

DATE: January 28, 1998

**SUBJECT: BROCKTON TOTEM POLES CONCESSION/VISITOR CENTRE -  
MARKETING STRATEGY**

**RECOMMENDATION:**

**THAT the Board approve the attached marketing strategy on the type of merchandise to be sold at the Brockton Totem Poles Concession/Visitor Centre.**

**BACKGROUND**

On May 5, 1997 the Board approved a staff report(Appendix A) recommending that the concept for a new Visitor Centre be built at the Brockton Totem Pole site in Stanley Park. The following resolutions were passed by the Board:

- A. THAT the Board approve the concept of a Concession / Visitor Centre at the Brockton Totem Pole site in Stanley Park.
- B. THAT an architect be retained to prepare a concept design for the Board's approval.
- C. THAT the Board request City Council to provide funding on a loan basis for the proposed Visitor Centre.
- D. THAT staff hold discussions with the lessee of the Prospect Point Café and report back on a marketing strategy for the new concession.
- E. THAT the interpretative and commercial components will acknowledge the history of the local First Nations and their involvement; and their counsel will be sought on the development of these elements.
- F. THAT staff be directed to look into the possibility of holding a competition for architects to come up with various concepts and designs for the Visitor Centre.

On June 26, 1997, following the Standing Committee on City Services and Budgets, Vancouver City Council adopted the following recommendations of the Committee:

- A. THAT funding for the proposed Visitor Centre at the Brockton Totem Poles site in Stanley Park as proposed in Appendix A, be approved with financing to be provided by a loan from the Capital Financing Fund on terms satisfactory to the Director of Finance to be repaid from the Park Board Global Budget.
- B. THAT the Park Board be requested to develop a marketing plan in

consultation with the lessee of the Prospect Point Café on the type of merchandise to be sold at the Visitor Centre.

## **DISCUSSION**

In order to help reach an agreement with the lessee of the Prospect Point Café a consultant (Michael Joss) was retained with an excellent background in retail sales and the emerging aboriginal tourism industry. The purpose for his retention was twofold:

To identify types of items that will be offered for sale at the new Visitor Centre. The range of items would include food and beverages, souvenirs, interpretative materials and small service items.

The items should not closely duplicate those offered by the Prospect Point Café but at the same time the Centre must provide excellent service to visitors and relate to the significance of the Totem Poles area.

An executive summary of the report from Mr Joss is attached as Appendix B. Out of the two recommended themes for the gift shop it is believed that the Board should concentrate on the First Nations theme with special emphasis on the Totem Pole site.

Discussions with Mr Frankel resulted in his strong opposition to the Board carrying generic souvenirs and any clothing items such as T shirts, sweat shirts or golf hats.

In order to acknowledge Mr Frankel's large capital investment at Prospect Point it is recommended that up until the end of the second term of his agreement with the Board ( November 30, 2004) the Visitor Centre does not sell these items. In return Mr Frankel has agreed that the Board can sell any item that relates to the Totem Poles theme. In addition, original artwork, carvings etc. from First Nations peoples are acceptable.

Although Mr Joss makes the point that clothing is a popular item with tourists it is felt that the Board will still make its revenue goals in selling alternative items.

With the food concession we agree with the consultant's recommendation that we continue with a snack and beverage program with the addition of coffee. Native snacks such as Indian Candy and Salmon Jerky will be sourced for inclusion on the menu.

In order not to conflict with Prospect Point's sale of scooped ice cream we will only be selling individual ice cream novelties (Revels, fudgicles, Sensation bars, juice bars etc.)

Mr Joss recommends that the size of the concession (700 sq ft) be enlarged by 200-300 sq ft in order to maximize revenues. Since staff initially went to the Board and Council recommending approximately 700 sq ft and Mr Frankel feels strongly about the concession size it is believed that the Board should

stay with the original dimensions.

## **JUSTIFICATION**

The attached marketing plan which is essentially an agreement on product mix, (Appendix C) is agreed to by Mr Frankel. It is somewhat of a compromise between our consultant' s recommendations and the concerns of the Prospect Point Café.

It is believed, however, that the Board will meet its revenue expectations and the service to the public will be greatly improved at this popular location.  
Administration & Revenue Services Division P.J.

