

Town of Whitby

Staff Report

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Report Title: Canadian Tire Whitby Naming Rights Sponsorship of Arena 1 at McKinney Centre

Report to: Committee of the Whole

Date of meeting: September 18, 2023

Report Number: CAO 25-23

Department(s) Responsible:

Office of the Chief Administrative Officer

Submitted by:

Sarah Klein, Director of Strategic Initiatives

**Acknowledged by M. Gaskell,
Chief Administrative Officer**

For additional information, contact:

Paul Pirri, Senior Manager of Economic Development, pirrip@whitby.ca

1. Recommendation:

1. That Council approve entering into a three (3) year sponsorship agreement effective November 1, 2023, with Canadian Tire for a Naming Rights Sponsorship at McKinney Centre, including renaming Arena 1 to "Canadian Tire Whitby Arena 1", based on the sponsorship package and other terms and conditions identified in Report CAO 25-23.

2. Highlights:

- The Advertising and Sponsorship Division of Economic Development actively solicits the community for sponsorship participation in Town recreational facilities. Top level sponsorship packages include Naming Rights to certain facilities which are subject to Council approval.

- The purpose of this report is to seek Council's approval to secure the proposed Naming Rights Sponsorship by Canadian Tire for Arena 1 at McKinney Centre for a three (3) year term.
- The sponsorship of Arena 1 at McKinney Centre has been occupied by Bollocks Pub and Kitchen since September 1, 2018. The original contract was set to expire on August 31, 2021. Due to the COVID-19 pandemic, the contract was extended to August 31, 2023. Bollocks Pub and Kitchen chose not to renew, and the space has been unnamed since.
- Subject to Council's approval, McKinney Centre Arena 1 would be titled "Canadian Tire Whitby Arena 1" for the term of the sponsorship. This new name would be used in Town of Whitby publications, promotional materials, rental permits, and the website as appropriate.
- Total revenue that would accrue to the municipality over the term of the sponsorship would be \$53,000 + HST. Canadian Tire would be responsible for the production and installation costs associated with the sponsorship package. This is standard practice with the Town's sponsorship program.

3. Background:

McKinney Centre Arena 1 has been without a Naming Rights Sponsor since August 31, 2023. Canadian Tire has chosen to expand their existing advertising portfolio and has agreed to a three (3) year Naming Rights Contract for McKinney Arena 1. The Canadian Tire Whitby Arena 1 contract will begin November 1, 2023.

Advertising and Sponsorship, part of the Economic Development Division, Strategic Initiatives, undertakes sponsorship sales initiatives, which include naming rights (title) to certain Town property features.

Under the Municipal Property and Facility Naming Policy (Policy MS 250), staff are required to report to Council for approval of corporate naming rights to Town property or property features.

4. Discussion:

Canadian Tire Corporation, Limited is a Canadian retail company which operates in the automotive, hardware, sports, leisure, and housewares sectors. Its Canadian operations include: Canadian Tire (including Canadian Tire Petroleum gas stations and financial services subsidiary Canadian Tire Bank), Mark's, FGL Sports (including Sport Chek and Sports Experts), PartSource, and the Canadian operations of Party City. Canadian Tire acquired the Norwegian clothing and textile company Helly Hansen from the Ontario Teachers' Pension Plan in 2018.

Canadian Tire Jumpstart Charities is a national charity dedicated to providing kids from low-income families with the opportunity to experience the benefits of organized sports and physical activities. With an extensive, national network of more than 330 local chapters, Jumpstart helps kids in communities across Canada by assisting with the costs associated with registration, equipment and/or transportation. In 2023, the Town of Whitby received \$30,000 for playground funding from Jumpstart. The proposed fee for the sponsorship package reflects current market conditions and is in line with the sponsorship range of fees currently available and sold within the McKinney Centre.

