

# CITY COUNCIL REPORT



Meeting Date: **July 1, 2015**  
General Plan Element: ***Economic Development***  
General Plan Goal: ***Sustain Scottsdale as a tourist destination***

## **ACTION**

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### **Scottsdale CVB Destination Marketing Plan**

Adopt Resolution No. 10117 authorizing the FY2015/16 Marketing Guide, Performance Standards and Contract Budget under Destination Marketing Services Agreement No. 2012-053-COS with Scottsdale Convention and Visitors Bureau.

## **BACKGROUND**

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The Tourism Development Program's destination marketing component is currently provided through a partnership between the city and the Scottsdale CVB.

In 2012, a five-year destination marketing agreement was approved by city council. The five-year Destination Marketing Services Agreement continues to ensure that city funds are used for the program of work as presented in the Destination Marketing Guide. The agreement is monitored on an ongoing basis by the city's contract administrator through quarterly performance measures, programming updates and financial reports. In addition to the quarterly reports, the terms of the contract call for an annual audit and year-end financial and performance reports.

On May 19, 2015, the Tourism Development Commission approved a recommendation to the Mayor and City Council to approve the FY15/16 Destination Marketing Guide, contract performance standards, and budget as submitted by the Scottsdale CVB.

## **ANALYSIS & ASSESSMENT**

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The leadership of the Scottsdale CVB is provided by the 18-member Board of Directors, all with national and local tourism industry experience. Further, the bureau has the qualified and experienced staff necessary for the successful implementation of the city's contract for destination marketing.

Scottsdale concluded 2014 with positive year over year increases in all major hotel metrics- including occupancy, average daily rate (ADR), and revenue per available room (RevPAR)- outpacing the growth seen by many of the top 25 U.S. markets in ADR. However, the increases

in rate may have triggered the slower growth in occupancy. Scottsdale's overall recovery since the economic downturn in 2009 has been slow, but steady.

As reported by Smith Travel Research, occupancy in the Scottsdale market increased from 65.1% in 2013, to 67% in 2014. The City's Financial Services Department reported bed tax revenue through March is up 15% over the same period last fiscal year.

The proposed FY15/16 Destination Marketing contract budget amount is \$8,464,000 which represents 50% of the estimated FY15/16 bed tax total of \$16,928,000. An allocation of \$298,896 will be prepared from non-destination marketing funds toward the 2015/2016 Fiesta Bowl games.

### **Proposed SCVB FY15/16 Destination Marketing Guide**

The FY15/16 Destination Marketing Guide describes the destination marketing plan and tactics that will be used to implement next year's program of work. The plan and proposed budget have also been reviewed and recommended by the Tourism Development Commission.

In addition to the general direction and major activities areas to be undertaken by the Scottsdale CVB, the following are a few areas the bureau will focus on this year to drive new visitation and meeting groups to Scottsdale: 1) explore a new brand identity, 2) overhaul golf campaign, 3) engage in high-impact, seasonal marketing, 4) boost fall group business from Canada, 5) enhance niche market outreach, 6) pursue travel bloggers, 7) support of the city's tourism strategic plan.

Fiscal Year 2015/16 consists of the following program elements and budget allocations:

### **FY2015/2016** **SCVB Destination Marketing Services Funding Budget**

	<b>FY15/16 Budget</b>	<b>FY14/15 Est. Budget</b>	<b>FY13/14 Budget</b>
Contract Amount	8,464,000	7,897,000	\$6,994,500
Carry-Over/True Up	307,000	657,063	518,000
Fiesta Bowl	298,896	287,398	\$276,346
<b>TOTAL</b>	<b>9,069,896</b>	<b>8,841,461</b>	<b>\$7,788,846</b>

The Fiesta Bowl expenditure is per the terms of the 2007-2026 agreement approved by City Council on August 28, 2006. Any changes to the agreement will be brought forward to City Council for consideration and approval.

### **Community Involvement**

The Destination Marketing Guide, contract performance standards and budget, were discussed at the February 17, April 21 and May 19, 2015 Tourism Development Commission meetings. These were public meetings with the opportunity for public comment.

## RESOURCE IMPACTS

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The city's Financial Services Department is estimating FY15/16 bed tax revenue of \$16,928,000. Fifty percent of the total bed tax revenue derived from the bed tax will be used for destination marketing to promote tourism. During the terms of the agreement, financial services will regularly include bed tax revenues and expenditures in City Council financial updates and information.

The Scottsdale CVB anticipates their total FY15/16 operating budget to be approximately \$13,287,335. The FY14/15 city contract amount accounted for 61% of the FY14/15 budget and the FY15/16 contract amount is estimated to be 64% of the FY15/16 expenses revenue budget.

The private sector contributed approximately 7 percent of the total FY14/15 budget.

### **Staffing, Workload Impact**

No additional staffing or other resources are anticipated for the implementation of the Destination Marketing Guide, Performance Standards and Contract Budget.

### **Future Budget Implications**

Per the terms of the five year agreement future funding for any multi-year Scottsdale CVB commitments such as the 20-year Fiesta Bowl agreement, as well as all other destination marketing activities, will require City Council approval.

## OPTIONS & STAFF RECOMMENDATION

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Adopt Resolution No. 10117 authorizing the 2015/16 Marketing Guide, Performance Standards and Contract Budget under Destination Marketing Services Agreement No. 2012-053-COS with Scottsdale Convention and Visitors Bureau.

## RESPONSIBLE DEPARTMENT(S)

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Tourism and Events Department

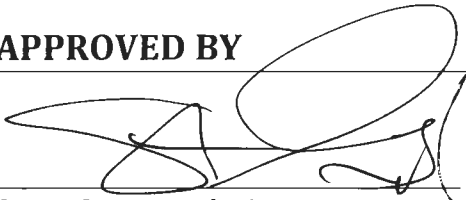
## STAFF CONTACTS (S)

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Steve Geiogamah, Acting Tourism and Events Director, [sgeiogamah@scottsdaleaz.gov](mailto:sgeiogamah@scottsdaleaz.gov)

**APPROVED BY**

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Steve Geiogamah, Acting Tourism and Events Director

480-312-4013, [SGeiogamah@Scottsdaleaz.gov](mailto:SGeiogamah@Scottsdaleaz.gov)

6-9-15

Date

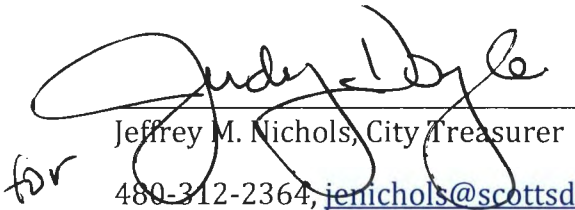


Brent Stockwell, Strategic Initiatives Director

480-312-7288, [BStockwell@scottsdaleaz.gov](mailto:BStockwell@scottsdaleaz.gov)

6/10/15

Date

for 

Jeffrey M. Nichols, City Treasurer

480-312-2364, [jnichols@scottsdaleaz.gov](mailto:jnichols@scottsdaleaz.gov)

6.11.15

Date



Brian K. Biesemeyer, Acting City Manager

480-312-5683, [bbiesemeyer@scottsdaleaz.gov](mailto:bbiesemeyer@scottsdaleaz.gov)

6-12-2015

Date

**ATTACHMENTS**

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1. Resolution No. 10117
2. Destination Marketing Service Contract No. 2012-053-COS
3. FY2015/2016 Destination Marketing Guide
4. FY2015/2016 Contract Budget
5. FY2015/2016 Performance Standards
6. Fiesta Bowl Hospitality and Promotional Agreement
7. May 19, 2015 Tourism Development Commission Meeting Minutes

RESOLUTION NO. 10117

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, APPROVING THE 2015/2016 MARKETING GUIDE, PERFORMANCE STANDARDS AND CONTRACT BUDGET UNDER DESTINATION MARKETING SERVICES AGREEMENT NO. 2012-053-COS WITH SCOTTSDALE CONVENTION AND VISITORS BUREAU

WHEREAS:

A. City and Scottsdale Convention and Visitors Bureau ("SCVB") are parties to a Destination Marketing Services Agreement (No. 2012-053-COS) dated June 19, 2012 (the "Agreement").

B. Pursuant to paragraphs 2.1.1.2, 2.1.2.2 and 4.1.1 of the Agreement, SCVB has submitted a proposed marketing guide for Fiscal Year (FY) 2015/2016, proposed performance standards for FY 2015/2016 and a proposed contract budget for FY 2015/2016.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby approves the proposed marketing guide, performance standards and budget as presented and considered for use in Fiscal Year 2015/16.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 16<sup>th</sup> day of June, 2015.

CITY OF SCOTTSDALE, an Arizona  
municipal corporation

ATTEST:

Carolyn Jagger, City Clerk

W.J. "Jim" Lane, Mayor

APPROVED AS TO FORM:

Bruce Washburn, City Attorney

By: William Hylen, Senior Assistant City Attorney

(2012-053-COS)  
(Reso. No. 9086)

### DESTINATION MARKETING SERVICES AGREEMENT

THIS DESTINATION MARKETING SERVICES agreement (the "Agreement") is made and entered into this 19<sup>th</sup> day of June, 2012, by City of Scottsdale, an Arizona municipal corporation ("City") and Scottsdale Convention and Visitors Bureau, Inc. an Arizona non-profit corporation ("SCVB").

#### RECITALS

A. City and SCVB desire to pursue certain objectives (the "Marketing Objectives") to enhance and promote Scottsdale as a tourism destination. The Marketing Objectives are:

1. Generate increased economic activity through the effective marketing of City as a tourist and meetings destination.
2. Increase national and international exposure.
3. Attract leisure business.
4. Respond to consumer information requests.
5. Increase convention and meeting bookings through assistance to hoteliers.
6. Increase group and individual tour business through solicitation and servicing.
7. Support a climate within the City of Scottsdale wherein tourism may flourish through the active participation and cooperation of government and private sectors.

B. City collects certain funds under Scottsdale Revised Code, Appendix C, Sec. 447 (the "Bed Tax Funds") to be used, pursuant to Financial Policy 21A, to help promote certain events and other marketing activities that support the Marketing Objectives.

C. City and SCVB desire to enter into this Agreement regarding fifty percent (50%) of the Bed Tax Funds (the "Marketing Funds"), subject to availability, appropriation and the other limitations, conditions and requirements of this Agreement.

D. City is willing to provide the Marketing Funds if SCVB performs certain activities (the "Marketing Activities") to promote the Marketing Objectives.

E. This Agreement and SCVB's performances hereunder will provide direct benefit to City and to the general public by the enhancement of the economic and tourism climate of City and its environs.

NOW, THEREFORE, in consideration of the foregoing and the mutual undertakings and promises contained herein, City and SCVB agree as follows:

I. TERM OF AGREEMENT

1. Term of Agreement. The term of this Agreement shall be as follows:

1.1. Years. A "year" under this Agreement shall begin at 12:01 a.m. on July 1 and shall end at 11:59 p.m. on the following June 30.

1.2. Original Term Expiration. The original term of this Agreement shall begin at the beginning of year 2012/2013 and shall terminate at the end of year 2016/2017, unless sooner terminated as set forth in this Agreement.

1.3. Termination. City or SCVB may, without prejudice to any other right or remedy, terminate this Agreement for any cause or reason or without cause or reason on thirty (30) days notice.

II. MARKETING ACTIVITIES

2. Marketing Activities. SCVB shall conduct the Marketing Activities as follows:

2.1 Required Marketing Activities. SCVB shall perform the following Marketing Activities:

2.1.1 Destination Marketing Guide. SCVB shall each year prepare a "destination marketing guide" (the "Marketing Guide") as follows:

2.1.1.1 Initial Marketing Guide. City approves the proposed marketing guide attached hereto as Exhibit "A" as the Marketing Guide for year 2012/2013.

2.1.1.2 Marketing Guide Approval. No later than May 1 of each year during the term of this Agreement, (including the last year) SCVB shall deliver to City a proposed marketing guide for the subsequent year. If City's city council approves the proposed new marketing guide prior to the end of such year, and if this Agreement will be in effect in the subsequent year, then the proposed new marketing guide shall be the Marketing Guide under this Agreement during the subsequent year. Otherwise this Agreement shall terminate at the end of the year in which SCVB delivers the proposed marketing guide.

2.1.1.3 Marketing Guide Review. City and SCVB shall conduct a semi-annual review of the objectives, expenditure estimates, estimated effects and other aspects of the Marketing Guide.

2.1.1.4 Marketing Guide Changes. Changes to the Marketing Guide shall require City's contract administrator's approval. The preceding sentence does not apply to changes to individual media and sales activities listed in the schedule attached to the Marketing Guide that do not otherwise change the Marketing Guide. For example, SCVB may choose to advertise in a different magazine or change sales calls to a different city.

2.1.2 Performance Standards. SCVB shall each year prepare a list of specific performance criteria (the "Performance Standards") for Marketing Activities as follows:

2.1.2.1 Initial Performance Standards. City approves the proposed performance standards attached hereto as Exhibit "B" as the Performance Standards for year 2012/2013.

2.1.2.2 Performance Standards Approval. No later than May 1 of each year during the term of this Agreement (including the last year), SCVB shall deliver to City proposed performance standards for the subsequent year. If City's city council approves the proposed new performance standards prior to the end of such year, and if this Agreement will be in effect in the subsequent year, then the proposed new performance standards shall be the Performance Standards under this Agreement during the subsequent year. Otherwise this Agreement shall terminate at the end of the year in which SCVB delivers the proposed performance standards.

2.1.2.3 Performance Standards Review. City and SCVB shall conduct a semi-annual review of the objectives, expenditure estimates, estimated effects and other aspects of the Performance Standards.

2.1.2.4 Performance Standards Changes. Changes to the Performance Standards shall be mutually agreed upon by SCVB and City's contract administrator.

2.1.3 Event Marketing. SCVB shall promote Scottsdale as a travel destination using major tourist-oriented festivals, competitions and other events that advance the Marketing Objectives (the "Events") as part of an overall marketing program (as hereinafter provided).

2.1.4 Program of Marketing Activities. SCVB shall use the Marketing Funds to carry out the following program of Marketing Activities as set out in the Marketing Guide:

2.1.4.1 Marketing Target. SCVB shall position Scottsdale as a tourist and meetings destination and shall direct staff and resources to those generally accepted target market segments in all business categories.

2.1.4.2 Communications. SCVB shall carry out marketing communications by implementing marketing strategies that position Scottsdale as a destination and that generate leisure and business travel from individual, meeting, and leisure group markets. Those strategies are: advertising; event and consumer promotions; database relationship marketing; public relations; web site maintenance, enhancements, and development; and on-line marketing program and promotions.

2.1.4.3 Tourism Industry Sales. SCVB shall carry out sales and marketing activities to tour operators, travel agents, incentive buyers, and receptive operators serving high-end leisure groups, and individual travelers in target markets identified by SCVB in order to promote visitation to Scottsdale.

2.1.4.4 Meetings and Convention Sales. SCVB shall carry out programs that reinforce relationships with existing clients, and that seek out sources of new business

from small to medium size corporate groups, incentive travel programs, and key industry association meetings.

2.1.4.5 Convention Services. SCVB shall provide meeting management services and other logistical support to meetings and conventions in Scottsdale.

2.1.4.6 Visitor Services. SCVB shall provide a full service visitor center open at least eight (8) hours per day not less than five (5) days per week to handle visitor inquiries generated by consumer marketing programs and walk-in persons.

2.1.5 Advice. SCVB shall advise City on how various activities or plans may affect tourism marketing.

2.1.6 New Programs. SCVB shall develop, implement and manage such new City-directed tourism marketing programs as City may add to this Agreement from time to time. City shall determine, with advice from SCVB, the primary function of the new program and the anticipated costs of program operation. New programs shall be subject to City's city council's approval and SCVB's approval.

2.2 Coordination. SCVB shall coordinate tourism marketing activities with City departments and programs to avoid duplication of efforts and to enhance the breadth and scope of tourism marketing programs within the community.

2.3 Conduct of Marketing Activities. SCVB shall conduct the Marketing Activities in conformance with the Marketing Guide and the Performance Standards.

2.4 SCVB Contracts with Others. If City's contract administrator approves in advance, SCVB may also enter into agreements with other public entities or organizations to provide similar destination marketing or related services. City approves the continuance of the existing marketing relationships that SCVB currently has with the Town of Sedona, the Fort McDowell Yavapai Nation, the Salt River Pima Maricopa Indian Community, and the Town of Paradise Valley.

### III. TOURISM RELATED EVENTS

3. Tourism Related Events. SCVB shall solicit and support Events in compliance with the following:

3.1 Event Contracts. If SCVB supports a specific Event using any funds or other resources provided by City, whether or not this Agreement mentions the specific Event, then SCVB shall enter into a contract (the "Event Contract") with the Event producer as follows:

3.1.1 The Event Contract shall require the Event producer (the "Producer") to satisfy certain requirements by certain dates (the "Event Producer Requirements") as determined by the Producer and SCVB.

3.1.2 The Event Contract shall require SCVB to satisfy certain requirements (the "Event SCVB Requirements") as determined by the Producer and SCVB.

3.1.3 The Event Contract shall require SCVB to make best efforts to cause City to satisfy certain requirements (the "Event City Requirements") by certain dates as determined by the Producer and SCVB. Unless this Agreement specifically sets out Event City Requirements and City's city council also formally approves the Event City Requirements in strict compliance with this Agreement, there shall be no Event City Requirements and City shall have no obligations related to the Event.

3.1.4 The Event Producer Requirements, SCVB Requirements and Event City Requirements (collectively the "Event Overall Requirements") shall be specified in detail in the Event Contract.

3.1.5 SCVB shall include in each Event Contract between SCVB and a Producer the following stand-alone paragraph [in the body of the Event Contract]:

City of Scottsdale. Notwithstanding anything in this Agreement to the contrary, City of Scottsdale is not a party to or bound by this Agreement, but SCVB and Producer acknowledge and agree to the City Support Provisions attached hereto as Exhibit "\_\_\_\_\_".

3.1.6 SCVB shall attach as an exhibit to each Event Contract between SCVB and a Producer the City Support Provisions specified on Exhibit "C" attached hereto.

3.1.7 The Event Contract may contain such additional terms as SCVB and the Event Producer may desire relating to the Event, all of which must not be inconsistent with this Agreement, and in any event shall not bind City.

3.2 Committed Events. City and SCVB have agreed to provide support for the following Events (the "Committed Events"):

3.2.1 City and SCVB shall support the Fiesta Bowl as follows:

3.2.1.1 The Event Overall Requirements for the Fiesta Bowl are set out in Exhibit "D" attached hereto. SCVB shall perform the Event SCVB Requirements. SCVB shall cause the Event Producer to perform the Event Producer Requirements. City shall perform the Event City Requirements.

3.2.1.2 SCVB shall comply and cause Fiesta Bowl to comply with the Event Contract and other provisions of this Agreement relating to the Fiesta Bowl.

3.2.1.3 The Contract Budget already includes the amount of any Marketing Funds to be provided by City in the Event City Requirements for the Fiesta Bowl.

3.2.2 There are no other Committed Events.

3.3 Additional Events. If SCVB or City desires that City contribute financially or otherwise to SCVB's marketing or promotional support of any Event other than a Committed Event (an "Additional Event"), then the following shall apply:

3.3.1 SCVB shall submit to City a request (the "Additional Event Request") for the Additional Event. The Additional Event Request shall specify the proposed Additional Event Overall Requirements. Unless City's contract administrator consents to a different form that provides the same information, each Additional Event Request shall be in the form attached hereto as Exhibit "E".

3.3.2 At City's request, SCVB shall make itself available to City to explore proposed changes to an Additional Event Request that might make the Additional Event Request acceptable to City. If City's proposed changes would require SCVB to satisfy Event SCVB requirements beyond those stated in the Additional Event Request submitted by SCVB, SCVB may withdraw the Additional Event Request. City and SCVB shall otherwise mutually agree to reevaluate the proposal.

3.3.3 City shall have no obligation to entertain or approve an Additional Event Request. Only City's city council by formal vote shall have authority to approve an Additional Event Request.

3.3.4 No Additional Event Request shall be effective as to City unless it is formally approved by City's city council. If City's city council approves an Additional Event Request, then the amount of Bed Tax Funds requested in the Additional Event Request shall be provided out of the City's portion allocated to tourism development, added to the Marketing Funds, and paid to SCVB in conformity with the Additional Event Request. The Event SCVB Requirements and Event City Requirements shall be added to the Contract Budget. If City's city council approves an Additional Event Request that varies from the Additional Event Request submitted by SCVB then City shall be deemed to have rejected the Additional Event Request unless SCVB within thirty (30) days thereafter gives notice to City that SCVB accepts the Additional Event Request as modified by City's city council.

3.3.5 If City approves an Additional Event Request, any Event Contract that SCVB enters into for the Additional Event shall specify the Event Overall Requirements and otherwise comply with the Event Contract provisions of this Agreement.

3.3.6 City and SCVB agree that SCVB shall provide marketing and promotional support to all approved Additional Events. City and SCVB shall mutually agree in advance of presenting an Additional Event to City's city council whether SCVB will participate further in an Additional Event.

3.4 Other Events. This Agreement does not in any way interfere with City's right to deal directly with any Event producer or other person or entity related to an Event. City is free to provide support for any Event and to enter into any contract with any Event producer, which support and contract shall be outside the purview of this Agreement.

#### IV. CITY FUNDING

4. City Funding. City's payment of the Marketing Funds shall be subject to the following:

4.1 Contract Budget. All Marketing Funds and other City support and all Marketing Activities and other SCVB expenditures and activities shall comply with a budget (the "Contract Budget") as follows:

4.1.1 The total amount of Marketing Funds that City shall provide under this Agreement (the "Contract Amount") for each year shall be equal to fifty percent (50%) of the Bed Tax Funds collected during the year, such amount to be adjusted and paid in monthly installments as set out below. City approves as the Contract Budget for year 2012/2013 the portions of the proposed budget attached hereto as Exhibit "F" that are shown in such exhibit as totaling the Contract Amount. The Contract Amount and Contract Budget shall also include an additional amount of non-marketing Bed Tax Funds, which SCVB shall use to perform the Event Overall Requirements for the Fiesta Bowl.

4.1.1.1 No later than May 15th of each year during the term of this Agreement, (including the last year) SCVB shall deliver to City a proposed Contract Budget of all funds to be received or expended by SCVB during the following year as follows:

4.1.1.2 SCVB's proposed contract budget shall list all funds that SCVB proposes to receive or expend under this Agreement. The total amount of Bed Tax Funds that SCVB proposes to receive during the following year (the "Proposed Amount") shall be clearly listed by itself on a single separate line of the proposed contract budget. SCVB's proposed contract budget shall also list all funds that SCVB otherwise proposes to receive or expend during the year. The proposed SCVB contract budget shall clearly indicate which funds SCVB anticipates receiving from City under this Agreement and which funds SCVB anticipates receiving from other sources.

4.1.1.3 If City's city council approves the proposed contract budget prior to the end of such year, and if this Agreement will be in effect in the subsequent year, then the proposed contract budget shall be the Contract Budget under this Agreement during the subsequent year and the Proposed Amount in such budget shall be the Contract Amount for the following year. Otherwise this Agreement shall terminate at the end of the year in which SCVB delivers the proposed budget.