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## **APPENDIX A**

DATE: April 3, 1997

**SUBJECT: BROCKTON TOTEM POLES CONCESSION/VISITOR CENTRE**

### **RECOMMENDATION:**

- A. THAT the Board approve the concept of a Concession / Visitor Centre at the Brockton Totem Pole site in Stanley Park.**
- B. THAT an architect be retained to prepare a concept design for the Board's approval.**
- C. THAT the Board request City Council to provide funding on a loan basis for the proposed Visitor Centre.**

## **BACKGROUND**

On February 5, 1990 the Board agreed to hold a public information meeting to discuss the idea of a visitor service centre at the Brockton Totem Poles site. As is the case today, the Brockton Totem Pole area was identified as one of the most popular attractions in Vancouver, and the proposed visitor centre would incorporate an Interpretative component, public washrooms and a concession.

On March 8, 1990 a public information meeting was held at the Robson Square Media Centre. Seventeen delegations were heard and one written submission was received. The majority of the speakers were opposed to the proposed facility. Reasons included spoiling the tranquillity of the site, the questionable need for an interpretation centre, keeping the park as natural as

possible, increased commercialism and the potential to upgrade concessions and washrooms in other areas of the park. Reasons in favour of the project included improved services for tourists and families and the need for washrooms at this site.

On April 23, 1990 the Board resolved to table a decision on whether to build a visitor service centre at the Brockton Totem Poles area indefinitely.

On October 29, 1991 staff made a presentation on the proposed visitor service centre to the Stanley Park Task Force that was generally well received. When their final report was released in May, 1992, however, the issue of the visitor centre at the Brockton Totem Pole site was not addressed.

## **DISCUSSION**

Since 1990 the Totem Poles area has become an even more popular attraction for park visitors, especially those arriving by tour buses. It is estimated that anywhere from 1.5 - 2 million visitors come to this site every year. Due to many requests from both tourists and local residents it is believed that the Board should re-examine the need for a visitor centre and the benefits that it would bring to the level of service that we presently provide in Stanley Park.

There would be no increase to the number of buildings in Stanley Park as the proposed centre would replace the existing carving shed which was renovated in 1986 for Expo 86. At that time the original area of 1096 sq.ft. was extended to 1643 sq.ft. A temporary occupancy permit was issued for 1986 only and after 1986 it was only used for carving totem poles to replace the existing ones.

### **The new Visitor Centre**

The three components of the visitor centre, which each have approximate space allocations of 700 sq. ft are discussed as follows:

#### **Interpretation**

As part of the Park Board Centennial in 1988 efforts were made to raise funds for an interpretative display to complement the totem poles. Unfortunately, funding did not materialize.

At the proposed centre there would be information regarding the totem poles, the carvers and their native cultures. The interpretative themes and design concepts would also reflect the Coast Salish Nations' use of Stanley Park. Despite its extensive use, the Coast Salish presence in the Park is not currently acknowledged. Instead, the present focus of the site is the Totem Poles, which are representative of the North and Central Coast Nations. It is envisaged that the history of the area would be portrayed and the part played by the early settlers to the region. Interactive displays would be considered.

#### **Washrooms**

As a major tourist destination and visitor attraction, there is a demand for public washrooms in the vicinity of the totem poles. While public washrooms do exist at the Brockton Cricket Pavilion, which is approximately 400 metres from the parking lot, this is felt to be too far away to be convenient. Tour bus patrons, seniors, people with disabilities and parents with young children would all benefit from improved access to washroom facilities at this site.

### **Concession**

At present concession services to this area consist of two mobile units that sell souvenir items that relate to the Totem Poles area, ice cream and cold drinks. These mobile units are stocked and serviced from the Brockton Cricket Pavilion Concession. A breakdown of gross sales in 1996 is as follows:

Books	32,174
Film, Cameras, Batteries	26,467
Small Totem Poles	20,698
Post Cards	10,669
Totem Pole Magnets	5,551
Pins	3,968
Misc	<u>5,859</u>
SUBTOTAL	105,386
Ice Cream	43,148
Cold Drinks (est)	<u>10,000</u>
SUBTOTAL	<u>53,148</u>
TOTAL	158,534

The net revenue from these mobile units was \$39,633

The proposed concession will sell a limited selection of snacks and drinks. There would be limited cooking and the menu would include some items that relate to a West Coast native theme such as salmon jerky.

The souvenir items would generally relate to the Totem Poles area as before, however, the Board might wish to sell other items in the future.

### **Impact on the Prospect Point Café**

Staff have met with the operator of the Prospect Point Café, Mr George Frankel to advise him of the recommendations in this report. Prospect Point is usually the next stop on the tour bus circuit and Mr Frankel has expressed concern previously about losing potential business if a larger concession is built at the Totem Poles.

