

APPENDIX B



THE CORPORATION OF THE TOWN OF
MARKHAM

EXCERPT CONTAINING ITEM #0007 OF THE GENERAL COMMITTEE (November 16, 09)

7. SPONSORSHIP MARKETING (12.2)

Report 1

There was discussion regarding how this proposal would affect the role of Town Foundations.

The Committee had questions regarding the proposed standard retainer fee and commission fee structure. Ms. Lorraine Patterson, Vice President Sales & Marketing, Wakeham & Associates Marketing Inc. addressed the Committee advising that the \$7,500 retainer fee covers 50% of their staffing cost and further explained the commission fees.

The Committee suggested that the following information be provided:

- Examples of the three commission scenarios
- A list of Town buildings that would not be considered for any naming opportunities prior to signing the agreement
- An outline of Wakeham & Associates role relative to Town boards and foundations
- Staff assigned to maintain and manage relationships once a sponsorship is received

Staff suggested presentations on the proposed Wakeham & Associates sponsorship marketing approach be made to the Boards of theatre, Markham Museum and Library. Staff pointed out that a progress report will be made to Council at the end of six months with a recommendation to either continue with the sponsorship marketing campaign or not.

Moved by Councillor L. Kanapathi

Seconded by Councillor J. Webster

- 1) That the tendering process be waived in accordance with Purchasing By-Law 2004-341, as amended, Part II, Section 7 Non-Competitive Procurement, item 1 (c) when the extension of an existing contract would prove more cost-effective or beneficial; and,
- 2) That the following clauses be adopted in principle with final recommendations to be brought forward for Council's consideration; and,
- 3) That contract 2005-I-08 awarded to Wakeham & Associates Sponsorship Marketing Inc. be extended to undertake the development and negotiation of sponsorship opportunities for the Town of Markham at a cost of \$7,500 per month for 6 months plus commissions, as follows:
 - a. 15% commission on cash and in-kind sponsorships would be payable on the Town's receipt of cash or in-kind materials or services.

b. 12.5% commission on successful referrals from the Town of Markham

c. For “properties” valued in excess of \$1 million, Wakeham & Associates would receive 10% on the first \$500,000; 12.5% on the next \$500,000; 15% on the next \$500,000 and 17.5% on anything over \$1.5 million.

4) That the sponsorship opportunities to be pursued include interior and, where appropriate, exterior venue naming; official “category” sponsorships and; presenting sponsors for key Town events and/or programs; and,

5) That any potential sponsors complement the values and goals of the Town of Markham and that any potential naming agreements are sensitive to Markham’s heritage, history, traditions and to the Markham brand; and,

6) That potential sponsor contracts will be reported to Council for approval for the first 6 months; and,

7) That following the first 6 months, staff develop a policy for Council approval, which sets out delegated approval authority levels to staff for sponsorship opportunities; and further,

8) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

CARRIED