



FOURTH QUARTER REPORT 2007-08

April, May, June

INTRODUCTION

The Salem Convention & Visitors Association (SCVA) is pleased to submit the tourism and convention fourth quarter report for 2007-08 pursuant to City of Salem contract section 1.1.3. The contract stipulates that quarterly reports include a “financial report, an overview of activities, progress statements on meeting ‘scope of services,’ and updated information as required in the strategic/business plan.” This report fulfills these contractual requirements.

All programs and services tie back to SCVA’s 07-10 Strategic Plan, and drive toward two main objectives: long-term stability for tourism leadership, and increased visitation and tourism economic impact. In addition, the quarterly reports connect specific activities and initiatives to the 07-08 Business Plan, demonstrating progress to achieve plan goals.

SCVA welcomes the opportunity to present and review this report, answer any questions and share information regarding current marketing efforts.

EXECUTIVE SUMMARY

Activities during the fourth quarter of 2007-08 continued to drive toward goals outlined in the 07-10 Strategic Plan, and produced positive results in key program areas.

SCVA commissioned the *Economic Impacts of Travel 1992-2007, Salem, Oregon* report from Dean Runyan Associates. The report revealed that **Salem’s visitor spending grew 7% to \$239.6 million in 2007**. (Total travel spending was \$244.1 million. This includes Salem residents travel arrangements outbound. The \$239.6 million represents spending by visitors to Salem only.) The full report can be found on www.TravelSalem.com.

The report revealed visitor spending by commodity purchased as follows:

1. Ground Transportation & Motor Fuel	\$111.6 million
2. Food & Beverage Services	\$ 41.2 million
3. Accommodations	\$ 30.1 million
4. Retail Sales	\$ 21.5 million
5. Arts, Entertainment & Recreation	\$ 21.2 million
6. Food Stores	<u>\$ 14.0 million</u>
Total Visitor Spending	\$239.6 million

An updated economic impact figure was also provided for 2006, putting travel spending at \$228.2 million, up \$2 million from previous report estimates.

During the quarter, SCVA agreed to take the lead on facilitating dialogue and developing a **brand strategy for Salem’s image** that would create synergy in messaging for internal/external audiences. SCVA began the process to explore this concept with key stakeholders (Mayor Janet Taylor, SEDCOR, Salem Chamber of Commerce and Go



Downtown Salem), and convened an ad hoc Board committee (SCVA Brand Council) to help drive campaign direction.

SCVA was awarded the **2007 Oregon Tourism Industry Achievement Award for Tourism Industry Awareness**. This prestigious industry award was presented to SCVA at the 2007 Governor's Conference and recognized the work done to re-establish SCVA as the official destination marketing organization for the Salem area.

SCVA successfully established the **Agility Fund** to secure new conference and event business that represents a significant economic impact and return on investment. Funding was received from the City of Salem transient occupancy tax (TOT) fund, and negotiations continued in an effort to acquire a significant three-year piece of business using the Agility Fund.

The new **Salem Area Conference & Event Planner Guide** was published during the quarter and featured a full-color guide showcasing conference, meeting and event facilities, conference services, lodging, camping and RV parks, as well as transportation information in Salem and Marion and Polk Counties. The guide is used to promote the area to meeting planners throughout the country.



Convention & Events partnered with the Phoenix Grand Hotel on a week-long **sales blitz to Northern California**. Calls were made on AAA travel planners in Sacramento, Oakland, San Francisco, San Jose, Daly City, San Rafael, Vallejo, Santa Rosa, Napa, Sonoma, Los Gatos, Santa Cruz and Chico. Presentations were made regarding Salem area amenities, and travel planners were encouraged to plan itineraries for summer getaways.

During the quarter, SCVA secured its first-ever **new contract with Woodburn Area Tourism** for 08-09 marketing services. The scope of services includes the promotion of events; tour itineraries; media promotion; inclusion in the Salem Area Visitors Guide; photography and research.

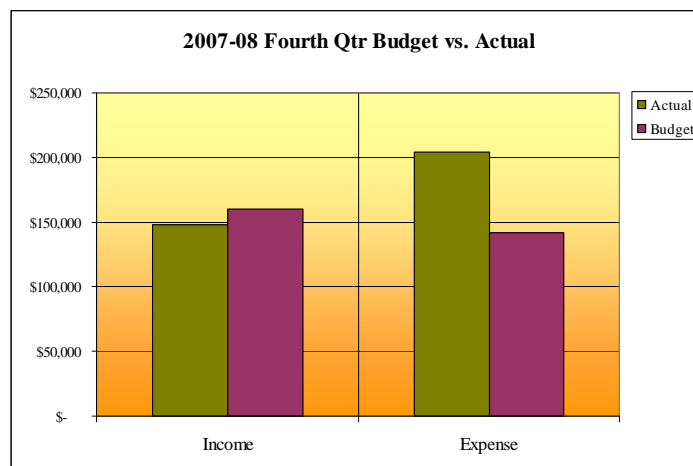


SCVA celebrated **National Tourism Week** on May 11-18. Activities included a proclamation by Mayor Janet Taylor on May 12, an opinion article submitted by Terry Kelly to the *Statesman Journal*, and a Membership blitz of downtown and Lancaster businesses.

SCVA met with key decision makers of the *Statesman Journal* to explore a **partnership to promote tourism and its role in economic development**. The meetings resulted in a 08-09 collaborative effort that will include a monthly column, a travel blog and other exciting opportunities.

