

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 05-10

For the purpose of approving a Request for Proposals for National Sales, Marketing and Convention Services for the Oregon Convention Center, and authorizing the General Manager to issue the Request for Proposals.

WHEREAS, the Metropolitan Exposition Recreation Commission operates the Oregon Convention Center and manages all aspects of the marketing and sales of the Center; and

WHEREAS, the Metropolitan Exposition Recreation Commission wishes to engage the services of a professional firm to sell, service and market the Oregon Convention Center to international, national and regional convention and trade show businesses; and

WHEREAS, Section 5(D) of the MERC Contracting And Purchasing Rules requires the issuance of a request for competitive sealed proposals in order to procure these sales, marketing, and convention services; and

WHEREAS, Section 5(D) of the MERC Contracting and Purchasing Rules reserves to the Commission the authority to select the proposer whose proposal is the most advantageous to MERC based on the evaluation process and evaluation factors described in the Request for Proposals and the outcome of the negotiations authorized by the Request for Proposals.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission approves the Request for Proposals for National Sales, Marketing and Convention Services for the Oregon Convention Center, in a form substantially similar to the document attached as Exhibit A, and authorizes the General Manager to issue the Request for Proposals.

Passed by the Commission on April 27, 2005.




Chair

Approved as to Form:
Daniel B. Cooper, Metro Attorney



Secretary/Treasurer



By: Lisa Umscheid
Senior Attorney

MERC Staff Report

Agenda Item/Issue: Approving a Request for Proposals for National Sales, Marketing and Convention Services for the Oregon Convention Center, and authorizing the General Manager to issue the Request for Proposals.

Resolution No.: 05-10

Presented By: Jeffrey A. Blosser

Date: April 27, 2005

Background and Analysis: MERC has used the services of professional sales, marketing and convention services groups to provide very specific national sales and marketing of the Oregon Convention Center to the convention and trade show industry. Staff and Commissioners have been working over the past six months to craft a Request for Proposals that meets the current sales needs, outlines specific accountability measurements and sets the stage for providing these much needed services to generate convention/trade show business for the Center.

Fiscal Impact: The Commission will determine the contract amount for these services annually. This year's budget number was \$2.25 million dollars for such services through a contract with the Portland Oregon Visitors Association.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission approve the attached Request for Proposals for the purpose of selling and marketing of the Oregon Convention Center as well as providing superior convention-related customer services for those groups selecting Portland and the Oregon Convention Center.

REQUEST FOR PROPOSALS

FOR

**NATIONAL SALES, MARKETING AND
CONVENTION SERVICES**

FOR THE

OREGON CONVENTION CENTER



Oregon Convention Center

777 NE Martin Luther King Jr. Blvd.

Portland, Oregon 97232-2742

(503) 235-7575

Fax: (503) 235-7417



**METROPOLITAN EXPOSITION
RECREATION COMMISSION**



A SERVICE OF METRO

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**REQUEST FOR PROPOSALS
FOR NATIONAL SALES, MARKETING AND CONVENTION SERVICES
FOR THE OREGON CONVENTION CENTER**

1. INTRODUCTION

The Metropolitan Exposition-Recreation Commission (“MERC”), located at 777 NE Martin Luther King Jr. Blvd., Portland, Oregon 97232-2742, is requesting proposals for national sales, marketing, and convention services for the Oregon Convention Center. The primary goal of these services is to increase the number of conventions and trade shows at the Oregon Convention Center. Proposals will be due no later than 5:00 PM, Pacific Standard Time on June 17, 2005, in the Oregon Convention Center Administration Offices located at 777 NE Martin Luther King Jr. Blvd., Portland, Oregon 97232-2742. Details concerning these services and the requested proposals are contained in this document.

2. BACKGROUND

A. Overview Of MERC

MERC is a public agency that manages convention, exhibition and performing arts facilities. MERC’s current portfolio includes the Oregon Convention Center, the Portland Center for the Performing Arts (“PCPA”), and the Portland Metropolitan Exposition Center (“Expo Center”). The ownership of the facilities varies. The Oregon Convention Center and Expo Center are owned by Metro, the tri-county area regional government. PCPA is owned by the City of Portland. These facilities attract over two million visitors annually to international, national, and regional events that contribute to the economic and cultural richness of the Portland metropolitan region. Additional information about the MERC facilities may be viewed at www.mercvenues.org.

MERC is primarily funded through its entrepreneurial business operations and industry tax subsidies. Approximately 75 percent of MERC revenues are earned through fees and services generated by facility rental, event services, parking, and food and beverage business. The remaining 25 percent comes principally from lodging industry tax subsidies and government contributions.

MERC is overseen by a seven-member public commission consisting of business and civic leaders who represent the interests of the region’s citizens. Three commissioners are nominated by Clackamas, Multnomah and Washington counties (one each), two are nominated by the City of Portland, and the Metro Council President directly nominates two. All commissioners are appointed by Metro Council President and subject to confirmation by the Metro Council.

B. Overview Of The Oregon Convention Center

The Oregon Convention Center is a national convention meeting place, as well as a local and regional center for many types of events and food functions. Located on Portland's light rail line, with a stop directly in front of the center, and at the crossroads of Interstate 5 and Interstate 84, the center is easily accessible for show exhibitors and contractors as well as attendees.

The center is a 907,000 square foot facility consisting of 255,000 square feet of exhibit space, a 34,500 square foot ballroom, a 25,200 square foot ballroom, 50 meeting rooms (totaling 52,000 square feet), and 105,000 square feet of lobby and pre-function space. There are 800 covered parking spaces on site. The center features high tech capabilities for both attendees and users, including WiFi and fiber optic backbone throughout the building.

The center includes 19 loading docks and three drive-in overhead doors with floor access. All utilities are located in 30 and 60 foot centers throughout the exhibit hall floor.

Since 1998, the Oregon Convention Center has hosted the following number of trade shows, conventions, and other events that have resulted from the national sales, marketing and convention services contract:

- 1998: 31 events;
- 1999: 40 events;
- 2000: 36 events;
- 2001: 30 events;
- 2002: 27 events;
- 2003: 35 events;
- 2004: 34 events.

Additional information about the Oregon Convention Center can be found at www.oregoncc.org.

C. Overview Of The Oregon Convention Center's In-House Sales Department

MERC employs an in-house sales and marketing staff of ten people responsible for marketing the Oregon Convention Center. The in-house sales and marketing staff focuses its efforts on local consumer shows, smaller meetings, and events that are booked to take place within an eighteen-month time frame. The work of the in-house staff frees the national sales and marketing contractor to focus primarily on securing national conventions and trade shows for the center, which are generally booked beyond the 18-month time period. The in-house sales and marketing staff controls and maintains the book for the Oregon Convention Center.

MERC's in-house staff works closely with the national sales and marketing contractor. MERC's sales team and the contractor's sales team collaborate to make sales presentations, to staff booths at trade shows, to prepare bid proposals, to conduct conventions and trade show tours, and to sell the center as part of the overall sales and marketing effort. A true team effort is required to

secure convention business for the center, and MERC's in-house team works hand-in-hand with the national sales and marketing contractor, local hoteliers, and the hospitality community to generate convention business for the Oregon Convention Center and for Portland.

3. OVERVIEW OF SERVICES REQUIRED BY THE NATIONAL SALES, MARKETING AND CONVENTION SERVICES AGREEMENT

The selected contractor will be responsible for the year-round national sales of the Oregon Convention Center. The primary goal of the selected contractor will be to secure conventions, trade shows, and national meetings for the Oregon Convention Center. The selected contractor must be capable of developing and implementing a professional, cost-effective sales, marketing, and convention services plan that will generate new convention and trade show business for the Oregon Convention Center. The selected contractor will coordinate its efforts with MERC's own in-house sales and marketing staff.

The highest standard will be required of all efforts associated with the promotion of the Oregon Convention Center. The national sales, marketing, and convention services plan must reflect a highly creative program that can meet the challenges of an evolving convention business as well as an increasingly competitive tourism environment worldwide. The contractor must understand the Portland market.

