

**Utah Office of Tourism
Board Meeting
Friday, August 14, 2015 – 10:00 a.m.
Rio Tinto Stadium – Club REAL Room, 2nd Floor
9256 South State Street
Sandy, UT 84070**

Present

Board Members

Mike Taylor
John Holland
Joel Racker
Lance Syrett
Glen Overton

Kathy Hanna-Smith
Gordon Topham
Russ Clove
Greg Miller
Brian Merrill

Via Phone

Kym Buttschardt

Nathan Rafferty

Absent

Sara Toliver

Staff

Vicki Varela
Jay Kinghorn
Barbara Bloedorn
Cicily Kind
Lorraine Daly
Shaylee Read

David Williams
Kaitlin Eskelson
Becky Johnson
Kelly Day
Lyle Almond

Guests

Red Oelerich
Maria Twitchell
Pat Holmes
Falyn Owens
Chad Taylor
Randy Rhodes
Brad Smith
Nan Anderson
Alex Fuller
Peggy Conway
Tom Love
Joan Hammer
Elaine Gizler
Jeremy Chase
Bryan Dangerfield
Sarah Nielson
Shalee Johansen
Jonathan Smithgall

Outdoor Utah
Cedar City/Brian Head
Visit Salt Lake
Garfield County
Utah.com
Utah.com
Mormon Pioneer National Heritage
UTIA
Struck
Love Communications
Love Communications
Box Elder County
Moab Area Travel Council
Struck
Cedar City Events
Love Communications
Carbon County
Love Communications

WELCOME

Joel Racker called the meeting to order and welcomed the board, staff and visitors to the meeting. He thanked REAL Salt Lake for allowing us to host the meeting at the Rio Tinto Stadium. He then turned the time over to Trey Fitz-Gerald, VP of Broadcasting and Communications for REAL Salt Lake to say a few words.

Trey welcomed the group to the stadium. Trey reported that the stadium opened in October of 2008. He conveyed that REAL Salt Lake is making a great effort to represent Utah nationally and internationally. When the REAL home games are televised on ESPN or Fox Sports, 150-200 countries around the world are able to view the games and see the beautiful Utah backdrop. Our team has dominated in this stadium with an overall record of 94 wins, 19 losses and 30 ties. They are closing in on 16,000 season ticket holders and have a growing robust sponsor base and usually renew about 94% of the season ticket holder's year over year. This stadium could not have been built without the state of Utah and Governor Huntsman's support and his ability to get everyone on the same page back in 2006. Trey indicated that he will be around for most of the day and invited board members to come to his office if they have any questions.

Joel then publicly thanked Hans Fuegi, Jeff Robbins, Pam Hilton and Bill Malone for their years of service on this board and that they were very influential in the success of what we do and in support the Utah Office of Tourism. He asked for the audience to give them a round of applause. He further added that they will be honored at a luncheon at a later date.

He then recognized new board members, Russ Clove, Greg Miller, Glen Overton and Sara Toliver. He then asked the board to introduce themselves and asked the new board members to tell a little about themselves

OATH OF OFFICE

Joel Racker reported that by law, the new and re-appointed board members need to be sworn into office and each oath needs to be notarized and placed in the State Archives. Vicki Varela asked that Joel lead the board in the oath. The following board members stood and recited the oath together: Brian Merrill, John Holland, Lance Syrett, Greg Miller, Glen Overton, and Russell Clove. The oath states, ***"I do solemnly swear that I will support, obey and defend the Constitution of the United States and the Constitution of this State and I will discharge the duties of my office with fidelity."*** A local notary then notarized each document for the permanent file. Sara Toliver will be sworn in at the next meeting.

MINUTES

MOTION: Mike Taylor made a motion to approve the minutes from the May 8th board meeting held in Brian Head. Kathy Hanna-Smith seconded the motion. The motion passed.

Joel reported that Vicki Varela has been nominated as Tourism Director of the Year by U.S. Travel Association and the winner will be announced at ESTO in August. The audience gave her a round of applause.

