

Executive Summary

City of Cambridge/ Galt Arena Gardens/ Strategic Management Report

Overview

The goal of this business project is to maintain and improve the facility to its fullest. It is also not being utilized to its capability, let's fix that. The oldest operating Hockey arena in the world could use your help in keeping it there.

Problems

Renovate most aspects of the building (which are falling apart) without wrecking that "classic" feel.

Staying up to date as the best rink in town

- The arena became outdated and needs an adjustment which can generate more people to the rink
- Fans and Players have a less enjoyable experience with these issues
- With these issues, players prefer other arenas to attend instead

Solutions

We can solve the problem by renovating the arena with money from the Government (if given) and/or funds from the city

- Or find other ways to generate more revenue and growth

Market Analysis

Since it's a regularly low market size, the events need to be posted city wide. This includes social media, advertisements, assistments from brands etc. Sport for the community strategy would optimize the largest revenue with support from branding and the natural goal for the money to be for a good cause. Grow the location, make it known.

Key Next Steps

In order for this to happen we need to:

- Come up with smart ideas to bring in new cash flow
- Find an equitable brand/s to help run things
- Create events for the community to be able to participate in using the rink ex. A weekend full of games for all ages and levels while providing fun activities like ball hockey in the parking lot etc

Pitch ideas to a ton of companies in the region ex. Bauer, CCM, Reebok. And then stores as well ex. Hockey 4 life (Cambridge), Source for Sports (Cambridge)

Do this so we can have more sponsors and grow the property.

Financial Summary

The general amount of money needed is fairly uncertain for the time being, but the amount needed to renovate the entire arena and its problems with the same goal of maintaining its classic feel would cost north of 50,000\$. This can be achievable through their own ideas.

Introduction

Galt Arena Gardens is the oldest continuously operating Hockey arena in the world! Founded in 1922, the local rink featured an NHL star Gordie Howe for a season playing for the Galt Red Wings. Located on 98 Shade street, is a public sector owned by the city of Cambridge. Services provided include: Accessible parking, Seating, Wifi & Facility/ Room rentals. Offering the entertainment of the winter-season team: Cambridge Redhawks of the "GOJHL" generates revenue for the arena but not enough. They used to have a bigger team being the Cambridge Winterhawks of "Junior B" but are no longer in operation. And since Covid, it's attention has worn down up until recently celebrating its 100th birthday. As a member of this community I've played many big games at this arena so I have a ton of memories and with history and experience at this location, that should help especially in improving what's necessary.

Strategic Analysis

Porter's Five Forces consists of 5 major themes: 1. The threat of new entrants 2. The bargaining power of buyers 3. The bargaining power of suppliers 4. The threat of substitute products and services and 5. The intensity of rivalry among our competitors.

Beginning with the 1st theme, **the threat of new entrants** is not a serious issue for the arena. Location wise it is perfect, just outside of downtown Galt by a block, and the closest arena is the worst rink in town 2 km away. But currently, there aren't many threats for new entrants in the local Hockey world, next door there is an Autosshop called Werners and mainly houses so no local companies compete for the spotlight on that street either. But Hockey wise, there is a new arena being built in between Cambridge and Kitchener at Conestoga College but the developments are very slow so there is no need to worry especially with the location being so far away as well. But in the city, *Preston Auditorium* is renovating the arena at its lowest budget and demolishing their next door neighbour *Karl Homuth* which will generate a ton of attention relating to the intensity of rivalry among our competitors. Overall, Galt Arena Gardens does hold its ground though as the #1 arena in the city so the threat of new entrants is the least of their worries.

2. The bargaining power of buyers: If the renovations needed are acceptable, it is only up to the customer's to visit the facility and spend their money. It's a gamble that's typically won but can always fail. And so *Preston Auditorium* had 4 options, one being the fan favorite including a second ice pad but they decided to go in another direction this year simply by just renovating the interior of the arena which was the cheapest option making fans very frustrated. This can be a good **opportunity** for an arena like Galt's to capitalize on this especially with this decision dragging fans away from this location of interest and seeking another. But, adding a second pad would ruin the integrity of the arena, they can copy and do more to beat Preston's goals with money from their revenue which is the most of all rinks due to its programs, but maybe a little also from the City of Cambridge and some extra events. It can all be for nothing though if

it still remains with the same level of value. All of this is to increase growth so adding more programs would do so, what they have wouldn't be enough for the amount of money to spend on this facility to make it perfect but it's up to the customers to decide giving them that **power**.

