006	Five Year 2010	Ten Year 2015
North America			
Conventions	12,700	13,500	15,000
Trade Shows	3,827	4,000	4,700
Consumer Shows	1,209	1,250	1,475
Ontario			
Conventions	469	545	590
Trade Shows	334	379	410
Consumer Shows	204	233	259

Source: HLT Advisory Inc.

** Includes public and private venues as well as large convention hotels.*

8. Opportunities for Ontario

Demand Outlook – Toronto and Ottawa

Toronto and Ottawa hold the greatest potential for convention events drawing attendance from outside Ontario. Of the 77 convention events held in the Metro Toronto Convention Centre, Ottawa Congress Centre and Direct Energy Centre only five are annual, recurring events. While an increase in convention activity is a reasonable assumption at the Metro Toronto Convention Centre as the Toronto market recovers, the greatest aggregate growth of convention activity will occur in Ottawa as a result of the Ottawa Congress Centre expansion. By 2015, the Ottawa Congress Centre could be expected to accommodate 10 to 15 more conventions as well as increasing the draw (and size) of existing convention events due to enhanced capacity.

As the privately-held trade centres add additional space, the Metro Toronto Convention Centre is likely to come under some pressure to accommodate trade and consumer show events. The convention events held at these private centres are, for the most part, expected to be local and/or regional (Ontario) based.

Toronto Current and Projected Event Load*

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	272	300	320
Trade Shows	304	325	345
Consumer Shows	143	155	170

Source: HLT Advisory Inc.

** Includes public and private venues as well as large convention hotels.*

Ottawa Current and Projected Event Load*

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	139	145	160
Trade Shows	28	30	35
Consumer Shows	46	50	57

Source: HLT Advisory Inc.

** Includes public and private venues as well as large convention hotels.*

8. Opportunities for Ontario

Demand Outlook – Hamilton and London

Hamilton and London are primarily regional venues, with most convention activity generated from southwest Ontario or elsewhere across the province. Each venue has held national events in the past and a modest penetration into the national marketplace is a reasonable expectation into the future.

Both Hamilton and London are mature convention markets. As such, the potential for growth in number of events is somewhat limited. Private-sector competition (i.e., the Oakville Conference Centre and Burlington Convention Centre) have put pressure on these facilities from a trade and consumer show perspective.

The demand projections for Ontario assume no change in event load at these two venues although individual events are likely to increase in size (more attendees as users grow over time).

Hamilton Current and Projected Event Load

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	29	30	30
Trade Shows	1	1	1
Consumer Shows	12	12	12

Source: HLT Advisory Inc.

London Current and Projected Event Load

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	29	30	30
Trade Shows	1	1	1
Consumer Shows	3	3	3

Source: HLT Advisory Inc.

8. Opportunities for Ontario
Demand Outlook –Windsor and Niagara Falls

Similar to Hamilton and London, Niagara Falls and Windsor are primarily regional destinations from a public-assembly perspective. While both will likely host some national conventions, the majority of the convention activity will likely come from regional demand sources. As border communities, the "regional" draw will include demand from New York, Michigan and Ohio.

Aside from being border communities, these venues have much greater potential to generate demand from different sources than Hamilton and London. The Casino Windsor venue will be primarily used for entertainment purposes to drive casino demand. In Niagara Falls, the supporting tourism infrastructure (such as the commercial casinos, entertainment options not to mention the Falls themselves) enhance the destination's appeal as a convention destination.

The Casino Windsor venue is projected to open in 2008. Event load estimates are presented based on the current understanding of Casino Windsor marketing focus, and recognition that as a venue primarily designed to service/generate casino demand, the marketing and sales approach will differ from all other public-assembly venues in Ontario.

Windsor Current and Projected Event Load

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	0	20	20
Trade Shows	0	10	10
Consumer Shows	0	5	5

Source: HLT Advisory Inc.

