

Delaware North Companies

Jim Robertson, Director, Corporate Security

Global Symposium on Racing & Gaming

December 11, 2013



DNC
Delaware North Companies



A global leader
in hospitality and
food service.

Vision

To become the preferred provider
of products and services that
foresee and satisfy the needs of
customers, balancing the highest
level of satisfaction consistent with
maximizing returns to stakeholders.

Mission

Creating special experiences
one guest at a time.®

ABOUT OUR COMPANIES



Delaware North Companies
Sportservice



Delaware North Companies
Gaming & Entertainment



Delaware North Companies
International



Delaware North Companies
Parks & Resorts



Delaware North Companies
Travel Hospitality Services



Delaware North Companies
Boston



The Boston Bruins
(Owned by Jeremy Jacobs, Chairman
& CEO, Delaware North Companies)

DNC Parks and Resorts

- Operating special destinations with 4,000 guest rooms.
- In the last decade, Delaware North has become a major hospitality and lodging company.
- Provider of visitor services at parks and attractions.
- Wide range of services provided.



Overview

-More than 20 current locations with further growth anticipated:

Kennedy Space Center

Yosemite

Yellowstone

Grand Canyon

Sequoia National Park

Shenandoah National Park

Olympic National Park

Owned resorts

- Tenaya Lodge

- Australian Properties

Managed properties

- Ahwahnee Hotel

- Gideon Putnam Resort



DNC Sportservice

- Delaware North's first operating business.
- Strong reputation of the Jacobs family – key competitive advantage.
- Leading concessionaire at sports and entertainment venues with more than 50 locations across North America.
- Concessions, fine dining, catering and retail.
- Known for operational excellence and high levels of partnership commitment.
- Top market position in each segment of the sports hospitality business.



Key Contracts and Relationships

- 50+ high-profile venues in North America
 - MLB
 - NFL
 - NBA
 - NHL
 - Minor league
 - Little League Baseball World Series
 - All-Star games, World Series, Olympics, Commonwealth Games, special events
 - Entertainment centers, convention centers and event catering



DNC Boston



Overview

- Home of the 2011 Stanley Cup champion Boston Bruins and the Boston Celtics, the Garden is a 19,000-seat, multi-use entertainment arena owned and operated by Delaware North Companies.
- It is a top-grossing venue with more than 200 events each year, including 120 concerts and shows.
- One of the first privately financed facilities of its type - \$165 million.
- One of the top-three concert and sports venue ranked by *Billboard* magazine.



DNC Travel & Hospitality

- Leading airport concessions provider; more than 65 years of experience in the industry.
- One of the largest airport concessionaires in the world.
- 275 food service and retail facilities in more than 30 major airports around the world.



Overview

▪ Airport growth has been strong at company airport locations:

- Los Angeles International Airport;
- Detroit Metropolitan Wayne County Airport;
- Denver International Airport;
- Minneapolis-St. Paul International Airport;
- London Heathrow;
- Edinburgh International Airport;
- Glasgow International Airport;
- Sydney International Airport



DNC Australia & United Kingdom

- Serves a wide range of venues in the UK, Australia and New Zealand through more than 30 contracts
- Delaware North's International operations include food service, retail, fine dining and catering at some of world's most celebrated venues.
- Stadia, airports, sports venues, cultural attractions, business, destination resorts.



