

Video Game & Immersive Technologies Strategy for Calgary

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Responses Due: August 26, 2019

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1. Table of Contents

2.	INTRODUCTION	3
3.	TIMELINES	3
4.	DEFINITIONS	3
5.	STANDARD FORM CONTRACT	4
6.	VENDORS QUESTIONS	4
7.	CONFLICT OF INTEREST	4
8.	VENDOR EXPENSES	4
9.	CONFIDENTIALITY	4
10.	BACKGROUND	4
11.	PURPOSE OF THE PROJECT	5
12.	OBJECTIVE OF THE PROJECT	5
13.	ASSUMPTIONS	6
14.	DELIVERABLES	6
15.	FEES AND PAYMENT TERMS	7
16.	CONTRACTING MANAGER	7
17.	PROPOSAL EVALUATION CRITERIA	7
18.	SUBMISSION INFORMATION	7
19.	CED RESERVATION OF RIGHTS	8
20.	INTELLECTUAL PROPERTY	8
21.	NO FURTHER CONTRACT OR LIABILITY ARISING FROM RFP PROCESS	9
	APPENDIX A – EVALUATION	10

2. Introduction

Calgary Economic Development Ltd (CED) invites qualified firms to submit a proposal for the Video Game & Immersive Technologies Strategy RFP. A proposal, in electronic form, together with one hardcopy must be submitted as outlined in clause 17. The electronic copy should be sent to the attention of the contracting manager by email as noted in clause 15. The hardcopy proposal must be submitted in a sealed envelope showing Video Game & Immersive Technologies Strategy for Calgary RFP 1908-01 before the closing date with the Vendor's name on the outside of the envelope. Late proposals will not be accepted

3. Timelines

RFP Release	August 12, 2019
Deadline for Questions	August 19, 2019
Proposal Submission Date	August 26, 2019
Meetings with Short-Listed Vendors (if required)	August 28, 2019
Bid Notification Date	August 28, 2019
Project kick-off	August 29, 2019
Draft Report	October 31, 2019
Final Report	November 14, 2019

*Ideal timeline, which is subject to negotiation

4. Definitions

"CED" means Calgary Economic Development Ltd.

"City of Calgary" refers to the municipal government of the City of Calgary.

"Request for Proposal or "RFP" means this document including attached appendices.

"Contracting Manager" means the person identified in clause 15 of this RFP.

"Vendor" means an organization responding to this RFP.

"Proposal" means a Vendor's response to this RFP and includes all of the Vendor's attachments and presentation materials.

"Selection Committee" means the committee that will be reviewing RFP proposals and overseeing work on this project. The committee is made up of representatives from CED, CADA and the City of Calgary.

"Services" means the duties, tasks, and responsibilities of the Vendor as described in this RFP.

5. Standard Form Contract

By submitting a Proposal, a Vendor acknowledges it agrees that the terms and conditions of this RFP are incorporated by reference into its Proposal. If a Vendor's Proposal is accepted the Vendor will be expected to execute CED's standard contractor agreement. Vendors who are unwilling to abide by these standard terms and conditions should not submit a Proposal.

6. Vendors Questions

All questions regarding this RFP must be directed via email to the Contracting Manager. Enquiries and responses may be recorded and may be distributed to all Vendors.

The Vendor must immediately notify the Contracting Manager in writing of any ambiguity, divergence, error, omission, oversight, or contradiction in this RFP discovered by the Vendor and request whatever clarification is required to prepare the Vendor's Proposal.

In order for CED to deal effectively with Vendor questions or concerns about any terms, conditions or requirements of this RFP, including the standard terms and conditions, such questions or concerns must be communicated in writing to the Contracting Manager in accordance with the Timeline indicated in clause 3 above. Questions received after this time will be answered if, in the opinion of CED, the circumstances warrant and time permits.

7. Conflict of Interest

Vendors must fully disclose, in writing, to the Contracting Manager on or before the Proposal Submission Date of this RFP, the circumstances of any possible conflict of interest or what could be perceived as a possible conflict of interest then known to Vendor between the Vendor and CED and/or the Selection Committee. CED may reject any Proposal where, in the opinion of CED, the Vendor is or could be perceived to be in a conflict of interest.

8. Vendor Expenses

The Vendor is responsible for all costs of preparing and presenting its Proposal.

