

Committee(s)	Dated:
Corporate Asset Sub Committee	29/01/2015
Subject: City Marketing Suite	Public
Report of: Peter Bennett, City Surveyor	For Decision

Summary

This report relates to the City Marketing Suite (CMS) - a corporate property asset within the Guildhall complex that provides meeting and event space for internal and external use. It houses the City Model and includes an exhibition about the City and the City Corporation.

Pipers Projects Ltd has run the CMS since 1996 and in March 2012 this Committee agreed that their contract should be renewed for a further 5 years. Under the new arrangements, the City Property Advisory Team has been responsible for day to day management of Pipers in the running of the CMS.

The contract is now at the half-way point, and this report contains an update on activity and usage of the CMS which has been below desired levels and seeks to identify measures to encourage greater external usage which includes working more closely with New London Architecture (NLA), a sister company of Pipers, and the option to rename it, so as to better resonate with the external market place.

Recommendation(s)

It is recommended that your Committee:

- Notes the review of the CMS and its performance as an internal and commercial venue.
- Notes proposals for future collaboration with New London Architecture to increase awareness and use of the CMS, and promote the City and the City Corporation to a wider audience.
- Considers the possible re-naming of the CMS and if agreed, chooses a new name from the suggested shortlist provided.

Main Report

Background

1. The City Marketing Suite (CMS) is a corporate property asset within the Guildhall complex that provides meeting and event space for internal and

external use. It houses the City Model and includes an exhibition disseminating key messages about the City Corporation and the Square Mile.

2. A City Marketing Suite was first established in 1996 with the aim of promoting the Square Mile as a centre for carrying out and locating business, together with the wide range of economic development activity undertaken by the City Corporation (not specifically to promote the City Corporation). In May 2002 it moved into the current purpose-built facility.
3. Day-to-day running of the CMS is sub-contracted to Pipers Projects Ltd, and in March 2012 their contract was renewed for a further 5 years to 2017 (following agreement by this Committee and Policy & Resources Committee).
4. An important new element of the renewed contract was a reduction in the financial cost to the City Corporation for managing the CMS from £113,000 to £50,000 with an agreement that in return Pipers would be allowed to open up the facility to external hire at commercial rates and retaining any income up to £63,000 to make up for the shortfall in previous management costs (£113,000) and sharing any income over and above this figure with the City Corporation on a 50:50 basis. Under this revised agreement Pipers has taken the risk exposure for any shortfall in income to cover the actual management costs to them.

Review of the CMS since 2012

5. Pipers Projects Ltd has been managing the day-to-day operation of the CMS since its inception in 1996. This includes generating business and taking bookings, managing accounts, assisting with event management, marketing activity, and liaising with caterers, security staff and Guildhall event staff.
6. A wide range of external clients use the facility, including property developers and agents, government bodies, and City businesses. An agreed list of 'affiliate' organisations (mainly third sector partner organisations of the City Corporation who work with us to achieve CoL's economic development objectives) also use the CMS by special arrangement (affiliates are permitted 3 free uses per year). Usage from external clients has not been as high as anticipated, and income from hiring the rooms does not presently cover the true cost of running the Suite. The financial risk is however taken by Pipers, not CoL, as per the contract agreed in 2012. The table below provides details relating to meetings held and income derived:

	2009/10	2011/12	2013/14
Total no of meetings	755	585	428
External meetings	not available	185	149
Internal meetings	not available	400	279
Total attendees at meetings	16,100	14,043	11,803
Income from meetings	N/A	£12,500	£20,709

7. Figures show that the number of meetings being held at the CMS and the number of attendees at those meetings have decreased in the last 5 years. This has partly been a consequence of a reduction in internal meetings (as a result of

tighter criteria for using the facilities, promoted to increase availability for external bookings) and the economic climate together with increased competition from other venues.