3. The bargaining power of supplies: Galt Arena Gardens take out their ice rink a little later than the other rinks in the city, this puts pressure on rival arenas as well as an **opportunity** to raise icetime costs as people want to play usually year round. So Galt Arena raises the price because other arenas don't have their ice times as common (except for some in particular). Now this can relate to a **rivalry** for sure so I have an example of a result from renovation: Companies that they use to renovate their buildings can raise their prices on them simply because they are in need. At *Preston Arena*, they re-did the seating but it actually turned up worse so this is a risk when renovating as well. So Galt would need to be careful. I know what exactly they need to renovate: repainting, remodel the seating, concession stands, dressing rooms, the actual ice rink, parking and more. But to do all this, you put in a lot of trust to get the job done and it's not cheap so companies will steal as much as they can from you.

4. The threat of substitute products: One thing that Galt Arena does differently is demonstrating their historical side. They include awards, notable memories and memorabilia behind glass which is something that other arenas don't have. So that is an advantage but as mentioned before how they utilize ice time prices, they do come to a halt in the summer. And a private facility has two twin pads that are run year round which interrupts growth. Now Galt wouldn't run in the summer simply because not enough people could come and spend their money on the facility but in the winter when one rink offers cheaper 1 hour ice times than another, it's going to lose general interest in the more expensive arena as the customer may not be looking for that and focus on simply an ice rink.

5. The intensity of rivalry among our competitors: Lastly, Galt Arena is the 'top dog' of Cambridge, local arenas that I have mentioned do try to compete with Galt and it is close but with the addition of the Cambridge Redhawks (GOJHL) team, this brings back the cities fanbase that they once had. Some things that local arenas have tried to do is host events that Galt does not, *Duncan McIntosh* Arena hosts the yearly "Cambridge Tour de Grand" which is run by Sobeys in their facility in the spring when the ice is gone. They also added an indoor skatepark to the facility but it'll never be enough. *Preston Auditorium* added a convention room, the *Cambridge Sports Park* added a restaurant and two baseball diamonds next to the ice. So all these additions put pressure on Galt Arena, but with everything that's going for them, a skating club program that's existed since 1950, and so much more will still not be enough to surpass it. In Cambridge tournaments, usually Galt hosts the Championship game for kids as it deems as professional as it could get since it's such a well known and respected property.

Moving on from the Porter's Five forces I will continue with the PEST analysis.

Political
Economic
Social
Technological

Politically, the arena takes most orders from the city of Cambridge and the Region of Waterloo. Since Covid-19, they've enforced restrictions when the arena has been open to wear masks around the facility unless you are on the ice and to be fully vaccinated to enter the building but that is country wide. There are little things like when the city of Cambridge enforces sledge hockey games to be hosted at Galt Arena Gardens yearly and the seat capacity to begin building the facility has a limit. Recently, Waterloo Region added street cars that travel through **ONLY** Kitchener and Waterloo **EXCLUDING** Cambridge which limits transportation to the hockey arena in which they would have benefited more. But it is stupid because the city will help pay for it but the region will only put it in Kitchener and Waterloo.

Economically, the building has been through it all. It has sustained 2 world wars and so many different economies and different times. The building has heritage that always needs to be maintained and the costs of materials have been enhanced since covid's impact. This is something new to hit the arena. They still deal with some aspects from the sport that limits play like if people are struggling financially, they may not be able to play hockey so they don't but it affects making money so they add public skates to try and solve that problem. And since Hockey equipment is so expensive due to the economy, arenas struggle to cope with it. But it just becomes amazing to see how stable the facility really is. Even though all the economy switches throughout the past 100 years with extreme events and wars it is still going and covid is its next challenge.