9. Confidentiality

All information provided by or obtained from CED in any form in connection with this RFP either before or after the issuance of this RFP, including any confidential information is the sole property of CED and must be treated as confidential; is not to be used for any purpose other than replying to this RFP and the performance of any subsequent contract; must not be disclosed without prior written authorization from CED; and must be returned by the Vendor to CED, or destroyed if held in electronic format, immediately upon the request of CED.

10. Background

Calgary Economic Development (CED) is the lead economic development agency that markets Calgary's competitive advantages and pro-business climate within Canada and across the world. Through business retention, expansion, and investment attraction activities and in collaboration with business, community and government, CED plays an integral role in promoting and facilitating sustainable economic growth and prosperity. The organization's efforts are focused on the following four areas:

- Business investment and attraction

- Business retention and expansion (including trade development)
- Research, marketing and communications
- Talent attraction, retention, retraining

Calgary in the new Economy, an update to the 10-year Economic Strategy developed by CED, establishes clear goals for the economic development in the Calgary region, including growing the creative industries. Over the years, the Calgary region has now become a leading jurisdiction in Film and Television productions in Canada. It accounts for over 80% of the \$300 million in production spend in the province. Calgary Economic Development believes there is a large opportunity in accelerating growth in other key creative industry subsectors including video games and AR/VR/MR. Recently, Calgary attracted a mid-size gaming studio New World Interactive to the city. This studio not only plans to develop its games in Calgary, but has also partnered with a venture capital group, Thin Air Labs to launch up to 50 new gaming venture teams the opportunity to launch in Calgary over the next four years. In the XR space, Calgary has seen the establishment of about 25 companies over the past couple of years which are developing world leading AR/VR solutions for industrial, business and entertainment applications.

Although these are positive steps forward, the Calgary region is still lagging far behind other jurisdictions of a similar size globally in developing the gaming and XR sectors. The Global gaming industry generated \$135 billion in 2018 and is forecast to grow to \$180 billion by 2021, while forecast for XR technologies range from \$60 billion to over \$200 billion by 2022. The Calgary region wants to take a larger piece of that pie. Through this study, CED wants to develop strategic and actionable steps to make the Calgary region become recognized a key hub in North America for Interactive Digital Media.

11. Purpose of the Project

Calgary Economic Development intends to conduct a study to enable the support of business development, trade and investment activities which will ultimately contribute to the growth of Calgary's Video game and XR technology sectors and the overall Calgary economy. Emphasis will be placed first on understanding the key policies, program support, size and scope of these sectors in the Calgary region in comparison to the global marketplace. Secondly, the study will outline a clear framework of where Calgary should be in the future to be designated as hub for the sectors in North America considering its size, areas of strengths and opportunities. Finally, the study will develop a strategy to which will clearly outline what steps Calgary needs to take to go from where we are today to where we want to be. These steps include developing action items for supporting the growth of local companies in these sectors while also attracting investment from new market entrants and seeking sources of capital for the Calgary market, which will strengthen the sector, while also adding quality employment to the region.

12. Objective of the Project

This study will provide Calgary Economic Development with an understanding of the current gaps in Calgary's video game and XR sectors and the opportunities to support local business development and attract investment which will fill that gap and lead to Calgary's designation as one of the key interactive digital media hubs in North America. We expect this strategy to incorporate future disruption to the industry due to anticipated technology advancements

13. Deliverables

Current environment of the Video Game and XR industries for Calgary and Alberta

- Size and scope of industry - The number and size of companies, description of goods and services sold by key companies in sector; volume and value of these goods and services, GDP, level of employment, median incomes, historical growth rates, growth and assessment of start-ups.
- Innovation and R&D taking place in Calgary and throughout Alberta within the Interactive Digital media sector and other related sectors that are disrupting IDM sector such as Artificial Intelligence and level of funding for these activities
- Summary of assets, programs, stakeholders from the public, private and non-profit sectors at a local, provincial and federal level available which support the growth of this sector
- Understanding of historical policies and programs that have led to the current environment
- Current policies and regulations which encourage and/or discourage growth and investment
- Existing labour force skill sets in the Calgary region (including from industries which may have transferable skills) and inventory of training and education programs

