

**Sarasota Convention & Visitors Bureau
Minutes of Board of Directors Meeting
May 4, 2011**

Present: Mark Becker (8/8); Jay Schrock (8/8); Richard Bradshaw (8/8); Susan Danis (7/8); Kumar Mahadevan (7/8); Laura Williams (8/8); Commissioner Carolyn Mason on behalf of Comm. Barbetta (5/5); Paige Hartmann (7/8); Leslie Power (6/8); Larry Fineberg (6/8); Christopher Rolle (2/2).

Excused Absence: Trent Young (6/8); Michael Klauber (4/8); Scott Busby (1/2).

Staff in attendance: Virginia Haley, Stephanie Grosskreutz, Anne Zavorskas, Erin Duggan, Bob Horn and Janis Holland.

At 8:03 AM Vice Chair Susan Danis called the meeting to order.

Consent Agenda:

The Vice Chair called for consideration of the Consent Agenda, asking if there were any questions. Virginia Haley noted that the Consent Agenda includes approval of the SCVB's IRS Form 990 tax return. Leslie Power asked about Erin Duggan's planned international travel; Ms. Haley noted it may be rescheduled from June to September and would include London and Frankfurt. Details will follow by email after May 27th. Ms. Haley also noted that the SCVB is providing information to the City of North Port for the North Port Big League Dreams feasibility study as discussed last month.

Susan Danis moved to approve the Consent Agenda; Jay Schrock seconded the motion; the motion passed.

President's Report:

Virginia Haley pointed out that the Smith Travel Research information and the quarterly dashboard information would be covered in depth by Dr. Walter Klages' presentation. She explained the proposed County Charter amendment prohibiting any grants or contracts to not for profit entities, and said that the Charter Review Committee is moving forward with an exemption for TDT funds. Charter Review meetings in June and August will consider this issue.

As to the situation with the British nationals, UK coverage has stopped because of the royal wedding, but may restart when the details of the crime are released in approximately 30 days. The Public Relations Department is working with GoshPR, our UK public relations firm, trying to get as many UK travel writers here as possible and possibly a UK sports news radio show broadcasting several shows from Sarasota.

Financial Matters:

Jay Schrock reported that the March financials show net ordinary income up by \$16,000; overall income up by \$21,000; nothing over 30 days overdue, and financials look great. Virginia Haley

explained that the SCVB is looking at all its sole source documentation and has found everything in order. The SCVB follows County bidding rules, but does not have to follow County purchasing rules. The SCVB does utilize several sole source vendors, such as the Mote Marine Beach Reporting and Smith Travel Research reports, and we seek County approval for those sole source vendors. Chairman Becker asked about ITB attendance this year and next year. Ms. Haley indicated that she and Lynn Hobeck Bates attended ITB this year; next year Erin Duggan and Lynn Hobeck Bates will attend. ITB attendance is relatively expensive and the cost is shared with the Bradenton Area CVB.

Kumar Mahadevan moved to approve the March financials; Leslie Power seconded the motion. The motion passed.

SCVB Proposed Business Plan for FY 2012:

Virginia Haley gave a presentation on the proposed SCVB business plan for fiscal year 2012, noting that the numbers in it are dependent on extension of the marketing funds currently scheduled to sunset in 2012. This plan will be presented to the Tourist Development Council in June and to the Board of County Commissioners in July, with formal approval concurrent with approval of the 2012 County contract at the end of September.

