



## REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

### Extension of Exclusive Food & Beverage Services Agreement with Spectra Food Services

**Date:** March 22, 2022  
**To:** The Board of Governors of Exhibition Place  
**From:** Don Boyle, Chief Executive Officer  
**Wards:** All

#### **REASON FOR CONFIDENTIAL INFORMATION**

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The attachment to this report contains financial information that belongs to the Board of Governors of Exhibition Place and has monetary value or potential monetary value.

#### **SUMMARY**

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In 2013, Spectra Food Services was the successful proponent for exclusive food and beverage services in response to a public RFP issued through the City of Toronto's Purchasing and Materials Management Division.

The purpose of this report is to seek Board authority to extend the exclusive food and beverage services agreement with Spectra Food Services ("Spectra") (formerly Ovations Food Services, LP) for the Enercare Centre and other buildings utilized for trade and consumer shows except for the Beanfield Centre, for an additional five (5) year term from December 1, 2024 to November 30, 2029 on the same terms and conditions as the existing agreement except for the financial terms as outlined in Confidential Attachment 1 to this report.

Exhibition Place currently has two (2) exclusive food and beverage service agreements. One for Spectra and the other with Cerise Fine Catering. Cerise Fine Catering agreement is exclusive for Beanfield Centre and ends on June 1, 2029, while Spectra Food Services Agreement is exclusive for Enercare Centre and other buildings and is set to expire on November 30, 2024. The five year extension of the Spectra food and beverage service agreement would make the last year of the term coterminous with the Cerise Fine Catering agreement which ends on June 1, 2029. With both agreements expiring in the same year, this will allow the Board to go to market in 2029 with an RFP to secure one exclusive food and beverage services agreement for Exhibition Place.

## **RECOMMENDATIONS**

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The Chief Executive Officer recommends that the Board of Governors of Exhibition Place:

1. Subject to City Council approval, approve an extension to the Exclusive Food & Beverage Services Agreement with Spectra Food Services (Spectra) for provision of services within the Enercare Centre and other buildings utilized for trade and consumer shows at Exhibition Place (excluding Beanfield Centre) for a five (5) year term from December 1, 2024 to November 30, 2029; on the same terms and conditions as the existing agreement save and except for the financial terms as outlined in Confidential Attachment 1 to this report and any such other terms and conditions satisfactory to the Chief Executive Officer, Exhibition Place and in a form satisfactory to the City Solicitor.
2. Direct that the confidential information contained in Confidential Attachment 1 to this report remain confidential as it contains financial information that belongs to the Board of Governors of Exhibition Place and has monetary value or potential monetary value.
3. Recommend that:
  - a. City Council approve an extension to the Exclusive Food & Beverage Services Agreement with Spectra Food Services (Spectra) for provision of services within the Enercare Centre and other buildings utilized for trade and consumer shows at Exhibition Place (excluding Beanfield Centre) for a five (5) year term from December 1, 2024 to November 30, 2029; on the same terms and conditions as the existing agreement save and except for the financial terms as outlined in Confidential Attachment 1 to this report and any such other terms and conditions satisfactory to the Chief Executive Officer, Exhibition Place and in a form satisfactory to the City Solicitor.
  - b. City Council direct that the confidential information contained in Confidential Attachment 1 to this report remain confidential as it contains financial information that belongs to the Board of Governors of Exhibition Place and has monetary value or potential monetary value.

## **FINANCIAL IMPACT**

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The agreement will provide a positive revenue stream over the term to the Board as set out in the Confidential Attachment 1 from commissions received based on food and beverage sales.

## **DECISION HISTORY**

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The Exhibition Place 2017 – 2019 Strategic Plan had a Financial Goal to achieve positive financial performance across Exhibition Place and all its business and deliver

operating results that met or show positive revenue surplus and/or positive under expenditure to budget.

At its meeting of May 25, 2012, the Board approved proceeding with fsSTRATEGY as the Board Food and Beverage consultant to assist with the issuing of a public RFP for the provision of food and beverage services to Enercare Centre (formerly Direct Energy Centre), and other buildings utilized for trade and consumer show events.

[https://www.explace.on.ca/files/file/58bf0dfc24a22/Item-17-Food-Consul\(1\).pdf](https://www.explace.on.ca/files/file/58bf0dfc24a22/Item-17-Food-Consul(1).pdf)

At its meeting of May 30, 2013, the Board approved of an agreement with Ovations Food Services, LP, now Spectra to provide exclusive food and beverage services to Enercare Centre (formerly Direct Energy Centre) at Exhibition Place and the other buildings utilized for trade and consumer show venues for a term of eleven (11) years, (4) months and fourteen (14) days commencing July 18, 2013 and terminating on November 30, 2024.

[https://www.explace.on.ca/files/file/58bee46593248/Item-1-Foodservices-Agreement\(1\).pdf](https://www.explace.on.ca/files/file/58bee46593248/Item-1-Foodservices-Agreement(1).pdf)

At its meeting on February 6, 2015 the Board approved amended terms and conditions of the Agreement with Ovations in recognition of operational challenges faced by Ovations in its first contract year.

