

**Utah Office of Tourism
Board Meeting
Friday, May 8, 2015 – 10:00 a.m.
Grand Lodge at Brian Head – Summit Room, Third Floor
314 Hunter Ridge Drive
Brian Head, UT 84719**

Present

Board Members

Mike Taylor
John Holland
Gordon Topham
Kym Buttschardt
Lance Syrett

Kathy Hanna-Smith
Hans Fuegi
Pam Hilton
Joel Racker
Nathan Rafferty

Absent

Brian Merrill
Jeff Robbins

Bill Malone

Staff

Vicki Varela
Lorraine Daly
Kaitlin Eskelson

David Williams
Jay Kinghorn
Becky Johnson

Guests

Red Oelerich
Monique Beeley
Maria Twitchell
Pat Holmes
Falyn Owens
Camille Johnson
Denise Allred
Chris McCormick
Alma Adams
John R. Westwood
Neal L. Smith
Kenzie Lundberg
Nikki Koontz
Corey Baumgartner
Cary Deccio
Arbab Ghosh
Jonah Humes
Bret Howser
Corey McNeil
Nancy Dalton
Bob Whitelaw
Enoch Seegmiller
Dolly Trujillo-Wearn
John Grissinger
Ken Gotzenberg
Mayor H.C. Deutschlander

Outdoor Utah
Outdoor Utah
Cedar City/Brian Head
Visit Salt Lake
Garfield County
Kane County Office of Tourism
Cedar City Chamber of Commerce
Cedar City Chamber of Commerce
Iron County Commission
State Representative #72
SWATC
Cedar City/Brian Head Tourism
Utah Shakespeare Festival
Iron County Today News
Ruby's Inn
Ruby's Inn
Brian Head
Brian Head
St. George News/OLWM
Patchwork Parkway/Scenic Byway Committee
Alpine Lodging/Parowan Chamber
El Reo Inn & Suites/Stratford Court
Hampton, Holiday Inn, Springhill Suites
Brian Head Resort
Kane County/Kanab DMO
Brian Head Town

WELCOME

Joel Racker called the meeting to order and welcomed the board, staff and visitors to the meeting. He thanked the staff of The Grand Lodge at Brian Head for their hospitality and for hosting the meeting. He then recognized Mitch Hatch, General Manager of the Grand Lodge, Maria Twitchell, Executive Director of Cedar City/Brian Head Tourism, Alma Adams, Iron County Commissioner, and State Representative, John Westwood. Joel then asked Marie Twitchell to say a few words.

Maria welcomed the board and staff and thanked them for holding the board meeting in the area. She gave a brief update on activities and growth in the area. She further expressed the importance of the co-op dollars and how those dollars have helped in the area.

Joel then asked the board, staff and visitors in the room to introduce themselves. After the introductions, Joel then wished board member, Kym Buttschardt, a happy birthday.

MINUTES

MOTION: Mike Taylor made a motion to approve the minutes from the April 10th meeting held in Richfield. Gordon Topham seconded the motion. The motion passed.

DIRECTOR'S REPORT

Vicki Varela reported on some of the following items:

- Geocaching Program in all 29 counties - receive a patch for three geocaches found in one county
- Thanked Representative Westwood for coming to the meeting and for his support for tourism
- Governor's Trade Mission to Amsterdam in June
- US Travel & Major Airlines Argument - Re: Open Skies Agreement
- Global Branding – In Final Stages
- The Tourism Initiative – Roger Brooks has been a great partner - the four pilot counties have exceeded expectations with level of community engagement and initiative
- Thanked the UOT leadership team and the highly engaged board for all of their efforts

MARKETING COMMITTEE REPORT

Dave Williams reported on some of the following items:

- The Mighty Five® campaign has been going very well - the national park visits are up 23.2% for the first quarter (January – March) compared to the same time last year.
- Jay Kinghorn gave a few highlights from the Three-Season digital campaign
- **Tour of Utah Proposal - \$200,000:**
Dave reported that in past years, the board approved funding the Tour of Utah at \$150,000. He further added that based on negotiations with the TOU last year, they were anticipating they would come in with a request for \$200,000 for the 2015 event. He referred the board members to the TOU proposal in their packets that included statistics from the prior year plus details of the proposed sponsorship. He indicated that the sponsorship would include everything we got last year plus more extras including but not limited to PA announcements with instructions to tag your favorite photos, more TV exposure including ten 30-second vignettes during the tour, post card of the day/guess the location, logo on more locations, media kits to our international reps and more. Dave added that if the board approves the expenditure, 65% would come from the summer budget and 35% from the winter budget.

- **Outdoor Utah Proposal - \$70,000:**

Dave reported that in past years the UOT has paid for the distribution of the Outdoor Utah Adventure Guide to make sure that the guide is sent out to our key three-season markets. They also give us 6 pages in the magazine. Dave turned the time over to Mo Beeley to explain the proposal for this year. She reported that Outdoor Utah is asking for \$70,000 to cover postage to mail the guide to the key markets that the UOT chooses. She explained that last year they spent \$68,862.93. She further added in 2016 they want to focus on hiking. Mo also indicated that they may focus on golf opportunities in the guide in the future. Dave Williams indicated if the board were to approve this expenditure, it would come out of the three-season budget.

