

# Utah Office of Tourism Board Meeting

Hilton Salt Lake City Center

255 S. West Temple

Canyon A Room

December 14, 2006

10:00 a.m.

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## Present

### Board Members

Kim McClelland

Selleice Stokes

Bob Bonar

Steve Burr

Frank Jones

Jeff Robbins

Camille Cain

Colin Fryer

Georgianna Knudson

Steve Lindburg

Hans Fuegi

Bob Syrett

Mona Given

### Staff

Leigh von der Esch

Mike Deaver

Elaine Watts

Dave Williams

Stan Nance

Tracie Cayford

Kelly Day

Chad Davis

Rebecca Katz

Clayton Scrivner

### Guests

Red Oelerich

Nathan Rafferty

Brad Smith

Thomas Cooke

Mike Gorrell

Brice Wallace

Raelene Davis

Marian Delay

Connie Marshall

Jeff Wright

Cathy Miller

Bill Malone

Steve Driggs

Jason Bangerter

Marci Cohen

Michael Cohen

Osamu Hoshino

Keiko Takahashi

Rick Maw

Joel Racker

Todd Maurer

Nan Anderson

Stephen Dark

### Organization

Outdoor Utah

Ski Utah

Foremost West

Struck Creative

Salt Lake Tribune

Desert Morning News

Ski Utah

Moab Travel Council

Alta Ski Area

Struck Creative

Park City Chamber/Bureau

Park City Chamber/Bureau

Struck Creative

Struck Creative

Blitz Media Inc.

Blitz Media Inc.

Fieldstar International

Fieldstar International

Utah.com

Utah Valley CVB

Thanksgiving Point

UTIC

City Weekly

## **Welcome & Introductions**

Kim called the meeting to order and welcomed those in attendance. He asked everyone in the room to introduce themselves.

## **Minutes**

Kim asked for a motion to amend or approve the minutes of the November 3 meeting. Steve Lindburg made a motion to approve the minutes, it was seconded by Bob Bonar and carried unanimously.

## **Japan Market Report**

Kim introduced Osamu Hoshino who is the UOT's In-Market Representative in Japan. Osamu gave a presentation on the current situation regarding tourism in Japan and the tactics he uses to market tourism to Utah in the Japanese market. Following are some of the highlights of his presentation:

- Japanese travelers spent \$16.52 million in the U.S. in 2005
- Daily visitor spending by Japanese visitors was \$176 in 2005
- Average length of stay in 2005 was 7.3 days
- Marketing strategies to educate the travel professionals include 50+ per year Destination Development Seminars, 10+ per year Familiarization Tours, JATA and World Travel Fair Trade Shows
- Consumer education strategies to reinforce the Japanese travelers' attitude of 'travel to confirm, not discover' include exposure through the media and at trade shows
- Measurement of Fieldstar's achievements is done through an annual Tour Product Inventory Analysis. Total number of tours created to Utah increased from 72 in FY1996 with 3,221 scheduled departures to 361 in FY2006 with 26,132 scheduled departures.
- New developments include 10 million baby boomers who will retire in 2010, they yearn for the American Life Style, were raised with American movies and pop music, and have a strong desire to visit America.

## **Co-Op Marketing Committee**

Hans reported that the Committee discussed the recommended Special Opportunity Cooperative Marketing Application changes document that was mailed to the entire board. Following the discussion, the Co-op Committee recommends removing the words 'Immediate and outstanding' and replacing them with the word 'Significant' in the 'To be eligible' box. The committee also had a discussion regarding educating and assisting organizations that don't have the knowledge and/or expertise to apply for and do the follow up reporting for co-op funds. It was suggested that we look for some funding to help the smaller entities learn how to get involved in the Co-op Program. SHELLEICE commented that UTIC voted to help out in this area, and a training session will be part of the agenda at the Tourism Conference in Price in May as well as one in St. George in April and one more to be held in another location in the state.

**MOTION:** Georgianna made a motion to approve the recommendation of the Co-op Committee to delete the words 'Immediate and outstanding' and replace them with the word 'Significant' in the "To be eligible box". The motion was seconded by Colin and passed unanimously.

