



SUBMISSION DEADLINE: 4:00 P.M. WINNIPEG TIME, JANUARY 5, 2004

If your company name and address are not correctly shown below, please enter or correct it before submitting your Proposal.

Company Name

Address

CONTRACTS OFFICER: BARB D'AVIGNON, C.P.P.
TELEPHONE NO. (204) 986-3901

You are invited to submit a proposal for the purchase of the assets and goodwill of:

SELECT-A-SEAT

in accordance with the Instructions to Offerers attached.

THE PROPOSAL SUBMISSION SHOULD INCLUDE THIS PAGE (COMPLETED AND SIGNED)

Contact Person: (print) _____

Telephone Number: _____

Facsimile Number: _____

The Offerer hereby offers to purchase the assets of Select-A-Seat in accordance with the Contract for the price(s), in Canadian funds, set out in this Proposal.

The Offerer agrees that the Request for Proposal in its entirety shall be deemed to be incorporated in and to form a part of this offer notwithstanding that not all parts thereof are necessarily attached to or accompany this Proposal.

The Offerer certifies that the following addenda have been received and agrees that they shall be deemed to form a part of the Contract.

No. 1 No. 2 No. 3 No. 4

This offer shall be open for acceptance, binding and irrevocable for a period of sixty (60) Calendar days following the Submission Deadline.

Signature: _____

RETURN TO:

**THE CITY OF WINNIPEG 595-2003
CORPORATE FINANCE DEPARTMENT
MATERIALS MANAGEMENT DIVISION
185 KING ST MAIN FLOOR
WINNIPEG MB R3B 1J1**

INSTRUCTIONS TO OFFERERS

1. PURPOSE

- 1.1 The purpose of this Request for Proposal is to invite Proposals from qualified Offerers for the purchase of Select-A-Seat and all assets associated with the operation.
- 1.2 Winnipeg Enterprises Corporation (WEC) has requested that the City of Winnipeg act on its behalf to offer for sale the assets associated with its operation, Select-A-Seat.
- 1.3 WEC is a non-share capital corporation, incorporated by the act to incorporate WEC.

2. DEFINITIONS

2.1 When used in this Request for Proposal:

- (a) "**Business Day**" means any Calendar Day, other than a Saturday, Sunday, or a Statutory or Civic Holiday;
- (b) "**Contracts Officer**" means the person authorized to represent the City in respect of the Request for Proposal
- (c) "**Calendar Day**" means the period from one midnight to the following midnight;
- (d) "**Contract**" means the combined documents consisting of the Request for Proposal package and any documents and drawings referred to and incorporated therein together with any submissions required to be made by the Purchaser after the sale, and all amendments to the foregoing;
- (e) "**Contract Administrator**" means the person authorized to represent the City in respect of the Contract and is identified at the time of sale;
- (f) "**may**" indicates an allowable action or feature which will not be evaluated;
- (g) "**must**" or "**shall**" indicates a mandatory requirement which will be evaluated on a pass/fail basis;
- (h) "**Offerer**" means any person submitting a Proposal for the purchase the assets of Select-A-Seat. If a Proposal is submitted jointly by two or more persons, the word "Offerer" shall mean each and all persons, and the undertakings, covenants and obligations of such joint Offerers in the Proposal and the Contract, shall be both joint and several;
- (i) "**Proposal**" means the offer contained in the Proposal Submission;
- (j) "**Purchaser**" means the person undertaking to purchase the assets of Select-A-Seat under the terms of the Contract;
- (k) "**should**" indicates a desirable action or feature which will be evaluated on a relative scale;

2.2 Further to 2.1 (b), the Contracts Officer for this Request for Proposals is:

Barb D'Avignon
(204) 986-3901
bdavignon@winnipeg.ca

3. SCOPE OF SALE

3.1 The sale shall consist of:

- (a) Select-A-Seat assets listed in Clause 6;
- (b) Assignment of:
 - (i) WEC Canadian Trademark "Select-A-Seat";
 - (ii) Manitoba Business Name registration for "Select-A-Seat";
 - (iii) www.selectaseatmb.com;
 - (iv) www.selectaseat.mb.ca

