

RBC Canadian Open

Press Conference

Sunday, June 9, 2019

Lawrence

Applebaum

Mary DePaoli

Bryan Crawford

THE MODERATOR: Ladies and gentlemen, thanks for joining us today as we get set to wrap the final round of the 2019 RBC Canadian Open.

Pleased to be joined by a really great group. In the middle, Mary DePaoli, executive VP; chief marketing officer with RBC. Welcome, Mary.

MARY DePAOLI: Good morning.

THE MODERATOR: Lawrence Applebaum, CEO of Golf Canada, and our RBC tournament director in his maiden voyage as our tournament director, Bryan Crawford.

Two of three Ancaster/Hamilton natives up on the dais. Just to open it up, Mary obviously experience-wise here we are in our new date. A comment from RBC's perspective on just the fan experience, the customer experience, the overall experience of the 2019 RBC Canadian Open so far.

MARY DePAOLI: Okay. Well, thank you, Dan. Good morning everyone. It's been a long journey to get here today, but I think we're very happy with how things have all netted out so far knowing the day is still in front of us.

We're going to obviously see a winner today from a golf standpoint, but the real winner has been the fan and the fan experience that has been created by everybody and the many teams that have worked to get us to where we are today.

I think we saw on Friday and Saturday that music and golf do work together. Anecdotally there were so many people that came to hear music and got here early for the golf and have become golf fans. That was exactly our intention.

I think what Golf Canada has done around just the overall experience, whether it's food or entertainment,



of course golf itself, has been second to none.

We set out three years ago with an ambition to make this one of if not the best stop on the PGA TOUR's calendar, and I think the combination of our field, the weather, and everything that went into creating a festival atmosphere has got us to that point.

The attendance numbers are strong. We have a very great field going into this afternoon. The Canadians, we're very proud of them. Team RBC, very proud of them. We've got a day in front of us that's just going to be extraordinary.

THE MODERATOR: Lawrence, certainly a new chapter for Golf Canada. Your thoughts as you've had an opportunity to speak with guests, clients, sponsors, stakeholders, on this week.

LAWRENCE APPLEBAUM: Well, as each day goes by we get another moment that feels like couldn't be scripted any better. As Mary said, the leaderboard is incredible; it's scattered with our Canadians and proud members of Team Canada who have been with us for so long. So happy to see them playing in front of their home fans.

The city of Hamilton has been an unbelievable host, along with the Hamilton Golf & Country Club. Not only do we hear the very public comments players are making about how much they've loved it, but it's those small really authentic player-to-player conversations that we've been part of where they truly have loved this course and this experience.

I think maybe the proudest moment for us as an organization is to hear the best players in the world raving about the entire experience that they've had here at the RBC Canadian Open. It's going to be a record on almost every single metric that we measure and we have a full day in front of us.

From attendance to concessions to hospitality to fan support to the strength of our field, it is a very special moment in the 110 years of that event being played.

I just want to offer further appreciation and thanks to RBC. Without their commitment -- and they've been with this tournament now since 2008, but this last two

years has been something special. It's culminating here in Hamilton for all the work that's been done between team RBC, the entire organization, us at Golf Canada, and our friends at the PGA TOUR.

Mary and I together have collectively been asked the question about the date 712 times. We couldn't be more pleased with our new date, our new story that we're telling, that golf is great in Canada, that our fans love this sport, and we couldn't be happier with this tournament.

THE MODERATOR: Bryan, obviously putting on a show of this magnitude your first year doing it, now we're work through the concerts, we've got our final round. Your thoughts on this week, this first RBC Canadian Open from your perspective as not just tournament director, an Ancaster native, and somebody really behind our new Summer's Open vision.

BRYAN CRAWFORD: Yeah, had to be great or they would have run me out of town. That's the first. No, I mean, it's been an absolutely tremendous week for being in my first year here. When I came on board it was a very, very clear directive across all the partners that were involved: we were going to elevate the event beyond perhaps where it's ever been and just keep going.

The great thing about that collective vision that was in place was that it wasn't hard to get people on board to do new and different things. Every person that is part of the team from RBC, part of the team from Wasserman, from the city, stakeholders, the club, you know, everybody was on board. Everybody was on board with every idea and figuring out how to make it as great as we could.

