
MODULE 1 - UNDERSTANDING THE 2010 BUSINESS OPPORTUNITY

- › Scope and scale of direct and Games-related business opportunities
- › Who's buying? - understanding the players in the 2010 Winter Games
- › Introduction to the types of opportunities
- › Roadmap of spending to 2010

SCOPE AND SCALE OF DIRECT AND GAMES-RELATED BUSINESS OPPORTUNITIES

Purpose:

The purpose of this module is to help you understand the scope of spending associated with the Vancouver 2010 Winter Games, related business opportunities and introduce the organizations that will be seeking suppliers and subcontractors leading up to these Games.

“The 2010 Games are generating enormous opportunities across B.C. Already over 80 communities have appointed 2010 committee chairs to plan for the Games, and over 50,000 British Columbians have signed up as volunteers. We’re going to continue working together to maximize those opportunities for everyone.”

PREMIER GORDON CAMPBELL

SPIRIT OF 2010 BUSINESS SUMMIT, NOVEMBER 2004

Vancouver 2010 Olympic and Paralympic Winter Games

Olympic Winter Games February 12-28, 2010

Paralympic Winter Games March 12-21, 2010

NUMBER OF ATHLETES AND OFFICIALS	6,700
ESTIMATED NUMBER OF ACCREDITED MEDIA	10,000
ESTIMATED NUMBER OF WORLDWIDE VIEWERS	3 BILLION
ESTIMATED NUMBER OF VOLUNTEERS	25,000
NUMBER OF 2010 EVENT TICKETS AVAILABLE	1.8 MILLION

Direct and Games-related business opportunities

A variety of independent studies on the economic impact of the Vancouver 2010 Olympic and Paralympic Winter Games (2010 Winter Games) estimate that the value of direct spending will be in excess of \$4 billion and that major infrastructure projects will create another \$3 billion in related opportunities - and there’s no reason why businesses all across British Columbia can’t get a piece of the pie.

It’s not just about business opportunities specifically related to these Games – local, provincial and federal governments are huge consumers of goods and services. By learning about the opportunities related to the 2010 Winter Games and how you can be successful within the competitive bidding process, you’ll also learn how you can be successful selling to all levels of government and other major organizations.

How does 2010 Winter Games spending break down?

The Vancouver 2010 Winter Games will be held throughout February and March of 2010. Conservative spending estimates suggest the breakdown in spending will be approximately as follows:

- › \$2 billion by the *Vancouver Organizing Committee (VANOC)* on the 2010 Winter Games (\$1.7 billion for operations, \$580 million on venue construction)
- › \$2 billion by the broader *Olympic Family* on the 2010 Winter Games
- › \$3 billion on *Major Infrastructure Projects* in BC

What are the Types of Business Opportunities Related to the Games?

The types of business opportunities related to the 2010 Winter Games are numerous and range considerably; a BC business might be a supplier to the 2010 Vancouver Organizing Committee (VANOC) providing office supplies or rental vehicles, or it could be a subcontractor providing signage or finishing materials on a sports facility, or it might be a supplier of a specialty food item to a visiting delegation from a participating country or the International Olympic Committee. These opportunities can be categorized into the following four main types:

1. **Direct Opportunities** – whereby a BC business is a supplier or licensee to VANOC, a supplier on a competition venue construction project or on some other aspect of 2010 Winter Games operations.
2. **Olympic Family Opportunities** – being a supplier to a member of the Olympic Family; such as sponsors, National Olympic Committees, the BC Olympic and Paralympic Winter Games Secretariat, 2010 Legacies Now or one of the official partner or sponsor organizations.
3. **Major Infrastructure Projects** – being a supplier or subcontractor on a major infrastructure project such as the Sea to Sky Highway, Vancouver Convention Centre expansion project or the Kicking Horse Canyon project.
4. **Major Events** – being a supplier or subcontractor providing goods and services for one of the many pre-game test events, 2008 North American Indigenous Games or the 2009 World Police and Fire Games.