8. Opportunities for Ontario

Demand Outlook – Niagara Falls and Windsor (cont'd)

The Table below compares recent event loads at Ontario convention venues to event load projections for the Niagara Falls Convention Centre as prepared by PKF. The PKF projections for Niagara Falls are higher than current results at all Ontario convention venues with the exception of Toronto.

	Actual Results				
	Hamilton Convention Centre 2006	London Convention Centre 2006	Ottawa Congress Centre 2005*	Metro Toronto Convention Center 2006**	Niagara Falls Projected Stabilized Year
Conventions	29	29	22	42	39
Trade Shows	1	1	5	28	24
Consumer Shows	12	3	5	53	15
Meetings	122	224	194	452	400
Total	164	257	226	575	478

Source: Hamilton Convention Centre, London Convention Centre, Metro Toronto Convention Centre, PKF Consulting "Niagara Falls Convention Centre Study Update", October 2004

** 2005 selected for the Ottawa Congress Centre due to an eight-week labour disruption beginning April 12, 2006.*

*** Some meeting events at the Metro Toronto Convention Centre would be considered conventions at most venues.*

As an internationally-recognized tourism destination, Niagara Falls offers a variety of quality hotel rooms and a range of destination amenities. However, from a convention perspective, the lack of direct airlift may make attracting national and international events a challenge. Therefore, the demand estimate below assumes 50% of the PKF projection for 2010 and 75% for 2015.

Niagara Falls Current and Projected Event Load

	Current 2006	Five Year 2010	Ten Year 2015
Conventions	0	20	30
Trade Shows	0	12	18
Consumer Shows	0	8	12

Source: HLT Advisory Inc.

8. Opportunities for Ontario
Conclusions

Across North America demand growth, measured in terms of attendees and amount of exhibit/meeting space required for conventions, conferences, trade shows and consumer shows has been met or exceeded by the growth of new and expanded public-assembly venues. The supply/demand balance within Ontario does not necessarily reflect these North American trends except that Ontario venues competing in the national, North American and international marketplaces are facing competitive pressure caused, in part, by increased supply (together with a host of other controllable and uncontrollable factors).

The opportunity for Ontario, and specific Ontario destinations, within this industry sector varies considerably by destination and by event type. In our view:

- Toronto is capable of maintaining and furthering its position as a leading convention and trade show destination on both a national and international basis. The principal public- and private-sector venues are well positioned (supported by several expansion plans), the destination marketing efforts are well organized and funded, and Toronto offers a range of attributes required by event planners.
- Ottawa offers additional opportunity in the national convention, conference and to a limited extent, trade show market. Expanding the Ottawa Congress Centre will greatly assist Ottawa in realizing latent demand.
- Niagara Falls is a unique market located within the broader Toronto/south central Ontario area and adjacent to New York state. Opportunities exist for conference and convention business (likely provincial and national, as well as some trans-border).
- Opportunities in Windsor are tied to casino expansion and will draw on both the southwest Ontario and Michigan markets…although events will be tied to generating gaming demand first and foremost.
- London and Hamilton will remain strong competitors in the provincial marketplace.