MERC will expect the selected contractor to deliver top-quality services in the following basic areas (more detail about the specific services required can be found in the attached contract):

A. Sales Services

The contractor shall provide all sales services necessary to secure conventions and trade shows for the Oregon Convention Center. The contractor must assign sales people to work exclusively to sell the Oregon Convention Center to conventions and trade shows. The contractor must maintain a local sales office in Portland. In addition, the contractor must maintain additional sales offices in any other cities agreed to by MERC and the contractor. (Form D in the "Forms" section contains questions that require each proposer to specify the number of sales people who will be devoted exclusively to selling the Oregon Convention Center and to specify the number and location of proposed sales offices.)

The specific trade shows the contractor will attend shall be identified in the annual sales plan, and may include the following:

- American Society of Association Executives ("ASAE");
- Association of Convention Management Executives ("ACOM");
- International Association of Exposition Managers ("IAEM");
- Professional Convention Management Association ("PCMA");
- Religious Convention Managers Association ("RCMA");
- Destinations Showcases in Chicago and Washington D.C.;
- Meeting Planners International ("MPI"), twice per year;

- Council of Engineering and Scientific Society Executives (“CESSE”), twice per year;
- National Coalition of Black Meeting Planners (“NCBMP”);
- Hospitality Sales and Marketing Association International (“HSMAI”);
- Society of Government Meeting Planners (“SGMP”);
- Oregon Society of Association Managers (“OSAM”);
- International Association of Hispanic Meeting Planners (“IAHMP”);
- Greater Washington Society of Association Executives (“GWSAE”).

In addition, the contractor must conduct at least two familiarization tours for conventions and trade shows each year, conduct direct sales trips/blitzes to convention and trade show headquarter offices, and generate marketing leads nationally, regionally, and statewide through other designated sales tools.

B. Marketing Services

The contractor must provide a complete marketing campaign and associated services to attract convention and trade show business to the Oregon Convention Center. These marketing services must include:

1. Direct marketing activities. The marketing services must include a direct marketing program that targets specific markets and events that fit well with the Oregon Convention Center.
2. A comprehensive minority sales and marketing approach.
3. Market research to develop potential conventions and trade show lists and sales opportunities.
4. Web Site. The web site must provide information to meeting planners about Portland and the Oregon Convention Center.
5. Comprehensive advertising to support the sales effort.
6. Public relations.

C. Convention Services

The contractor shall provide the convention service elements that are a customary part of the customer service normally required for a successful convention or trade show. The contractor’s convention services shall be sufficient to support a minimum of 40 conventions per year at the Oregon Convention Center. This section describes the minimum services that the selected contractor will be expected to provide. Each proposer should include in its proposal a description of all convention services the proposer proposes to provide, including services in addition to those described in this section.

The contractor shall provide services in the areas of housing, attendance building, special event coordination, and transportation assistance.

The convention services required must include preparation of promotional materials such as brochures, visitor guides, pre-written story copy for convention materials, badges, and images of Portland at little or no charge to Oregon Convention Center conventions and trade shows. The contractor must be prepared to locate for Oregon Convention Center conventions and trade shows the following services: planning assistance in scheduling registration services, designing spouses' programs, selecting unique reception venues, securing hard to find services when requested, and providing directory of services guides.

The contractor must organize pre-convention sales trips and site visits to meet confirmed conventions and trade shows in order to solidify business relationships, learn about shows, and learn about specific event needs.

The contractor must provide pre-convention attendance building services, including hosting information booths at the preceding conference and providing personalized newsletters to send to association members.

The contractor must offer services to coordinate housing for groups and conventions using two or more hotels, provide centralized reservation services, monitor room blocks, and make delegate reservations and provide reports for hotels and planners.

The contractor must conduct exit surveys with meeting planners after they have completed their meetings or conventions to assess customer satisfaction in all the convention services provided by the contractor.

D. Accountability

The contractor must be able to provide to MERC management thorough and accurate monthly reports of its work activities and progress. The contractor must separately account for the funds paid to it pursuant to the national sales, marketing, and convention services contract, and must submit monthly financial statements to MERC. In addition, the contractor must be capable of providing thorough and accurate oral and written reports to appointed and elected officials at public meetings upon request, and must be capable of promptly and professionally responding to requests for information from appointed and elected officials.

The contractor must cooperate fully in any financial or performance audits requested by MERC.

Proposers should note that MERC reserves the right to enter into intergovernmental agreement(s) with one or more local governments that also expend funds on tourism and convention marketing in order to allocate contract administration responsibilities.

4. QUALIFICATIONS/EXPERIENCE REQUIRED

The proposer must have the following minimum qualifications and experience:

A. Experience in sales and marketing in the convention, trade show and/or destination/tourism industry. If proposer is a joint venture, at least one of the partners in the joint venture must have this experience.

B. Experienced sales, marketing, convention services, accounting, and management staff to commence performing the services required by the contract on October 1, 2005. The contractor must have sufficient numbers of employees to provide all services described. Joint ventures formed for the purpose of proposing on this contract may submit proposals.

5. SUMMARY OF THE PROPOSED CONTRACT & ESTIMATED BUDGET

A. Summary Of The Proposed Contract

MERC contracts with an outside firm for national sales, marketing, and convention services for the Oregon Convention Center. Most recently, MERC has contracted with the Portland Oregon Visitors Association for these national sales, marketing and convention services. MERC's contract with the Portland Oregon Visitors Association expires on September 30, 2005.

The proposed contract for national sales, marketing, and convention services is attached to this RFP as Attachment "A." The proposed contract anticipates that one contractor will be selected for all three service areas described in this RFP (sales, marketing, and convention services). MERC reserves the right, however, to eliminate one or more of the service areas from the contract before award if MERC determines that a contract covering fewer than the three service areas is most advantageous to MERC. Additionally, MERC reserves the right to select more than one contractor and to award multiple contracts, allocating the services among the proposers.

The proposed contract will be in effect from October 1, 2005 to June 30, 2008. MERC will have the option to extend the contract for four (4) additional two-year terms. The contract is structured to require the contractor to submit an annual proposed sales plan and an annual proposed line-item budget, both of which are subject to the approval of MERC. Under the agreement, the contractor performs the annual sales plan within the limitations of the approved annual budget, and submits monthly progress reports and monthly financial statements to MERC. MERC retains the right to approve the contractor's annual line-item budget, the right to remove work from the contractor's proposed annual sales plan, and the right to conduct financial and performance audits to ensure that contractor is operating in a cost-effective, accountable manner.

The proposed contract provides that each year MERC will disburse the total annual cost of services (as specified in the approved annual line item budget) to the contractor in twelve equal monthly progress payments.

In addition, the proposed contract also provides that MERC will pay the contractor a quarterly incentive payment if the contractor meets the quarterly goals for superior performance included in the approved annual sales plan. MERC retains the right to determine the amount of funds available for quarterly incentive payments.

The specific qualitative and quantitative goals for each year are proposed by the contractor in the proposed annual sales plan and must be approved by MERC. MERC retains the final right to determine the qualitative and quantitative goals for each year. Although the specific goals will be determined on an annual basis, proposers should note that MERC anticipates that it will be requiring goals that include the following components:

- A minimum number of new booked city-wide conventions that meet at the Oregon Convention Center and that use at least 60,000 square feet of exhibit space;
- A minimum number of repeat booked city-wide conventions that meet at the Oregon Convention Center;
- A minimum number of booked minority conventions and trade shows that meet at the Oregon Convention Center;
- A minimum level of Oregon Convention Center revenue generated from conventions and trade shows booked by the contractor;
- A minimum number of hotel room nights per year associated with conventions and trade shows that are booked by the contractor and that meet at the Oregon Convention Center.

B. Estimated Budget For National Sales, Marketing And Convention Services Contract For Fiscal Year 2005-06

The funds allocated to national sales, marketing, and convention services for fiscal year 2005-2006 are estimated to be approximately \$1.5 to \$2.2 million.