Staff recognise that despite the millions of visitors that come to the park each year, there could be some drop in Prospect Point sales. The lessee has spent considerable funds in renovating the facility and the Board benefits from a

percentage of total sales (8%) as rent.

There is a need, however, to improve customer services at the totem poles and staff are willing to discuss a marketing strategy with Mr Frankel that will enable both operations to benefit.

Tour bus drivers often advise their patrons of the type of merchandise that is available at the different stops at the start of each trip, and the proposed small concession at the Totem Poles will not compare with the established food services and large gift shop at Prospect Point.

### **Funding to build the Concession/Visitor Centre**

It is estimated that the total project cost to build the centre, with a size of approximately 2100 sq. ft. is \$500,000.

It is estimated that the new concession would generate net revenues of \$120,000, which are almost three times the sales generated by the Cricket Pavilion concession and totem pole mobile units (\$45,000) in 1996. The payback period for a loan is between 7 and 8 years based on new revenues of \$75,000 inflated annually at 3%.(Appendix 1)

Discussions with staff in the City' s finance division indicate the proposed payback period for the Totem Poles Visitor Centre would be an acceptable time frame.

### **Brockton Clubhouse Concession**

As mentioned above, sales out of the small concession on the lower floor of the Brockton Cricket Pavilion are just \$20,000. Apart from being open for cricket and rugby games there is not enough demand to open the concession on a daily basis.

The concession has been operated by the Board since 1984 when the building was renovated. If the new visitor centre is approved staff will explore whether the Brockton Clubhouse Society might utilize the space but that no sales to the public be permitted.

The Clubhouse washrooms have exterior doors that are opened in the summer months to allow public access. Hours of operation are generally from 10.00AM - 8.00PM. The Board contributes \$2,700 to the maintenance of these washrooms. With the new public washrooms at the totem poles the clubhouse washrooms could be closed to the public and the Board' s maintenance costs transferred to the new operation.

### **JUSTIFICATION**

There is a need to improve the level of service at the Totem Poles. A new visitor centre would provide interpretation, washroom facilities and an improved selection of food and gift items for the general public.

There would be no addition to the number of buildings in Stanley Park as the existing Carving Shed would be removed from the Totem Poles site.

Prepared by:  
 Administration and Revenue Services Division  
 Board of Parks and Recreation  
 City of Vancouver  
 PJ

**Appendix 1**

**FINANCING THE TOTEM POLES VISITOR CENTRE**

**REPAYMENT SCHEDULE**

**Interest Rate:** 5% **Loan Amount:** \$500,000 **Compounded:** annually

**Date of loan:** 1 January, 1998 **Payment:** annually inflated @ 3%

<b>DATE</b>	<b>OPENING BALANCE</b>	<b>PLUS INTEREST @ 5%</b>	<b>SUBTOTAL</b>	<b>LESS 'NEW' REVENUE</b>	<b>CLOSING BALANCE</b>
1 Jan					
1999	500,000	25,000	525,000	75,000	450,000
2000	450,000	22,500	472,500	77,250	395,250
2001	395,250	19,762	415,012	79,567	335,445
2002	335,445	16,772	352,217	81,954	270,263
2003	270,263	13,513	283,776	84,413	199,363
2004	199,363	9,968	209,331	86,945	122,386
2005	122,386	6,119	128,505	89,553	38,952
2006	38,952	1,948	40,900	40,900	---

**FOR A COPY OF APPENDIX B CONTACT PHILIP JOSEPHS AT 257-8436**

**APPENDIX C**

**BROCKTON TOTEM POLES VISITOR CENTRE**

## **MARKETING PLAN**

### **GIFT SHOP**

- Generic (manufactured) items related to the Totem Poles theme.
- No other generic items will be sold with the exception of postcards and books
- Commissioned items or originals purchased for resale must relate to the native theme
  
- Film will continue to be sold
- No T shirts, sweatshirts or golf hats will be sold until the expiry of the second 5 year term at Prospect Point (November 30, 2004). After that date, these items can be sold but only if they relate to Stanley Park and the Totem Pole site.

### **FOOD CONCESSION**

- A limited snack and beverage menu
- Ice cream novelties rather than scooped or soft-serve ice cream
  
- Coffee will be available (presently Blenz)

### **SIZE**

- Total size of gift shop and food concession will be approximately 700 sq. ft.

### **CROSS-MARKETING**

- Some recognition that there is a gift shop at Prospect Point will be allowed at the Totem Pole site. Details to be agreed upon between both parties.
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