3.2 Obligations to be assumed by Purchaser related to the sale are as follows:

- (a) contracts currently in place, in accordance with the same terms and conditions including:
 - (i) contracts with licencees;

- (ii) current advertising contracts;
 - (iii) contracts currently in place for events (e.g. IMAX, Shania Twain, June 2004).
- (b) continued operation of the main Select-A-Seat location at the Winnipeg Arena until approximately November 30, 2004.
- (i) The current space used by Select-A-Seat at the Winnipeg Arena is available for the Purchaser's use until November 30, 2004. The Purchaser will have to relocate the operation after that date.

4. BACKGROUND

4.1 The following is provided for the information of Offerers:

- (a) Select-A-Seat is a fully computerized ticketing system. Its mandate is to provide equal access to tickets for events in Manitoba.
- (b) Select-A-Seat has provided ticketing services for Winnipeg Arena events since 1985.
- (c) The Winnipeg Arena Box Office has a total of 9 point of sale terminals, 6 will-call (pick up) terminals and a call centre with 18 point of sale operators, with the ability to expand beyond. The hours of operation for the call centre are 9:30 AM - 9:30 PM 7 days a week, with exceptions for certain holidays. The hours of operation for the box office are 9:30 AM – 5:30 PM Monday through Saturday. On Sundays the Box Office is open 3 hours prior to an event at the Winnipeg Arena.
- (d) The Winnipeg Convention Centre box office includes 4 point of sale terminals with the ability to expand by using portable kiosks. (kiosks owned by Winnipeg Convention Centre)
- (e) Tickets.com provides Select-A-Seat with 400 point of sale internet sales capability.
- (f) Select-A-Seat has a network of outlets throughout Winnipeg which provide ticketing services and event information to customers. The locations are listed in Appendix A for the Offerer's convenience.
- (g) Select-A-Seat has a strong reputation for customer service. A commitment to customer satisfaction is the focus of Select-A-Seat's daily operation.
- (h) Select-A-Seat currently employs 9 full time employees and approximately 60 part time employees who are knowledgeable with various entertainment venues, as well as other amenities within Winnipeg.
- (i) All staff participate in comprehensive training programs to ensure the best service possible.
- (j) On most occasions, Select-A-Seat operators are able to provide services in second and sign languages.
- (k) The Winnipeg Arena may be closed for further use by November 30, 2004.

Additional information is available through the Select-A-Seat website at www.selectaseatmb.com.

5. UPCOMING EVENTS FOR WHICH SELECT-A-SEAT IS CURRENTLY SELLING TICKETS

5.1 Snoop Dogg Live in Concert, Dec 15/03; New Year's Eve with the Ron Paley Big Band; New Year's Eve 2003 Power 97 Power Ball; The Wonderful Wedding Show, Jan 16-18/04; Rainbow Stage presents Chicago, Feb 3-22/04; Nickelback in Concert, Feb 4/04; 2004 Monster Jam, Feb 6-8/04; Disney on Ice, Feb 11-16/04; Sarah Brightman in Concert, Feb 22/04; Stars on Ice 2004 Tour, Apr 27/04; Gaither Homecoming Concert, May 12/04; Shania Twain Live in Concert, Jun 8/04; Manitoba Moose, 2003/2004 season; Prairie Dog Central, Spring/Summer/04; IMAX Movies, daily.

5.2 Notwithstanding this Request for Proposal, WEC is continuing to sign such other events that WEC is able to attract.

6. SELECT-A-SEAT ASSETS

6.1 The assets of the Select-A-Seat operation are:

- (a) computer hardware and software;
- (b) signage;
- (c) safe;
- (d) desks, chairs, filing cabinets;

- (e) currency counters;
- (f) ArtSoft software;
- (g) internet set-up;
- (h) paper stock, including tickets and envelopes;
- (i) current customer contracts with licencees;
- (j) current advertising contracts;
- (k) contracts currently in place for future events (e.g. Shania Twain, June 2004);
- (l) leasehold improvements;
- (m) WEC Canadian Trademark “**Select-A-Seat**”;
- (n) Manitoba Business Name registration for “**Select-A-Seat**”;
- (o) rights to: www.selectaseatmb.com;
- (p) rights to: www.selectaseat.mb.ca;
- (q) rights to: phone number, (204) 780-SEAT;
- (r) rights to: toll-free number, 1-888-780-SEAT.

