Authority extends SMG's management contract of Cobo for 3 more years

By Sherri Welch

The Detroit Regional Convention Facility Authority has extended SMG's contract to manage Cobo Center for another three years.

The contract runs through September 2016.

The authority brought in Pennsylvania-based SMG in 2010 to oversee the day-to-day operations of Cobo following its transfer to the regional authority from the city of Detroit.

Since then, SMG has made significant improvements to Cobo's performance, the authority said in a news release, notably:

- Increasing operating revenue by nearly 53 percent, not including the state operating subsidy and parking revenue.
- Decreasing operating expenses by just under 12 percent over the three-year period while taking on responsibility for administrative functions such as finance, human resources and marketing, which were previously handled by the city of Detroit.
- Improving building maintenance and efficiency.
- Expanding employee supervision and training to yield improved guest service and increased customer satisfaction scores.
- Coordinating Cobo marketing efforts with the Detroit Metro Convention and Visitors Bureau, elevating Cobo's profile within the convention, trade show and meeting industry.
- Retaining existing business such as the North American International Auto Show and the Society of Automotive Engineers World Congress while bringing back a Society of Manufacturing Engineers event and working to attract new events.

SMG's Cobo team "has accomplished a good deal in a short period of time, most significantly with the multi-year auto show agreement," said Thom Connors, regional vice president and general manager of SMG/Cobo Center, in the news release.

The improved service and capital improvements taking place at Cobo are bringing an increase in convention bookings, he said.