



## MINUTES

111<sup>th</sup> Annual General Meeting of the  
Metro Vancouver Convention & Visitors Bureau  
Known as  
“Tourism Vancouver”  
Held at  
Sheraton Vancouver Wall Centre Hotel  
Thursday, June 26, 2014

Meeting called to order by chair, Bob Lindsay at 9:04 am.

The auditors advised there was quorum to conduct the meeting.

***Motion:***

***That the 110<sup>th</sup> Annual General Meeting minutes held June 13, 2013 be adopted as circulated.***

***Moved, seconded, carried.***

1. Financial Report for fiscal year ended December 31, 2012, presented by *Robert Safrata, Chair, Audit Committee.*

This Committee meets on a regular basis to review the financial operations of the Bureau and to recommend any action necessary to ensure the Bureau’s financial stability.

In April, the committee met with our auditor, KPMG, to review the results of the audit for 2013. We are pleased to report that the Bureau received a clean bill of health and there were no material issues and the audited financial statements have been posted in our Member website for your review.

### **Here are the financial highlights for fiscal 2013**

**Revenues** totaled \$16.3 million, a 27% increase compared to the previous year. The gain was due to hotel tax revenues surpassing previous records set in 2010 as a result of the Olympic Games and also due to a special marketing grant from the Province of BC.

**Expenditures** totaled \$14.8 million, an increase of 4% due primarily to higher industry contribution payments related to the expansion of the convention centre.

**Next item:** A priority of the Audit Committee was to look into the area of socially responsible investing or **SRI**. SRI is the integration of environmental and social factors in the selection of financial investments.

Latest industry reports indicate that 20% of all financial assets under management **now** incorporate SRI principles. And research has shown that SRI funds tend to perform better than the general market.

We are very pleased and proud to announce that the Board has endorsed a revision to our investment policy enabling us to move forward with SRI. We truly believe this is a positive initiative as it aligns the Bureau's mission and values with its money while promoting an optimal return on our financial investments.

**Finally**, to its credit, Tourism Vancouver played a pivotal role in the expansion of the Vancouver Convention Centre and made a multi-year financial commitment through the Tourism Industry Contribution Agreement, or **TICA** in short. As reported in prior AGMs, the payments related to the expansion of the convention centre will continue to increase and totaled just over \$3.1 million in 2013.

Under TICA, the Bureau will meet its \$90 million obligation by contributing a portion of the 2% hotel tax. These payments started out modestly at 2.5% of the hotel taxes collected in the first couple of years and will increase significantly over time. The smaller initial payments were done with the anticipation that we needed sufficient resources to build the incremental business in order to fill the increased capacity.

By 2013, those payments increased to 30.1% of the hotel taxes collected and in 2014 will increase to 37.5%. Payments will eventually max out at 42.5% starting in 2022 until the \$90 million obligation is fully amortized.

**The challenge is this:** the majority, or approximately 80% of the Bureau's annual revenues come from the 2% hotel tax and almost half of this primary revenue source is going toward paying down the \$90 million obligation. We urgently need to secure replacement or incremental funding in order to have sufficient sales & marketing resources to compete effectively.

The need to address our funding has been a priority and we continue to work with the Province to secure incremental, long term, legislated funding. Without such funding, we will have to consider possible reductions to our operations and related sales & marketing activities beginning in fiscal 2015.

**In summary,**

- the Bureau operated on solid financial grounds in 2013.
- SRI investments have been implemented and
- we face the future challenge of incremental funding in light of the growing TICA contribution payments.

This concludes the financial report.

***Motion:***

***That the audited financial statements for the fiscal year ended December 31, 2013 be adopted as circulated.***

***Moved, seconded, carried.***

Re-appointment of auditors:

***Motion:***

***That KPMG Chartered Accountants be re-appointed as the Bureau's financial auditor for fiscal 2014.***

***Moved, seconded, carried.***

2. Announcement of 2014-2015 Tourism Vancouver Board of Directors, *Michael Cameron, 2<sup>nd</sup> Deputy Chair*

In February of this year we convened a special members meeting to make some adjustments to the bylaws. One change was to allow the board, should it deem it in the best interests of Tourism Vancouver, to appoint the chair for a second one year term. With the change in president, CEO this year, the board thought it best that our chair continue for a second year, and Bob Lindsay has graciously agreed to do so.