The best part is that we've now seen what it is we can do, and Mary and I were just chatting about what do we do for an encore. We've got lots of ideas about what we can do for an encore and how we'll just continue to bring this tournament to greater heights.

We started out by looking at the best events across our country, and not just sports events, but music events and odds festivals. What do they have in common that make them spectacular?

That's the type of ballpark that we're not aiming to play in, we will play in and be a leader in as we move forward. I think that throughout this week we've learned a tremendous amount about how we can do things better. We've done things better as we've gone along this week and improved. Some of the challenges we faced this week have been the challenges that have been the result of success.

We've had successes that have created new opportunities for us to improve how we do things. I think we've met that challenge, and a real credit to everybody, once again, across the board that has been part of solving things and making just a better experience everywhere we possibly can and setting a new bar for ourselves to live up to and exceed as we go forward each year.

It's been a tremendous week. It's been nice to be across the street from home and be able to put on a great show for everybody that's been able to come here this week.

THE MODERATOR: Questions.

Q. Congrats to all three on a fantastic week. Lawrence, Rory McIlroy said yesterday this is one of the best atmospheres he's played in on the PGA TOUR. Hearing someone of Rory's stature say that, does it give you extra satisfaction knowing you can use the fan experience as part of the broader branding strategy going forward to bring more of the best golfers in the world for the future?

LAWRENCE APPLEBAUM: Well, from my perspective, to hear Rory say those words and to see his reaction from an athlete's perspective, he has fed off the energy that the Canadian fan has brought him. He came out of the clubhouse to sign autographs for a second time because there were so many people. Went in, took a break, came back out again, and he was just shown a lot of love by our Canadian fans.

The thing I like seeing is the progression of his days - 67, 66, 64 - and just really he's a big time player in the hottest moments of the sport. This is when the best athletes perform. I know he is close with so many players, and especially the European players and the young players that are really moving into their prime.

All we wanted to do with 2019 is create a year and experience that would be just like that. Our fans have reached out and given Rory a big hug, and I think he's responding.

Q. I'll leave this open, but of all the new things that have gone on this year from the date, the concerts, the venue being played for the first time in however many years, what do you think has been the most surprising success you've seen this weekend?

MARY DePAOLI: Oh, good question. Maybe we can all take a shot.

Q. Go for it.

MARY DePAOLI: The most surprising, I think there has just been so many positives about the entire

tournament. The weather has been perfect. The players have been outstanding. Someone like Rory, who I think has just become an honorary Canadian given how much he's enjoyed his entire experience here.

I think the one thing that we went into not knowing exactly how it would play out and taking a real chance would've been the concerts. Would they have been enticing enough for a golf fan and a music fan to see the crossovers. I think what you saw at Florida Georgia Line on Friday night was just outstanding. It could not have gone better.

The combination of all the teams at RBC, Golf Canada, Live Nation, Wasserman, to put on an event like that inside another event was extremely complex with a lot of dimensions to it, and to follow it up on Saturday with another event that was just as successful.

I think that would be the one for me. We tried something that had not been done to that extent before, and not only did it work, but it exceeded our expectations.

BRYAN CRAWFORD: Yeah, I mean, certainly the concerts themselves were a massive, massive undertaking that had a lot of people involved in making it a reality. I think that to see that come together and to be as successful as it was, to fit the number of people that we fit into this venue and all of them to have such a great experience was tremendous. I think that we had a really grand strategy there that exceeded even what some of the other big tournaments on the tour have done when it comes to music.

I think that that for us is pretty exciting. I would say that for me, maybe that's not a surprise to the answer, but it's that all the key kind of strategies that we put in place have really come to bear fruit in achieving what we were trying to achieve with them.

So the concert series certainly an example. The introduction of food initiative has been just overwhelmingly successful. Kind of the change in branding the event and how we were going to deliver our brand promise and really be the kickoff to summer, mother nature helped that one and made sure we had summer actually start when we started our golf tournament. Had it been a week earlier we might have been a little premature.

I think those are really some of things for me anyway that come to mind. It's really great. We had so many great people working on these things, and the collective energy and all those great ideas and passion really shown through as being successful, right?