Socially, the population of Cambridge grew 6.6% over the last 5 years from 129,920 to 138,479. With the increase of population, more opportunities arise for business. In Statscan 2016 census profile, it shows the number of residents in the city as their respective ages from total, to male, to female in categories. (below)

| Age characteristics | | | |
|--|---------|--------|--------|
| Total - Age groups and average age of the population - 100% data | 129,920 | 63,870 | 66,050 |
| 0 to 14 years | 23,825 | 12,180 | 11,645 |
| 0 to 4 years | 7,410 | 3,850 | 3,555 |
| 5 to 9 years | 8,155 | 4,145 | 4,010 |
| 10 to 14 years | 8,260 | 4,175 | 4,080 |
| 15 to 64 years | 87,205 | 43,280 | 43,925 |
| 15 to 19 years | 8,265 | 4,175 | 4,085 |
| 20 to 24 years | 8,155 | 4,240 | 3,915 |
| 25 to 29 years | 8,115 | 3,995 | 4,115 |
| 30 to 34 years | 8,570 | 4,260 | 4,310 |
| 35 to 39 years | 8,480 | 4,080 | 4,395 |
| 40 to 44 years | 9,240 | 4,505 | 4,730 |
| 45 to 49 years | 9,440 | 4,685 | 4,755 |
| 50 to 54 years | 10,390 | 5,185 | 5,210 |
| 55 to 59 years | 9,040 | 4,485 | 4,560 |
| 60 to 64 years | 7,520 | 3,670 | 3,850 |
| 65 years and over | 18,895 | 8,410 | 10,480 |
| 65 to 69 years | 6,320 | 3,015 | 3,310 |
| 70 to 74 years | 4,440 | 2,040 | 2,390 |
| 75 to 79 years | 3,230 | 1,530 | 1,700 |
| 80 to 84 years | 2,415 | 1,025 | 1,385 |
| 85 years and over | 2,495 | 790 | 1,700 |
| 85 to 89 years | 1,480 | 530 | 955 |
| 90 to 94 years | 780 | 220 | 560 |
| 95 to 99 years | 190 | 40 | 150 |
| 100 years and over | 40 | 0 | 35 |

Different ages have different interests, needs, capacities etc. And Hockey arenas should make it possible for all ages to attend a match no matter what issue. Hockey arenas can calculate the median age of the city and equal it out to the need for provision for the further aging population. This means perhaps an elevator, handrails, accessibilities on all floors that cover the entire rink etc. Simply just resources that are needed when at the game keeps the fans here. Another thing that should be accepted more is all cultural thoughts and beliefs. There are cases of discrimination and actions that are prohibited upon inside the facility and you will be escorted off the premises if violating those actions. This means good behaviour which is what's only accepted in our game of Hockey. There are workplace and lifestyle trends in the facility as well, respect is the most important part. Ensuring that you leave the dressing room the way you saw it comes a long way and not damaging the property. Gender ratio is an ongoing issue in Hockey Canada. So facilities like Galt Arena need to add extra dressing rooms for people uncomfortable with their teammates due to gender roles. LGBTQ+ should be protected as well. Language barriers can be frequent in more places like Quebec with some English speakers but we do have some Portuguese so introducing some policies for provision and supporting materials may be necessary as well.

Lastly, **Technologically**. Recently at Bishop's campus, our sport and recreational centre created an app detailing all events, organization, schedules and more information about the facility. This is something Galt Arena needs to do. Websites aren't enough. It would be much easier to see the schedule and dates of the programs offered through an app than searching everything separately. That's something that we can use from technology

to drive us to the arena more. The use of technology at and for this arena is very limited. There doesn't really seem to be a need but that doesn't disqualify the fact that it could do something **BETTER!** No other arena in Cambridge does this so they would be above and beyond. And this does dive deeper into my recommendations side. There have been new trends involved recently, heaters and free wifi were introduced to the rink not so long ago. Typically a new thing is local arenas installing speakers and entertainment for when the game is paused for the fans. Adding another concession stand would really help as well and making it a self-serve or a mobile ordering may sound extreme but can happen while maintaining that classic feel of course.

Finishing my strategic analysis with the SWOT analysis

Strength

Weakness

Opportunities

Threats

Strengths are important to every facility and it's not like I haven't mentioned it enough yet, being the oldest operating Hockey arena ever is good enough. And it's history deems it superior to any other arena in Cambridge by far but it still competes for its modern day perfection. The stage of the facility is the biggest in Cambridge so there's another strength being they can host the biggest games especially with their capacity. Since it's a bowl, it really feels like a professional game and I've been there when its sellout and the atmosphere is the best in town. Having the Cambridge Redhawks is a strength because they do not play in any other arena and they are the highest level of organized competition that is played on that ice. No other arena has a higher level of competition that is played on their ice than Galt Arena which is a major advantage.

