

**KNOXVILLE CONVENTION CENTER
KNOXVILLE, TENNESSEE**

BOOKING POLICIES

I. FACILITY PURPOSE

The new Knoxville Convention Center (KCC) serves the Greater Knoxville area by offering a state of the art facility which can accommodate conventions, trade shows, public expositions, meetings, business activities, social, and community events. Owned by the City of Knoxville and Knox County, and operated by SMG, the KCC enhances the economy of Knox County by the attraction of these events and the generation of new economic benefits throughout the area.

II. DEFINITIONS

The following terms, as defined here, are generally recognized throughout the industry and have been adopted by the KCC.

1. Conventions/Trade Shows: An assembly of people who specialize in one particular area of interest. A convention is generally a meeting function with some exhibition needs. A Trade Show is composed primarily of exhibits with limited technical sessions that are relative to the particular trade. Neither conventions nor trade shows are typically opened to the general public and a registration fee for participants is usually imposed.
2. Public Expositions: Consumer or special interest shows conducted or produced for the purpose of attracting a primary audience from the general public of the Greater Knoxville community, and for which an admission charge is levied.
3. Meetings: An assembly of people for a wide variety of purposes; business, religious, social, or educational. Based upon the nature of the event, a registration fee or some other restriction may be imposed to control access to these functions.
4. Miscellaneous Events: Events within this grouping include activities such as, but not limited to, proms, graduations, dances, dinners, musical and theatrical productions, and various civic events. Admission to these events is limited by the size of the space rented, anticipated attendance, or by an admission charge levied on the participants.
5. First Option: Provides a prospective client with the first right of refusal on specified space through a fixed date. If a contract is not executed by this date, the space is released to be resold. Should another group of equal booking priority wish to book the dates, in whole or in part, as specified in the Second Option definition prior to the fixed date specified, the holder of the First Option will be given three (3) business days to finalize and execute a written License Agreement for the space.
6. Second Option: Provides for a second group of equal booking priority to enter into a commitment to book specific space and dates in the KCC should the space and/or dates, in whole or in part, being held under the First Option above be released by the First Option group. The commitment is in the form of a binding License Agreement contingent upon the space and/or dates being released under the defined procedure.

III. BOOKING GUIDELINES

Booking Responsibilities

Reservations for KCC space more than fourteen (14) months in advance of the requested dates are normally handled by the Knoxville Tourism and Sports Corporation (KTSC) and are subject to the guidelines in Sections IV A and B below.

Reservations for KCC space less than fourteen (14) months in advance of the requested dates are normally handled by the KCC and are subject to the policies outlined herein.

Business Evaluation

To maximize the Hotel/Motel Tax, KCC and KTSC staffs will consider the relative merits of each potential booking on a case-by-case basis.

Guidelines include: room night generation; lead time of booking; peak demand time; arrival/departure pattern; length of stay; catered food and beverage functions; degree of cost sensitivity; use of KCC exhibit/meeting space; KCC “non-rental” revenue generators (i.e. utilities, labor, telecommunications, etc.); degree of industry influence; and potential for repeat/referral business.

It is recognized that many factors impact the desirability of any account. In order to achieve the maximum utilization of the facility and economic impact for the County, it may be appropriate to confirm groups that singularly do not meet the guidelines, but are beneficial to the County when viewed in the broader booking perspective. All bookings that do not meet these guidelines are at the discretion of the KCC General Manager.

IV. RESERVATION PRIORITIES

A. First Priority Events

Conventions, trade shows and other group activities which are international, national, regional, or statewide in nature, which are not opened only to the general public, and which have a significant impact in terms of hotel tax generated are given priority in selecting and reserving dates. Events in this category will typically use a minimum of 50% of the rentable space in the KCC and generate a minimum of 1500 room nights with a peak night of 500 rooms.

1. Reservations: Date requests for first priority events may be made as far in advance as necessary or appropriate as determined by the KCC General Manager.
2. License Agreement: Only a formal “License Agreement” issued and executed by the KCC will confirm space held for any event. No other communication, written or verbal, will be considered binding on behalf of the KCC.
3. Options: As outlined in the definitions, all reservations will be subject to First and Second Options until a fully executed License Agreement is in place.
4. Deposits: Each License Agreement will include a deposit schedule. A minimum deposit equivalent to twenty-five percent (25%) of the total estimated rental and expenses may be required upon execution of the contract. A greater deposit may be required at the discretion of the KCC General Manager depending upon factors such as the contract date in relation to the event date(s) and anticipated ancillary expenses.
5. Preference may be given among First Priority events to those events that confirm returning to the KCC on an annual or more frequent basis.

B. Second Priority Events

Second Priority for scheduling the facilities and dates in the KCC is available to multiple day consumer or public exhibitions, tradeshow (not opened to the public), local corporate meetings, and other events that provide a positive impact on the generation of hotel taxes. Events in this category will typically use a significant amount of space in the KCC and will generate hotel room nights in at least two (2) Knoxville hotels, with a peak night room usage of 300. For consumer or public exhibitions, audited attendance at the KCC must be a minimum of 10,000, with a daily average KCC attendance of 3,000.

