

STAFF REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

DATE: May 23, 2023

TO: MAYOR AND COUNCIL

NAME AND TITLE: Andy Beesley, Director Civic Facilities and Events

SUBJECT: Cariboo Rocks the North Information Report

ATTACHMENT(S): None

RECOMMENDATION(S):

That Council RECEIVES FOR INFORMATION the report dated May 23, 2023, from the Director of Civic Facilities and Events titled "Cariboo Rocks the North Information Report".

PURPOSE:

Council directed administration to return a report regarding the financial matters of Cariboo Rocks the North past events, breaking down the total cost, total revenue and total tickets given away.

BACKGROUND:

In 2016 and 2017, the Pacific Western Brewing Company (PWB) privately hosted smaller successful classic rock music events on their own property, not associated in any way with the City of Prince George.

The City's Entertainment Manager had been looking at the possibility of hosting a rock festival for several years. In 2018, the Entertainment Manager was approached by a rock festival promoter who was interested in moving a 3-day outdoor classic rock festival to Prince George. The Entertainment Manager reached out to PWB as a responsible professional courtesy, to ensure the City was not causing unintended harm or direct competition to a possible 2018 event. After discussions, PWB agreed to work with the City to sponsor this larger event, with a sponsorship package that enabled them to put their name in the title (Cariboo Rocks the North). The 'ownership' of the event belonged to the City of Prince George.

The main terms of the title sponsorship package between PWB and the City of Prince George created in 2018 has remained largely consistent to date. For each event, it includes \$25,000 cash, plus an additional \$25,000 (approximately) of event support and expenses, including merchandise giveaways, marketing of the event, stage scrim, VIP area setup, site signage and pageantry, ID passes and lanyards, and staff support. According to the promoter from the Saskatoon Entertainment Group who promotes 5 very similar classic rock festivals across the country in addition to ours, the amount of financial support offered in our Cariboo Rocks the North title sponsorship is well above average and in fact, unequalled.

The title sponsorship packages for Cariboo Rocks the North have all included a consistent number of complimentary tickets each event. Complimentary tickets are an industry standard for virtually 100%

of all ticketed concerts and events. They are always valued at \$0, and are considered part of the normal practice of the business of putting on events, as well as to enhance the amount of financial sponsorship sought. PWB receives up to 160 regular (e.g. not VIP) weekend passes as part of their package. The way these passes are used are strategized with the City’s Entertainment Manager and PWB, and are used to help advertise the event in many different ways, as well as for PWB’s own employees and key customers.

To date, there have been three Cariboo Rocks the North events in Prince George. These were all outdoor classic rock concerts over 3 days, held at Exhibition Park, with the popularity and ticket sales increasing at each event. All of these events involved a “co-promoter”. The co-promoter is responsible for all of the entertainment bookings, contracts, and related business. The co-promoter shares the ‘risk and rewards’, meaning they share all profits and/or losses. By virtue of buying similar acts for similar festivals across Canada, they are able to lower fees with their buying power.

The most recent event in 2022 had 7,428 day-tickets sold. Approximately 35% of tickets purchased were from outside of Prince George, including visitors from Lax Kw’alaams, Calgary, Anchorage, Abbotsford, Battleford, Whitehorse and Winnipeg. There were several sponsors of this event, with the main/title sponsorship belonging to the Pacific Western Brewing Company (PWB), and other sponsors including Coast PG Hotel, Chinook Scaffolding, Central Builders, Pattison Media Group, PG Recycling, Treasure Cove Casino, and Central Display. There are other event partners including UNBC Women’s Soccer Team, Wheelin’ Warriors, Big Brothers & Sisters of PG, and Save On Foods, who provide services for the event and are able to raise money for charitable purposes as part of those arrangements.

STRATEGIC PRIORITIES:

Hosting concerts and events including Cariboo Rocks the North contributes to Council priorities including Economic Diversity and growth priorities: Marketing Prince George as a place to invest, live and visit; and Social Health and Well-Being: Maximizing the quality of life for all residents.

FINANCIAL CONSIDERATIONS:

The financial breakdown for the 2018, 2019 and 2022 Cariboo Rocks the North events are as follows:

2018				
REVENUE			EXPENSES	
Ticketing	\$ 306,875.00		Artists & Production	\$ 368,434.89
Food & Beverage	\$ 45,081.00		Marketing & Security	\$ 36,621.81
Sponsorship & Merchandise	\$ 30,991.51		Miscellaneous	\$ 53,549.69
TOTALS	\$ 382,947.51			\$ 458,606.39
Net Total	\$ (75,658.88)			

2019				
REVENUE			EXPENSES	
Ticketing	\$ 421,618.10		Artists & Production	\$ 366,362.95
Food & Beverage	\$ 60,035.92		Marketing & Security	\$ 47,770.37
Sponsorship & Merchandise	\$ 32,698.32		Miscellaneous	\$ 51,734.34
TOTALS	\$ 514,352.34			\$ 465,867.66
Net Total	\$ 48,484.68			

2022				
REVENUE			EXPENSES	
Ticketing	\$ 488,428.87		Artists & Production	\$ 410,743.66
Food & Beverage	\$ 70,049.26		Marketing & Security	\$ 51,055.97
Sponsorship & Merchandise	\$ 39,535.71		Miscellaneous	\$ 44,509.68
TOTALS	\$ 598,013.84			\$ 506,309.31
Net Total	\$ 91,704.53			

SUMMARY AND CONCLUSION:

Cariboo Rocks the North has provided classic rock events to the City of Prince George, with a net overall direct profit, as well as significant economic spinoffs from visitors attending the three-day events. While the title sponsorship for this event is well above average in terms of cash and in-kind support offered to the City of Prince George, it is not unique to have a wide variety of sponsored events at the CN Centre. In fact, close to 99% of all ticketed events and concerts at the CN Centre include sponsorships of all kinds, including international, national, and local businesses and organizations.

Administration is in the process of creating a specific concert/event sponsorship administrative procedure for all relevant future ticketed events.

RESPECTFULLY SUBMITTED:

Andy Beesley, Director Civic Facilities and Events

APPROVED:

Walter Babicz, City Manager

Meeting Date: 2023/05/31