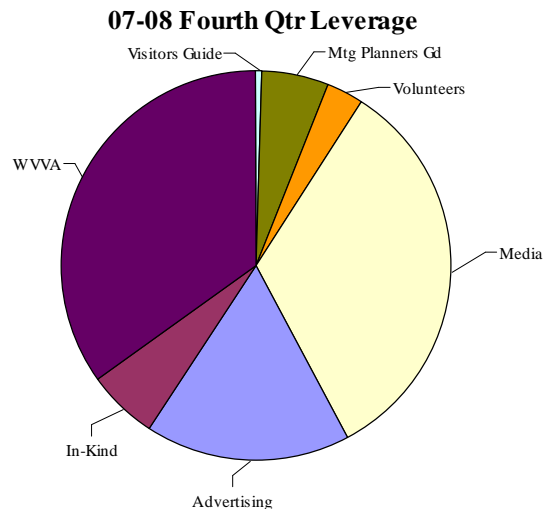
SCVA's **TORP (Travel Oregon Regional Partnership)** partnership with the Willamette Valley Visitors Association (WVVA) and Travel Oregon contributed to the 34% increase in inquiries during the quarter. This partnership allows SCVA to leverage a multi-million dollar advertising campaign directly benefitting the greater Salem area.

Financial statements for the fourth quarter are attached. Revenues were 92% of budget – with Membership, special events, co-op, leads and interest performing better than budget, but advertising, sponsorship and promotional merchandise underperforming. Expenses were 144% of budget, mostly due to timing issues. Net income for the fourth quarter was down \$56,997 or -310% of budget, a function of timing during the quarter, not operational deficiencies.



The results generated by SCVA are measured by examining progress in three key areas: estimated economic impact (EEI), transient occupancy tax (TOT) revenues, and leverage.

- **EEI results** for 2007 revealed a 7% increase over the previous year to \$239.6 million in travel spending in Salem.
- Fourth quarter **TOT receipts** were up 2.1% from the previous year to \$841,333.
- Fourth quarter **leverage results increased 18%** over the previous year. It should be noted that leverage results through the fourth quarter of 07-08 (through June) was at an impressive \$1,150,681. *Please note: leverage results are not predictable from year to year because SCVA can't guarantee, for example, in-kind donations or that a story will be published. However, SCVA strives to increase leverage support each year by continuing to develop and broaden key partnerships.*



OVERVIEW OF ACTIVITIES

The SCVA staff tracks numerous statistics throughout the year to monitor, evaluate and adjust marketing strategies, staff levels, funding, etc. These internal measurement statistics assist with forecasting and trending, and need to be examined as a whole to get a true indication of the industry and performance of marketing activities. Outside influences such as gas prices, weather, natural disasters, or inflation, etc. will also have an impact on the peaks and valleys that these numbers may reflect.

Please refer to the Glossary of Terms for definitions of the following activities.

Activity & Production Statistics	4th Qtr 07-08	% Change from 06-07	4th Qtr 06-07	4th Qtr 05-06
Marketing & PR				
National Earned Media Impressions	50	-12%	57	86
Local Earned Media Impressions	11	10%	10	6
PR Presentations ¹	17	750%	2	6
Visitor Information Inquiries ²	19,906	34%	14,863	17,240
TravelSalem.com User Sessions ³	55,826	-47%	105,377	97,177
TravelSalem.com Hits ⁴	1,573,930	-10%	1,757,152	n/a
Visitors Center Attendance	6,957	-16%	8,256	10,750
Events & Community Activities Assisted	332	n/a	n/a	n/a
Convention & Event Marketing				
Real-Time Conventions/Events ⁵	10	-41%	17	12
• Number of Delegates	17,100	-4%	17,895	6,710
• Number of Room Nights	1,695	17%	1,450	1,395
Sales Leads Generated	19	-10%	21	8
Bookings	11	10%	10	8
Sales Activities				
• Direct Contact	83	n/a	n/a	n/a
• Phone/Email	44	n/a	n/a	n/a
• Sales Packets Distributed ⁶	86	330%	20	13
• Site/FAM Tours ⁷	0	-100%	6	3
• Referrals	16	n/a	n/a	n/a
Convention & Event Services				
Conventions Assisted	25	19%	21	18
Visitors Reached	10,959	n/a	n/a	n/a
Welcome Bags Distributed	2,188	n/a	n/a	n/a

¹ PR Presentations – increased results due to enhanced community outreach.

² The increase in Visitor Information Inquiries is attributed to SCVA's partnerships with WVVA and Travel Oregon.

³ The decrease in TravelSalem.com User-Sessions is due to SCVA switching to a new website host that tracks user-sessions in a more efficient and precise manner.

⁴ TravelSalem.com Hits – online standards are now moving away from measuring "hits" from search engines and other web technologies. These non-consumer hits create an inaccurate picture of website activity. SCVA is working with consultants to realign and determine more meaningful website measurements in 08-09.

⁵ Real-Time Conventions/Events – there fewer convention and events during the quarter, but more people attended.

⁶ Sales Packets Distributed – the increase is due to the Northern California Sales Blitz.

⁷ Site/FAM Tours – decreased tours of the Salem Conference Center because planners are now more aware of the facility.

Activity & Production Statistics	4th Qtr 07-08	% Change from 06-07	4th Qtr 06-07	4th Qtr 05-06
Membership				
Total Membership	178	n/a	n/a	n/a
4 th Quarter Total Revenue	\$6,155	n/a	n/a	n/a
4 th Quarter New Members Acquired	14	n/a	n/a	n/a
4 th Quarter Attrition	0	n/a	n/a	n/a
4 th Quarter Sales Presentations	348	n/a	n/a	n/a
Leverage (detail below)	\$138,134	18%	\$117,000	\$33,408
Visitors Guide	\$700			
Volunteers	\$4,472			
Media	\$45,445			
Advertising	\$16,399			
In-Kind	\$22,952			
WVVA/Regional	\$48,166			

SCOPE OF SERVICES & PROGRAM HIGHLIGHTS

- A. **Conventions, Meetings, Seminars Sales** – provide services, activities, and personnel to promote, solicit, procure and service “convention” business and general tourism. Further, the DMO will act as a “gatekeeper” of leads for the DMO, the Salem Conference Center, and other venues (as requested).