Appendix A

Top 50 Canadian Trade Shows - 2006

Rank	Show Name	NSF	Attendance
1	Global Petroleum Show	524,264	39,843
2	CGTA Gift Show (Canadian Gift & Tableware Assn.) (Jan.)	425,377	21,895
3	CGTA Gift Show (Canadian Gift & Tableware Assn.) (Aug.)	425,341	17,126
4	The Canadian Home Furnishings Market	335,351	9,366
5	Canadian Intl. Farm Equipment Show	227,000	NS
6	Health & Safety Canada IAPA Conference & Trade Show (Industrial Accident Prevention Assn.)	210,000	6,000
7	Alberta Gift Show (Aug.)	196,762	14,460
8	Alberta Gift Show (Feb.)	196,602	15,547
9	Truck World	165,900	12,912
10	Montreal Gift Show (Aug.)	127,587	10,612
11	Montreal Gift Show (Mar.)	124,154	10,486
12	Congress featuring Fencecraft - Canada's Intl. Horticultural Lawn & Garden Trade Show & Conference	121,480	10,656
13	Construct Canada/PM Expo/Homebuilder & Renovator Expo/Design Trends/Concrete Canada/Global Property Market	110,800	17,464
14	HostEx 2006	103,920	9,326
15	NSIA Snow Show (Natl. Snow Industries Assn.)	102,481	2,107
16	American Psychiatric Assn. Annual Meeting	101,100	15,173
17	CMX-CIPHEX 2006 (Canadian Mechanicals Exposition)	97,000	8,952
18	Truxpo 2006	92,300	11,637
19	Canadian Assn. of Agri-Retailers Convention & Trade Show	92,000	595
20	PDAC Intl. Convention, Trade Show & Investors Exchange (Prospectors & Developers Assn. of Canada)	90,100	9,803
21	Montreal NAFEM - The Luxury Outerwear Show	90,000	3,945
22	ExpoCycle	87,700	2,278
23	Canadian Manufacturing Week/Weld Expo Canada/Finishing Expo Canada	80,915	5,226
24	IIDEX®/NeoCon® Canada	80,000	15,750
25	Vancouver Gift Show (Mar.)	76,500	4,941
26	Canadian Utilities Equipment & Engineering Show	75,845	3,041
27	CamExpo	75,487	7,000
28	Ontario Fashion Exhibitors (Sept.)	75,000	3,390
29	Allied Beauty Assn. Ontario Beauty Show	73,800	14,279
30	AAO-HNSF Annual Meeting & OTO Expo	69,800	6,121

Appendix A

Top 50 Canadian Trade Shows - 2006 (cont'd)			
Rank	Show Name	NSF	Attendance
31	Canadian Health Food Assn. Expo East Trade Show & Conference	69,000	3,351
32	ICSC Canadian Convention & Trade Exposition (Intl. Council of Shopping Centers)	68,000	2,300
33	Vancouver Gift Show (Sept.)	67,700	4,344
34	The Canadian/Intl. Food & Beverage Show	65,000	9,717
35	Salon Industriel de Quebec	65,000	9,017
36	Montreal Manufacturing Technology Show featuring Montreal Fabricating & Machine Tool Show/Natl. Factory Automation Show	64,898	6,506
37	Allied Beauty Assn. Salon de la Beaute	63,600	8,492
38	Promotions Canada 2006	60,600	2,450
39	EXFOR® 2006	60,500	4,937
40	Ontario Fashion Exhibitors (Mar.)	60,000	1,817
41	Grocery Innovations Canada	59,800	4,000
42	WRLA Prairie Showcase Buying Show & Convention (Western Retail Lumber Assn.)	54,100	1,184
43	Garden Expo featuring Florist Expo - Canada's Fall Buying Show for the Green Industry	54,070	4,481
44	Buildex Vancouver/BC Construction/Design Northwest	52,500	10,846
45	Salon Rendez-vous HRI Show (Hotel Restaurant Institution)	52,000	8,003
46	Win-door North America	52,000	2,570
47	Ontario PGA Golf Merchandise Show (Professional Golfers' Assn.)	51,311	1,836
48	The Interior Design Show	50,073	10,000
49	IncentiveWorks	49,300	2,248
50	Allied Beauty Assn. Calgary Beauty Convention	47,700	5,746
Total		**5,821,718**	**413,776**