6. PROPOSAL INSTRUCTIONS

A. Submission of Proposals

1. Ten (10) copies of the proposal, including one (1) unbound proposal, shall be furnished to MERC, addressed to:

Jeffrey A. Blosser, Executive Director
OREGON CONVENTION CENTER

2. Proposals may be either mailed to:

OREGON CONVENTION CENTER
P.O. Box 12210
Portland, Oregon 97212-0210

Or hand delivered to:

OREGON CONVENTION CENTER ADMINISTRATION OFFICES
777 NE Martin Luther King Jr. Blvd.
Portland, Oregon 97232-2742

B. Deadline

Proposals will not be considered if received after 5:00 PM PST, June 17, 2005.

C. Pre-Proposal Meeting

There will be a voluntary pre-proposal meeting at 2:00 PM on June 1, 2005, at the Oregon Convention Center Administration Offices, 777 NE Martin Luther King Jr. Blvd., Portland, Oregon 97232-2742.

D. RFP As Basis For Proposals

This Request for Proposals represents the most definitive statement MERC will make concerning the information upon which proposals are to be based. Any verbal information which is not addressed in this RFP will not be considered by MERC in evaluating proposals. All questions relating to this RFP should be addressed to Jeffrey A. Blosser at (503) 235-7583. Any questions which, in the opinion of MERC, warrant a written reply or RFP amendment will be furnished to all parties receiving this RFP. MERC will not respond to questions received after June 6, 2005.

E. Information Release

All proposers are hereby advised that MERC may solicit and secure background information based upon the information, including references, provided in response to this RFP. By submission of a proposal, all proposers agree to such activity and release MERC from all claims arising from such activity.

F. MERC's MBE/WBE/ESB Commitment

MERC has made a strong commitment to provide maximum opportunities to Minority and Women-Owned Business Enterprises ("MBE"/"WBE"), and Emerging Small Businesses ("ESB"), including State of Oregon certified minority, women-owned, and emerging small business enterprises in contracting activities. MERC extends equal opportunity to all persons and specifically encourages MBEs, WBEs, and ESBs to access and participate in this and all MERC projects, programs and services. MERC reserves the right, at all times during the contract, to monitor compliance with the terms of the contract and the MERC MBE/WBE/ESB outreach program.

G. MERC First Opportunity Target Area Designation, Definitions and Employment

Proposers shall, consistent with Oregon law and policies adopted by MERC, pursue a policy of providing first opportunity for available jobs to economically disadvantaged residents living in economically distressed neighborhoods in the vicinity of the Oregon Convention Center. Proposers must also cooperate, to the maximum extent possible, with the local job training and economic development agencies to identify, solicit, assist, and if necessary, train such persons to qualify for and receive employment with proposer. Also, proposers must document and report to MERC every six months on the implementation of these requirements.

The following are the boundaries of the MERC First Opportunity Target Area:

<u>North Boundary:</u>	Columbia Blvd.
<u>East Boundary:</u>	42 nd Avenue
<u>South Boundary:</u>	Banfield/I-84 Freeway
<u>Northwest Boundary:</u>	Chautaugua Avenue to Willamette Blvd; follow the Willamette River and Greeley Avenue by Fremont Bridge; west on Fremont Bridge to Albina Community and Northwest Target Area boundaries but continue south along Willamette River to I-5 and I-84.

(A map is available upon request)

H. Other Contractors

The issuance of this RFP, and the resulting contract(s), does not prohibit MERC from seeking services from other firms to provide sales, marketing, and convention services for the Oregon Convention Center.

7. PROPOSAL CONTENT

A. Transmittal Letter

As part of the proposal, the proposer must submit a transmittal letter. The letter should identify the contact person for the proposal. The letter should also identify the person who has the authority to sign an agreement with MERC if the proposer is selected for the project.

The letter must state that the proposal will be valid for one hundred twenty (120) days.

The letter must certify that the proposer will join, upon request by MERC, all trade associations identified by MERC.

B. Sales, Marketing and Convention Services Questionnaire

The proposer must submit a Sales, Marketing and Convention Services Questionnaire. Please see the Proposal Forms And Instructions for specific instructions.

C. Minority Sales And Marketing Questionnaire

The proposer must submit a Minority Sales And Marketing Questionnaire. Please see the Proposal Forms And Instructions for specific instructions.

D. Proposed Line-Item Budget

The proposer must submit a Proposed Line-Item Budget. Please see the Proposal Forms And Instructions for specific instructions.

E. Organization, Staffing and Office Location Questionnaire

The proposer must submit an Organization, Staffing and Office Location Questionnaire. Please see the Proposal Forms And Instructions for specific instructions.

F. Sample Work Products

The proposer must submit the sample work product in accordance with the Sample Work Product Form. Please see the Proposal Forms and Instructions for specific instructions.

G. Exceptions and Comments

A proposer wishing to take exception to, or comment on, any specific requirement within this RFP is encouraged to document its concerns on the Exceptions And Comments Form. Please see the Proposal Forms And Instructions for specific instructions.

8. GENERAL PROPOSAL/CONTRACT CONDITIONS

A. Limitation And Award

This RFP does not commit MERC to the award of a contract, nor to pay any costs incurred in the preparation and submission of the proposal in anticipation of a contract. MERC reserves the right to waive minor irregularities, accept or reject any or all proposals received as the result of this request, negotiate with all qualified sources, or cancel all or part of this RFP.

B. Validity Period And Authority

The proposal shall be considered valid for a period of at least one hundred fifty (150) days and shall contain a statement to that effect. The proposal shall contain the name, title, address, and telephone number of an individual or individuals with authority to bind any company contacted during the period in which MERC is evaluating the proposal.

C. Conflict of Interest

A proposer filing a proposal thereby certifies that no officer, agent, or employee of MERC has pecuniary interest in this proposal or has participated in contract negotiations on behalf of MERC; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer for the same call for proposals; the proposer is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

D. Rejection of Proposals

MERC may cancel this procurement or reject any or all proposals in accordance with ORS 279B.100

9. EVALUATION OF PROPOSALS

MERC will select the contractor through a two-step process of evaluation followed by competitive negotiations, as follows:

1. MERC will evaluate the proposals using the evaluation criteria described below. MERC will establish a competitive range consisting of the top three ranked proposers; and
2. MERC will conduct simultaneous competitive negotiations with the proposers in the competitive range. MERC will select the proposer whose final negotiated proposal is most advantageous to MERC, as determined by MERC in its sole discretion. MERC reserves the right to award contracts to multiple proposers if MERC determines that multiple contracts will be the most advantageous to MERC.

A. Evaluation Criteria and Establishment of The Competitive Range

1. Procedure

MERC will use the evaluation criteria listed in this section to rank the proposals. MERC may conduct interviews with the proposers. MERC will establish a competitive range of the top three ranked proposers. MERC reserves the right to increase the number of proposers in the competitive range if MERC's evaluation of the proposals establishes a natural break in the scores of proposers indicating that a number of proposers greater than a three-proposer competitive range are closely competitive, or have a reasonable chance of being determined the most advantageous proposer to MERC.

MERC may also decrease the number of proposers in the competitive range if the excluded proposers have no reasonable chance to be the most advantageous proposer.

MERC will establish the competitive range no later than July 8, 2005. MERC shall provide written notice to all proposers identifying the proposers in the competitive range. Proposers eliminated from further competition may protest MERC's decision in accordance with the procedures in the MERC Contracting and Purchasing Rules.

2. Evaluation Criteria

MERC will evaluate the proposals using the following criteria:

a. *Proposed Sales Plan = 40 points*

- 1) Demonstrated understanding of sales, marketing and convention services objectives and methodology, as shown in the proposed sales plan and the sample work product (10 points).
- 2) Likelihood that the approach detailed in the sales plan will increase convention and trade show business for the Oregon Convention Center (25 points).
- 3) Demonstrated knowledge of the Portland metropolitan region as it relates to the marketing and sales program outlined (5 points).

b. *Proposed Line Item Budget = 25 points*

- 1) Projected cost (15 points).
- 2) Allocation of funds among service areas (10 points).

c. *Organization and Staffing = 20 points*

- 1) Prior services provided by proposer in sales, marketing, and convention services (10 points).
- 2) Experience of staff in sales, marketing, and convention services and number of staff people who will be devoted exclusively to sales, marketing and convention services for the Oregon Convention Center (10 points).

d. *Minority Sales and Marketing Component = 15 points*

- 1) Demonstrated understanding of the minority sales and marketing component. Likelihood that the minority sales and minority marketing plan will increase the number of minority conventions and trade shows at the Oregon Convention Center (10 points).
- 2) Response to First Opportunity Target Area needs and reporting (5 points).

