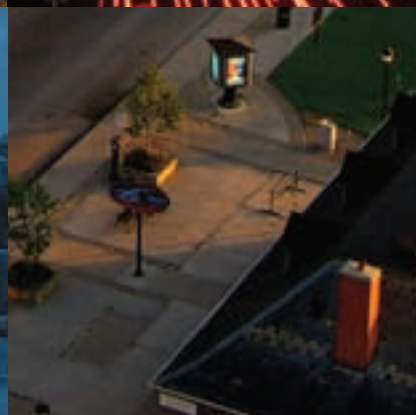
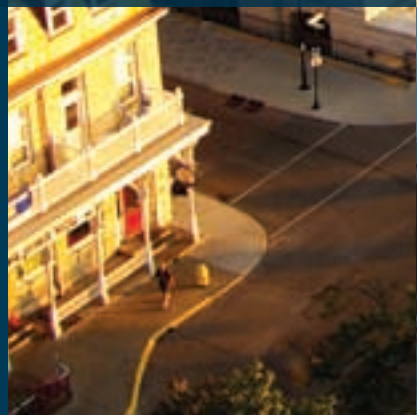


ANNUAL REPORT 2010



KEDCO
KINGSTON ECONOMIC
Development Corporation



KINGSTON ECONOMIC DEVELOPMENT CORPORATION

MISSION

The Kingston Economic Development Corporation will work with the City of Kingston and key local and regional strategic partners to achieve prosperity by developing and promoting economic advantages to sustain and grow the economy of Kingston.

VISION

Kingston – a city that is a vital, dynamic and sustainable economic centre where research, innovation, investment and business enterprises thrive together and where a diversity of people want to visit, live, work and do business.

BOARD OF DIRECTORS 2010

SHAI DUBEY, Chair

Director, Cornell Queen's Executive MBA Program / Lawyer, Cunningham Swan Carty Little & Bonham

DEREK WINTON, Vice Chair/Chair

Retired General Manager, Bombardier

GORD MACDOUGALL, Vice Chair

Vice President, Student and External Affairs, St. Lawrence College

DEAN BYRNES, Secretary

President, Eikon Device Inc.

DEBI WELLS, Treasurer

First VP, Limestone Local, Elementary Teachers' Federation of Ontario

DOUGLAS GREEN

Management Consultant/Retired Army Officer (LCol.)

DOROTHY HECTOR

Councillor Lakeside District, City of Kingston (alternate)

ROB HUTCHISON

Councillor King's Town District, City of Kingston

HARVEY ROSEN

Mayor, City of Kingston

DAVID RUTENBERG

Professor Emeritus, Queen's University School of Business

VICKI SCHMOLKA

Councillor Trillium District, City of Kingston

ED SMITH

Councillor Williamsville District, City of Kingston

TIM SUGRUE

Management and Human Resource Consultant

The KEDCO Board and staff wish farewell to Harvey Rosen, Vicki Schmolka and Ed Smith who tirelessly supported the Corporation during their terms in municipal office, and many thanks to Councillor Rob Hutchison for his ongoing contributions. Mayor Mark Gerretsen, Councillors Sandy Berg (Strathcona District), Rick Downes (Cataragui District) and Bryan Paterson (Trillium District) were appointed to the KEDCO Board in November, 2010.

KEDCO STAFF 2010

JEFF GARRAH

Chief Executive Officer

PAULA DROUIN

Executive Assistant to CEO

DONNA GILLESPIE

Marketing & Communications Manager

ANN MCDOUGALL

Operations Manager

MELISSA SHORROCK

Receptionist

MATT HUTCHEON

Comptroller

KINGSTON ECONOMIC DEVELOPMENT CORPORATION

945 Princess Street at Innovation Park

Kingston, Ontario, Canada K7L 3N6

Tel: 613-544-2725 Toll Free: 1-866-665-3326

Email: info@kingstoncanada.com

JOHN PAUL SHEARER

Director - Business Development

ELIZABETH ALLEN

Project Manager

- Labour Market Development

CHRISTA WALLBRIDGE

Project Manager

- Business Development

MARK HANLEY

Manager - Regional Enterprise

Facilitation Project

JAN DINES

Manager - The Entrepreneurship Centre

JENNIFER BAKER

Business Advisor

- The Entrepreneurship Centre

VICTOR LI/WILLIAM MIRANDA

Youth Business Counsellors

- The Entrepreneurship Centre

ROB CARNEGIE

Director - Tourism Marketing & Development

JACQUELINE SYTSMA BELL

Marketing Assistant

& Partnership Services

CONNIE MARKLE

Conferences & Travel Trade Manager

CORY QUARESMA

Sport Tourism Project Coordinator

CHRIS WHYMAN

Visitor Services Manager

LYNN BERGSTROM

Visitor Services Assistant

DANIELLE BROWN/ALAIN RICHER

Senior Travel Counsellors

The Corporation bid farewell to the following staff who moved on to new career endeavours in 2010: Jeff Gouveia, Teri Jones, Gary Kelly and Kristina Sutton.



MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

As the incoming Chairman in 2010, I must recognize the dedication and contributions of individuals who have worked tirelessly to support KEDCO's activities. Our collective thanks go to Shai Dubey, who chaired the Board since 2006. It is a testament to his positive influence that the Corporation is the stable yet dynamic organization it is today.

Secondly, the work of the entire volunteer Board of Directors deserves credit. Representing diverse public and private sectors, each member brings new insights and experiences. This helps to ensure that the Corporation can develop and deliver a strategic focus that is timely, meets the needs of our community stakeholders and is responsive to the realities of ever-changing economic conditions.

The municipal elections in 2010 brought new faces to the city's horseshoe and to our board table. The KEDCO Board and staff bid farewell to Harvey Rosen, Vicki Schmolka and Ed Smith who tirelessly supported us during their terms in municipal office. We welcome our new councillors and mayor, and look forward to continued strong working relationships with the City over the next four years.

In addition, I wish to recognize the hard working, dedicated and talented staff at KEDCO under the leadership of CEO Jeff Garrah, who work tirelessly, on a day-to-day basis to attract new businesses and help strengthen existing ones. The staff dedication and the community support for their efforts are the cornerstones of economic growth and sustainability in Kingston.

Looking back on the first year of delivery of the 2010-2015 Strategic Plan, we feel pride in a number of significant accomplishments. Throughout the year, KEDCO announced numerous new businesses establishing a presence in Kingston, many of which directly stem from increased efforts on the attraction of advanced manufacturing, green technologies, research and development and tourism sectors. Our local businesses continue to grow and expand, serving new markets and drawing international attention for their innovations and new products and services. And, the tourism sector greeted visitors and media from around the world as Kingston played host to international sporting events, meetings and conferences, and travelers interested in Kingston's unique cultural, culinary, and natural assets.

But it's not all groundbreaking and good news stories. The Board of Directors plays an important role in establishing strategic priorities and best practices to ensure the Corporation's long-term sustainability and success. Through the Board's active Finance and HR Committees, we have reviewed the Constitution and By-laws; updated the Corporate Policy and Procedures Manual; and worked to ensure our financial position is stable and accountable.

That being said, it is never the time to rest on success. Throughout 2010, a Long-term Strategic Planning Committee began to meet to review economic trends and identify emerging sectors of potential growth for Kingston. As staff work to deliver the current Strategic Plan, the Board will continue to identify and analyze areas of opportunity for Kingston in the future.

I look forward to another prosperous year and continued success for KEDCO and the community in 2011.



Derek Winton, Chair

Derek Winton

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

At KEDCO, we regularly ask ourselves how our actions today are helping to realize jobs and investment for tomorrow. While it is essential that we remain focused on what is coming down the opportunity pipeline, it is important to take the time to reflect on accomplishments. The 2010 Annual Report highlights KEDCO's activities over the past year and provides measures of success from our operations dashboard.

Partnerships have continued to be a key to our success. I extend my thanks for the support of our Industry Leaders, who are mentors for the Corporation and champions of Kingston. Over the past year, we have brought together sector specific leadership groups to support and advise our portfolios in the health care, labour market development, tourism and entrepreneurship sectors. These focus groups augment the 300 company visits which we undertake every year. The insights gained from every person we interact with are invaluable and ensure that our collective actions are responsive and of real benefit to the community.



Jeff Garrah, CEO

We continue to work closely with City colleagues and academic, health care and military partners to ensure that Kingston is Market Ready for future investment. With a growing labour force, the City must be prepared to ensure that all future residents have access to a high quality of life and that our infrastructure can support our growth in tandem.

The Service Kingston model which is designed to support local business growth and retention, realized tangible results this past year. Kingston has gained a reputation for having the most government incentive funding for research and development in Canada, and we are proud to have played a role assisting local companies inject over \$40 million in funding for new projects, capital expansions and the creation of 600 new jobs.

KEDCO's role is as facilitators and connectors to achieve positive economic impact. It is our local business community and organizations that deserve recognition for their choice to invest in themselves and in Kingston's collective success. They set the example of the benefits of doing business in Kingston. This in turn gives Kingston a competitive advantage for the attraction of new business to the city.

Personally, I'm especially proud of the team we have built at KEDCO. We are a group of passionate individuals committed to achieving common goals – economic prosperity for Kingston and its residents. As a group, we celebrate each other's successes – both professional and personal - and work closely together to ensure no challenge is insurmountable.

We proudly present KEDCO's *2010 Annual Report* and look forward to the coming year at hand and the opportunity to continue to serve the Kingston community.

Jeff Garrah

STRATEGIC PLAN 2010 - 2015

KEDCO is committed to the key issue of long-term economic sustainability for the City of Kingston. As the economic pillar for the City of Kingston's Integrated Community Sustainability Plan, KEDCO endorses the City's vision of Kingston as Canada's most sustainable city.

The Strategic Plan 2010-2015 addresses four core fully integrated objectives where KEDCO will focus its operations – Attraction, Growth & Retention, Tourism Marketing & Development and Community Economic Development. Each of these components is interdependent in terms of resources (human, financial, physical), partnerships and strategies. People want to live, work and do business in a community which recognizes and supports them and their endeavors.

