

Owen Sound Transportation Company

**717875 Highway 6N
Owen Sound, Ontario
N4K 5N7**

**Terms of Reference (TOR)
Market Feasibility Study**

Date of Issue: May 25, 2012

Purpose of TOR: The Owen Sound Transportation Company is seeking a qualified consultant to provide professional services in performing a market feasibility study for the M.S. Chi-Cheemaun.

Procurement Officer - Kim Rutherford, CA - Vice President of Finance

CONSULTANCY SUPPORT TO THE OWEN SOUND TRANSPORTATION COMPANY FOR COMPLETION OF A MARKET ASSESSMENT/FEASIBILITY STUDY

Post Title : Market Feasibility and Assessment Consultant

Locations : Owen Sound, Ontario

Languages Required : English

Application Deadline : June 30, 2012

Starting Date : August 1, 2012

Duration of Contract : 6 months

PURPOSE

The Owen Sound Transportation Company (OSTC) wishes to retain the services of a consulting firm to identify the market that is currently not using the ferry services provided by the organization and determine what procedures are required in order to attract these potential passengers to the ferry.

BACKGROUND

OSTC is one of Ontario's largest ferry operators providing state-of-the art passenger, vehicle and cargo transportation services to northern and southwestern Ontario waterways. The organization provides safe, efficient and reliable transportation in the Province of Ontario primarily through the operation of M.S. Chi-Cheemaun, a passenger, vehicle and freight ferry, on the Tobermory to South Baymouth, Manitoulin Island route during the months of May through October. OSTC promotes and significantly contributes to economic development in this region by attracting tourists to this area that may not have visited this location if the ferry services were not available.

Travel and spending habits of tourists have changed radically with increases in fuel prices, increased density at the Canada/USA border, the increased value of the Canadian dollar, and the economic recession; all of which have negatively impacted the Bruce Peninsula and Manitoulin/Algoma districts, and the ferry service that joins the two regions. In order to respond to the immediate changing travel climate and prepare for the future, a thorough market assessment and marketing strategy for the ferry service, in partnership with the regions, must be undertaken, and the findings and recommendations implemented where it is appropriate to do so.

Given the falling traffic numbers, the question of market and marketing must be properly and professionally addressed. If the result of the investigation is that ferry traffic will not improve in the short to long term, even with researched and focused marketing and new marketing partnerships, the assessment is to provide the information necessary for the ferry service operator and owner to make appropriate decisions about the future direction of the ferry service, and its impact on the regions.

This TOR defines the need for a consultant experienced in conducting market research and assessments to assist in identifying the potential ferry market and develop an action plan to attract these potential passengers to the ferry.

PLANNING PROCESS

The Consultant or Consultant Team shall work with OSTC staff who will provide assistance to the consultant as required.

OSTC seeks to achieve the following objectives by completion of this project:

1. Obtain a complete understanding of the existing and potential future market(s) for the ferry.
2. Understand where the currently unreached ferry market is located and what the current barriers to reaching that market are.
3. Acquire the tools and information necessary to implement an effective marketing strategy to reach this currently unidentified market.
4. Understand and be knowledgeable of potential future market trends to which the ferry service and OSTC will be need to be operationally responsive to.
5. Obtain information on what changes to the current ferry service are required in order to attract and retain new passengers (ie) modifications to the current fare structure, additional on-board services, improved reservation system, etc).
6. Identify new partnership opportunities with regional tourism operators.

DELIVERABLES & SCOPE

The consultant will be expected to produce the following deliverables:

1. Attend an initial meeting with OSTC management to create a shared understanding of the project purpose and process.

Products from this meeting include a guiding document for OSTC management that lists the project phases, events, and products on a timeline and assigns roles and responsibilities for each task.

2. Complete an assessment of the existing market for the ferry and conclude on whether current traffic levels are sustainable, determine what the future ferry market for the Chi-Cheemaun is, where the market is located, what the current barriers to reaching that market are, and how to translate market potential into actual passengers on the ferry.

3. Develop long-term goals and strategies for the Owen Sound Transportation Company using a highly participatory set of public information sessions. The open sessions should be an intensive, broad based planning process that will allow the consultant and OSTC to craft plans of high quality and regional acceptance.

Two public information sessions will be required. The first will communicate the current progress and findings of the market study and obtain public input on the information presented. The second session will present the final findings.