4.1.1.4 City and SCVB shall meet monthly to discuss actual Bed Tax Funds collections. City's contract administrator shall from time to time request City's Tourism Development Commission to discuss actual Bed Tax Funds collections. No later than April 10 each year, City shall provide to SCVB an estimate of the total amount of Bed Tax Funds that City anticipates City will collect during the following year. SCVB and City's Tourism Development Commission shall have an opportunity to provide input about City's estimate before City provides the estimate to SCVB under this Agreement. SCVB's proposed contract budget shall be based on City's estimate.

4.1.2 SCVB shall not request, accept or spend any Marketing Funds in amounts inconsistent with the Contract Budget or other requirements of this Agreement. SCVB

shall reimburse to City any Marketing Funds not spent for the purposes specified by the Contract Budget and this Agreement.

4.1.3 If the City Treasurer determines that the Estimated Receipts will significantly exceed or fall short of the actual Bed Tax funds City will receive, then the City contract administrator shall have authority to elect to approve a new Contract Budget provided by SCVB that conforms to the Estimated Receipts as determined by the City Treasurer.

4.2 Event Payment Timing. Subject to the limitations set out elsewhere in this Agreement, City shall pay the portions of the Marketing Amount that are for support of a particular Event in a year as follows:

4.2.1 No later than thirty (30) days and not earlier than sixty (60) days before City's payment of Marketing Funds is due for the Event, SCVB shall deliver to City an invoice for the amount.

4.2.2 City shall pay the entire amount in a single installment on the date specified in the Event City Requirements for the Event.

4.2.3 The total amount that City pays related to the Event shall not exceed the lesser of the amount specified by the Contract Budget, or any lesser amount specified in the Event Contract or this Agreement. If any of those provide different amounts, City will only pay the smallest amount.

4.3 Other Payment Timing. Subject to the limitations set out elsewhere in this Agreement, City shall pay the portions of the Marketing Amount that are not for support of a particular Event as follows:

4.3.1 No later than thirty (30) days and not earlier than sixty (60) days before City's payment of an installment of Marketing Funds is due, SCVB shall deliver to City an invoice for the amount.

4.3.2 No later than the last business day of each month, City shall pay to SCVB one-twelfth (1/12) of such amount for that year.

4.4 Actual Bed Tax Funds Collected. City's payments under this Agreement shall be adjusted based on actual Bed Tax Funds Collected as follows:

4.4.1 Each month the City Treasurer shall prepare an estimate of the amount of Bed Tax Funds that the City Treasurer estimates will be collected during the entire current year (the "Estimated Receipts"). Each monthly installment payable under this Agreement shall be comprised of two components; (a) one-half of one-twelfth of the latest Estimated Receipts, and (b) an increase or decrease that, when equally applied to all remaining payments, will cause total payments under this Agreement to equal one-half of the latest Estimated Receipts. Such changes in monthly installment amounts shall be accompanied by corresponding changes to the Contract Budget. SCVB shall propose the Contract Budget changes, which shall require approval by City contract administrator.

4.4.1.1 If a request is made by SCVB, the contract administrator may approve a carryover of Bed Tax funds to the next year (fiscal year) at any time during the current year.

4.4.2 After the close of the year, should the actual Bed Tax Funds the City received be less than the last Estimated Receipts (the "Actual Shortfall"), and if this Agreement is in effect during the following year, then City shall subtract one-half of such Actual Shortfall from the next one (or more, if necessary) monthly installments for the following year. After the close of the year, should the actual Bed Tax Funds that the City received be greater than the last Estimated Receipts ("Actual Excess"), and if this Agreement is in effect during the following year, then City shall add one-half of such Actual Excess to its first monthly payment for the following year.

4.5 Withholding of Payments. Except as provided in the next sentence, City may exercise any remedy at law or equity if SCVB does not cure any material breach of its obligations under this agreement within thirty (30) days after notice from City. City may withhold, in whole or in part, any payment to SCVB if SCVB fails to comply with any of the following, unless SCVB cures such breach within thirty (30) days after City gives notice of the breach:

4.5.1 Render services as required by this Agreement.

4.5.2 Supply Information or reports as required by this Agreement.

4.5.3 Make timely payments to subcontractors, except when there is a bona fide dispute as to the existence or amount of the debt.

4.5.4 Comply with other provisions of this Agreement, including, without limitation, provisions relating to auditing or performance.

4.5.5 City Funds Upon Termination. Within fifteen (15) days after any expiration or other termination of this Agreement in any manner, SCVB shall return to City all unexpended City funds. The amount to be returned to City shall be the prorated amount of the last disbursement to SCVB, pursuant to the Contract Budget then in effect, plus any other City funds unexpended as of the date of termination.

4.6 City Funding Limitations. Payment of the Marketing Funds is subject to the limits contained elsewhere in this Agreement and the following cumulative conditions and limitations:

4.6.1 Funding Total. The total amount of Marketing Funds City pays under this Agreement shall not exceed the Marketing Amount, minus setoffs and other amounts to which City may be entitled.

4.6.2 Funding Source. City's payments shall be made only from Bed Tax Funds. City is not obligated to provide funding from any other source. City's city council may elect from time to time in its sole and absolute discretion to provide funding from other sources as follows:

4.6.2.1 All provisions of this Agreement shall apply to such additional funds, including without limitations all references to Marketing Funds and all types of Marketing Activities, except that any such additional funds comprised of Bed Tax Funds shall not be counted when determining the amount of SCVB's fifty percent (50%) share of the Bed Tax Funds.

4.6.2.2 Sources of such other funds may include, at City's election, general funds, other Bed Tax Funds, tribal gaming funds or other funds available to City.

4.6.2.3 To the extent City receives tribal gaming funds that are eligible to be used for Marketing Activities, SCVB shall accept those funds when requested by City, and SCVB shall only use these funds in a manner that is consistent with the proposal approved by the tribe.

4.6.3 Bed Tax Collections. Marketing Funds shall be disbursed only to the extent City determines, in its sole and absolute discretion, that City has collected adequate Bed Tax Funds to disburse these amounts.

4.6.4 Appropriations and Approvals. This subparagraph shall control notwithstanding any provision of this Agreement or any exhibit or other agreement or document related hereto. City's provision of funds under this Agreement is in all respects subject to appropriation by City Council. City's entire obligation under this Agreement shall be limited to the amount appropriated. If funds necessary to fulfill City's obligations under this Agreement are not appropriated or are otherwise made not available by City's city council, then City may terminate this Agreement by notice to SCVB. Termination in accordance with this provision shall not constitute a breach of this Agreement by City. No person shall be entitled to any compensation, damages or other remedy from City if this Agreement is terminated pursuant to the terms of this paragraph or other terms of this Agreement. In lieu of terminating this Agreement, City may elect to reduce the amount of Marketing Funds and other resources City provides.

4.6.5 Political Activities. SCVB shall use no City funds or resources for political activities, for lobbying City's city council or any legislative or administrative body as defined in State law, or for the purpose of influencing the outcome of any election.

## V. REPORTS AND AUDITS

5. Reports and Audits. SCVB shall report Marketing Activities and other expenditures and activities as follows:

5.1 Audit Report. Within ninety (90) days after the end of each year, SCVB shall prepare and submit to City at SCVB's expense an annual audit report of revenues and expenses related to this Agreement and an opinion thereon prepared by an independent certified public accounting firm. The audit report shall include an annual financial statement prepared in accordance with generally accepted accounting principles (GAAP) and the provisions of the Statement of Financial Accounting Standards No. 117 (Financial Statements of Not-for-Profit Organizations). SCVB shall make available to City all work papers and records produced by the auditor pertaining to the audit, or copies thereof, within ten (10) working days after notice by City to do so.

5.2 Inspection of Books. City or its agent may inspect SCVB's books that relate to this Agreement at such times during normal business hours that City deems appropriate, upon five (5) working days notice. Upon reasonable request, SCVB shall furnish copies of such books and records to City, at no cost to City.

5.3 Annual Performance Report. Within thirty (30) days after the close of each year, SCVB shall submit to City a report of SCVB's performance under this Agreement. The report shall include an analysis of the effectiveness of SCVB's performances under this Agreement, including without limitation documentation of year-end performance of the Performance Measures. SCVB shall also deliver to City copies of reports, promotional literature and communications, advertisements and related materials prepared with Marketing Funds. If requested by City's city manager, SCVB shall also present these annual reports to City Council at a public city council meeting.

5.4 Quarterly Performance Reports. In addition to the annual performance report, SCVB shall deliver to City within thirty (30) days after the end of each quarter (September, December, March and June) a report that shall include a brief narrative of progress to date and an outline of SCVB's anticipated performance for the ensuing months. Such reports shall be accompanied by a summary of expenditures during the same period.

5.5 Performance Audit. City may at any time conduct a performance audit to evaluate SCVB's performance under this Agreement. SCVB shall make available any information related to this Agreement requested by City for the audit within ten (10) working days of the request. The performance audit may consider all information that is relevant to areas of operations of SCVB and its responsibilities under this Agreement.

## VI. INSURANCE AND INDEMNITY

6. Insurance and Indemnity. SCVB shall provide insurance and indemnification as follows:

6.1 Indemnification. To the fullest extent allowed by law, SCVB, its successors, assigns and guarantors, shall defend, indemnify and hold harmless City, its agents, representatives, officers, directors, officials, and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense related to, arising from or out of, or resulting from any negligent or intentional actions, acts, errors, mistakes or omissions caused by SCVB, its agents or contractors while performing work or services under this Agreement, including but not limited to, any subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any injury or damages claimed by any of SCVB's and subcontractor's employees. Insurance provisions set forth in this Agreement are separate and independent from the indemnity provisions of this paragraph and shall not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph shall not be construed in any way to limit the scope, magnitude and applicability of the insurance provisions.

6.2 Insurance. Without limiting any of its obligations or liabilities, SCVB, at SCVB's own expense, shall purchase and maintain the hereinafter stipulated minimum insurance:

6.2.1 All Insurance shall be from a company or companies lawfully authorized to do business in the State of Arizona with an A.M. Best, Inc. rating of B++6 or above with policies and forms satisfactory to City.

6.2.2 All Insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Agreement.

6.2.3 SCVB's Insurance shall be primary Insurance, and any Insurance or self Insurance maintained by City shall not contribute to it. Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect City.

6.2.4 The policies shall contain a waiver of transfer rights of recovery (subrogation) against City, its agents, representatives, directors, officers, and employees for any claims arising out of the work or services of SCVB under this Agreement.

6.2.5 The policies may provide coverage that contains deductible or self-insured retentions. SCVB shall be solely responsible for any deductible and/or self-insured retention.

6.2.6 The policies shall be in place by no later than ten (10) days after the date of this Agreement.

6.2.7 Within 10 working days after notice from City, SCVB shall provide to City certified copies of any or all of the required policies and/or endorsements. City shall not be obligated, however, to review same or to advise SCVB of any deficiencies in such policies and endorsements, and such receipt shall not relieve SCVB from, or be deemed a waiver of City's right to insist on, strict fulfillment of SCVB's obligations under this Agreement.

6.2.8 The Insurance policies required by this Agreement, except workers' compensation and fidelity/crime Insurance policies, shall name City, its agents, representatives, officers, directors, officials, and employees as additional insureds.

6.2.9 Required Coverage. SCVB shall cause to be in effect the following insurance:

6.2.9.1 General Liability. SCVB shall maintain "occurrence" form Commercial General Liability Insurance with a limit of liability not less than \$1,000,000 for each occurrence with a \$2,000,000 Products and Completed Operations Limit and \$2,000,000 General Aggregate Limit. The policy shall be primary, and include coverage for bodily injury, broad form property damage, personal injury, products/completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement. Such policy shall contain a severability of interest provision. If any Excess Insurance is utilized to fulfill the requirements of this paragraph, such Excess Insurance shall be "follow form" equal or broader in coverage scope than underlying.

**6.2.9.2 Automobile Liability.** SCVB shall maintain Commercial/Business Automobile Liability Insurance with a combined single limit for bodily injury and property damages of not less than \$1,000,000, each accident with respect to SCVB's owned, hired, and non-owned vehicles assigned to or used in performance of SCVB's work or services under this Agreement. If any Excess Insurance is utilized to fulfill the requirements to this paragraph, such Excess Insurance shall be "follow form" equal or broader in coverage scope than underlying.

**6.2.9.3 Worker's Compensation.** SCVB shall maintain Worker's Compensation Insurance to cover obligations imposed by federal and state statutes having jurisdiction of SCVB's employees engaged in the performance of the work or services under this Agreement, and Employer's Liability Insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit. In case any work or services under this Agreement are subcontracted, SCVB shall require all subcontractors to provide the same insurance requirements as cited above for SCVB to protect City.

**6.2.9.4 Fidelity Insurance.** SCVB shall purchase and maintain fidelity and crime insurance coverage with a limit of \$250,000 per loss.

**6.2.9.5 Other Insurance.** SCVB shall maintain any other insurance coverage or amounts of insurance City may reasonably require from time to time for the protection of the public, City and its employees, officials, representatives, officers, directors, and agents. City may elect by written notice to SCVB to require additional coverage or increased amount of any insurance to account for changes in risks, inflation, or any other factor that City reasonably determines to affect the prudent amount of insurance to be provided by SCVB.

**6.2.9.6 Certificates of Insurance.** Prior to commencing work or services under this Agreement, SCVB shall furnish to City certificates of insurance or formal endorsements as required by the Agreement, issued by SCVB's insurer(s), as evidence that policies providing the required coverages, conditions, and limits required by this Agreement are in full force and effect. Such certificates shall identify this Agreement. In the event any insurance policy(ies) required by this Agreement is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the work or services and as evidenced by an annual Certificate of Insurance.

## **VII. MISCELLANEOUS PROVISIONS**

**7. Miscellaneous Provisions.** The following additional provisions shall apply:

**7.1. Year End Performances.** If this Agreement terminates for any reason before SCVB has provided to City reports or other payments or performances related to time periods when this Agreement was in effect, SCVB shall deliver such reports and provide such payments and performances to city notwithstanding such termination.

**7.2. Compliance with Law.** SCVB shall comply with all applicable local, state and Federal ordinances, statutes, laws and regulations.

**7.3. Compliance With E-Verify.** The parties shall comply with immigration laws as follows:

9835351v1

7.3.1 The Parties understand and acknowledge the applicability to them of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. Both parties agree to comply with these laws in performing this Agreement and to permit each other to verify compliance. SCVB will include the terms of this provision in all contracts and subcontracts for work performed under this Agreement, including supervision and oversight.

7.3.2 Under the provisions of A.R.S. §41-4401, each party warrants to the other that it will comply with all Federal Immigration laws and regulations that relate to its employees and that the party and all its subcontractors working under the terms of the Agreement now comply with the E-Verify Program under A.R.S. §23-214(A).

7.3.3 A breach of this warranty will be considered a material breach of this Agreement and may subject the parties to penalties up to and including termination of this Agreement or any subcontract.

7.3.4 Both parties retain the legal right to inspect the papers of any employee of either party or any subcontractor who works on this Agreement to ensure that they are complying with the warranty given above.

7.3.5 Each party may conduct random verification of the employment records of the other and any of its subcontractors working under this Agreement to ensure compliance with this warranty. Each party agrees to indemnify, defend and hold harmless the other party for, from and against all losses and liabilities arising from any and all violations of these statutes.

7.3.6 Neither party will consider the other or any of its subcontractors in material breach of this Agreement if they establish that they have complied with the employment verification provisions prescribed by 8 USC §1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A). The "E-Verify Program" means the employment verification pilot program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any of its successor programs.

7.3.7 The provisions of this paragraph must be included in any contract either party enters into with any and all of its subcontractor who provide services under this Agreement or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a political subdivision, company or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. Both Parties will take appropriate steps to assure that all applicable subcontractors comply with the requirements of the E-Verify Program. The failure to assure compliance by all its subcontractors with the E-Verify Program may be considered a material breach of this Agreement.

7.4. Sudan and Iran. In accordance with A.R.S. §35-391.06 and 35-393.06, SCVB certifies that it does not have scrutinized business operations in Sudan or Iran, as defined in A.R.S. §35-391(15) and 35-393(12).

7.5. Non-liability of City Officials and Employees. No member, official or employee of City shall be personally liable to SCVB, or any successor in interest, in the event of any default or breach by City or for any amount that may become due to SCVB or its successor on any obligation related to this Agreement.

7.6. Conflict of Interest. City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of City is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity, or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from City is received by all other Parties to the contract, unless the notice specifies a later time (A.R.S. 38-511).

7.7. Procurement. SCVB shall be responsible for the purchasing process used in conjunction with its responsibilities under this Agreement. The qualification and selection of professional service providers or vendors paid under terms of this Agreement by SCVB shall be performed on a competitive basis that is acceptable to City's contract administrator.

7.8. Notices. Any notice herein required or permitted must be in writing and either hand-delivered in person or deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested, and properly addressed, at the following addresses:

City of Scottsdale  
Tourism Development Coordinator  
Economic Vitality Department  
4021 N. 75<sup>th</sup> Street, Suite 102  
Scottsdale, AZ 85251

Scottsdale Convention & Visitors Bureau  
President & CEO  
4343 N. Scottsdale Road, Suite 170  
Scottsdale, AZ 85251

Notice shall be deemed to be given on the date of hand delivery or three (3) days after the same has been deposited postage-paid in the United States Post Office. Either party may furnish to the other a different mailing address and designate another individual upon whom all notices may be served as herein provided.

7.9. Entire Agreement. This Agreement constitutes the entire agreement between City and SCVB with respect to the subject matter and no addition, deletion or other amendment hereto may be made except as is agreed in writing by City and SCVB with the same formality for execution as accorded this Agreement.

7.10. Assignment. In making this Agreement, City and SCVB each depend upon the particular capacities, expertise, powers, and good offices of the other, which would not be satisfactorily provided by a third party. Therefore, City and SCVB agree that no right or obligation hereunder may in any way whatsoever be assigned or delegated to a third party without the prior express written consent of the other party.

7.11. Binding Effect. This Agreement and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of City and SCVB hereto and their respective successors and assigns.

7.12. Legal Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorney's fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.13. Contract Administrator. City's contract administrator shall be City's Tourism Development Coordinator, or designee. By notice to SCVB, City's city manager may designate a different contract administrator from time to time at City's city manager's sole discretion.

7.14. Dates. Sunday, Saturday and Arizona legal holidays are holidays for purposes of this Agreement.

7.15. Time of Essence. Time is of the essence of each and every provision of this Agreement.

7.16. Paragraph Headings. The paragraph headings contained herein are for convenience in reference and not intended to define or limit the scope of any provision of this Agreement.

7.17. No Third Party Beneficiaries. No person or entity shall be a third party beneficiary to this Agreement or shall have any right or cause of action hereunder. Licensor shall have no liability to third parties for any approval of plans or activities, SCVB's negligence, SCVB's failure to comply with the provisions of this Agreement (including any absence or inadequacy of insurance required to be carried by SCVB), or otherwise as a result of the existence of this Agreement.

7.18. Exhibits. All exhibits specifically stated to be attached hereto as specified herein are hereby incorporated into and made an integral part of this Agreement for all purposes.

7.19. No Partnership. This Agreement and the transactions and performances contemplated hereby shall not create any sort of partnership, joint venture or similar relationship between the parties. SCVB is a non-profit corporation and is neither a department, nor an operating agency of City.

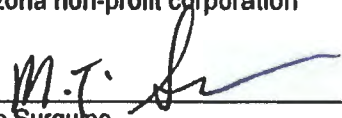
7.20. Choice of Law. This Agreement shall be governed by the internal laws of the State of Arizona without regard to choice of law rules. City has not waived its claims procedures as respects this Agreement. Exclusive proper venue for any action regarding this Agreement shall be Maricopa County.

7.21. Recording. This Agreement shall not be recorded.

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IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first given above.

Scottsdale Convention and Visitors Bureau,  
Inc., an Arizona non-profit corporation

By:   
Mike Surgume  
Its: Chairman of the Board

By:   
Rachel Sacco  
Its: President & CEO

CITY OF SCOTTSDALE,  
an Arizona municipal corporation

By:   
W. J. "Jim" Lane, Mayor

ATTEST:

  
Carolyn Jagger, City Clerk

APPROVED AS TO FORM BY  
CITY ATTORNEY'S OFFICE:

  
John C. Shafer, III, Asst. City Attorney

CITY CONTRACT ADMINISTRATOR:

  
Steve Gelogamah, Tourism Development Coordinator

  
Suzanne Welch, Risk Management Director



# **2015-16 Destination Marketing Guide for Scottsdale City Council**

*July 1, 2015*

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# DESTINATION MARKETING GUIDE 2015 – 2016

## *Dear Stakeholder:*

Your partnership and engagement helps fuel the Scottsdale Convention & Visitors Bureau's endeavors to drive incremental tourism business to our community. We invite you to review this guide to learn how you can best partner with us to extend our collective message.

In this guide, you'll find an assessment of the tourism industry landscape that examines the current state of our industry, and explores challenges and opportunities both nationally and locally that might impede or accelerate our industry's growth (pgs. 4-8).

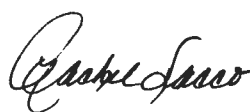
We then share with you our coming year's strategic initiatives (pgs. 9-10) – new and creative ways to advance Scottsdale's reputation as a world-class vacation and meetings destination. These include:

- **Exploring a new brand identity** to ensure that Scottsdale remains a desirable destination with a strong brand attracting not only our key customer segments, but also appealing to the next generation of travelers.
- **Overhauling our golf campaign** with new print, digital and TV ads that focus more on the luxury aspects of Scottsdale based on our research.
- **Engaging in high-impact, seasonal marketing** to provide Scottsdale with extraordinary exposure in key markets that help our destination stand apart from competitors, and attract new and repeat visitors.
- **Boosting fall group business from Canada** by creating meetings promotions to drive bookings and by focusing on niche segments that produce well for Scottsdale.
- **Enhancing niche market outreach** to drive incremental business from pharmaceutical/medical, financial and insurance, sports, third-party, and Canada markets.
- **Pursuing travel bloggers** through pitching, participation in a travel blogger conference, and by hosting bloggers on familiarization tours.
- **Supporting the City's tourism strategic plan** by collaborating with community partners to implement the plan's strategies and enhance the destination's appeal.

Lastly, if you're just beginning your membership with us, you'll also want to learn more about the comprehensive programs we execute in marketing, communications, convention sales and services, and tourism (pgs. 11-19).

We look forward to working with you!

Sincerely,



Rachel Sacco  
President & CEO



Michael Surguine  
Board Chairman

# About Us

## SCOTTSDALE CVB OVERVIEW

The Scottsdale Convention & Visitors Bureau is a 501(c)(6) nonprofit, private company that has contracts with the City of Scottsdale and Town of Paradise Valley to conduct destination marketing efforts on behalf of these municipalities. Combined, these entities provided approximately \$10.0 million of the CVB's \$12.9 million budget in 2014-15.

The CVB's primary source of revenue comes from bed tax collected by Scottsdale resorts and hotels and passed along to the City. Half of bed-tax collections come to the CVB for destination marketing, while the other half is invested by the City, including \$1.5 million in bed-tax revenue that goes annually to the general fund. The City's Tourism Development Commission (TDC) recommends to the Scottsdale City Council how to allocate the City's remaining half of the bed-tax revenue, which is designated primarily for tourism-related capital projects and special events. The City's relationship with the CVB is overseen by the City's Tourism & Events Department and the TDC.

The CVB also has served as the Town of Paradise Valley's destination marketing organization since 1987 and currently has a contract with the Town through June 2025. Additionally, the Salt River Pima-Maricopa Indian Community and the Fort McDowell Yavapai Nation invest in the CVB's marketing efforts. Partnering with neighboring communities allows the CVB to build the region's attractiveness in the eyes of our visitors, especially as these communities build attractions and hotels along Scottsdale's borders.