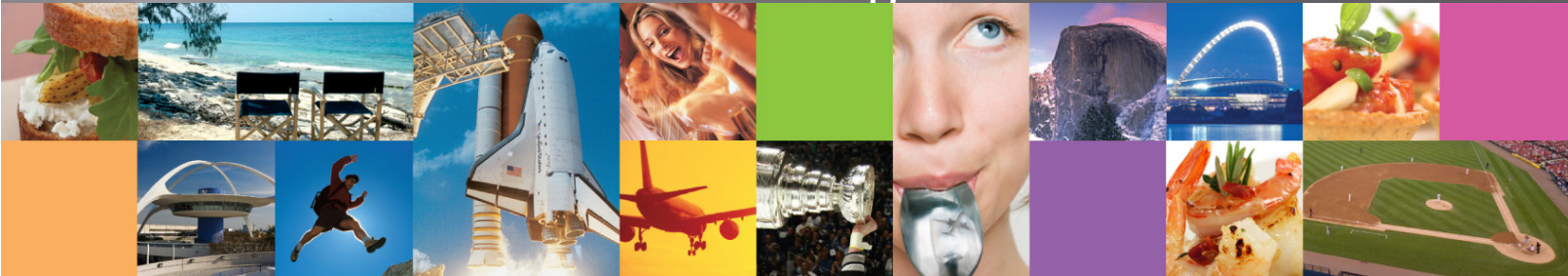
Our Industries and Markets

- Sports and entertainment venues- Wembley, Emirates, Australian Open
- Transportation centers
- Airports – Australia, London/UK
- Cultural centers
- Owns destination resorts – Lizard Island, Wilson Island, Heron Island, E Questro, Kings Canyon



DNC Gaming & Entertainment

- Operates gaming and entertainment locations in New York, Arizona, Arkansas, Florida, Illinois, Ohio, and West Virginia.
- Largest racino operator in the United States.
- Hotel and additional amenities.
- Entertainment and racing.



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Think Strategically and Act Tactically



KNOW YOUR OPERATIONAL ENVIRONMENT

Intelligence-Driven Security



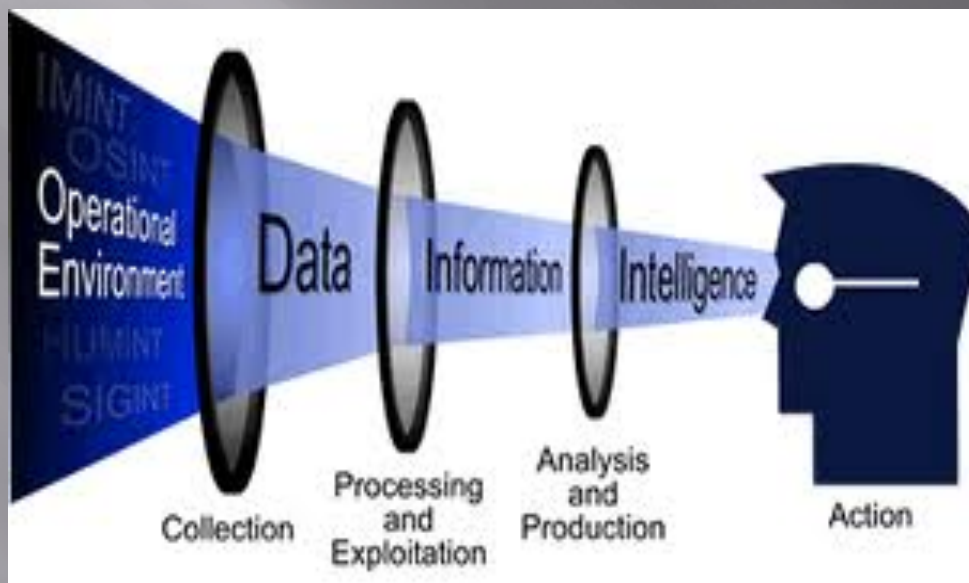
Intelligence-Driven Security

▣ Objective:

- Early identification of potential risks and operational vulnerabilities
- Proactive targeting to remediate risks
- Effective leveraging of existing resources at the subsidiary level
 - ▣ Reporting requirements
 - ▣ Enhance Visibility
 - ▣ Increase Connectivity with subsidiary locations



Intelligence-Driven Security



Workplace Violence Prevention Program

- ❑ Workplace violence does not happen at random or “out of the blue”
- ❑ **Action Points** - Perpetrators usually displays some behaviors of concern
- ❑ Therefore, awareness of these indicators and the subsequent implementation of an action plan to de-escalate potentially violent situations form essential components of a workplace violence prevention program
- ❑ **Flash Point** – The moment when workplace violence occurs.