B. Simultaneous Competitive Negotiations

After MERC has identified the proposers in the competitive range and MERC has notified all proposers, MERC will begin competitive simultaneous negotiations with the proposers in the competitive range. MERC may negotiate simultaneously with competing proposers. MERC and the competing proposers shall negotiate the following:

1. The proposed sales plan;
2. The total proposed costs and the proposed line-item budget;
3. Quarterly incentive payments;
4. The proposed staffing levels, number of sales offices, and location(s) of sales offices; and
5. Any contract language the proposer listed on Form F, "Exceptions And Comments."

MERC will not accept from proposers in the competitive range any alternative terms or conditions other than those reasonably related to the four items listed above.

MERC reserves the right to eliminate one or more of the three core service areas (sales, marketing, and convention services) from the scope of work if MERC determines during the competitive negotiations that a contract containing fewer than all three core services areas would be the most advantageous to MERC. MERC also reserves the right to divide the scope of work and offer contracts to multiple proposers if MERC determines during the competitive negotiations that multiple contractors performing the different core service areas would be most advantageous to MERC.

During the competitive negotiations, MERC will not disclose other proposers' proposals or the substance of negotiations with other proposers.

MERC may terminate negotiations with a proposer when MERC determines, in its sole discretion, that (a) further discussions with the proposer will not result in the parties agreeing to the terms and conditions of a contract in a timely manner, or (b) the proposer is not negotiating in good faith.

Any oral agreement by a proposer to modify its proposal shall be reduced to writing by the proposer and provided to MERC. Each proposer shall submit to MERC its modified proposal incorporating the negotiated changes no later than three (3) business days after the conclusion of the final negotiating session between MERC and the proposer.

MERC will not accept modified proposals from any proposer later than 5:00 PM on August 5, 2005.

MERC will select the proposer(s) whose proposal(s), as modified by the negotiations, is/are the most advantageous to MERC.

10. NOTICE TO ALL PROPOSERS – NATIONAL SALES, MARKETING AND CONVENTION SERVICES AGREEMENT

The attached agreement is the agreement approved for MERC's use by the Metro Attorney. This is the contract the successful proposer will enter into with MERC; it is included for your review prior to submitting a proposal.

PROPOSAL FORMS AND INSTRUCTIONS

Request for Proposals for

National Sales, Marketing and Convention Services For the Oregon Convention Center

Consisting Of:

Form A: Sales, Marketing and Convention Services Questionnaire

Form B: Minority Sales And Marketing Questionnaire

Form C: Proposed Line-Item Budget

Form D: Organization, Staffing, And Office Location Questionnaire

Form E: Sample Work Product Form

Form F: Exceptions and Comments

And

Attachment A: National Sales, Marketing And Convention Services Agreement

Instructions:

The following forms ask for information concerning the proposer's proposal. The proposer should submit the information requested by the forms (rather than use the forms below) in the exact order as listed below in each form with the same headings and numbering system. Please list the question or information request contained in the form prior to your response.

Information submitted in response to these forms shall be considered binding on the successful proposer, and any substitutions or deviations shall be allowed only if approved by MERC.

All answers and information shall be specific and complete in detail. MERC reserves the right to make independent inquiries concerning the information submitted herein, to conduct any additional investigation necessary to determine the proposer's qualifications, and to require proposer to supply additional information.

Use of Attachments:

Schedules, reports, examples, diagrams, or other forms of information may be used as attachments, provided that the information provided by the proposer in response to these forms clearly references the attachments. The purpose of these forms and any attachments is to supply information about the proposer's proposal so that the screening committee may evaluate each proposal and so that the terms of proposer's proposal are clear for purposes of the competitive negotiations.

**FORM A:
SALES, MARKETING AND CONVENTION SERVICES QUESTIONNAIRE**

1. SALES

- A.** Describe in detail the elements of the proposed sales plan.
- B.** State the number of sales managers located in Portland and the markets each will serve.
- C.** State the number of sales managers devoted to selling the Oregon Convention Center directly, and support staff to be assigned to the sales effort.
- D.** State the number of national sales managers, if any, who will be located outside of Portland, and who will generate leads, and provide face-to-face sales activities. Explain how this work will be beneficial to sales activities. Identify where these sales managers will be located. If proposer is not recommending the use of national sales managers located in cities other than Portland, explain in detail why proposer believes these sales offices are not advantageous to MERC.
- E.** Identify conventions and trade shows that fit the Portland inventory well, and identify which of them proposer would include in the sales plan as potential conventions and trade shows for the Oregon Convention Center. As part of this answer, describe your assessment of the market of convention and trade shows that would consider Portland as a destination. Describe what obstacles, if any, Portland and the Oregon Convention Center face in attracting these conventions and trade shows and describe the sales methods that will be used to overcome these obstacles.
- F.** Describe the direct sales tasks proposer's staff will conduct for trade shows. (Note that proposer must attend trade shows, conduct familiarization tours for conventions and trade shows, and conduct "sales blitzes" to the convention and trade show headquarter locations to generate leads nationally, regionally and state-wide.) Describe in detail the sales approach that proposer will use in each of these activities.

2. MARKETING

A. Direct Marketing and Web Site

1. Describe in detail the proposed direct marketing campaign.
2. Describe in detail how the direct marketing campaign will be used to attract conventions to Portland and to the Oregon Convention Center.
3. Describe the proposed web site, its features, and how it will be used to complement the proposed marketing efforts. Proposers may submit images, a proposed lay-out, and proposed graphics as part of this answer.

B. Market Research

1. Describe in detail how convention and trade shows group will be qualified through research in order to develop lists of convention and trade show prospects and sales opportunities that fit the Portland market.
2. Identify the expected outcome from this research.

C. Advertising

1. Describe in detail the advertising campaign proposer will implement to support the sales program.
2. If proposer is proposing any advertising other than advertising directly related to the Oregon Convention Center, describe the proposed advertising campaign.
3. Identify the publications in which advertisements will be placed, and the frequency of such advertisements.
4. Describe how advertising effectiveness will be measured.
5. Describe any proposed subcontracting if subcontracting will be necessary to accomplish the work.

D. Public Relations

1. Describe in detail the type of public relations campaign proposer will implement to publicize the Oregon Convention Center.
2. Identify the specific elements of the public relations campaign, including the types of programs and publications that will be used.

3. CONVENTION SERVICES

A. Describe the plan that proposer will implement to provide customer service, on-site help with special event related requirements, and ancillary needs and services necessary to support a minimum of 40 successful conventions or trade shows per year.

B. Identify the staff who will be implementing the convention services sales plan.

C. State the increase in event attendance and room nights that proposer anticipates will result from the proposed convention services sales plan.

D. Describe the surveys and other methods proposer will use to measure the convention services program's success and customer satisfaction.

**FORM B:
MINORITY SALES AND MARKETING QUESTIONNAIRE**

1. SALES

A. Describe the elements of the proposed sales plan as it relates to the minority markets.

B. State the number of sales managers and the markets each will serve.

C. State the number of sales managers devoted to selling the Oregon Convention Center directly, and support staff to be assigned to the sales effort.

D. State the number of national sales managers devoted to minority marketing who will be located outside of Portland and who will generate leads, and provide face-to-face sales activities. Explain how this work will be beneficial to minority-targeted sales activities. Identify where these sales people will be located. If proposer is not recommending any national sales managers outside of Portland who will focus on minority markets, explain why proposer believes national sales office(s) are not advisable for this minority sales and marketing effort.

E. Identify minority markets that fit the Portland inventory well and could be considered potential conventions or trade shows for the Oregon Convention Center. Describe your assessment of the market of minority convention and trade shows that would consider Portland as a destination. Describe what obstacles, if any, Portland and the Oregon Convention Center face in attracting these conventions and describe the sales methods that will be used to overcome these obstacles.