Another CVB public-revenue source is the State of Arizona, via Proposition 302, in which Maricopa County hotel operators and rental car companies collect and pass along an additional tax to the state that is then split and invested in numerous projects.

As a membership-based organization with more than 400 members, the CVB also receives some private revenue via membership dues and through program participation fees.

The CVB has been a standalone company since July 2001 after having been an arm of the Scottsdale Area Chamber of Commerce for 15 years. The CVB has more than 40 full- and part-time employees, along with a volunteer board of directors comprised of local leaders who represent a variety of segments from the tourism industry.

## VISION

Our vision is to position Scottsdale as a world-class vacation, meetings and group travel destination by communicating an image that sells the uniqueness of the Scottsdale experience.

## MISSION

The CVB is committed to enhancing the economic base of Scottsdale and its partnering communities through a strong visitor, meetings and group travel industry. We achieve this by:

- Maintaining a leadership position in Arizona's hospitality and tourism industry
- Positioning Scottsdale in top-performing domestic and international markets to attract targeted, high-value visitors to our resorts and hotels
- Teaming with member businesses to create awareness and excitement among meeting planners, tour operators, travel agents and media in our established feeder markets, while building credibility and interest in our entry markets

## RETURN ON INVESTMENT

In 2013-14, the Scottsdale CVB generated \$30 for the community for every \$1 invested in the CVB. In addition to tracking our return on investment, the CVB also evaluates the success of its programs and reports results regularly to our board of directors, the City of Scottsdale, the TDC, the CVB's community partners and our members.

# Industry Outlook

## A LOOK BACK

Scottsdale concluded 2014 with positive year-over-year increases in all major hotel metrics – including occupancy, average daily rate (ADR), and revenue per available room (RevPAR) – outpacing the growth seen by many of the top 25 U.S. markets in ADR. However, the increases in rate may have triggered the slower growth in occupancy. Scottsdale's occupancy rate was 5.5 percentage points below that of the top 25 U.S. markets for the year.

SCOTTSDALE VS. OTHER U.S. MARKETS				
2014 (January - December)				
	Scottsdale/PV	Phoenix Metro*	Top 25 Markets	Total U.S.
Occupancy	66.9%	63.1%	72.4%	64.4%
ADR	\$172.13	\$114.05	\$141.48	\$115.32
RevPAR	\$115.10	\$71.92	\$102.45	\$74.28
Percent Change – 2014 vs. 2013				
Occupancy	3.6%	5.4%	3.7%	3.6%
ADR	5.6%	4.8%	4.8%	4.6%
RevPAR	9.4%	10.5%	8.7%	8.3%
Source: Smith Travel Research, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.				
*Includes Scottsdale/Paradise Valley				

When compared to the top 25 U.S. markets, Scottsdale's RevPAR growth for 2014 would tie the destination for the No. 15 spot for growth. By comparison, the Phoenix metro area ranks No. 9. Both areas have improved dramatically over 2012 when Phoenix metro ranked No. 24 out of the top 25 markets, and Scottsdale's RevPAR growth was even lower.

When comparing Scottsdale to other warm-weather destinations in our competitive set, the area's occupancy growth is in the middle, and growth in ADR trails toward the bottom.

SCOTTSDALE VS. WARM WEATHER COMPETITORS			
Percent Change – 2014 vs. 2013			
	Occupancy	ADR	RevPAR
Austin	1.4%	6.6%	8.0%
Dallas	5.5%	3.3%	9.0%
Houston	3.9%	5.6%	9.7%
Los Angeles	2.7%	7.5%	10.3%
Miami	1.1%	5.8%	7.0%
Orlando	4.6%	5.9%	10.7%
Palm Springs	1.1%	7.1%	8.3%
San Antonio	2.9%	2.6%	5.5%
San Diego	4.3%	4.9%	9.4%
Scottsdale	3.6%	5.6%	9.4%
Tampa	5.8%	5.8%	12.0%
Tucson	0.6%	2.0%	2.6%
Source: Smith Travel Research, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.			

Scottsdale's overall recovery since the economic downturn in 2009 has been slow, but steady. Not accounting for inflation, Scottsdale's 66.9% occupancy in 2014 is still 2.9 percentage points from our high in 2006 when occupancy was 69.8%. Scottsdale's ADR of \$172.13 in 2014 is equivalent to our high in 2008 when ADR was \$172.26. And, Scottsdale's RevPAR of \$115.10 in 2014 is just above our high in 2006 when RevPAR was \$114.46.

SCOTTSDALE TOURISM INDUSTRY MEASUREMENTS			
	Occupancy	ADR	RevPAR
<b>2014</b>	<b>66.9%</b>	<b>\$172.13</b>	<b>\$115.10</b>
<b>2013</b>	64.9%	\$158.40	\$102.79
<b>2012</b>	61.9%	\$151.16	\$93.51
<b>2011</b>	61.4%	\$150.88	\$92.70
<b>2010</b>	60.2%	\$136.97	\$82.50
<b>2009</b>	56.0%	\$139.28	\$78.03
<b>2008</b>	61.0%	<b>\$172.26</b>	\$105.05
<b>2007</b>	66.6%	\$170.59	\$113.58
<b>2006</b>	<b>69.8%</b>	\$164.19	<b>\$114.46</b>

*Source: Smith Travel Research, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.*

In 2014, bed-tax collections increased 8.4% over 2013 collections. However, without the bed-tax increase passed in 2010 by Scottsdale voters whereby the bed-tax rate increased from 3% to 5%, total collections in 2014 would have fallen short of the peak collections from 2007.

#### SCOTTSDALE FORECAST

In 2015, Scottsdale/Paradise Valley hotels and resorts are projected to experience a trivial increase in occupancy, but robust increases in ADR and RevPAR.

- Occupancy: +0.3% to 67.1%
- ADR: +8.3% to \$184.43
- RevPAR: +8.6% to \$123.83

*Source: Smith Travel Research, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.*

#### LOCAL CHALLENGES & OPPORTUNITIES

The tourism industry is of critical importance to Scottsdale – generating jobs and tax revenues, and impacting the quality of life for residents.

TOURISM'S IMPORTANCE TO SCOTTSDALE
<ul style="list-style-type: none"> <li>• Tourism is one of Scottsdale's largest industries.</li> <li>• One in every eight jobs in Scottsdale is directly related to tourism.</li> <li>• Scottsdale hosted 9.1 million visitors in 2013.</li> <li>• These visitors generated an economic impact of \$4 billion, as well as \$38 million in sales- and bed-tax revenue for Scottsdale.</li> </ul>
<i>Sources: Scottsdale/Paradise Valley Tourism Study, Visitor Statistics, August 2014; City of Scottsdale</i>

Several challenges and opportunities are influencing our community's and state's ability to prosper.

- **New Events, Attractions & Amenities** – Competition from other warm-weather destinations with larger budgets than Scottsdale continues to be a primary concern. In order to remain competitive, the Scottsdale area has to continue attracting and creating special events, as well as new attractions and amenities. Opportunities

exist with the newly built Western Spirit: Scottsdale's Museum of the West as well as the soon to open OdySea Aquarium. The City's Tourism & Events Department, the Scottsdale Tourism Development Commission, the CVB and the Scottsdale Tourism Advisory Task Force, which is overseeing implementation of the City's five-year tourism strategic plan, also are working to support current events, generate new events that will help drive demand during the shoulder and summer seasons, activate our downtown, and champion a Desert Discovery Center that could provide Scottsdale a unique destination attraction that will enhance appreciation for and access to Scottsdale's McDowell Sonoran Preserve.

- **Special Event Venues** – Special events continue to be a prime motivator for travel and, therefore, are important for Scottsdale to support. The upgraded WestWorld of Scottsdale offers opportunities for events to come to Scottsdale year-round when that previously would not have been possible. Various groups are working to support the creation of new special event venues in downtown that would help the community host more events in the urban core of our city, where many event promoters want to be.
- **Diversity & Inclusion** – As of April 2015, a survey by *Meetings & Conventions* magazine showed that 40% of respondents said Arizona's immigration-related legislation from 2011 has absolutely or somewhat affected their likelihood of holding a meeting in the state. Survey respondents also overwhelmingly (70%) said that local or state laws that some attendees might consider discriminatory would influence their decision to meet in a destination. Therefore, it is important that our city and state's tourism and business communities, along with our elected officials, continue to work together to showcase Arizona as a place that celebrates diversity, inclusion and equality for all who live, work and play here.
- **Local Transportation** – National research continues to show that Scottsdale ranks poorly for good local transportation, especially in relation to competitive destinations. To combat this city-wide issue, various groups hope to work collaboratively with the City on finding viable public transportation solutions that will appeal to visitors and residents, as well as exploring ways to improve the overall transportation experience for visitors coming to Scottsdale from Phoenix Sky Harbor International Airport.

## NATIONAL TOURISM OUTLOOK

The following trends could impact travel in the coming year:

- **Leisure Travel:** The year 2015 will see the millennial generation outnumber baby boomers for the first time, according to a new Pew Research Center report based on population projections from the U.S. Census Bureau. Millennials are projected to number 75.3 million, surpassing the projected 74.9 million boomers. A new Priceline survey found that millennials are on the cusp of a travel-buying spree. Almost half of all Americans who didn't take a last-minute vacation in 2014 said they regretted it, and millennials were most eager to do something about it. Nearly one quarter of millennials said they were likely to take a last-minute vacation in 2015. In total, 58% of Americans surveyed said they agreed that a last-minute 2015 getaway was in the cards. Americans would be most willing to plan a last-minute vacation for a romantic getaway (55%), followed by a surprise celebration, such as a birthday (42%), a guys or girls getaway (25%), a wedding (19%) or to attend a sporting event (18%). Last-minute travelers also typically spend more freely for these types of trips.

Skift's latest trend report—The Rise of Food Tourism—delves into the concept of traveling to a destination specifically for its food and beverage products. The report estimated that 39 million U.S. leisure travelers choose a destination based on the availability of culinary activities, while another 35 million seek out culinary activities after a trip is decided upon.

According to the Adventure Travel Trade Association (ATTA), tour operators specializing in adventure travel expected business to be up around 23% in 2015. Casey Hanisko, vice president of marketing and communications at ATTA, recently reported that the adventure travel market was worth about \$263 billion a year worldwide. Four out of every 10 travelers were taking some sort of adventure trip, but that included a wide range of trips from hardcore mountain climbing expeditions to “soft” adventures that require minimal training, like a safari or a bird watching expedition.

- **Business Travel:** Business travel spending is expected to increase 3.1% this year to \$295.7 billion, according to the Global Business Travel Association. A survey of Travel Leaders Group's business-focused travel agents also found that 45% – 7% more than last year – indicated their clientele will be traveling more in 2015.
- **Meetings:** According to MPI's 2015 Meetings Outlook, organizations' meetings budgets have been rising steadily and are predicted to continue – 11% of their survey respondents anticipate budgets to increase by 6% or more in the near future, and 42% expect an increase between 1% and 5%. The corporate market segment is expected to see the most positive business this year with 39% of respondents anticipating an uptick. Domestic associations on the other hand are only anticipating a 1% increase in business.
- **Air Travel:** According to the International Air Transport Association, global airline passenger traffic demand rose 5.9% for 2014 compared to 2013. This 2014 performance was above the 10-year average growth rate of 5.6%. International visitors to the U.S. in 2014 totaled 110.4 million passengers, which represented a 6% year-over-year increase, according to the U.S. National Travel and Tourism Office.

Mergers have left four airline companies controlling more than 80% of the U.S. market, and they have been slow to add new flights. U.S. airlines were filling more than 85% of their seats in some months, which were close to record levels, according to the Bureau of Transportation Statistics. “Right now the airlines have a great balance of supply and demand, and they are using it to ratchet up fares,” said Jim Corridore, an airlines analyst for S&P Capital IQ.

- **Lodging Industry:** The U.S. hotel industry reported positive results in the three key performance metrics during 2014, according to Smith Travel Research (STR). Overall, in year-over-year results, the U.S. hotel industry's occupancy was up 3.6% to 64.4%; ADR rose 4.6% to \$115.32; and RevPAR increased 8.3% to \$74.28. “The U.S. hotel industry experienced a great year and ended 2014 on a positive note,” said Amanda Hite, president and COO of STR. “The year's performance broke several records thanks to continued strong demand growth. “ADR and RevPAR for the year were the highest ever recorded by STR, and we expect more growth in 2015,” she added.

“With a strong near-term economic outlook, solid business and leisure travel trends and below average supply growth, owners and operators can expect to have significant pricing power yielding higher room rates in 2015,” said Scott D. Berman, principal and U.S. industry leader for hospitality and leisure at PricewaterhouseCoopers (PwC).

Jan Freitag, STR's senior vice president of hotel research, believes that the all-time U.S. occupancy record of 64.9%, set in the mid-1990s, was within reach this year. Largely fueling the rosy outlook were reports of resurgent group demand and a development pipeline that will keep room growth at less than 2%, at least for this year. Markets most strongly impacted by new supply, according to the 2015 HVS Hotel Development Cost survey, included Houston, Miami, Denver, Nashville, New York and Seattle, which were expected to report double-digit increases in new hotel rooms.

Following are expectations by Smith Travel Research (STR), PKF Hospitality Research (PKF) and PricewaterhouseCoopers (PwC) for 2015.

2015 U.S. LODGING INDUSTRY GROWTH FORECASTS		
	ADR	RevPAR
STR	+5.2%	+6.4%
PKF	+5.3%	+7.3%
PwC	+6.2%	+7.4%

PKF is forecasting the pace of ADR growth to improve to 6.3% in 2016, with RevPAR up 6.5%.

- International Travel:** The Department of Commerce reported a record 75 million international visitors arrived in the U.S. in 2014 – a 7% increase over 2013. While Canada and Mexico continue to be the top source markets, Canada actually saw a decline in arrivals last year and Mexico increased substantially, up 19% from the prior year. Meanwhile, 12 of the top 20 source markets experienced record level visitors last year. China continues to lead as the fastest growing arrival market, up 21% from 2013. European markets saw larger increases, while South American markets declined somewhat. While China and Brazil continue to receive deserved acclaim for their growth into major inbound international travel markets to the United States, many important European markets, including the United Kingdom and Germany, remain robust tourism source markets for the U.S. and should maintain their position despite the rise in emerging markets in the near future.

*Source: U.S. Travel Association*

## *2015-16 Strategic Initiatives*

Each year, the Scottsdale CVB works to maintain the programs that provide a consistent return on investment while implementing new programs that will allow us to remain competitive. Following are several areas that the CVB will focus on for the coming year to drive new visitation and meetings groups to Scottsdale.

### **EXPLORE A NEW BRAND IDENTITY**

The Scottsdale CVB has embarked on a brand positioning project to ensure that Scottsdale remains a desirable destination with a strong brand attracting not only our key customer segments, but also appealing to the next generation of travelers. In order to remain at the forefront of destination marketing, it is critical that we understand perceptions of Scottsdale and align our brand position, strategy, messaging and creative with these findings. After a thorough vetting process, the CVB, with the help of a selection committee comprised of local tourism leaders, chose STRUCK, a creative and research agency, to lead Scottsdale's brand positioning initiative. The process began with an extensive brand research and analysis phase that included community stakeholder interviews, out-of-market consumer focus groups and quantitative research. Up next is the brand platform and creative execution phase. During the year, STRUCK will collaborate with the CVB's in-house creative team to bring the brand to life through new leisure and meetings print ads; a TV commercial; website; digital assets; large-scale, out-of-home formats; and collateral materials. Scottsdale's new brand will launch in fall 2016. This CVB project to redefine our brand position complements the work being done by the City of Scottsdale through their five-year tourism strategic plan and the Council-appointed Tourism Advisory Task Force, which is working to shape our community through product development.

### **OVERHAUL GOLF CREATIVE**

The CVB will enhance "The World's Finest Golf Destination" golf campaign by developing new creative concepts based on the Scottsdale-specific golf research conducted by Sports & Leisure Research Group. The updated creative – including print, digital and TV ads – will appeal primarily to affluent male golfers for whom the primary purpose of their visits is to play golf or combine business travel with golf. Messaging will focus on the abundance of quality golf courses, exceptional weather, fine dining, luxury accommodations and value for their money. While Brandel Chamblee will continue to serve as Scottsdale's golf ambassador, the new creative will focus more on the luxury aspects of Scottsdale's brand identity.

### **ENGAGE IN HIGH-IMPACT, SEASONAL MARKETING**

The CVB's marketing plan includes a presence in luxury, in-flight and driver-specific publications, as well as a robust online program that includes search engine optimization and pay-per-click campaigns. Our TV commercials run on broadcast and cable stations in our key feeder markets, while the CVB's website, emails and social media outlets support CVB campaigns, special events and many member initiatives. Enhancing these strategies are the CVB's seasonal campaigns and high-impact, out-of-home programming such as station saturations and subway, building and airport baggage claim wraps that provide Scottsdale with extraordinary exposure in key markets. The CVB will continue to mine for new opportunities to help our brand stand apart from other competitive destinations, and attract new and repeat visitors to Scottsdale. In addition, the CVB will leverage the holiday campaign by providing media in our top winter markets with winter survival kits to keep Scottsdale top-of-mind and generate social media buzz.

### **BOOST FALL GROUP BUSINESS FROM CANADA**

With an increase in year-round flights from Canada, the CVB has an opportunity to boost group business in the fall from the Canadian market. Therefore, the CVB will be working with our hotel and resort partners to create a Canadian meetings promotion to drive bookings in September, November and December. In addition, the CVB is creating more customized information for Canadian clients that focuses on services and amenities

important to this market, flight access, and information from the Canada Arizona Business Council. The CVB also will continue its partnership with a Canadian-based meetings agency, which will focus on the following niche segments that we know produce well for Scottsdale from Canada: food and beverage, retail, law firms, and manufacturing.

#### **ENHANCE NICHE MARKET OUTREACH**

The CVB focuses on a variety of niche meetings markets to drive incremental business for the destination. The most important niche markets for the CVB include pharmaceutical/medical, financial and insurance, sports, third-party, and Canada. Due to various initiatives, the CVB has been able to increase year-over-year room nights within these markets and will continue to focus on these areas through sales missions, trade shows, familiarization tours and relationship marketing. The CVB also will add more educational components to our niche FAMs in order to provide these clients with an added reason to participate. A supplemental educational component has been a critical factor of our medical meetings FAM. In addition, the CVB will be targeting second-tier markets – such as Nashville, Pittsburgh and Salt Lake City – through participation in smaller appointment-based trade shows.

#### **PURSUE TRAVEL BLOGGERS**

The explosive growth of blogs, especially in the travel space, has greatly expanded the availability of information for consumers. While the CVB continues to focus the majority of its efforts on traditional media, we are expanding our outreach efforts to influential bloggers focused on travel, dining and outdoor adventure. Bloggers help tell the story of Scottsdale through social media and help optimize the CVB's, and in turn our partners', search engine optimization. Efforts include pitching and participation in the world's largest gathering of travel bloggers, writers and new media content creators. The CVB also will host familiarization tours customized for individual bloggers. The CVB's inaugural blogger FAM resulted in blogs posts and social media outreach that generated 2.1 million impressions.

#### **SUPPORT CITY'S FIVE-YEAR TOURISM STRATEGIC PLAN**

The CVB continues to work with the City of Scottsdale, Tourism Development Commission and Tourism Advisory Task Force to implement the strategies outlined in the City's five-year tourism strategic plan. Numerous CVB staff members are contributing to task force committees working on individual projects. The strategic plan initiatives are designed to enhance Scottsdale's tourism industry and unique character of place, and create new visitor experiences that could boost our destination's appeal.

# Marketing

## OVERVIEW

The Scottsdale Convention & Visitors Bureau's marketing department brands Scottsdale as an upscale leisure and meetings destination through the use of advertising, high-end collateral and publications, online and email outreach, social media, and event marketing. The department manages advertising, fulfillment, online, creative services and visitor services.

## TARGET AUDIENCES

The CVB strategically targets the consumer, meetings, and tour and travel markets based on comprehensive research.

### GEOGRAPHIC TARGET MARKETS

**Primary:** Canada (Calgary, Edmonton, Toronto, Vancouver), Chicago, Los Angeles, New York, San Francisco  
**Secondary:** Denver, Phoenix

### SCOTTSDALE LEISURE TRAVELER - AVERAGE VISITOR

Median age ..... 59 years old  
 Median household income ..... \$115,700  
 Average length of stay ..... 5.4 nights  
 Average daily expenditures (hotel guests) ..... \$400  
 Percentage of overnight stays in a hotel/resort ..... 65%  
 Top activities (rank order): Dining, Shopping, Visit Downtown Scottsdale, Day Trips, Outdoor Desert Activities, Native American Arts & Culture, Art Galleries, Western Culture & Attractions, Museums, Nightlife, Events, Overnight Trips, Spa, Golf, Gaming

Source: City of Scottsdale Visitor Inquiry Study, August 2014

### SCOTTSDALE LEISURE TRAVELER - LUXURY VISITOR

*Represents more than 50% of Scottsdale's core customers who stay at area luxury resorts*

Median age ..... 50 years old  
 Median household income ..... \$289,000  
 Average length of stay ..... 2.4 nights  
 Average daily room expenditures ..... \$262  
 Average daily on-property expenditures (including room)\* ..... \$363  
 Visited the city more than once in a year ..... 50%

*\*Includes on-property expenditures only and does not include daily off-property expenses.*

Source: Scottsdale Convention & Visitors Bureau's Visitor Industry Customer Analysis 2013

## BRAND POSITION

The CVB positions Scottsdale as an upscale resort destination offering outstanding weather, spas, golf, arts, outdoor adventure, shopping, dining and nightlife. The CVB's brand campaign showcases the unique and surreal quality of the Sonoran Desert by incorporating vibrant imagery, rich textures and abstract scenes that capture the unique spirit of Scottsdale's target audience.

## PROGRAMS

Many marketing programs are open for CVB member participation. For specific opportunities, refer to the online schedule.



Samples of current brand ads

## Media Plan

Each year, the CVB creates a media plan based on extensive research and strategic planning to align Scottsdale's luxury message with the appropriate mediums to target our niche audiences. By buying regional media, the CVB is able to most effectively reach potential visitors in key feeder markets. To extend the reach of Scottsdale's messages and maximize individual branding potential, the CVB encourages members to purchase ad space near CVB advertising at preferred member rates.

## Creative Campaigns

In addition to brand advertising, the CVB develops seasonal marketing campaigns to push messaging around key destination time periods. These targeted campaigns often use a variety of mediums – such as TV, outdoor, print, direct mail and online – to strengthen destination awareness and exposure in key feeder markets, and drive consumers online to learn more. The CVB's campaigns also focus on Scottsdale's key drivers to address potential visitors' points of passion and travel motivators. With intense competition in the travel marketplace, the CVB continues to look for the most effective, yet unique and creative, outlets for the Scottsdale message to reach our target audiences.

## Consumer Promotions

Promotions add value to advertising campaigns, highlight events and connect the CVB with potential visitors. Promotions often include a giveaway and are promoted through an "enter-to-win" web page, print ads, email, direct mail or social media.

## Relationship Marketing

We maintain permission-based databases for leisure travelers, meeting planners and travel professionals. These databases are used for direct mail and email to keep Scottsdale top of mind with people who have already visited, expressed an interest in visiting, or fit the profile of our target audience.

