

# discover**LosAngeles**



discover**Commitment**



### Mission Statement

To serve the City of Los Angeles by enhancing its prominence as the only destination of choice for citywide conventions, exhibitions, trade shows, and high profile events. To perform as an economic and jobs engine for the region through primary and secondary client spending, and to support the promotion of the arts, sciences, humanities, and education.



discover**Purpose**



The 2006–07 Fiscal Year was underlined by over 400 hosted events, representing a 19% event growth, generating close to \$30 million in gross operating revenues.



## Message From The CEO



It is with great pleasure that I present The Los Angeles Convention Center (LACC) Annual Report for the 2006–07 Fiscal Year. In a year highlighted by the celebration of 35 memorable years of service, we focused our passion and efforts on Discovering new ways to build on our achievements toward a path for continued success. Our renewed partnerships with LA INC., L.A. LIVE, and the surrounding South Park District, along with a resurgence in the industry, and our emphasis on strategic business planning, all contributed to our unprecedented success. For the second year in a row, the operating revenues met and exceeded our operating expenditures. Moreover, this was the first time in over a decade that the LACC achieved positive financial returns without the presence of our largest tradeshow, the Electronic Entertainment Expo (E3).

The 2006–07 Fiscal Year was underlined by over 400 hosted events, representing a 19% event growth, and generating close to \$30 million in gross operating revenues. The addition of new major events like the American Cancer Research Convention, the BE Conference, International Council of Shopping Centers, and WindPower 2007, were integral to this revenue increase.

As progress continued for the neighboring L.A. LIVE development, LACC experienced a rapidly increasing popularity trend in attracting new clients. Our partner, LA INC., took further advantage of the momentum created by the June 1st, 2007 groundbreaking of the JW Marriot and Ritz-Carlton Hotel, the grand opening of the Nokia Theatre in October 2007, and the Grammy® Museum opening in late 2008 to book major conventions at LACC. In 2006–07 fiscal year we experienced an 87% increase in new events booked by LACC and a 95% increase of events/conventions booked by LA INC.

In response to the increased operational demands and impending projections, our previous year 1 Gigabit fiber optic data network upgrade, proved fruitful in bringing our facility to the forefront of data and Internet communications. We also performed over 40 infrastructural renovations and upgrades throughout the facility to further support our clients and operational needs. This was highlighted by the completion of over \$1.2M of critical projects within an 18 day window. Amidst all of our facility and event activity, we held true to our commitment to support youth and education by implementing more than 10 learning excursions for Los Angeles students through our "Get In Touch With Your Future" school relations and outreach program.

To reinforce our commitment to the environment, we continued to push forward in solidifying our role as a national leader in environmental stewardship. We continuously identified and put into practice new sustainable and earth-friendly programs in various areas of our operations to further align environmental innovations with business needs. We enrolled a 20% equivalent of our energy consumption in the Los Angeles Department of Water and Power's renewable energy resource program and look to increase our enrollment by at least 50% next fiscal year. We also became a local and national member of the United States Green Building Council and are en-route to achieve certification in its Leadership in Energy and Environmental Design for Existing Buildings. We also increased our recycling rates throughout the facility and explored new ways to respond to the prevalent environmental concerns.

Our accomplishments and achievements, in every shape and form, were a direct reflection and the result of the hard work and professionalism of the women and men of the LACC in representing the great City of Los Angeles. Their contribution is very much acknowledged and appreciated. And as we look into the future, we will incessantly strive to identify better ways of operating our business and strengthening our commitment to the surrounding community. LACC represents the best of Los Angeles before a regional, national and international audience. We are honored with this responsibility and look forward to the upcoming 2007–08 Fiscal Year to be one to Discover more opportunities and reach new horizons in fulfilling our goals and objectives for the social and economical betterment of this great city.

Pouria Abbasi, PE  
General manager and CEO

discoverAchievement



## 2006–07 FY Highlights and Comparisons

### Financial Highlights-Economic Development

First time in over a decade with operating surplus/income in absence of E3, the largest LACC event.