The following board members were duly elected to serve for 2014-2015 in accordance with the bylaws:

Phil Barnes, Regional VP, PNW, Fairmont Hotels & Resorts, General Manager, Fairmont Pacific Rim

George Bartel, President, CEO, Cantrav Services

Michael Cameron, General Manager, Grouse Mountain Resorts

Ken Cretney, Chief Operating Officer, BC Pavilion Corporation

Nicholas Gandossi, General Manager, opus Hotel Vancouver

Marion Harper Treskin, General Manager, The Westin Bayshore, Vancouver

John Korenic, Director, Aviation Marketing, Vancouver International Airport Authority

Bob Lindsay, Owner/Operator, Lift Bar Grill View

Jonas Melin, General Manager, Inn at False Creek, Quality Hotel Downtown Vancouver

Catherine Runnals, President, brandLIVE

Robert Safrata, Owner, West Coast Sightseeing

Nancy Stibbard, President/Owner, Capilano Suspension Bridge

Peggie Terry, Publisher, WHERE Vancouver

Johnny Tsang, General Manager, Empire Landmark Hotel

Hal Wake, Artistic Director, Vancouver Writers Fest

3. Presentation to departing board members, *Bob Lindsay, Chair*

Recognition and appreciation was given to the following board members who term as director is completed.

Susan Roberts, Managing Director, CongressWorld Conferences Inc.

4. Chairs Report, *Bob Lindsay*

*As you know, for the past 21 years, Rick Antonson has provided the CEO's report for each annual general meeting. Today, Rick is some 12,000 kilometres away beginning his new career as a fulltime author, so I would like to share a few words about the past year and conclude with a brief look ahead. As chair, I probably had breakfast with Rick 48 times in the past few months. Frankly, I'm pretty happy to have a break!!*

*2013 and the first half of 2014 have been very solid.*

*As an organization and as an industry, we can be proud of several notable achievements:*

*It was the tourism industry that secured the TED conference for Vancouver, and I am certain you will all agree this event made a profound impact on our city and on the delegates who attended. TED proved to be an outstanding experience for visitors and our industry alike.*

- *This past year, we secured Vancouver's largest convention ever...Alcoholics Anonymous...in 2025. This is an event we bid for previously on two occasions so we are delighted to have this win;*

- *This past January & February, we enjoyed a record setting Dine-Out Vancouver festival, which is the largest of its kind in Canada;*
- *Most recently, Vancouver hosted Rendezvous Canada -- one of the most successful ever. In fact, it has future host cities wondering how to top the Vancouver experience;*
- *Last July, Tourism Vancouver opened its newly renovated visitor centre which quickly established new highs in sales;*
- *As the cruise business continues to flourish, we welcomed the return of Disney Cruiselines, an important partner of the port and our industry;*
- *In 2013, we achieved the highest ever in 2% hotel tax revenues;*
- *And last but not least, we continue to garner incredible coverage by international media --*

#### *Video of media highlights*

*At this time last year, I told you that while 2013 was improving, it was not without some challenges. Well, we rose to those challenges and, as a result, are seeing solid progress. In fact, our most recent reports show occupancy is up 8% while visitation has increased by 5%.*

*Last year, I committed to report out on the key areas that your board has been focussed on in relation to the Vancouver Tourism Master Plan.*

*Among the priorities I referenced were:*

- *A product development strategy for Vancouver;*
- *An events strategy;*
- *Visitor experience and way finding in concert with the city;*
- *Working more closely with the Business Improvement Associations;*
- *And ensuring visitors were factored into the region's transportation strategies.*

*In the context of this plan, we have been working with the City of Vancouver and the Vancouver Economic Commission on these initiatives. Among those discussions are some great ideas about possible new products to augment what we currently enjoy within the city. Much of this planning focuses on sporting as well as arts and culture events.*

*I'm extremely pleased that we're working with all 22 BIA's in the city to further flesh out product development and marketing opportunities. We are looking in particular at the shoulder season, to further bolster Vancouver as a 12-month destination.*

*Tourism Vancouver, in our role as a destination marketing AND management organization, has been a strong voice at the table on issues such as regional transportation and the government's liquor review process.*

*We provide a much needed perspective on behalf of you, our members, as well as visitors.*

*Over the past 12 months the board's efforts have focussed on building business, finding a new president and CEO, as well as pursuing a solution to the funding challenges we continue to experience as an organization.*

*As you heard in the finance report, this is a top priority of the board. We need to ensure that Tourism Vancouver has sufficient resources to compete in the marketplace against destination marketing organizations such as Toronto and Montreal who operate with twice our budget.*

*While our conversations with the province have been ongoing and progressive, we remain absent a solution on incremental, long-term, sustainable and legislated funding.*

*I remain confident a solution is forthcoming given the strong relationship between Tourism Vancouver, the Vancouver hotel community (through the Vancouver Tourism Coalition) and government.*

*Looking ahead, your board will continue to ensure we have a strong organization with the right focus, solid financials and an exceptional sales and marketing team. We will continue to aggressively pursue opportunities in the international congress market, in growing markets such as China and India, and in the sports market. We will be taking full advantage of the recovering market in the U.S. to pursue opportunities in both leisure and conventions.*