Intelligence-Driven Security



Workplace Violence Prevention Program

▣ Workplace Violence Program:

1. Establish formal policy designed to foster a respectful workplace
2. Training/ Awareness Program
 - Action Points
 - Reporting Requirements
3. Threat Assessment Team

(Pre-employment screening)



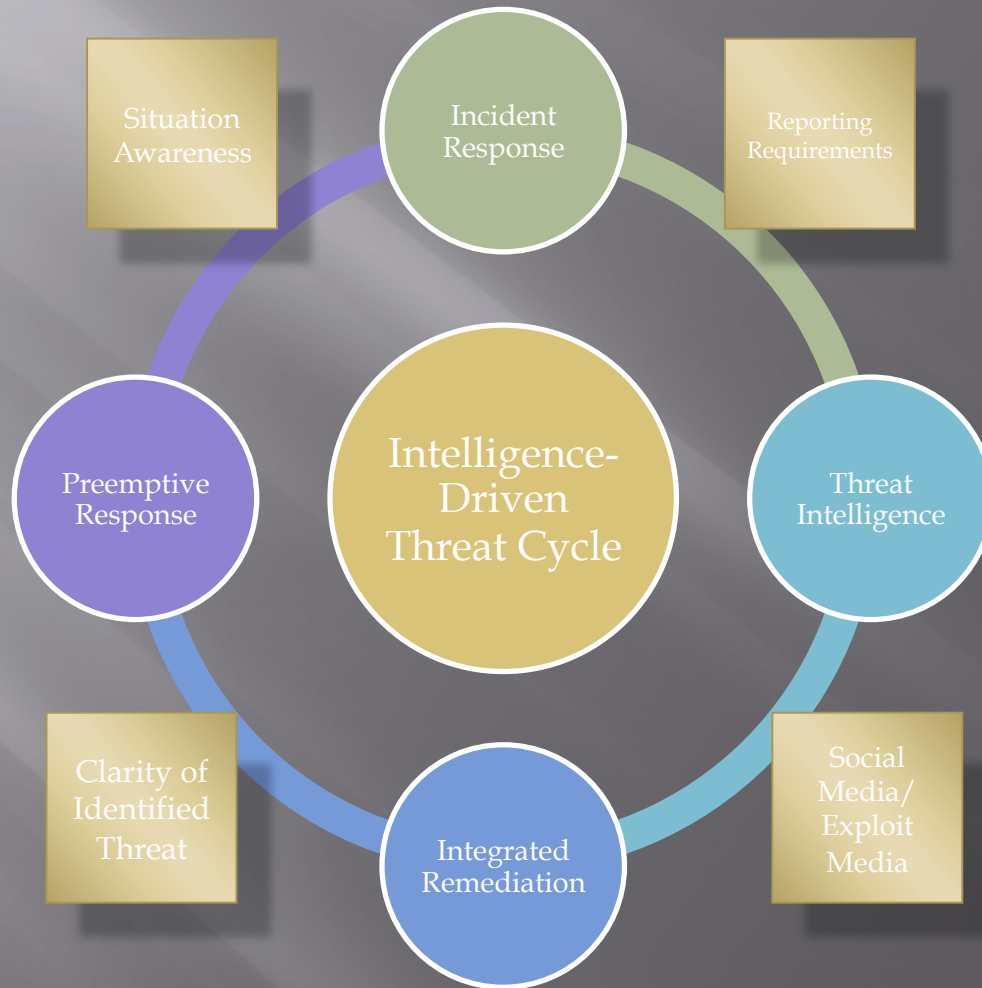
Workplace Violence Prevention Program

II. Training/Awareness:

- Include indicators (Action Points) of potential violence
 - Increase use of alcohol
 - Unexplained increases in absenteeism
 - Lack of attention to appearance/hygiene
 - Mood swings
 - Explosive outbursts
 - Suicidal comments
- Mandatory Reporting Requirements – Supervisor/HR
 - 1-800 Number or via Web-Site Reporting



Intelligence-Driven Security



Managing a Crisis

Definition of a Crisis

- Any unplanned event that may or has caused a significant injury or fatality to an organizations associates and/or guests
- Has the capacity to shut down business
- Disrupt operations
- Threaten organizations financial standing or public image



Responding to Corporate Crisis

- High Stakes
- Time Crunch
- High Risks
- Defining Moment



5 Steps of Crisis Management

Tactical Response

Step 1: Confront the situation – Contain/ Assess

Strategic Response

Step 2: Identify stakeholders

Step 3: Be up front – candid and accurate reporting

Step 4: Be available – seamless/ timely communication between crisis location and Headquarters

Step 5: Move on – reputational management



Reputational Management



Corporate Crisis Response Plan

Purpose: To enable DNC Executive Management to react promptly and effectively to major emergencies that occur anywhere in the world.