All assets are as is, where is.

6.2 The sale will not include:

- (a) databases of all customers, except as may be permitted by the applicable Privacy Laws and contractual obligations.

6.3 The sale does not include:

- (a) Land or buildings related to Select-A-Seat contracted locations or the Select-A-Seat operation at the Winnipeg Arena. (Appendix A)

6.4 There may be closing adjustments for accounts receivable, unearned revenue, taxes and other amounts remaining with respect to any contracts outstanding and assets transferred.

7. **FINANCIAL BACKGROUND**

7.1 The financial records, for the past five years are available for viewing, by appointment only, after December 15, 2003, in the office of the City's Manager of Materials, Barb D'Avignon. Proposed Offerers are permitted to view the records, on-site only, by contacting Ms. D'Avignon at 204-986-3901 or bdavignon@winnipeg.ca.

7.2 Proposed Offerers who view material, aside from the Request for Proposal document, must sign an agreement regarding confidentiality and use of information, and an acknowledgement of The City of Winnipeg's limited involvement, prior to viewing the material.

8. **INVESTIGATION**

8.1 Offerers shall familiarize themselves with the nature and extent of the assets being sold. The Purchaser shall rely entirely upon its own investigation, and shall determine for themselves the actual conditions and requirements of the operation.

8.2 Arrangements to view Select-A-Seat locations may be made by contacting Barb D'Avignon at (204) 986-3901

9. **AVAILABILITY OF SELECT-A-SEAT**

9.1 WEC intends to issue a letter of intent to the successful Offerer by January 19, 2004.

9.2 The date of closing for the transaction shall be 30 Calendar days after the date of the letter of intent, or such other date by mutual agreement of the Purchaser and WEC.

10. CONFIDENTIALITY AND OWNERSHIP OF INFORMATION

- 10.1 Information provided to an Offerer by the City or WEC or acquired by an Offerer by way of further enquiries or through investigation is confidential. Such information shall not be used or disclosed in any way without the prior written authorization of the Contract Administrator. To the extent permitted, the City shall treat all proposals as confidential.
- 10.2 The Offerer shall not make any statement of fact or opinion regarding any aspect of the Request for Proposals to the media or any member of the public without the prior written authorization of the Contract Administrator.
- 10.3 Information provided to the Purchaser by the City or WEC or acquired by the Purchaser during the course of the purchase is confidential. Such information shall not be used or disclosed in any way without the prior written authorization of the Contract Administrator.
- 10.4 The Contract, all deliverables produced or developed, and information provided to or acquired by the Purchaser are the property of the WEC. The Purchaser shall not disclose or appropriate to its own use, or to the use of any third party, all or any part thereof without the prior written consent of the Contract Administrator.
- 10.5 The Purchaser shall not make any statement of fact or opinion regarding any aspect of the Contract to the media or any member of the public without the prior written authorization of the Contract Administrator.

11. DISCLAIMER

- 11.1 The City of Winnipeg expressly states that the information contained in the Request for Proposals and any other material provided for viewing is for information purposes only and has been provided to the City by Winnipeg Enterprises Corporation. Accordingly, The City of Winnipeg does not warrant, covenant or guarantee the completeness or accuracy of the information and shall not be liable for any errors and omissions in the information provided