1. Reservations: Date requests for Second Priority Events may be made as far in advance as necessary or appropriate. Second Priority Events may not supersede requests for First Priority Events, nor can they challenge First Priority Events as a second option.

2. In booking Second Priority Events, preference will be given to groups who meet the guidelines specified herein for Special Consideration.
3. License Agreement: Only a formal "License Agreement" issued and executed by the KCC will confirm space held for any event. No other communication, written or verbal, will be considered binding on behalf of the KCC.
4. Options: As outlined in the definitions, all reservations will be subject to First and Second Options until a fully executed License Agreement is in place.
5. Deposits: Each License Agreement will include a deposit schedule. A minimum deposit equivalent to twenty-five percent (25%) of the total estimated rental and expenses may be required upon execution of the contract. A greater deposit may be required at the discretion of the KCC General Manager depending upon factors such as the contract date in relation to the event date(s) and anticipated ancillary expenses.

C. Third Priority Events

Multiple day, local tradeshows, consumer shows (shows open in whole or in part to the general public and not meeting the criteria outlined in IV-B), seminars, food functions, and other social events will be categorized as Third Priority Events. These events generate few if any hotel rooms and utilize available KCC space remaining from previously booked events, or are held during low KCC demand times, or in periods with conflicting hotel room demand events such as UT football weekends, etc.

1. Reservations: Date requests for Third Priority Events may be made not more than fourteen (14) months in advance, unless the requested dates are known to conflict with high room demand events. Third Priority Events may not supersede requests for First or Second Priority Events, nor can they challenge First or Second Priority Events as a second option.
2. Within the Third Priority category, preference will be given to long-standing public shows and tradeshows held on an annual basis in Knoxville that have a proven track record of success.
3. License Agreement: Only a formal "License Agreement" issued and executed by the KCC will confirm space held for any event. No other communication, written or verbal, will be considered binding on behalf of the KCC. A signed, fully executed License Agreement for Third Priority Events will be required not more than thirty (30) days following the submittal of a Facility Use Application, at least thirty (30) days in advance of the event, or immediately at the discretion of the KCC General Manager.
4. Refusal Options: As outlined in the definitions, all reservations will be subject to First and Second Options until a fully executed License Agreement is in place.
5. Deposits: A deposit in the amount of the total estimated rental and expenses may be required upon execution of the contract.

Third priority events are subject to review for Special Consideration based on the needs of the KCC and the best interest of Knoxville. Guidelines for Special Consideration include, but are not limited to:

- Event held during off-peak demand times defined mutually by KTSC and KCC senior management
- Arrival / Departure Patterns
- Public relations value to Knox County
- Hotel Occupancy / Distressed Periods
- Conflicting Events such as UT Football, NCAA Regional Basketball, etc.
- Potential for growth, annual, repeat, or multi-year bookings.

Special Consideration will require mutual agreement of KCC & KTSC

V. PROTECTION CLAUSE:

A protection clause may, upon approval of the KCC, be granted to recurring consumer or trade shows that have a proven record of success in the region, and which have produced significant economic benefit. If granted by the KCC, the Protection Clause will offer a maximum of sixty (60) total days of protection. KCC management will have discretion to split the protection period (i.e.; 30 days before and after or 45 days before and 15 days after), but in all cases the Protection Period shall be detailed in the License Agreement. The Protection Clause will read as follows:

Protection Clause

Licensors agree that it will not license any portion of the KCC facility to any competing event for a period of ____days before Licensee’s first event day and ____days after Licensee’s last event day (the “Protection Period”). A “competing event” is hereby defined as an event which has thirty-five percent (35%) or more of its net square footage of exhibit space showing/selling product lines the same or substantially similar to the product lines in the Licensee’s event. However, a show that is open to the public shall never be deemed a competing event with a show open only to the trade and vice versa. The determination whether or not an event is a “competing event” shall be solely within the discretion of the KCC General Manager and shall be based upon the product lines and/or exhibitor listings from both events.

VI. RESERVATION PROCEDURES

Facility Use Application

In order to request space in the KCC, a Facility Use Application must be submitted to the SMG Facilities Booking Coordinator.

The KCC may decline to approve any application for any event or Producer on the basis of credit references, financial ability or prior experience, or to a Producer who has failed to perform any obligations under a prior agreement with the KCC or similar facility, has cancelled or failed to proceed with a confirmed reservation in KCC or a similar facility, or whose conduct is, in the opinion of the management of KCC, is detrimental to the best interest of the City of Knoxville, and Knox County, Tennessee.

VII. FIRST OPTION RIGHT OF REFUSAL

Should a group or event of equal priority submit a Facility Use Application for all or part of the same dates and/or space being held as a tentative under a First Option, the Second Option group or event shall be given the right to confirm the dates and/or space contingent upon the First Option group or event releasing the dates and/or space under the definition of First Option in Section II, 5.

To activate the First Option Right of Refusal process, the Second Option group or event must submit a Facility Use Application complete with a full deposit, which will only be refundable if the First Option holder exercises their right to execute a license agreement with the KCC

VIII. SUBJECT TO CHANGE

Booking Policies of the Knoxville Convention Center (KCC) are subject to change without notice at the discretion of the KCC General Manager. A copy of the most current revision is available in the KCC administrative office.