Annual Regional Economic Activity due to LACC	\$1.1 Billion
Number of Annual Jobs Supported due to LACC	12,000

### Performance Highlights-Public Safety, Infrastructure, Energy & Environment, Education, Youth and Families

Customers with 100% Satisfaction Rating	98%
Number of Major Infrastructure Projects Completed	40 +
Enrollment in LADWP Renewable Energy Program	20% of consumption
Number of New Emergency Preparedness & Response Programs	10
Number of New Community Outreach Programs	6
Number of New Youth & Education Programs	10
New Participation in Industry and Business Associations	6
Number of Industry Awards	2
Number of Productivity Awards	2
Number of Energy Efficiency/Environmental Projects	5

### Changes in Operational Profile-Economic Development

2006–2007 FY compared to 2005–2006 FY

Number of Events Hosted at LACC	19% Increase
Occupancy (utilization of available space)	15% Increase
Number of Cars Parked From STAPLES Center Events	71% Increase
Parking Revenue	14% Increase
Wi Fi Revenue	25% Increase

### Changes in Business Capture Profile-Economic Development

2006–2007 FY compared to 2005–2006 FY

Number of New Events Booked By LACC	87% Increase
Number of Conventions Booked Through LA INC.	95% Increase
Number of Hotel Room Nights Booked Through LA INC.	100% Increase

\*Based on surveys returned

\*\*PwC 2007 Study

## Los Angeles Convention Center Strategic Position

### Initiatives To Ensure Future Growth And Progress 2006–07 Year End Results

Initiatives	Targeted Outcome	Mayor Villaraigosa's Focus Area	06–07 Year End Results
A. Raising the profile, increasing market share	15% increase in LACC booking and 20% increase in LA Inc bookings in 2006/07 FY for all future years, and implementation of programs in support of self contained businesses in hotels within City boundaries.	Economic Development	Targeted Outcome Exceeded
B. Synergies with prime partners, public/private partnerships	Implementation of at least 3 joint programs with L.A. LIVE!/STAPLES Center, LAWA, and the Port of Los Angeles in the 2006/07 FY	Economic Development, Transportation & Infrastructure	Targeted Outcome Met
C. Income generators	Minimum \$500,000 increase in new revenues from Income Generators in 2006/07 FY	Economic Development	Targeted Outcome Exceeded
D. "Get in touch with your future"— youth & education	Implementation of at least 10 learning excursions for Los Angeles students in the 2006/07 FY	Education, Youth & Families	Targeted Outcome Met
E. Economic impact & financial reporting	Completion of an Economic Impact Study, reporting of Commercial Economic Impact and Establishment and submittal of enhanced financial reports and metrics.	Economic Development	Targeted Outcome Met
F. Community outreach & inclusion	Implementation of entry level part time job programs and internship opportunities in association with the local educational institutions.	Public Safety, Transportation & Infrastructure, Economic Development	Targeted Outcome Met
G. Emergency preparedness leadership	Implementation of 3 critical emergency preparedness programs in the 2006/07 FY	Public Safety & Homeland Security	Targeted Outcome Exceeded
H. Supporting & improving the facility & services	Completion of over 30 major infrastructures and maintenance programs and establishment of a sustainable infrastructure enhancement plan in the 2006/07 FY	Economic Development, Transportation & Infrastructure, Energy & Environment	Targeted Outcome Exceeded
I. Introspective- opportunities for organizational improvement	Completion of over 30 major infrastructures and maintenance programs and establishment of a sustainable infrastructure enhancement plan in the 2006/07 FY	All	Targeted Outcome Met



## discoverEarth

"Green programs are not just 'good to have,' but a business necessity for LACC."



### LA's Premier Green Facility "Green" All Over

The Los Angeles Convention Center is literally a "Green Community," both physically and environmentally. As a Los Angeles landmark, with its towering emerald green facade, the LACC defines the L.A. cityscape and is a devoted advocate of "environmental stewardship," highlighting its commitment in supporting and representing the Office of the Mayor's call to duty for environmental excellence.