KEDCO's efforts are universally supported by a solid service delivery foundation which includes the Service Kingston and Market Ready! models and strong partnerships throughout the community and region. The integration of KEDCO's Business and Tourism divisions provides staff with the knowledge, tools and resources required to deliver comprehensive support to existing and potential businesses, residents and visitors alike.



MARKET READY!

The goal of the Market Ready! model is to ensure Kingston maintains its competitive advantage and is prepared for the attraction of new investment by providing companies with data to allow them to make an informed decision. Market Ready! support ensures Kingston provides:

- Seamless approvals process for all developments
- Strong infrastructure which meets businesses needs
- Excellent inventory of employment lands which are flexible for a wide range of development
- Competitive land prices/taxes
- Integrated supply chains where businesses can connect directly with other companies who can add value
- Targeted marketing collaterals which meets the needs of the potential investor
- Analysis/research/comparator studies to understand Kingston's position within a local, regional, and national context
- Strong relationships with the municipality, institutions, public, private, and non-profit organizations
- Gateway access to all municipal, provincial, federal government services and investment

SERVICE KINGSTON

With a strong internal focus on business development, the Service Kingston model establishes KEDCO as the premier service provider in the areas of:

- Investment support that assists businesses to identify government funds, write and support the applications through various levels of government
- Labour Market development which supports employers in identifying and recruiting the talent required to fill current employment opportunities in the Kingston
- Partnership building that establishes connections between businesses/service providers in order to combine resources, share knowledge, skills and experience
- Building local business supply chains which connect businesses to businesses in Kingston
- Lead generation support that assists local companies in building their business
- BIZFAM tours and premium networking opportunities which familiarizes businesses who are in an advanced stage of investing in Kingston

As a Growth & Retention initiative, the Service Kingston model also facilitates the attraction of outside investment as Kingston becomes known as a supportive environment where value is placed on local business success.

CORPORATE PARTNERSHIPS

KEDCO is a proud member of:

Canadian Manufacturers and Exporters
 Eastern Lake Ontario Innovation Network
 Economic Developers Council of Ontario
 Economic Development Association of Canada
 Greater Kingston Chamber of Commerce
 Industrial Asset Management Council
 International Economic Development Council
 Kingston Technology Council
 Ontario East Economic Development Commission
 SWITCH: The Sustainable Energy People

KEDCO is proud to be a key stakeholder and advisor to the following community groups:

Innovation Park Advisory Board
 Kingston Immigration Partnership
 Kingston Resource Alliance Board
 Kingston Technology Exchange Council
 K-Rock Centre Advisory Committee
 New Energy Project
 Regional Tourism Organization #9 Board
 Town-Gown Leadership Team

For more information on Corporate activities, please visit www.kingstoncanada.com

BUSINESS DEVELOPMENT

KEDCO's Business Development team works to sustain, grow and promote the City of Kingston. The focus is both on the attraction of new business (outside markets) and the sustainability and growth of local businesses (inside markets). To support local business sustainability and growth, efforts were continued through the Service Kingston model to provide advanced levels of direct support to Kingston businesses in the areas of investment support, labour market development and infrastructure support. Approximately 80 per cent of new jobs and investment was generated by local market growth in 2010. With global markets gaining momentum, KEDCO anticipates closer to a 60/40 split in 2011 with a new focus on outside markets.

EMPLOYMENT LANDS

KEDCO works in collaboration with the City of Kingston to facilitate the sale of municipally-owned employment lands located within the City's four business and industrial parks. When an offer is received for purchase of municipally-owned land, KEDCO brings to City staff for review and negotiation. If approved by the City, KEDCO will work with the purchaser through the planning and development process as required.

The popularity of the east-end St. Lawrence Business Park continued in 2010 with the purchase of 58 acres by TDL Distribution Inc., which marked the largest single municipally owned land sale in Kingston's history.

The Alcan Business Park, has reached full capacity with new developments including office space constructed by CaraCo. ESG Solutions also expanded their operations from an adjacent site and officially opened new office space in the Alcan Business Park in June.

In 2010, the City finished the second phase of development in the Cataraqui Business Park, bringing an additional 25 newly serviced acres online. A further 40 acres of employment lands will be available for sale in 2011.

INVESTMENT SUPPORT:

Investment support services assist businesses to identify government funds, write and support the submission of applications for funding. Since the inception of the KEDCO's Investment Support portfolio in 2008, 18 applications have been successfully submitted for local companies, which has realized \$17.272M of new investment to support \$56.758M of projects and created 104 new jobs in Kingston. 2010 funding announcements included: City of Kingston, Kingston Process Metallurgy, George A. Wright & Son Ltd., Bombardier and Stantive Technology Solutions. KEDCO wishes to thank our talented team of grant writers: Frank Armstrong, Sarah Crosbie, Patricia Henderson and Colleen Johnson.