Licensing and Subcontracting

Licensing and Subcontracting are two special kinds of direct opportunities that offer huge potential for BC businesses. VANOC's licensing program entitles companies to produce and sell products with the official 2010 logo and trademark. The Hudson's Bay Company (Hbc) was announced as the first licensee in early 2005. All kinds of products will ultimately be part of the licensing program, including headwear, t-shirts, toys, notebooks, etc. Visit the VANOC website (www.vancouver2010.com) for more information on licensing opportunities.

Subcontracting is another way for BC companies to be involved in 2010 Winter Games business. Subcontracting involves providing goods and services to other organizations that have major contracts with VANOC, with members of the Olympic Family, on major construction projects or who are associated with major events. Licensees may also require subcontractors. Ultimately, it could be just as beneficial to be a subcontractor to an Official Supplier as it is to be a direct supplier.

Now let's consider these various opportunities by getting a better understanding of who's spending the money and what their specific roles are.

WHO'S BUYING: UNDERSTANDING THE PLAYERS IN THE 2010 WINTER GAMES

Hosting the Vancouver 2010 Winter Games takes the collective efforts of a number of different organizations – each of them will require all kinds of goods and services at some point over the next five years. The key point to remember is that the market for goods and services is more than just the Vancouver Organizing Committee.

The following is an overview of some of the key organizations involved in planning, organizing and hosting the 2010 Winter Games:

VANOC - The Vancouver Organizing Committee has been incorporated under the Canada Corporations Act as the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC). The Committee's mandate is to support and promote the development of sport in Canada by planning, organizing, financing and staging the XXI Olympic Winter Games and X Paralympic Games in 2010. VANOC's responsibilities centre on delivering these Games on time, on budget and includes construction and/or renovation of any competition and non-competition venues. For further information, please refer to the VANOC website.

VANOC website: www.vancouver2010.com

Olympic Family – The Olympic Family is a broad category of official organizations that includes sponsors, media/broadcasters, the International Olympic Committee (IOC), National Olympic and Paralympic Committees as well as government agencies or special not-for-profit organizations with responsibility for overseeing government and cultural aspects related to the 2010 Winter Games.

International Olympic Committee - The International Olympic Committee (IOC) is an international non-profit organization and the creator of the Olympic Movement. The IOC serves as an umbrella organization of the Olympic Movement. It owns all rights to the Olympic symbols, flags, mottos, anthems and Olympic Games. Its primary responsibility is to supervise the organization of the Olympic Summer and Winter Games. IOC website: www.olympic.org

International Paralympic Committee - The International Paralympic Committee (IPC) is the international governing body of sports for athletes with disabilities. The IPC develops sporting opportunities around the world for athletes of all levels, from grassroots to elite level. IPC website: www.paralympic.org

National Olympic Committees – National Olympic Committees (NOCs) promote the fundamental principles of the Olympics at a national level. There are currently 202 NOCs over five continents. About 80 of those participate in the Olympic Winter Games.

Canadian Olympic Committee - The Canadian Olympic Committee (COC) is a not-for-profit organization and the largest private sector funder of high performance sport in Canada. First recognized by the International Olympic Committee in 1907, the COC has evolved into a multi-faceted sport organization providing financial support, services and leadership to the Canadian amateur high performance sport community. COC: www.olympic.ca

Canadian Paralympic Committee - The mission of the Canadian Paralympic Committee (CPC) is to develop and grow the Paralympic Movement in Canada. CPC: www.paralympic.ca
Other NOC: www.olympic.org/uk/organisation/noc/index_uk.asp

Four Host First Nations - The Vancouver 2010 Olympic and Paralympic Winter Games will be held on shared traditional territories of the Lil'wat, Musqueam, Squamish and Tsleil-Waututh First Nations. Without their participation - and their support for the original bid to bring the Games to Vancouver/Whistler - hosting the Games here would not have been possible. The Four Host First Nations are active partners in the planning and hosting of the Games, and in ensuring that their traditions and practices are acknowledged and respected.

