

**Utah Office of Tourism
Board Retreat
Thursday, April 16, 2009 – 2:00 p.m. – 6:00 p.m.
&
Friday, April 17, 2009 – 9:00 a.m. – 11:00 a.m.
Courtyard by Marriott – Grand Canyon Room – 1st Floor
185 South 1470 East
St. George, UT**

Present

Board Members

Colin Fryer
John Holland
Steve Burr
Georgianna Knudson
Bob Bonar

Hans Fuegi
Peter Corroon
Jeff Robbins
Pam Hilton
Bill Malone

Staff

Leigh von der Esch
Tracie Cayford
Barbara Bloedorn

Dave Williams
Kelly Day

Welcome

Colin Fryer called the meeting to order and welcomed the board and staff to St. George. He thanked Pam Hilton for allowing us to hold our meeting in her area. He also commented on how prosperous things seem to be in the city.

Operations Budget/Program Overview

Leigh, Dave and Tracie provided an overview of the 2008/2009 Operations Budget which reflects the budget cuts received in the current fiscal year and balances through March 31st. The overview covered budgets for Administration, Research, Publications/Fulfillment, Tourism Trade, and Advertising/Promotion.

Administration

- Reduced travel budget (international travel on hold on a case by case basis).
- Holding on memberships for re-evaluation (on a case by case basis).

Research

- The bulk of the research budget is used for contracts with outside independent firms.
- Would like to pay for the RUF contract out of operations budget in 2009/2010 fiscal year.
- Consider purchasing Visa View – \$17,000 – Collects international visitation data through Visa card use.
- Would like to continue Mountain Skier Survey.
- Dave to see if Emmett Steed’s study is available to provide to the board.

Publications & Fulfillment

- Trying to save on postage by having travel guide available on line. Call center and website trying to encourage visitors to view on line instead of requesting a hard copy.
- Attempt to have other publications on line in the future including scenic by-ways guide.
- Trying to sell scenic calendar more aggressively.
- Reduced budget on welcome centers.
- Saved on production of calendar by doing some of the work in house.
- Reprinting travel guide as is instead of creating a new one.
- Discussed going Green on the website.

Travel/Trade

- Reduced budgets on some of the international contracts.
- Reduction in Japanese contract will be offset by Delta.
- Will not take reductions in Tradeshows & FAM tours in next years budget, had over 60 FAMs this fiscal year and expecting at least that many next year.
- Tradeshows will be about the same.
- Won't be doing a German sales mission.
- Plans for China to be determined for this year.
- Partnering with Western Leisure.
- Suggestion of partnering with Sports Commission on Dew Tour in China.

Program Activities

- Leigh asked board to review the program activities for Administration, Communications, Operations/Fulfillment, Interagency, Advertising, and Research as well as the marketing calendar for the Travel Trade Program and the organizational chart.

Leigh reported that the 2009/2010 operations budget will probably be available to be presented at the August board meeting.

Colin requested that the UOT consider working with KSL again on a road trip campaign. He and several others agreed that it is a worthwhile campaign. Colin felt the board should assist with the funding for this project.

There was some discussion regarding the procedure used to finalize budgets and reporting of The Co-op Marketing Funds. Kelly has been working with our partners to finalize reports and close out funds from previous rounds.

Bill asked when the rest of the welcome signs would be put in place. Leigh indicated that we have not received an update on this project from UDOT. She will let Jason Perry know that the board has raised the question.

Strategic Plan Review

Leigh asked the board to read through the plan to see if they wanted to recommend any changes.

Leigh reported that our call center is constantly receiving compliments through phone calls,

notes and letters about the great job they are doing.

Dave gave a brief update on some key metrics on traveler spending, transient room tax; ROI, and visitation. He indicated that the Governor's Office of Planning and Budget reported traveler spending was over \$7 billion which was a significant increase from last year.

There was some discussion regarding negative press generated by misinformation and how to bounce back from that.

Bill indicated that he felt that the UOT is following the Strategic Plan pretty closely. He only recommended one item in the last paragraph on page 10 which would be to change establish a prominent office location, to maintain a prominent office location.