(Above) Stephen Wright, George A. Wright and Son Ltd. (centre) with Minister of Economic Development & Trade Sandra Papatello and Minister of Consumer Services John Gerretsen at the announcement of the firm's successful \$1.392M investment from the Eastern Ontario Development Fund.



(Top Right) Ceremonial groundbreaking for the new TDL Distribution 130,000sq.ft facility in the St. Lawrence Business Park.



(Right) Centennial Global Technology VP Sam Myles at the CanSIA tradeshow in Toronto with Kingston's Town Crier.



Kingston – the City where history and innovation thrive. Photo: Scott Adamson.

BUSINESS DEVELOPMENT DASHBOARD

The ability to define the exact value of an economic development corporation’s (EDC) activity and its direct impact on a community or region has been one of great discussion for decades. A lead today may not become an opportunity for six months or even years. A company an EDC works with, may have selected the city based on community reputation and demographics rather than a formal sales presentation.

In order for KEDCO to measure its success and better communicate its level of activity, the following metrics have been put in place for the organization to track and gauge activity from year to year. In 2010, KEDCO achieved:

Company Visits..... 273

A company visit is when a KEDCO staff person undertakes an on-site meeting with a local organization to discuss business challenges and opportunities, areas where support could be delivered, or any issues of concern. Often, new opportunities arise from company visits.

Opportunities Created 309

An opportunity is defined as any qualified lead which has a real potential to create a new job(s) or new direct monetary investment for the City. Opportunities may be in the sales pipeline for an undetermined amount of time, due to the nature and complexities of the specific deal. Opportunities result in either being Closed-Won (Kingston realized new job(s) or investment), Closed-Lost (the opportunity is lost to another community), or Withdrawn (Lead no longer has interest in proceeding with opportunity).

Jobs Created 908

Jobs created may result from either new jobs from the attraction of a company to the city or additional jobs created through growth of existing businesses. KEDCO measures jobs facilitated from opportunities which have been closed-won where KEDCO staff have played a direct role in supporting the win of the opportunity.

The City of Kingston’s Urban Growth Strategy prepared by TeraTrends considered 800 jobs per year as high growth; 600 jobs per year as moderate growth; and, 200 jobs per year as low growth (based on census metropolitan area).

Investment Facilitated..... \$122.381M

Value of New Jobs Created \$31.78M

Investment dollars are tracked with similar methodology as jobs facilitated. KEDCO must have been a part of the process in which new dollars are invested in the city. New jobs secured for the city (noted under jobs facilitated) are also calculated as part of new investment, based on an average one-year salary at \$35,000. This salary is only captured in the first year of hire and is based on the median salary of Kingston employees reported by Statistics Canada. In 2010, this was calculated at \$35,000.

2010 investment figures include significant projects such as the land sale and costs of TDL’s Distribution Centre, Lowe’s, Centennial Global Technology, and provincial and federal investment support.

For more information on Business Development activities, please visit business.kingstoncanada.com

LABOUR MARKET DEVELOPMENT

The success of our local economy is intimately tied to our ability to attract and retain a diverse and skilled workforce. KEDCO's Labour Market Development initiatives are designed to support and assist local employers connect with potential employees; retain graduates from our academic institutions; grow and retain skilled trades; and attract qualified employees to our city.

Partnerships with community agencies such as KEYS Employment Services, Job Connect and the 1000 Islands Workforce Development Board have been established to further labour market development initiatives. KEDCO also worked closely on initiatives with the Kingston Immigration Partnership and Housing & Homelessness Committee.

KEDCO was proud to support local organizations and companies hosting job fairs in 2010: St. Lawrence College Job Connect Employment Fair; Queen's Career Day; KEYS Career Fair; StarTek Job Fair and Arbour Heights Career Fair. An important new initiative in 2010 was work with partners to develop a more comprehensive, centralized information/career showcase for future years.

ECONOMIC DEVELOPMENT GOES ON-CAMPUS

KEDCO, in partnership with Career Services at Queen's University, piloted an innovative project to address the need to further develop Town-Gown relationships to better connect students and graduates with local employers. An on-campus economic development office, the first of its kind in North America was established in 2010 for KEDCO's Labour Market Development Project Manager. The partnership provides a working location for students to connect to local career opportunities; further develop valuable work experience in local internship programs; and, expand employer graduate programs with local industry.

TOWN-GOWN STRATEGIC PLAN

KEDCO partnered with the City of Kingston and Queen's University to work on the development of a Town-Gown Strategic Plan to create stronger linkages between students/graduates and the local community. The group identified four key working areas: Quality of Life, Community Planning, Student Engagement and Economic Development. The broadening of the group to include St. Lawrence College, the Royal Military College of Canada and community stakeholders will take place in 2011.



Elizabeth Allen, Labour Market Development Project Manager is featured in Kingston's It Just Makes Sense campaign.

FAMILY PHYSICIAN RECRUITMENT & RETENTION

The City of Kingston Family Physician Support Program came to a successful completion in 2010, achieving the target of 30 doctors being recruited to practice since the program's inception in 2008. The City of Kingston invested \$1.8 million to fund the family doctor program, which offered established practitioners relocating to Kingston \$25,000 each, and new doctors establishing a practice in Kingston \$75,000 incentive. Of the 30 doctors recruited through the program, 23 have come from outside Kingston.