Sponsors - There are two main categories of sponsorship: *TOP Sponsors* who negotiate rights directly with the IOC and *National Sponsors*, Canadian companies who negotiate sponsorship rights directly with VANOC. TOP sponsors are major brand-name companies with international operations. A few of the organizations with rights extending through 2010 include *VISA, Omega, McDonald's and General Electric*. So far, only a few National Sponsors have been assigned rights for the 2010 Winter Games; more will be announced in the coming months. Those that have already signed onto these Games include *Bell Canada, Royal Bank of Canada, Hudson's Bay Company, Petro-Canada, GM and RONA*. Ultimately, there will be between 50 and 60 sponsors for the 2010 Winter Games; all of them needing various products and services to 'leverage' this marketing opportunity.

International TOP Sponsors:

www.olympic.org/uk/organisation/facts/programme/sponsors_uk.asp

Canadian National Sponsors:

www.vancouver2010.com/en/OrganizingCommittee/SponsorsPartners/NationalPartners

Broadcasters – Ultimately there will likely be 80 official *Host Broadcasters* providing coverage of the 2010 Winter Games to an audience of billions around the world. Each country planning to broadcast these Games has one official Host Broadcaster. The media and broadcasters play a major role in staging the Games and each broadcaster will have teams of people (some as large as 200-300 people) in and around British Columbia to cover the 2010 Winter Games. CTV has the Canadian Broadcast rights for the 2010 Winter Games; NBC has the 2010 Broadcast rights in the United States.

Canadian 2010 Broadcast media rights holder: www.ctv.ca

United States 2010 Broadcast media rights holder: www.nbc.com

Host Municipalities – The Host City of Vancouver and Host Mountain Resort of Whistler also have responsibility for venue construction and other major infrastructure projects. In many cases, these municipalities will be buying goods and services to support their involvement in the Games. So remember - there's more to Games-related opportunities than just getting a contract with VANOC.

City of Vancouver: www.city.vancouver.bc.ca/olympics

Resort Municipality of Whistler: www.whistler.ca

Venue Municipalities – The venue Municipalities of Richmond and West Vancouver also have responsibility for venue construction and other Games-related infrastructure. These municipalities will be buying goods and services to support their involvement in the 2010 Winter Games.

City of Richmond: www.richmond.ca/discover/events/oval

District of West Vancouver: www.westvancouver.net

Federal and Provincial Government Agencies – All levels of government are funding partners in the 2010 Winter Games. However, there are some key government groups that are important to be aware of and they include:

2010 Olympic and Paralympic Winter Games Federal Secretariat – The Federal Secretariat works closely with VANOC for the 2010 Winter Games, and with major Games stakeholders to provide leadership and advice. The Federal Secretariat also supports intergovernmental engagement in 2010 and related initiatives. The Federal Secretariat is a division of the Department of Canadian Heritage.

Federal Secretariat: www.canada2010.gc.ca

BC Olympic and Paralympic Winter Games Secretariat - The BC Secretariat is the Provincial agency responsible for overseeing British Columbia's financial commitments and ensuring British Columbia's vision for these Games, is achieved. The Province has committed \$600 million to the Vancouver 2010 Olympic and Paralympic Winter Games, venue construction, endowments and legacies. The BC Secretariat also has a key role in ensuring the sustainable economic opportunities associated with hosting a Winter Games are identified early and realized before, during and after the 2010 Winter Games, and evolve into enduring legacies for communities and businesses around the Province. The *2010 Commerce Centre* was established by the BC Secretariat.

BC Secretariat: www.bcsecretariat.gov.bc.ca

Other Special Organizations – There are a few other special organizations that have been created to support the broader opportunities (volunteerism, arts, culture) related to the 2010 Winter Games. They include *2010 Legacies Now*, a provincial organization, and a network of over 90 *Spirit of BC Community Committees* representing communities all around the province.

2010 Legacies Now - 2010 Legacies Now works in partnership with community-based organizations to develop and support participants and athletes from Playground to Podium, and to develop vibrant volunteer sectors, healthy and active communities and diverse arts and cultural activities. 2010 Legacies Now is a not-for-profit organization with a head office in Vancouver.

2010 Legacies Now: www.2010legaciesnow.com

Spirit of BC Community Committees - 2010 Legacies Now is working with over 90 Spirit of BC Community Committees around the province to leverage Games-related and non-Games-related community opportunities in the areas of sport and recreation, arts and culture, human resources, literacy and volunteerism. The 2010 Commerce Centre works with Spirit of BC Community Committees to engage the local business community in the opportunities of these Games.