RUF Presentation

Dave and Kelly gave the board a preview of the RUF database. They explained the types of information and reports the database can generate which includes reporting where the inquiries are coming from. Dave thanked Kelly, the call center staff and Utah.com for their efforts to help with the transition from the old database to RUF. Kelly indicated that there are currently about 600,000 people listed in the database. With the old database we did not have the ability to collect email addresses. Currently the cost of RUF is \$58,000/year. There are other bells and whistles that could drive the cost up.

Miscellaneous

- Welcome/Visitor Centers – There was some discussion and concerns regarding the visitor centers and what role the state should have. Visitation numbers are down and state branding around the state is not consistent (no theme to them and built at different times). Leigh referred the board to a national survey regarding visitor centers that is in their packets to see what other states are doing. The UOT is unsure of the future of the welcome centers but feels that with the money they have to work with, the best they can do is to keep them clean and well maintained and have friendly staff. Should we consider doing a survey of visitors coming to the welcome centers; i.e. what is the reason for their stop?

Tracie reported that the Legislature appropriated \$3,000,000 to build a new welcome center in St. George at the new interchange that will go out to the new airport. The funds were given to UDOT for the project.

- Recession Survey – Leigh referred the board to a survey in their packets from other state tourism offices around the US regarding marketing in light of the recession.
- Tourism Conference – Leigh referred the board to the conference schedule in their packets. She gave a brief overview of the schedule. She also asked the board to be sure to contact Barbara for registration and hotel needs for the conference.
- BANFF – The board expressed their disappointment regarding the UOT's lack of participation in BANFF. Leigh will carry the message back to Jason Perry. This event would help promote the new Tokyo flight to Japanese Tour Operators.

Colin thanked Leigh, Dave, Tracie, Kelly, and Barbara for their fantastic work on behalf of the state.

Marketing Budget

Dave passed around some of our ads that were featured in Triple-A Tour Book, Delta Sky, Sunset Magazine, Budget Travel, Outside Magazine, and LA Magazine for the board to peruse.

- Marketing Mix of General Advertising Budget – Dave did a quick review of what our office has been doing and where we are headed with our marketing and the budget. Dave thanked the marketing committee for all of the time they have worked on behalf of the UOT and the state.

Dave reviewed the marketing plan. Some items that were highlighted were 2009 travel trends, competitive analysis of other states, non-winter and winter campaign objectives, target markets, key media strategies, and budgets for winter, non-winter and special opportunities.

The budget for the TMPF for 2009/2010 fiscal year for advertising will be approximately \$4,550,000.

Dave briefly went through the 2009/2010 winter and non-winter advertising initiatives. There was some discussion regarding the percentages of the budget between the winter, non-winter and special opportunity budgets.

Bill wondered if we should consider pursuing electronic interactive advertising campaign as a Co-op program like Travelocity.

Dave reported that we had received a request for \$250,000 for Meeting Planners International for their convention. After meeting with the marketing committee they are recommending funding the request for \$225,000.

Sundance has not come in with a formal request but the marketing committee is recommending funding only \$50,000.

Western Legends will be requesting \$10,000 again this year.

The Moab Musical Festival is requesting \$25,000, but the marketing committee is recommending \$20,000.

The Ogden Valley Balloon Festival is requesting \$25,000 but the marketing committee is recommending \$20,000.

We are also expecting a request from the Sportsmen for Fish and Wildlife for \$85,000 but the marketing committee is recommending \$75,000.

The board would like to consider asking the legislature for a one time supplemental for a grant program to fund these special opportunity requests.

After going through the proposed budget, Dave asked that the board to consider voting on this budget in the formal board meeting to give us a starting point to work with.

Dave then referred the board to the 2008 to 2009 comparison for the 2009 Spring/Summer Campaign which gave a break down of visits to Utah.travel, 800 # daily calls, Utah.com travel guide requests, Utah.travel guide requests and the online travel guide.

There was some discussion regarding our relationship with Blitz and how we can reduce our cost in our media buy. Some comments raised were: What kind of reach are we getting with the savings? Are they still being nimble with our money? The confidence level is not good with Blitz. They have showed value but have not showed base line. Can we restructure their commission? Dave indicated that Struck would need 90 days notice if we want to cancel our relationship with Struck.

Leigh and Dave reported that we are currently negotiating the Struck contract. Jason Perry will be involved in the negotiations.

Meeting adjourned.