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CONNECTING YOUR BUSINESS COMMUNITY TO GAMES-RELATED OPPORTUNITIES



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4.0 Connecting Your Business Community to Games-Related Opportunities

Every community within BC has the potential to take advantage of the business opportunities and different forms of involvement presented by the Vancouver 2010 Olympic and Paralympic Winter Games.

This section of the Business Information Kit will provide Spirit of BC Community Committees with information that will help connect their community and local companies with the impressive array of opportunities associated with British Columbia hosting such a large event.

4.1 What are 2010 Winter Games-Related Opportunities?

A better question may be: What are not Games-related opportunities? The Games are an event of such magnitude and influence that there is room for companies of all sizes and in almost every imaginable sector. Many of the opportunities extend well beyond the need to supply basic goods and services for the staging of this world-class competition. This leads to an unparalleled opportunity for companies across the province to supply a variety of goods and services.

The goods and services needed for the 2010 Winter Games and all of the associated visitors to our province will range from clothing and food products, to communications equipment and security services. Specialized services and products will be needed for foreign visitors and athletes.

Specific opportunities include supplying arrangements with National Olympic and Paralympic Committees and their athletes, international media professionals, major sponsor representatives and a host of international events in BC leading up to 2010. Official suppliers and contractors will also provide local businesses with subcontracting opportunities which will increase in number as these Games draw near.

At first glance, it may seem that such an event would only create opportunities for the largest, well-known and most experienced companies in the province. However, this is simply not the case. Companies of diverse backgrounds and influences can, and are encouraged to be, direct participants in the 2010 Winter Games. Their unique products, services and expertise have the opportunity to be displayed on the local, provincial, national and international stage.

The economic growth created as a result of these Games will be remarkable; cultural and social opportunities are equally impressive. To ensure that local businesses are well-equipped to successfully bid on such a wide array of opportunities, the Provincial Government created the 2010 Commerce Centre which is designed to help BC businesses gain a competitive advantage so they can thrive and excel prior to, during and following the 2010 Winter Games.

4.2 Steps for Companies Interested in Being an Official Supplier

There are many exciting and diverse opportunities for local businesses to become suppliers for the 2010 Winter Games.

Local companies interested in becoming a Games-related supplier should:

- Review the latest business opportunities
- Research past opportunities and look for potential opportunities to subcontract
- Sign up for free Email Notification of 2010 Business Opportunities
- Register with the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) and other purchasers
- Access success stories
- Learn about the procurement process
- Understand the Games environment by reviewing “Games Planning” information resources
- Attend a 2010 Business Opportunities Workshop to hone business skills.
- Review the Events and Workshop Calendar along with the 2010 Business Opportunities Workbook

Note: A copy of the Business Opportunities Workshop Manual is available in SECTION 2 (Attachment 2-D). Additional resources and information mentioned above can be found at www.2010CommerceCentre.gov.bc.ca.

4.3 Subcontracting Offers Huge Potential

Subcontracting creates a tremendous opportunity for small to mid-sized companies to get involved in the Games. Canadian companies have successfully capitalized on these opportunities during past Games and can continue to do so before, during and after the 2010 Winter Games.

For local businesses to take advantage of subcontracting opportunities they should:

Prepare: Local suppliers can download and review documents for opportunities that they may want to subcontract on. Keeping an eye on bid results or contacting the document issuer at the appropriate time to ask who won the bid, will connect local businesses with potential subcontracting opportunities.

- Review past opportunities and bid results at www.2010CommerceCentre.gov.bc.ca and prepare to get involved. This will inform businesses about what is being supplied, to whom and when. It will also provide a timeline for important contract closing deadlines and estimated award dates.
- To be aware of emerging opportunities, businesses should sign up for Email Notification of 2010 Business Opportunities at: www.2010CommerceCentre.gov.bc.ca.