## Publications & Promotional Materials

The CVB produces a variety of publications including the *Experience Scottsdale* visitor guide, the primary fulfillment piece for leisure travelers. Other publications available to visitors include the *Desert Discovery Guide*, as well as online downloadable guides such as the *Downtown Guide*, *Western List* and *Kids' List*. To assist meeting planners, travel agents and tour operators, the CVB produces the *Discover Scottsdale* meeting and travel planners guide and offers high-quality promotional materials that can be used to sell Scottsdale, including brochures, maps, posters, photos and videos.

## Online Marketing & Social Media

ExperienceScottsdale.com is the CVB's primary website. As part of our online marketing strategy, pay-per-click advertising and search marketing programs drive visitors to the CVB website. We also maintain an active presence on social media sites such as Facebook, Twitter, YouTube, Pinterest and Instagram to further promote Scottsdale. In addition, the CVB uses videos, a responsive website and downloadable guides to provide greater access to information online.

## Event Marketing

The CVB supports special events by incorporating them into our advertising, visitor guides, website, emails and social media outlets to help drive incremental visitation to Scottsdale during events. The CVB also provides visitor services at several events. In addition, the CVB works with special event venues to secure new events that fill room nights and attract new customers to Scottsdale.

## Visitor Services

The CVB operates a full-service visitor center at the Galleria Corporate Centre and provides the services of a concierge at Scottsdale Fashion Square. These locations provide visitors with destination information and personal help from visitor center concierges. In addition, the Galleria location displays CVB member brochures. The CVB regularly visits concierges at area hotels to provide CVB publications and update them on Scottsdale amenities.

# Communications

## OVERVIEW

The Scottsdale Convention & Visitors Bureau's communications department garners positive publicity for Scottsdale as a premier travel and meetings destination. Through the voices of credible journalists, the CVB is able to increase awareness for Scottsdale, position it as a world-class destination, and ultimately increase demand. In markets where advertising dollars are scarce or nonexistent, communications programs are the most important tactic used to generate awareness for Scottsdale.

## TARGET AUDIENCES

Targeted, positive media exposure in print, broadcast and online mediums frequently generates interest in Scottsdale.

### GEOGRAPHIC TARGET MARKETS

**Domestic:** Chicago, Denver, Los Angeles, New York, Phoenix, San Francisco, Seattle

**International:** Canada, France, Germany, Mexico, United Kingdom

## PROGRAMS

Many communications programs are open for CVB member participation. For specific opportunities, refer to the online schedule.

### Media Missions & Trade Shows

The CVB targets members of the press in key cities with one-on-one editorial meetings, receptions and other special events. These missions allow the CVB to target high-caliber journalists with strategic messages and build relationships. When possible, the CVB also attends travel trade shows to establish and further develop media relationships as well as share story ideas.

### Media Familiarization Tours

The CVB encourages qualified journalists to experience Scottsdale firsthand. Media who visit typically produce better coverage and write more often about the destination than those who have not visited. The CVB facilitates these individual and group visits by providing story ideas and coordinating customized itineraries with the support of our members who provide accommodations, meals and activities. Group tours are often produced around specific drivers or special events to attract niche media.

The CVB also hosts a bi-annual travel writer conference, Travel Classics West, which provides an additional way to introduce top editors and freelance writers to the destination. When the conference is in another city, a CVB representative attends as a sponsor to maintain and develop media relationships.

### Media Resources

The CVB's resources provide story ideas, enhance editorial coverage and help the CVB to build relationships with media.

- **Press Kits:** The CVB's general and golf-specific press kits are used for media fulfillment. Press kits are available on flash drives and online; some materials are available in other languages.
- **Press Releases:** Throughout the year, media are targeted with news and feature releases, which often incorporate information submitted by CVB members. Some materials are available in other languages.
- **Customized Pitches:** Customized pitches allow the CVB to tailor the message to a publication and its audience in order to secure thorough, high-value coverage.

- ***Destination Images:*** The CVB provides media with high-definition video footage and images to enhance Scottsdale editorial.
- ***Scottsdale Travel News:*** This monthly e-newsletter updates nearly 4,000 domestic and international media on what's new in Scottsdale. Niche versions are distributed to media covering golf and meetings.
- ***Scottsdale Sun News:*** This printed newsletter, which is sent in March and September, provides destination information for travel agents, tour operators, meeting planners, and the media that cover these markets.

#### **Public Relations Representatives**

The CVB contracts with international public relations representatives in Canada, the United Kingdom and Germany to have a more consistent presence in these markets. The CVB also contracts with a domestic agency with offices in New York and Los Angeles to help us further penetrate these media-rich cities. In addition, the CVB partners with a local golf-focused marketing and public relations agency. Our representatives help build relationships with media in their respective markets, respond to media requests, distribute press materials, coordinate media visits to Scottsdale, and advise the CVB regarding opportunities to further our positioning.

# *Convention Sales & Services*

## **OVERVIEW**

The Scottsdale Convention & Visitors Bureau's convention sales and services department provides destination education to meeting planners and assists with securing space and services for meeting and incentive programs.

## **TARGET AUDIENCES**

In Scottsdale, an estimated 40 to 50% of all resort and full-service hotel business results from meetings-related travel.

### **Corporate Meetings**

More than half of meetings booked by the Scottsdale CVB are from the corporate sector, including healthcare, high tech, financial, manufacturing, insurance, pharmaceutical and retail.

### **Association Meetings**

Association meetings include major conventions, as well as board meetings, training/educational seminars, professional/technical meetings, and regional/local chapter meetings. These meetings account for nearly a quarter of the CVB's bookings.

### **Niche Meetings**

Niche markets include sports and the SMERF market (social, military, educational, religious and fraternal meetings). These groups, which account for less than a quarter of the CVB's bookings, often are looking for value when selecting a meetings destination, which makes them a good fit for Scottsdale during the shoulder and summer seasons.

### **Third-Party Planners**

Meetings from third-party planners account for more than half of the CVB's bookings. Much of this can be attributed to the CVB's relationships with third-party meetings services companies such as HelmsBriscoe, ConferenceDirect, Experient and HPN.

## **PROGRAMS**

Many convention sales and services programs are open for CVB member participation. For specific opportunities, refer to the online schedule.

### **Generating Leads**

The CVB customizes all meeting planners' requests for accommodations, meeting space and other types of services, and does not produce a convention calendar. This not only protects the privacy of our clients, but also ensures that only those companies that fit their needs will be in contact with them. The CVB works closely with both clients and members to ensure a great match between the needs and wants of a client and the products and services of our members. In addition to leads generated from our own efforts, the CVB also has agreements with Cvent and Starcite to generate incremental leads for the destination.

### **Trade Shows & Sales Calls**

The CVB connects face-to-face with meeting planners at select trade shows, which typically generate immediate leads for CVB members. Often in conjunction with a trade show, the CVB will conduct sales calls to connect with additional planners. Members frequently partner with the CVB for these events, increasing Scottsdale's presence in a market.

### **Familiarization Tours & Site Inspections**

To give clients a firsthand experience of Scottsdale, the CVB conducts two large meeting planner familiarization tours (FAMs) each year – the Sunsational FAM in the spring and the Explore the American Southwest FAM in the fall. In addition to these larger FAMs, the CVB frequently hosts smaller niche FAMs. When possible, FAMs are produced around special events. These FAMs provide an opportunity for members to showcase

their properties and services to highly qualified meeting planners who are actively considering Scottsdale for future programs. In addition to FAMs, smaller and more customized site inspections are coordinated throughout the year for qualified clients. The CVB's "Site See & Fly Free" program encourages planners with an active piece of business to fly free on us to experience a customized site tour to see firsthand what makes Scottsdale one of the top meetings destinations.

#### **Client Outreach**

Clients are contacted during the course of the year via direct mail, phone calls and emails to generate awareness, keep Scottsdale top-of-mind, and update customers on new amenities and products in Scottsdale.

#### **Advertising & Public Relations**

The CVB also reaches meeting planners through advertising in predominant trade publications, through email blasts and in online RFP tools such as Cvent and Starcite. In addition, the convention sales and communications teams work together to keep Scottsdale top of mind with media from key meetings publications.

#### **Convention Services**

By efficiently matching the planners' requests for destination management services, off-property venues, speakers, wholesale gifts and other types of services with member businesses, the CVB streamlines the planning process and makes the planner's job easier. The CVB also helps planners boost attendance for their programs by providing complimentary materials such as photos, videos, brochures, posters, visitor guides and welcome letters.

#### **Convention Sales Representatives**

The CVB contracts with a meetings agency in Canada to augment the CVB's group sales efforts in one of Scottsdale's most important international markets. The agency assists the CVB in generating incremental leads from Canadian corporations and associations not currently in our database, as well as developing programs to reach targeted vertical and geographic markets in Canada.

# *Tourism*

## OVERVIEW

The Scottsdale Convention & Visitors Bureau's tourism department provides destination education to travel agents and tour operators to help them best capture the Scottsdale experience for their clients and to ensure that Scottsdale stands out as a unique destination in tour operator product inventories throughout the world. The department also promotes Scottsdale to international meetings groups.

## TARGET AUDIENCES

The CVB's tourism programs are targeted to tour operators, airline vacation divisions, online tour operators and travel agents in the following markets: United States, Canada, Mexico and Europe.

### United States

The top 12 revenue-producing markets for domestic visitors to Scottsdale are New York, Los Angeles, Chicago, San Francisco, Denver, Seattle, Dallas, Washington D.C., Philadelphia, San Diego, Boston and Minneapolis. The average visitor stays for 5.4 nights and spends \$400 per person per day. Repeat visitation is most likely to occur in March, but is increasing in November and December. Favorite activities include dining, shopping, visiting downtown Scottsdale, day trips, outdoor desert activities, and Native American arts and culture. During the summer, Scottsdale is seeing customers visit from a more diverse mix of markets than realized in previous years. Scottsdale's most affluent visitors book their luxury accommodations approximately 36 days before traveling, and 50% visit Scottsdale more than once per year.

### Canada

Canada continues to be the largest international inbound market to the United States by a wide margin. Canadians represent one-third of all international travelers to the U.S. According to the U.S. Department of Commerce, Canadian visitation to the U.S. is forecast to grow 2.2% per year on average through 2019. Canada is Arizona's top-grossing international market by overall expenditures. Latest numbers show that nearly 900,000 Canadians visited Arizona in 2014, spending \$923 million. They come to shop, dine, sightsee and participate in sports or outdoor activities. Canadian visitors traveling to Arizona come primarily by air (61%), but 35% drive to Arizona. More than 74% of visitors to the region via nonstop international flights through Phoenix Sky Harbor International Airport are from Canada. Top revenue-producing Canadian markets to Scottsdale are Toronto, Calgary, Vancouver, Edmonton and Montreal with visitors spending approximately \$1,437 on average per visit.

### Mexico

Mexico is the second-largest international inbound travel market to the United States and represents one-fifth of all international travelers to the U.S. According to the U.S. Department of Commerce, Mexico visitors to the U.S. are forecast to grow 5.6% per year on average through 2019. Favorite vacation activities of the Mexican traveler include shopping, restaurant dining and visiting historical places. Travel packages that include added value such as complimentary nights, complimentary breakfast or room upgrades are most popular. While only 16% of all Mexican visitors to Arizona stay overnight, 61% of these visitors stay in a hotel with the other 39% staying in a private home.

### Europe

Scottsdale's key target markets in Europe are the United Kingdom, Germany and France. The U.S. Department of Commerce forecasts that by 2019, arrivals from Europe will be 15.4 million, or 20% higher than the 2013 volume. The largest growth will come from the U.K. (+569,000), France (+343,000) and Germany (+242,000). Visitors from these countries tend to spend more and stay longer, and often visit Scottsdale during the summer months. They stay in paid accommodations for an average of nine nights and typically travel to two states during each trip. European visitors come to Arizona for the

wide open spaces and natural attractions. The average U.K. visitor to Arizona is 47 years old and has an average household income of \$118,000. Of Arizona's U.K. visitors, 30% fly into the United States through Las Vegas and another 14% come through Los Angeles. Arizona's German travelers are typically a bit younger at 40 years old with a household income of \$103,000. They primarily travel to Arizona through Los Angeles or San Francisco. Visitors from France also come through these two ports, and are nearly 43 years old on average with a household income of \$82,000.

*Sources: Arizona Office of Tourism, Canada Arizona Business Council, City of Scottsdale, Scottsdale Convention & Visitors Bureau, U.S. Department of Commerce, U.S. Travel Association*

## **PROGRAMS**

Many tourism programs are open for CVB member participation. For specific opportunities, refer to the online schedule.

### **Generating Leads**

The tourism department generates leads for CVB members. Once a tour operator has established a relationship with a Scottsdale hotel, the CVB introduces new itinerary ideas to enhance the experience for customers and hopefully increase the number of nights booked for a Scottsdale vacation.

### **Trade Shows & Sales Missions**

The CVB connects face-to-face with travel professionals at select trade shows, which generate immediate leads for CVB members. In addition, the CVB conducts sales missions, client events and educational seminars in key markets to cultivate relationships with new clients and meet with long-term clients. During one-on-one client meetings, the CVB reviews travel catalogues to ensure that Scottsdale hotels and resorts are properly featured within a Scottsdale-branded section, as well as the destination being prominently featured in the catalogue and possibly even highlighted on the cover.

### **Familiarization Tours & Site Inspections**

The CVB hosts familiarization tours (FAMs) for travel professionals to increase their overall knowledge of the destination by experiencing it firsthand. These FAMs and site inspections provide an opportunity for members to showcase their properties, services and events to travel professionals who are actively seeking new product to sell.

### **Product Training Seminars**

The CVB conducts in-person and online product training sessions for travel industry clientele and reservation agents who sell Scottsdale hotels and activities. These seminars are a valuable tool for increasing room-night bookings to the area – the more information each agent absorbs, the easier the destination is to sell to the leisure traveler.

### **Relationship Marketing**

Tourism clients are contacted during the course of the year via direct mail and email to generate awareness, keep Scottsdale top of mind, and update customers on new amenities and products in Scottsdale. Seasonal package promotions are emailed to travel agents to promote fall, spring and summer specials from CVB members.

### **Trade Cooperative Marketing**

To drive more travelers to purchase Scottsdale vacation packages, the CVB partners with international and domestic tour operators to create trade cooperative marketing campaigns in their respective cities and countries. These promotions are organized around seasonal travel packages or a Scottsdale vacation contest. The CVB matches the nominal cost incurred by the tour operator to execute the promotion and in turn receives exposure in every medium of the promotion (e.g. print ads, direct mail, in-store displays).

To gain additional exposure, the CVB cultivates affinity marketing partnerships with companies outside the tourism industry who share a similar target audience. These layered campaigns often include in-store promotions, magazine ads and editorial, direct mail,

email and catalogues. The cooperative efforts benefit the CVB and the partnering company, as well as travel agents who are often included as a call-to-action for those interested in booking a Scottsdale vacation. Collected consumer information also allows the CVB to provide additional information to potential visitors.

#### **Services**

The CVB also helps travel professionals to sell Scottsdale by providing complimentary materials such as photos, videos, brochures, maps, posters, visitor guides and itinerary ideas. Many travel professionals include Scottsdale promotional pieces with itineraries for clients who have purchased a Scottsdale vacation.

#### **Tourism Representatives**

The CVB works with trade representatives in the United Kingdom, Germany, Canada and Mexico. Our representatives respond to travel industry requests, participate in trade shows, and conduct educational seminars and sales missions in an effort to promote tourism to Scottsdale.

## FULL- & PART-TIME STAFF

### EXECUTIVE OFFICE

**Rachel Sacco**  
*President & CEO*  
(480) 949-2160  
rsacco@scottsdalecvb.com

**Rita Pavoni**  
*Senior Executive Assistant & Office Administrator*  
(480) 949-6295  
rpavoni@scottsdalecvb.com

### MARKETING

**Caroline Stoeckel**  
*Vice President of Marketing*  
(480) 429-2246  
cstoeckel@scottsdalecvb.com

**Kelly Triplett**  
*Director of Marketing*  
(480) 889-2714  
ktriplett@scottsdalecvb.com

**Kristen Kearney**  
*Marketing & Event Coordinator*  
(480) 889-2710  
kkearney@scottsdalecvb.com

**JoAnne Zeterberg**  
*Creative Director*  
(480) 949-6284  
jzeterberg@scottsdalecvb.com

**Charity Snyder**  
*Art Director*  
(480) 949-2179  
csnyder@cs.scottsdalecvb.com

**Brian Trummel**  
*Art Director*  
(480) 889-2708  
btrummel@cs.scottsdalecvb.com

**Sue Wright**  
*Junior Graphic Designer*  
(480) 889-2718  
swright@cs.scottsdalecvb.com

**Connie Waldo**  
*Web Developer*  
(480) 949-6280  
cwaldo@cs.scottsdalecvb.com

**Scott McGinty**  
*Online Marketing Specialist*  
(480) 889-2712  
smcginty@cs.scottsdalecvb.com

**Jason Martin**  
*Warehouse Specialist*  
(480) 889-2720  
jmartin@scottsdalecvb.com

**Sharon Utsunomiya**  
*Visitors Center Manager*  
(480) 421-1004  
sutsunomiya@scottsdalecvb.com

**Sue Ritchie**  
*Visitors Center Concierge*  
(480) 421-1004  
sritchie@scottsdalecvb.com

**Diane Torosian**  
*Visitors Center Concierge*  
(480) 421-1004  
dtorosian@scottsdalecvb.com

**Judi Simons**  
*Visitors Center Concierge*  
(480) 421-1004  
jsimons@scottsdalecvb.com

**Nancy Fortenberry**  
*Visitors Center Concierge*  
(480) 421-1004  
nfortenberry@scottsdalecvb.com

### COMMUNICATIONS

**Laura McMurchie**  
*Vice President of Communications*  
(480) 429-2253  
lmcmurchie@scottsdalecvb.com

**Megan Neighbor**  
*Director of Communications*  
(480) 889-2716  
mneighbor@scottsdalecvb.com

**Stephanie Pressler**  
*Communications Manager*  
(480) 889-2719  
spressler@scottsdalecvb.com

**Melanie Bleile**  
*Communications Assistant*  
(480) 429-2254  
mbleile@scottsdalecvb.com

### CONVENTION SALES & SERVICES

**Kelli Blubaum, CMP**  
*Vice President of Convention Sales & Services*  
(480) 949-6293  
kblubaum@scottsdalecvb.com

**Richard Cerino**  
*National Sales Manager*  
(480) 429-2247  
rcerino@scottsdalecvb.com

**Tracy Jackson**  
*National Sales Manager*  
(480) 949-2163  
tjackson@scottsdalecvb.com

**Alleson Liebling**  
*Sales & Destination Services Manager*  
(480) 949-6281  
sleibling@scottsdalecvb.com

**Erika Pumphrey**  
*National Sales Manager*  
(480) 949-6297  
epumphrey@scottsdalecvb.com

**Kimberly Urich, CMP**  
*National Sales & Canadian Account Manager*  
(480) 949-2164  
kurich@scottsdalecvb.com

**Kelsey Guthrie, CMP**  
*Senior Events Project Manager*  
(480) 429-2257  
kguthrie@scottsdalecvb.com

**Sharon Strauss**  
*Sales Assistant/Coordinator*  
(480) 429-2248  
sstrauss@scottsdalecvb.com

**Tammy Seitz**  
*Sales Assistant*  
(480) 889-2711  
tseitz@scottsdalecvb.com

### TOURISM & MEMBERSHIP

**Deanne Boynton Grupp**  
*Vice President of Tourism*  
(480) 949-6285  
dboyntongrupp@scottsdalecvb.com

**Sarah Kearney**  
*Director of Tourism*  
(480) 889-2705  
skearney@scottsdalecvb.com

**Rachel Hall**  
*Tourism Sales Manager*  
(480) 949-2161  
rhall@scottsdalecvb.com

**Mary Carlson**  
*Tourism Coordinator*  
(480) 889-2715  
mcarlson@scottsdalecvb.com

**Brent Gumbert**  
*Membership Development Manager*  
(480) 889-2706  
bgumbert@scottsdalecvb.com

### COMMUNITY & GOVERNMENT AFFAIRS

**Rachel Pearson, ABC**  
*Vice President of Community & Government Affairs*  
(480) 429-2259  
rpearson@scottsdalecvb.com

**Megan Doyle**  
*Community Affairs Manager*  
(480) 889-2704  
mdoyle@scottsdalecvb.com

### ADMINISTRATION

**Genia Kehayes, CPA**  
*Vice President of Finance & Administration*  
(480) 949-2162  
gkehayes@scottsdalecvb.com

**Marilyn Smith**  
*Accounting & HR Assistant*  
(480) 949-6292  
msmith@scottsdalecvb.com

**Cindy Smith**  
*Accountant*  
(480) 889-2703  
csmith@scottsdalecvb.com

**Eric Paschal, MCITP, MCTS**  
*Director of IT*  
(480) 949-6286  
epaschal@scottsdalecvb.com

**Adam Gonzales**  
*Technical Support Specialist*  
(480) 889-2722  
agonzales@scottsdalecvb.com

**Valerie Cherry**  
*Database Coordinator*  
(480) 889-2713  
vcherry@scottsdalecvb.com

## BOARD OF DIRECTORS

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## COMMUNITY PARTNERS

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### CITY OF SCOTTSDALE

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Councilmember Virginia Korte

Councilwoman Kathy Littlefield

Councilwoman Linda Milhaven

Councilman Guy Phillips

Councilman David N. Smith

City Manager Fritz Behring

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Vice Mayor Paul Dembow

Councilman Jerald Bien-Willner

Councilwoman Mary Hamway

Councilman David Sherf

Councilman Mark Stanton

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Councilmember Archie Kashoya

Councilmember Thomas Largo

Councilmember Ricardo Leonard

Councilmember Deanna Scabby





## **2015-16 Media Schedule**

*Note: Final decisions will be made based on budget and space availability.*

### **JULY 2015**

- Arizona Republic (Scottsdale section)
- Facebook.com
- Pay Per Click and Search

### **AUGUST 2015**

- Arizona Republic (Scottsdale section)
- Facebook.com
- Pay Per Click and Search

### **SEPTEMBER 2015**

- Arizona Republic (Scottsdale section)
- ColoradoAvidGolfer.com Email Blast
- Connect Sept/Oct
- Elite Traveler Sept/Oct
- Facebook.com
- GolfWeek.com Digital Campaign
- Insurance & Financial Meetings Sept/Oct
- Pay Per Click and Search
- San Francisco – Event Sponsorship at AT&T park
- Score Golf Radio Broadcast
- Score Golf TV
- ScoreGolf.com Email Blast

### **OCTOBER 2015**

- AFAR
- Arizona Republic (Scottsdale section)
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Chicago – Cable
- Colorado Avid Golfer Magazine
- Conde Nast Traveler

- Emiles
- Facebook.com
- Fore Magazine
- Golf Magazine
- Golf World Email Blast
- Golf.com Digital Campaign
- Golftrips.com Digital Campaign
- GolfWeek.com Digital Campaign
- Ignite
- LINKS Magazine
- Meetings & Conventions
- National Geographic Traveler
- New York – Cable
- Pay Per Click and Search
- Score Magazine
- SportsEvents
- Travel + Leisure
- Twitter.com