- **Visit Salt Lake Proposal - \$75,000:**

Dave reported that he received a proposal from Visit Salt Lake to promote the American Society of Association Executives Convention in August, 2016. Dave turned the time over to Pat Holmes to explain the proposal. Pat provided a summary of the proposal that included statistics from this event which was hosted in Nashville in 2014. There were 5,975 attendees at that event. This event would be attended by executive directors of associations who are decision makers. 83% of the attendees last year were final decision-makers. According to a recent study, the meetings industry contributed more than \$280 billion to the national economy and put another \$88 billion back into the local economies of the host cities and regions. In 2014 Visit Salt Lake hosted 275,000 convention delegates that generated \$259 million in visitor spending and of that \$11.6 million goes back to the state in sales and use tax. She reported that VSL is asking the UOT for \$75,000 this year for partnership of the launch of the attendance promotion effort that begins in Detroit in August 2015 at the Future Host Luncheon, and for the ongoing attendance promotion efforts leading up to the 2016 event in Salt Lake. She further added that in the 2016/2017 budget year VSL will be requesting \$250,000 for the effort of the opening reception to be themed "Utah's Own" for the 5,000 plus attendees. Pat reported that the overall budget for this event is just over \$2.5 million. After the presentation Pat opened the floor to questions from the board. Gordon Topham asked if smaller communities can play into this. Pat said that committee and board meetings like to go to resorts and may work well in smaller communities. She further added that VSL would like to work with the UOT and other partners regarding pre and post meetings around this convention. There were some questions regarding the budget and where all of the funds are coming from. Mike Taylor commented that these types of conventions are huge for the car rental industry and for tourism.

- **Approval of FY2015/2016 TMPF Budget:**

- Dave reviewed the proposed FY2015/2016 TMPF Budget. He reported that the legislature appropriated \$18 million for the TMPF. \$3.6 million (20%) will go to the Co-op Marketing Program, \$1.8 million (10%) to the Sports Commission and \$734,400 (4%) to Agency and Production. (The UOT and the marketing committee are in the middle of the RFP process to select the ad agency so this amount is an estimate.) The total remaining for the advertising budget is \$11,865,800, \$7,712,640 to be used for three- season and \$4,152,960 for winter advertising. The three-season media buy will be \$5,467,063. (Dave noted that the marketing committee requested to reduce the media by \$7,000 to be set aside for consumer shows.) Dave then went through the three-season budget line by line. He spent a little time explaining international advertising & contracts, consumer shows, research and web development. The winter media buy will be \$2,755,580. He then went through the winter budget line by line. With no major questions regarding the proposed budget, Joel Racker asked the board to entertain a motion to approve the proposed budget as presented.

MOTION: Mike Taylor made a motion to approve the budget as presented to include the proposals presented today from Tour of Utah for \$200,000, Outdoor Utah for \$70,000 and Visit Salt Lake for \$75,000. Lance Syrett seconded the motion. John Holland asked if Visit Salt Lake should run its request through the Co-op program. Joel Racker explained this is a unique situation and it would restrict them from receiving other advertising funds they may need. Nathan Rafferty reported that the marketing

committee sees this event as the Olympics of association events. It would be a one-time deal and would leave a broad foot print. Hans Fuegi expressed the importance for the board to pay attention to the core mission when providing requested funds. Vicki Varela appreciates the robust discussion among the board and she added the staff will draft guiding principles for the boards review about exceptional events that warrant consideration by the board. Hans asked if the board should consider re-instating the Special Opportunities. The board will discuss this further. With no further discussion, the motion passed.

UTIA UPDATE

Nathan Rafferty reported on the following items:

- Tourism Conference – October 6th – 8th – Bryce Canyon
- Des Barker is working with Utah Business Coalition on outreach to freshmen legislators
- Political fundraisers are being scheduled – UTIA has been asked to help sponsor the American Legislative Exchange Council Meeting in San Diego by Senate President, Wayne Niederhauser
- Working with Senator Jerry Stevenson on liquor reform

PUBLIC COMMENT

John Grissinger reported that the biggest increases at Brian Head have come from out of state visitors, particularly California. He further added that a lot of it is because of Co-op dollars and Ski Utah.

Vicki Varela reported that the film commission just landed an ABC Series, Boomtown, set in North Dakota.

Vicki also reported that this is the last board meeting for Hans Fuegi, Pam Hilton and Bill Malone who have been part of the foundation for everything we have been doing. She thanked them for their contribution, their time, and their strategic thinking. She added that we are not saying good bye but we will regroup at a later date to celebrate their amazing contributions to this board. The audience gave them a round of applause.

Meeting adjourned. The next meeting will be held in Salt Lake, August 14th.