F. Describe the direct sales tasks proposer's staff will conduct to secure minority market conventions and trade shows for the Oregon Convention Center.

2. MARKETING

A. Direct Marketing and Web Site

1. Describe in detail the proposed direct marketing campaign and describe how it will be used to attract minority conventions to Portland and to the Oregon Convention Center.

2. Describe in detail the proposed web site, its features, and how it will be used to complement the proposed marketing efforts.

B. Market Research

1. Describe in detail how minority convention and trade show groups will be qualified through research in order to develop potential conventions and trade show lists and sales opportunities that fit the Portland market.

2. Identify the staff who will perform these duties and the expected outcome from this research.

C. Advertising

1. Describe in detail the advertising campaign proposer will implement to support the sales program.
2. If proposer is proposing any advertising other than advertising directly related to the Oregon Convention Center, describe the proposed advertising campaign.
3. Identify the publications in which advertisements will be placed, and the frequency of such advertisements.
4. Describe how advertising effectiveness will be measured.
5. Describe any proposed subcontracting if subcontracting will be necessary to accomplish the work.

D. Public Relations

1. Describe in detail the type of public relations campaign proposer will implement to publicize the Oregon Convention Center to minority meeting planners and decision makers.
2. Identify the specific elements of the public relations campaign, including the types of programs and publications that will be used.

**FORM C:
PROPOSED LINE ITEM BUDGET**

This form requests cost and budget information for all services required by the contract (sales and marketing, including minority sales and marketing, and convention services).

1. PROPOSED COST OF SERVICES, IDENTIFIED BY SERVICE AREA

A. State the total proposed cost to MERC of the proposed sales services for the period from October 1, 2005 to September 30, 2006.

B. State the total proposed cost to MERC of the proposed marketing services for the period from October 1, 2005 to September 30, 2006.

C. State the total proposed cost to MERC of the proposed convention services for the period from October 1, 2005 to September 30, 2006.

2. TOTAL COST OF SERVICES

State the total proposed cost of all services to MERC for the period October 1, 2005 to September 30, 2006.

3. LINE-ITEM BUDGET

Attach a proposed line-item budget for the period October 1, 2005 to September 30, 2006. The line-item budget should be detailed, and should include the following line items for each of the three service areas (sales, marketing, and convention services, including minority sales and marketing): personnel costs, materials and services costs, subconsultant fees, and any other program costs contained in proposer's proposed sales plan questionnaire.

If proposer is proposing to reduce Oregon Convention Center rental rates in order to secure convention or trade show business, proposer should include a line item for this expense entitled "rental subsidy."

**FORM D:
ORGANIZATION, STAFFING, AND OFFICE LOCATION QUESTIONNAIRE**

Note: If a partnership or joint venture is responding to this Request for Proposals, responses to each question or information request in this form must be submitted for each participant in the partnership or joint venture.

1. Name of firm that will enter into an agreement: _____.
2. Type of firm (select one):
 - A. Corporation;
 - B. Partnership;
 - C. Individual;
 - D. Other (if so, please describe)
3. How many years has your firm used its present name?
4. What were your firm's previous names?
5. Please list any parent organizations and their address and ownership percentages.
6. Please submit an organizational chart showing the relationship between the parent, the firm that would enter into the agreement, and any relevant subsidiaries or associated firms including subcontractors.
7. Please submit an organizational chart of the firm that would enter into the agreement.
8. Identify by name and title each person listed on the proposer's organizational chart who will perform services required by the agreement. It is not necessary to list the names of purely administrative staff.
9. For each person listed in response to number 8, identify the portion of that person's work time, expressed as a percentage of full-time equivalency (e.g., .50 FTE, .75 FTE, etc.), that will be devoted to the services required by the agreement. Describe the work each person will perform.
10. For each person listed in number 9, please provide a complete resume. If the proposer intends to hire staff to fill the positions, identify those positions and briefly describe the minimum qualifications for these positions.
11. Describe how your firm meets the experience requirements listed in this RFP. List projects conducted over the past three or more years that involved services similar to the services required here. For each of these other projects, include the name of the customer

contact person, his/her title, role on the project, and telephone number. Identify persons on the proposed project team who worked on each of the other projects listed, and their respective roles. Proposer shall fully describe former client and project experience, and shall supply at least three (3) references as part of this response.

12. Identify the location(s) of the sales office(s) proposer will maintain to provide the services requested by this RFP.
13. Describe the actions your firm will take to comply with MERC's commitment to provide maximum opportunities to minority and women-owned business enterprises and emerging small businesses.
14. Describe the actions your firm will take to provide first opportunity for available jobs to economically disadvantaged residents living in economically distressed neighborhoods in the vicinity of the Oregon Convention Center (the area designated by MERC as the First Opportunity Target Area; please see page 12 of the Request for Proposals for specific boundaries.)

**FORM E:
SAMPLE WORK PRODUCT FORM**

The proposer should submit with this form sample work product, which may include brochures, logo designs, videos, web site materials, public relations materials, advertisements, convention services materials, or other materials that demonstrate the firm's capabilities, expertise, and work quality. For each sample work product submitted, clearly identify the client for whom the work product was generated, the person who generated the work product, and the date the work product was generated.

Please note that the limit for sample work product is seven (7) items or fewer.

**FORM F:
EXCEPTIONS AND COMMENTS**

1. A proposer wishing to take exception to, or comment on, any specified requirements within this RFP is encouraged to document its concerns on this form. Exceptions or comments should be succinct, thorough and organized.

2. Please include any exceptions you wish to take with the proposed contract document attached to this RFP as Attachment "A." If exceptions are included, indicate whether the proposer would be willing to comply with the requirements of the RFP should MERC wish to reject the exception.

3. Describe if, and how, any exceptions noted on this form would benefit MERC.

ATTACHMENT A

NATIONAL SALES, MARKETING AND CONVENTION SERVICES AGREEMENT FOR THE OREGON CONVENTION CENTER

This National Sales, Marketing And Convention Services Agreement For The Oregon Convention Center (hereinafter "Agreement") is entered into on this ___ day of _____, 2005 by the Metropolitan Exposition-Recreation Commission (hereinafter "MERC") and _____ (hereinafter "Contractor").

RECITALS

WHEREAS, MERC manages the Oregon Convention Center; and

WHEREAS, in order to maximize the economic impact of the Oregon Convention Center for the tri-county metropolitan region, it is critical that conventions, trade shows, and other national events take place at the Oregon Convention Center; and

WHEREAS, MERC has determined that it is desirable to enter into a contract with a sales, marketing, and convention services firm to secure aggressive and cost-effective national sales, marketing, and convention services for the purpose of attracting and securing national convention, trade show, and event business for the Oregon Convention Center; and

WHEREAS, the convention and trade show industry has become increasingly competitive, and MERC desires to retain the greatest degree of flexibility possible in order to respond appropriately to changing business and economic conditions, including retaining the right to require changes to the sales, marketing, and convention services provided during the term of this Agreement in accordance with the provisions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. EFFECTIVE DATE

The effective date of this Agreement is October 1, 2005.

2. TERM

The term of this Agreement shall be from October 1, 2005 until June 30, 2008, unless terminated sooner as provided herein.

MERC shall have the option to extend this Agreement for four (4) additional two-year periods. Sixty (60) days' written notice to the Contractor by MERC prior to the expiration of the Agreement shall be sufficient to exercise a renewal option.

3. DEFINITIONS

A. “Annual Approved Line-Item Budget” means Contractor’s annual line-item budget, approved by MERC, for work required by this Agreement.

B. “Annual Approved Sales Plan” means Contractor’s annual sales plan, approved by MERC, for the sales services, marketing services, and convention services required by this Agreement.

C. “Booked Event” means a convention or trade show that has confirmed, in writing, its intention to hold its event in Portland.

D. “Contract Year” means the period from October 1, 2005 to June 30, 2006, and every July 1 to June 30 thereafter.

E. “Fixed Annual Payment” means the total annual cost for Contractor’s services for a Contract Year as set forth in the Annual Approved Line-Item Budget.