4. Provide detailed recommendations on how to attract potential customers to the ferry, including marketing strategies and detailed steps and timelines on how to effectively implement these strategies.
5. Provide a supportable conclusion as to whether or not ferry traffic will improve in the short to long term as a result of these focused marketing plans.
6. Recommend new partnership opportunities with regional tourism operators.
7. Recommend ferry service changes that may be necessary to attract customers.
8. Conduct a final meeting to the OSTC Board of Directors using MS PowerPoint or equivalent to present a concise and comprehensive summary of the findings of the market study and recommended action plans.
9. Prepare a written report that comprehensively documents the findings of the market research performed. In addition, the report should include an action plan to lead OSTC into implementation activities for any proposed marketing strategies. The plan is to include strategies in priority order, benchmark activities, key implementers, preliminary cost estimates, and estimated time frames.
10. Conduct any other assignments related to marketing, communications and outreach, as may be required.

TIMELINE & PAYMENT ARRANGEMENTS

The consultant will be paid for work performed over the contract time period based on an agreed upon quoted amount. The contract will be contingent on the approval of funding from FedNor.

The anticipated timeline for this project is eight months (August 2012 - March 2013). The consultant will hold a preliminary meeting at the start of the project and present a final report to the Owen Sound Transportation Board of Directors in March 2013 at the conclusion of the project. In addition, public information sessions will be held in October 2011 (to discuss progress and findings to date and obtain some public input) and February 2013 (to discuss final findings).

COMPETENCIES

- Capacity to work within tight deadlines
- Ability to work independently, set aggressive schedules, and take initiative
- Ability to work as part of a team and think creatively
- Strong analytical and reporting skills
- Strong written communications skills
- Ability to speak and write clearly, articulately, and fluently in English

REQUIRED QUALIFICATIONS

- Strong aptitude for conducting market research, assessments, review and analyses, ideally with a tourism specialization
- Demonstrates highly developed analytic skills, the ability to think strategically and to provide innovative and creative solutions
- Proven ability to successfully assess market potential and interpret market trends
- Proven ability to provide realistic and feasible action plans along with detailed processes required to successfully implement these plans
- A minimum of five years relevant work experience

SUBMISSION REQUIREMENTS

Respondents must provide a detailed description and supporting documentation for the following:

- A statement of the firm's understanding of the services requested and a description of how the firm proposes to implement the activities as outlined in the deliverables and scope section of the TOR. Include a detailed explanation as to how the consultant would approach this project, including a technical work plan identifying special data needs, analysis methods, public outreach, consensus building, graphic and visualization preparation, milestones, end products and procedures.
- Qualifications and experience of the firm and key individuals who would be assigned to perform the requested activities. Describe your experience motivating attendance and public participation, working with a broad and diverse range of groups, facilitating cooperation and developing consensus throughout the planning process.
- If consulting teams are proposed, a written description and role of any subcontractor and/or consulting team member must be provided. This shall include the amount and timing of involvement, examples of past work, and professional certifications.

- Include a cost estimate in a separate sealed envelope. Provide an hourly rate and an estimated allocation of hours for each of the consultant team members.
- A lead consultant shall file the proposal and act as the Consultant Team Manager.
- Consultants are encouraged to collaborate with other consulting firms to work as a team.

CONTACT PERSON, TELEPHONE, FAX, E-MAIL

The procurement officer is the point of contact for this TOR. All vendor communications regarding this TOR must be directed to the procurement officer.

Procurement officer: Kim Rutherford
Telephone: (519) 376-8740
Tax: (519) 376-6384
Email: kim.rutherford@ostcmarine.com

DEADLINE AND MAILING ADDRESS

Vendors must submit three copies of their proposal. Proposals must be received by the Owen Sound Transportation Company at the location specified by no longer than 4:00 p.m. on June 29, 2012.

Proposals should be addressed as follows:

The Owen Sound Transportation Company, Limited
Attention: Kim Rutherford
Request for Proposal: Market Assessment and Feasibility Study
717875 Hwy 6N
Owen Sound, Ontario
N4K 5N7

ASSISTANCE TO VENDORS WITH A DISABILITY

Vendors with a disability who need an accommodation should contact the procurement officer before the deadline for submission for proposals so that reasonable accommodation can be made.