A large portion of the advertising budget is devoted to television advertising. Where the ads run will be finally decided with the help of the Marketing Committee at the July meeting. Primarily, Philadelphia, Chicago and Boston are under consideration. All markets getting television ads also will get print advertising, and public relations attention in order to saturate the market. Comments from the Board members were:

- show that new dollars are going for pure advertising
- use actual numbers instead of or in addition to percentages, and show total dollars
- provide a legend explaining what colors stand for what categories

The SCVB will be working with the Bradenton Area CVB in promotions to group visitors and leisure travelers, with the SCVB focusing on meetings groups and the BACVB focusing on consumer travelers. Marketing via mobile applications is a new cost component. Fiscal year 2012 will focus on the cultural tourism niche, similar to FY 2011 focusing on the eco-tourism aspect of our work. Ms. Haley noted that Meetings/Group Sales will emphasize bringing planners here rather than attending conferences elsewhere since once planners are here, the area sells itself. Target markets are Florida, Baltimore/DC and some Chicago planners. Sports marketing will focus on events with higher economic impact and more long-term potential, such as youth events, non-professional events and girls' sports, as these create the greatest economic impact.

The Cultural Tourism Sales will concentrate on tour operators and travel agents for packages. German vendor Yvonne Rocca will be replaced by a German marketing company, Canada will be on the cultural tourism radar, and working with Florida tour operator receptives, who are connected with large airlines, is on the agenda for this department. A Request for Proposal for a Market Research vendor has been issued. Plans include a year-end conversion study in 2012. The Public Relations Department will issue an RFP for public relations services. In the coming year, PR will emphasize niche markets in accordance with the five-year strategic plan. A growing area of interest is agri-tourism (eat local). The New Products section of the proposed

budget includes continuing festival grants (tourism product marketing grants) and Orioles promotions. There will be a shift in Visitor Services from merely providing information to selling the destination, with the goals of recreating the Visitors Center into a sales center for travel in Sarasota County.

The budget retains the existing low professional fee. Return on investment and economic impact will be illustrated by the year-end conversation study. With the budget plan presentation concluded, the Board had the following comments:

- show the actual number of visitors, including historical numbers
- show how we compare to other CVBs
- show that the SCVB is more cost-efficient, but needs more resources

Research Data Services Presentation

Dr. Walter Klages, President of Research Data Services, introduced himself, noting his 30 years of experience working with various destinations in Florida and Alabama, providing tourism research. He spoke about the three phases of data gathering. First, in-market, face-to-face interviews and other telemetry data; second, post-visitation information gathering that critical to understanding the travel budget of visitors; and finally, ADR and occupancy statistics that actually reflect our inventory.

He then presented information on economic impact, noting that we are doing well compared to other destinations, that sports is doing very well and putting heads in beds, that the seeds of inflation are present and will affect us, and that expectations are just now increasing. The US dollar dropping in value works to our advantage to bring international travelers here. ADR and occupancy numbers for March are significantly higher and April appears to be so as well. Florida is a market by itself and all others (Midwest, Northeast, etc.) feed into it. The forecast is for central European visitation is positive and growing. Canadians tend to go the East Coast of Florida and to look for rock-bottom prices. They came to Sarasota when prices were at their lowest. Visitors are reshuffling to compensate for higher rates.

Dr. Klages explained the difference between visitor expenditures, reflecting the post-travel data gathering that totals the dollars spent by travelers, and economic impact that factors in the local jobs and supplies that support our tourism industry. Other observations by Dr. Klages included:

- STR shows an impressive ADR increase of 7.4%
- an increase in group travel of 37.4%
- airport deplanement at SRQ is up due to the JetBlue direct flight from Boston
- couples traveler numbers are increasing
- GTLB has traction
- the vast majority of people use the internet for travel information, and booking online is increasing significantly
- first-time visitors, while showing only a slight increase, are critical
- visitor satisfaction with our destination is extremely high; higher than our comparative set
- visitors are slightly younger than before
- the new rowing venue will be a huge draw for an upscale market, including international travelers
- niche market travelers are becoming less homogeneous.

Laura Williams asked Dr. Klages about getting numbers for March only, to reflect Spring Training. Dr. Klages feels that for a minimal cost that information could be provided. Another method of data collection he is exploring involves the use of a smart phone app for in-depth interviews of visitors where they can share experiences and information about their travel.

Chairman Becker called for final questions and comments, and there being none, the Chairman adjourned the meeting at 9:40 AM.