

Revenue Opportunities

Multi Purpose Ag Event Centre

These revenue opportunities are based on the following criteria:

- modifications to the facility layout as specified in the recent report to council, including
 - two barns of 150 stalls each for a total of 300 stalls
 - one barn of 150 stalls is not sufficient to house enough animals to attract enough events with sufficient size.
 - covered outdoor arena up beside the outdoor ring, both adjacent to the main indoor arena. This allows for efficient movement of people and animals between barns, outdoor rings and the main arena ... concurrent events can take place with efficient event management and event administration from one central office in the main arena building.
- *a strong and experienced operations, management and marketing team*

1. Profit Centres ...

- **Stalls** - each stall is a **profit centre** and the main source of revenue when renting the facility for events. The revenue coming from renting the main arena and rings is a small in comparison.

Stall rental rates:

Based upon the Pononka Calnash Centre

- stabling per stall 1 night \$40
- stabling per stall 2 nights \$60
- stabling per stall 3 nights \$80
- stabling per stall 5 nights \$120

Sponsorship:

For some events at our AgEvent Centre, sponsorship will be the revenue source. It is imperative that the Ag Event Centre Facility team begin working as soon as possible to develop relationships in the Ag Industry and in local and Central/Northern Alberta communities. These relationships will build the sponsorship strength.

Sponsorship Tiered Benefits

- Gold, Silver, Platinum, Exhibitor – yearly (or multi year) sponsorship

Sponsorship Investment will be determined by exposure and longevity ...

- annual sponsorship vs event based sponsorship (the ideal is a 3 year sponsorship)
- the number of relevant audience attendance / attendee exposure
- \$1000,000 for the year (Gold) vs \$10,000 for the event (these are large numbers and the need for effective relationships and strong event management at the Event Centre are critical)

-Benefits for the sponsors could include:

- website –company profile
- signage – in venue, all year round or at specific events
- social media – announcements , shares etc.
- screen time – in venue during events, advertising slides

Exhibitor Commissions on Self Hosted events

- food and beverage concessions (food trucks) -15% to 24%
- outdoor vendors charging for their services (Midway rides, vendors selling their goods) 24% commission
- trade show exhibitors (can range from \$400 to \$1000 – possibly more, depending upon the event)

Facility Rental

- revenue from the facility rental is minimum

Ponoka Calnash Centre

Arena – move in day rate	\$750
Arena Event Day rate	\$1200/day
Environmental fee	\$50/day

Westerner Red Deer

Arena - move in day rate	\$750
Arena Event Day rate	\$1550/day
Environmental fee	\$12 flat fee per horse
Outdoor Covered arena	\$775/ day

Strathcona Ag Event Centre Propose Rates (for rental of the facility)

<i>Arena move in day</i>	<i>\$750</i>
<i>Arena Event Day rate</i>	<i>\$1500</i>
<i>Environmental fee</i>	<i>\$50/day</i>
<i>Outdoor Covered arena</i>	<i>\$775/day</i>

An experienced Ag Event Management Team is critical for marketing and operating this facility to maximize the revenue potential.

2. Possible Events at the Strathcona Multi Purpose Agriculture Event Centre

Plan for One or Two Signature Events per Year

• Budget and plan for 20 rental opportunities to Horse Show Organizations

20- 3 day Horse Shows of 200 horses utilizing the main arena, barns and all outdoor rings

- stalls @ \$80 x 200 horses	\$16,000
- Arena rental \$1500/day	\$4500
- Outdoor covered arena @\$750/day	\$2250
- Environmental fee @\$50/day	\$150
Total per show	\$22,900

20 Shows TOTAL \$458,000

5 – 5 day Horse Shows of 200 horses utilizing the complete facility

- stalls @ \$120 x 200 horses	\$24,000
- Arena rental @ \$1500/day	\$7,500
- Outdoor covered arena @\$775/day	\$3,875
- Environmental fee @ \$50/day	\$250
Total per show	\$35,625

5 Shows TOTAL \$178,125

***Note: for similar sized shows that our team would self manage ad a minimum of 30%
in increased revenues***

County Fair (*soon to become Strathcona Country Farm Fair??*)

- Self Hosted

- revenue for a County Fair will be largely through sponsorship and food vendor commissions

- cattle shows and other livestock shows there is a small entry fee for each animal. Since we are Self Hosting, these fees generally cover the prizing (ribbons, gift cards etc)

- An all breed horse show at the Country Farm Fair could easily attract 200 entries. Since the barns and main arena could be active with other animal events, the Outside covered arena could be the main horse show venue with the adjacent sand ring providing the warm-up space. Possibly one barn could be used for stall rentals for the horses. If there are more horses than stalls available, outdoor stabling could be provided.

Ranch Rodeo in Main indoor arena

- as part of the Fair, the rodeo could run at night with **admission** charged for the public.
- other revenue sources would be **food and alcohol sales** (if permitted)
- participants pay an entry fee for participating. Usually the entry fees cover the cost of prizing and help with some of the other costs incurred in set up of special paneling, pens and shutes, as required by the rodeo event.
- Concurrent activities on- site may include a small mid-way, trade show with Ag vendors (midway vendors – 24% commission)

3. Other SELF HOSTING Horse Show Revenue Opportunities

Strathcona Classic Horse Show Series (FUN FUN FUN- free admission to the public)

A series of 2 or 3 day horse shows which would utilize the whole facility

- All Breed, classes for every level of skill – every horse owner in the county could come and participate at their level, at a price they could afford

Possible revenues for a 200 horse show ...