Hans stated that there is \$250,000 remaining from the last funding cycle that the board decided to allocate to the Madden Pre-Print publication as a co-op project. The board members have received a

copy of a proposed letter from Leigh and the board that will be sent out to our partners regarding this opportunity. The Co-op Committee recommended that we go ahead with the proposal as outlined in the letter. They also recommended that the deadline for the next round of applications be July 31 with approval by the full board at the September meeting. There was some discussion that July 31 is difficult for the ski industry because their fall/winter marketing needs to start earlier.

**MOTION:** Bob Bonar made a motion to move the deadline for the next round of Co-op Applications to June 30, 2007. The motion was seconded by Jeff and passed unanimously.

### **Marketing Committee**

Steve Driggs from Struck Creative showed the 30 and 60 second TV spots that have been created for the cable television buy as well as some print ad ideas that they will be finalizing. Mike thanked the Marketing Committee members and the team at Struck for their dedication and hard work with the spring marketing campaign.

Leigh commented that they have created a template that can be used to promote arts and culture, economic development, etc. to help push our image forward.

Steve Lindburg stated that we are still getting some negative press from the Salt Lake Tribune Editorial Board and asked if the staff could meet with them regarding this issue. Tracie agreed to set up a meeting.

Selleice introduced Michael and Marcie Cohen from Blitz Media who have been retained by Struck Creative to handle the media purchases. Michael gave a presentation on their plans for the warm weather campaign. Following are the highlights of his presentation:

- Campaign will run from mid March through August.
- TV will be the primary media tactic for 2007 running on cable in every major city across the country, including Utah.
- The 60-second spots will generate 125 million advertising impressions and the 30-second spots will generate 25 million advertising impressions.
- The print campaign will add message frequency to the TV campaign with 8.3 million ad impressions.
- Eight publications have been chosen, but are not finalized yet.
- On-line advertising is a secondary media target for 2007 to influence travelers who have already chosen our region or an activity for their vacation. RFP's will be sent out to on-line sites such as Orbitz, Yahoo, etc.
- Total projected advertising impressions for the media plan is 190 million at a cost of \$3.8 million.
- The budget breakdown is: 76 percent for TV, 16 percent for print, and 8 percent for on-line advertising.

Selleice stated that we need to find an additional \$400,000 in the budget to make this program work. The Marketing Committee voted to take some of the funds from the kiosk project and some from other programs. This action would change the plan that was voted on in Brigham City in September, but the committee felt that this is a great plan and they want to move forward with it.

**MOTION:** Bob Bonar made a motion to approve the media plan as presented including the budget breakdown percentages, he instructed the staff to look for additional funds to run as many of the 60-second spots as possible, and instruct Blitz Media to make the media buys. The motion was seconded by Mona and carried unanimously.

**MOTION:** Steve Lindburg made a motion to approve the print ads that were presented by Struck. The motion was seconded by Frank and carried unanimously.

Mike reported that the truck wraps are being completed and are getting on the road.

### **Special Opportunity Applications**

Bill Malone presented a \$50,000 Special Opportunity Cooperative Funding Request from the Park City Chamber Bureau and the Salt Lake City Department of Airports to promote new Delta direct air service from Mexico City and Guadalajara to Salt Lake City. The project would have three components: 1) Advertising with multiple insertions in daily newspapers, magazines, and trade publications from January through early March 2007; 2) One public relations/media trip as soon as possible to demonstrate first-hand our accessibility and product variety; 3) Leverage the media purchase with projects such as using Park City as the filming location for a TV program called *Ventaneando*, a photo shoot in Park City with a famous Mexican couple, and organize a contest to win a trip to Park City. The effectiveness of this project can be tracked through various methods that the two organizations already have in place. The total budget for this project is \$107,250 with Park City Chamber Bureau and the Salt Lake City Airport each putting in \$29,000.