Weaknesses to Galt Arena Gardens definitely include parking and the need for renovations. It is starting to fall apart and could use some fixing. It's location is alright, but it's not on public transportation making it very difficult to visit the facility. A big weakness is that it's not multifunctional. Many arenas have running tracks or various common spaces but not Galt. Since it's so dense, there isn't much room for larger spaces. And lastly it's a seasonal facility. I mentioned before that they close later than other arenas usually do but they take the ice out right when summer hits. It probably could not run in the summer though so it's not costing them as much as it would but it also keeps fans away for the foreseeable future which is a risk.

Opportunities, due to its size and history, the facility can host larger scaled events than other arenas in the area. This can be tournament championships, junior B games, skating races and many more. All these events generate more customers. These are the

things you want. Get it televised, your arena is 100 years old, let everybody know your facility is still intact. They do this and the city knows that, but not the world. Another opportunity would be the nostalgia of the arena, fans and players return to the facility because they feel nostalgic from all the memories they had at this facility. For example, (I have several memories here but I'll use one) I competed in the Cambridge Skating Races at this facility when I was in elementary school and finished 1st place. This memory has lasted forever because I can always remember where I completed this achievement and visit it when I like. And lastly, one opportunity they need to utilize is the space they have in the summer. A great idea could be hosting ball hockey games. The local ball hockey arenas are very far away and this would help so much for Cambridge and not having to travel so far. And since it's cheaper to maintain than an ice rink, it should be easily doable!

Threats are everything that has been trying to tear down this arena. The city is changing and other sports are becoming more popular. Nearby, soccer domes are being added and bigger baseball diamonds are taking over the news. Hockey is losing its touch especially with the economy and how expensive the sport is. Another threat is of course Covid. Being closed for several months in and out wrecks the attention that the facility receives. And with the willingness to play during the pandemic dropping, the arena becomes less useful for the time being. One last example is other arenas adding different accessories that are superior than they're own. For example, I mentioned *Duncan McIntosh* adding a skate park threatens the likeability of Galt not doing the same or at least incorporating a similar idea at the park next door.

Recommendation #1:

RENOVATE RENOVATE RENOVATE

How do we do that?

SEEK FUNDING

How?

MORE EVENTS ++

- I mentioned in the beginning that this facility is not using the space to its fullest. It can be an all year-round functional arena if attempted. This can include possibilities other than Ice Hockey. It's too expensive, you can host other events, other sports! Ball Hockey, Lacrosse and many more games can be played at this facility and this would bring in more brands and companies wanting to be a part of these hosted events/ tournaments that can be big enough to be in the news and create long lasting memories.

Recommendation #2:

GENERATE GENERATE GENERATE

How do we do that?

SEEK GROWTH

How?

CREATE A MOBILE APP:

- It is my favorite idea for the arena. Having a schedule that is easy to access is exactly what they need and not a site that includes other rinks as well. Being able to book ice times should be incorporated online. Joining programs that they offer should be included like the Cambridge Skating club. Job opportunities as a Referee/ Timekeeper and more would be lovely. A Cambridge Redhawks section would be perfect, some outside facility information, brochure and many more great ideas can be added that no other arena has. All of this would generate more of the population to this arena increasing market value and being a successful installement to improve renovations on the building as well.

Recommendation #3:

TRANSPORTATE TRANSPORTATE TRANSPORTATE

Why?

BECAUSE THE LOCATION IS UNKNOWN

How?

CONTACT CITY OF CAMBRIDGE:

- The city of Cambridge pays for these street cars to be installed in the region but not even in our own city. This limits transportation to what we could have had to nothing but buses which are not reliable at all here. Small towns and buses don't mesh well especially when it's in a more rural area. Street cars would bring more residents over to big games and events providing a cheaper option as a participant than driving over.

Conclusion

To conclude, it is a beautiful arena that is so impressively sustained don't get me wrong, but it can do so much better. It still holds the title for best arena in the city but definitely not the best in the region. Cambridge is a relatively small city so we don't have any complexes really and the nearest one called Aactiva Sports in Kitchener easily tops it. There are things I would love to see added to the arena like this mobile app and to see it look healthier with that same classic feel is something I would love but it's very difficult. Utilizing the arena to its fullest is what I really want, and to participate in summer ball hockey tournaments there would be terrific. I do believe they have the budget for it. But with everything going on, especially with the pandemic, that isn't a great idea for the time being. The facility could probably last another 100 years if taken care of but by then it will definitely not be the best in town.

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