Triggering the CCRP

Triggering the CCRP—When does a local reportable incident rise to a Corporate Level Crisis?

TYPE I – LOCAL LEVEL INCIDENT

Examples of Type I Incidents

- Minor property damage
- Accident at facility resulting in minor injuries (refer to your unit's claim reporting procedures issued by the Risk Management Department)
- Theft or loss of money/property under \$250

Trigger

- Impact localized, affecting field operations

Nature of Event

- There is sufficient information and the severity of the circumstances does not merit reporting incident to the Associate Hotline

Response: MONITOR

- Frequent monitoring for degrading situation
- Communications with location and local Emergency Response (ER) systems
- Information validation at the local level

TYPE II – LOCAL LEVEL INCIDENT (ELEVATED)

Examples of Type II Incidents

- Fire or major property damage
- Workplace violence: threatening or intimidating behavior
- Potential compromise of credit card information and/or DNC computer system breach (compromise of credit card data [real or suspected] to be reported to the PCI Incident Response Team via the Associate Hotline, who will then determine whether the incident should be reported as a Corporate Crisis to the CRT)
- Theft or loss of money/property in excess of \$250
- Bad weather warning potentially impacting operations (potential evacuation or shutdown)

Trigger

- Impact localized, affecting field operations
- Report of local level incident that has no effect on external businesses or alters operations

Nature of Event

- The situation is locally reported but the incident does not merit reporting as a Corporate Level Crisis

Response: REPORT

- Prompt reporting to the Associate Hotline at:
1-800-441-5645 in the U.S. or Canada;
0800-234-9943 in the United Kingdom;
1-800-578-102 in Australia;
0800-452-377 in New Zealand
- or report online at:
<https://hwf.tnwgrc.com/delawarenorth>
- Daily monitoring for degrading situation

TYPE III – CORPORATE LEVEL CRISIS

Examples of Type III Crisis

- Substantial loss of property
- Accident resulting in the serious injury or fatality of DNC associate or guest (refer to your unit's claim reporting procedures issued by the Risk Management Department, who will then determine whether the incident should be reported to the CRT via the Associate Hotline)
- Workplace violence incident resulting in injury/loss of life
- Theft or loss of money/property exceeding \$25,000
- Any incident that creates an atmosphere of crisis or panic
- Any incident that has the potential to jeopardize DNC's reputation or image



- Any incident that has the potential to substantially impact the Company's financial performance

Trigger

- Any event of an "extraordinary nature" that may result in sustained impact and potential to affect reputation/image of the company

Nature of Event

- The scale and scope of the event or its potential impact
- The sudden onset or escalation of the event
- The scale of risk or potential responsibility
- The extent of involvement or impact on DNC stakeholders or key external groups

Response: Activation of the Corporate Crisis Response Plan

- GM or designee to immediately report as a Corporate Level Crisis to the Associate Hotline at:
1-800-441-5645 in the U.S. or Canada;
0800-234-9943 in the United Kingdom;
1-800-578-102 in Australia;
0800-452-377 in New Zealand
- "Corporate Level Crisis" will immediately trigger notification of the CRT Coordinator, Deputy Coordinator, and CRT members
- Focus on critical business processes ONLY. All non-critical business processes will be suspended
- Continue running services with non-critical business services disabled
- Contingency plans will be executed and technical and business continuity teams will be mobilized

Triggering the Corporate Crisis Response Plan

- Timely report crisis incident to the Associate Hotline 1-800 number
- Automatic e-mail notification to all Crisis Response Team members