Strategy to accelerate growth of Digital Media industry in Calgary region

- Establish a Vision and develop a strategy that leverages Calgary's strengths, assets and opportunities to achieve that vision.
- Research the future of Gaming and XR industries and discuss how the market is evolving. Discuss future disruption to the industry due to anticipated technology advancements (e.g. AI) and ways Calgary can future proof its strategy to account for these upcoming changes.
- Research and analyze the global marketplace to 1. Identify strategies/best practices that have worked in other jurisdictions of a similar size of composition and 2. Understand where Calgary stand competitively versus other key jurisdictions for Gaming and XR.
- SWOT assessment for each of the key subsectors (Video Games, Augmented Reality, Virtual Reality)
- Development of Calgary's value proposition to market and attract investment. What is Calgary's competitive advantage over other jurisdictions in North America?
- Development and identification of potential investment targets (25 companies), corresponding criteria that makes them suitable for targeting.
- Identification of assets that need/should be developed to support growth of these sectors in Calgary.
- Definition of success and success factors, development of KPIs and assignment of actionable items to stakeholders along with timelines over the next 2 years.
- Identification of interactive digital media technology events to attend or attract to Calgary, which have potential for leading to investment attraction
- Mentorship and connections provided to industry stakeholders to support their growth.
- Roundtable with key stakeholders to inform and validate strategy
- Other suggested deliverables by selected vendor.

Report, Fact Sheet and Presentation

Material for this study should be delivered in report, fact sheet and PowerPoint formats. It should be delivered to Calgary Economic Development in such a way that it could be used immediately for business development purposes and does not require much manipulation or edits by Calgary Economic Development staff.

14. Fees and Payment Terms

Proposals should include a breakdown of the Vendor's fees and disbursements in completing the Services. Please include the following with breakdown of costs:

- Per diem rates;
- Travel, if required;
- Administration overhead;
- IT costs;
- Prices must be stated in actual dollars and cents expressed in Canadian funds and inclusive of all taxes except for GST, which should be itemized separately.

Please provide options for the project team to contribute to reduce project costs and be prepared to consider which aspects of the proposal might be optional.

15. Contracting Manager

For the purposes of the provisions of information surrounding this contract or the administration of the contract, the Contracting Manager is:

Calgary Economic Development Ltd.
Attention: David Ducasses, Research Manager

731 1st Street SE
Calgary, Alberta T2G 2G9
Canada

Telephone: (403) 767-1319
Fax: (403) 221-7928
Email: dducasses@calgaryeconomicdevelopment.com

16. Proposal Evaluation Criteria

Vendors should be aware that certain mandatory requirements have been set out in the Evaluation form (scope, methodology, experience, and deliverables). Proposals that fail to provide these requirements may not be evaluated. See Appendix A for Report and Evaluation criteria.

17. Submission Information

Proposals must be received by email before 16:00 MDT, August 26, 2019 (hardcopy must be received by August 26, 2019) at:

Calgary Economic Development Ltd
731 1st Street SE
Calgary, Alberta T2G 2G9
Canada

Attention: Hubba Khatoon, Economist
hkhatoon@calgaryeconomicdevelopment.com

- After the Proposal Submission Date, CED may post the identity and addresses of the Vendors.
- CED may elect to not consider any proposal that:
 - Is received after the exact time and date noted above.

- Does not indicate the request for proposal's title, closing date and Vendor's name on the proposal in response to the RFP;
- Is delivered to an address other than that provided above;
- Transmitted proposals will be accepted if the proposal is received before the submission deadline to the email address provided above.

18. CED Reservation of Rights

CED reserves the right:

- To not consider, or to reject, any or all Proposals in whole or in part for any reason whatsoever in its sole and absolute discretion;
- To accept any proposal in whole or in part, even if it does not comply with the terms of this RFP or is not the highest rated proposal in accordance with the evaluation criteria;
- To short list Vendors, and require a presentation by the Vendors short-listed and/or the provision of additional information by such short-listed Vendors;
- To, at any time, add, delete or modify this RFP and to have the Vendors advise CED of the effect of such changes on their Proposal and/or have the Vendors resubmit their Proposals in light of same;
- To negotiate at any time with any one or more of the Vendors to the exclusion of the other Vendors; and
- To not proceed, for any reason, with this RFP or the project contemplated in this RFP.