12. INDEMNITY

- 12.1 The Purchaser shall save harmless and indemnify the City of Winnipeg and Winnipeg Enterprises Corporation, against all costs, damages or expenses arising from actions, claims, demands and proceedings, by whomsoever brought, made or taken as a result of acts or omissions of the Purchaser, his/her Subcontractors, employees or agents in the purchase, including but not limited to:
- (a) unauthorized use of any design, device, material or process covered by letters patent, copyright, trademark or trade name in connection with the purchase;
 - (b) inaccuracies in any information provided to the City/WEC by the Purchaser.
- 12.2 The City/WEC has the right, acting reasonably and upon notice to the Purchaser, to settle any such action, proceeding, claim or demand and charge the Purchaser with the amount so paid or to be paid in effecting a settlement.
- 12.3 The Purchaser shall pay to the City/WEC the value of all legal fees and disbursements required to settle any such claim or to defend the City/WEC against any such claim, action, proceeding, claim or demand notwithstanding that the settlement or defence of the said action, proceeding, claim or demand was undertaken on behalf of the City/WEC by a salaried employee of the City/WEC.
- 12.4 If the Purchaser fails to make any payment required to be made to the City/WEC hereunder, the City/WEC shall be entitled to deduct the amount of such payment from any payment required to be made by the City/WEC to the Purchaser under the Contract or take whatever other remedies against the Purchaser that the City/WEC may have at law.

13. EVENTS OF DEFAULT

- 13.1 An event of default will be deemed to have occurred if the Purchaser:
- (a) abandons the purchase; or
 - (b) is adjudged bankrupt or files for bankruptcy, becomes insolvent, makes a general assignment for the benefit of his/her creditors, or has a receiver or liquidator appointed in respect of his/her assets; or

- (c) in the judgment of the Contract Administrator, is not progressing continuously with the purchase or any part thereof, and in such a manner as to ensure the completion of the purchase or any part thereof, in accordance with the purchase schedule; or
- (d) fails to comply with any laws, by-laws or statutory regulations; or
- (e) fails to submit any schedules, documents or information required by the Contract; or
- (f) refuses or neglects to comply with an order given by the Contract Administrator; or
- (g) commits any other breach of the Contract.

13.2 Any provision of the Contract may be waived only by express waiver in writing by the Contract Administrator. No express waiver of any provision shall imply the waiver of any other provision.

13.3 The duties and obligations imposed upon the Purchaser by the Contract and the rights and remedies available to the City/WEC hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed upon the Purchaser or available to the City/WEC at law.

14. COMPLIANCE WITH LAWS

14.1 Following the closing date of sale, the Purchaser shall be solely responsible for, and in compliance with, all federal and provincial laws, rules, regulations, bylaws, statutory regulations and taxes, including entertainment tax.

15. DISCREPANCIES

15.1 If the Offerer finds discrepancies or omissions in the Request for Proposal or any part thereof, or is unsure of the meaning or intent thereof, he/she shall notify the Contracts Officer.

15.2 The Contracts Officer will, if he/she deems it necessary, issue addenda.

15.3 The Offerer is advised to direct all enquiries or comments to the Contracts Officer at least five (5) Business Days prior to the Submission Deadline to allow time for the preparation and distribution of necessary addenda.

16. ADDENDA

16.1 The Contracts Officer may, at any time prior to the Submission Deadline, issue addenda correcting errors, discrepancies or omissions in the Request for Proposal, or clarifying the meaning or intent of any provision therein.

16.2 The Contracts Officer will issue each addendum to all Offerers by:

- (a) publication at the Materials Management Division's Bid Opportunities internet website at <http://www.winnipeg.ca/matmgt/bidopp.asp>.

16.3 **The Offerer is responsible for ensuring that he/she has received all addenda and should acknowledge receipt of each addendum on the Request for Proposal cover page.** Failure to acknowledge receipt of an addendum may render a Proposal non-responsive.

16.3.1 The Offerer is advised to check the Materials Management Division's Bid Opportunities internet website for addenda shortly before submitting his/her Proposal.