- | | |
|---|----------|
| - 200 stalls @ \$40 each | \$8,000 |
| - class fees – each horse goes in an average of 3 classes @ \$20 each | \$12,000 |

Note 1: we could offer a discount on stall fees or class entry fees for anyone registering who has a Strathcona County address)

*Note 2: Potentially, we could offer a **Strathcona Ag Card** (like a Millenium Card) which would offer other discounts and incentives at the Event Centre for those who purchase*

Note 3: we could offer special recognition at the end of the year and recognize ... Horse of the year, Rider of the Year, Novice Horse and Rider of the Year, Most Improved Horses, Most Improved Rider etc. for those who participate in all Series Shows in a year. A great way to celebrate our status as a healthy and vibrant Horse Community.

Note 4: a 4H section of the show would attract more ... reduced rates for them

Note 5: including a dog agility component would increase public interest to the event. (Years ago there was a similar type show at Northlands and they hosted a jumping class / competition between several 4H riders and Super Dogs going over the same fences ... what an exciting night that was for the exhibitors and the public)

4H Regional Competitions

- 4H needs a home and this facility with its multitude of rings would be a great place.
- no revenue generation ... sponsorship would cover costs.

Pony Club Competitions

- this organization could use a local venue for local members.
- their big event is the Prince Charles Games ... our venue would be great. I believe venues bid on this. *(Our management team would be an asset in the bidding process)*

Fun Show Days

- single day events, which can offer an education component
- individual days would cater more to the local rider and offer them an opportunity to participate in a quality event at the Ag Event Centre. A small fee is charged, mostly to cover prizing – ribbons etc.)
- Most of these could be run in the outdoor covered arena with exhibitors tying to their trailers (stalls may be offered as an option).
- events could include Dressage, Western Dressage, Hunter Jumpers

(Note: I have run events like these in the past. They are very popular because they are affordable and offer education and experiential value)

Dog and Cat Shows

- dog and cat shows could actually utilize our 2 barns ... 1 for the show area and 1 for the preparation area.
 - a revised rental fee of the barns provides another rental option
- agility trials can be held outside ... no rental fee is necessary. For those occasions where weather is a factor, the main arena is large enough to accommodate an indoor version.

Other Livestock Shows, sales and Events

- there are “travelling road shows” of special livestock displays and shows. Our Management team would be on the lookout for these types of events and could/would arrange for the attractions to visit our Event Centre. Sponsorship driven
- for cattle sales, revenue is rental of the facility plus any extra set-up, tear-down and handling costs.

Consider ...

An Elite Hunter Jumper Show

- hosting a high end Hunter Jumper Show that would be on the same circuit as Thunderbird Park in BC and Spruce Meadows, in Calgary
- our Management team would explore the opportunity and determine what is required in terms of facility. If we could meet the terms of their requirements it would be a tremendous opportunity to provide a high spectacle for Strathcona County residents and the surrounding area.
- revenue would be facility rental, sponsorship, possible admission fees, commission on food sales.

Note: several years ago I met with Nancy Southern from Spruce Meadows [Ron Southern, her dad, built Spruce Meadows]. She and I discussed the many benefits of having another venue in Western Canada that could/would host such an event on their circuit. What a boost to our community.

Drop-In Riding

- we may want to consider “Drop-In” riding at the indoor facility. This offers local horse people the opportunity to ride in the main arena. Typically, ***a small fee (\$20-\$30) per horse is charged.***
- this, potentially, could be run on a Monday, Tuesday or Wednesday evening, pending the booking schedule of the facility.
- hours of accessibility would be approximately 7pm to 9pm
- if you base the hourly rate at approximately \$150/hour, we would need to ensure there were enough riders to cover the hourly cost.

Note: with the outdoor covered arena this may only work in the months of the year where weather is a factor (September, October, November – March, April etc). I wouldn't expect user groups will use the outdoor covered arena more than 4-5 months per year. As time goes on this could become less and less and the covered outdoor arena would be used primarily for show and clinics. Why is this??? ... when it is windy and cold – the wind still blows through the covered arena. When it rains, the water always finds a way in and a portion of the arena becomes flooded ... just ask the Westerner facility in Red Deer. They actually installed a full tent wall to protect their outdoor ring from the prevailing winds. It is still worth its weight in gold for the facility ... as it will be for our facility.

Educational Events

Amazing Ag ... with a facility like our and Ag Organizations (ie Canola Growers, Alberta Beef, Potato Growers, Pork producers, Poultry Association, Wheat Growers, Pulse Growers etc) having significant budgets to spend on Ag Educational activities to create awareness in our children, we can create Ag Education programs for students in Elk Island Public and Separate Schools. ***These Ag groups could be possible prospects for Event Centre Sponsorships***, and that would include their involvement in Amazing Ag activities and events.

In Conclusion

With an experienced, creative, dynamic and enthusiastic operations and marketing team this facility has the potential to surpass all expectations of what this Event Centre can be. If we “get out there” now, and not once the facility is complete and ready, we can begin to sow the seeds that will bring industry, sponsors, and community together to make our county great. Every visitor we attract from outside the county is NEW money and our local businesses will benefit. Many of the events at the Event Centre can be and should be FREE for our county and Sherwood Park residents to experience a world which is beyond expectations. This is about community; this is about Agriculture.