8. Income from hiring the space has increased from £12,500 in 11/12 to over £20,000 in 13/14. At the same time, the financial burden on the City Corporation has reduced by over 50% to £50,000 per year.
9. Since 2012 much work has been undertaken to improve the attractiveness of the CMS as a venue and to develop a more comprehensive marketing strategy to increase usage including:
 - A new exhibition around the walls of the CMS about the City as a place to do business, as well as about the City Corporation and its role. The City Model was also improved through enhanced lighting and a new interactive screen. General awareness of the CMS and its existence has been improved by removal of the tinted film that previously covered the windows and doors, allowing passers-by to see into the facility. Two new plasma screens were also added to the foyer to animate the space, allowing clients to run promotional films or slides relating to their event. Other upgrades included the addition of a striking skyline image behind reception, improved lighting, a new catering area, plants, new table tops, and graphics of current schemes in the conference and board rooms.
 - More intensive marketing of the facility, including using Pipers' extensive contacts with the property industry to encourage greater uptake of the CMS as a venue for holding meetings and events.
 - Working with a new City Corporation Venues group, which aims to pool resources to jointly market CoL venues including the Guildhall, Barbican and Museum of London. Key benefits of the group include exposure to new markets via representation at conferences, joint marketing brochures and campaigns, and referrals for business between members of the group.
 - In terms of digital marketing, a new website for the CMS was launched in 2012 with comprehensive information about the CMS offer (www.citymarketingsuite.com). A You Tube video has also been made about the facility (viewed by over 900 people to date), as well as a Google Virtual Tour, which allows users to explore the CMS, room by room, from their own computer. Other marketing collateral includes branded fliers and notepads.
10. Going forward, further improvements are planned, including large new graphics in the boardroom and conference room, new, more flexible exhibition space that can be updated on a regular basis to provide information on key initiatives or for bespoke events, and continued upgrades to the City Model to make it more interactive.

Partnership with New London Architecture

11. Despite the activity outlined above, the CMS has not achieved the anticipated levels of external usage of the facility. In part this remains a consequence of there being a general lack of visibility of the facility but is also as a consequence of factors such as the economic recession, limitations on capacity and there being alternative venues competing for a smaller market share. The key

differentiator for the CMS is the City Model and it is considered that there remains potential to increase use by the property industry (agents, developers, investors, occupiers, architects) and others involved in the promotion of the City (government bodies, economic development practitioners, and so on).

12. New London Architecture (NLA) is a membership body of which the City Corporation is a principal sponsor and is a sister company to Pipers. NLA runs an extensive programme of events including conferences and exhibitions on property-related themes at their centre in Store Street. The events programme, includes an annual 'on location' conference held at the Guildhall. Following a meeting with NLA, it was agreed that the CMS will align with NLA to better integrate it as a venue to host events throughout the year. Given the capacity constraints it is anticipated the CMS would be best placed to host small seminars and workshops around key themes that are relevant to emerging issues in the delivery of the City's built environment. A review of subjects for the current year has been discussed with Officers and a program is being formulated to take this forward. These sessions will allow issues to be debated amongst the industry, to help to inform development of policy and best practice for the future.
13. By integrating the CMS with the NLA's event program it is expected that there will be greater exposure of the CMS to the 3,000 members of the NLA which will help increase visibility of the facility with a resultant increase in external usage of the facility.

Proposal to change the name of the CMS

14. In discussing the attractiveness of the CMS with the NLA team it has been suggested that the name 'City Marketing Suite' does not give an accurate impression of what the facility offers, and is potentially off-putting to users who may feel they are going to be 'sold' something. It was agreed with NLA to seek your views about a change in name. In addition to providing a more user-friendly and marketable description of the CMS, re-naming it would create an opportunity to re-launch the facility to the market at MIPIM (the international property conference in Cannes attended by the City Corporation and NLA).
15. If Members are minded to agree a change of name, they are asked to choose from one of the following options which have been put forward following discussion with Officers and the NLA. The strong preference from the NLA team was "The City Centre":

The City Centre
City Exchange
Square Mile Exchange
City Business Suite

Corporate & Strategic Implications

16. The role of the CMS conforms to the City Together Strategy in that it
 - ...is competitive and promotes opportunity
 - ...supports our communities

Implications

17. The financial arrangements between CoL and Pipers ensure that any financial risk caused by a shortfall in income is taken by Pipers, as per paragraph 4 of this report.

Conclusion

18. The CMS is a valuable corporate asset that provides meeting and event space for internal and external users. Since launching as a commercial venue in 2012, user numbers have decreased although income has risen. A number of improvements have been made to the space and the facilities, and marketing activity has been stepped up. Going forward, a new partnership with NLA will increase footfall and future bookings, and provide a platform for discussion and debate about matters pertinent to the City Corporation and the Square Mile generally. If agreed, re-launching the CMS with a new, more relevant name will help to generate new business and increase income.

Background Papers

Previous relevant reports about the City Marketing Suite:

CASC – 12th March 2012

Policy & Resources – 22nd March 2012

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