<https://www.explace.on.ca/files/file/58c6c48d48703/Item-19-Ovations.pdf>

## **COMMENTS**

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Exhibition Place currently has two (2) exclusive food and beverage service agreements, one with Spectra and the other with Cerise Fine Catering. The Cerise Fine Catering agreement is exclusive for Beanfield Centre and ends on June 1, 2029, while the Spectra is exclusive for Enercare Centre and other buildings and is set to expire on November 30, 2024. The extension of the Spectra agreement would make the last year of the term coterminous with the Cerise Fine Catering agreement which ends on June 1, 2029. Having both agreements expire in the same year, would allow the Board to go to market in early 2029 to secure one exclusive food and beverage services agreement for Exhibition Place.

With the existing agreement set to expire on November 30, 2024, Spectra has proposed an upgrade to the existing food and beverage built-in concession kiosks, as well as, other upgrades to the infrastructure within the Enercare Centre food & beverage areas as illustrated in Confidential Attachment 1, in return for an extension of its existing agreement of a term of five (5) years from December 1, 2024 to November 30, 2029 on the same terms and conditions of the existing agreement.

The upgrades proposed by Spectra would include but are not limited to:

- Technology Enhancements - cashless point of sales, mobile / self ordering system, digital menu boards
- Enhanced Sustainability Initiatives - biodegradable / compostable products, local food & drink procurement

- Community Initiatives - donation of unused food to local food banks
- Retail Enhancements - upgrading and rebranding the five built-in food and beverage locations within the Enercare Centre into new and updated food and beverage point of sale locations to increase food and beverage sales annually
- Furniture, Fixtures & Equipment - updated cutlery, china, serving utensils and food serving / display items

Ovations, since taking on the role of exclusive caterer, has invested in updating and upgrading the point of sales system, digital menu boards, permanent concession presentation, and has secured a number of diverse subcontractors, offering fresh and new concepts that have been well received by Exhibition Place's clients and the public.

### **Ownership**

Oak View Group (OVG), a global venue development, advisory, and investment company for the sports and live entertainment industries, acquired in November 2021 Spectra, one of the industry's leading venue management and hospitality providers, to create one world-class, full-service live events company.

Founded by Tim Leiweke and Irving Azoff in 2015, OVG is focused on being a positive disruption to business as usual in the sports and live entertainment industry and currently has eight divisions across four global offices (Los Angeles, New York, London, and Philadelphia). OVG is leading the redevelopment and operations of Climate Pledge Arena at Seattle Center, as well as, leading arena development projects for UBS Arena in Belmont Park, NY; Moody Center in Austin, TX; New Arena in Coachella Valley, CA; and Co-op Live in Manchester, UK. OVG Global Partnerships, a division of OVG, is the sales and marketing arm responsible for selling across all OVG arena development projects. OVG Facilities, a division of OVG, is the facility management, booking, security, and sanitization services arm that performs services for both OVG's arena development projects and clients on a 3rd party basis. OVG Media & Conferences, a division of OVG, publishes Pollstar and VenuesNow, in addition to hosting live entertainment-centric conferences around the world. OVG's Arena Alliance, a division of OVG, is a collection of the top 32 venues in North America that provides a platform for booking, content, and sponsorship sales opportunities.

Spectra is an industry leader in live events and entertainment. Spectra's network of elite onsite management teams work with municipalities, colleges and universities, private developers, and other client-partners to create memorable experiences for millions of visitors every year. Spectra delivers measurable value through a blend of venue management, food services and hospitality, and partnerships services for 330 top-tier clients across North America and the globe, including stadiums, arenas, convention centers, performing arts centers, fairgrounds, and casinos. Spectra's venue management division specializes in pre-construction consulting, event booking and content development, finance and administration, great customer service, marketing and sales, operations, ticketing and box office management. The food services and hospitality division delivers expertise in concessions, catering, facility design, restaurant and premium space management, and data & analytics. Partnerships offers an array of services in five main areas: property sales and representation, naming rights, hospitality and premium seating, strategic consulting, and national partners. Spectra's onsite teams are backed by senior leadership providing expertise in sophisticated areas such

as human resources, legal and risk management, procurement, communications, and crisis management.

Spectra's award-winning culinarians and food services & hospitality teams strive to deliver the best accommodations, highest-quality amenities, and premium food and beverages to guests across North America. They know that exciting and memorable experiences lead visitors to return time and time again and because they annually serve more than 250,000 events and 40 million guests, they are the experts in making experiences great.

## **CONTACT**

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Laura Purdy, General Manager, 416-263-3020, [LPurdy@explace.on.ca](mailto:LPurdy@explace.on.ca)

Hardat Persaud, CFO & Corporate Secretary, 416-263-3031, [HPersaud@explace.on.ca](mailto:HPersaud@explace.on.ca)

## **SIGNATURE**

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Don Boyle  
Chief Executive Officer

## **ATTACHMENTS**

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Attachment 1 - Confidential Attachment 1 - Proposed Financial Terms.