17. PROPOSALS

17.1 Proposals must be in writing and should include as a minimum:

- (a) the Request for Proposal cover page completed with:
 - (i) the name and address of the Offerer;
 - (ii) the name and telephone number of a contact person authorized to represent the Offerer for the purposes of the Proposal;
 - (iii) the signature of a person or persons who have the authority to sign for the Offerer;

- (b) a financial Offer including but not limited to, purchase price, payment schedule, and use of the space at the Winnipeg Arena.

Offerers who choose the option of offering cash, up front, for the purchase of Select-A-Seat, may choose not to submit the other information requested below.

- (c) information concerning the public policy impact of the Offerers proposal, relating to the continued operation of Select-A-Seat in Manitoba, including, but not limited to:
- (i) proposed ownership structure, including names of principals;
 - (ii) the proposed short and long term intentions of the operation, including any plans to sustain the operation;
 - (iii) services offered to the public;
 - (iv) target markets; and,
 - (v) staffing plans regarding the operation of Select-A-Seat;
 - (vi) the proposed social and economic benefits to the City, including job creation/sustainment, equal opportunities for employment, and other direct or indirect benefits, including any proposed increase in agency fee;
 - (vii) a statement outlining all sources(s) of financing for the acquisition of Select-A-Seat;
 - (a) where the Offerer requires debt financing, the Offerer should provide evidence of the financial institution's/lender's willingness to provide financing.
 - (viii) anticipated competition in the Manitoba market;
 - (ix) proposed timing/schedule for the takeover of business operations;
 - (x) a list of currently operating installations, complete with the type of system installed, number of years/months in use;

17.2 It is understood that all costs incurred by Offerers regarding their investigations and preparations in response to the Request for Proposals are at the sole cost and expense of the Offerers.

18. SUBMISSION OF PROPOSALS

- 18.1 The Proposal must be submitted enclosed and sealed in an envelope clearly marked with the RFP Number and the Offerer's name and address. The Offerer is requested to submit one **(1) original and five (5)** copies of the Proposal.
- 18.2 The Proposal shall be submitted to the Materials Management Division at the address specified no later than the Submission Deadline.
- 18.3 Proposals received after the Submission Deadline will not be considered.
- 18.4 Proposals will not be opened or acknowledged publicly. WEC will acknowledge receipt of each Proposal by written notice to the address of the Offerer as indicated in the Proposal.

19. WITHDRAWAL OF PROPOSALS

- 19.1 The Offerer may withdraw his/her Proposal without penalty at any time prior to the Submission Deadline.
- 19.2 The Proposal shall be open for acceptance, binding and irrevocable for the period of time specified on the cover page. An Offerer who withdraws his/her Proposal after the Submission Deadline but before his/her Proposal has been released or has lapsed shall be liable for such damages as are imposed upon the Offerer by law and subject to such sanctions as the City considers appropriate in the circumstances.

20. INTERVIEWS

- 20.1 The Contract Administrator may, at his/her sole discretion, interview Offerers during the evaluation process.

21. NEGOTIATIONS

- 21.1 The City, at its sole discretion, may, prior to the award of Contract, negotiate details of the Contract on behalf of WEC with any one or more of the Offerers without having any duty or obligation to negotiate such changes with any other Offerer and neither the City nor WEC shall have any liability to any other Offerer as a result of such negotiations or changes.
- 21.2 If, in the course of negotiations pursuant to 21.1 or otherwise, the Offerer amends or modifies a Proposal after the Submission Deadline, the City may consider any amended Proposal as an alternative to the Proposal as originally submitted without releasing the Offerer from the Proposal as originally submitted.

22. EVALUATION OF PROPOSALS

- 22.1 The sale of Select-A-Seat will be based on the following evaluation criteria:

(a) conformance with mandatory requirements	pass/fail;
(b) financial offer	95%;
(c) public policy impact	5%;

Conformance with Mandatory Requirements

- 22.2 Further to 22.1(a), WEC may reject a Proposal as being non-responsive if the Proposal is incomplete, obscure or conditional, or contains additions, deletions, alterations or other irregularities. WEC may reject all or any part of any Proposal or waive technical requirements if the interests of WEC so require.