LAWRENCE APPLEBAUM: Maybe I'll just add at the end the surprise for me was the energy buzz. There was a bolt of electricity going through this place that for so many members of the media and in the business know you either have it or you don't.

There was a buzz on the first tee. There was a buzz at the concert like I haven't experienced. There was a buzz in so. Fan areas that just made people just felt like something was happening. When you see fans out there sort of like heads are swivelling and they're up at the rink and they're down in the fairway and they're up around 18.

Like today my dream is to see that not one blade of grass can be seen between fans as they round 18 as we're coming home. Because that scene looking into the clubhouse with all the pageantry that we've got displayed is going to be one the great visuals of this week.

MARY DePAOLI: Yeah.

BRYAN CRAWFORD: Yeah.

Q. Obviously from your previous answers there have been a ton of successes this week. What didn't work or what maybe do you wish worked a little better?

MARY DePAOLI: I went first last time. (Laughter.)

BRYAN CRAWFORD: Yeah, no, early in the week we had some challenges in transportation and parking. Just were not as well-prepared and organized with ourselves and suppliers to meet the demand. That was to me something that was the most disappointing that we let that happen.

We addressed it in a big way, and immediately following Florida Georgia Line we had the entire course cleared in 38 minutes. Had 15,000 people out of here and on their way back to their vehicles or their homes or wherever they were going from here. The efficiency was incredible.

Last night we were even more surgical and it was even better. Those sorts of learnings that we had along the way that we got better in the moment and will be ten times more prepared when we start fresh in next year's event, that was one of the I would say marks that we want to improve upon.

Beyond that, there are lots of things where we're starting to think about the more finer details of the tournament and how we elevate those. When we get to that stage where we can start to think about the things that aren't as obvious to maybe the regular person that comes on site but obvious to us, I think

that's where we get to a good place that we know we're trending in the right directions, that we make sure that we can take that next step by having that level of detail.

These one for sure.

Q. So Bryan, being having said that, the heightened level of infrastructure that's now involved in this event on an annual basis, which is the level you want to keep it at, logistically, what challenges come forward with that, whether it's at St. George's '21, '22, back here? What are the challenges going forward with that level of fan engagement based on infrastructure?

BRYAN CRAWFORD: I think one of the biggest challenges with any company as you make quantum leaps forward is sometimes you don't keep pace with that growth as quickly.

So I think for us resetting and making sure we get ahead of our growth now and are prepared to keep that momentum going. I think when you don't keep pace with it, or at least ideally be in front of it, but when you don't keep pace with it you run the risk of losing all that momentum that we built, all the energy we built, the positive direction we're headed.

You can slip back the other way. I think that's something that for us as a company we have to make sure that we go beyond what we need to at a bear minimum and not be at a bear minimum so you can make sure that we can deliver what we're trying to deliver.

From operational and tournament perspective, I think every place we go is going to present different challenges, unique challenges. This course presents unique challenges. St. George's will present unique challenges.

You have to have a really holistic picture of the event in order to make sure that you put together a plan that's going to make the event successful as a whole.

So we're probably about six months into St. George's already, and this summer a lot of details will get started to put into place over the course of the summer so that from an operational perspective for the event that it'll be second to none and will exceed everything we did this year.

LAWRENCE APPLEBAUM: Maybe I'll add, Rick. We've got long-term partnerships, long-term relationships that have started to really gain some momentum. The runway that we've been able to develop for what we're doing with our partners, vendors, has been exceptional. We had 1,800

volunteers, 300 more than we've ever had in our history.

So we started to get runway planning, and as Bryan mentioned, we're already six months into the planning for next year. We've had exceptional, exceptional response from our partners at St. George's Golf and Country Club in order to really start making 2020.

They're a competitive group. They want to do better than we did here in 2019. We've got a unique set of circumstances over there that we're looking forward to that challenge. But we have learned so much from this week. We're looking forward to continuing that trajectory.

BRYAN CRAWFORD: I think that's exactly right. Our suppliers and partners, and so many of them have been with us for years and years and years and years. Ten years or more for most of the core ones. They've grown with us, and this year they've grown with us as well. That's kind of what I was alluding to, that they're also now prepared to be operating at the level that we're operating this tournament at and delivering it at the level we're delivering it at.