F. “Quarterly Incentive Payment” means the quarterly payment Contractor is eligible to earn if it meets the quarterly qualitative and quantitative goals proposed by Contractor and approved by MERC.

G. “Monthly Progress Payment” means the monthly disbursement of the Fixed Annual Payment to Contractor in twelve equal payments.

4. ANNUAL SALES PLAN AND ANNUAL LINE-ITEM BUDGET

Contractor’s work under this Agreement shall be performed in accordance with an Annual Approved Sales Plan and an Annual Approved Line-Item Budget, in accordance with the provisions of this paragraph 4.

A. Deadlines For Annual Sales Plan and Annual Line-Item Budget

At least ninety (90) days before the first day of the Contract Year, Contractor shall submit to MERC a proposed annual sales plan and a proposed annual line-item budget for marketing the Oregon Convention Center for the Contract Year.

B. Required Content For Annual Sales Plan

Contractor’s proposed annual sales plan shall describe Contractor’s proposed work for the applicable Contract Year, and shall include a detailed sales plan in each of the work areas listed in this subparagraph (4)(B). The proposed annual sales plan shall list the specific personnel assigned to each work task and the number of hours each assigned person will devote to each work area. The proposed annual sales plan shall include proposed quarterly qualitative and quantitative goals for each work area listed below. The sales plan shall include all the following work areas:

1. Sales. The proposed annual sales plan shall describe in detail the elements of the annual sales efforts, including, at a minimum:
 - a. Direct sales tasks to be undertaken by staff and for trade shows. Sales activities to be undertaken annually shall include attendance at trade shows, familiarization tours for conventions and trade shows, “sales blitzes” to the convention and trade show headquarter locations to generate leads, nationally, regionally and state-wide. The sales plan shall detail the sales approach for each activity as well as the minority market for each activity.
 - b. Number of sales managers and markets each will serve.
 - c. Number of sales managers dedicated to selling solely the Oregon Convention Center, and the support staff proposed to be assigned to this sales effort.
 - d. Number of national sales managers to generate leads, provide face-to-face sales and marketing.
 - e. Identification of all markets on which Contractor proposes to focus the sales effort.
 - f. The number and location(s) of sales offices.

2. Marketing.
 - a. Direct Marketing Activities and Web Site Development. The proposed annual sales plan shall describe in detail the proposed direct marketing activities and web site-related efforts that Contractor proposes to implement for the Contract Year.
 - b. Minority Marketing Approach. The proposed annual sales plan shall describe in detail the proposed marketing to minority communities, including but not limited to the African American, Hispanic, Asian American, and gay and lesbian communities. This marketing shall focus in particular on minority convention and tradeshow markets. This section of the proposed annual sales plan shall include a description of proposed advertising, familiarization tours, trade show attendance, special promotions, subcontracting, and any other proposals to penetrate the minority market.
 - c. Market Research. The proposed annual sales plan shall describe in detail the market research the Contractor proposes to undertake for

the Contract Year, including how this research will be utilized to develop potential conventions and trade show lists and sales opportunities.

- d. Advertising. The proposed annual sales plan shall describe in detail the process to be utilized, publications to be used, measurements of such advertising, and all proposed subcontracting.
 - e. Public Relations. The proposed annual sales plan shall describe in detail the specific elements of the public relations campaign for the Contract Year, including the types of programs and publications that will be used.
3. Convention Services. The proposed annual sales plan shall describe the work plan for convention services. The plan shall identify the staff who will provide customer service, on-site and local amenities, and ancillary needs and services to support the scheduled conventions and trade shows for the applicable Contract Year. The ancillary services shall include housing, attendance building, special event coordination, transportation assistance, and any other services necessary to create a superior convention services operation.
 4. Other Proposed Activities. The proposed annual sales plan shall describe any additional activities that Contractor recommends as likely to increase the overall effectiveness of Contractor's efforts to attract, secure, and retain national convention and trade show business for the Oregon Convention Center. The proposed annual sales plan shall also describe any additional activities that MERC requests be included in the sales plan.

C. Required Content For Annual Line-Item Budget

The Contractor's proposed annual line-item budget shall contain a detailed breakdown of proposed expenditures for the Contract Year, including personnel costs (with a breakdown of cost for every staff person working on work tasks required by this Agreement), materials and services costs, subconsultant costs, all other expenses directly attributable to the services required by this Agreement, and any additional information MERC may require.

D. MERC's Right To Approve The Annual Sales Plan And Annual Line-Item Budget

1. Process For Review. MERC shall review the Contractor's proposed annual sales plan (including the proposed qualitative and quantitative goals) and the proposed annual line-item budget. If the proposed annual sales plan and/or proposed annual line-item budget is not acceptable to MERC, in its sole discretion, MERC shall request revisions. Contractor

shall submit to MERC a revised sales plan and line-item budget within ten calendar days of MERC's request for revisions. This process shall continue until Contractor has submitted a proposed sales plan (including proposed qualitative and quantitative goals) and budget that is approved by MERC (hereinafter "Annual Approved Sales Plan" and "Annual Approved Line-Item Budget").

2. Negotiation of Annual Funding For Quarterly Incentive Payments. During the review process required by subparagraph 4(D)(1), MERC and the Contractor shall negotiate in good faith regarding the amount of the Quarterly Incentive Payments that Contractor is eligible to earn for the Contract Year. If the parties cannot agree on the amount of the Quarterly Incentive Payments, MERC, in its sole discretion, shall determine the amount.
3. Timelines. If MERC does not approve an Annual Approved Sales Plan and an Annual Approved Line-Item Budget at least forty-five (45) days before the first day of the applicable Contract Year, this Agreement shall terminate in accordance with Paragraph 9(A)(3) of this Agreement.

E. MERC's Right To Remove Work From Annual Approved Sales Plan

With forty-five (45) days' notice to Contractor, MERC may remove work tasks from the Annual Approved Sales Plan. Removal of work tasks shall result in a corresponding reduction in the Annual Approved Line-Item Budget. MERC may reassign such work tasks to MERC employees or another MERC contractor or contractors.

5. CONTRACTOR'S PERFORMANCE

A. Performance

Contractor shall perform all work in the Annual Approved Sales Plan and all tasks requested by MERC in a workmanlike and professional manner. Contractor shall at all times use its best efforts to identify, attract, and secure national convention and trade show business for the Oregon Convention Center. Contractor shall perform all work within the limitations of the Annual Approved Line-Item Budget.

B. Separate Accounts

Contractor shall keep accurate records and accounts of funds paid to it by MERC pursuant to this Agreement, and shall keep such accounts and records separate and identifiable from all other accounts.

C. Trade Associations

Contractor shall join any trade associations requested by MERC. Any cost for joining any such associations shall be included in the Annual Approved Line-Item Budget.

D. Cooperation

Contractor shall at all times cooperate in good faith with MERC and with the Oregon Convention Center's in-house staff. Contractor shall attend any meetings requested by MERC related to the work required by this Agreement.

E. Compliance With MERC Policies

Contractor shall comply with all MERC policies, resolutions, rules, and regulations.

6. REPORTING

A. Progress Reports

The Contractor shall submit monthly reports to MERC detailing its progress in meeting the objectives and goals set forth in the then current Annual Approved Sales Plan. These monthly reports shall include documentation of the following measurements of results produced:

1. Number of new events booked in the reporting period, including the name and description of the organization, number of delegates, room nights generated and potential economic impact;
2. Number of repeat events (events that have previously taken place at the Oregon Convention Center) booked in the reporting period, including the name and description of the organization, number of delegates, room nights generated and potential economic impact;
3. Number of bookings cancelled in the reporting period, including name of the lost group, number of lost delegates, lost room nights, amount of lost economic impact and reason for the lost business;
4. Number of currently booked events for the current year and all future years, including the names of groups, number of delegates, number of room nights, economic impact and status of booking, *i.e.*, leads, tentative, firm, booked, contracted;
5. A follow-up report at year-end specifying the actual performance of the sales effort in terms of actual contracted events, delegate count, sleeping room production and total economic impact based on the latest IACVB spending studies for Portland; and
6. Such other reports as MERC may request the Contractor to provide.