Financial Offer

- 22.3 Further to 22.1(b), the financial offer will be evaluated considering:

- (a) payment of the purchase price, in cash on closing, versus payments at a later date;
- (b) if the offer to purchase suggests payment of the purchase price over a period of time, WEC will require
 - (i) approval to conduct necessary enquiries to assure credit worthiness of the Purchaser;
 - (ii) details of all financial security offered in favour of WEC to complete the purchase.
- (c) any additional costs incurred by WEC pursuant to existing contracts as a result of the sale.

Public Policy Impact

- 22.4 Further to 22.1(c), the public policy impact will be evaluated considering an analysis of the Offerer's Proposal relating to the continued operation of Select-A-Seat in Manitoba based on the information submitted, or in other information required to be submitted. Consideration will also be given to the Offerers intention with respect to changes in pricing after the date of purchase.

Other Information

- 22.5 The Offerer shall:

- (a) submit, within two (2) Business Days of a request by the Contracts Officer, acting reasonably, further proof, satisfactory to the Contracts Officer, of the qualifications of the Offerer and of any proposed Subcontractor including:
 - (i) proof that he/she is financially capable of carrying out the terms of the Contract;
 - (ii) proof that he/she is fully capable of performing in accordance with the terms of the Contract;
 - (iii) such other pertinent data as may be required by the Contracts Officer.

23. ALTERNATIVES

- 23.1 The Offerer may, but is not required to, submit alternative financial offers.
- 23.2 WEC shall not be obligated to sell to the responsible and qualified Offerer whose Proposal is determined to be the most advantageous to WEC and shall have the right to choose the Offer or alternative Offer which is in its best interests.

24. SALE OF THE ASSETS AND GOODWILL OF SELECT-A-SEAT

- 24.1 WEC shall not be obligated to sell to an Offerer, even though one or all of the Offerers are determined to be responsible and qualified, and the Proposals are determined to be responsive.
- 24.2 Offerers submitting a Proposal do so with the understanding that WEC, in its sole discretion, reserves the right to accept or reject any or all Proposals.
- 24.3 Where a sale is made by WEC, the sale shall be made to the responsible and qualified Offerer whose Proposal is determined to be the most advantageous to WEC.
- 24.4 WEC will give notice of the sale by way of a Letter of Intent or will give notice that no sale will be made.
- 24.5 The Request for Proposal, including but not limited to the addenda, and the Purchaser's Proposal shall be deemed to be incorporated in and to form a part of the Contract notwithstanding that they are not necessarily attached to or accompany said notice.

APPENDIX A – List of current Select-A-Seat outlets

HEALTH SCIENCES CENTRE
820 Sherbrook

IGA COURTS
Courts of St. James
2727 Portage A

IGA MAIN
Main and Jefferson

IMAX THEATRE AT PORTAGE PLACE
3rd Floor Portage Place
393 Portage Avenue

PHARMA PLUS DRUGMART - City Place
City Place Shopping Centre
333 St. Mary Ave.

PHARMA PLUS DRUGMART - LAKEWOOD
Lakewood Plaza
35 Lakewood Blvd.

PHARMA PLUS DRUGMART - WESTWOOD
Westwood Village Mall
3310 Portage Ave.

PHARMA PLUS DRUGMART - PARKWEST
Parkwest Shopping Mall
6650 Roblin Blvd.

PHARMA PLUS DRUGMART
123 Marion Street

PHARMASAVE
1883 Grant Ave.

PHARMA PLUS DRUGMART - PEMBINA
1151 Pembina Hwy.

PHARMA PLUS DRUGMART - HENDERSON
Northdale Shopping Centre
963 Henderson Hwy.

THE BAY DOWNTOWN
Portage and Memorial
in Pharma Plus Drugmart

REGENT PARK PHARMACY
701 Regent Ave. West

UNIVERSITY OF MANITOBA
Answers Booth
University Center

WINNIPEG ARENA
1430 Maroons Road

WINNIPEG CONVENTION CENTRE
375 York Avenue