Reference to section in
07-08 Business Plan

BP sec 2/a, #11

Results:

SCVA sent 19 qualified meeting/convention leads to lodging and meeting facilities. Work in previous quarters resulted in 11 definite bookings that generated an estimated 1,294 room nights. Of the 11 bookings, three were city-wide events utilizing many lodging properties throughout Salem. The 11 definite bookings occurred at the following locations:

- Citywide (3)
- Salem Conference Center (2)
- Eola Inn (1)
- Red Lion (2)
- Grand Ballroom (1)
- CCC Northwest Viticulture Center (1)
- Keizer Renaissance Inn (1)

Please note: a "Qualified Lead" means that SCVA has had verbal contact with the client and pre-screened the piece of business to be appropriate for Salem (e.g. number of delegates, requested amenities, dates required, etc.). The Qualified Lead is then distributed to the appropriate venue(s).

BP sec 2/a, #11

Monthly Networking – During the fourth quarter, staff attended the monthly meetings of Society of Government Meeting Professionals (SGMP), Meeting Professionals International (MPI), Oregon Society of Association Management (OSAM) and Oregon Business Travel Association (OBTA). These industry

associations allow for networking with meeting/conference decision makers and create awareness for our region as a conference/event destination.

BP sec 2/a, #11

Tradeshows, Sales Trips & Industry Conferences

- **Northern California Sales Blitz** – Convention & Events partnered with the Phoenix Grand Hotel on a week-long sales blitz to Northern California. Calls were made on AAA Travel Planners in Sacramento, Oakland, San Francisco, San Jose, Daly City, San Rafael, Vallejo, Santa Rosa, Napa, Sonoma, Los Gatos, Santa Cruz and Chico. A presentation along with a Salem area tote (including Salem Area Visitor Guides, area wines and Kettle Chips) was distributed at each stop. The AAA Travel Planners were educated on Salem area amenities and encouraged to plan itineraries for their for summer getaways. In addition, corporate calls were made throughout the week.
- **Salem Chamber Show Biz** – SCVA participated in the annual Salem Area Chamber of Commerce Show Biz tradeshow held at the Oregon State Fair and Expo Center. This is an excellent opportunity to network with local businesses and provides SCVA with the opportunity to promote tourism awareness. In addition, it's a platform to encourage the business community to think of Salem as a location for conferences and meetings for associations and groups to which they belong. Salem Area Visitor Guides and Meeting Planner Packets were distributed, and a raffle drawing for a weekend getaway was conducted to increase exposure.
- **HSMAI Affordable Meetings West Tradeshow and Conference** – SCVA partnered with the Phoenix Grand Hotel and the Salem Conference Center to attend the HSMAI Affordable Meetings West Tradeshow and Conference held in Long Beach, Calif. Meeting planners from throughout the Northwest and as far as the East Coast attended the show. Salem was positively received with attendees remarking that "Oregon is the greenest State!"

BP sec 2/a, #11

Conference Planning Committees – During the quarter, SCVA staff participated in planning committees for upcoming conferences and events:

2008

- League of Oregon Cities
- ASA National Softball Tournaments
- USSSA National Softball Tournaments
- Northwest Outdoor Writers Association

2009

- Pacific Northwest Water Works Association
- Oregon Governors Conference on Tourism

BP sec 2/a, #11

Salem Area Lodging Association (SALA) – SCVA attended SALA meetings during the quarter to update SALA on current and ongoing SCVA projects. These monthly meetings are a great opportunity for SCVA to build strong relationships with Salem's lodging properties general managers, directors of sales and to share successes and concerns with our Salem partners. During the quarter, the group introduced an idea to start a Hospitality Industry Scholarship program with Chemeketa Community College and potential ideas for fundraising.

BP sec 1/a, #5 and
sec 2/a, #5

Agility Fund – During the fourth quarter, the Agility Fund was approved by the SCVA Board of Directors, presented again to the CTPAB and subsequently approved

by Salem City Council. The SCVA Board of Directors adopted *Resolution 04-16-08: Agility Fund* outlining how the fund would be managed and executed. The Agility Fund will be used to help secure new conference and event business that represents a significant economic impact and return on investment. SCVA regularly receives requests from large conferences/events for bid money or seed money to bring groups to Salem, and the Agility Fund will provide the platform for SCVA to compete and capture these new opportunities.

BP sec 2/a, #5 **Jehovah Witness Conference** – With the approval of the Agility Fund, the Jehovah Witness Convention moved forward with contract negotiations with the Oregon State Fair and Expo Center for three weekends per year starting in 2009 through 2011. SCVA staff provided contact information for all lodging properties in the Salem area for their housing team to start negotiations with the lodging properties. Also during the quarter, VIP’s were brought in for a facility and area tour, they were lodged at the Phoenix Grand hotel.

BP sec 2/a, #11 **Northwest Outdoor Writers Association Conference (NOWA)** – During the quarter, SCVA hosted the Northwest Outdoor Writer’s Association’s Conference at the Red Lion Hotel and Conference Center. As part of the bid agreement, SCVA agreed to host their Friday night tour, reception and dinner which were held at the Mission Mill Museum and the Red Lion Hotel. The dinner featured local cuisine and agricultural products, as well as wine from the region. This was the first time the conference was held in Salem, and was a great opportunity to promote and showcase our region to this group of 125 travel writers from through out the Northwest and Canada. SCVA received many accolades from the group on what an “excellent job” Salem did in hosting the conference.

BP sec 2/a, #2 **Salem Area Conference & Event Planners Guide** – During the quarter, the new Salem Area Conference & Event Planner Guide was published. The 24-page, full-color guide showcases conference, meeting and event facilities, conference services, lodging, camping and RV parks, as well as transportation information in Salem and Marion and Polk Counties. The guide will be distributed at industry tradeshow, and via direct mail and sales calls.

BP sec 2/a, #3 **Code of Conduct** – During the quarter, the Convention and Event program implemented the “Code of Conduct.” The intent of the “Code of Conduct” is to clarify expectations between SCVA and the hospitality industry for responding to and booking group business in the greater Salem area. All lodging, conference, meeting and events facilities receiving leads will have an agreement signed and on file with SCVA. These agreements will be updated on an annual basis.