Source: Tradeshow Week Research

Appendix A

Top 50 Canadian Trade Shows - 2005

Rank	Show Name	NSF	Attendance
1	CGTA Gift Show (Canadian Gift & Tableware Association) (Aug.)	426,957	19,027
2	CGTA Gift Show (Canadian Gift & Tableware Association) (Jan.)	423,989	23,764
3	The Canadian Home Furnishings Market	332,272	10,558
4	Canadian International Farm Equipment Show	247,594	31,182
5	Alberta Gift Show (July)	204,948	15,819
6	Alberta Gift Show (Feb.)	204,490	16,956
7	Canadian Manufacturing Technology Show	180,159	9,966
8	Montreal Gift Show (Aug.)	125,529	10,813
9	Montreal Gift Show (Mar.)	124,451	10,583
10	Congress featuring Fencecraft - Canada's International Horticultural Lawn & Garden Trade Show & Conference	124,100	9,184
11	GO-EXPO: Gas and Oil Exposition	123,174	13,894
12	Woodworking Machinery & Supply Expo	120,482	4,820
13	Graphics Canada	118,810	10,265
14	HostEx 2005	107,240	8,971
15	Construct Canada/PM Expo/Homebuilder & Renovator Expo/Design Trends/Concrete Canada	106,900	17,087
16	NSIA Snow Show (National Snow Industries Association)	100,000	1,830
17	Expocam	95,747	7,540
18	North American Fur & Fashion Exposition - Montreal	90,000	4,000
19	PDAC International Convention, Trade Show & Investors Exchange (Prospectors & Developers Association of Canada)	87,300	7,798
20	SIAL Montreal/International Food Exhibition	86,400	14,132
21	IIDEX®/NeoCon® Canada	85,000	15,500
22	ExpoCycle	84,810	2,533
23	PACex International	84,000	12,450
24	Canadian Association of Agri-Retailers Convention & Trade Show	80,000	687
25	EXFOR® 2005	77,100	6,312
26	Vancouver Gift Show (Mar.)	77,080	6,319
27	Vancouver Gift Show (Sept.)	76,130	5,577
28	Allied Beauty Association Ontario Beauty Convention	75,500	12,975
29	SLA Annual Conference	70,000	5,283
30	ICSC Canadian Convention & Trade Exposition (International Council of Shopping Centers)	67,600	2,250

Appendix A

Top 50 Canadian Trade Shows - 2005 (cont'd)			
Rank	Show Name	NSF	Attendance
31	American Association of Petroleum Geologists Annual Convention	66,000	4,513
32	The Canadian/International Food & Beverage Show	63,800	9,776
33	Society of Nuclear Medicine Annual Meeting	60,400	4,082
34	Canadian Health Food Association Expo East Trade Show & Conference	60,000	3,799
35	Promotions Canada 2005	60,000	2,445
36	Ontario Fashion Exhibitors (Mar.)	60,000	2,000
37	Ontario Fashion Exhibitors (Sept.)	60,000	2,000
38	Allied Beauty Association Salon de la Beaute	59,000	9,324
39	Allied Beauty Association Edmonton Beauty Convention	56,500	5,215
40	Win-door North America	55,000	3,300
41	Ontario PGA Golf Merchandise Show (Professional Golfers' Association)	54,530	1,931
42	Oil Sands Trade Show & Conference	54,120	2,425
43	Hockey & Sports Show	53,300	1,500
44	WRLA Prairie Showcase Trade Show & Convention (Western Retail Lumber Association)	52,200	1,053
45	Salon Rendez-vous HRI Show	51,500	7,300
46	Garden Expo featuring Florist Expo - Canada's Fall Buying Show for the Green Industry	51,150	3,319
47	Toronto International Gift Fair™ (Jan.)	50,970	5,247
48	The Interior Design Show	50,000	9,500
49	Buildex Vancouver/BC Construction Show/Design Northwest	48,500	10,141
50	IncentiveWorks	47,700	3,038
Total		**5,322,432**	**409,983**