DIRECTOR'S REPORT

Vicki Varela reported on some of the following items:

- The new TNS numbers show that overall tourism spending is up to \$7.8 billion which translates into \$1.07 billion in local and state tax revenues
- Committed to the Governor to expand tax revenues to \$1.2 billion by 2020
- UOT staff and partners (about 20 people) from around the state participated in a round table

discussion with the Governor about opportunities and risks that face our industry over the next several years.

- We are being held to more conservative and precise measures on the TMPF as far as whether we qualify for the \$3 million growth per year. Those numbers look great. We are supposed to hit CPI or 3% (whichever is higher) and as of July we were over 8% in our growth year over year in the 20 NACS codes by which we are measured
- We had our first budget meeting with the Governor’s team this week. The discussion went very well but we cannot presume anything. We hope the Governor will advance a budget proposal of \$21 million for the next fiscal year budget. Thanks to the partnership with UTIA for their efforts on the TMPF
- We completed the RFP process and will sign a new contract with Struck. Thanks to the marketing committee for their efforts and assistance with the RFP process.
- Thanks to the Co-op Committee for their efforts and hard work on the co-op marketing application process – John Holland is now the chair on this committee – Thanks to Dave Williams and Kelly Day for all of their hard work on this process
- Digital, international and tourism strategies continue to meet and exceed the milestones that we have set for ourselves
- We have an updated strategic planning process through GOED that started in July led by Val Hale – refining our mission statement and our key strategies
- Welcome Center in St. George – We have \$1.1 million available – trying to find the most efficient way to of getting the additional funds needed – may have to come as a request in the Governor’s budget

After Vicki’s report, Joel asked the UOT staff and the visitors in the meeting to introduce themselves.

CO-OP MARKETING REPORT

John Holland gave a summary of the Co-op Marketing funds for this year as well as the details from the application process including the recommendations for funding. He thanked Kelly Day for leading the staff process as well as Vicki Varela and Dave Williams and thanked the committee for their efforts.

The co-op program received a \$3.6 million appropriation for FY 15/16 (which is 20% of the total TMPF appropriation).

\$97,018.60	Carry In
	FY 15/16
\$3,600,000.00	Appropriation
-\$700,000.00	Cafeteria Fund
\$2,997,018.60	Co-op Fund Total
-\$2,996,185.88	Recommended for Funding
\$832.72	Balance in fund

Traditional Co-op Marketing Summary:

A total of 67 applications were received from 18 counties requesting \$4,574,551. Seventeen applications came in asking for \$10,000 or less and were reviewed and scored by staff. Oral interviews were held over two days with the remaining 50 applicants. The Co-op Committee spent two additional hours coming up with its recommendations for funding. Those recommendations include funding 56 applications at the following funding levels: 75%, 80%, 85%, 90%, 95% & 100%. Every application that scored high enough to be eligible for funding is receiving some funding. Applicants who did not receive 100% funding will be allowed to update their applications to reflect the awarded amount.

After explaining the process, John asked staff to provide the details of the funding recommended by the Co-op marketing committee. Handouts were provided to the board and the audience as well as projected on the screen as follows:

ROUND 2015 COOPERATIVE MARKETING FUNDING RECOMMENDATIONS

Level of Funding	UOT Board Conflicts of Interest	Applicant	Amount Requested	8/14/2015 Amount Approved
100% Funding		Visit Salt Lake	\$325,000.00	\$325,000.00
	John Holland Lance Syrett	St. George Convention & Tourism Office	\$30,000.00	\$30,000.00
		Kane County Office of Tourism & Film Commission	\$2,807.50	\$2,807.50
		Moab Folk Festival	\$8,750.00	\$8,750.00
		Moab Music Festival	\$10,000.00	\$10,000.00
	Kym Buttschardt	Ogden-Weber CVB	\$10,000.00	\$10,000.00
	Lance Syrett John Holland	Garfield County Office of Tourism	\$200,000.00	\$200,000.00
95% Funding	Joel Racker	Utah Valley CVB	\$59,647.00	\$56,664.65
	Kym Buttschardt	Ogden-Weber CVB	\$25,000.00	\$23,750.00
		St. George Convention & Tourism Office	\$15,000.00	\$14,250.00
		Utah Shakespeare Festival	\$125,000.00	\$118,750.00
		National Ability Center	\$105,050.00	\$99,797.50
90% Funding		Tuacahn Center for Performing Arts	\$97,460.00	\$87,714.00
		Beaver County Travel Council	\$39,750.00	\$35,775.00
		Sandy Chamber of Commerce	\$25,500.00	\$22,950.00
		Zion Canyon Visitors Bureau	\$15,000.00	\$13,500.00
		Living Planet Aquarium	\$72,500.00	\$65,250.00
	Joel Racker	Utah Valley CVB	\$30,350.00	\$27,315.00
		Splore	\$5,000.00	\$4,500.00
	Kym Buttschardt	Ski Utah	\$325,000.00	\$292,500.00
		San Juan County Office of Econ Dev	\$10,865.00	\$9,778.50
	Park City Chamber/Bureau	\$275,000.00	\$247,500.00	
85% Funding		Ogden Friends of Acoustic Music	\$5,000.00	\$4,250.00
		Western Legends Roundup	\$6,500.00	\$5,525.00
		Moab Area Travel Council	\$50,000.00	\$42,500.00
		Cedar City-Brian Head Tourism	\$199,000.00	\$169,150.00
	Gordon Topham	Sevier County Travel & Tourism	\$25,000.00	\$21,250.00
		Amazing Earthfest	\$5,000.00	\$4,250.00
		Kane County Office of Tourism & Film	\$7,500.00	\$6,375.00
		Sportsmen for Fish & Wildlife	\$100,000.00	\$85,000.00
		Moab Area Travel Council	\$275,000.00	\$233,750.00
	Utah Festival Opera	\$54,750.00	\$46,537.50	

		Zion Natural History Association	\$21,001.50	\$17,851.28	
80% Funding		Kane County Office of Tourism & Film	\$7,875.00	\$6,300.00	
		Uintah County Travel & Tourism	\$75,551.50	\$60,441.20	
		Capitol Reef Country/Wayne Co	\$10,225.00	\$8,180.00	
		Capitol Reef Country/Wayne Co	\$20,040.00	\$16,032.00	
		Great Basin Heritage Area	\$9,000.00	\$7,200.00	
		Kane County Office of Tourism & Film	\$6,397.50	\$5,118.00	
		Kane County Office of Tourism & Film	\$100,000.00	\$80,000.00	
		Kimball Art Center	\$24,000.00	\$19,200.00	
		Cache Valley Visitors Bureau	\$45,055.00	\$36,044.00	
		Four Corners School of Outdoor Edu	\$150,250.00	\$120,200.00	
		Joel Racker	Utah Valley CVB	\$33,250.00	\$26,600.00
75% Funding		Cedar City-Brian Head Tourism	\$49,500.00	\$37,125.00	
		Uintah County Travel & Tourism	\$20,000.00	\$15,000.00	
		Park City Chamber/Bureau	\$50,000.00	\$37,500.00	
		Kym Buttschardt	Ogden-Weber CVB	\$27,700.00	\$20,775.00
		Kane County Office of Tourism & Film	\$15,505.00	\$11,628.75	
		Joel Racker	Utah Valley CVB	\$60,000.00	\$45,000.00
		Downtown Alliance	\$25,000.00	\$18,750.00	
		Heber Valley Office of Tourism	\$40,236.00	\$30,177.00	
		Kym Buttschardt	Ogden-Weber CVB	\$38,500.00	\$28,875.00
		Bear Lake Valley CVB	\$6,500.00	\$4,875.00	
		John Holland	Escalante Canyons Art Festival	\$14,232.00	\$10,674.00
		Heber Valley RR	\$10,000.00	\$7,500.00	
				\$2,996,185.88	
Traditional Co-op Fund			\$2,997,018.60		
Recommended for funding:			-\$2,996,185.88		
Balance:			\$832.72		

John then asked the committee and staff to answer any questions that the board may have. He also asked if the board would entertain a motion for approval. He also added that the spreadsheet provides details on conflict of interest for board members.