KEDCO will continue to oversee the Family Physician Recruitment and Retention portfolio on behalf of the City of Kingston in 2011. This portfolio is intrinsically linked with KEDCO's business attraction and labour market development activities, as access to primary health care is an important consideration for companies and individuals when considering relocation to a new community. At the end of 2010, it was reported that 2,000 Kingston residents are without access to a family doctor – a significant improvement from Statistics Canada's 2006 study which indicated 20,000 residents were without a family physician. An important focus going forward for KEDCO will be to monitor orphaned patient levels and support the new physicians who were signed onto the program establish their practices through close partnership with the regional Health Care Connect office.

Work was also begun in 2010 to establish stronger working relationships with the Queen's School of Medicine and local Family Health Teams to identify gaps in the recruitment of health care specialists such as cardiologists, dermatologists and pediatricians.

THE ENTREPRENEURSHIP CENTRE

Known as an entrepreneurial city, Kingston is home to over 4,500 businesses with the majority being small businesses with 50 employees or less. The Entrepreneurship Centre at KEDCO provides a full range of services to support new business start-up, existing business growth and succession planning.

The Entrepreneurship Centre at KEDCO provides one-on-one consultations to discuss business ideas and needs; customized educational workshops and seminars; a referral network to professionals in the community; and, offers programs specifically for young entrepreneurs.

Funded in part by the Ministry of Economic Development and Trade, The Entrepreneurship Centre which includes a resource centre, is open to the public, Monday through Friday from 8:30am to 4:30pm.

WORKSHOPS & SEMINARS BUSINESS BASICS

One of the longest running and most popular workshops, Business Basics is for people who are thinking about starting their own business, and want to get started off right! Topics covered include: business structures; registration; and, the components of a business plan. Business Basics is offered twice per month in a daytime or evening format.

ENTREPRENEURS CLUB

Based on the success of its inaugural year in 2009, The Entrepreneurs Club continued to meet each month throughout 2010. The Entrepreneurship Centre organizes a social event for small business owners to share ideas. This group meets once a month and the cost to attend the event is free.

IN BUSINESS SERIES

The Entrepreneurship Centre launched the new In Business Series in 2010 to target existing businesses who are interested in further assistance and education. Research showed that there was a need for additional outreach and seminars for these businesses with a focus on sales, marketing, social media, taxation, employee relations, importing/exporting and bookkeeping. These workshops were very well attended and will be continued into 2011. Clients offering B2B services were encouraged to facilitate some of these sessions as were outside agencies.



Aara Macauley opened the Get Funky Boutique with support from CYBF. Macauley was featured in the summer 2010 Kingston Life magazine.

The Entrepreneurship Centre

KINGSTON ECONOMIC DEVELOPMENT CORPORATION

SMALL BUSINESS & ENTREPRENEURSHIP DASHBOARD

New Business Started	61
Businesses Expanded.....	23
New Jobs Created	116
Consultations.....	842
Workshops/Seminars Delivered.....	74
Workshop/Seminar Attendance	913

SMALL BUSINESS INTERNSHIP PROGRAM

Interns placed.....	13
Investment/Grants	\$80,000
Full-time jobs created.....	5

CYBF 2010 HIGHLIGHTS

Number of successful applications.....	10
Total Investment.....	\$180,000

SUMMER COMPANY

Number of Full Time Summer Jobs Created.....	21
Total Investment.....	\$130,64

- \$61,500 in grants for new businesses
- \$30,000 in program support
- \$39,145 additional business revenue
- 76 per cent of students' businesses broke even financially or generated a profit by September 1
- By the end of summer, three students were hiring employees to grow their business
- 17 students decided to continue operating their business, (11 part-time, 2 full-time and 4 seasonal)

YOUNG ENTREPRENEURS

The Entrepreneurship Centre at KEDCO is proud to be involved in promoting entrepreneurship in the community to today's youth. The team facilitates a number of programs in partnership with the Ministry of Economic Development and Trade and other organizations to help students and young entrepreneurs make their first step towards a successful career. The Entrepreneurship Centre also facilitates a number of programs on behalf of provincial and national organizations such as Summer Company and the Canadian Youth Business Foundation's (CYBF) lending program.

SMALL BUSINESS INTERNSHIP PROGRAM

The Entrepreneurship Centre was successful in their 2010 application to take the regional lead as Program Provider for this Industry Canada incentive to support SMEs. Businesses with a website that wanted to expand their online presence through social media, search engine optimization and online marketing could receive up to 75 per cent of a recent graduate's salary.

MENTORS AND ADVISORS

Special thanks to the mentors who have volunteered their time to support Entrepreneurship Centre clients:

Glen Cavanagh

Ken Davies

Julie Einarson

Jenny Edwards

Matt Fair

Tammy Godefroy

Grant Goodwin

Geoff Josey

Brandon Laird

Nicholas Loshak

Andrew McLachlan

Brian Patterson

Kathy Patterson

Alex Perlin

Inger Sparring-Barracough

Rob Taylor

Jane Thelwell

Kathleen Vollebregt



Entrepreneurship Centre Manager Jan Dines at the grand opening of Twisted Martini with owners Tracey Larlee and Patti Bellemore, 2010 CYBF recipients.