BP sec 2/a, #10 **Regional Networking** - During the quarter, staff made calls on potential regional partners in Marion and Polk Counties. Outreach was made to the following venues:

- Oregon Garden Resort - Silverton
- The Woodlands at Wellspring - Woodburn
- Beckenridge Vineyards - Dallas
- Eola Vineyards - Rickreall
- Polk County Fairgrounds - Rickreall

- B. **Visitor Hospitality Services** – *provide services, activities, and personnel to create and sustain hospitality programs that allow visitors to receive information and assistance while recreating in and visiting the City. This includes utilizing a broad array of tools (i.e. visitor center, visitor guide, telephone, on-site information booths, fax, Internet, etc).*

Results:

BP sec 2/b, #7

The Salem Area Visitors Center assisted 6,957 visitors during the fourth quarter. This represented a decrease (16%) over the same period of FY 06-07. The decrease is attributed to atypical weather patterns (snow in April), increased gas prices, overall slowing of the economy, and pre-planning using print and online resources.

BP sec 1/a, #3
and sec 1/c, #5

In conjunction with the Membership program, all brochures were removed from the Salem Area Visitors Center that represented points of interest of more than 50 miles away that hadn't purchased the option. These organizations were invited to continue brochure distribution at a nominal annual fee. After follow-up conversations, 10 organizations took advantage of the opportunity. Continued efforts will be made in future quarters to gain participation of other major attractions.

BP sec 2/c, #8

Convention and event services are an integral part of SCVA's strategy to keep groups coming back to Salem. Services may include, but are not limited to, visitor information tables, welcome bags tailored to group needs with special offers from businesses, tour itineraries (pre and post), transportation options, entertainment and speaker referrals. During the quarter SCVA provided services to the following 25 groups:

April

- Rotary District 5100
- Salem-Keizer School District Job Fair
- Allen Wedding
- Oregon RV Women
- Peacemaker Seminar
- Oregon Medical Association
- Oregon National Guard
- Salem Fire Department
- Oregon McKenzie Travel RV Club
- Oregon Parks and Recreation
- Salem Film Festival
- Oregon Ag Fest

May

- Phi Delta Kappa
- NW Regional Spinners Association
- Senator Winters Family Reunion
- Waldo Elementary 50th Anniversary
- Pauline Memorial Zion Church
- PAC NAT RV Rally

June

- PEO Sisterhood
- Masonic Grand Lodge of Oregon
- American Association of University Women
- 3rd Annual Kruz Into Keizer
- Oregon Refuse and Recycling Association
- Bus N' USA
- Oregon Child Care Division Training

BP sec 2/b, #10

Volunteers/Boosters

SCVA volunteers, Boosters and interns logged 264 hours during the fourth quarter, or \$4,752 worth of service to our community. Volunteers/Boosters meet monthly and assist visitors in the Visitors Center and with information tables at conferences, meetings and events. During the fourth quarter, Booster meetings were held at and hosted by Salem Electric, Enchanted Forest and Honeywood Winery.

BP sec 1/b, #4
and sec 2/c, #4

Volunteer Recruitment Campaign

SCVA began developing a volunteer recruitment campaign to engage volunteers with attributes and skill sets that support SCVA programs and services. A recruitment brochure was developed, communications to area colleges and senior centers was initiated, and public relations opportunities were outlined. SCVA expects to see positive results from this outreach within the next few months.

- C. **Event and Sports Competitions Sales** – *provide services, activities and personnel to promote, solicit, procure and service large events and sports competitions that bring visitors to Salem.*

Results:

BP sec 2/c, #8

Softball – In January, SCVA and City of Salem staff attended the ASA Regional meeting in Portland to bid on 2010 regional tournaments. The bid process involved a new format – instead of going in front of the Western Region at the Annual Council meeting, the presentation for tournaments was made to the Northwest region. Unfortunately, the two tournaments that Salem bid on were awarded to other locations due to increased regional competition. Salem will be attending the Annual Council meeting held in November 2008 to bid on national softball tournaments for 2010. Travel Salem will continue to partner with City of Salem staff to recruit regional and national tournaments to maximize the use of local sports complexes.

BP sec 2/a, #6, 9

07-08 Business Plan – As outlined in the plan for future quarters, staff will be developing a comprehensive inventory of sports and recreation venues, as well researching regional opportunities and niche markets.

- D. **General Tourism Marketing** – *provide services and personnel to research and implement a wide variety of industry proven practices to market Salem, including using regional partnerships.*

Results:

Publications/Collateral Material

BP sec 2/b, #10

2008 Salem Area Visitors Guide – SCVA printed 150,000 guides in February 2008. As of June 30, 2008, roughly 108,000 had been distributed. The majority of SCVA's

distribution outlets include 800 locations throughout Oregon, Washington, California and British Columbia, however the guides are also distributed domestically and internationally as requested.

BP sec 1/a, #1
and sec 2/b, #10

Salem Pad Map – in the fourth quarter, SCVA began updating the Salem pad map, an extremely important tool for directing visitors throughout the city. The pad map is used in the Salem Area Visitors Center, by Salem’s lodging facilities and used by conference, meeting and event groups. Sponsors will be secured and the map will be reprinted (25,000 copies) in the first quarter of 2008-09.

BP sec 1/a, #1
and sec 2/b, #10

Visitors Guide Envelopes – The Salem Conference Center/Phoenix Grand Hotel and Willamette Valley Vineyards came on board as advertising sponsors during the fourth quarter. These sponsorships fund the printing of 50,000 Visitors Guide envelopes (\$5,000 in hard costs) which are used to fulfill all of Salem’s leisure and meeting/event planner inquiries. This is the first time the envelopes have been funded by sponsorship dollars.