**NOVEMBER 2015**

- AFAR Nov/Dec
- American Airlines American Way Magazine
- Arizona Republic (Scottsdale section)
- BuzzFeed.com
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Conde Nast Traveler
- Connect Nov/Dec
- Elite Traveler Nov/Dec
- Facebook.com
- Golf Digest
- Golf Magazine
- Golf.com Digital Campaign
- GolfWeek.com Digital Campaign
- GolfWorld.com Digital Campaign
- Ignite Nov/Dec
- Meetings & Conventions
- National Geographic Traveler
- Pay Per Click and Search
- Saveur
- SCGA.org Digital Campaign
- Southwest Airlines Spirit Magazine
- Twitter.com
- Westjet UP Magazine
- YouTube.com

**DECEMBER 2015**

- Air Canada EnRoute Magazine
- American Airlines American Way Magazine
- Arizona Republic (Scottsdale section)
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Collaborate Dec/Jan
- Colorado Avid Golfer Magazine
- Facebook.com
- FOOD & WINE
- Golf Week Magazine
- Golf.com Digital Campaign
- GolfWeek.com Digital Campaign
- Meeting & Incentive Travel Dec/Jan
- National Geographic Traveler Dec/Jan
- NCGA.org Digital Campaign Jan/Feb
- Pay Per Click and Search
- Saveur
- SCGA.org Digital Campaign Jan/Feb
- Southwest Airlines Spirit Magazine
- SportsEvents
- Twitter.com
- Westjet UP Magazine
- YouTube.com

**JANUARY 2016**

- AFAR Jan/Feb
- Air Canada EnRoute Magazine
- American Airlines American Way Magazine
- Arizona Office of Tourism Visitor's Guide
- Arizona Republic (Scottsdale section)
- Art Ltd Jan/Feb
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Canada – Broadcast TV
- Canada – Traffic Network (Montreal, Edmonton, Calgary)
- Canada – Train Wrap (Vancouver)
- Canada – Weather Channel TV (National)
- Chicago – Boingo Airport Wi-fi sponsorship
- Chicago – O'Hare Airport Baggage Claim Digital Boards
- Chicago – Train Wrap
- Chicago – Travel & Adventure Show
- Conde Nast Traveler

- Connect Jan/Feb
- Denver – Airport Great Hall Video Towers
- Denver – Cable
- Denver – Outdoor Boards
- Denver – Train Wrap
- Departures Jan/Feb
- Elite Traveler Jan/Feb
- Facebook.com
- Golf Channel Jan/Feb
- Golf Week Magazine
- Golf.com Digital Campaign
- LinksMagazine.com Digital Campaign
- Los Angeles - Boingo Airport Wi-fi Sponsorship
- Meetings & Conventions
- NCGA Magazine
- New York - Boingo Airport Wi-fi Sponsorship
- Pay Per Click and Search
- Phoenix – Promotion for Native Trails
- Robb Report
- San Francisco - Cable
- San Francisco – Montgomery Tunnel Wrap
- San Francisco – Train Wrap
- Saveur Jan/Feb
- ScoreGolf.com Email Blast
- Southwest Airlines Spirit Magazine
- SportsEvents
- Twitter.com
- Westjet UP Magazine
- YouTube.com

## **FEBRUARY 2016**

- Air Canada EnRoute Magazine
- Arizona Republic (Scottsdale section)
- Canada – Airport Baggage Claim Banners (Toronto)
- Canada – Airport Baggage Claim Banners (Vancouver)
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Canada – Broadcast TV
- Canada – Traffic Network (Montreal, Edmonton, Calgary)
- Canada – Train Wrap (Vancouver)
- Canada – Weather Channel TV (National)
- Canada – Weather Channel TV (National)
- Chicago – Boingo Airport Wi-fi Sponsorship
- Chicago – Cable and Broadcast TV
- Chicago – O'Hare Airport Baggage Claim Digital Boards

- Chicago – Train Wrap
- Chicago – Union Station Saturation
- Colorado Avid Golfer
- Denver – Cable
- Denver – Train Wrap
- Facebook.com
- Golf Digest
- Golf Magazine
- Golf.com Digital Campaign
- GolfWeek.com Digital Campaign
- Ignite (Feb/Mar)
- LINKS Magazine
- Los Angeles - Boingo Airport Wi-fi Sponsorship
- Meetings & Conventions
- Meetings & Incentive Travel (Feb/Mar)
- National Geographic Traveler
- New York - Boingo Airport Wi-fi Sponsorship
- New York – Cable
- New York – Grand Central Shed Station Saturation
- New York – Metro North Commuter Platform Posters
- Pay Per Click and Search
- Phoenix – Promotion for Native Trails
- Robb Report
- San Francisco – Cable
- San Francisco – Train Wrap
- ScoreGolf.com Email Blast
- Twitter.com
- Westjet UP Magazine
- YouTube.com

## **MARCH 2016**

- Arizona Republic (Scottsdale section)
- Art Ltd March/April
- Canada - Boingo Starbucks Wi-fi Sponsorship (Calgary, Edmonton, Montreal, Toronto, Vancouver)
- Canada – Train Wrap (Vancouver)
- Facebook.com
- GolfWeek.com Digital Campaign
- Insurance & Financial Meetings
- Los Angeles – Theater Screen Advertising
- Meeting Mentor
- Pay Per Click and Search
- Saveur
- Twitter.com
- YouTube.com

#### **APRIL 2016**

- Arizona Republic (Scottsdale section)
- Collaborate Apr/May
- Facebook.com
- GolfWeek.com Digital Campaign
- Los Angeles – Sunset Boulevard Wallscape
- Pay Per Click and Search

#### **MAY 2016**

- Arizona Republic (Scottsdale section)
- Facebook.com
- GolfWeek.com Digital Campaign
- Pay Per Click and Search
- Twitter.com

#### **JUNE 2016**

- Arizona Republic (Scottsdale section)
- Collaborate June/July
- Facebook.com
- GolfWeek.com Digital Campaign
- Pay Per Click and Search
- Twitter.com



## Communications Program of Work 2015-16

*(\*open to member participation)*

### JULY 2015

#### **\*Denver Media/Client Event – July 21, 2015**

The Scottsdale CVB's communications, marketing, tourism and convention sales departments will partner to host an event for Denver area media, meeting planners and travel professionals at a Colorado Rockies game. This event will give participating members the chance to present their company's information to media and clients in this key feeder market. While Denver is a small media market, it ranks fifth for domestic feeder cities to Scottsdale and is particularly important in luring these visitors during Scottsdale's peak season. Increased direct flights from Denver to Phoenix, Colorado Rockies spring training at the Fields at Talking Stick and the bureau's targeted marketing in this region have led to a steady increase in Denver area visitation to Scottsdale.

- Participation Cost: \$650 (plus travel expenses)
- Estimated Media Attendance/Interaction: 15 journalists
- Location: Denver, CO
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

### AUGUST 2015

#### **Troon Challenge National Finals – Aug. 22-23, 2015**

The SCVB will partner with Troon Golf to host the estimated 100 regional qualifiers from around the United States to the National Finals at Troon North's two courses. The SCVB will host a foursome of media and SCVB representatives and the media will stay at an SCVB member property.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: 4 writers
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

### SEPTEMBER 2015

#### **\*San Francisco Media/Client Event & Mission – Sept. 16-18, 2015**

The Scottsdale CVB's communications, marketing, tourism and convention sales departments will partner to host an event for Bay-area media, meeting planners and travel professionals at a San Francisco Giants game. This event will give participating members the chance to present their company's information to media and clients in this key feeder market. San Francisco ranks fourth for visitation to Scottsdale with very high spend. The Giants' recent World Championships (2010, 2012 and 2014) have led to strong visitation from the Bay Area to Scottsdale.

- Participation Cost: \$650 (plus travel expenses)
- Estimated Media Attendance/Interaction: 15-20 Bay-area journalists
- Location: San Francisco, California
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

#### **New York Media Mission – Dates TBD**

The Scottsdale CVB will conduct media appointments with key editors and freelance writers to pitch Scottsdale story ideas and keep the destination top-of-mind with travel, culinary and lifestyle journalists. Working with The Brandman Agency, the SCVB will foster existing media relationships as well as tap into new contacts. New York is the media hub of the U.S. and Scottsdale's top revenue generating market.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: 50 New York-area journalists
- Location: New York, New York
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

## OCTOBER 2015

### **\*Seattle Media Event & Vancouver Media/Sales Event – Oct. 6-7, 2015**

On Tuesday, Oct. 6, the Scottsdale CVB will meet with 10-15 key journalists in Seattle during a media luncheon to pitch Scottsdale story ideas and keep the destination top-of-mind. While Seattle remains a secondary market for Scottsdale, it's an important market. According to the CVB's Visitor Industry Customer Analysis (VICA) data, Seattle ranks No. 6 for visitation and aggregated revenue spent in Scottsdale when compared to other U.S. cities.

After the Seattle event, the group will depart for Vancouver for the second part of the media mission. On Wednesday, Oct. 7, the Scottsdale CVB will meet with approximately 30 key editors and freelance writers for a joint media/sales event over lunch. We will coordinate a lunch reception with various stations to encourage more mixing and mingling than a plated sit down luncheon. According to the CVB's Visitor Industry Customer Analysis (VICA) data, Vancouver ranks No. 2 for visitation and aggregated revenue spent in Scottsdale when compared to other Canadian cities.

- Participation Cost: \$1,100
- Estimated Media Attendance/Interaction: 10-15 journalists in Seattle, approximately 30 in Vancouver
- Location: Seattle, WA and Vancouver, B.C., Canada
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

### **\*Travel Classics West – Oct. 8-11, 2015**

The CVB will sponsor this prominent travel writer conference that brings together approximately 15 editors and 35 freelance writers. The CVB will explore the opportunity of hosting a Scottsdale-themed lunch to increase Scottsdale exposure with these key journalists.

- Participation Cost: Varies per sponsorship; participation limited to event sponsors. Visit [www.travelclassics.com/conferences](http://www.travelclassics.com/conferences) for information.
- Estimated Media Attendance/Interaction: 15-18 top editors and 35-40 freelance writers
- Location: Sutton Place Hotel or Hotel Georgia (dates above correspond to properties accordingly)
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **\*Outstanding in the Field Culinary Press Trip with Mesa CVB – Oct. 26-30, 2014**

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 6 North American journalists
- Location: Scottsdale & Mesa, Arizona
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **Fall Meeting Planner FAM – Oct. 25-28, 2015**

The Communications team will work with the Meetings & Conventions team to host 2-4 meetings journalists as part of this meeting planner familiarization tour. This FAM trip gives media the opportunity to discover Scottsdale's meeting venues and amenities as well as to interact with their readers, the meeting planners.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 2-4 journalists covering the meetings market
- Location: Scottsdale, Arizona
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

### **TBEX North America – Oct. 28-30, 2015**

The Communications Team will meet with and pitch Scottsdale to journalists during TBEX, the world's largest gathering of travel bloggers, writers, and new media content creators. In addition to connecting with travel writers, the SCVB participant will attend workshops and educational breakout sessions that explore best practices in social media and blogging.

- Participation Cost: \$395
- Estimated Media Attendance/Interaction: 20+ journalists
- Location: Ft. Lauderdale, Florida
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**\*Scottsdale Spartans – Urban vs. Desert**

The Scottsdale CVB will host a select group of golf and lifestyle journalists from the U.S. and Canada to experience golf galore during this press trip that will test even the most dedicated drivers, putters and chippers. Every day, journalists will vie off against one another during 36-holes of championship golf in and around downtown and north Scottsdale. When the writers aren't on the course, the group will compete in other challenges that incorporate Scottsdale's well-known culinary, adventure and nightlife scenes. Prizes will be doled out daily to journalists who prove that they are worthy Scottsdale Spartans both on and off the greens.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 6-8 North American journalists
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**\*Chicago Media/Client Event – October, November or January**

The Scottsdale CVB's communications, marketing, tourism and convention sales departments will partner to host Chicago-area media, meeting planners and travel professionals to a Blackhawks game in a luxury suite. This event will give participating members the chance to present their company's information to media and clients in this key feeder market. Chicago is an important market for Scottsdale particularly in our peak season when rates are at a premium. Ranking third for visitation to Scottsdale, the revenue generated from this market is on par with San Francisco, which brings in more visitors and ranks second for visitation to the city.

- Participation Cost: \$650 (plus travel expenses) – space is limited
- Estimated Media Attendance/Interaction: 20 Chicago-area journalists
- Location: Chicago, Illinois
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**Toronto/Montreal Media Mission – November**

The Scottsdale CVB will conduct media appointments with key editors and freelance writers to pitch Scottsdale story ideas and keep the destination top-of-mind with travel, culinary and lifestyle journalists. Despite more air lift from cities in Canada's Western provinces, Toronto, Ontario remains Scottsdale's number one city of origin and top city for spend. While lack of non-stop air service has made Montreal's growth slower than other cities, it has a tremendous amount of growth potential and it is an important affluent market to continue to develop.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: 25-30 Canadian journalists
- Location: Toronto, ON, and Montreal, QC, Canada
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

**DECEMBER 2015**

**OB Team Championship – Dates TBD**

OB Sports will once again partner with the Scottsdale Convention & Visitors Bureau to host top qualifying golfers and club professionals from around the country. As a part of the tournament OB Sports and the SCVB will host three golf writers as part of the tournament. The writers will experience Scottsdale golf and stay and experience downtown Scottsdale as a preview to Super Bowl 2015 action.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: 4 writers
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**\*United Kingdom Media FAM – Dec. 3-7, 2015**

The Scottsdale CVB will host 6-8 top UK journalists to a four- or five-day familiarization tour of Scottsdale. The journalists will experience a sampling of quintessential Scottsdale resorts, spas, restaurants and activities.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 6-8 UK journalists
- Location: Scottsdale, Arizona
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**\*Scottsdale Open Media FAM – January 2016**

The Scottsdale CVB will once again sponsor the Waste Management Scottsdale Open, the precursor to the PGA's Waste Management Phoenix Open. The CVB will host four golf journalists to a sampling of resorts, activities and courses including play on the TPC Scottsdale in PGA tournament condition.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 4 North American journalists
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**AOT Los Angeles Media Marketplace - TBD**

The Arizona PR Roundtable will coordinate this year's media marketplace in California. The marketplace will consist of a tradeshow/reception where Arizona DMOs can promote their destination to media from throughout southern California. Attendance is expected to be approximately 30 journalists, editors and freelancers.

- Participation Cost: N/A. Participation is open to Arizona CVBs, Chambers and DMOs, and will be limited.
- Estimated Media Attendance/Interaction: 30 journalists
- Los Angeles, California
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**FEBRUARY 2016**

**\*Canadian Media Press Trip**

The Scottsdale CVB will host 6-8 top Canadian journalists to a four- or five-day familiarization tour of Scottsdale. The journalists will experience a sampling of quintessential Scottsdale resorts, spas, restaurants and activities.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 6-8 Canadian journalists
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**\*Quintessential Scottsdale Media FAM – Feb. 28-March 3, 2016**

The Scottsdale CVB will host 8 top-tier domestic journalists to a four-day familiarization tour of Scottsdale. The journalists will experience a sampling of distinctively Scottsdale resorts, spas, restaurants and activities.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 8 domestic journalists
- Location: Scottsdale, Arizona
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**MARCH 2016**

**AOT Mexico Media/Sales Event – Dates TBD**

The Scottsdale CVB will join the Arizona Office of Tourism and statewide CVBs for a media/sales event in Mexico City, Mexico. Visitors from Mexico and Canada still remain Scottsdale's top international markets and travelers from Mexico City have a high propensity to seek out luxury resorts, spa, golf and dining. In addition, they travel over peak holiday periods that result on high revenue visit.

- Participation Cost: \$1,500; Open to Arizona DMOs only
- Estimated Media Attendance/Interaction: 15 key Mexico City-based journalists
- Location: Mexico City and Guadalajara, Mexico
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

**AOT Toronto Media/Trade Event and Media Mission – Dates TBD**

The Scottsdale CVB will participate in the Arizona Office of Tourism's media event. Toronto is the media hub of Canada and Ontario is an important hub for visitation to Scottsdale. This event will give participants the chance to interact with key journalists in this market to keep Scottsdale top-of-mind. Despite more air lift from cities in Canada's Western provinces, Toronto, Ontario remains Scottsdale's number one city of origin and top city for spend.

- Participation Cost: N/A Open to Arizona DMOs only
- Estimated Media Attendance/Interaction: 40 Canadian journalists
- Location: Toronto, ON, Canada
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**AOT New York Media Event – Dates TBD**

The Scottsdale CVB will participate in the Arizona Office of Tourism's media event. New York is the media hub of the U.S. and Scottsdale's top revenue generating market. This event will give participants the chance to interact with key journalists in this market to keep Scottsdale top-of-mind.

- Participation Cost: N/A Open to Arizona DMOs only
- Estimated Media Attendance/Interaction: 75 NY-based journalists
- Location: New York, New York
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**APRIL 2016****Los Angeles Media Mission – Dates TBD**

The Scottsdale CVB will meet with key editors and freelance writers in this important market in a series of small events and editorial meetings. Meetings and events with key editors and freelance writers will allow members to pitch Scottsdale story ideas and keep the destination top-of-mind with travel, culinary and lifestyle journalists. Los Angeles is Scottsdale's No. 2 feeder market, which makes it one of Scottsdale's most important short-haul markets and one of the most important media markets behind New York City. In addition, Los Angeles continues to be an important summer market for Scottsdale.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: 40 travel and lifestyle L.A. journalists
- Location: Los Angeles, California
- CVB contact: Megan Neighbor at [mneighbor@scottsdalecvb.com](mailto:mneighbor@scottsdalecvb.com) or 480-889-2716

**\*Outdoor and Culinary Adventures -- the guilt-free press trip! (with Visit Phoenix) – Dates TBD**

In conjunction with the Greater Phoenix CVB, the Scottsdale CVB will host 6-8 lifestyle journalists from the U.S. and Canada who will experience the best of the destination's adventure and culinary offerings, which will inevitably lead to them developing a love affair with the destination. The group will take to the great outdoors for activities like sunrise hikes, horseback rides, and Tomcar and kayaking tours. After burning calories and taking in the breathtaking Sonoran Desert, journalists will be treated to some of the best restaurants in the Valley.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 6-8 U.S. and Canadian journalists
- Location: Scottsdale, Arizona
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

**May 2016****\*Spring Meeting Planner FAM – May 3-6, 2016**

The Communications team will work with the Meetings & Conventions team to host 2-4 meetings journalists as part of this meeting planner familiarization tour. This FAM trip gives media the opportunity to discover Scottsdale's meeting venues and amenities as well as to interact with their readers, the meeting planners.

- Participation Cost: Donated services
- Estimated Media Attendance/Interaction: 2-4 journalists covering the meetings market
- Location: Scottsdale, Arizona
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

**AOT German Media Mission – Dates TBD**

The Scottsdale CVB will join the Arizona Office of Tourism on a multi-city mission to connect with key German-speaking freelance writers and editors to pitch Scottsdale story ideas and keep the destination top-of-mind. Germany ranks as the number two overseas destination of origin for Arizona visitation behind the United Kingdom. North America is the primary markets for visitation to Arizona; however the long-haul markets listed above are important visitors in key periods such as spring, holidays and summer. In addition, overseas visitors tend to stay longer and spend more money than North American visitors.

- Participation Cost: N/A; Open to Arizona CVBs only
- Estimated Media Attendance/Interaction: 30 German journalists
- Location: TBD Germany, Switzerland, Austria
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **Travel Classics International – June 2-5**

Travel Classics International is a premier travel writer conference that allows freelance travel writers the opportunity to meet with the industry's top editors. There is a low writer-to-editor ratio and pre-scheduled appointments, which gives the writers ample opportunities to have one-on-one time with the editors. This conference attracts top-notch editors from publications such as Sunset Magazine, National Geographic Adventure, Self, Robb Report, AARP Magazine, Men's Journal, Golf for Women, Saveur and more. AOT is a sponsor/co-host of Travel Classics West and traditionally sponsors and attends Travel Classics International.

- Participation Cost: Sponsorships vary
- Estimated Media Attendance/Interaction: Approximately 15 editors and 35 freelance writers
- Location: Bern, Switzerland
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **Public Relations Society of America Travel & Tourism Conference – TBD**

This annual conference offers communications professionals in the travel and tourism arena the opportunity to learn about industry trends, technology and best practices from their peers as well as top travel media.

- Participation Cost: Approximately \$730-\$930 for registration (plus travel). Visit [www.prsa.org/Conferences/TravelTourism/](http://www.prsa.org/Conferences/TravelTourism/) for information.
- Location: TBD
- CVB contact: Stephanie Pressler at [spressler@scottsdalecvb.com](mailto:spressler@scottsdalecvb.com) or 480-889-2719

### **Travel Media Association of Canada – Dates TBD**

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: The CVB's Canadian PR rep will attend and meet with approximately 30 journalists
- Location: TBD
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **USTA International POW WOW – June 16-22**

POW WOW is the largest and most important international trade show held in the United States. The Scottsdale CVB will have appointments with top international and domestic media and tour operators from Asia, Australia, Canada, Germany, Latin America, Mexico and United Kingdom. Scottsdale CVB members have the opportunity to participate in the bureau's booth for \$2,900 or PR representatives can choose to participate in the one-day media marketplace for \$750.

- Participation Cost: \$750-\$2,900 (plus travel expenses) – space is limited
- Estimated Media Attendance/Interaction: More than 400 domestic and international journalists attend
- Location: New Orleans, Louisiana
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

*\* Source for visitor statistics: The Scottsdale CVB's 2011 Visitor Industry Customer Analysis (VICA)*

## **July 2016**

### **UK Media Mission and Visit USA Ball and Media Marketplace – Dates TBD**

The Scottsdale CVB will conduct a media mission in London focusing on editorial meetings with key U.K. freelance writers and editors as well as attending two Visit USA events. The United Kingdom is Arizona's top overseas market for visitation. The state's only non-stop overseas flight is British Airway's service between London Heathrow and Phoenix Sky Harbor International airport.

- Participation Cost: N/A
- Estimated Media Attendance/Interaction: Approximately 50 U.K. journalists
- Location: London, England
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

### **\*Calgary Media/Client Event – Dates TBD**

The Scottsdale CVB's communications, marketing, tourism and convention sales departments will partner to host an event for Calgary-area media, meeting planners and travel professionals during the Calgary Stampede. This event will give participating members the chance to present their company's information to media and clients in this key feeder

market. Calgary has a small base of media with limited outlets, but it is important to tell our Scottsdale stories in this market as Calgary ranks second for Canadian visitation to Scottsdale and number two in spend.

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Attachment No. 3

- Participation Cost: \$650
- Estimated Media Attendance/Interaction: 10 editors/writers
- Location: Calgary, AB, Canada
- CVB contact: Laura McMurchie at [lmcmurchie@scottsdalecvb.com](mailto:lmcmurchie@scottsdalecvb.com) or 480-429-2253

## Convention Sales Department Program of Work 2015-2016

[illegible]



## Tourism Program of Work 2015-2016

### JULY 2015

#### Denver Sales Mission & Client Event – July 20-24, 2015

The Scottsdale CVB will travel to Denver for a sales mission and to host clients at a Colorado Rockies game. This event will give participating members the chance to present their company's information to travel agents in this important feeder market.

- Participation Cost: \$650 (plus travel expenses) – space is limited
- Location: Denver, Colorado
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

### AUGUST 2015

#### Los Angeles/Las Vegas Receptive Sales Mission – August 2015

The SCVB tourism team will conduct sales calls to receptive tour operators in Los Angeles and Las Vegas. These high-volume clients are responsible for sending thousands of visitors to Scottsdale from all international markets.