Marian Delay presented a Special Opportunity Cooperative Funding Request from the Moab Area Travel Council in the amount of \$135,000. Marian has been working with *Outside Magazine* to put together a marketing proposal based on *Outside's* 30<sup>th</sup> Anniversary. The proposal is for national exposure at a rate of 40 percent less than the regular rate, with an added value package of more than \$100,000. With the purchase of a full page, four color ad, *Outside* will create a custom advertorial highlighting a visitor's ability to have a one-of-a-kind adventure during the day, complimented by relaxing and comfortable leisure at night. In addition to the advertorial, *Outside* will develop and execute a custom sweepstakes for Grand County that will support the marketing message. *Outside Magazine* will also send a custom email to 50,000 subscribers to promote the sweepstakes and drive traffic to Moab as a resort destination and not just a national park. Tracking will be done through the calls and the project will have its own URL. The goal is to see a 5 percent increase in travelers.

Nathan Rafferty presented a request from Warren Miller for a two-year sponsorship for the Warren Miller Film Tour in the amount of \$350,000 per year for two years. The benefit highlights include use of winter footage, film tour screenings, promotion exposure in the media, VIP party, increased leverage in Ski/Skiing Magazines, database access, international film distribution, and on-site theater promotion.

Leigh commented that the board cannot commit future funds so the contract must state that the second year of the contract is contingent upon marketing funds being appropriated by the legislature.

**MOTION:** Steve Burr made a motion to approve the three Special Opportunity proposals as presented with the understanding that the eligibility and reporting is the same as the current Cooperative Marketing Program and that the second year of the Warren Miller proposal will be

contingent on the appropriation from the legislature. The motion was seconded by Steve Lindburg and carried unanimously.

There was some discussion about the budget and where some funds could be re-directed to cover the \$400,000 additional needed for the proposed media plan. Following is the FY07 budget breakdown:

Special Opportunity Funds	\$ 705,000	
Interest earned	537,900	
Total	\$ 1,242,900	(Amount of available funds)
American Park Network Printing	\$ 195,000	
NY Times Travel	10,000	
Sundance	100,000	
International	100,000	
Merchandise Program	50,000	
Total	\$ 455,000	
Warren Miller Project	\$ 350,000	
Park City Project	50,000	
Moab Project	135,000	
Total	\$ 990,000	(Amount budgeted for Special Op projects)
	\$ 1,242,900	(Amount of available funds)
	<u>- 990,000</u>	(Amount budgeted for Spec Op projects)
	\$ 243,000	(Amount remaining in Special Op Fund)

Leigh and Mike commented that some of the funds allocated to the above projects could be reduced in order to find the \$400,000 needed for the media plan presented.

**MOTION:** Bob Syrett made a motion to dedicate the remaining Special Opportunity Funds towards the \$400,000 needed for the media plan and for the staff to look for projects that could be reduced to make up the remaining \$157,000. The motion was seconded by Mona and carried unanimously.

The board outlined the meeting calendar for 2007 as follows:

January 12	Snowbird or Salt Lake City
February 9	Salt Lake City
March 24 (Retreat)	Moab
April 13	Salt Lake City
May 16	Price
June 8	Kanab
July	No meeting
August	No meeting
September 14	Bear Lake
October 12	Panguitch
November 9	Salt Lake City
December 14	Salt Lake City

Kim announced that Mona and Camille will be leaving the board at the end of the year and thanked them for the time and effort they have put into serving on the board.

Rick Maw shared some stats from the utah.com website and stated that they have fulfilled over 42,000 brochure requests this year. He recommended resuming the Pay Per Click Campaign.

Nan Anderson stated that the White Paper is being finalized and the goal is to have it available at the next meeting.

Steve Burr stated that he is concerned with the Public Lands desk at the SLCVB and hopes that we will make an effort to get more of the public lands people involved in the Tourism Conference, including inviting some to participate on panels.

Brad Smith commented that he attended WTM at his own expense and the booth etc. was even better than last year, which was a great improvement over previous years.

Tracie noted that the Governor included in his budget funding for a new welcome center in St. George.

Mike showed some of the merchandise that will be available for sale in the near future.

The next meeting will be held on January 12 at Snowbird beginning at 10 a.m.