

ren.ca**Real Estate News**^{ren.ca}The logo for thestar.com, featuring a blue arrow pointing right with the text "thestar.com" in white and blue.

City hopes for film fest boost

With celebrities come boatloads of money and marketing pixie dust for unknown brands

September 05, 2007

TONY WONG
BUSINESS REPORTER

At 9 a.m. last Tuesday, Klaus Tenter called a staff meeting in the intimate marble and granite lobby of Toronto's newest hotel.

Each of the 75 employees, wearing fresh black suits by designer Franco Mirabelli, had been personally approved by Tenter, president of the Hazelton Hotel which would host its first guest later that day.

"I told them now the fun is just starting," says Tenter, a commanding figure with a gentle lilt. "This is not a test; these are the final exams."

After several years of construction, which included a plumber's strike and other delays, the Hazelton has met its all-important deadline, and barely so: It is opening in time for the Toronto International Film Festival, which starts tomorrow, when the world's most demanding guests descend on the city for 10 days.

The direct economic impact of the festival on Toronto is estimated to be more than \$60 million.

No cultural event is as important for the fortunes of an establishment that boasts the most expensive average room rates in Toronto, where the cheap beds for the already fully booked venue start at \$750. Or where a private jet concierge is available to greet stars at the airport.

"The festival is incredibly important, not just to us, but to the entire city," says Tenter.

Indeed, the Hazelton isn't the only Toronto hot spot scrambling ahead of the festival opening.

Hipster Queen St. W. hotel the Drake, for example, less than four years old, is unveiling a new look with more than half a million dollars spent on renovations in time for the festival.

"The second week of the festival is what the retailers would call their Boxing Day, or what florists would call their Valentine's Day business – it is consistently our record-

setting week," says Drake general manager Bill Simpson.

The six-month renovation was targeted for the festival because of the event's importance, says Simpson, whose hotel will host an official festival party as well as half a dozen studio events.

"It's a little sexier, a little slinkier and we're all dressed up now for the festival," he says.

Another business that has rushed to open in time is Yorkville's Sassafras restaurant, which burned down in a kitchen fire last winter.

Repairs have cost about \$5 million, including a 6-metre waterfall built into one of the entrances, said owners Zoran and Vasko Kocovski.

The restaurant is expected to be star central, but it will have stiff competition from ONE, celebrity chef Mark McEwan's new eatery opening at the Hazelton Hotel down the street.

Meanwhile, Peter Gatien, operator of Circa, the massive 55,000-square-foot nightclub in the city's Entertainment District, spent the weekend rushing to get his venue completed in time to host several major festival parties.

Last week, Gatien received a favourable court ruling allowing him to serve alcohol during the festival. But the fight with the Alcohol and Gaming Commission of Ontario has meant weeks of delays and a mad scramble to the finish line.

The festival's economic impact on Toronto is based on the amount of money poured into hotels, bars, clubs and theatre venues, but the city argues the long-term impact is potentially greater: It puts Toronto on the international map as a choice destination.

"Hollywood has a global reach, and with so many journalists from around the world in town, Toronto is really front and centre, so that's huge," says Peter Finestone, the city's acting film commissioner.

This is even more important today, considering the city could likely use more exposure after figures released by Statistics Canada last week show this was the weakest first quarter for overnight visits from the U.S. in a decade.

Festival organizers expect more than 340,000 guests this year, up from 305,000 the year before.

The festival also acts as a major branding platform for sponsors to reach a global audience. Bell Canada, BMO Nesbitt Burns and National Bank Financial are some of the corporate backers hoping celebrity glamour will rub off on their brands.

While the main event will be in theatres, the pull of the festival behemoth has attracted other significant events to the city, creating an almost parallel festival universe.

Fashion designer Valentino, who has draped stars from Liz Taylor to Jackie O. and Julia Roberts, will take advantage of his Hollywood connections by having a special fashion show in Toronto showcasing his fall and winter collection and an upcoming television biography.

Taking advantage of the festival's celebrity draw, non-profit events such as One X One 2007 will host a charity gala hosted by actor Matt Damon to benefit child poverty. Taking

place at the Four Seasons Centre for the Performing Arts, the event is expected to draw guests such as Richard Gere, Wyclef Jean and Sarah Ferguson, the Duchess of York.

As well, there is plenty of trickle down economics as smaller players hope to benefit.

On the second floor of the upscale Windsor Arms Hotel, Jan Blacktopp will be flogging natural soaps and toiletries made with peat from her father's Ontario farm.

The hope is that her product will take off, riding on the coat tails – or skin pores – of a celebrity user. The idea isn't far fetched. Just ask Toronto-based Foxy Originals, a tiny outfit whose sales soared after its jewellery was seen on Paris Hilton.

When hundreds of celebrities converge in one place for more than a week, you have a potential marketing behemoth.

"It's a great way for a small company like Jan's to create a platform and to have access and awareness to her brand that you couldn't get anywhere else," says Stefani Ralph of NKPR Inc., which represents Blacktopp and other companies trying to get exposure at the festival by booking a suite at the hotel to showcase products that range from "healthy" chocolate to the Canadian launch of fragrances by David and Victoria Beckham.

At the end of the day though, it is all about the city putting on its best face. And part of marketing to celebrities is making sure they'll want to come back.

Back at the Hazelton, chief concierge Amy Collier is preparing for the toughest customers her staff will face.

Last week, in a series of training sessions, she had a friend call the unsuspecting concierge desk at her hotel demanding, among other things, a 60th anniversary reception for 30 people. She made another call demanding non-fat lattes every morning – an entirely plausible film festival request.

"It sounds corny, but we're going to try to answer every single request without saying no," says Collier, who as a concierge at another hotel once paid for a guest's dinner with her own credit card after finding out the customer had forgotten her purse.

"She said I was the only person she could think of when she was in trouble. And that's the kind of relationship we like to have with our clients."