#### ENERGY EFFICIENCIES

##### Solar Heating Attenuation

The Los Angeles Convention Center towers are designed with a dual signature patterned glass inlay. These inlays are thicker where solar exposure is the greatest, providing passive solar heat attenuation without the need for additional air conditioning.

##### Efficient Energy Conservation Management

The Los Angeles Convention Center created an internal employee Energy Task Team. The Energy Task Team brainstorms, evaluates, and implements a variety of energy conservation programs, and builds the energy-conscious environment necessary to minimize energy consumption and conserve natural resources.

##### Air Conditioning Efficiencies

Air conditioning is a major energy component of a facility's infrastructure, and the Los Angeles Convention Center has taken significant steps to improve air conditioning efficiency. Recent upgrades to the air conditioning chiller units have resulted in a 38% improvement in energy efficiency for these units, along with a transition to an environmentally-friendly form of Freon, R-123.

##### Efficient Lighting

The Los Angeles Convention Center installed nearly 800 high efficiency lighting units in our exhibit halls, reducing electrical consumption by 50% while providing the same level of illumination on the ground floor.

##### Renewable Energy

The Los Angeles Convention Center is considered the largest convention center in North America to have onsite solar energy-generating panel systems, with an electrical capacity of 450,000 Kilowatt-Hours per year of renewable and environmentally safe electrical power. This solar-generated electrical energy is connected to the primary power grid for Los Angeles, with the ability to generate enough energy to support nearly 100 Los Angeles homes.

LACC is enrolled in the Los Angeles Department of Water and Power's (LADWP) Green Power Program at a level of 20% of the facilities consumption of which is generated from environmentally-friendly renewable energy resources such as hydroelectric, geothermal, solar, biomass, and wind energy.



#### RE-USE

##### Recycling Programs

The Los Angeles Convention Center is committed to increasing landfill diversion and product reuse at every available opportunity. It prides itself on the progressive steps it has taken over the last half decade to increase diversion and provide leadership as an environmental leader in public venue recycling. To date, the Los Angeles Convention Center recycles the following commodities:

- Cardboard
- Glass, Aluminum, and Plastic beverage containers
- MRF Commodities (commingled recyclable material)
- Other Metals
- Pallets
- Paper (all grades)
- Scrap Metal / Steel
- Toner / Ink Cartridges
- Wood

The Los Angeles Convention Center annually diverts and recycles over 733 tons (1.46 million lbs.) of recyclable goods. Its diversion efforts have continuously increased each year for the past 6 years.

Additionally, in collaboration with GES ([www.ges.com](http://www.ges.com)), one of the Los Angeles Convention Center's vendors in the exposition services industry, the facility diverts recyclable material that is left over from exhibitor's use. According to GES, they estimate that the following materials were recycled from Los Angeles Convention Center activity:

- |  |   |
|--|---|
| – Aluminum (2006)<br>Total: 3,333 lbs<br>LACC: 511 lbs<br>(No data to date for 2007) | – Plastic (2007)<br>Total: 10,327 lbs<br>LACC: 1,421 lbs  |
| – Carpet Padding (2007)<br>Total: 12,199 lbs<br>LACC: 1,668 lbs                      | – White Paper (2007)<br>Total: 5,400 lbs<br>LACC: 743 lbs |
| – Steel (2007)<br>Total: 80,000 lbs<br>LACC: 11,008 lbs                              | – Carpet (2007)<br>Total: 200,000 lbs<br>LACC: 27,527 lb  |

#### CLEAN AIR AND WATER

##### Clear Air Initiatives

The Los Angeles Convention Center upgraded to new low NOx and CO2 emission Steam Boilers. With the completion of this project, the Convention Center was able to increase its operating efficiency and performance, all while contributing to cleaner air for Los Angeles.