BP sec 1/a #4 and
sec 2/b #6 & #8

Advertising – Inquiries & Placement

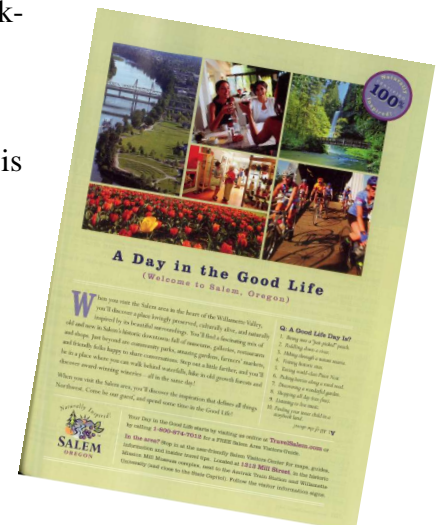
Inquiries

SCVA received 18,194 advertising inquiries during the fourth quarter. This is a 37% increase over the same period of 2006-07. The Salem 2008 advertising campaign broke in February and will continue through June 2008.

SCVA’s TORP (Travel Oregon Regional Partnership) partnership with the Willamette Valley Visitors Association (WVVA) and Travel Oregon contributed to the increase in inquiries. Refer to the “Partnership” section of this report for a detailed description of the TORP program.

Ad Placement

- **Google.com** – SCVA placed online advertising targeting search engine keywords. This is part of SCVA’s online marketing program to ensure that our organic listings (searchable results) continue to rank in the top three. During the fourth quarter, the cost per inquiry averaged \$0.67 for 105 click-throughs.
- **GoSeeOregon.com** – SCVA has partnered with GoSeeOregon.com and has an ad promoting the Salem area. GoSeeOregon.com is a social networking site that is part of Travel Oregon’s online marketing program.
- **Oregon Destination Guide** – SCVA placed a full-page Salem ad (“A Day in the Good Life”) in the new Travel Oregon publication. The guide targets Oregon visitors who are seeking specific information regarding itineraries, points of interest and additional visitor information sites and services.



TravelSalem.com Website

The TravelSalem.com website had 1,573,930 hits (10% decrease) during the fourth quarter, 55,826 user sessions and 606 inquiries. During the quarter, SCVA continued improvements to TravelSalem.com and worked to improve search engine rankings.

- Added summer events and other events as submitted
- Designed and installed E-vites on the Meeting Planner section (see template design to right)
- Secured and implemented advertisers on the TravelSalem.com website (a new revenue stream)
- Website updates occurred on a daily basis
- Continued to send weekly event broadcast email to 1,280 recipients (local partners and travel consumers)
- Added a volunteer recruitment section
- Redesigned the Travel Hero page
- Posted SCVA’s 2006-07 Annual Report
- Worked with website optimization firm regarding keywords
- Added press releases to Member News section
- Updated TravelSalem.com maps to be consistent with Visitors Guide maps
- Posted 2007 Dean Runyan Estimated Economic Impact Report
- Posed SCVA’s 07-08 Second Quarter Report



Media

MyOutdoorPlaces.com – Salem was highlighted on MyOutdoorPlaces.com, an online site that promotes recreation for nature enthusiasts. The coverage includes Salem attractions, events, maps, city facts, transportation services, and a link to TravelSalem.com for more information.



Earned Media – SCVA pitched storylines and events to the media throughout the quarter, generating 61 Salem area media impressions during the fourth quarter which were published in *Travel Oregon E-newsletter*, *Northwest Travel Magazine*, *Mid Valley Moms Magazine*, *Pilot Getaways Magazine*, *PilotGetaways.com*, *Sunset Summer Trips 2008* (feature story pictured at left), *YOUmaga Magazine*, *Statesman Journal* and *Salem Monthly*. These are Salem area articles, event listings and Salem mentions in travel publications and newspapers generated through SCVA press kits and publicity efforts.

Media FAM – SCVA arranged a familiarization tour for an online journalist from BaltimoreStyle.com. Travel features are prominent on BaltimoreStyle.com promoting domestic and international travel. The

journalist was researching a story for touring the “Willamette Valley - the next Napa.” SCVA hosted the writer at the Phoenix Grand Hotel and will monitor Styleonline.com for published results.

Public Relations (also relates to section G: Image and Community Outreach)

Press Releases – SCVA distributed two press releases to the local media during the quarter:

- *New Salem Area Conference & Event Planner Guide Available*
- *Salem Oregon Summer Travel Deals and Specials.*

BP sec 2/b, #1	<u>Broadcast Interviews</u> – SCVA conducted three radio interviews during the quarter promoting events and activities in the Salem area, as well as the importance of tourism to Salem as an economic generator. April highlighted the Salem Film Festival; May highlighted summer events in general and travel options close to home; June highlighted the World Beat Festival.
BP sec 2/b #1 & #6	<u>Presentations</u> – SCVA staff gave eight presentations that included Oregon Association of Convention and Visitors Bureaus (OACVB); Salem Chamber Education Institute; Salem Convention & Visitors Association’s new Board members; Salem Boosters; Statesman Journal (2); Graham Aviation, and ArtSmart.
BP sec 2/b, #1 & #5	<u>Statesman Journal Partnership</u> – SCVA representatives met with Editor Bill Church to discuss opportunities for SCVA to create awareness of the region’s tourism industry as an economic driver, as well as a great place to visit and live. Bill agreed to include an SCVA monthly tourism column in the <i>Statesman</i> beginning in 08-09. SCVA will also participate with the <i>Statesman Journal’s</i> blog to assist with building community pride and awareness of the area and all there is to see and do.
BP sec 2/b, #10	<u>Industry Communications</u> – SCVA’s April/May and June/July editions of the Industry Newsletter were distributed during the fourth quarter to 1,995 industry supporters, members and partners. The newsletter featured the following articles: SCVA Marketing Exchange Luncheon; New Board of Directors; SCVA Seeks Public Relations Manager; Travel Oregon Regional Pack (TORP); New Salem Area Conference & Event Planner Guide Available; Tourism Economic Impact in Salem Area Increases in 2007; Next Team Salem Meeting; Volunteer Opportunities; Welcome New Members; Member News & Announcements; Upcoming Conferences & Events.
BP sec 2/b, #10	<u>Consumer Communications</u> – In the fourth quarter, SCVA sent a “Salem Oregon, Summer Travel Deals and Specials” broadcast email to TravelSalem.com consumer subscribers. Six travel specials were featured along with a sample of affordable local attractions and events. The same information was sent to local and national media interested in stories featuring cost saving destinations.
BP sec 1/c, #4 and sec 2/b, #1	National Tourism Week SCVA celebrated National Tourism Week on May 11-18. SCVA acknowledged this national opportunity with a proclamation by Mayor Janet Taylor on May 12, an opinion article submitted by Terry Kelly to the <i>Statesman Journal</i> , and a Membership blitz of downtown and Lancaster businesses.
BP sec 2/b, #10	Event Marketing SCVA assisted 332 community and regional events with marketing efforts such as website services, general information, referrals and media promotions. SCVA also promoted these events through the Association’s consumer e-newsletter to help build attendance.
BP sec 2/b, #7 and sec 2/c, #8	Salem Airport Visitor Information In the fourth quarter, SCVA continued to explore a system for visitor information at the Salem Airport. It was determined that instead of a kiosk, brochure racks (to be