ENTERPRISE FACILITATION

KEDCO with support from the National Research Council of Canada (IRAP), launched a regional Enterprise Facilitation pilot project in 2010 with partners in Hastings and Prince Edward County. Enterprise Facilitation is based on a bottom-up, responsive economic development technique espoused by Ernesto Sirolli, international best-selling author on community economic development.



Mark Hanley, Manager of the Regional Enterprise Facilitation Project works closely with a Community Resource Board to support small business clients.

The initiative focuses on working with an individual's entrepreneurial passion. The approach encourages putting a Trinity of Management – marketing, product and financial management – in place. For individuals without access to expertise in these areas, a 50 person volunteer resource board to help make connections with other entrepreneurs passionate in these areas was brought together. Enterprise Facilitation services are free and confidential services.

The program's success across the region ensures that it will continue to be an important part of KEDCO's small business support package going forward.

For more information on Small Business and start-up activities, please visit: entrepreneurship.kingstoncanada.com

TOURISM MARKETING & DEVELOPMENT

Tourism Kingston, a division of KEDCO, undertakes tourism marketing and development initiatives to ensure that Kingston remains a destination of choice for visitors from all over the world. Tourism marketing and development activities are a key attractor of people and also serve a cross-over function of introducing businesses and potential residents to the city in both professional and leisure capacities.

LEISURE MARKETING

The 2010 sales and marketing plan for the Leisure program is a coordinated effort with the Kingston Accommodation Partners Inc. (DMF) with integration of budget and planning and compliments the shared interests in the consumer market. 2010 marked five years of partnership to leverage shared resources to attract the consumer market to Kingston.

The consumer/leisure market is one which yields significant visitor spending over the entire calendar year. Statistics indicate that over 60% of tourism-related receipts in Ontario are intra-provincial. Two of the feeder markets that Kingston has benefited from are the Greater Toronto Area (GTA) and Ottawa. By launching seasonal advertising campaigns into these areas, Kingston is kept "top of mind" in the travel decision-making process of our target audiences. By appealing to our target audience interests and habits, visitors select Kingston as their destination of choice and spend money while in the City.

Statistics Canada conducted a survey in November, 2010 of 700 Kingston households on behalf of Tourism Kingston. The survey was designed to measure awareness of tourism marketing initiatives, local products and services available for visitors, household travel trends and the local visiting friends and relative markets.

MEETINGS & CONFERENCES

The Meetings and Conferences market represents tremendous opportunity for business and economic development for Kingston. Statistically, conference delegates spend four times as much money in business travel as they do for leisure travel and typical conferences are a two day/ two night visit. Many delegates attending conferences in Kingston are experiencing the city for the first time, providing the ideal opportunity to showcase Kingston and have them return to the city with their families.

The Meetings & Conferences Committee delivered sizeable results with limited resources. With the assistance and financial support from KAP, the M&C campaign was implemented to strengthen Kingston's position as a destination of choice. Media choices were carefully selected in target markets to ensure a successful campaign.

New for 2010 was the development of the micro site www.meetinkingston.ca along with an Event Planners Guide as a print companion piece, which offers planners a valuable resource highlighting Tourism Kingston's support services, incentives and venues.

Tourism Kingston was represented at Incentive Works, the Canadian Society of Association Executives Tete-a-Tete, Canadian Travel & Vacation Show and Travel Trade Canada Silver Shows in 2010.



TOURISM KINGSTON 2010 DASHBOARD

Occupancy Rate	
Annual Average.....	56.2%
Annual Average Daily Rate of Accommodation.....	\$116.50
Visitor Information Centre	
Visitor Count.....	236,656
Tour Bus Count.....	1,303
Tour Bus Passengers.....	64,350
Retail & Attraction	
Ticket Sales.....	\$345,815
Meeting & Conference	
Economic Impact.....	\$15.494M
Meeting & Conference Delegates.....	40,499
Sport Tourism	
Economic Impact.....	\$15.761M
Unique Website Visits.....	206,486

TRAVEL TRADE

Approximately thirty-four Tour Operators were hosted in April 2010 at Tourism Kingston's annual Travel Trade FAM tour. An active itinerary including visits to key attractions and museums, dining, shopping and accommodation at various hotels, helps keep Kingston top-of-mind for Tour Operators planning group travel itineraries.

Tourism Kingston was represented at tradeshow hosted by the American Bus Association, Bienvenue Quebec, Ontario Motor Coach Association, Rendezvous Canada Marketplace, Destination Days Leisure Show and the Canadian Inbound Tourism Association.

As a result of attending Media Tradeshow such as Go Media Marketplace and the Canadian Media Marketplace, Tourism Kingston hosted 25 familiarization tours and has appeared on several countries' top-rated television stations.