Spirit of BC Community Committees website: www.spiritofbc.com

INTRODUCTION TO THE TYPES OF OPPORTUNITIES

Major Infrastructure Projects

Major infrastructure projects represent a huge portion of the spending that is associated in some way with the 2010 Winter Games - and each of these projects represents potential opportunities for your business.

And remember - you don't necessarily have to be a major construction firm to get a piece of the business. If you're not directly involved in the construction business, consider the potential subcontracting opportunities to a major contractor – maybe your firm can provide lighting, signage, carpeting, seats or similar products that are all requirements before a major venue or project is finished. The following table provides some examples of the major infrastructure projects that are currently underway.

Examples of Infrastructure Projects

<i>PROJECT</i>	<i>COST</i>	<i>TIMELINE</i>
VANCOUVER CONVENTION & EXHIBITION CENTRE	\$615M	2004 - 2008
KICKING HORSE CANYON	\$130M	2005 - 2009
RAV/CANADA LINE	\$1900M	2005 - 2009
SEA-TO-SKY HIGHWAY	\$600M	2004 - 2009
YVR EXPANSION	\$1400M	2005 - 2010

Vancouver 2010 Winter Games Venue Construction

A number of competition and non-competition venues will be constructed for the 2010 Winter Games - creating significant business opportunities for businesses and subcontractors in the construction services sector. A complete overview of all venue construction related to these games can be found by visiting the 2010 Commerce Centre website (www.2010CommerceCentre.gov.bc.ca). And remember, larger firms will increasingly focus their attention on 'mega' projects, resulting in new opportunities for small to medium-sized companies in traditional markets.

Games Test Events and Major Sport Championships

It doesn't just all happen in 2010. Starting now and leading up to 2010, a number of test events will be held in BC to prepare venues, volunteers and officials for the 2010 Winter Games. All of the Winter Games Sports will hold a major championship in BC (or Canada) prior to 2010. These test events will take place in a competition venue or they could be held in other areas of the province. These will be national and world championship level events that draw large numbers of spectators and will have significant business opportunities. All of these events will need a wide range of goods and services during the planning and staging phases. Test events will be scheduled as the Games get closer.

Related Sporting Events

There's more going on than just the Vancouver 2010 Winter Games – and that means more opportunities for Canadian businesses. In addition to the pre-game test events program mentioned previously, groups all across Canada are actively bidding to bring major events to their community. Some of these confirmed to date include:

<i>YEAR</i>	<i>EVENT</i>	<i>LOCATION</i>	<i>WEBSITE</i>
2007	HALIFAX HIGHLAND GAMES AND SCOTTISH FESTIVAL	HALIFAX	WWW.HALIFAXHIGHLANDGAMES.COM
2007	CANADA WINTER GAMES	WHITEHORSE	WWW.2007CANADAGAMES.CA
2007	WORLD BMX CHAMPIONSHIPS	VICTORIA	WWW.BMXCANADA.CA
2007	WORLD FREESTYLE KAYAK CHAMPIONSHIPS	OTTAWA	WWW.WCFKC.COM
2007	WORLD INDOOR LACROSSE CHAMPIONSHIP	HALIFAX	WWW.INDOORLACROSSE.COM
2008	2008 BC WINTER GAMES	KIMBERLEY / CRANBROOK	WWW.BCGAMES.ORG
2008	2008 BC SUMMER GAMES	KELOWNA	WWW.BCGAMES.ORG
2008	NORTH AMERICAN INDIGENOUS GAMES	COWICHAN VALLEY	WWW.ASRA.CA
2009	POLICE & FIRE GAMES	VANCOUVER	WWW.2009WPG.COM

Related Venue Construction

Part of the legacy of the 2010 Winter Games is improved sporting facilities throughout the province. A number of projects are underway to improve the sports infrastructure at the community level all across BC. In some cases these facilities will be used to host test events or other major sporting events leading up to 2010. These projects also represent potential opportunities for your business. The following are some examples of the kinds of sport related venue construction taking place around BC:

LOCATION	FACILITY
FORT ST. JOHN	SPEED SKATING OVAL
KAMLOOPS	ICE RINK EXPANSIONS
PRINCE GEORGE	NORTHERN SPORT CENTRE
PORT MOODY	OLYMPIC ICE RINK
PENTICTON	MULTIPLEX
VERNON	SOVEREIGN LAKES NORDIC CENTRE
KIMBERLEY	PARALYMPIC SPORTS CENTRE
NANAIMO	OLYMPIC ICE CENTRE

ROADMAP OF SPENDING TO 2010

VANOC has been in operation since 2003 and has been gradually increasing the size of the organization so it can deliver the 2010 Winter Games. Most of VANOC's attention and spending in the next two to three years will be focused on constructing competition and non-competition venues and general planning for the Games; significant spending on operating costs will really start to pick up in 2008. That means many of the opportunities with VANOC now and in the short term will be construction related – but not all – so it's a good idea to regularly monitor bidding opportunities to see what VANOC's needs are (Module 2 will describe how easy it is to find VANOC and Games-related contracting and bidding opportunities). The good news is that this schedule of spending provides some lead time for BC businesses that don't have a construction focus, to ready themselves to be suppliers for these Games.

VENUE NAME	TYPE	LEGACY	
GENERAL MOTORS PLACE	UPGRADE	USED FOR HOCKEY GAMES AND OTHER EVENTS	} <i>Competition venues</i>
HILLCREST/NAT BAILEY STADIUM PARK	NEW	MULTI-PURPOSE COMMUNITY RECREATION CENTRE	
PACIFIC COLISEUM	UPGRADE	VENUE FOR DIVERSE EVENTS	
UBC WINTER SPORTS CENTRE	NEW	RECREATIONAL AND HIGH PERFORMANCE MULTI-SPORT LEGACY	
WHISTLER CREEKSIDE	UPGRADE	WORLD-CLASS SKI AREA TO RECREATIONAL SKIERS AND A SITE FOR FUTURE INTERNATIONAL COMPETITIONS	
WHISTLER NORDIC VENUE	NEW	RECREATIONAL USES TO HIGH PERFORMANCE SPORTS	
WHISTLER SLIDING CENTER	NEW	INTRODUCE SLIDING SPORTS TO THE AREA'S MANY VISITORS	
RICHMOND OVAL	NEW	USED BY THE COMMUNITY AS MULTI-FACILITY SPORTS COMPLEX	
CYPRESS MOUNTAIN	UPGRADE	USED AS WORLD CLASS RECREATIONAL AND TRAINING FACILITIES	
VANCOUVER OLYMPIC VILLAGE	NEW	MODEL SUSTAINABLE COMMUNITY	
WHISTLER OLYMPIC AND PARALYMPIC VILLAGE	NEW	AFFORDABLE RESIDENT HOUSING	
VANCOUVER CONVENTION AND EXHIBITION CENTRE	EXPANSION	PRE-FUNCTION, MEETING, CONVENTION, EXHIBITION AND BALLROOM SPACE	

VANOC Operating Expenditures

However, as we described above, VANOC is only one of several players. Sponsors, media, test events and other levels of government are all beginning to increase their operations in anticipation of these Games. All of these groups are starting to increase their spending in BC. The key message is to get ready now to consider how you might take advantage of the upcoming opportunities.

A Final Word: Subcontracting is a Golden Opportunity for BC Businesses

Major international companies are seeking business opportunities associated with the 2010 Winter Games and BC businesses will have to compete for business – and many of them will be successful. However, large international companies that have significant Games experience are also likely to get major contracts. What this means is that subcontracting just might be the hidden jewel within the broader Games-related opportunity. Every major contractor will almost certainly be relying on local BC companies to help them deliver on their contracting commitments. This means that BC businesses should be looking to see where there will be significant subcontracting opportunities for a major supplier. In fact – for many BC businesses – subcontracting could offer greater, and potentially more accessible, business opportunities. Module 2 and Module 11 offer more information on how to find subcontracting opportunities.