B. Financial Reports

1. **Monthly Financial Report**

On the 15th day of each month, the Contractor shall submit to MERC a monthly comprehensive financial statement that details the Contractor's use of the funds provided by MERC during the preceding month. The monthly financial statement shall show, at a minimum, actual expenditures by category, expenditures as a percentage of the Annual Approved Line-Item Budget, and actual expenditures compared to actual expenditures in the preceding Contract Year.

2. **Audited Financial Statement**

The Contractor shall provide MERC with a copy of its annual audited financial statement when the Contractor receives the audited financial statement from its auditors.

7. BASIS AND METHOD OF PAYMENT

A. Total Annual Cost Of Services

The total annual cost of Contractor's services for a Contract Year shall be the total annual cost agreed to by MERC in the Annual Line-Item Budget approved by MERC. MERC shall pay Contractor a fixed annual payment (hereinafter "Fixed Annual Payment") for services provided during the Contract Year in accordance with the provisions of this paragraph 7.

B. Monthly Disbursements

MERC shall pay Contractor the Fixed Annual Payment in twelve equal monthly disbursements (hereinafter "Monthly Progress Payments").

C. Quarterly Incentive Payments

In addition to the payments described in paragraph 7(B), above, each quarter Contractor shall be eligible to earn an incentive payment for superior performance during the quarter (hereinafter "Quarterly Incentive Payment"). The amount of the Quarterly Incentive Payments shall be determined in accordance with the provisions of paragraph 4(D)(2) of this Agreement. No later than 30 days after the end of each quarter, MERC, in its sole discretion, shall determine whether Contractor has met the quarterly goals established for that quarter in the Annual Approved Sales Plan. MERC shall pay Contractor a Quarterly Incentive Payment for the goals met by Contractor during the preceding quarter.

D. Budget Reductions

Budget reductions occurring at any time during a Contract Year may affect the amount of the Fixed Annual Payment and/or the Quarterly Incentive Payments. In the case of any such budget reductions, the Fixed Annual Payment and/or the Quarterly Incentive Payments may be reduced by MERC in its sole discretion at any time during the Contract Year. In the event of budget reductions, MERC shall determine, in its sole discretion, whether to reduce or change the Fixed Annual Payment, the Quarterly Incentive Payments, or both.

E. MERC's Removal Of Work Tasks From The Annual Approved Sales Plan

In the event that MERC removes work tasks from the Annual Approved Sales Plan pursuant to paragraph 4(E) of this Agreement, MERC shall reduce the amount of the Fixed Annual Payment to reflect the reduced work required by this Agreement. MERC shall determine, in its sole discretion, the amount of such reduction. MERC shall determine, in its sole discretion, whether to apply a corresponding funding reduction to the Quarterly Incentive Payments.

F. Return Of Unused Funds

At the end of each Contract Year, and at the expiration or termination of this Agreement, if any portion of the Annual Approved Sales Plan has not been completed, Contractor shall refund to MERC within thirty (30) days unused funds allocated to such services in the Annual Approved Sales Plan, provided that Contractor has not used funds to pay for products or services. For purposes of this subparagraph 7(F), funds are used if the Contractor has made a legally binding commitment to pay for goods or services based on agreements or contracts that have been entered into but have not yet been performed.

8. AUDITS

A. Financial Audits

MERC may conduct an audit, or similar review, of Contractor's records, books, and accounts related to matters covered by this Agreement at any time that MERC deems that such an audit is desirable. The audit shall be conducted by an outside accounting firm selected by MERC. The cost of such an audit will be deducted from the Fixed Annual Payment.

B. Performance Audits

MERC may conduct a performance audit, or similar performance review, of Contractor's performance of the work required by this Agreement at any time that MERC deems that such an audit is desirable. The audit shall be conducted by an outside firm selected by MERC. The cost of such an audit will be deducted from the Fixed Annual Payment.

C. Contractor's Cooperation

Contractor shall cooperate in good faith with MERC and with any outside firm retained by MERC in any matter related to an audit permitted by this paragraph 8. Contractor shall provide any books, records, or other information requested within five (5) business days of any request.

9. TERMINATION

A. Termination

This Agreement may be terminated by the mutual consent of the parties. In addition, MERC may terminate this Agreement as follows:

1. **Material Breach.** In the event that Contractor shall default in the material obligations or conditions set forth in this Agreement, and such default continues unremedied for ten (10) business days after written notice of said material default to Contractor, thereupon, at MERC's option, this Agreement may be terminated upon thirty (30) days' written notice by MERC.
2. **Notice.** MERC may terminate this Agreement by giving Contractor ninety (90) days' written notice of intent to terminate, without waiving any claims or remedies it may have against Contractor. Termination shall not excuse payment for expenses properly incurred prior to notice of termination, but neither party shall be liable for indirect or consequential damages arising from termination under this section.
3. **No Annual Approved Sales Plan Or Annual Approved Line-Item Budget.** In the event that MERC does not approve an annual sales plan and/or an annual line-item budget at least forty-five (45) days before the first day of the next Contract Year, this Agreement shall terminate automatically on the last day of the current Contract Year.
4. **Non-Appropriation.** The continuation of this Agreement is contingent on the appropriation of funds to fund this Agreement. In the event that MERC's budget does not contain funds to provide for the continuation of this Agreement, this Agreement shall terminate automatically on the last day of the fiscal year for which funds are appropriated.

B. Termination Accounting

At the time of termination, Contractor shall return to MERC any unused funds, as required by Paragraph 7(F) of this Agreement. On or before the last day of the Agreement, Contractor shall account to MERC for all funds paid to Contractor for that Contract Year.

10. FIRST OPPORTUNITY TARGET AREA PROGRAM

Contractor shall comply with MERC's First Opportunity Target Area ("FOTA") Program, as it may be amended from time to time. Contractor shall submit to MERC every January 1 and June 1 a written report that details Contractor's FOTA compliance efforts.

11. MERC GENERAL MANAGER

The MERC General Manager, or his or her designee, shall have the authority to administer all aspects of this Agreement, including but not limited to approving the quarterly incentive goals, the Annual Approved Sales Plan, and the Annual Approved Line-Item Budget.

12. INSURANCE

A. Contractor shall purchase and maintain at the Contractor's expense, the following types of insurance, covering the Contractor, its employees, and agents:

1. Broad form comprehensive general liability insurance covering bodily injury and property damage, with automatic coverage for premises, operations, and product liability. The policy must be endorsed with contractual liability coverage; and
2. Automobile bodily injury and property damage liability insurance.

B. Insurance coverage shall be a minimum of \$1,000,000 per occurrence.

C. MERC, its appointed officials, departments, employees, and agents shall be named as ADDITIONAL INSUREDS. Notice of any material change or policy cancellation shall be provided to MERC 30 days prior to the change or cancellation.

D. Contractor, its subcontractors, if any, and all employers working under this Agreement that are subject employers under the Oregon Workers' Compensation Law shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Contractor shall provide MERC with certification of Workers' Compensation insurance including employer's liability.

E. Contractor shall maintain for the duration of this Agreement professional liability insurance covering personal injury and property damage arising from errors, omissions, or malpractice. Coverage shall be in the minimum amount of \$1,000,000. Contractor shall provide to MERC a certificate of this insurance, and 30 days' advance notice of material change or cancellation.

F. Contractor shall provide MERC with a certificate of insurance complying with this article and naming MERC as an additional insured within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.

13. INDEMNIFICATION

Contractor shall indemnify and hold MERC, its agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, or with any patent infringement or copyright claims arising out of the use of Contractor's designs or other materials by MERC and for any claims or disputes involving subcontractors.

14. MAINTENANCE OF RECORDS

Contractor shall maintain all of its records relating to this Agreement on a generally accepted accounting basis and allow MERC the opportunity to inspect and/or copy such records at a convenient place during normal business hours. All required records shall be maintained by Contractor for three years after MERC makes final payment and all other pending matters are closed.