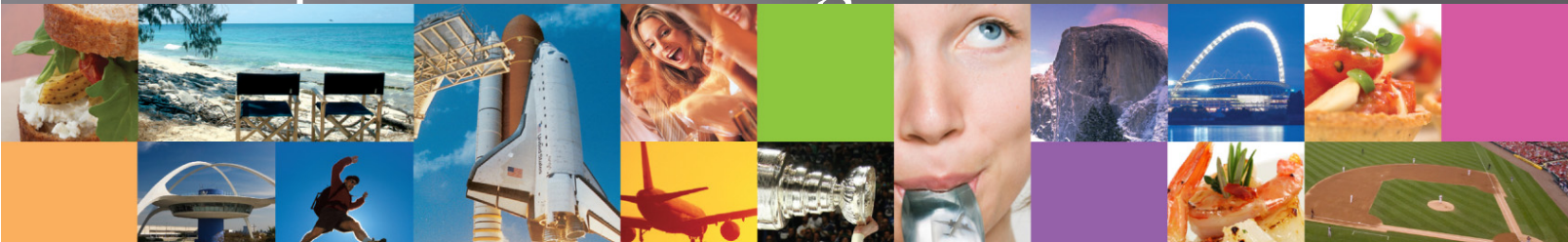
DNC Corporate Crisis Response Plan

- DNC's Corporate Crisis Response Plan is managed by VP, Shared Services – who is also the CRT Coordinator. VP, HR has been designated as the Deputy, CRT Coordinator.
- **Core Team members include:**
 - Shared Services
 - HR
 - Finance (Chief Financial Officer)
 - Legal (General Counsel)
 - IT (Chief Information Officer)
 - Corporate Communications
 - Corporate Security
 - Risk Management
 - Operations Representative (Dependent upon nature and location of crisis)
- **Extended Core Team Members as appropriate:**
 - Aviation, Labor Relations, IT, Facilities, Culinary/Food Safety, and Medical

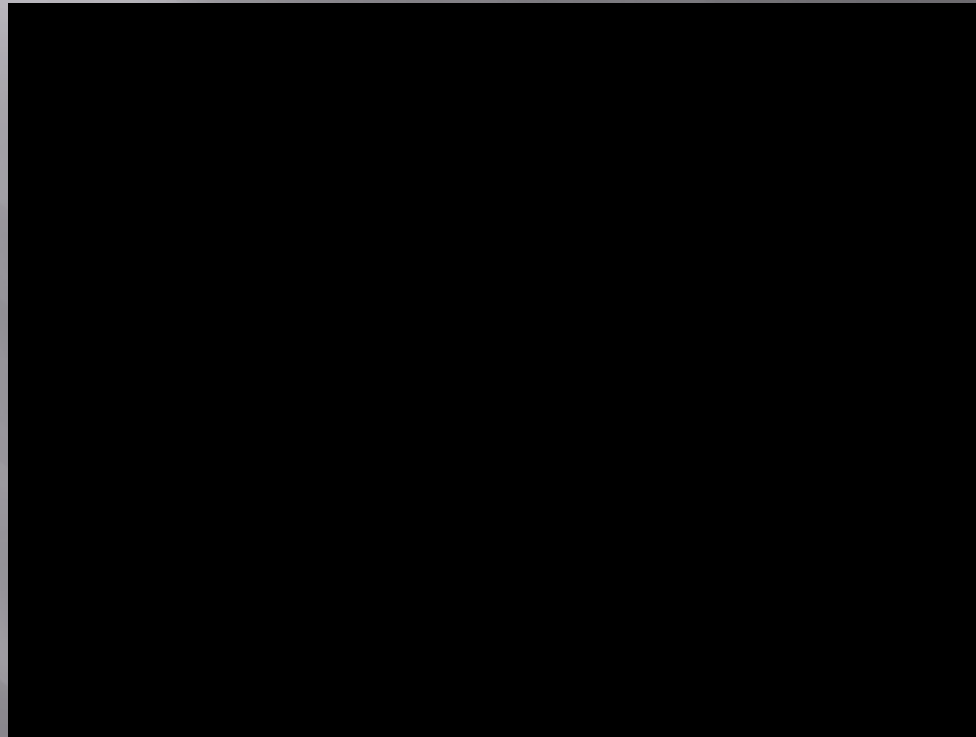


Corporate Crisis Response Team

- In the event of a crisis the CRT's job is to immediately initiate communication with the crisis location to help **confront the situation head-on/assess the situation – candid/accurate reporting**
 - Analyze Developments
 - Discuss Possible Strategies
 - Advise on Policy and Response Options
- Think Strategic – **Know your stakeholders** - move from crisis to reputational management



Reputational Management



- Think Strategically and Act Tactically
- Know your Operational Environment
- Remediate Risks Before Escalation



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