- Participation Cost: Brochure Distribution Only \$100
- Location: Los Angeles, California and Las Vegas, Nevada
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

### SEPTEMBER 2015

#### San Francisco Travel Agent Sales Mission & Client Event – September 14-18, 2015

The Scottsdale CVB will travel to San Francisco conduct sales calls and host clients at the Fan Appreciation Day at AT&T Ballpark for a San Francisco Giants game. This mission will give participating members the chance to present their company's information to travel agents in this important feeder market.

- Participation Cost: \$650 (plus travel expenses) / \$150 brochure distribution only
- Location: San Francisco, California
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

#### Eastern U.S. & Canada Fall Package Promotion – September 2015

The Scottsdale CVB will send an e-blast and mailing to travel agents in key Eastern US and Canada Feeder markets such as New York, Connecticut, New Jersey, Boston, Toronto and Montreal. This e-blast and mailing is a wonderful way to promote your shoulder season vacation packages.

- Participation Cost: \$50
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

#### NY Receptive Tour Operator Sales Calls – September 2015

The SCVB tourism team will conduct sales calls to receptive tour operators in New York City who are responsible for sending international meeting and incentive programs to Scottsdale from countries such as the United Kingdom, Germany, Austria, Switzerland, France, Netherlands, Italy as well as the Scandinavian countries and South America.

- Location: New York, New York
- CVB contact: Deanne Boynton Grupp at [dboyntongrupp@scottsdalecvb.com](mailto:dboyntongrupp@scottsdalecvb.com) or 480-949-6285

#### United Kingdom Sales Mission – September 28- October 2, 2015

The Scottsdale CVB will conduct tour operator sales calls and destination product trainings in the UK. Members are invited to join the CVB on this sales mission and meet face-to-face with key accounts in the UK.

- Participation Cost: \$1000 (plus travel expenses) / \$200 brochure distribution only
- Location: London, United Kingdom and surrounding areas
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**OCTOBER 2015****Vancouver & Seattle Sales Mission – October 5-9, 2015**

The Scottsdale CVB will travel to Vancouver and Seattle to conduct sales calls and host an upscale client event for 30-35 top travel agents in each city. This mission will give participating members the chance to present their company's information to travel agents in these important feeder markets.

- Participation Cost: \$650 (plus travel expenses) / \$200 brochure distribution only – space is limited
- Location: Vancouver, Canada and Seattle, Washington.
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**Showcase Arizona in Mexico – October 2015**

Showcase Arizona promotes fall and holiday shopping, family activities and accommodations to an important drive market. The main event is a consumer show for 800 local society women and includes a travel exhibit and fashion show; local travel agents will also be invited to attend this event.

- Participation Cost: TBD per AOT (plus travel expenses) / \$200 brochure distribution only
- Location: Hermosillo, Mexico
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**New York Travel Agent Sales Mission & Client Event – October 19-23, 2015**

The Scottsdale CVB will travel to New York to conduct sales calls and host a unique client event for travel agents. This mission will give participating members the chance to present their company's information to travel agents in this important feeder market.

- Participation Cost: \$500 (plus travel expenses) / \$150 brochure distribution only
- Location: New York, New York
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**NOVEMBER 2015****Chicago Travel Agent Sales Mission – November 2015**

The Scottsdale CVB will travel to Chicago to conduct sales calls and host high-end client event for 30-35 top travel agents in Chicago. This mission will give participating members the chance to present their company's information to travel agents in this important feeder market.

- Participation Cost: \$650 (plus travel expenses) / \$150 brochure distribution only
- Location: Chicago, Illinois
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**World Travel Market (WTM) – November 2-5, 2015**

WTM is a dedicated business-to-business forum with more than 40,000 industry professionals from 150 countries in attendance. Pre-scheduled appointments with UK tour operators are arranged. This year, the booth costs will be split by all participating CVBs and members.

- Participation Cost: \$200.00 brochure distribution only
- Location: London, England
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**EIBTM Trade Show – November 16-19, 2015**

EIBTM is a meetings and incentive show with a visitor audience of 6,000 visitors, hosted buyers and press from 78 countries. The three-day show consists of one-on-one meetings with professionals responsible for planning international meetings, conferences, incentive travel and events. The Scottsdale CVB shares a booth with the Tucson CVB and invites members to attend.

- Participation Cost: \$1500 (plus travel expenses) / \$200 brochure distribution only
- Location: Barcelona, Spain
- CVB contact: Deanne Boynton Grupp at [dboyntongrupp@scottsdalecvb.com](mailto:dboyntongrupp@scottsdalecvb.com) or 480-949-6285

**NBAA Annual Conference – November 17-19, 2015**

The Scottsdale CVB teams up with the Scottsdale Airport to promote the destination for corporate and leisure travel. NBAA is a diverse group of entrepreneurs and organizations located around the United States and makes up the majority of America's business aviation fleet. Scottsdale will host a 40'x40' booth with a Barrett Jackson Collector Car as the centerpiece.

- Participation Cost: \$200 brochure distribution only
- Location: Las Vegas, Nevada
- CVB contact: Deanne Boynton Grupp at [dboyntongrupp@scottsdalecvb.com](mailto:dboyntongrupp@scottsdalecvb.com) or 480-949-6285

**DECEMBER 2015****USTOA Annual Conference & Marketplace – December 3-5, 2015**

The Scottsdale CVB will partner with the Arizona Office of Tourism and Phoenix CVB to host the closing event for this conference as the 2016 conference will take place in Scottsdale. The USTOA Annual Conference includes a three-day marketplace where member tour operators meet in pre-scheduled, one-on-one meetings with suppliers who are members of USTOA.

- Participation Cost: \$1075 (plus travel expenses) open to USTOA members only
- Location: Chicago, Illinois
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**Eastern Canada Sales Mission – December 7-11, 2015**

The Scottsdale CVB will travel to Eastern Canada to conduct sales calls and host a high-end client event for 30-35 top travel agents in Toronto. This mission will give participating members the chance to present their company's information to travel agents in this important feeder market.

- Participation Cost: \$600 (plus travel expenses)/ \$200 brochure distribution only – space is limited
- Location: Toronto, Canada
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**JANUARY 2016****Spring Training Package Promotion – January 2016**

The Scottsdale CVB will send an e-blast and mailing to travel agents in key Spring Training Feeder markets such as San Francisco, Denver, Chicago, and Los Angeles. This e-blast and mailing is a wonderful way to promote your spring training packages.

- Participation Cost: \$50
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**National Tour Association (NTA) – January 31 - February 4, 2016**

The NTA Trade Show is the largest pre-scheduled appointment tradeshow with tour operators from the United States and Canada. Individual suppliers and CVBs conduct 35-50 appointments during the show.

- Participation Cost: \$1200 (plus travel expenses) – open to NTA members only
- Location: Atlanta, Georgia
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**FEBRUARY 2016****Calgary & Edmonton Sales Mission – February 2016**

The Scottsdale CVB will travel to Calgary and Edmonton to conduct sales calls and host an upscale client event for top travel agents in each city. This mission will give participating members the chance to present their company's information to travel agents in these important feeder markets.

- Participation Cost: \$650 (plus travel expenses) / \$200 brochure distribution only – space is limited
- Location: Calgary and Edmonton, Alberta, Canada
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**Go West Summit – February 22-25, 2016**

Go West Summit provides a unique business setting structured specifically to give Western U.S. suppliers the chance to promote their product to tour operators from around the world and receptive operators from the United States. This show consists of two-days of one-on-one appointments, tourism industry seminars and evening events.

- Participation Cost: register online [www.GoWestSummit.com](http://www.GoWestSummit.com)
- Location: Anchorage, Alaska
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**MARCH 2016****AAA Summer Package Promotion – March 2016**

The Scottsdale CVB will send an e-blast and mailing to AAA travel offices nationwide. This e-blast and mailing is an excellent way to promote your summer deals.

- Participation Cost: \$50
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**AOT Mexico Sales Mission – March 2016**

The Scottsdale CVB will join the Arizona Office of Tourism and statewide CVBs for a sales mission to Mexico City and Guadalajara, Mexico. This sales mission consists of tour operator sales calls, a client event and destination product trainings for travel agents and tour operators.

- Participation Cost: \$900 (plus travel expenses) / \$200 brochure distribution only – space is limited
- Location: Mexico City and Guadalajara, Mexico
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**APRIL 2016****Southern California Sales Mission – April 11-15, 2016**

The Scottsdale CVB will travel to Los Angeles to conduct sales calls and host a high-end client event for 30-35 top travel agents. This mission will give participating members the chance to present their company's information to travel agents in this important market.

- Participation Cost: \$500 (plus travel expenses) / \$150 brochure distribution only
- Location: Los Angeles, California
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**MAY 2016****German Sales Mission – May 2016**

The Scottsdale CVB will conduct tour operator sales calls and destination product trainings in Germany. Members are invited to join the CVB on this sales mission and meet face-to-face with key accounts in Germany.

- Participation Cost: \$1000 (plus travel expenses) / \$200 brochure distribution only
- Location: Munich, Frankfurt, Hannover and Hamburg, Germany
- CVB contact: Sarah Kearney [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705

**Scottsdale Local Travel Professional Event – May 2016**

The Scottsdale CVB will hold a local client tradeshow at a location to be determined. This trade show/agent training day is a great way to educate and refresh local Arizona agents on our Scottsdale hotel product.

- Participation Costs: \$75 local event (includes table for trade show) / \$50 brochure distribution only
- Location: Scottsdale, Arizona
- CVB contact: Mary Carlson at [mcarlson@scottsdalecvb.com](mailto:mcarlson@scottsdalecvb.com) or 480-949-2715

**IMEX Meeting & Incentive Show – May 2016**

IMEX focuses on the meetings and incentive travel markets; the event provides exhibitors and visitors the chance to meet and conduct business in a highly professional manner. Over 3,000 hosted buyers from more than 50 world markets visit IMEX, contributing to a total of over 7,500 visitors. The Scottsdale and Tucson CVB's share a booth and invite members to participate.

- Participation Cost: \$2000 (plus travel expenses) / \$200 brochure distribution only
- Location: Frankfurt, Germany
- Participation interest contact Deanne Boynton Grupp at [dboyntongrupp@scottsdalecvb.com](mailto:dboyntongrupp@scottsdalecvb.com) or 480-949-6285

**JUNE 2016****U.S. Travel Association IPW Trade Show – June 18 -22, 2016**

IPW is the largest and most important international trade show held in the United States. The Scottsdale CVB will have pre-scheduled appointments with top international and domestic tour operators from Asia, Australia, Canada, Germany, Latin America, Mexico and United Kingdom. The Scottsdale CVB will have a booth and invite CVB members to participate.

- Participation Cost: \$3000 (plus travel expenses) – space is limited
- Location: New Orleans, Louisiana
- CVB contact: Sarah Kearney at [skearney@scottsdalecvb.com](mailto:skearney@scottsdalecvb.com) or 480-889-2705



## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

REVENUE	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>Contracts</b>			
City of Scottsdale - Basic (50%)	8,464,000	7,897,000	7,897,000
City of Scottsdale - Carryover		234,250	
City of Scottsdale - True-up	307,000	422,813	518,000
COS Pass-through Fiesta Bowl	298,900	287,398	287,398
<b>Total City of Scottsdale Funding</b>	<b>9,069,900</b>	<b>8,841,461</b>	<b>8,702,398</b>
Town of Paradise Valley	1,159,726	1,115,708	1,115,708
Ft McDowell Yavapai Nation	100,000	100,000	100,000
Salt River Pima	100,000	100,000	100,000
State of Arizona - Prop 302	1,947,709	1,933,901	1,830,991
<b>TOTAL CONTRACTS</b>	<b>12,377,335</b>	<b>12,091,070</b>	<b>11,849,097</b>
<b>Private Sector</b>			
Project/Program Revenue	910,000	950,000	950,000
Private Sector Carryover	-		
<b>TOTAL ALL REVENUE</b>	<b>13,287,335</b>	<b>13,041,070</b>	<b>12,799,097</b>

## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>EXPENSES</b>			
<b>Personnel:</b>			
Salaries	3,710,087	3,510,897	3,510,897
Benefits	649,611	598,606	598,606
Payroll Taxes	280,302	290,497	290,497
<b>TOTAL PERSONNEL</b>	<b>4,640,000</b>	<b>4,400,000</b>	<b>4,400,000</b>
<b>Marketing:</b>			
Advertising	3,716,293	3,587,324	3,800,119
On Line Advertising	536,294	629,605	550,000
Agency Retainer	116,000	281,100	131,000
Relationship Marketing			
Printing	238,500	315,045	300,045
Production	502,000	118,000	118,000
Web Site Expenses	30,000	30,000	30,000
Event Sponsorships/Contract Obligations	357,398	357,398	357,398
Event Operating Expenses	115,000	125,000	125,000
Marketing Amenities/Promo Items	20,000	45,000	45,000
Photography	28,000	118,000	123,000
Strategic Planning/Research/Prof Services	4,000	145,063	25,000
Postage/Fulfillment	286,000	276,000	196,000
Call Center	3,150	3,535	3,535
Operations/Travel	59,000	75,500	60,500
<b>TOTAL MARKETING</b>	<b>6,011,635</b>	<b>6,106,570</b>	<b>5,864,597</b>
<b>Convention Sales &amp; Services:</b>			
Local Meeting Expenses, Mileage, Dues	44,500	47,000	47,000
FAMs	98,500	95,500	95,500
Sales Calls/Missions	49,000	45,500	45,500
Tradeshows/Conferences	268,500	262,500	262,500
Meetings Sponsorships	10,000	10,000	10,000
Prospect Marketing and List Purchases	142,700	136,000	136,000
Sales Training	9,100	6,500	6,500
Client Events	77,700	85,000	85,000
<b>TOTAL CONVENTION SALES</b>	<b>700,000</b>	<b>688,000</b>	<b>688,000</b>

## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>Tourism:</b>			
Local Meeting Expenses, Dues, Postage, Supplies	51,500	52,000	52,000
Trade Representation, Co-op Programs, Sponsorships	115,000	115,000	115,000
FAMs/ Site Inspections	15,000	15,000	15,000
Tradeshows, Conferences	69,500	73,500	73,500
Sales Missions/Product Training	80,000	68,500	68,500
<b>TOTAL TOURISM</b>	<b>331,000</b>	<b>324,000</b>	<b>324,000</b>
<b>Communications:</b>			
Local Meeting Expenses, Mileage, Dues	25,000	25,000	25,000
Golf Marketing	30,000	30,000	30,000
PR Contracts/Expenses	219,500	120,000	120,000
Conferences & Media Forums	16,000	60,000	60,000
Incoming Media Program	115,000	140,000	140,000
Trade Shows	7,000	15,000	15,000
Media Missions/Events	85,500	95,000	95,000
Media Resources	37,000	50,000	50,000
<b>TOTAL COMMUNICATIONS</b>	<b>535,000</b>	<b>535,000</b>	<b>535,000</b>

## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>Community &amp; Government Affairs</b>			
Local Meeting Expenses, Mileage, Dues	10,800	8,600	8,600
Research	105,000	68,500	68,500
Community & Government Affairs	7,000	6,500	6,500
Annual Meeting	45,000	45,000	45,000
Media Resources	900	400	400
<b>TOTAL COMMUNITY &amp; GOV'T AFFAIRS</b>	<b>168,700</b>	<b>129,000</b>	<b>129,000</b>
<b>Membership:</b>			
Telephone	750	750	750
Copier Expenses	750	750	750
Postage	800	800	800
Office Supplies	500	500	500
Local Meeting Expenses, Mileage, Dues	1,500	1,000	1,000
Member Materials/Communication			
Professional Services			
Newsletters			
Seminars			
Out of Town Travel	1,700	1,700	1,700
Sponsorship Fulfillment			
<b>TOTAL MEMBERSHIP</b>	<b>6,000</b>	<b>5,500</b>	<b>5,500</b>
<b>Reserve:</b>	<b>25,000</b>		

## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>OVERHEAD COSTS:</b>			
<b>Operations:</b>			
Software	20,000	25,000	25,000
Network Equipment	10,000	8,000	8,000
Office Equipment/Furniture	5,000	7,000	7,000
Training:			
Computer Training	10,000	5,000	5,000
IT and Accounting	20,000	15,000	15,000
Maintenance Contracts	60,000	60,000	60,000
Office Rent	345,000	338,500	338,500
Bank Fees	500	500	500
Credit Card Fees	9,100	9,000	9,000
Payroll Fees	8,700	9,000	9,000
Property Taxes	1,000	1,000	1,000
Corporate Insurance	28,500	28,000	28,000
IT Professional Services	60,000	80,000	80,000
Audit Professional Services	17,500	15,000	15,000
Legal Professional Services	35,000	20,000	20,000
Human Resources Services	10,000	7,500	7,500
Internet Access	25,000	25,000	25,000
Telephone Lines & Long Distance	12,000	12,000	12,000
Fax Expenses		-	-
Cable TV	1,200	1,000	1,000
Copier Expenses	9,000	10,000	10,000
Postage	6,500	6,000	6,000
Office Supplies	13,500	15,000	15,000
Dues & Subscriptions	90,000	90,000	90,000
Employee Recruitment/Relations	12,500	10,000	10,000
Printing	1,000	500	500
<b>TOTAL OPERATIONS</b>	<b>811,000</b>	<b>798,000</b>	<b>798,000</b>

## Scottsdale Convention & Visitors Bureau

Line Item Budget for Fiscal Year July 1, 2015 - June 30, 2016

	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>Board &amp; CEO:</b>			
Hotelier/Member Meetings			
Telephone Lines & Long Distance	1,500	1,500	1,500
Office Supplies	3,500	3,000	3,000
Board of Directors	11,000	10,900	10,900
Local Staff Travel	13,500	12,500	12,500
Local Meeting Expense	16,000	15,000	15,000
Dues & Subscriptions	500	500	500
Conferences/Professional Education	3,500	2,000	2,000
Out of Town Travel	9,000	9,000	9,000
Copier Expense	100	500	500
Postage	400	100	100
<b>TOTAL BOARD &amp; CEO</b>	<b>59,000</b>	<b>55,000</b>	<b>55,000</b>
<b>Total "Overhead Costs"</b>	<b>870,000</b>	<b>853,000</b>	<b>853,000</b>
<b>As a Percentage of Total Revenue</b>	<b>6.55%</b>	<b>6.54%</b>	<b>6.66%</b>
<b>As a Percentage of City of Scottsdale Revenue</b>	<b>9.59%</b>	<b>9.65%</b>	<b>9.80%</b>
<b>TOTAL ALL EXPENSES</b>	<b>13,287,335</b>	<b>13,041,070</b>	<b>12,799,097</b>
<b>NET</b>	<b>-</b>	<b>-</b>	<b>-</b>



## 2015-16 Performance Measures

Scottsdale CVB Budget	2015-16 Budget <sup>1</sup>	2015-16 % Change vs. 14-15		2014-15 Budget				2013-14 Budget	
City of Scottsdale Funds <i>Does not include pass-through event funding</i>	\$8,771,000	2.5%		\$8,554,063				\$7,391,250	
Scottsdale CVB Performance Measures	2015-16 Goals	2015-16 % Change vs. 14-15 Goals		2014-15 Goals	2014-15 Actual (9 months: July-March)	2014-15 % of Annual (9 mos.)		2013-14 Goals	2013-14 Actual
<b>Convention Sales<sup>2</sup></b>									
Sales Leads	1,296	5%		1,236	1,266	102%		1,200	1,497
Site Inspections	180	7%		168	174	104%		160	234
Bookings	408	3%		396	371	94%		383	467
Room Nights	114,000	6%		108,000	134,965	125%		103,500	160,588
<b>Convention Services<sup>2</sup></b>									
Leads	264	5%		252	236	94%		240	326
<b>Tourism<sup>3</sup></b>									
Leads & Services	1,500	0%		1,500	1,466	98%		1,500	1,983
Client Reach	3,300	0%		3,300	2,906	88%		3,300	3,769
Tour Operator Catalogue Impressions	2.9 million	7%		2.7 million	3,112,000	115%		2.7 million	3.01 million
<b>Communications<sup>4</sup></b>									
Travel Articles	1,000	0%		1,000	858	86%		1,000	1,085
<b>Marketing<sup>5</sup></b>									
Inquiry Conversion % <i>(consider removing)</i>	---	---		73%	<i>will be reported Aug. '16</i>			73%	80%
Economic Impact of Total Inquiries <i>(includes Web inquiries, which was not previously included)</i>	\$230 million	77%		\$130 million	\$196.3 million	151%		\$120 million	\$164.2 million
Inquiries (Primary & Secondary Markets)	27,000	0%		27,000	36,352	135%		25,000	30,890
Website Sessions	1.5 million	25%		1.2 million	1.96 million	163%		1 million	1.76 million



### **2015-16 Budget & Performance Measure Notes**

1. Budgets for operations/administration and personnel are going up primarily due to increasing rent payments as called for in our seven-year lease, and increases in insurance premiums. Any anticipated costs in these areas that come in less will be reallocated to marketing programs. The budget for Community & Government Affairs also is increasing substantially due to our investment every two years in the Visitor Industry Customer Analysis (VICA) research, which has previously been included in the marketing budget.
2. The Convention Sales & Services budget is increasing 2% due to more educational components being added to our niche familiarization tours (similar to what we've provided in conjunction with our pharmaceutical FAM). Attending FAMs can be difficult for planners to justify, but adding these educational components provides an additional reason to participate. The budget increase also accounts for increased expenses related to hotel and transportation costs the CVB pays during site visits and FAM tours. Increasing each performance measure between 3% and 7% as outlined better reflects performance.
3. The Tourism budget will increase by 2% to cover the costs associated with one additional client event. Performance measures will remain flat, except for an increase in impressions due to greater reach through various trade cooperatives and marketing promotions in partnership with tour operators.
4. The Communications budget will remain flat; therefore, performance measures will remain flat as well.
5. The Marketing budget is flat. Funds will be used to cover high-impact marketing campaigns as well as TV in our top feeder markets. We're also using funds this year to support the re-branding initiative. While the marketing budget is currently anticipated to be flat, we do believe that website sessions will continue to grow so this performance measure is increasing. The conversion metric will be eliminated from our annual performance measures since the result is provided months following the end of the fiscal year. Because the CVB cannot track performance during the year, we are unable to make course corrections until the following year. Therefore, receiving the information from the City is valuable, but can only affect the following year's program.

**Destination Marketing Services Agreement  
FY2015-2016 Program of Work Performance Standards**

**Convention Sales**

1. Generate 1296 convention sales leads for Scottsdale properties.
2. Conduct 180 customer interaction/site inspections for Scottsdale properties.
3. Confirm 408 convention bookings for future dates.
4. Confirm convention bookings for future dates resulting in 114,000 room nights.

**Convention Services**

1. Generate 264 non-hotel leads to Scottsdale SCVB members.

**Travel Industry Sales**

1. Generate 1,500 domestic and international tour program leads and services for Scottsdale properties/venues.
2. Promote Scottsdale as one of the world's top leisure destinations to 3,300 targeted clients.
3. Generate a minimum of 2.9 million travel agent impressions via destination product offering in domestic and international tour operator catalogues.

**Communications**

1. Generate 1000 travel articles about Scottsdale.

**Marketing**

1. Generate economic impact of \$230,000,000 associated with the CVB's visitor inquiries. This includes website inquiries.
2. Generate no less than a total of 27,000 inquiries from high demographic customers in primary & secondary markets.
3. Generate a minimum of 1,500,000 unique visitors to the SCVB website.