##### Chemical-free Water Treatment Technology

Traditionally, the 21,000 gallons of re-circulating cooling water was treated with chemicals to avoid damaging scale, corrosion, and biological growth. The Los Angeles Convention Center staff explored alternatives and adopted a new capacitor-based water treatment. Instead of using harmful and expensive chemicals, electrically charged rods now prevent bacteria and scale from binding to equipment. It has proved extremely effective and safe.

The Los Angeles Convention Center also received a Quality and Productivity Award from the City of Los Angeles for the pollution avoidance program. The environmentally safe results include the elimination of scale and corrosion cleaning, and reduced water consumption, while increasing employee safety and equipment life.

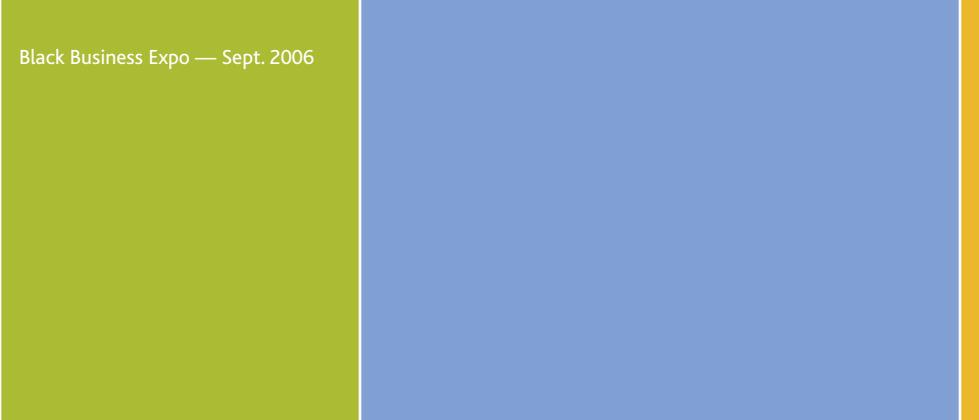
#### WATER CONSERVATION

##### Water Use Efficiencies

Water conservation is a priority of the Los Angeles Convention Center. Reduced flow diaphragms for toilet and urinal flush valves, low-flow faucets, motion sensor supported hand washing stations, and landscaping specifically designed to thrive with reduced irrigation all work together to reduce water requirements.

#### MEMBER OF THE U.S. GREEN BUILDING COUNCIL

The Los Angeles Convention Center is registered with the United States Green Building Council (USGBC) as a member of the Los Angeles and National Chapter. Certification in Leadership in Energy and Environmental Design for Existing Building (LEED-EB) is the Green Building Council's rating system that serves as the national green benchmark for high performance "Existing Buildings." The Los Angeles Convention Center is currently undergoing a program to obtain its LEED-EB certification.



## discoverPassion

Throughout the past 35 years, the Los Angeles Convention Center has become the home to a diverse range of shows, conventions, tradeshows, meetings, and special events.

As a result, the World-Class Convention Center has become a destination of choice for business planners far and near. From learning about improving our role in the environment or viewing new released cars, to taking the oath for citizenship, our impact is felt and measured in many distinct ways.

Yet with the many assorted events, there is one common factor, and that is our commitment to fulfilling our motto of World-Class Facility, World Class Service.



The Grammys® — Feb. 2007

## discoverPerformance

### Los Angeles Convention Center

Statement of Operating Income and Expenses  
For the Period Ended June 30, 2007

#### Operating Revenue

Exhibit Hall and Meeting Room Rentals	\$ 10,386,287
Utility Services	\$ 8,747,914
Parking	\$ 7,349,718
Food Service Operating Profit	\$ 698,750
Miscellaneous	\$ 2,632,495
<b>Total Operating Revenue</b>	<b>\$29,815,164</b>

#### Operating and Administrative Expenses

Salaries	\$ 15,638,179
Utilities	\$ 3,617,368
Contractual Services	\$ 2,679,643
Repairs, Materials and Supplies	\$ 1,450,577
Office and Administration	\$ 188,984
Advertising and Other Promotion	\$ 214,485
Miscellaneous	\$ 95,190
<b>Total Operating and Administrative Expenses</b>	<b>\$23,884,426</b>