Source: Tradeshow Week Research

Appendix A

Top 50 Canadian Trade Shows - 2004

Rank	Show Name	NSF	Attendance
1	Global Petroleum Show	510,000	36,660
2	CGTA Gift Show (Canadian Gift & Tableware Association) (Jan.)	426,908	22,791
3	CGTA Gift Show (Canadian Gift & Tableware Association) (Aug.)	426,139	21,086
4	Canadian International Farm Equipment Show	330,000	31,500
5	The Canadian Home Furnishings Market	323,367	10,669
6	Alberta Gift Show (Feb.)	205,650	18,030
7	Alberta Gift Show (Aug.)	205,020	16,651
8	Truck World	155,800	11,870
9	NSIA Snow Show (National Snow Industries Association)	137,500	2,532
10	Montreal Gift Show (Aug.)	124,624	11,755
11	Montreal Gift Show (Mar.)	122,603	12,899
12	Congress - Canada's International Horticultural Lawn & Garden Trade Show & Conference	113,270	11,426
13	Canadian Utilities Equipment & Engineering Show	107,996	4,809
14	HostEx 2004	106,880	9,952
15	Construct Canada/PM Expo/Homebuilder & Renovator Expo/Design Trends/Concrete Canada	101,700	16,193
16	North American Fur & Fashion Exposition - Montreal	92,000	4,385
17	Canadian Manufacturing Week/Weld Expo Canada/Finishing Expo Canada	91,795	7,104
18	EXFOR® 2004	89,000	6,506
19	CMX 2004 (Canadian Mechanicals Exposition)	86,000	11,413
20	PDAC International Convention, Trade Show & Investors Exchange (Prospectors & Developers Association of Canada)	84,700	5,610
21	Truxpo 2004	82,990	11,269
22	IIDEX®/NeoCon® Canada	80,000	15,000
23	Canadian Association of Agri-Retailers Convention & Trade Show	80,000	753
24	ExpoCycle	78,650	2,000
25	CamExpo	78,000	8,500
26	Allied Beauty Association Ontario Beauty Show	77,900	12,820
27	Vancouver Gift Show (Mar.)	77,740	6,198
28	Toronto International Gift Fair™	77,220	5,924
29	Vancouver Gift Show (Sept.)	73,580	5,703
30	Montreal Fabricating & Machine Tool Show/National Factory Automation Show	72,722	6,888

Appendix A

Rank	Show Name	NSF	Attendance
	Top 50 Canadian Trade Shows - 2004 (cont'd)		
31	The Canadian/International Food & Beverage Show	67,700	9,570
32	Allied Beauty Association Salon de la Beaute	67,500	10,130
33	ICSC Canadian Convention & Trade Exposition (International Council of Shopping Centers)	67,500	2,300
34	APCO International Annual Conference & Exposition (Association of Public-Safety Communications Officials)	67,300	2,686
35	Salon industriel de Quebec	65,000	7,708
36	Grocery Innovations Canada	61,200	6,600
37	Ontario Fashion Exhibitors Market (Sept.)	60,000	2,000
38	Ontario Fashion Exhibitors Market (Mar.)	60,000	2,000
39	Allied Beauty Association Edmonton Beauty Show	59,000	5,766
40	Toronto Gift & Accessories Market™	57,570	4,000
41	Ontario PGA Golf Merchandise Show (Professional Golfers' Association)	57,370	2,151
42	CIM Tradex Edmonton	56,700	1,360
43	Canadian Health Food Association Expo East Trade Show & Conference	52,000	3,310
44	Salon Rendez-vous HRI Show	51,500	8,400
45	Garden Expo featuring Florist Expo - Canada's Fall Buying Show for the Green Industry	51,250	3,611
46	Canadian Waste & Recycling Expo/Canadian Public Works Expo	47,850	4,129
47	WRLA Prairie Showcase Trade Show (Western Retail Lumber Association)	47,400	1,082
48	Ontario Dental Association Annual Spring Meeting	47,300	7,456
49	SIBO: Salon Industriel du Bois Ouvre/Industrial Woodworking Show	47,264	5,271
50	Atlantic Building Materials Show	47,150	1,335
Total		**5,758,308**	**439,761**

