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February 10, 2012 1:35 PM

Report: Cobo Center more than doubled revenue, cut subsidies in latest fiscal year

By [Daniel Duqqan](#)

The regional organization operating **Cobo Center** more than doubled its revenue in 2011 compared with 2010, according to a statement today.

Cobo ended the 2011 fiscal year Sept. 30 with \$7.6 million, compared with \$3.6 million in 2010. The level of state and federal subsidies also dropped from \$20 million in 2010 to \$12.5 million in 2011.

"We're operating Cobo as a business rather than a department of municipal government, which is what Cobo was before the authority was created," said Patrick Bero, CEO and CFO of the **Detroit Regional Convention Facility Authority**.

The authority — made up of representatives from Oakland, Macomb and Wayne counties as well as the city of Detroit and state of Michigan — took over management of Cobo in September 2009.

Financial information about Cobo is attributed to an audit conducted for the authority by Troy-based **Doeren Mayhew & Co. PC**. A copy of the audit was requested by *Crain's* but not received as of this afternoon.

Bero attributes the improved financial performance to the hiring of a professional management firm, West Conshohocken, Pa.-based **SMG**. The sales team has increased activity and negotiated more favorable vendor contracts.

Besides hiring a management firm, the authority brought in a professional food service vendor, Stamford Conn.-based **Centerplate Inc.**

Cobo is in the midst of the third and final phase of a \$279 million capital improvement program. So far, \$46 million has been spent on the first two phases of the renovations.

Boosting the center's future outlook is a five-year contract signed with the **Detroit Auto Dealers Association** last month to keep the **North American International Auto Show** in Detroit.



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Deloitte.

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