#### Income (Loss) From Operations

**\$ 5,930,738**

<b>Deductions From Operating Income</b>	
L.A. Convention & Visitors Bureau Discounts	\$ (2,764,203)
City Council Waivers	\$ (616,060)
<b>Total Deductions From Operating Income</b>	<b>\$ (3,380,263)</b>
<b>Income (Loss) From Operations After Deductions Before Depreciation</b>	<b>\$ 2,550,475</b>

## discoverImpact

In The News  
35 Years Of Public Service

### La Opinión



#### 2006 October, 4th — La Opinion

"Luminaries from the music, TV, presidential, political industries, and other elite personalities in society, line-up their way into the Convention Center."

"The enormous Los Angeles Convention Center kitchen is equipped for big cooking..."



#### Downtown News — May 14, 2007

"...the 870,000-square-foot L.A. Convention Center has stepped up its presence, throwing its toque in the ring to compete with some of the city's biggest caterers. A newly expanded off-site catering service, dubbed AVVENTURA Premiere Catering Company, now takes its culinary chops-off-site to venues in Downtown and across the city."



#### May 2007 — Trade Show Executive Magazine

"Pouria Abbassi, interim general manager of the Los Angeles Convention Center, was selected by Mayor Antonio Villaraigosa to take over the job on a permanent basis."

#### Intercom, A Publication of the Meeting Planner Institute, Southern California Chapter — June 2007

"If you haven't done business at LACC in a while, you should find it well infused with a new and vibrant spirit of collaboration ..."



#### Annual Installation Gala & Awards Dinner

By MaryKim O'Brien, CMP, JC Resorts

Every year MPI Southern California Chapter celebrates the successes of the past year and recognizes the new Board of Directors at the Annual Installation Gala & Awards Dinner.

## discoverAesthetics



## Upgrades & Innovations Preparing for Tomorrow

### Switchgear Upgrade Enhances Power Reliability

Electrical Switchgear is a key component for the reliable distribution of power to events at the Los Angeles Convention Center. The facility replaced its entire West Hall circuit breakers with cutting edge technology that improved electrical service reliability, parts availability, and added a built in advanced systems protection. This entire complex upgrade was accomplished in only 11 days, and is a testament to the capabilities of our world-class team.

### Sealing The Deal

The Los Angeles Convention Center replaced the topping concrete slab near the exterior Butler Building, Hall B, and Concourse Hall freight doors. In addition to being a substantial structural improvement, forklifts and freight transport vehicles are now able to traverse a smoother and drier surface.

### New LED External Signage

A new type of external marquee now displays on several street corner intersections surrounding the Convention Center. It has advanced LED technology, and has attracted rave reviews from clients. The new signs support graphics and logos, allowing for more visual creativity, enhanced effectiveness of communications, and improved parking support. The message is now clearer than ever . . .

LA is the place to be!

### South Hall Floor Touch-Up

The South Hall exhibit floor occupies nearly eight acres, supports millions of pounds of event materials and vehicles per event, and is utilized almost continuously throughout the year. As part of a planned maintenance program, the Los Angeles Convention Center completed the first of a three phase epoxy injection process to insure continued integrity of the floor. All work was completed without impacting events in progress, and is part of a large number of annual maintenance projects that insure full facility functionality in support of client events.

### Food Services Team Takes Its Act on The Road!

Thanks to the innovative efforts of our Food Services team, the Los Angeles Convention Center now satisfies taste buds with their spellbinding culinary services offsite! Through the talents of Executive Chef Rick Wineman and Director of Business Development Ms. Alyssa Rosen, clients of the Los Angeles Convention Center are able to experience the Convention Center's culinary capabilities at events just about anywhere throughout the region.

