



CORP18/558

Revd the Hon Fred Nile MLC
Chairman
Portfolio Committee No. 1 – Premier and Cabinet
Upper House Committees, Legislative Council
Parliament of NSW
Parliament House
Macquaire Street
SYDNEY NSW 2000

Dear Revd Nile

I refer to your recent correspondence in relation to the current inquiry into the *Alcoholic Beverages Advertising Prohibition Bill 2015* (Bill) being conducted by the Portfolio Committee No. 1.

Venues NSW has been requested to provide information on the approval process for alcohol advertising on assets managed by Venues NSW, and the proportion and value of alcohol advertising currently occupying Venues NSW stadia and entertainment centres.

Venues NSW manages on behalf of the NSW Government the Newcastle Entertainment Centre and McDonald Jones Stadium in the Hunter region, WIN Sports and Entertainment Centres in the Illawarra region, and ANZ Stadium at Sydney Olympic Park, Sydney. On completion of construction, Venues NSW will also manage the new Western Sydney Stadium at Parramatta.

As Venues NSW operates as a Public Non-Financial Corporate under the NSW Treasury's *Commercial Policy Framework*, we aim to replicate disciplines and incentives that derive the efficient commercial practice of private sector business. This includes raising revenue through commercial activities such as hiring venues to sporting and entertainment organisations, event ticketing, hospitality and catering sales and through advertising, leasing, membership, naming rights and sponsorship arrangements. During 2016-2017, Venues NSW received revenues from Food and Beverage Sales and Naming Rights, Advertising, Sponsorship, Recoveries and Other of \$12.6 million and \$6.3 million.

Most alcoholic beverage promotion is purely at point of sale at our venues. However, Venues NSW or our venue operator (on our behalf) does enter hire agreements with venue hirers, and beverage suppliers across our stadia and entertainment centres. All agreements are presented to the Venues NSW Board and Venues NSW management and are vetted for suitability prior to execution especially where signage advertising rights are included as part of the supply rights. Any conditions around advertising are agreed by the parties pursuant to the contract.

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[ANZ Stadium](#) | [McDonald Jones Stadium](#) | [Newcastle Entertainment Centre & Showground](#) | [Western Sydney Stadium](#)
[WIN Sports and Entertainment Centres](#)

Venues NSW is implementing its commercial framework for the new Western Sydney Stadium at Parramatta due to open in early 2019. It is anticipated that our venue hirers and beverage suppliers will enter agreements on similar terms to that of ANZ Stadium.

We acknowledge that our venue hirers and advertisers are aware of and partake in the Alcohol Beverages Advertising Code (ABAC) Scheme, the industry driven quasi-regulatory system implemented across Australia. It is understood that over the past several years, whilst these organisations may have had advertisement complaints sent to the Chief Adjudicator of the ABAC Scheme a clear majority have been dismissed.

Venues NSW does have two sources of advertising at our stadia and entertainment centres; from venue hirers, and from the pourage rights of the venue. The impact of banning advertising would have a detrimental effect on revenue streams that are required to achieve operational financial sustainability for the venues. For example:

- banning advertising of alcohol products would result in hirers to seek interstate options (unless a National approach to alcohol beverages advertising is taken); and
- alcohol companies would reduce their sponsorship spend not only at the stadia and entertainment centre in the form of advertising space related to pourage rights.

During 2016/17, Venues NSW held more than 530 events and functions across the stadia and entertainment centre portfolio. The event schedule for the year was reduced due to the demolition of Parramatta Stadium, to make way for the new Western Sydney Stadium during this period. If in the instance the Bill was to pass and Venues NSW could apply for exemptions (Section 6 Certain advertising prohibited and Section 9 Prohibition of sponsorships) through a gazettal process, this practice would place significant administrative burden and red tape on the business.

Venues NSW is supportive of measures that reduce harmful drinking in the community. For each event an Alcohol Management Plan is prepared and our venue staff actively monitor and uphold strict conditions of entry to venues as well as the responsible sale, service and consumption of alcohol during events.

Please do not hesitate to contact me on [redacted] or e-mail [redacted] or Pat Wilson, Chief Operating Officer, Venues NSW on [redacted] or e-mail [redacted] should you require any further information.

Yours sincerely

Paul Doorn
Chief Executive Officer