15. OWNERSHIP OF DOCUMENTS

All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by Contractor pursuant to this Agreement are the property of MERC, and it is agreed by the parties that such documents are works made for hire. Contractor hereby conveys, transfers, and grants to MERC all rights of reproduction and the copyright to all such documents.

16. INDEPENDENT CONTRACTOR STATUS

Contractor shall be an independent Contractor for all purposes and shall be entitled only to the compensation provided for in this Agreement. Under no circumstances shall Contractor be considered an employee of MERC. Contractor shall provide all tools or equipment necessary to carry out this Agreement, and shall exercise complete control in achieving the results specified in this Agreement. Contractor is solely responsible for its performance under this Agreement, the quality of its work, for obtaining and maintaining all licenses and certifications necessary to carry out this Agreement, for payment of any fees, taxes, royalties, or other expenses necessary to complete the work except as otherwise specified in this Agreement, and for meeting all other requirements of law in carrying out this Agreement. Contractor shall identify and certify tax status and identification number through execution of IRS form W-9 prior to submitting any request for payment to MERC.

17. RIGHT TO WITHHOLD PAYMENTS

MERC shall have the right to withhold from payments due to Contractor such sums as necessary, in MERC's sole opinion, to protect MERC against any loss, damage, or claim which may result from Contractor's performance or failure to perform under this Agreement or the failure of Contractor to make proper payment to any suppliers or subcontractors.

18. STATE AND FEDERAL LAW CONSTRAINTS

Both parties shall comply with the public contracting provisions of ORS chapters 279A and 279B, to the extent those provisions apply to this Agreement. All such provisions required to be included in this Agreement are incorporated herein by reference. Contractor shall comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations including those of the Americans with Disabilities Act.

19. SITUS

The situs of this Agreement is Portland, Oregon. Any litigation over this Agreement shall be governed by the laws of the State of Oregon and shall be conducted in the Circuit Court of the state of Oregon for Multnomah County, or, if jurisdiction is proper, in the U.S. District Court for the District of Oregon.

20. ASSIGNMENT

This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by either party.

21. NO WAIVER OF CLAIMS

The failure to enforce any provision of this Agreement shall not constitute a waiver by MERC of that or any other provision.

22. MODIFICATION

Notwithstanding and succeeding any and all prior agreement(s) or practice(s), this Agreement constitutes the entire Agreement between the parties, and may only be expressly modified in writing(s), signed by both parties.

**METROPOLITAN EXPOSITION-
RECREATION COMMISSION**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

National Sales & Marketing RFP Schedule

2005

June 15; 5:00 pm	Deadline for Proposals to OCC
June 1; 2:00 pm	Pre-Proposal Meeting
July 8	Deadline for MERC Evaluation Committee to rate proposals and establish short list of top three proposals
July 22	Deadline for competitive negotiations with top ranked proposers
August 5; 5:00 pm	Deadline for proposers to turn in modified proposals (as modified through negotiations)
August 24	MERC Commission approves recommended vendor
October 1	New contract commencement date

Advertising Firms to be Sent OCC National Marketing and Sales RFP

<u>Firm</u>	<u>Specialty</u>
1. Direct Marketing Solutions	Direct Mail
2. Cmedia LLC	Direct response media-buying services. <i>Carnival Cruise Lines</i>
3. CMD	Full service, account mgmt, graphic design, database marketing. <i>JELD- WEN, HP, Bridgeport Brewing, Tektronix</i>
4. R/West	Strategic marketing planning, advertising, PR and media buying. <i>Burgerville, Maryhill Winery, Integra Telecom</i>
5. HMH	Integrated idea agency, advertising, PR, graphic design, brand development. <i>Freightliner, Standard Insurance</i>
6. Borders Perrin & Norrander Inc.	Strategy, media. <i>Columbia Sportswear, Valvoline</i>
7. Young & Roehr Group	Business to business, education – current OCC/POVA advertising firm
8. Leopold Ketel & Partners	Full service, strategic planning, advertising, PR, graphic design. <i>Hood River Distillers, Umpqua Bank, Oregon Humane Society</i>
9. Nonbox	Telecom, sports marketing. <i>Peter Jacobsen Productions, Ifone</i>

Public Relations Firms to be Sent OCC National Marketing and Sales RFP

- | | |
|--------------------------------------|--|
| 1. Waggner Edstrom | Business to business, corporate communications, consumer marketing, public affairs, technology |
| 2. Metropolitan Group | Strategic communications, social marketing transportation |
| 3. Lane Marketing Communications | Food/nutrition, tech services, telecommunications, sports, leisure |
| 4. The Ulum Group | Health care, sports marketing, government, non-profit |
| 5. HMM | Full service marketing, communications, PR, and crisis management |
| 6. Maxwell PR | Consumer products, finance, non-profit, sustainability, tourism |
| 7. Revolution Public Relations, Inc. | High tech, consumer tech, non-profit, Hospitality |
| 8. Leopold Ketel & Partners | Local and national consumer brand clients |
| 9. Young and Roehr Group | Technology, healthcare – current OCC/POVA agency |

Other Non Profits or Marketing Companies

- | <u>Firm</u> | <u>Specialty</u> |
|---|---|
| 1. Portland Oregon Visitors Association | Current OCC contractor |
| 2. Oregon Convention & Visitor Services Network, Inc. | Current OCC contractor |
| 3. Spectacor Management Group | Run 45 convention centers in US, have several accounts where they are selling/marketing like a CVB |
| 4. Global Spectrum | Private facility management company. Manage several convention facilities in US. Have sales/marketing experience. |

National Companies to Receive the MERC Marketing RFP

Firm	Specialty
ARAMARK Harrison Lodging	Sales/marketing database, advertising, public relations to promote nationally, operational expertise and facility management understanding.
ASI Marketing Group	Specializes in minority marketing advertising and creative services. Products of Spanish language commercials and campaign development.
Conference Center Concepts, LLC	Management of daily operations, sales & marketing, conference services. CMP selling and servicing.
Cormiche Group	Travel ad tourism, marketing firms, meeting management, event planner and represents luxury hotels and special event venues.
Dana Communications	Branding and positioning marketing, planning advertising and design, direct mail media planning and placement, PR and website development, specializing in marketing and communications for conference centers, resorts and hotels and other hospitality areas
David Green Organization	Industries leading provider of group acquisition services and database of meeting and group buyers
DMI Partners	Hotel marketing management and innovative sales strategies, set-up sales trips. Premier hotel, tourism resort management company
Dolce International	Represents a growing portfolio of conference and resort distributors in US Canada and Europe. Management, sales of 26 properties.
FILIK Conference Center Mgmt.	Provides full conference center management and technology solutions for marketing of centers. Training and servicing a branch of Compass Group Facility Management

Firm	Specialty
Hinton and Grusich	A national sales organization that represents world-class hotels and other suppliers servicing meeting industry
USA Hosts	Leading destinations management company providing convention housing, special events and group travel, hotel reservations trade show and meeting services.
The Hyland Group	Represents 30 hotels resorts and CVB's to meeting planners, match budget and needs to right destination
JLC Hospitality Consulting	Research and marketing firm focused on hospitality and tourism industry. Direct response marketing, sales, planning, sales promotion and PR
Marshall Murdaugh Marketing	Providing strategic solutions for the tourism Industry, marketing plan development, performs audits, destination branding PR
Meeting & Incentive Management	Destination management special events, tradeshow support, meeting and incentives services
Middleton and Gendron, Inc.	Award winning public relations and marketing services firm specializing in conference centers and tradeshow business.
Marketing General Inc.	North America's largest and most successful association marketing agency – providing a comprehensive set of solutions for memberships development, conference management.

MERC National Sales & Marketing Services RFP

Advertising Publications – Ad Placement

- Association for Convention Marketing Executives
- Hospitality Sales and Marketing Association International
- USAE Magazine
- Travel Industry Association of America
- Business Marketing Association
- Oregonian
- Seattle Times
- El Hispanic
- Asian Newspaper
- Skanner Newspaper
- New York Times
- Washington DC Paper
- Chicago Times
- San Francisco Paper