

FOR IMMEDIATE RELEASE
September 17th, 2009



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2009 LOS ANGELES CONVENTION CENTER AUDIT RELEASED BY THE CITY OF LOS ANGELES OFFICE OF THE CONTROLLER

Los Angeles, CA – The Los Angeles Convention Center (LACC) executive team and other members of the LACC family of employees joined City of Los Angeles Controller Wendy Greul this morning on facility grounds in support of announcing the findings of a recent 2009 Revenues and Expenses audit of the LACC.

Controller Greul initiated the press announcement by stating that LACC is “...one of the most important and unique economic assets in the City of Los Angeles. A 2007 study estimated that the economic impact of the Convention Center to the Los Angeles region is over \$1 billion a year.”

Both the executive team at LACC and Controller Greul mutually agree that “...we must look for ways to streamline operations and allow the Convention Center to operate more like a business,” stated Greul.

“...the Los Angeles Convention Center has achieved unprecedented business excellence, environmental stewardship and community participation success in the past few years.” “...it is encouraging to see that the Controller’s report recognizes the need for fundamental change in investment and streamlining of bureaucratic processes as related to LACC’s physical structure and governance/operational model,” commented Pouria Abbassi, P.E., General Manager & CEO of the Los Angeles Convention Center in an official departmental response to the audit findings.

LACC has already begun reviewing the Controller’s findings and intends to continue to collaborate with Greul’s office to arrive at a concrete implementation plan and progress report on the report’s recommendations.

The LACC’s preliminary response to the audit is attached.

(more)

About the Los Angeles Convention Center (LACC)

The Los Angeles Convention Center (LACC) is one of the most technologically advanced convention and exhibition centers in the world. LACC attracts over 2.5 million annual visitors and is renowned internationally as a prime site for conventions, trade shows and exhibitions. An integral economic component to the Southern California area, total sales from client secondary spending tops \$1.1 billion annually, generating and sustaining over 12,000 local jobs. LACC is a model environmental-friendly facility having earned the prestigious USGBC LEED certification for existing buildings. LACC is also a proud recipient of prestigious environmental and industry awards including several Planner's Choice Awards presented by Meeting News magazine, multiple Prime Site Awards from the Facilities and Destinations magazine, recognition for model emergency care programs, and was invited to partner with the Environmental Protection Agency's National earth conscious WasteWise Program. For more information about the Los Angeles Convention Center, please call (213) 741-1151, ext. 5319 or visit www.lacclink.com.

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CITY OF LOS ANGELES

CALIFORNIA



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MAYOR

LOS ANGELES CONVENTION CENTER COMMISSION

CHRISTINA NOONAN
PRESIDENT

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LOS ANGELES CONVENTION CENTER

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September 17, 2009

Honorable Wendy Greuel, Controller
Office of the Controller
200 North Main Street
Room 300, City Hall East
Los Angeles, CA 90012

Dear Controller Greuel:

**SUBJECT: LOS ANGELES CONVENTION CENTER PRELIMINARY RESPONSE TO
THE CONTROLLER'S AUDIT.**

On behalf of the women and men of the Los Angeles Convention Center (LACC) I would like to extend LACC's appreciation of the effort and prudent approach of your team in conducting a detailed business concentric audit of the Los Angeles Convention Center. As LACC strives to enhance its position as a trend setter and industry leader, it continuously needs to be cognizant of the opportunities to enhance its operation and business performance. Additionally, the Sports and Entertainment District development and completion brings forth an amazing array of options to attract and sustain event business in Los Angeles. Thus a more nimble and responsive convention center can best collaborate with various stakeholders and deliver jobs, economic impact, market capture and revenue results on a scale worthy of this great city. LACC strongly believes that the implementation of the audit recommendations combined with the strategic business initiatives developed and improved over the past three years will allow LACC to attain solid results in reflecting the best of Los Angeles.

While the Los Angeles Convention Center has achieved unprecedented business excellence, environmental stewardship and community participation success in the past few years, the changing dynamics of our industry and the realities of a prolonged economic crisis facing the nation coupled with the opportunities of a vibrant district, necessitate a fresh look into how to best utilize the assets of the Convention Center. Your team has produced a viable and practical set of recommendations that can be well integrated into LACC's business model of self reliance. Furthermore, it is encouraging to see that the Controller's report recognizes the need for fundamental change in investment and streamlining of bureaucratic processes as related to LACC's physical structure and governance/operational model.

It is with much gratitude and acknowledgement for the astute and result orientated approach undertaken by the Office of the Controller that the LACC intends to continue to collaborate with your staff to arrive at a concrete implementation plan and progress report on the report's recommendations. The LACC's successful record of addressing the recommendations of the previous audits has indeed laid the foundation and organizational culture to pursue and implement the improvements recommended in the present audit. There is no better time than now to ensure LACC has the right tools to succeed in the context of increased competition and contracting markets.

Your consideration and support of the business of the Los Angeles Convention Center in serving and representing the people of this magnificent metropolis before a regional, national and international audience is appreciated. Thank you.

Sincerely Yours,

Pouria Abbassi, P.E.
General Manager & CEO

PA:dh
Exec. 09-377

cc: Office of the Chief of Staff, Office of the Mayor
Jay Carson, Chief Deputy Mayor
Jimmy Blackman, Deputy Chief of Staff
Matt Szabo, Deputy Chief of Staff
Bud Ovrum, Deputy Mayor
Michelle Cervera, Downtown Business Associate
Miguel Santana, City Administrative Officer
Gerry Miller, Chief Legislative Analyst
June Lagmay, City Clerk
Farid Saffar, Director of Auditing, Controller
Phillip C. Hill, LACC
Mary Jane Aquino, LACC