### An Uplift for the Disabled

The Los Angeles Convention Center is renowned for its accessibility to persons with disabilities, and considers it a priority. In cooperation with the City of Los Angeles' Department on Disability, the Convention Center was awarded a new disability chair lift. This new lift is fully self-contained, American with Disabilities Act (ADA) compliant, and offers the ability to access greater heights safely. The Los Angeles Convention Center wishes to thank the Department of Disability for their continued support, guidance, and partnership.



## Upgrades & Innovations Preparing for Tomorrow

## discoverPartnerships



**Los Angeles  
World Airports**



**Los Angeles Area  
Chamber of Commerce**



LACC focuses on competitive and partnership opportunities, community inclusion programs, collaborative work with hospitality industry partners, identification and development of additional revenue opportunities, development of new programs with both Los Angeles World Airports and the Port of Los Angeles, and fortifying coordinated marketing programs to attract and license large citywide convention clients.



discover**Tomorrow**



The Los Angeles Convention Center provides direct and significant value to the City of Los Angeles through the secondary spending of clients within the hospitality, retail, entertainment and transportation sectors.



Recognized within the industry as a top-tier 54 acre, 4.1 million square foot, award-winning convention and exhibition facility, the Los Angeles Convention Center provides direct and significant value to the City of Los Angeles through the secondary spending of clients within the hospitality, retail, entertainment and transportation sectors.

The Los Angeles Convention Center attracts and retains recurring citywide conventions, and collaborates and partners with a variety of organizations to develop innovative products and experiences that capture the imagination of prospective clients who visit Convention Center and the City of Los Angeles.

Our Convention Center team is at the forefront of providing World Class Service to every client need and is responsive to the ever-increasing demand changes that this industry undergoes on a continuous basis.

Prepared with online resources, flawless coordination and communications across operational elements, our well-trained, motivated LACC staff is ready to rise to the challenge.

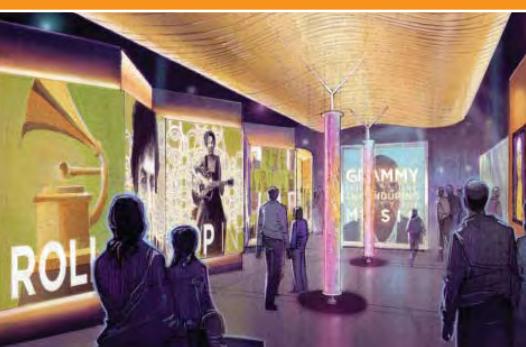
With the increased energy and enthusiasm derived from the phased completion of L.A. LIVE and the Sports and Entertainment District development, the LACC is positioned to augment its efforts in delivering an outstanding "World Class" experience to a wide range of local, regional, national, and international audience.

In coordination with the Office of the Mayor and the City Council, the LACC will continue to strengthen its self-reliant business model, supplemented by opportunities afforded through coordination and marketing of a significant "campus of values."

LACC is committed to do its part in enhancing the social and economic fabric of Los Angeles, so that the City can continue to flourish today and for many years to come.



Our Convention Center team is at the forefront of providing World Class Service to every client.



## discoverYouth



### Get in Touch with Your Future!

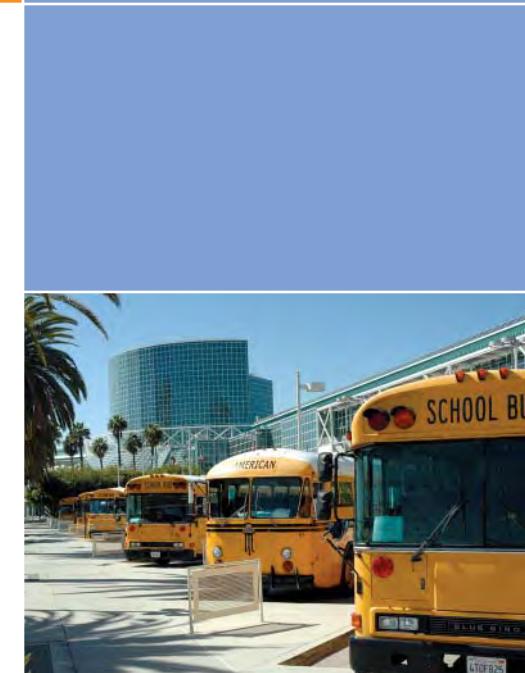
The Los Angeles Convention Center has youth and education constantly in mind. Now in its second year, the "Get in Touch With Your Future" student enrichment program, our center offers a look into future career possibilities through collaboration with nationally-recognized events hosted on site.