donated by Salem Electric) would better suit the limited space available. SCVA will work with the Salem Airport to coordinate installation and signage in future quarters.

BP sec 2/b, #7

Aviation Tourism

SCVA met with Gwen Graham at Graham Aviation to discuss ways to collaborate in aviation tourism. Gwen is pulling together “Diamond Days” at the Salem Airport in August to promote aviation tourism, and SCVA will have a booth at the event. Other opportunities were also discussed such as SCVA submitting events to directories that pilots use on where to stay and what to see and do in cities that they fly in to. SCVA will be tapping into this free tourism-related advertising opportunity. In addition, SCVA will explore transportation options for pilots to get to lodging properties and attractions as this is the number one barrier for them to participate and engage in the Salem area.

Regional Partnerships:

BP sec 1/a, #5 and
sec 2/d, #2 & #3

Woodburn Area Tourism – During the fourth quarter, SCVA was selected as the tourism marketing services contractor for Woodburn Area Tourism (WAT). SCVA competed against three other firms and was selected after an extensive interview process. SCVA met with WAT to review and agree upon the marketing partnership scope of services and associated timelines. SCVA and WAT signed a one year contract for 2008-09.

The scope of marketing services that SCVA will provide to WAT includes the promotion of events; tour itineraries; media promotion; inclusion in the Salem Area Visitors Guide; photography and research.

BP sec 1/a, #4 &
BP sec 2/b, #6

Willamette Valley Visitors Association (WVVA) – WVVA met throughout the fourth quarter to work on Willamette Valley marketing projects. WVVA’s purpose is to generate visitation and increase visitor expenditures within the Valley. SCVA continues to be an active partner and member of WVVA promoting Salem and the two-county region.

- RCMP (Regional Cooperative Marketing Program) – WVVA developed the Association’s 2008-09 RCMP plan. Travel Oregon reviewed WVVA’s plan and approved it for a July 1, 2008 implementation.
- Co-Operative Advertising, Ad Development & Fulfillment – SCVA developed ad copy targeting cultural opportunities in the Salem area for the following WVVA advertising partnerships. Consumer inquiries generated from these ads will be fulfilled with the Salem Area Visitors Guide:
 - Travel Oregon Partnership – WVVA partnered with Travel Oregon to develop cooperative ads promoting the Willamette Valley and key travel experiences revolving around the Adventurer, Enthusiast, Family Voyager, Gourmand, Culture Seeker and Naturalist.
 - WVVA’s full page ad ran during the fourth quarter in *Gourmet* magazine (\$84,000 with 5.4 million circulation) and *Conde Nast Traveler* (\$83,000 with 3.1 million circulation).

BP sec 2/b, #6, 7 & 8

- *Sunset* Partnership – WVVA developed a *Sunset* magazine advertising partnership that will ensure a Willamette Valley presence throughout the year. WVVA will fulfill the inquiries generated from the campaign with a “Willamette Valley Pack,” which includes the Salem Area Visitors Guide as well as visitors guides from all participating partners.
- TORP (Travel Oregon Regional Pack) – TORP is a collaborative, literature-fulfillment program offered to Oregon’s Regional Destination Marketing Organizations by Travel Oregon.

Launched in May 2008, the program is designed to provide fulfillment services to consumer inquiries about Oregon’s various and diverse regional assets. The program ensures a coordinated response to all inquiries received by Travel Oregon at its online literature order page, through the mail, or at Travel Oregon’s call center.

The Salem Area Visitors Guide is one of the fulfillment pieces for the Willamette Valley. Each time a person requests information about Oregon’s Willamette Valley they receive a Travel Salem Visitors Guide. Travel Oregon’s marketing effort includes, but is not limited to, domestic and international advertising campaigns, online promotions, public relations and trade shows which result in thousands of inquiries each year.

This partnership allows SCVA to leverage a multi-million dollar advertising campaign that will directly benefit the greater Salem area.

BP sec 2/b, #6

- OregonWineCountry.org Website – A new feature story was added to OregonWineCountry.org, “But Mom, Why Can’t We Visit the Willamette Valley?” The feature highlights activities and points of interest that are family-friendly and links to the Salem area Family Voyager video. New summer events were posted driving traffic to each member’s website such as TravelSalem.com. WVVA also began researching the possibility of an Oregon Wine Country blog titled “Through the Grapevine.”

BP sec 2/b, #6

WVVA Guide – During the fourth quarter, WVVA retained the services of Blodgett Marketing to produce the “Willamette Valley - Oregon Wine Country Guide.” Production will begin in earnest during the first quarter of 2008-09 with SCVA writing copy and assisting with production.

BP sec 2/b, #7
& #8

Travel Oregon/Oregon Destination Guide – SCVA worked with Travel Oregon to provide content for their new Oregon Destination Guide. The guide will not be inclusive of all that Oregon has to offer, but will provide samples to attract additional interest. The guide will drive traffic to destination marketing organizations for specific information and personal assistance.