SPORT TOURISM

2010 was a year filled with activity. Twenty-eight bids were supported, of which Tourism Kingston executed bid development and facilitation for six events resulting in three secured wins for Kingston. Of significant note was the announcement that Kingston was chosen as host city for the 2010 Skate Canada International and 2013 Scotties Tournament of Hearts women's curling championships.

Total delegate spending in Sport Tourism totaled over \$3 million and the economic impact of sport tourism was over \$12 million.

In 2010, Kingston was represented at the Canadian Sport Tourism Alliance Sport Congress. While attending the Canadian Sport Tourism Alliance Sport Congress, Tourism Kingston participated in the Sport Events Exchange, a business-to-business event marketplace where event rights holders have the opportunity to meet one-on-one with municipal representatives interested in hosting events in their communities.

Skate Canada International brought the world's best figure skaters and international media attention to Kingston in October, 2010.



VISITOR SERVICES

The Kingston Visitor Information Centre is open 361 days a year to service the growing number of visitors to our community, as well as provide the opportunity for local citizens to gather information and purchase Kingston souvenirs for visiting family and friends. A highly energetic, upbeat and enthusiastic, multi-lingual team of travel advisors create a warm and hospitable atmosphere.

Tourism Kingston partnered with the Heart and Stroke Foundation of Ontario to raise funds for the installation of and training for an automated external defibrillator. This lifesaving unit was installed at 209 Ontario Street at the end of 2010.

Chris Whyman, Tourism Kingston's Visitor Service Manager returned home with the gold medal from the 2010 World Town Crier Tournament held in Chester, England in June. This marks the second world championship win for Whyman.

Photo: Emily Sheff.



PARTNERSHIP SERVICES

Tourism Kingston offers a Partnership Program for local tourism businesses interested in taking advantage of co-operative marketing and networking opportunities. The Program features a dedicated sales team to represent partners at trade shows and sales blitzes, and provides resources and information to partners regarding industry news and events. In 2010, Tourism Kingston represented 143 local partners.

In 2010, Tourism Kingston hosted four networking events as part of the Partnership Program. Special thanks are extended to Dox Restaurant at the Holiday Inn Kingston Waterfront, the Westbrook Golf Club & Driving Range, Courtyard by Marriott and Queen's University Event Services for hosting the "Mix & Mingles".

For more information on tourism activities, please visit: tourism.kingstoncanada.com

TOURISM ADVISORY COMMITTEES

MEETINGS & CONFERENCES ADVISORY COMMITTEE:

Marilyn Casselman (Queen's Event Services)
Erin Cookman (Four Points by Sheraton)
Erin Finucan (Ambassador Conference Resort)
Paul Fortier (Jessup Food & Heritage)
Roger James (Convention Entertainment)
Nicole Kemp (Confederation Place Hotel)
Aline Lamer (Kingston 1000 Islands Cruises)
Anne Lindsay (K-Rock Centre)
Jason Mullin (Holiday Inn Kingston Waterfront)
Jamie Moody (Residence Inn)
Stephanie Quick (Diamond Hotels)
Gaby Schick (Courtyard by Marriott)

TRAVEL TRADE ADVISORY COMMITTEE:

Dana Betournay
(Greater Kingston Chamber of Commerce)
Zdravko Bovan (Melo Hotels)
Jennifer Burton (Diamond Hotels)
Megan Campbell (Courtyard by Marriott)
Megan Coughlin (St. Lawrence Parks Commission)
Anne Marie Forcier (Rideau Heritage Route)
Nicole Kemp (Confederation Place Hotel)
Aline Lamer (Kingston 1000 Islands Cruises)
Donna Lusk (Bellevue House)
Jason Mullin (Holiday Inn Kingston Waterfront)
Elizabeth Pilon (Parks Canada)
Melissa Shanks (Peachtree Inn)
Tillie Youngs (1000 Islands Int'l Tourism Council)

SPORT TOURISM ADVISORY COMMITTEE:

Marianne Davis (Can. Olympic Regatta Kingston)
Brad Greenwood (St. Lawrence College)
Jason Mullen (Holiday Inn Kingston Waterfront)
Paul Pennel (Kingston & Dist. Touch Football League)
Neil Shorthouse (Pyxis Management)
Tim Wiczorek (Corus Entertainment)



FINANCIAL POSITION AS OF DEC. 31, 2010

	2010	2009
ASSETS		
Current Assets		
- Cash	\$698,979	\$664,580
- Accounts receivable	108,878	149,371
- Inventory	42,127	35,088
- Federal sales tax recoverable	23,114	14,758
- Prepaid expenses*	<u>26,153</u>	<u>20,565</u>
	<u>899,251</u>	<u>884,362</u>
Funds on Deposit with Unity Savings and Credit Union Limited*	<u>100,000</u>	<u>100,000</u>
Capital Assets*	<u>244,873</u>	<u>289,074</u>
	<u>\$1,244,124</u>	<u>\$1,273,436</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$192,192	\$252,038
- Deferred revenue*	-	7,069
	<u>\$192,192</u>	<u>\$259,107</u>
Deferred Contributions Related to Capital Assets*	<u>154,244</u>	<u>214,284</u>
Deferred Lease Inducements*	<u>26,563</u>	<u>14,063</u>
FUND BALANCES		
Investment in Capital Assets*	90,629	74,790
Board Restricted*	100,000	100,000
Other Board Restricted	85,000	
Unrestricted	<u>595,496</u>	<u>611,192</u>
	<u>\$871,125</u>	<u>\$785,982</u>
	<u>\$1,244,124</u>	<u>\$1,273,436</u>