Their growth is paramount as well. The best thing about them is they are fully invested as partners of the event. It's a labor of love for them as much as it is anything else. Some of these suppliers are here as early as any of our team are here and here as late and doing anything and everything that's needed. Kudos to them.

That, to me, has been a little bit overwhelming in some ways to how dedicated they've been. There is no problem that is ever unsolvable. There is no thing that we can ask them to do that they're not instantly willing to do.

That's why we'll be as great of an event as we are and going to be.

Q. Is it important for you three to sell this to the City of Toronto like the City of Hamilton?

MARY DePAOLI: I'll jump in. I don't know that it's a sale anymore. I mean, I think they have been here. They've seen what we've been able to do. Tourism has been outstanding. The precision that this tournament has been executed on has been outstanding. There are so many benefits that a tournament like this can bring to a region.

I wouldn't call it a moment where we're trying to sell them so much as work with them to say, Now that we've seen the success of this tournament it's exactly what we hoped it would be; how do we make this bigger?

We're here for the long-term, and our ambition is to make it incrementally better every year. That can take on different forms. Maybe that's not a concert with 25,000 people. Could be a concert that looks a little different but is perfect for that particular area we happen to be in.

I think the best is yet to come. Every year, as they have said, we're getting better at the execution, better at understanding what the fan experience needs to be.

Kudos to Bryan and his team, because to the earlier question about what doesn't go right sometimes, their ability to pivot has been second to none. We've just been so impressed by how they've been able to sense an issue and respond to it and then sense the next one ahead of it.

So we have great faith that every tournament from here forward will be a terrific one.

Q. Lawrence, at the press conference media day here you said this had the potential to be one of the best ever financially. Have you found yourself crunching the numbers even in your head as you go through the tournament?

LAWRENCE APPLEBAUM: Well, I've got my CFO in the room. He's done everything this week because it's been so exciting. I will give you some of the indicators that we have already. We know that we're looking at probably 65% increase in attendance. So depending on the walk-up, probably going to be close to 120,000 people on site for the week.

Almost 300% increase in general ticket sales, just regular general admission sales.

Almost 200% up in hospitality.

And then the always-important number of beer sales we're about 200% up over last year. Our friends at Steam Whistle have not only been operational partners, but they've been promotional partners. Of course last night I got home at about midnight after the concert and had to watch the entire broadcast from our friends. Great to see that our friends at TSN are showing it.

I watched the whole program through. The host broadcaster CBS has done a wonderful job in promoting. It's broadcast into about a billion households around the world, and Hamilton has never had that kind of exposure. They've shown off everything wonderfully.

I can categorically say that the RBC Canadian Open will be a record year ever.

Q. One follow-up to Rick's question. Does all of the successes this, including the concerts, make it harder for you to find golf courses that are suitable to host the Canadian Open?

LAWRENCE APPLEBAUM: What is so clear to me is that when we have golf courses that the players truly love, truly promote -- because they are promoting this course. They are promoting St. George's to each other, we know we have something special.

As we say about the circus that comes to town, outside the ropes is getting harder for sure. Just the media footprints alone is increasing every year in double digit percentages, so it's hard. We continue to find great partners who reach out, express interest in being with us, and we're going to continue to have great locations. I can promise you that.

MARY DePAOLI: I'll add it that. There is another important metric that I'll contribute to what Lawrence already indicated. The field strength. So the field strength is up 20% over the average of the last five years of the RBC Canadian Open.

So if you sort of wind everything back, it began with the date change. We knew the date change would help improve the field strength. The field strength has helped improve the fan experience. Then all of the numbers that Lawrence indicated, right down the beer sales, is the result of all of those things working together.

It's exactly how we wanted to see it flow. Sequentially it flowed exactly that way. For any golf course, municipality that looks at this arc that has been created by all the teams that have been involved, they are now expressing significant interest in saying, Do we have a footprint that could allow for this type of event? It is truly a world-class event and it requires a world-class venue.

The number of partners that have stepped forward now that they have seen what they've seen has been terrific.