<b>Scottsdale Convention &amp; Visitors Bureau</b>			
Budget for Fiscal Year July 1, 2015 - June 30, 2016			
	Budget 2015-2016	REVISED Budget, After True-Up 2014-2015	Budget 2014-2015
<b>REVENUE</b>			
<b>Contracts</b>			
City of Scottsdale - Basic (50%)	8,464,000	7,897,000	7,897,000
City of Scottsdale - Carryover		234,250	
City of Scottsdale - True-up	307,000	422,813	518,000
COS Pass-through Fiesta Bowl	298,900	287,398	287,398
<b>Total City of Scottsdale Funding</b>	<b>9,069,900</b>	<b>8,841,461</b>	<b>8,702,398</b>
Town of Paradise Valley	1,159,726	1,115,708	1,115,708
Ft McDowell Yavapai Nation	100,000	100,000	100,000
Salt River Pima	100,000	100,000	100,000
State of Arizona - Prop 302	1,947,709	1,933,901	1,830,991
<b>TOTAL CONTRACTS</b>	<b>12,377,335</b>	<b>12,091,070</b>	<b>11,849,097</b>
<b>Private Sector</b>			
Project/Program Revenue	910,000	950,000	950,000
Private Sector Carryover	-		
<b>TOTAL ALL REVENUE</b>	<b>13,287,335</b>	<b>13,041,070</b>	<b>12,799,097</b>
<b>EXPENSES</b>			
<b>Personnel:</b>			
Salaries	3,710,087	3,510,897	3,510,897
Benefits	649,611	598,606	598,606
Payroll Taxes	280,302	290,497	290,497
<b>TOTAL PERSONNEL</b>	<b>4,640,000</b>	<b>4,400,000</b>	<b>4,400,000</b>
<b>Marketing:</b>			
Advertising	3,716,293	3,587,324	3,800,119
On Line Advertising	536,294	629,605	550,000
Agency Retainer	116,000	281,100	131,000
Relationship Marketing			
Printing	238,500	315,045	300,045
Production	502,000	118,000	118,000
Web Site Expenses	30,000	30,000	30,000
Event Sponsorships/Contract Obligations	357,398	357,398	357,398
Event Operating Expenses	115,000	125,000	125,000
Marketing Amenities/Promo Items	20,000	45,000	45,000
Photography	28,000	118,000	123,000
Strategic Planning/Research/Prof Services	4,000	145,063	25,000
Postage/Fulfillment	286,000	276,000	196,000
Call Center	3,150	3,535	3,535
Operations/Travel	59,000	75,500	60,500
<b>TOTAL MARKETING</b>	<b>6,011,635</b>	<b>6,106,570</b>	<b>5,864,597</b>

<b>Convention Sales &amp; Services:</b>			
Local Meeting Expenses, Mileage, Dues	44,500	47,000	47,000
FAMs	98,500	95,500	95,500
Sales Calls/Missions	49,000	45,500	45,500
Tradeshows/Conferences	268,500	262,500	262,500
Meetings Sponsorships	10,000	10,000	10,000
Prospect Marketing and List Purchases	142,700	136,000	136,000
Sales Training	9,100	6,500	6,500
Client Events	77,700	85,000	85,000
Chicago			
Orange County /LA			
Dallas			
<b>TOTAL CONVENTION SALES</b>	<b>700,000</b>	<b>688,000</b>	<b>688,000</b>
<b>Tourism:</b>			
Local Meeting Expenses, Dues, Postage, Supplies	51,500	52,000	52,000
Trade Representation, Co-op Programs, Sponsorships	115,000	115,000	115,000
FAMs/ Site Inspections	15,000	15,000	15,000
Tradeshows, Conferences	69,500	73,500	73,500
Sales Missions/Product Training	80,000	68,500	68,500
<b>TOTAL TOURISM</b>	<b>331,000</b>	<b>324,000</b>	<b>324,000</b>
<b>Communications:</b>			
Local Meeting Expenses, Mileage, Dues	25,000	25,000	25,000
Golf Marketing	30,000	30,000	30,000
PR Contracts/Expenses	219,500	120,000	120,000
Conferences & Media Forums	16,000	60,000	60,000
Incoming Media Program	115,000	140,000	140,000
Trade Shows	7,000	15,000	15,000
Media Missions/Events	85,500	95,000	95,000
Media Resources	37,000	50,000	50,000
<b>TOTAL COMMUNICATIONS</b>	<b>535,000</b>	<b>535,000</b>	<b>535,000</b>
<b>Community &amp; Government Affairs</b>			
Local Meeting Expenses, Mileage, Dues	10,800	8,600	8,600
Research	105,000	68,500	68,500
Community & Government Affairs	7,000	6,500	6,500
Annual Meeting	45,000	45,000	45,000
Media Resources	900	400	400
<b>TOTAL COMMUNITY &amp; GOV'T AFFAIRS</b>	<b>168,700</b>	<b>129,000</b>	<b>129,000</b>

<b>Membership:</b>			
Telephone	750	750	750
Copier Expenses	750	750	750
Postage	800	800	800
Office Supplies	500	500	500
Local Meeting Expenses, Mileage, Dues	1,500	1,000	1,000
Member Materials/Communication			
Professional Services			
Newsletters			
Seminars			
Out of Town Travel	1,700	1,700	1,700
Sponsorship Fulfillment			
<b>TOTAL MEMBERSHIP</b>	<b>6,000</b>	<b>5,500</b>	<b>5,500</b>
<b>Reserve:</b>	<b>25,000</b>		
<b>OVERHEAD COSTS:</b>			
<b>Operations:</b>			
Software	20,000	25,000	25,000
Network Equipment	10,000	8,000	8,000
Office Equipment/Furniture	5,000	7,000	7,000
Training:			
Computer Training	10,000	5,000	5,000
IT and Accounting	20,000	15,000	15,000
Maintenance Contracts	60,000	60,000	60,000
Office Rent	345,000	338,500	338,500
Bank Fees	500	500	500
Credit Card Fees	9,100	9,000	9,000
Payroll Fees	8,700	9,000	9,000
Property Taxes	1,000	1,000	1,000
Corporate Insurance	28,500	28,000	28,000
IT Professional Services	60,000	80,000	80,000
Audit Professional Services	17,500	15,000	15,000
Legal Professional Services	35,000	20,000	20,000
Human Resources Services	10,000	7,500	7,500
Internet Access	25,000	25,000	25,000
Telephone Lines & Long Distance	12,000	12,000	12,000
Fax Expenses		-	-
Cable TV	1,200	1,000	1,000
Copier Expenses	9,000	10,000	10,000
Postage	6,500	6,000	6,000
Office Supplies	13,500	15,000	15,000
Dues & Subscriptions	90,000	90,000	90,000
Employee Recruitment/Relations	12,500	10,000	10,000
Printing	1,000	500	500
<b>TOTAL OPERATIONS</b>	<b>811,000</b>	<b>798,000</b>	<b>798,000</b>

<b>Board &amp; CEO:</b>			
Hotelier/Member Meetings			
Telephone Lines & Long Distance	1,500	1,500	1,500
Office Supplies	3,500	3,000	3,000
Board of Directors	11,000	10,900	10,900
Local Staff Travel	13,500	12,500	12,500
Local Meeting Expense	16,000	15,000	15,000
Dues & Subscriptions	500	500	500
Conferences/Professional Education	3,500	2,000	2,000
Out of Town Travel	9,000	9,000	9,000
Copier Expense	100	500	500
Postage	400	100	100
<b>TOTAL BOARD &amp; CEO</b>	<b>59,000</b>	<b>55,000</b>	<b>55,000</b>
<b>Total "Overhead Costs"</b>	<b>870,000</b>	<b>853,000</b>	<b>853,000</b>
<b>As a Percentage of Total Revenue</b>	<b>6.55%</b>	<b>6.54%</b>	<b>6.66%</b>
<b>As a Percentage of City of Scottsdale Revenue</b>	<b>9.59%</b>	<b>9.65%</b>	<b>9.80%</b>
<b>TOTAL ALL EXPENSES</b>	<b>13,287,335</b>	<b>13,041,070</b>	<b>12,799,097</b>
<b>NET</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **Hospitality and Promotional Agreement Scottsdale Convention & Visitors Bureau and Fiesta Bowl**

THIS AGREEMENT is made and entered into this 28th day of August, 2006, by and between the Scottsdale Convention & Visitors Bureau, Inc., an Arizona non-profit corporation ("SCVB"), and Fiesta Events, Inc. (d.b.a. Fiesta Bowl), an Arizona non-profit corporation ("Fiesta Bowl").

### WITNESSETH

A. The Fiesta Bowl and the Scottsdale community have had a long, mutually beneficial relationship. Fiesta Bowl teams have stayed in Scottsdale resorts and practiced at Scottsdale-area facilities for the past two decades.

B. SCVB and Fiesta Bowl desire to enter into an Agreement whereby both Fiesta Bowl football teams will lodge and practice in the Scottsdale area for the next twenty (20) Fiesta Bowl games beginning in January 2007. SCVB and Fiesta Bowl desire to enter into an Agreement whereby both football teams that participate in the next five (5) Bowl Championship Series (or commensurate governing body's) National Championship games staged in Maricopa County, Arizona will lodge and practice in the Scottsdale area at any time these games occur beginning in January 2007. SCVB and Fiesta Bowl desire to enter into an Agreement whereby one Insight Bowl football team will lodge and practice in the Scottsdale area for at least the next four (4) Insight Bowl games beginning in December 2006. Lodging for Fiesta Bowl and National Championship teams must meet Bowl Championship Series' (or commensurate governing body's) customary standards with teams assigned to resorts as outlined in Section 1.1 of this Agreement. The teams include the traveling party representing the participating teams, including all university athletes, coaches and officials representing the football teams.

C. This Agreement is intended to benefit SCVB and the City of Scottsdale, an Arizona municipal corporation ("City") by promoting Scottsdale and tourism in Scottsdale during the Fiesta Bowl and at other times.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

**1. HOSTING.** Fiesta Bowl shall do the following during the entire term of this agreement:

1.1 Fiesta Bowl shall cause both Fiesta Bowl and both National Championship teams to lodge during the majority of their visit to Arizona in resorts that pay bed tax to City or to the Town of Paradise Valley. Fiesta Bowl shall also cause one Insight Bowl team to lodge during the majority of their visit to Arizona in a resort that pays bed tax to City or to the Town of Paradise Valley for the next four Insight Bowl games beginning in December 2006. Should Fiesta Bowl not be able to secure lodging for both Fiesta Bowl and both National Championship teams in City or Town of Paradise Valley resorts that

meets Bowl Championship Series' (or commensurate governing body's) customary standards, Fiesta Bowl shall have the right to locate one Fiesta Bowl team per year or one National Championship team per year in years when a National Championship game is staged in Maricopa County, Arizona, in a SCVB-member resort that does not pay bed tax to City or Town of Paradise Valley. Fiesta Bowl is required to exhaust all possibilities for lodging within resorts that pay bed tax to City or Town of Paradise Valley prior to consideration of SCVB-member resorts that do not pay bed tax to City or Town of Paradise Valley. Should Fiesta Bowl cause a Fiesta Bowl or National Championship team to lodge in a SCVB-member resort that does not pay bed tax to City or Town of Paradise Valley, Fiesta Bowl, in that year, shall cause a minimum of one additional Fiesta Bowl group as defined in Section 1.4 to lodge for the majority of their visit to Arizona in a hotel or resort that pays bed tax to City or to the Town of Paradise Valley.

1.2 Fiesta Bowl shall cause both Fiesta Bowl and both National Championship teams to conduct the majority of their practices, scrimmages and rehearsals at facilities within City and/or in facilities near City that are mutually agreeable between SCVB and Fiesta Bowl. Fiesta Bowl shall also cause one Insight Bowl team to conduct the majority of their practices, scrimmages and rehearsals at facilities within City and/or in facilities near City that are mutually agreeable between SCVB and Fiesta Bowl for the next four (4) Insight Bowl football games beginning in December 2006. City and SCVB agree to not unreasonably withhold approval of practice sites necessary to provide the best service possible to Fiesta Bowl, National Championship and Insight Bowl teams.

1.3 Fiesta Bowl shall be responsible for securing and renting its Scottsdale and Scottsdale area practice facilities. No additional funds or reimbursement for practice facilities' renovations or maintenance will be provided by SCVB or City.

1.4 Fiesta Bowl shall cause a minimum of five (5) Fiesta Bowl or Insight Bowl-related groups per year representing a minimum of 2,000 hotel or resort room nights per year to lodge during the majority of their visit to Arizona in resorts that pay bed tax to City or to the Town of Paradise Valley. A minimum of three (3) of these groups per year, representing a minimum of 1,200 hotel or resort room nights per year, must be affiliated with the Fiesta Bowl, instead of the Insight Bowl. In those years that Fiesta Bowl stages a National Championship game in Maricopa County, Arizona, Fiesta Bowl shall also cause a minimum of five (5) National Championship-related groups per year representing a minimum of 2,000 hotel or resort room nights per year, to lodge during the majority of their visit to Arizona in resorts that pay bed tax to City or to the Town of Paradise Valley. As outlined in Section 1.1, should Fiesta Bowl cause a Fiesta Bowl or National Championship team to lodge in a SCVB-member resort that does not pay bed tax to City or Town of Paradise Valley, Fiesta Bowl, in that year, shall cause a minimum of one additional Fiesta Bowl or National Championship, not Insight Bowl, group representing a minimum of 400 hotel or resort room nights to lodge for the majority of their visit to Arizona in a hotel or resort that pays bed tax to City or to the Town of Paradise Valley. For purposes of this paragraph, a group consists of a block of hotel or resort room nights documented by Fiesta Bowl and consumed by media, university alumni associations, university tour operator groups, university bands, corporate and sponsor groups,

television networks, Bowl Championship Series (or commensurate governing body) or conference officials, who travel to Maricopa County, Arizona for the primary purpose of attending or participating in the Fiesta Bowl, National Championship or Insight Bowl games. Fiesta Bowl, National Championship and Insight Bowl teams are excluded from this definition of a group and are addressed separately in this Agreement. For purposes of this paragraph, a room night is one hotel or resort room consumed for one night.

**2. PROMOTION.** Fiesta Bowl shall provide to SCVB and City the following promotional benefits during the entire term of this agreement:

2.1 SCVB shall be the exclusive convention and visitors bureau and hotel reservations service listed and/or promoted by Fiesta Bowl for the Fiesta Bowl and National Championship games.

2.2 Fiesta Bowl shall promote within all Fiesta Bowl promotional and collateral materials, and any National Championship game promotional and collateral materials produced by Fiesta Bowl, the SCVB's website address for an accommodations-booking page located on [www.experiencescottsdale.com](http://www.experiencescottsdale.com).

2.3 Fiesta Bowl shall refer all Fiesta Bowl and National Championship game customers, including callers and e-mail inquiries, seeking accommodations information to the accommodations-booking page on [www.experiencescottsdale.com](http://www.experiencescottsdale.com).

2.4 Fiesta Bowl shall provide a prominent link from the home page of its website to SCVB's accommodations-booking page on [www.experiencescottsdale.com](http://www.experiencescottsdale.com).

2.5 Fiesta Bowl shall promote the accommodations-booking page on [www.experiencescottsdale.com](http://www.experiencescottsdale.com) to all incoming Fiesta Bowl and National Championship game groups, such as alumni associations, booster groups, dignitaries and fans.

2.6 Fiesta Bowl shall grant SCVB power to appoint one representative to be part of any committee that involves communicating/meeting with Fiesta Bowl and National Championship game groups regarding game-related accommodations. Fiesta Bowl or Insight Bowl officials shall remain the sole point of contact for discussions with bowls' football teams, the Bowl Championship Series, Bowl Championship Series' conferences and television networks for lodging arrangements.

2.7 Fiesta Bowl shall allow SCVB to take part in any promotional trips scheduled by Fiesta Bowl to the markets of the participating or proposed participating teams for Fiesta Bowl and the National Championship game. SCVB will pay for all of its expenses related to these trips.

2.8 Fiesta Bowl shall cause SCVB to receive a minimum of five (5) public address announcements during each Fiesta Bowl and each National Championship football game. The Fiesta Bowl and SCVB shall mutually agree as to the content of these messages.

2.9 Fiesta Bowl shall provide to SCVB two (2) 30-second video board spots during each Fiesta Bowl football game and during each National Championship game.

2.10 Fiesta Bowl shall provide to SCVB one (1) full-page advertisement in all official Fiesta Bowl and Insight Bowl football game programs, Fiesta Bowl Entertainment Guides and National Championship football game programs.

2.11 Fiesta Bowl shall prominently list “City of Scottsdale” and “Scottsdale Convention & Visitors Bureau” on the sponsor recognition page in the Fiesta Bowl game program, and in any other Fiesta Bowl and National Championship game publications, websites, and collateral materials where Fiesta Bowl sponsors are listed or recognized.

**3. HOSPITALITY.** Fiesta Bowl shall provide to SCVB the following hospitality benefits during each year of this Agreement, which SCVB shall use to entertain meeting and travel planner clients, and also as fulfillment for Fiesta Bowl-related consumer promotions established to generate Scottsdale visitor inquiries:

3.1 One (1) in-stadium suite with a minimum of 20 tickets for that suite to each Fiesta Bowl football game and each National Championship football game for sole use by SCVB. SCVB shall be responsible for all food and beverage expenses incurred for this suite.

3.2 Thirty (30) tickets to each Fiesta Bowl football game and National Championship football game. All of the tickets will be located in the best available “non suite” category of seating.

3.3 Fifty (50) tickets to each Fiesta Bowl’s “College Football’s Biggest Party” or equivalent pre-game party celebration for each Fiesta Bowl football game and National Championship football game.

3.4 Eight (8) tickets to each Fiesta Bowl Pre-Game Party or equivalent event for each Fiesta Bowl football game and National Championship football game.

3.5 Eight (8) parking passes to each Fiesta Bowl football game and National Championship football game.

3.6 Eight (8) game tickets to each Insight Bowl.

3.7 Two (2) parking passes to each Insight Bowl.

3.8 Four (4) tickets to each Fiesta Bowl Ball.

3.9 SCVB and City agree that no Fiesta Bowl, Insight Bowl or National Championship game tickets, suites, passes or advertising may be sold or resold by either SCVB or City to any outside person or agency.

**4. FIESTA BOWL BENEFITS.** SCVB shall provide to Fiest Bowl the following benefits during each year of this Agreement.

4.1 SCVB shall cause City to provide Scottsdale police escorts to and from daily practices and to and from all Fiesta Bowl, Insight Bowl and National Championship football games to all teams that stay in hotels or resorts that pay bed tax to City or to the Town of Paradise Valley. The police escorts will be provided at no charge to Fiesta Bowl or the applicable teams or universities.

4.2 SCVB shall cause City to designate a Scottsdale police department representative to inform and assist Fiesta Bowl, Insight Bowl and National Championship game teams staying in Scottsdale with matters of public safety and security regarding the teams' respective stays in City.

4.3 SCVB shall aid Fiesta Bowl annually, upon request, with locating practice facilities within City for use by Fiesta Bowl, Insight Bowl and National Championship teams during their stays at SCVB-member resorts.

4.4 SCVB shall aid Fiesta Bowl annually, upon request, with securing room blocks and rates at Scottsdale and Paradise Valley resorts at or under guideline rates set by the Bowl Championship Series (or commensurate governing body) for Fiesta Bowl, Insight Bowl and National Championship game teams.

4.5 SCVB shall secure annually for Fiesta Bowl's use a block of 250 room nights at resorts that pay bed tax to City or Town of Paradise Valley that can be used by Fiesta Bowl throughout the year. Fiesta Bowl will pay a substantially-discounted rate for these room nights, the exact rate to be paid by Fiesta Bowl for these room nights will be mutually agreeable to Fiesta Bowl and SCVB. Fiesta Bowl will not be required to utilize these room nights unless needed by and acceptable to Fiesta Bowl.

4.6 SCVB shall feature Fiesta Bowl and National Championship games within SCVB's destination marketing materials, including its web site ([www.scottsdalecvb.com](http://www.scottsdalecvb.com)) with a link to Fiesta Bowl's web site.

4.7 SCVB shall pay Fiesta Bowl as follows for the hosting, promotional, and hospitality benefits outlined in this Agreement.

**Fiesta Bowl Games**

1<sup>st</sup> Game--\$210,000  
 One Time--\$500,000  
 2<sup>nd</sup> Game--\$218,400  
 3<sup>rd</sup> Game--\$227,136  
 4<sup>th</sup> Game--\$236,221  
 5<sup>th</sup> Game--\$245,670  
 6<sup>th</sup> Game--\$255,497  
 7<sup>th</sup> Game--\$265,717  
 8<sup>th</sup> Game--\$276,346  
 9<sup>th</sup> Game--\$287,400  
 10<sup>th</sup> Game--\$298,896  
 11<sup>th</sup> Game--\$310,852  
 12<sup>th</sup> Game--\$323,286  
 13<sup>th</sup> Game--\$336,217  
 14<sup>th</sup> Game--\$349,666  
 15<sup>th</sup> Game--\$363,653  
 16<sup>th</sup> Game--\$378,199  
 17<sup>th</sup> Game--\$393,327  
 18<sup>th</sup> Game--\$409,060  
 19<sup>th</sup> Game--\$425,422  
 20<sup>th</sup> Game--\$442,439

**National Championship Games**

1<sup>st</sup> Championship Game--\$210,000  
 2<sup>nd</sup> Championship Game--\$245,670  
 3<sup>rd</sup> Championship Game--\$287,400  
 4<sup>th</sup> Championship Game--\$336,217  
 5<sup>th</sup> Championship Game--\$393,327

Grand Total Cash after twenty (20) Fiesta Bowl Games, twenty (20) Insight Bowl Games, and five (5) National Championship Games: \$8,226,018

In-Kind Police Services for twenty (20) Fiesta Bowl Games, twenty (20) Insight Bowl Games, and five (5) National Championship Games: \$300,000

4.8 Should the Bowl Championship Series (or commensurate governing body) adjust its model for the hosting of championship games to an arrangement where the National Championship game is played within the Fiesta Bowl game, Fiesta Bowl will receive its regularly-scheduled payment for that Fiesta Bowl game, plus an additional \$50,000 from SCVB per National Championship game played within the Fiesta Bowl game. No other separate or additional National Championship game payments will be made for National Championship games played within Fiesta Bowl games.

**5. PAYMENT SCHEDULE.** Fiesta Bowl shall deliver to SCVB on or before October 1, 2006 an invoice for a one-time \$500,000 payment indicating payment is due on or before November 1, 2006. Fiesta Bowl shall deliver to SCVB on or before October 1 and January 1 of each year—beginning October 1, 2006—a payment request for 50 percent of the cash amount due to Fiesta Bowl for that fiscal year, based on the payment amounts

listed in Section 4.7 of this Agreement. Payments will be due to Fiesta Bowl no later than November 1 and February 1 for each game.

**6. TERM AND EXTENSION.** The term of this Agreement shall begin August 2006 and expire the earlier of August 31, 2030, or the date that 20 Fiesta Bowl football games, 20 Insight Bowl football games, and five National Championship football games have been played.