MOTION: Mike Taylor made a motion to approve recommended funding in the amount of \$2,996,185.88 noting that board members are not voting to approve funding in areas where there is a conflict of interest as noted on the spreadsheet provided. Lance Syrett seconded the motion.

After the motion, Glen Overton asked about applications that are not listed above, specifically one for the Restaurant Association. John explained that applications that are not listed did not receive a score of 70 or higher and were not recommended for funding. Joel Racker recommended that Glen follow up with Kelly Day after the meeting to find out more details on the application in question. He also recommended that any other partner that did not get funded should follow up with Kelly. Joel also noted that the staff can provide details on criteria to new board members for the co-op application process.

Joel Racker reported that the Utah Office of Tourism has been a champion for partnering throughout the state and the co-op funding program in Utah is a better program than some other states with bigger budgets.

Joel asked if Kelly could provide the board with the entire list of applications received with the funding requested after this meeting.

After the discussion Joel asked for approval of the motion. The motion passed, Glen Overton opposed.

John Holland then gave details on the Cafeteria Plan.

Cafeteria Plan Update:

So far, nine partners have committed to match \$284,560 in Cafeteria Plan funds. Three other partners are close to signing up for an additional \$103,445. Nine of the 12 partners also participated in the Traditional Co-op Program. The deadline for participation is Monday, August 24th.

There was a brief discussion on the difference between the traditional co-op and the cafeteria plan. Kelly will share the details of these plans with the new board members.

MARKETING COMMITTEE REPORT

Dave Williams reported on some of the following items:

- RFP process is complete thanks to the marketing committee members and staff - excited to continue our relationship with Struck/Love as our ad agency
- Had a kick off meeting with Struck/Love and staff to talk about ways to work together to take our efforts up a notch
- We are giving more direction this year regarding the media mix and how much is spent for digital, TV, etc.
- We are beginning to do year round digital
- Tour of Utah was a great event – The UOT had a \$200,000 sponsorship – some of the UOT staff as well as members of the board participated – we had a presence on their website, social media contests, 45 second vignettes about the start and finish locations – some staff and board members were able to award the king of the mountain jersey at the end of each stage – Economic Impact numbers from last year were \$20 million to the state based on all the people coming to watch
- Three Season Campaign – had ads running this past spring and will run ads starting in mid-September in Phoenix, Denver and Las Vegas for a month to stretch people to come a little later in the year
- We do an ad effectiveness study each year from Strategic Marketing & Research Insights – They do two waves of surveys with this study: one when ads are in market and one afterwards to see how many people actually came to visit based on the ads
 - This is the first year that the Mighty 5 ad ran on national cable
 - By going national we reached about 37 million households
 - The national media buy cost \$.14/household vs \$.52/household with spot market
 - Awareness of Mighty 5 ad was higher than our competitors ads
 - Based on research, our ad effectiveness has been very successful
- Jay Kinghorn gave a brief summary of statics from the digital ad campaign
- Dave reported that there are new and better ways of tracking the digital campaign
- Lyle Almond briefly reviewed statics from the first 6 months of 2015 regarding national park visitation, county restaurant growth, county car rental growth and county TRT growth – handouts were provided to the board – Lyle reported that this data comes from the Utah Tax Commission website – Dave reported that this information can be found on our website, travel.utah.gov under research
- Winter campaign research – Staff and the Marketing Committee are working with Struck/Love on winter planning and will report back at the September meeting – will be doing digital earlier and