Connect: Local businesses can be connected to winning bidders to offer goods or services. Prior to contacting official suppliers, businesses should:

- Have a thorough business proposition in place that adds value to existing offerings.
- Be patient. Suppliers may not need help initially, but could later on, as pressure mounts to meet their contracting obligations.
- Seek out and get in touch with other businesses in their industry that might also be planning to pursue a contract, in order to combine their efforts to jointly offer goods and services.

4.4 Are There Games-Related Licensing Opportunities in Your Community?

The Games represent an unparalleled opportunity for licensing and branding. Depending on the specific goods and services offered by local businesses, licensing opportunities exist in most sectors across the province. Many licenses are even awarded to multiple bid winners.

Games-related licensing provides BC businesses with great opportunities to produce and sell potentially large quantities of official goods. Licensees may have opportunities to:

- Earn profits through producing or selling licensed products
- Increase market share and sales
- Develop new merchandise and product lines and expand into new markets (diversify)
- Gain valuable experience and knowledge
- Develop direct contact with customers and create loyalty among them

The licensing program for the 2010 Winter Games began in 2005, when the Hudson's Bay Company won the merchandising license. VANOC expects to receive numerous licensing proposals. Businesses should prepare a thorough, succinct, professional and informative proposals. Important evaluation criteria will include your company's qualifications, output capacity, financial and distribution capabilities, history and knowledge of and creativity within the specific marketplace.

Past examples of licensed products include:

- Toys, such as balls, whistles, rattles, puzzles, etc.
- Pins
- Candy
- Perfume
- Computer accessories
- Bedding and linens
- Posters and cards
- Alcoholic beverages
- Household items, such as coffee mugs, blankets, etc.
- Jewellery and watches
- 2010 Winter Games clothing, sweaters and scarves

The 2010 Winter Games represent a tremendous opportunity for local companies to be at their creative best. Use your imagination to foster partnerships that could result in new product lines and services.

To get involved and become informed about licensing procedures:

- Review Games Licensing information and Expression of Interest (EOI) examples at: www.2010CommerceCentre.gov.bc.ca
- Sign up for Email Notification of 2010 Business Opportunities to receive the latest EOI alerts at: www.2010CommerceCentre.gov.bc.ca
- Encourage local businesses to bid on opportunities as they become available. For a review of the VANOC Procurement Procedures and information on how to respond to business opportunities, please visit: www.2010CommerceCentre.gov.bc.ca

4.5 Strategic Steps to Major Event Success

Hosting the Games is a major event for everyone including organizers, teams and suppliers; considerable planning is required to condense the delivery of this major project into a few short weeks.

Every company in British Columbia that intends to participate in the 2010 Winter Games has the opportunity to access a wide range of resources to prepare and plan for this initiative.

A major event of any sort requires a plan to maximize the probability of success. The plan defines what the project means for the company in terms of resources, results and the best means to accomplish these results. Any company in BC that intends to grow as a result of participating in the 2010 Winter Games is encouraged to take a project approach that would maximize the value of this unique opportunity to the company.

PLANNING CONSIDERATIONS AND RATIONALE

Prior to embarking on a project plan, the company should ask itself a few key questions, such as:

- Do we fully understand the tender/RFP and submission requirements and are we able to potentially meet them, either alone or in conjunction with another company?
- Can we divert scarce resources, such as time, money, etc. from servicing existing customers and not lose focus on traditional or core business?

If both are answered positively, then it may be worthwhile to explore the opportunity in more depth and detail.

Future Considerations:

1. What is unique about the Games?

As with any major event or project, planning for the Games presents a number of particular challenges for most companies. Foremost is that the Games are a well-defined event of short duration that will take place on a fixed date. In order to meet milestones and deadlines, companies should consider this fact during research, planning and plan execution phases.

Other considerations include:

- At the initial planning stage, the main resource required is the time to manage the project
- Non-priority investments should be deferred to a later date
- In addition to the opportunity to generate new sales, the Games can offer other benefits related to marketing and exposure for the company

2. Why NOT plan a major project?

Many businesses operate well enough without any form of plan. Reasons for this include:

- Experience of managers/owners means plans are not formally written but are successfully undertaken regardless
- Senior managers/owners consider detailed planning too time-consuming
- Many businesses operate without any planning and still grow

While all of these factors for not planning are reasonable, planning is still an essential tool for any major project, since it allows companies to understand the benefits, risks and costs associated with the project.