**7. GAME INTERRUPTION.** The parties believe that the Fiesta Bowl and the Insight Bowl will be played in Maricopa County, Arizona every year and that the National Championship Game will be played every fourth year in Maricopa County, Arizona beginning in January 2007. Should any of these regularly-scheduled football games not be played in Maricopa County, Arizona, during any year of this Agreement, SCVB shall not be obligated to provide Fiesta Bowl with any payment or other performance for that year for that football game and Fiesta Bowl shall not be obligated to provide SCVB with any of the promotion, hospitality benefits or other performance for that year for that football game. The game payments shall be made in the order and in the amounts listed in paragraph 4.7. For example, if the National Championship Game is not played in Maricopa County, Arizona in 2015, then 1) no payment shall be made for the National Championship Game in 2015; 2) the amount of the next National Championship Game payment shall be the amount that would have been paid in 2015 had the National Championship Game been played in 2015; and 3) the amount of each subsequent National Championship Game payment shall be the next unpaid National Championship Game payment amount listed in paragraph 4.7. For another example, if the Fiesta Bowl Game is not played in Maricopa County, Arizona in 2007, then 1) no payment shall be made for the Fiesta Bowl Game in 2007; 2) the amount of the next Fiesta Bowl Game payment shall be the amount that would have been paid in 2007 had the Fiesta Bowl Game been played in 2007; and 3) the amount of each subsequent Fiesta Bowl Game payment shall be the next unpaid Fiesta Bowl Game payment amount listed in paragraph 4.7. For purposes of this paragraph, the annual non-championship payment shall be allocated 90 percent to the Fiesta Bowl Game and 10 percent to the Insight Bowl Game. The one-time \$500,000 payment is payable regardless of game cancellation. All other provisions of this Agreement shall remain in effect.

**8. SCVB TERMINATION.** Should City terminate its contract for Convention & Visitors Bureau services with the SCVB during the term of this Agreement and funds are not appropriated by City to continue its contract with SCVB, SCVB may terminate this Agreement. SCVB agrees to give thirty (30) days written notice to Fiesta Bowl regarding its intent to terminate this Agreement should City terminate its contract for Convention & Visitors Bureau services with SCVB.

**9. THIRD PARTY BENEFICIARY.** City is not a party to this Agreement, but is a third party beneficiary to this Agreement. Any termination or modification of this Agreement shall require City's formal prior written consent.

**10. ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives of each party.

**11. ARIZONA LAW.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.

**12. ASSIGNMENT.** Services covered by this Agreement shall not be assigned or sublet in whole or in part without the prior written consent of the other party.

**13. SUCCESSORS AND ASSIGNS.** This Agreement shall extend to and be binding upon both parties, its successors and assigns, including any individual, company, partnership, or other entity with or into which either party shall merge, consolidate, or be liquidated, or any person, corporation, partnership, or other entity to which either party shall sell its assets.

**14. ATTORNEY'S FEES.** In the event either party (or City) brings any action for any relief, declaratory or otherwise, arising out of this Agreement, or on account of any breach or default hereof, the prevailing party (or City) shall be entitled to receive from the other party reasonable attorney's fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. Should either party (or City) believe any breach or default has occurred, it shall notify the other party (and City) in writing as to the nature of the dispute. The parties will have a 30-day period, upon receipt of notice, to remedy the breach or default. An independent mediator or arbitrator, as agreed upon by both parties (and City), shall be used, prior to either party taking legal action, to settle any such disputes.

**15. INDEPENDENT CONTRACTOR.** The relationship between SCVB and Fiesta Bowl shall be that of independent contractors for purposes including tax law purposes and engagement law purposes and not that of employer-employee, principal-agent, partners, joint ventures, or otherwise.

**16. NOTICES.** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, with a copy to City, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of Fiesta Bowl:  
Fiesta Events, Inc.  
7135 East Camelback Road, Suite 290  
Scottsdale, AZ 85251

With a copy to:  
Snell & Wilmer L.L.P.  
One Arizona Center  
400 East Van Buren  
Phoenix, AZ 85004-2202  
Attention: Craig K. Williams, Esq.

In the case of Scottsdale Convention & Visitors Bureau:  
Scottsdale Convention & Visitors Bureau  
Galleria Corporate Centre  
4343 N. Scottsdale Rd., Suite 170  
Scottsdale, AZ 85251

In the case of City:  
Attention: Tourism Development Manager  
City of Scottsdale  
7447 E. Indian School Road, Suite 200  
Scottsdale, AZ 85251

Notices shall be deemed received on date delivered if delivered by hand and on the delivery date indicated on receipt if delivered by certified or registered mail.

**17. CAPTIONS.** The captions used in this Agreement are solely for the convenience of the parties, do not constitute a part of this Agreement, and are not to be used to construe or interpret this Agreement.

**18. SEVERABILITY.** If any term or provision of this Agreement shall be found to be illegal or unenforceable, then notwithstanding such illegality or unenforceability, this Agreement shall remain in full force and effect and such term or provision shall be deemed to be deleted.

**19. AUTHORITY.** Each party hereby warrants and represents that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each has been properly authorized and empowered to enter into this Agreement. Each party further acknowledges that it has read this Agreement, understands it, and agrees to be bound by it.

**20. PUBLICITY.** Except as may be required by law or any governmental authority, or to obtain any consents or approvals required by this Agreement, the parties hereto shall not, without the consent of the other party, make any public disclosure of the existence of this Agreement, the parties hereto, the terms hereof or any other matter related hereto.

**21. INTELLECTUAL PROPERTY.** Each party hereby grants the other party a non-exclusive license to use the trademarks, trade names and related intellectual property rights related to the promotion requirement and obligations under this Agreement; provided, however, prior to the use of any such trademarks, trade names, logos or intellectual property rights, both parties shall mutually agree on the use of any and all such property rights so as to maintain the integrity and goodwill of the parties to this Agreement. Notwithstanding anything contained herein, neither party shall have any ownership rights in the other party's trademarks, trade names, logos or other intellectual property rights.

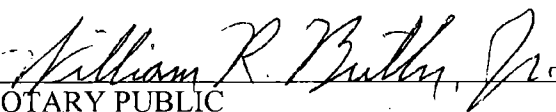
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, SCVB and Fiesta Bowl have hereunto subscribed their names as of the date first above stated.

SCOTTSDALE CONVENTION & VISITORS BUREAU, INC.

By:   
Rachel R. Sacco, President & CEO

Subscribed and sworn to before me this 28 day of August, 2006 to certify which witness my hand and seal of office.

  
NOTARY PUBLIC

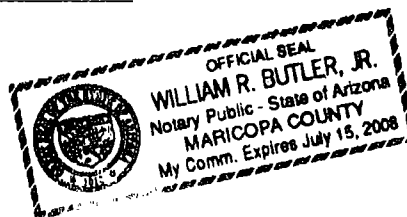


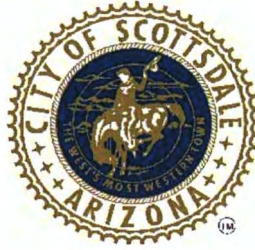
FIESTA EVENTS, INC.

By:   
John Junker, President & CEO

Subscribed and sworn to before me this 28th day of August, 2006 to certify which witness my hand and seal of office.

  
NOTARY PUBLIC





**CITY OF SCOTTSDALE  
TOURISM DEVELOPMENT COMMISSION  
REGULAR MEETING**

**Tuesday, May 19, 2015**

**Fiesta Bowl Museum  
7135 E. Camelback Road, #190  
Scottsdale, Arizona 85251  
DRAFT MINUTES**

- PRESENT:** David Scholefield, Chairman  
Ren Hirose, Vice-Chairman  
Ace Bailey (arrived at 8:10 a.m.)  
Linda Dillenbeck  
Carl Grupp  
Camille Hill  
Robert McCreary
- STAFF:** Steve Geiogamah  
Holli Shannon  
Lee Guillory  
Rachel Smetana  
Brent Stockwell  
Nicole Curtis  
Rose Rimsnider  
Cheryl Sumners
- GUESTS:** Rachel Sacco, SCVB  
Rachel Pearson, SCVB  
Caroline Stoeckel, SCVB  
Gerald Goodman, Charles Schwab Cup  
Diane Frisch, Charles Schwab Cup

**1. Call to Order/Roll Call**

Noting the presence of a quorum, Chairman Scholefield called the regular meeting of the Scottsdale Tourism Development Commission to order at 8:02 a.m. He welcomed Linda Dillenbeck to the Tourism Development Commission.

## **2. Approval of Minutes**

- March 30, 2015 Regular Meeting

Chairman Scholefield suggested one change.

**VICE CHAIRMAN HIROSE MOVED TO APPROVE THE MINUTES OF THE MARCH 30, 2015 JOINT MEETING WITH THE MCDOWELL SONORAN PRESERVE COMMISSION AS AMENDED. COMMISSIONER HILL SECONDED. THE MOTION CARRIED BY A VOTE OF SIX (6) TO ZERO (0). COMMISSIONER BAILEY WAS NOT YET PRESENT.**

- April 21, 2015 Regular Meeting

Chairman Scholefield requested clarification noting that even though the Event Venue Fund was expended, the TDC could move additional funds into it with City Council approval.

**COMMISSIONER MCCREARY MOVED TO APPROVE THE MINUTES OF THE APRIL 21, 2015 REGULAR MEETING AS AMENDED. COMMISSIONER HILL SECONDED. THE MOTION CARRIED BY A VOTE OF FIVE (5) TO ZERO (0). COMMISSIONER BAILEY WAS NOT YET PRESENT, AND CHAIRMAN SCHOLEFIELD ABSTAINED.**

## **3. Manager Reports**

### **a. Staff Bed-Tax Collection Report**

Mr. Geiogamah reported that bed tax collections for the year are up 15% compared to the prior year. Hotel/motel sales tax revenue is up 10%. Resort/hotel retail sales tax revenue is up 6%. Resort/hotel restaurant tax collections are trending well at 11%. By sector, limited service properties are up 22% for the year, in comparison to resorts at 9%. Detailed reports on sales tax collections are available on the City of Scottsdale website: [www.scottsdaleaz.gov/taxes](http://www.scottsdaleaz.gov/taxes).

### **b. Bed Tax Proforma**

Lee Guillory explained that projections for sales tax revenue for FY2015 and FY2016 have been increased. That in turn would increase the 50% share dedicated to marketing. Any excess will flow to the carryover balance.

Mr. Geiogamah highlighted the one-time commitments on the proforma. The PRC Championship Rodeo, and Baseball City events were funded at \$75,000 each. City Council approved a \$75,000 expenditure for the FY15/16 International Visitor contract. The Event Retention and Development column indicates \$250,000, which reflects the anticipated request from the College Football Championship. The Event Support Funding Program has budgeted \$225,000. The Event Venue Fee Program has budgeted \$100,000, and the Community Event Funding is programmed at \$200,000.

Chairman Scholefield requested that the Commission set aside time to revisit the idea of accruing money in advance for potential future big events. He inquired about changes to the Fiesta Bowl agreement. Mr. Geiogamah explained that the Fiesta Bowl museum lease agreement was amended to remove the College Championship Game from the agreement.

Commissioner Hill noted that the bed tax is very strong this year because of the Super Bowl, but she questioned why an increase is projected for next year when the game will be played elsewhere. Ms. Guillory responded that the Sales Tax Audit Group based their prognostication on information received from various hotels and resorts. The forecast was included in the budget presented to City Council. She said she would look into the group's assumptions and report back.

c. Smith Travel Report

Mr. Geiogamah noted that occupancy is up 2.4% year to date. The average daily rate is up 18%, and revpar is up 21%.

d. Program Updates

Mr. Geiogamah said the Commissioner received a report from Transportation Director Paul Basha on the final Day Tripper ridership numbers for the season. Chairman Scholefield noted that ridership continued to grow over the trolley's five years, though City Council voted to discontinue it.

Mr. Geiogamah reported that \$180,000 was budgeted in Community Event Funding, and \$52,000 remains for the year. The Matching Event Advertising Funding Program has budgeted \$200,00, and \$77,000 remains unused. The Event Venue Fee Program was budgeted at \$20,000, and all of the funds were expended this current year.

**4. FY2015/16 Scottsdale CVB Destination Marketing Program**

Commissioner Dillenbeck recused herself from discussion on Item 4.

Caroline Stoeckel, SCVB, in response to an inquiry from Commissioner Hirose, explained that the goals outlined in the report represent a minimum guarantee that the bureau agreed to provide based on the budget provided by the City. In addition, the SCVB also has established internal goals that exceed the guaranteed goals.

Commissioner Grupp inquired about the fiscal impact of tourism on Scottsdale's budget. Mr. Geiogamah responded that tourism's portion of tax collections for the City range between 20% and 25%. Rachel Sacco, President/CEO of SCVB, added that tourism is one of, if not the, most important industries in Scottsdale for a variety of reasons, beyond just the tax revenue, many of which are difficult to quantify. Mr. Geiogamah said the destination marketing guide will go before City Council on June 16.

**COMMISSIONER BAILEY MOVED TO APPROVE THE SCVB DESTINATION MARKETING PROGRAM AS PRESENTED. COMMISSIONER MCCREARY SECONDED. THE MOTION CARRIED BY A VOTE OF SIX (6) TO ZERO (0). COMMISSIONER DILLENBECK RECUSED HERSELF FROM THIS ITEM.**

**5. SCVB Third Quarter Performance Measures Report**

Mr. Geiogamah noted that the SCVB has exceeded all 13 performance measurements for the current fiscal year. Rachel Sacco, stated that, barring a disaster, the SCVB will always meet its contracted performance measures, but aims to exceed them every quarter. Next year's report will include a focus on the shoulder season for the group market, and the holiday season.

**6. FY 2015/16 Event Support Funding Programs**

Steve Geiogamah stated that comments received from the Commission have been applied to the revised set of funding program guidelines. Some program requirements have been streamlined or changed, such as insurance, payment schedules, and room night ratios.

**Community Events**

Mr. Geiogamah explained that \$15,000 is available per community event, but up to \$30,000 is available for events that meet the classification according to the strategic plan. The event working group will continue to provide recommendations throughout the year. One change was made to the funding process. The City will provide 75% of the funding once the event has been approved, the final payment will be made once the post-event report is received.

Commissioner Hill inquired whether event funding limits could be increased after the program is approved. Mr. Geiogamah responded that approval would set the budget for the year, but the event working group could propose changes to the TDC, which would then have to be approved by City Council.

**VICE-CHAIRMAN HIROSE MOVED TO APPROVE THE FY2015/16 COMMUNITY EVENT FUNDING PROGRAM AS PRESENTED. COMMISSIONER HILL SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).**

**Matching Event Advertising Funding**

Mr. Geiogamah said this program recently changed its name from the Event Support Funding Program. Event producers qualify for one of three funding tiers based on the number of room nights they generate. Threshold levels are based upon a formula that utilizes the overall average daily rate for the last calendar year, a method that eliminates seasonality. For Tier 1, the threshold level is 2,656 room nights. Tier 2 is 1,328, and Tier 3 events must reach 443 room nights to qualify and receive funds. The event working group can make recommendations to adjust the amounts later. If events do not

meet the required number of room nights in the post-event report, payments are reduced.

Commissioner Hill proposed adding a Tier 4 for shoulder season events. Commissioner Hirose suggested that additional values for shoulder season and offseason events apply to Tier 3 the same way they do for Tiers 1 and 2.

**COMMISSIONER BAILEY MOVED TO APPROVE THE FY2015/16 MATCHING EVENT ADVERTISING FUNDING PROGRAM AS AMENDED. COMMISSIONER HILL SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).**

#### Event Venue Fee Program

Mr. Geiogamah said WestWorld staff has requested a change to this program based on need. WestWorld staff proposes that this program could be expanded to provide funding to tourism driven events at WestWorld. The recommendation is to increase the budget for this program to \$100,000, and apply criteria specifically to potential WestWorld events. These events would have to generate room nights according to a calculation similar to the one used for the MEAF. The maximum amount available for tournaments at City-owned, operated or controlled venues is \$5,000. The maximum amount for events at WestWorld is \$25,000. There are bed tax funds available to support this change. WestWorld staff said this change would allow them to attract more events, particularly this summer. The contract was modified so that payments will be reduced for events that do not meet the threshold levels identified.

Commissioner Grupp inquired whether the criteria specify the types of properties utilized for room night calculations. Mr. Geiogamah responded that they do not, as the demographics vary considerably from event to event. Chairman Scholefield reiterated that should the fund be depleted when a request comes in, the TDC could always make a recommendation to City Council to move forward using carryover funds.

Commissioner Hill suggested opening up the program to other tourism-driven events as well, provided they meet the other criteria. Mr. Geiogamah responded that the program was created to attract participant-driven events that bring in a substantial number of room nights, but that doesn't mean other types of events can't be considered by the event working group as well.

Vice Chairman Hirose suggested that room night requirements be pro-rated based on the amount of funding requested by the event producers. Commissioner Grupp inquired about the methodology staff used to arrive at \$100,000 as an appropriate amount. Mr. Geiogamah explained that it was based on the amounts expended over the past few years by participant-driven events, in addition to input from WestWorld.

Commissioner Grupp proposed that instead of having to turn to City Council for amendments all the time that the amount available for this fund be raised in advance. Mr. Geiogamah recommended keeping the funding at its current amount, which was based on a need expressed by WestWorld for a quick response for this summer. Proposals for other programs related to WestWorld are in development. Commissioner Grupp felt that the program has proven successful and should have a \$200,000 cap.

Commissioner Hill noted that this program would help encourage event producers to move to WestWorld.

Commissioner Grupp noted that WestWorld is capable of using up all the available funding, leaving participant-driven tournaments, for which the fund was originally created, with none. Mr. Geiogamah agreed that could be one outcome, through the working group could monitor the fund to prevent that from happening.

**COMMISSIONER BAILEY MOVED TO APPROVE THE EVENT VENUE FEE PROGRAM AS AMENDED TO INCLUDE ALL FORMS OF TOURISM DRIVING EVENTS, A PRO-RATED FORMULA FOR FUNDING BASED ON ROOM NIGHTS, AND RAISING THE BUDGET TO \$200,000. COMMISSIONER GRUPP SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).**

#### New Event Development

Mr. Geiogamah reviewed the proposed changes to the New Event Development Program. New Event funding will no longer cover the cost of public relations, agencies or talent, which is consistent with other programs. Additional values are applied for shoulder and offseason events, as well as events that encourage animation downtown.

**VICE-CHAIRMAN HIROSE MOVED TO APPROVE THE GUIDELINES FOR THE NEW EVENT DEVELOPMENT FUNDING PROGRAM AS PRESENTED. COMMISSIONER MCCREARY SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).**

#### **7. Charles Schwab Cup Tournament Proposal**

Mr. Geiogamah clarified that this proposal will be evaluated based on the existing criteria, as the recommendations approved in Item 6 have yet to be approved by City Council. The PGA Tour is requesting a two-year agreement.

Gerald Goodman, Executive Director, said the PGA Tour Charles Schwab Cup Championship has just signed a 20-year sponsorship deal. The event will culminate a year-long tournament with the finals at Scottsdale's Desert Mountain Golf Club. The event will run from November 2 through 8 in 2015, and from November 7 through 14 in 2016. It will attract top name players. Live television will be broadcast in 206 countries. Last year, over 4.6 million viewers tuned in to the telecast worldwide. It is the only live golf tournament scheduled for that time of the year. The direct economic impact was between \$10 million and \$13 million last year. The event also produces indirect, induced, and dynamic impacts, which are harder to quantify. Legitimate 501(c)(3) charities receive 100% of the money for each ticket they sell. All children under 18 get in free with a paying adult. All military personnel and Scottsdale first responders are admitted free. The PGA Tour has six tours that have collectively given over \$2 billion to charity.

Mr. Goodman explained that this event provides a unique opportunity to showcase Scottsdale, and build positive brand association. Over 600 volunteers from Scottsdale

and around the nation participate in the event. Scottsdale's staff has been very helpful in guiding the producers through the process.

Chairman Scholefield requested that Scottsdale's name be featured on two static displays as a sponsor. Mr. Goodman said he would check into that. Vice Chairman Hirose requested that Scottsdale be mentioned in the weeks leading up to the event. Ms. Frisch noted that all season long the leader board is reviewed and Scottsdale will be mentioned, but she would look into whether something of a digital nature could be done.

Commissioner Dillenbeck noted that golf broadcasts frequently mention the name of the golf course but not the name of the city. She inquired about the presence of national media at media day. Mr. Goodman said the effort to get more national media to attend is constant. Commissioner Grupp inquired about hotel contracts. Mr. Goodman responded that a contract is in place to play at Desert Mountain for the next two years. Desert Mountain's charter prevents them from hosting the event for more than two years in a row, but Charles Schwab would like to be in Scottsdale permanently, so the likelihood of another Scottsdale course being chosen is high.

Chairman Scholefield said the TDC is tasked with driving business to Scottsdale, and inquired about the tournament's ability to control where organizations book their business. He said it would be easier to support the event if there were assurances that the City would get significant exposure in the media, and that groups are booking their rooms in Scottsdale hotels. Mr. Goodman responded that digital exposure leading up to the event is possible, but the existing ad panel contracts make scoreboard exposure more problematic. The two sponsors on that board spend a combined \$20 million a year. He added that PGA Tour recommends to all groups that they book in Scottsdale.

Vice Chairman Hirose requested that the Mayor's message be shown on the last day of the event. Diane Frisch, Sales Manager, said that possibility is being worked on. Mayor Lane will also be part of the awards ceremony and other events throughout the week.

Mr. Geiogamah reviewed the results of the Artigue Agency report. The report recommends that the TDC proceed with its funding as in previous years. Chairman Scholefield noted that this two-year agreement, in addition to last year's funding, will conclude the event's eligibility under the New Event Development Program under the current criteria. In future years, the producers will have to seek funding through one of the other event funding mechanisms.

**COMMISSIONER GRUPP MOVED TO APPROVE FUNDING THE CHARLES SCHWAB CUP FOR THE NEXT TWO YEARS AT \$75,000 PER YEAR. COMMISSIONER DILLENBECK SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).**

#### **8. 2016 College Football Championship**

This item was pulled from the agenda. A special meeting will be called on May 27 to cover this item.

## **9. Public Comment**

French Thompson, said he owns a retail business in Scottsdale and is concerned that retail sales tax collections are rising half as quickly as the other tourism-related sectors. The hotels are full, restaurants are doing good business, but retail is not seeing the same activity. Ms. Guillory clarified that the bed tax report only tracks retail sales and restaurant sales at the resorts/hotels, not the overall retail sales tax, which are tracked in a separate category. The website has a complete report on various sales tax collections throughout the city. Chairman Scholefield requested that those clarifications be included in future reports. Mr. Geiogamah suggested that the Commission add an agenda item to discuss what tax collection data they would like to have included in the report.

Commissioner Grupp said the Commission would welcome more input from Scottsdale retailers. He represented the TDC at a meeting of the Downtown Merchants Association, but nobody showed up. Mr. Thompson said he joined the board of the Scottsdale Gallery Association and has been encouraging more participation. Downtown merchants have not paid attention to the City since the downtown liaison was pulled. More must be done by the retailers to cultivate the relationship and help the City, not just ask for favors.

Commissioner Bailey said she has been trying to get merchants more involved in the City, especially regarding tourism, because that is what downtown merchants depend on. Mr. Geiogamah stated that the City is looking to enhance the downtown program, and the TDC will receive a report at a future meeting.

## **10. Identification of Future Agenda Items**

Mr. Geiogamah said there will be updates on the Leisure Visitor Inquiry Study and Longwoods data, possibly in June.

Commissioner Hill suggested the TDC address the issues raised by Mr. Clendenning at the April meeting. Chairman Scholefield requested staff recommendations on the proper procedures and protocol to get the item moving forward. Mr. Geiogamah said he could invite Brian Dygert to report in June, and the Commission to raise the topic then

## **Adjournment**

The meeting adjourned at 9:52 a.m.

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