19. Intellectual Property

Unless otherwise agreed and confirmed in writing:

- (a) All material, including but not limited to programs, reports, notes, maps, drawings, photographs, data, forms and other records prepared, created, written or recorded by ("IP"): (a) the Vendor, or (b) CED or (c) the Vendor and CED jointly, in connection with the Services under any agreement incorporating the terms and conditions of this RFP, a proposal, or as a deliverable under any agreement arising therefrom (an "**Agreement**"), will be the property of CED; accordingly, the Vendor hereby assigns to CED all rights, title and interest it may have from time to time in such material and all intellectual property rights therein will vest in CED.
- (b) During the term of the relevant Agreement, the Vendor shall have a non-exclusive, non-transferable license to use such IP of CED or IP which is jointly created for the sole purpose of providing and completing the Services. Upon the termination or completion of a specific project or Agreement, the Vendor will promptly return such material to CED whether completed or not. Notwithstanding the preceding sentence, the Vendor may retain for archival purposes a single copy of each item of such material; and
- (c) Every invention, discovery or improvement developed by the Vendor in the course of, or in connection with, performing the Services under an Agreement where the invention, discovery or improvement has been initiated or directed or specifically requested by CED, will be the property of CED and, accordingly, the Vendor hereby assigns any intellectual property right to any such invention, discovery or improvement developed to CED. The Vendor will cooperate fully in the establishment and maintenance of all intellectual property rights accruing hereunder to CED. This provision will survive the termination of any Agreement and to the extent necessary or desirable, the Vendor will take such actions

as are reasonably requested by CED after termination of an Agreement with respect to intellectual property rights created during the term of the Agreement.

The parties acknowledge and confirm that any intellectual property that was developed prior to the relevant Agreement, or that was developed by the Vendor independently from such Agreement with CED, or that was developed at the sole initiative of the Vendor without any prior initiation or direction or request from CED, will be outside the scope of this clause 16.

If the Vendor needs access to data of CED in order to carry out Services under an Agreement incorporating the terms and conditions of this RFP, CED will grant a non-exclusive, non-assignable license to have access to and to use that data.

20. No Further Contract or Liability Arising from RFP Process

By submitting a Proposal, the Vendor agrees and acknowledges that:

- Nothing in this RFP nor the submission of the Proposal nor the review and consideration of the Proposal by CED nor any communication between the parties in relation to the RFP or the Proposal will operate to obligate any party to enter into any further business relationship with the other party and, in particular, if CED decides to engage the Vendor in connection with any Proposal or the subject matter of the RFP then such engagement may only occur pursuant to a written agreement that has been signed by both parties and, absent such written agreement, CED will have no further liability or obligation to the Vendor in connection with the subject matter of the RFP;
- The Vendor is participating in this RFP process at its sole risk and expense, and CED will not be liable to the Vendor for any costs, expenses or liabilities incurred by the Vendor in any way arising in connection with the Vendor's participation;
- CED has made no representations other than those expressly stated in this RFP;
- CED has the right to cancel this RFP at any time, CED may reissue this or a similar request for Proposal at any time, for any reason whatsoever or decide not to reissue it for any reason, without incurring any liability and no Vendor will have any claim against CED as a consequence; and

The Proposal and any accompanying documentation submitted by the Vendor will become the property of CED and will not be returned.

APPENDIX A – EVALUATION

Video Game & Immersive Technologies Strategy: RFP Evaluation

Criteria		Point	Mark	Comments
Quality of submission: 1. Clear and concise 2. Quality of writing		10		
Team competence and resources: 1. Experience of the project team 2. Relevancy of past projects (work from 1 – 2 projects must be provided) 3. Understanding of economic development 4. Connections with key industry stakeholders		20		
Deliverable content: 1. Process & methodology a. Creativity of approach b. Clarity of process c. Ability to gather and analyze sector data in Calgary d. Understanding of trends in global market for Gaming/XR sectors e. Understanding of markets with best practices for development of Gaming/XR sectors f. Ability to communicate narrative from analysis gathered 2. Ability to identify & generate leads 3. Schedules, work plans & timelines 4. Progress reporting		50		
Fees (ranked separately): 1. Breakdown of fees and disbursements.		20		
Total		100		

Each criteria receives a score out of 5 unless otherwise noted