BP sec 2/b, #6

Oregon Travel Information Council – SCVA partnered with the Oregon Travel Information Council (OTIC) to organize a regional Rest Area town hall meeting. Roughly 30 people participated, including representatives from local attractions,

Chambers, CTPAB, Cherriots, lodging properties, State Parks, etc. The group discussed the need for improved facilities at the rest areas; safety concerns; need for additional truck parking; and the desire for more visitor services. In addition, criteria for a recently adopted “Oasis” program were shared including and how these public/private partnerships for travel centers can qualify for signage and marketing support. SCVA’s interest is in maximizing the local economy through rest areas while delivering high-quality visitor information services. SCVA will continue to work with the OTIC on a variety of programs to ensure Salem’s interests are represented.

BP sec 2/b, #6

Marion County Public Works – SCVA served on the Buena Vista Ferry Task Force. The task force will determine the feasibility of keeping the Buena Vista Ferry open. Issues revolve around funding the operation of the ferry, the ferry vehicle itself, and the impact to communities if the ferry were to close.

BP sec 2/b, #7

Oregon 150 – SCVA continued to participate with the City of Salem’s Oregon 150 meetings to brainstorm ideas for implementation during the 2009 celebration.

BP sec 2/b, #10

City of Salem Minto Brown Island Grant – SCVA supported the City of Salem’s Minto Brown Island grant request with a letter of support. The letter discussed the connectivity that the bridge project will bring to the downtown and Minto Brown Island Park.

BP sec 2/b, #7

Cherriots, Salem Transit – In the fourth quarter, SCVA formed a partnership with Cherriots to display Salem area events on plasma screens at the transit station. SCVA supplies Salem transit with electronic event information which is then posted on their screens.

BP sec 2/b, #6 and
sec 2/a, #11

Team Salem – During the quarter, SCVA organized and led Team Salem meetings which gathered representatives from the following organizations:

- Salem Conference Center
- Keizer Renaissance Inn
- Crosslands Extended Stay
- Shilo Inn
- Comfort Suites
- Chemeketa Community College
- Phoenix Inns (North & South)
- Red Lion Hotel & Convention Center
- Oregon State Fair and Expo Center
- Best Western Mill Creek Inn
- Best Western Pacific Hwy Inn
- Mission Mill Museum
- Enchanted Forest
- Salem Art Association
- A. C. Gilbert’s Discovery Village
- Comfort Inn and Suites
- Enterprise Rent-A-Car
- Tico’s Coffee Roasting Co.
- Oregon Garden Resort

- The Glockenspiel Restaurant
- Woodburn Company Stores

The meeting was hosted by Comfort Inn & Suites. SCVA shared cooperative leisure and convention marketing opportunities and requested partnerships to assist with city-wide events and activities such as softball tournaments. Each representative in attendance gave an update, which was beneficial for overall communication, cross promotion and collaboration. SCVA continues to make a concerted effort to engage Salem area attractions with Team Salem to discuss cooperative marketing opportunities and cross promotion. While only a handful of Salem's attractions attend the meetings – SCVA strives to build attendance of this industry sector.

- E. **Management, Support Services and Accountability** – *provide general management, strategic planning, support to Board of Directors and Executive Board, fiscal services, marketing evaluations, and record keeping functions.*

Results:

07-08 Financials – Please refer to the attached financials for the fourth quarter.

06-07 Annual Report – the report was approved by the SCVA Board of Directors on April 16, and on April 28 a presentation was made to the City of Salem per contract.

07-08 Second Quarter Report –submitted on June 19 to the City of Salem per contract section 1.1.3, and a presentation was made to CTPAB on July 8. A copy of the report is available on TravelSalem.com/Resources.

BP sec 2/d, #2

Board Committees

- SCVA's Membership and Finance Committees continued to meet throughout the quarter.
- Nominations Committee – a slate of officers and directors for 08-09 was developed and approved by the Board during the quarter.
- Facilities Committee – met throughout the quarter to review the needs of the organization. The committee explored a downtown Visitors Center location and expansion of the administrative offices.
- Bylaws Committee – the bylaws were redrafted during the quarter, with review by SCVA's legal counsel Kevin Lafky. The review process will continue into future quarters.
- Brand Council – this ad hoc committee was formed in the fourth quarter to advise staff on the development of a new name and logo for the Association.

Board Engagement - meetings were conducted with Board members throughout the quarter to get feedback and insights on what's happening at SCVA. A Board Orientation was conducted on June 19 for 08-09 new members.

2007 Estimated Economic Impact of Travel – SCVA negotiated fees and secured the 2007 Estimated Economic Impact study from Dean Runyan Associates, which was adopted by the SCVA Board of Directors in the fourth quarter. Leon Aliski from Dean Runyan Associates provided an in-depth look at how estimated economic impact is calculated, as well as updated 2007 EEI for Salem and Marion & Polk counties at the June Board meeting which included representation from the CTPAB.

BP sec 1/b, #1 and
sec2/b, #1 & #5

Human Resources – A position description for a Public Relations Manager was developed and posted. Interviews and hiring will take place during the first quarter of 2008-09.

EarthWISE Certification – during the quarter, SCVA began the process to achieve EarthWISE Certification which recognizes businesses in Marion County that have made a commitment to environmentally friendly practices. This designation will better position SCVA to attract convention and event business, as well as leisure travelers that have come to demand sustainable and eco-friendly destinations.

- F. **Partnership Development** – *plan and implement short- and long-term strategies to build support and partnerships with community members and businesses within the City and within the region to enhance the City’s and region’s attractiveness as a tourism and recreation destination.*

BP sec 1/a, #1, 3 & 5,
and sec 1/c, #3-7 and

Results:

Membership – Membership activity in the fourth quarter generated the following results toward overall annual goals:

	4th Qtr Members	% of Annual Goal	4th Qtr Revenue	% of Annual Goal
Inside	9	6%	\$ 2,290	2%
Outside	15	30%	\$ 3,865	4%
Reciprocal	1		\$ -	
TOTAL	25	13%	\$ 6,155	6%

BP sec 1/a, #1 &
#2 and sec 1/c, #4

The April 25th Marketing Exchange Luncheon featured Agfest and was a resounding success with more than 130 attendees and a lively forum. The event was hosted by the Oregon State Fair.

