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Cobo Center technology services revenue increases 58 percent over last year

Cobo Center's 2018 fiscal year had a massive increase over 2017 in technology services revenue and WiFi is still free

DETROIT May 8, 2018 -- Claude Molinari, general manager of SMG/Cobo Center, today announced that revenue for technology services in the facility was up 58 percent compared to last year, while WiFi remains free to visitors and events as a sales incentive.

“Facility-wide free WiFi in Cobo Center differentiates us in the market, and has been free of charge since the installation of the original network in 1997.” said Molinari. “The current 4G WiFi network can handle 30,000 simultaneous users, although we frequently customize the system to accommodate events for higher usage.”

During the recent \$279 million renovation, Cobo Center upgraded its technology services offering to include digital signage, a broadcast studio with a facility wide fiber network and a 10G Internet network built with an inherent 40G capacity.

Upgrades in the WiFi network allow a “splash page” that users see when they sign on to the network. The feature is activated when events sell a sponsorship on the splash page that allows users to see logos and other visual graphics from sponsors. The enhancement has been used to boost event revenue this year for the North American International Auto Show, the SAE WCX World Congress Experience 2018 and the FIRST Championship held in Cobo last month.

“Technology upgrades during the renovation were staged to continuously meet customer demands into the future,” said Molinari. “The increase in revenue reflects the effectiveness of our in-house strategy, the industry’s growing use of advanced technology for gaming, virtual reality, augmented reality, and video and streaming video in exhibits and presentations. We are ready for all of it.”

The addition of an interior digital signage system in Cobo, which displays graphics and video for events reduces the need for other types of signage that may end up in the waste stream. Both the interior and exterior digital signage gives events additional revenue stream opportunities with sales of advertising and sponsorships. The 3,000-square-foot exterior digital sign on the corner of Cobo Center at Washington Boulevard and Congress Street, displays advertisements, and has earned Cobo Center more than \$1 million in ad revenue since its installation in 2015.

“Digital sign advertising revenue has been important for Cobo Center as our Michigan state tax subsidy decreases year to year,” said Patrick Bero, CEO/CFO for Cobo Center. “Under the current legislation that subsidy will be reduced to zero in 2023, and we are preparing for that eventuality.”

About Cobo Center: With 723,000 square feet of exhibit space, Cobo Center boasts one of the largest contiguous exhibit floor spaces in North America and is the 17th largest convention center in the country. Visit online at www.cobocenter.com

About SMG: Founded in 1977, SMG provides management services to 233 public assembly facilities including convention and exhibition centers, arenas, stadiums, theaters, performing arts centers, equestrian facilities, science centers and a variety of other venues. With facilities across the globe, SMG manages more than 15 million square feet of exhibition space and more than 1.5 million sports and entertainment seats. SMG provides venue management, sales, marketing, event booking and programming, construction and design consulting, and pre-opening service. For more information visit www.smgworld.com.

About the DRCFA: On Sept. 9, 2009, operational control of Cobo Center transferred to the Detroit Regional Convention Facility Authority, under a collaborative agreement by the Michigan State Legislature, the City of Detroit, and Wayne, Oakland and Macomb counties. Each of these entities has an appointed member on the DRCFA Board. Larry Alexander is Chairman the Board as the member appointed by the Governor of the State of Michigan. For more information visit: <http://www.drdfa.org/>