Source: Tradeshow Week Research

Appendix A

Top 50 Canadian Trade Shows - 2003

Rank	Show Name	NSF	Attendance
1	CGTA Gift Show (Canadian Gift & Tableware Association) (Jan.)	427,115	27,446
2	CGTA Gift Show (Canadian Gift & Tableware Association) (Aug.)	426,948	21,490
3	Canadian International Farm Equipment Show	330,000	42,000
4	The Canadian Home Furnishings Market	320,589	10,207
5	Alberta Gift Show (Aug.)	206,000	17,800
6	Alberta Gift Show (Feb.)	205,000	19,500
7	Canadian Manufacturing Technology Show	167,000	11,232
8	NSIA Snow Show (National Snow Industries Association)	134,462	2,622
9	Woodworking Machinery & Supply Expo	129,763	5,179
10	Montreal Gift Show (Aug.)	123,475	13,233
11	Graphics Canada	120,000	9,800
12	Montreal Gift Show (Mar.)	119,934	14,281
13	Congress - Canada's International Horticultural Lawn & Garden Trade Show & Conference	114,600	10,553
14	EXFOR® 2003	110,000	6,121
15	HostEx	109,400	10,440
16	American Library Association Annual Conference & Exhibition	99,900	11,487
17	PACex International 2003	99,505	14,750
18	Construct Canada/PM Expo/Homebuilder & Renovator Expo/Design Trends/GreenBuilding Expo	96,800	15,842
19	GO-EXPO: Gas and Oil Exposition	96,500	15,047
20	Expocam	90,722	10,032
21	Allied Beauty Association Ontario Beauty Show	90,000	12,582
22	SIAL Montreal	86,400	13,500
23	IIDEX®/NeoCon® Canada	82,000	14,000
24	North American Fur & Fashion Exposition - Montreal	82,000	4,385
25	Canadian Hardware & Building Materials Show	81,000	13,426
26	Vancouver Gift Show (Sept.)	80,000	6,143

Appendix A

Top 50 Canadian Trade Shows - 2003 (cont'd)			
Rank	Show Name	NSF	Attendance
27	Vancouver Gift Show (Mar.)	79,050	7,000
28	Canadian Association of Agri-Retailers Convention & Trade Show	78,500	1,176
29	Toronto International Gift Fair™ (Jan.)	78,420	5,298
30	ExpoCycle	76,740	2,650
31	Grocery Innovations Canada	67,800	6,500
32	ICSC Canadian Convention & Trade Exposition (International Council of Shopping Centers)	67,500	2,053
33	The Canadian/International Food & Beverage Show	66,900	10,977
34	Allied Beauty Association Salon de la Beaute	65,000	9,978
35	Canadian Waste & Recycling Expo/Canadian Public Works Expo	61,750	3,694
36	Toronto International Gift Fair™ (Aug.)	60,370	4,000
37	Ontario PGA Golf Merchandise Show (Professional Golfers' Association)	60,000	2,535
38	Ontario Fashion Exhibitors Market (Mar.)	60,000	2,000
39	Ontario Fashion Exhibitors Market (Sept.)	60,000	2,000
40	Allied Beauty Association Edmonton Beauty Show	60,000	4,512
41	CIM Tradex Montreal 2003	58,930	984
42	Garden Expo 2003	53,151	3,561
43	Rendez-vous Equipmag	50,000	7,000
44	CHFA Toronto Expo East Trade Show & Conference (Canadian Health Food Association)	50,000	2,279
45	Canadian Pool & Spa Conference & Expo	50,000	1,175
46	Plant Maintenance & Design Engineering Show & Weld Quebec	48,926	4,024
47	Atlantic Building Materials Show	45,750	1,304
48	Ontario Dental Association Annual Spring Meeting	45,700	7,160
49	ISA Calgary Instrumentation Show 2003	45,590	4,116
50	Win-door North America	45,000	3,300
Total		**5,464,190**	**452,374**

Source: Tradeshow Week Research