Minutes – Executive Policy Committee – November 7, 2012

REPORTS

Minute No. 11 Funding for the Davis Cup

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee recommends to Council:

1. That subject to the success of the 2013 Davis Cup World Group Tennis Event being awarded to Winnipeg, the City of Winnipeg approve a grant in the amount of $50,000 to support this project and that funds be identified in the 2012 and 2013 operating budgets.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Fielding,

WHEREAS Winnipeg is being considered for as a potential host for the first round of the 2013 Davis Cup World Group Tennis Event between Canada versus Spain scheduled for February 1-3, 2013;

AND WHEREAS similar Davis Cup events in other cities in North America have resulted in attendance near 50,000 for the three days and up to 2,000 related hotel nights;

AND WHEREAS the average Economic Impact for similar Davis Cup events for previous host cities has averaged between $2 and $4 million dollars;

AND WHEREAS being the host of a Davis Cup Event is expected to create long term legacies for Winnipeg including:

- the launch of the "little aces" program in spring of 2013 which will promote active and healthy lifestyle programming to children in Winnipeg schools and community centers and;
- awareness and fundraising to support a new public access indoor tennis facility, a first for Manitoba, with anticipated total project value to be in the $4 - $6 million dollar range;

AND WHEREAS this contribution by The City of Winnipeg is deemed desirable as it will support economic and cultural development;

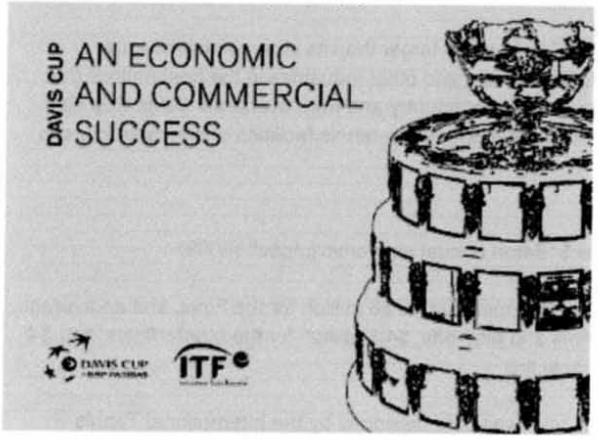
THEREFORE BE IT RESOLVED THAT subject to the success of the 2013 Davis Cup World Group Tennis Event being awarded to Winnipeg, the City of Winnipeg approve a grant in the amount of $50,000 to support this project and that funds be identified in the 2012 and 2013 operating budgets.

and the matter be forwarded to Council.

Carried

Bruce Waschuck, Tennis Manitoba, submitted a presentation titled "Davis Cup Economic Impact".

Davis Cup Economic Impact



Economic impact summary for Winnipeg, Manitoba as potential host for the first round of the 2013 Davis Cup World Group tie between Canada versus Spain, February 1-3, 2013.

'The Davis Cup Economic Survey'

- commissioned in 2009 by the International Tennis Federation (ITF)
- average economic impact for host cities of 1st round World Group ties is $4 million
- average economic impact when *lower level ties are also included* is $2.25 million

Comparisons to other locations:

- Austin, TX estimated economic impact of more than $4.9M (World Group semifinal tie: USA v Spain, July 2011)
    - Total three-day attendance of 48,807
    - 54% of ticket buyers came from outside a 80-mile drive radius
    - Over 7,450 room nights attributable to the event
- Winston-Salem, N.C. estimated economic impact of $5.9M (World Group quarterfinal tie: USA v France, 2009)
- Jacksonville anticipates $2M - $3M (World Group 1st round tie: USA v Brazil, Feb 1-3, 2013 - smaller venue)
    - Expecting about 1,500 to 2,000 hotel room nights for the duration
- Only 1.2% of spectators lived in the City of Birmingham with visitors from all over the US and abroad attended. (World Group 1st round tie: USA v Switzerland, March 6-8, 2009)
- 44% of spectators in Porec were from outside of Croatia. (World Group semifinal tie: Croatia v Czech Republic, Sept 18-20, 2009)

Davis Cup Economic Impact Background

The Davis Cup is an Olympic-style tennis competition with 122 nations competing this year.

The overall economic impact of Davis Cup is much larger than its commercial revenue. Economic impact includes the impact on tourism and other industries in the host nations that result from the arrival of visitors from across that country and from overseas. Davis Cup also provides a significant impetus to the development of new tennis facilities and infrastructure in host cities.

References

- Article: 'Davis Cup generates $184mn annual economic impact' (2009)

  In the World Group, ties generate a minimum of $6 million for the Final, and an average of $5.5 million for the semifinals and play-offs, $4.5 million for the quarterfinals, and **$4 million the first round**. » Article link

- 'The Davis Cup Economic Survey' was commissioned by the International Tennis Federation (ITF), and produced by London-based independent financial forecasters Fathom Consulting. (2009) » Report link

- Davis Cup coming to Jacksonville; economic impact up to $3M » Article link

- Austin, TX (USA v Spain, July 2011) » page 18 USTA Bid Document Guidelines

- Winston-Salem, N.C. (USA v France, 2009) » City sizes up impact of Davis Cup

- Canada v France (Vancouver, Feb 2012) » video recap

Anticipated legacy spend in Manitoba by Tennis Canada / Tennis Manitoba to contribute towards:

- The launch of "little aces" in spring of 2013 which will promote active and healthy lifestyle programming to children in Winnipeg schools and community centers. Anticipated expenditure of $40K to $60K per year.

- Awareness and fundraising to support a new public access indoor tennis facility – a first for Manitoba. Anticipated total project to be $4M - $6M.

  "*Davis Cup in its current format can provide a substantial long-term legacy for the development of tennis in the cities and the nations where it is staged.*" ITF President Francesco Ricci Bitti