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To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"
"Impey, Patrice" <Patrice.Impey@vancouver.ca>
"Kapoor, Sarah" <Sarah.Kapoor@vancouver.ca>

Date: 6/19/2018 12:03:02 PM

Subject: Memo - Update on Celebrating Vancouver - Vancouver Branded Products - RTS 12507

Attachments: memo to Council CoV Branded products.pdf

Greetings Mayor and Council,

Attached is an update on the motion from Council "Celebrating Vancouver" related to marketing of CoV branded products – RTS 12507.

The memo highlights the following update:

- a multi-disciplinary working group was created to conduct research and analysis
- following this analysis, it was determined that the optimal approach to further this initiative would be to utilize a Request for Expression of Interest ("RFEOI") in order to best engage with potential providers.
 - The City envisions engaging in a partnership with an entity that has an established platform capable of supporting audience reach and exposure for retail products and merchandise. The partner will demonstrate to the City their ability to develop a product design, marketing and implementation strategy that will be able to increase brand impressions for the City of Vancouver and leverage City brands and trademarks in order to generate visibility and awareness.
- The RFEOI will be published by end of June 2018, and interested parties are expected to submit their Expressions of Interest by July 26, 2018. The RFEOI will be posted on the City of Vancouver and BC Bid websites.
- Following evaluations of the bids, a report will be brought to Council in September with recommendations for a contract award.

Should you have any questions, please contact Patrice Impey at patrice.impey@vancouver.ca or (604) 873-7610.

Best,
Sadhu

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MEMORANDUM

June 18, 2018

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Communications Director
Kevin Quinlan, Chief of Staff, Mayor's Office
Naveen Girn, Community Relations Director, Mayor's Office

FROM: Patrice Impey
General Manager, Finance, Risk and Supply Chain Management

SUBJECT: City of Vancouver Branded Products

Dear Mayor and Council,

The purpose of this memo is to inform Council on the progress and next steps regarding the following motion which was passed at the Council Meeting on February 20, 2018.

Council Motion: Celebrating Vancouver

WHEREAS

1. The City produces a number of Vancouver branded products for protocol gifts and special events;
2. There is a high demand for these products from the public and visitors;
3. The City also provides items for sale from a number of departments such as Archives, and has requests for reproductions of items from a number of other departments such as public art, street banners and street signs;
4. In recent years a number of municipal governments, transit authorities and other local government agencies have created retail operations, either online or through brick and mortar outlets, for public purchase of their branded products;
5. These retail operations can be managed by a third party in a manner that allows for expanded public access to products with limited or no public financial exposure;
6. These retail operations have had additional benefits to their local communities including providing an opportunity to engage outstanding local designers and manufacturers, creating local jobs in the creative and IT centres, and providing an avenue for online engagement with residents to build community and civic pride.

THEREFORE BE IT RESOLVED THAT staff report back to Council with recommendations regarding implementing a cost neutral retail operation for Vancouver branded products and other items for which the City has licensing rights.

Research Completed to Date

Shortly after the Council motion passed, a working group was created consisting of staff from Finance and Supply Chain Management. The working group conducted research and analysis on the following key areas:

1. General business and market assessment: Understanding the business opportunity, potential market size and readily available market, the industry, and the City's expertise in the retail business.
2. Market entry options: Identifying options to enter the market while looking at the business models followed by other cities and organizations.
3. Financial Assessment: High-level analysis of margins for the City's existing lines of products.
4. Key challenges/risks: Summary of potential challenges and risks.
5. Locally sourced: Definition of *Made in Canada* products and demand for local products.
6. Recommended next steps: Additional research and planning needed to move forward.

Staff from the Vancouver Board of Parks and Recreation were also engaged to assess the potential within the Park Board.

Approach to the Market

Following this analysis, it was determined that the optimal approach to further this initiative would be to utilize a Request for Expression of Interest ("RFEOI") in order to best engage with potential providers. The RFEOI will be published by end of June 2018, and interested parties are expected to submit their Expressions of Interest by July 26, 2018. The RFEOI will be posted on the City of Vancouver and BC Bid websites.

Through the RFEOI mechanism, the City envisions engaging in a partnership with an entity that has an established platform capable of supporting audience reach and exposure for retail products and merchandise. The partner will demonstrate to the City their ability to develop a product design, marketing and implementation strategy that will be able to increase brand impressions for the City of Vancouver and leverage City brands and trademarks in order to generate visibility and awareness. While the Council motion indicated a cost neutral operation, the RFEOI will look for options from the vendor to achieve the above goals while producing positive revenues that can be reinvested into a number of Vancouver public services.

Furthermore, as part of the overall strategy, the City is interested in collaborating with local artisans, designers and indigenous artists to take part in supplying and delivering various types of creative designs and commercial goods to be introduced on this platform.

Timeline

The working group anticipates the project will follow the timeline proposed below:

RFEOI Posted – June, 2018
Submissions received – July 26, 2018
Evaluation of submissions – August 2018
Report to Council – September 2018
Award of Contract – October 2018

Conclusion

Celebrating Vancouver is an initiative from Council to build community and civic pride by leveraging City's brand and trademarks and collaborating with local artists and designers. In order to take this motion to action, a multidisciplinary working group was created to conduct research and analysis and to prepare an RFEOI, which will be published by end of June 2018. According to the timeline provided, evaluations will take place in August with a report to Council in September and Contract award in October 2018.

Please feel free to contact me at (604) 873-7610 should you have any questions regarding this initiative.

Sincerely,



Patrice Impey
General Manager, Finance, Risk and Supply Chain Management
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