2010 OPERATIONS YEAR ENDED DEC. 31, 2010

REVENUES		
Investment from City of Kingston	\$2,464,708	\$2,416,380
Partnership revenue and corporate investors	240,293	214,883
Federal government	401	4,180
Provincial government	87,750	105,880
National Research Council Canada - IRAP	82,835	117,165
Events and seminars	9,591	18,365
Resale materials	198,253	209,229
Interest	5,292	3,465
Amortization of deferred capital contributions*	<u>20,233</u>	<u>19,032</u>
	<u>3,109,356</u>	<u>3,108,579</u>
EXPENSES		
Accounting and legal	22,290	28,710
Advertising	477,057	513,141
Amortization	49,674	56,216
Bad debts	567	-
Bank charges	10,245	11,604
Client development	-	7,183
Enterprise Facilitation Program expenses - IRAP	139,104	117,165
Equipment rental	12,077	9,232
Events and meetings	162,740	197,907
Insurance	7,545	7,448
Memberships and licences	34,504	24,024
Moving expenses	-	21,248
Office and miscellaneous	34,505	62,665
Physician recruitment	21,948	26,465
Professional contractors	86,004	40,860
Professional development	29,665	24,163
Rent*	151,562	183,978
Repairs and maintenance	20,400	17,329
Resale materials	109,932	116,895
Salaries and benefits	1,383,579	1,344,156
Sponsorships and donations	162,493	69,617
Telephone	28,155	45,200
Travel	<u>80,167</u>	<u>68,310</u>
	<u>3,024,213</u>	<u>2,993,516</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$85,143</u>	<u>\$115,063</u>

*Notes can be viewed by requesting an official copy of the KEDCO audited financial statements.



COMMUNITY PROFILE - KINGSTONOMICS

POPULATION

	CITY OF KINGSTON	CMA
Population in 2006	117,207	152,358
Population in 2001	114,195	146,838
2001 to 2006 population change (%)	2.6	3.8
Total private dwellings	53,838	70,003
Private dwellings occupied by usual residents	48,863	61,978
Population density per square kilometre	260.2	79.9
Land area (square km)	450.39	1,906.69

Source: Statistics Canada Census Data

MAJOR EMPLOYERS

PUBLIC SECTOR

Canadian Forces Base Kingston ..	8400
Queen's University	4200
Correctional Services of Canada..	4187
Kingston General Hospital	3500
Limestone District School Board	3000
City of Kingston	2212
Providence Care	1510
Royal Military College	1128
Hotel Dieu	900
Ontario Ministry of Health	610
Ongwanada	441
Ontario Ministry of Transportation	308
St. Lawrence College Kingston	306

PRIVATE SECTOR

StarTek Canada	1100
INVISTA Canada	981
Empire Life	580
J.E. Agnew Food Services	575
Bell Canada	377
Novelis	358
Commissionaires Canada	240
Assurant Solutions	175
SLH Transport Inc.	174
Cancoil Thermal Corp	150
Dupont R&D Centre	150
KIMCO Steel	128
Anchor Concrete.....	100



CAPITAL PROJECTS

Block D, Waterfront Development

Marriott Residence Inn/Battery Park
\$80 million - Phase 3 opened Summer 2010

Regional teaching hospitals upgrades

\$350 million - under construction

Canadian Forces Base & RMC expansion

\$300 million - under construction

Underground infrastructure & sewers

\$120 million - under construction

Queen's University Medical School

\$80 million - under construction

Road & sidewalk improvements

\$70 million - under construction

Isabel Bader Centre for the Performing Arts

\$63 million - under construction

Regional Cancer Centre

\$50 million - under construction

Queen's School of Business

Goode's Hall expansion

\$40 million - under construction

Fort Henry National Historic Site

\$29 million - under construction

Frontenac Children's Aid Society

\$14 million - under construction

Lasalle Causeway Restoration

\$6 million - under construction

Smith Robinson Building

\$19 million renovation -
under construction

2010 UNEMPLOYMENT RATE %

(seasonally adjusted)

Jan	5.9
Feb	5.8
Mar	6.1
Apr	6.2
May	5.6
Jun	5.9
Jul	5.4
Aug	5.6
Sep	5.5
Oct	6.5
Nov	6.6
Dec	6.8

visit | live & work | do business

www.kingstoncanada.com



KINGSTON ECONOMIC DEVELOPMENT CORPORATION

945 Princess Street at Innovation Park

Kingston, Ontario, Canada K7L 3N6

Tel: 613-544-2725 Toll Free: 1-866-665-3326

Email: info@kingstoncanada.com