3. Why plan a major project?

A company that proceeds to bid on a major event or project will invest substantial time, money and effort in the undertaking. However, to maximize the benefits, the company must foresee as many risks as possible beforehand and plan the best means to overcome these risks. Once the event is underway, there may not be time to make significant changes. A plan that clearly outlines what actions must be taken to accomplish the project will greatly improve the chances of success.

4. What else can a major project/Games-related plan do?

If submitting a bid on a major event or project is strategically viewed as an exercise that will aid in a company's overall growth, the project should be defined by how it contributes to the company's long term goals. These long term goals should be stated and supported by financial projections in the business plan.

A plan related to a major project forms an integral part of the business's activities for the period leading up to, during and after the event or project is complete. A Games event plan, coupled with a 1-3-5 year company business plan, is a powerful tool for successful participation in the 2010 Winter Games or any other major project.

PLANNING METHODS

While developing a major event or project plan, taking a two-stage approach is a very efficient and effective method to follow.

The initial stage involves constructing a preliminary plan containing the key objectives and facts assembled with current knowledge and minimal management time. This is the “first draft” of the plan’s executive summary and can be as short as 1-2 pages including initial financial projections. The document should concentrate on the anticipated resources required to undertake the project, significant risks and benefits for the company.

Assuming the initial assessment is positive, a detailed project plan can be produced following a standard format involving more detailed fact-finding and analysis. The project plan should address a range of key issues that are outlined in a checklist included on the next page.

The project plan acts as a starting point for the activities to come, the next stage of which requires more management time and commitment. While the planning to begin the project is basically concluded, the project plan itself should be considered a work in progress and updated as new important information arises.

Note: A Major Project Checklist can be viewed on the following page.

Major Project Checklist

Consideration	Yes	No	What Action or Analysis Required
1. References and Referrals			
Referenced 2010 Commerce Centre site – including Bid Section www.2010CommerceCentre.gov.bc.ca			
Contacted local business support organizations			
List of other resources and referrals to contact for further information			
<i>INTENT:</i> Preliminary research and contact with available information resources			
2. Strategy for Additional Analysis			
Understood bid documents/opportunity requirements and specifications			
Realistic expectation regarding: time and effort for proposal submission requirements			
Willingness to invest time and effort in planning and implementation of proposal			
<i>INTENT:</i> Ensure company and personnel are prepared for bid/proposal process			
3. Reality Check – First Draft			
Initial projections of net profit warrant project pursuit			
Resources to undertake the project are available			
Structure of Bid: as sole supplier; as subcontractor; as licensee; in partnership			
Facts, assumptions, and initial financial projections “on paper”			
All known risks have been considered and mitigated to degree possible			
<i>INTENT:</i> First draft of project plan is complete and passes initial scrutiny			

Consideration	Yes	No	What Action or Analysis Required
4. Project Planning			
Project Plan contains the following information:			
Objectives and Goals clearly stated and quantifiable			
Competition - Who are they: their pricing, product/service attributes			
Implementation Plan to produce and deliver the products or service			
Competitive strategy to differentiate the company from competitors			
Risks: e.g. projects often take significantly more time and money than expected			
Project has complete Management support and commitment			
<i>INTENT:</i> Project Plan stands up to realistic scrutiny. Consistent. Achievable			
5. Financial Planning			
Contains Project Cash Flow, Income Statement, Balance Sheet			
Source and amounts of financing adequate = retained earnings, owners, banks, investors			
Assumptions stated for important dollar figures			
"Notes" section comprehensive			
Best case and worst case iterations for all financial statements			
<i>INTENT:</i> A third party (banker, investor) would finance the Project			
6. Reality Check – Conclusion			
"YES" Column complete – Proceed as per Project Plan			
"NO" Column Notations – can these be rectified?			
"Action/Analysis Required" Column notations – To do			