

MISSISSIPPI FAIR COMMISSION

CONCESSIONS CONTRACT

QUESTIONS SUBMITTED BY BIDDERS

1. Question: List of events with a one-year contract with the Mississippi Fair Commission.
Answer: None, year by year
2. Question: List of events with a two-year contract with the Mississippi Fair Commission.
Answer: None, year by year
3. Question: List of events with a three year, or greater, contract with the Mississippi Fair Commission.
Answer: None, year by year
4. Question: Are there any contracts in place with event organizers/providers/sponsors that would affect the food/beverage provider? I.E. Are there any contracts in place that require the Commission's vendor provide Coke products, Pepsi Products or that require a percentage of products sold at their events (which would reduce the RFP winner's net profit).
Answer: None at this time, however, we do plan on entering into a pouring rights agreement with Coke or Pepsi, which will require vendor to use their products, however, the Commission would not be able to alter the Vendors pricing agreement with the provider.
5. Question: Are there any contracts that would limit the RFP winner's ability to sell products (concessions or retail products) at any events?
Answer: Case by case, but yes. An example, Feld Entertainment promotes Disney on Ice, Monster Jam, etc. They are allowed to sell certain items, such as cotton candy, popcorn, etc. There are about 4 events per year where this is a possibility.
6. Question: Have any events that are currently hosted on the State Fair Grounds indicated that they will no longer be using the State Fair Grounds or are otherwise reducing the number of events they have traditionally held on the Grounds?
Answer: State Basketball Championships are moving the finals to college campuses; however, we are working with a college conference to move their conference championships to those dates.
7. Question: In light of the recent announcement on the arena football team coming to the Coliseum, are there any agreements related to the arena football team that would affect the winner of the RFP? I.E. similar to question E & F above, will the winner of the RFP be limited in the type or brand of concessions offered at arena football events, will the winner of the RFP be required to share proceeds from concession sales with anyone related to the arena football team, and will the winner of the RFP be able to sell retail

products, such as licensed paraphernalia, and/or will the winner of the RFP be able to get a percentage of such sales?

Answer: We have no arena football agreement. The media picked up on rumors and reported it as fact.

8. Question: Are there any limitations on the RFP winner's ability to sell licensed merchandise at events? If so, please list which events have those limitations in place and please describe the limitations if possible.

Answer: Clarify? Most promoters provide the merchandise that can be sold at their event, and the concessionaire provides the labor to do so, in exchange for a percentage of sales from the promoter. Are you asking if you can sell merchandise at particular events that is not related to the show? This would be up to the promoter, not us, except for the Fair and the Rodeo.

9. Question: Please give more information as to what the expectations will be for the winner of the RFP for concessions during the State Fair.

Answer: None, however, RFP winner is allowed up to 5 vendor spaces on the midway rent free as part of the agreement. Current concessionaire has not taken advantage of that, with the exception of a beer tent location.

10. Question: If we offer a fixed price, will the Commission consider adding a contingency that the fixed price is based either on a minimum number of events each year or based on a gross amount of annual sales?

Answer: We would not agree to a minimum number of events. However, we would look favorably at a fixed price, with a percentage increase above and beyond a particular gross figure. So the fixed price would be based on \$\$\$\$\$, then if that dollar amount were exceeded, we would anticipate splitting a percentage beyond that.

Clarification on a few things listed above. The new Trade Mart is a game changer for the Fairgrounds. The old Trade Mart hosts events nearly all 52 weekends per year, and several during the week. This is a somewhat untapped market. Many of these shows buy the current concessionaire out, or ignore him completely, which should not be the case. Many new shows are inquiring about the new Trade Mart. For example, we have a new show that contacted us last week, a midweek show, 600 person seminar, that spent \$17,000 in Food and Beverage this year at another location. It is these type shows that we anticipate being added regularly that will be profitable for the RFP provider.

The Equine events are untapped. The Coliseum Events, while appear to be large and profitable, could just be a fraction if the RFP winner goes after Trade Mart and Equine Business.

We have no long term contracts with promoters; we just roll over from year to year. The Rodeo and the Fair we own, so you can consider those long term.

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