- will start doing some TV in November
- 35% of winter media funds will be spent on digital
Staff and Marketing Committee are working with Sruck on three season creative – looking at a concept called the “Road to Mighty”
- Kaitlin Eskelson gave a few brief details regarding the National Park Centennial Celebration
 - February 11, 2016 - western premier of “Wild America, A National Park Adventure”
 - Will invite the legislative body – The Governor & Lt. Governor have been confirmed
 - Robert Redford is the narrator of the entire film
 - Clark Planetarium/IMAX theater has donated the space for the event (holds 500)
 - May have an essay contest for 4th graders and invite some students to the film
- Jay Kinghorn gave a brief summary of the year round digital plans
 - He referred co-op recipients to the travel.utah.gov site regarding logo use for their advertising
 - Gave a shout out to the communications team for the creation of the beautiful scenic driving guide
 - Digital – Will continue to build on Road to Mighty and Find Your Greatest, however, want to begin doing year round marketing and focus on some targeted audiences. For example we could do a fly fishing campaign or OHV campaign or history buff campaign or things we would not have been able to do with our existing system – a year round digital campaign would give us greater flexibility
 - Will share future digital plans with the board once they have been finalized

UTIA REPORT

Nan Anderson reported on some of the following items:

- The officially sanctioned legislative visit to southern Utah is scheduled for September 16th and 17th, 2015 – this will serve as interim for the legislature therefore, accommodations and meals will be funded by the legislature
 - There will be 92 attendees including the Lt. Governor
 - Will visit Carbon, Emery, Grand and Sanpete counties – partners have been very helpful
 - Will be using three buses from LeBus and All Resorts
 - John Holland, Nan Anderson and Keith Griffall of Western Leisure will be guides on the individual buses
 - Sponsors – UTIA & Southern Utah University – Brian Merrill with Western River Expeditions and UOT board member will be taking the group on a river trip
 - Des Barker, lobbyist, will attend as well as Riley Jacobson, our UOT intern
 - Manufacturers Association and the Mining Association will probably be involved as well
 - September 16th dinner in Moab at Red Cliffs Lodge – UOT board members are welcome
 - Will be highlighting key assets that each county has to offer
 - Hope this will become an annual trip or at least every other year
 - Uintah and Wayne Counties are making donations to assist with this trip
- The annual tourism conference will be taking place in Bryce Canyon City, October 6th-8th
 - Registration and agenda can be found at utahtourismconference.com
 - Exhibit space is sold out
 - Almost sold out of sponsorships
 - Joan Hammer is the silent auction chair - contact Joan for donations to the auction
 - UTIA conducts the silent auction which is a fund raiser for Tourism Works Political Action Committee – last year raised \$13,000
 - Maria Twitchell is the tourism conference chair and has done an amazing job working with the committee to develop a great agenda
- Asked the new board members to consider joining UTIA

NEW BUSINESS

- Joel reported that Kym Buttschardt wanted to pass along that the Tour of Utah was a great event. She was able to participate in Logan. Joel was also able to participate in Soldier Hollow
- Joel also commented that the board approved \$75,000 at the May board meeting for Visit Salt Lake to help promote the American Society of Association Executives Convention to be held in Salt Lake August, 2016. He further reported that he was able to attend the launch of the attendance promotion effort in Detroit in August 2015 at the Future Host Luncheon. It was a huge event, and a video created by Visit Salt Lake using UOT funds was being shown when people walked in. The video portrayed landscapes and activities throughout Utah. UOT was recognized as a partner with Visit Salt Lake. A lot of attendees of the event commented that Utah is on their bucket list.

Pat Holmes added that the video screen was 60' long by 20' wide. There were about 4,500 attendees. The video ran for about three hours. A lot of attendees talked about coming early or staying later after the event in August 2016 in Utah. She thanked the board for its support of the event.

PUBLIC COMMENT

- Red Oelerich asked the Co-op committee if the applications have to be a 50/50 match. John reported that it is currently a 50/50 match. He further added that every year as the amount of co-op funds change, the committee sits down to talk about the criteria and the total amount that can be requested by each applicant. Lance Syrett commented that the co-op program is a victim of its own success. It's a good problem to have, and it is very competitive. Joel commented that our co-op program is more generous than programs in other states.

Meeting adjourned. The next board meeting will be held in Logan, Friday, September 11, 2015.