Our focus is on building awareness amongst students about the convention center industry and the diverse job opportunities associated with them by way of on-site facility tours. The Convention and Hospitality industry covers many career disciplines like: Accounting, Event Coordination, Marketing, Engineering, Construction, Publicity, Customer Service, Facility Management, Security Management, Photography, Advertising, Creative and Contractual Business Writing, Information Technology, Human Resources, Culinary Services, and the Trades like Plumbing, Carpentry, Painting, Electrical, and other machine operated functions.

We look forward to the future in creating new opportunities for our youth to explore, learn about the convention and hospitality industry, and assist them in getting in touch with their future, today!



## discoverCommunity



### Mayor

Antonio R. Villaraigosa

### City Council

District 1: Ed Reyes  
District 2: Wendy Greuel  
District 3: Dennis P. Zine  
District 4: Tom LaBonge  
District 5: Jack Weiss  
District 6: Tony Cardenas  
District 7: Alex Padilla  
District 8: Bernard Parks  
District 9: Jan Perry  
District 10: Herb J. Wesson, Jr.  
District 11: Bill Rosendahl  
District 12: Greig Smith  
District 13: Eric Garcetti, Council President  
District 14: Jose Huizar  
District 15: Janice Hahn

### Los Angeles Convention Center Department Commission 2006–07

Christina Noonan, President  
Archie Purvis, Vice President  
Michael Fleming  
Concepción Lara  
Diana Torres

### Los Angeles Convention & Exhibition Center Authority 2006–07

1. Barry S. Glaser, President
2. Major A. Langer, Vice President
3. Wayne Avrashaw
4. David S. Cunningham, Jr.
5. Peter J. Gravett
6. Robert Lessin
7. George Luk
8. Sheldon H. Lytton
9. Robert R. Mallicoat
10. Sylvia Robledo
11. Tunua Thrash-Thomas
12. Carlos E. Alfaro
13. Monica R. Torry
14. Prosperina Abarquez-Delacruz
15. Donald H. Smith



# discover **The Los Angeles Convention Center**



The Los Angeles Convention Center (LACC) is one of the most technologically advanced convention and exhibition centers in the world. LACC attracts over 2.5 million annual visitors and is renowned internationally as a prime site for conventions, trade shows and exhibitions. With its towering emerald architectural design, the LACC is a well recognized Los Angeles landmark. An integral economic component to the Southern California area, total sales from client secondary spending tops \$1.1 billion annually, generating and sustaining over 12,000 local jobs. LACC is a model environmental-friendly facility. Its solar panels are capable of meeting the electricity needs of an estimated 100 homes, and it's recycling, energy efficiency, and water conservation programs help to conserve the environment. LACC is enrolled in the Los Angeles Department of Water and Power's (LADWP) Green Power Program (environmentally-friendly renewable energy resources such as hydroelectric, geothermal, solar, biomass, and wind energy) at a level of 20% of the facilities consumption. The Los Angeles Convention Center is registered with the United States Green Building Council (USGBC) as a member of the Los Angeles and National Chapter. The Los Angeles Convention Center is currently undergoing a program to obtain its LEED-EB certification. LACC is also a proud recipient of prestigious industry awards including several Planner's Choice Awards presented by Meeting News magazine, multiple Prime Site Awards from the Facilities and Destinations magazine, and recognition for model emergency care programs.



**Los Angeles Convention Center**

[www.lacclink.com](http://www.lacclink.com)