The proposed Canadian Tire Whitby Arena 1 naming rights sponsorship package would include the following components at the McKinney Centre:

Arena 1 Naming Rights Package includes:

- Identification of location in all appropriate indoor and outdoor electronic signage
- Identification of location in all appropriate Town publications and materials
- Reference to location in all relevant scores and activities reported to the media.

Arena 1 Corporate Branding Opportunities

*Main Entrance Doors	*One (1) 7' x 7' full graphic door wrap *One (1) illuminated logo on upper heading of main entrance doors
*Second Entrance Doors	*One (1) 7' x 7' full graphic door wrap on each set of double entrance doors
Inside Wall Feature	One (1) 8' x 12' wall mural inside Arena by second entrance doors
Home Wall Feature	One (1) wall decal behind home bench
Exterior Rinkboard	One (1) exterior rinkboard viewable from main hallway
Stairs Feature	Two (2) stair decals leading to stands
Vinyl Wrap - by Scoreclock	One (1) 8' x 16' premium placement wall wrap above scoreclock
Centre Ice Logo	One (1) 35' x 20' in-ice logo
Neutral Zone Logos	Two (2) 15' x 2' in-ice logos
Glass Decals	Four (4) 47" x 6' glass decals behind goalie net on West Wall
Rinkboards	One (1) 40" x 480" double-size, premium placement rinkboard sign
Dressing Room Doors	Four (4) 11" x 17" dressing room door signs

Note: Canadian Tire has the option to choose as few or as many branded items off this list as they wish. Items marked with * are mandatory. The rest are optional. Design and print production costs are additional.

Additional Exposure and Benefits at McKinney Centre:

Backlit Sign in Main Lobby	One (1) 4' x 6' backlit sign in main lobby.
Free Public Skate	One (1) Free Public Skate, annually. Host a free public skate at McKinney Centre, open to the first 350 participants. Arena 1 subject to availability.
Digital Ad	One (1) complimentary, 20 second digital ad displayed on McKinney Centre lobby TVs.
Meeting Room	One (1) hour of meeting room space annually.
Lobby Rights	Four (4) times annually: Opportunity to set up and staff a display in the lobby to promote Canadian Tire, explain services, distribute flyers, interact with the community, etc.
Brochure Distribution	Distribute promotional flyers and information through existing brochure kiosk in main lobby.
Website	Company logo and sponsorship recognition on Town website.

The sponsorship package summarized would be incorporated into the Town's standard Sponsorship Agreement and follow all guidelines and requirements outlined in the Paid Advertising and Sponsorship Policy MS 390.

5. Financial Considerations:

The total revenue over the three (3) year sponsorship term would be \$53,000 + HST. Year one (1); \$17,000 + HST, Year two (2) \$18,000 + HST and year three (3) \$18,000 + HST. The client is responsible for cost of the design, production and installation of the sponsorship signage and materials.

Net revenue generated by the Advertising and Sponsorship program directly benefits the public by reducing the net cost to provide municipal services at Town facilities and therefore the overall property tax burden.

6. Communications and Public Engagement:

The Advertising and Sponsorship Division will engage the Communication and Creative Services Division to incorporate appropriate sponsorship opportunities i.e.: free skate, communications, and social calendar.

7. Input from Departments/Sources:

This report has been reviewed by internal departments including Community Services, the Communications and Creative Services Division and Finance.

8. Strategic Priorities:

This initiative is consistent with the Town's Community Strategic Plan, specifically Strategic Pillar 4: Whitby's Government. It addresses Objective 4.1 Address community needs through collaboration and strategic partnerships, specifically Action 4.1.2 Strengthen existing and build new partnerships as well as Objective 4.4 Ensure fiscal accountability and responsibly plan for growth, specifically Action 4.4.1 Deliver services that respond to community needs while balancing the impact to the taxpayers.

This initiative takes sustainability and accessibility standards into account when determining locations of advertising and sponsorship materials.

9. Attachments:

Not Applicable