*Your board is looking forward to working closely with your new president and CEO as he transitions into his role. I know Ty is excited to build relationships with all of you.*

*We will continue to focus on ensuring strong partnerships that are paramount to our success both locally and internationally.*

*You may recall our Rethink Vancouver project produced several recommendations, one of which was the goal of securing one major conference and one major event to anchor each month of every year.*

*We are diligently working toward that objective and within the last year have already secured 20 city-wide conferences spread from 2015 to 2026, many with the help of the Be A Host program.*

*And finally, in a rapidly changing business environment, we believe one of the strengths of Tourism Vancouver is our ability to stay at the forefront of marketing ingenuity.*

*We are challenging ourselves every day to be opportunistic, nimble and innovative in our marketing efforts.*

*Looking ahead, 2015 promises to be an excellent year, with the Modern Languages Conference in January, World Dermatology in June and International Diabetes in December. Not to mention the Women's World Cup of Soccer in June.*

*But there is still plenty to do to generate business for next year. And the same goes for both 2016 and 2017.*

*Please know that your board will work closely with management and staff who are absolutely committed every day to improving circumstances for your businesses in the short, medium and long term.*

*I would like to thank you, our members, for the work that you do individually and as part of Tourism Vancouver. I look forward to working with you again over the next 12 months as we set a path for 2025.*

*Finally, as you know, Tourism Vancouver engaged Boyden Global Executive Search to help us scour the planet for our new president and CEO.*

*I'd like to thank Ken Werker - managing partner, and Kathryn Young – partner, for their tremendous efforts.*

*I would also like to publicly acknowledge the board approved search committee of which I was a part.*

*Our chair was Howard Jang, Executive Director of the Arts Club Theatre Company, and past chair of Tourism Vancouver*

*Phil Barnes, Vice President Fairmont Hotels & general manager, Fairmont Pacific Rim, as well as board member of Tourism Vancouver*

*Michael Cameron, General Manager of Grouse Mountain and second deputy chair of Tourism Vancouver*

Janet Carson, Vice President, Marketing and Travel Services,

BC Ferries

Barrett Fisher, president, CEO, Tourism Whistler

Jonas Melin, general manager, inn at false creek and first deputy chair Tourism Vancouver, as well as Immediate Past Chair of the Hotel Association of Vancouver

Randy Powell, president, CEO, Rocky Mountaineer

The search committee was supported by Sandra Sharples, director, human resources, Tourism Vancouver.

I personally found the experience to be incredibly informative and so much valued the time I got to spend with the committee members.

Thank you to the entire committee for your extraordinary effort and commitment.

5. Introduction of new CEO, chair, Bob Lindsay

Now it gives me great pleasure to introduce our new president and CEO, Ty Speer.

As you likely read, or heard, Ty joins us from the Glasgow 2014 Commonwealth Games where he was Deputy CEO.

Among other successes in that role, he was responsible for an incredible 168 million dollars in corporate sponsorship revenue!

As part of the London Olympic Games, his responsibilities included leading all client partnerships and managing commercial relationships with the British Olympic Association, the British Paralympic Association, and various public sector partners such as Greater London Authority, Visit London and UK Sport.

Having built his reputation on being a dynamic, strategic and collaborative leader, Ty brings a private-sector, international perspective to Tourism Vancouver, with extensive experience working with boards of directors, multi-levels of government, corporate sponsors and media.

What impressed the search committee most about Ty was not only his senior level experience in Glasgow, London and the Melbourne Commonwealth Games, but his proven track record in sales, marketing, partnerships and strategic business planning.

He doesn't know this but we were all blown away by his attention to details, including his use of lighting in our first Skype interview. This was clearly a guy who understood that 'great connection' matters – in every sense of the word.

I'm very pleased to tell you that he was the committee's unanimous choice!!!

Ty has led large, successful operations around the world. His international experience, combined with solid relationships within the international sport and business community will be a tremendous asset for Tourism Vancouver as we look to establish Vancouver as a world city, and continue to generate demand for our destination.

Ty's official first day at Tourism Vancouver is July 14. Ladies and gentlemen, please give a warm, Vancouver welcome to Tourism Vancouver president & CEO, Ty Speer.

6. President & CEO, *Ty Speer*

Ty's presentation was videotaped, posted to the member net and circulated to members in E-News.

7. Adjournment, *Bob Lindsay, chair*

**Motion:**

***That the 111<sup>th</sup> Annual General Meeting of Tourism Vancouver adjourn.***

***Moved, seconded, carried.***

Thanks were expressed to the Vancouver Sheraton Wall Centre Hotel for their support in hosting this morning.