Q. This question is for Mary and Bryan. In Bryan's opening remarks he said you have been bandying about some ideas. What are those ideas?

BRYAN CRAWFORD: We're not going to ruin the surprise.

Q. Come on, Bryan.

MARY DePAOLI: Well, look, as Hamilton natives we're kind of torn. How do you make another site better than the one you're from, right?

You know what? Maybe I'll start. We have to do a postmortem after this. I mean, we're still in the thick of it. Today is the biggest day of the week. We're still running.

I think we've been collecting in our minds along with our partners all the little things that we know can go incrementally better. The beauty comes when all these teams sit down and say, Now let's think big. Now that we know where we've come from, where do we want to go? That may be next year, the year after.

Give us a little bit of time just to bring this to conclusion. We'll have some great ideas for you.

Q. And Lawrence, this has been a banner year for Canadian golfers. Obviously this tournament has been a success. What can Golf Canada do to elevate the sport in the country across the board?

LAWRENCE APPLEBAUM: You know what? I think we're headed for an epic summer. We're so pleased that our tag line, Summer's Open with the RBC Canadian Open, we've gotten the incredible weather we hoped.

But we're going to continue our entire year. We've got our almost nine, ten PGA TOUR members; we've got five LPGA Tour members. We're hoping we have a great run as we lead into the U.S. Open with two Canadians being there next week at Pebble.

This summer at Magna Golf Club we'll have the CP Women's Open with Brooke defending her crown. It will be an incredible moment for women's sport, for the LPGA Tour, and our organization just to speak about what Brooke has done.

Brooke as a Team RBC member and a product of Team Canada has just changed the game. I see more young girls, young boys, out playing than ever before. The numbers are great. We're going to continue to -- our amateur team is doing amazing, as you know. We had so many amateurs playing in this event.

Our development team, national training center at Bear Mountain, continues to go from strength to strength.

We're riding the golden wave right now in golf and just hope to keep it going.

Q. Considering how much in advance you have to work to set up a golf course for this championship, how long can you wait before you announce the site for 2021?

LAWRENCE APPLEBAUM: I think we're seeing the earlier the better. We really are seeing that. I think everything from the setup of -- idiosyncrasies of a site

where we can have solve time. What was done on the golf course for the concert, that response has been so overwhelming and that was due to runway.

Our goal is to have these sites done by the end of the year certainly for '21 first and '22 shortly thereafter. We know every month that goes by will be better for the event. We've got some great ideas that these things, as you know, Bob, take time and sometimes take little doglegs that you got to figure out how to make the turn.

So we just know that is a focus. That's probably the next big thing for to us really nail. But I will tell you that we've had numerous delegations from golf clubs joining us this week and seeing what they have to do. That's been exciting for them to open up and see the structures on 18 and go, Okay, we can do that. It's really exciting.

Q. Lawrence, obviously a great leaderboard. A Canadian just one shot back. What would it mean for Golf Canada and golf in Canada to have a Canadian win later on today?

LAWRENCE APPLEBAUM: Well, I'm just getting over the tears from Brooke's win last year. I think that's the thing I've been contacted most. I don't know if Mary feels the same way, but more people -- how exciting is it for a Canadian to win? That would just be the topper of the entire week.

To see Adam right now as our Canadian, he just looks so comfortable out there. Adam is a sneaky, incredible athlete, not just an incredible golfer. How good of an athlete he is. You saw him yesterday and I thought, Man, he's in that hopefully zone for today.

Mack Hughes is also looking super comfortable. Mackenzie said he thinks he's played the golf course over 50 times so it's pretty exciting. Showed my where he thought the pin was going to be on 18 and he was about a foot away.

We've got our fingers crossed. It would be another really special moment. Rory doing so well, Team RBC doing well, and our Canadians, there is that triumvirate that we're hoping for.

MARY DePAOLI: Yeah, only thing I would add is we've got three in the top 10 today, right, so those odds are pretty good. When we think about how competitive we are, what would be the ideal state? A Canadian to win and a Canadian team to win tomorrow, and in the next 48 hours seeing the center of sports gravity shift to Canada. That would be ideal. Yeah.