BP sec 2/d, #2

Salem Vision 2020

SCVA met regularly with the task force throughout the quarter, and moves forward as a “lead” organization to drive two projects forward: marketing & advertising city center activities; and signage and wayfinding to improve access. SCVA also serves as support on a variety of other projects, and participated in the Town Square discussion throughout the quarter. SCVA was invited to participate with the Salem Historic Network (SHN) to review online communication and promotion of historic assets. The SHN met throughout the quarter, visiting and touring historic sites.

BP sec 2/b, #1 & #4,
and sec 2/d, #2

Downtown Visitors Center

In an effort to increase visibility and provide enhanced visitor information resources, SCVA continues to research a downtown Visitors Center (VC) location and seek partnerships that advance this exciting opportunity.

BP sec 2/b, #10

North Salem Business Association (NSBA)

SCVA attended the NSBA June meeting to connect with businesses and learn about new developments in the North Salem area.

BP sec 2/d, #2 & #3

Cultural & Tourism Promotion Advisory Board (CTPAB)

In the fourth quarter, CTPAB conducted an orientation for SCVA's Board of Directors at the June Board meeting. At the same meeting, Leon Aliski from Dean Runyan Associates provided an in-depth look at how estimated economic impact is calculated, as well as updated 2007 EEI for Salem and Marion & Polk counties.

BP sec 2/d, #2 & #3

Welcome Signs at Gateways to City of Salem

The City task force will integrate this option into the Vision 2020 program. SCVA is the lead organization on "create welcoming entrances for the City Center," which is currently on hold pending the determination of Salem's image (see "Salem's Image Campaign" on page 19 of this report).

BP sec 1/a, #5 and
sec 2/d, #2

Marion County Economic Development Advisory Board (MCEDAB)

SCVA continues to participate each month as part of the team that reviews grant applications and discusses issues that impact economic development. In addition, SCVA actively advocates on behalf of tourism as an economic development generator, to help clarify tourism's role in creating jobs and supporting other economic drivers. SCVA plans to submit a grant application for funding from Marion County later in the year.

BP sec 1/a, #5 and
sec 2/d, #2 & #3

Woodburn Area Tourism – During the fourth quarter, SCVA was selected as the tourism marketing services contractor for Woodburn Area Tourism (WAT). Please see "General Tourism Marketing" for additional detail.

BP sec 2/d, #2

Polk County

SCVA continues to attend monthly Polk County "Mayors' Breakfast" meetings with Commissioners, Mayors and City Managers. SCVA reports on the Association's activities and encourages Polk County participation and partnership.

BP sec 2/d, #2

Confederated Tribes of Grand Ronde & Spirit Mountain Casino

During the quarter, SCVA began a dialogue with this key regional partner to discuss collaborative opportunities. Staff attended the grand opening of the new conference and event facility at Spirit Mountain Casino on May 15, and took a backstage tour of the facilities.

BP sec 2/d, #2

City of Silverton

On May 19, SCVA staff participated in a familiarization tour of Silverton attractions and economic development. The group also got a sneak peek of the Oregon Garden Resort under construction, both the lodge and the cottages.

BP sec 2/d, #2

Oregon Wine Scenic Byway

SCVA participated in a discussion with Travel Oregon, Washington County CVB, wineries and the Oregon Department of Transportation to explore the possibility of pursuing a wine scenic byway. The meeting was held at Ponzi Vineyards where the group determined that a grassroots effort with local government and businesses would be required to mount such an effort. SCVA will continue the dialogue with Washington County CVB in future quarters.

Oregon Association of Convention & Visitors Bureaus (OACVB)

SCVA attended the Spring OACVB conference at the Village Green Resort in Cottage Grove. The conference covered marketing strategy, co-op efforts, best practices, and an in-depth presentation from Travel Oregon on their new marketing campaign. Angie Morris did a presentation on SCVA's new menu-based Membership program. In addition, Angie Morris was asked to serve on the Board of Directors for OACVB beginning in 08-09, and will attend a board retreat and strategic planning session in the second quarter of 08-09.

- G. **Image and Community Outreach** – *plan and execute a program to improve the City's local, regional, and national image in a manner that utilizes local citizens, businesses, civic organizations, government, and others to promote the City.*

Results:

Governor's Conference on Tourism – SCVA attended the conference in April, and took advantage of education and networking opportunities. SCVA had a booth to pre-promote the 2009 Governor's Conference which will be held at the Salem Conference Center.

- **SCVA Wins Award!** – SCVA was awarded the 2007 Oregon Tourism Industry Achievement Award for Tourism Industry Awareness. This prestigious industry award was presented to SCVA at the 2007 Governor's Conference and recognized the work done to re-establish SCVA as the official destination marketing organization for the Salem area.

Salem's Image Campaign – during the quarter, SCVA was asked to take the lead on facilitating dialogue and developing a brand strategy for Salem that would create synergy in messaging for internal/external audiences. SCVA began the process to explore this concept with key stakeholders (Mayor Janet Taylor, Salem Chamber of Commerce, Go Downtown Salem and SEDCOR), and convened an ad hoc Board committee (SCVA Brand Council) to help drive campaign direction.

Earned Media Coverage – refer to "General Tourism Marketing" above for overview statewide and national coverage. In addition, 11 local media impressions were generated in the Statesman Journal, Salem Business Journal, Chamber Business News, and KBZY.

Public Relations – refer to "General Tourism Marketing" above for overview of press releases, interviews and presentations.

GLOSSARY OF TERMS

Activity & Production Statistics

National Earned Media Impressions

Print or broadcast media coverage resulting from SCVA activities such as pitching stories and disseminating media kits. The number reflects regional or national stories, events, mentions and images that were published or produced based on these efforts.

Local Earned Media Impressions

Print or broadcast media coverage resulting from SCVA activities such as pitching stories, disseminating media kits and through interviews. The number reflects local stories and broadcast interviews that were published based on these efforts.

PR Presentations

Staff presentations to civic groups, nonprofits and businesses. Presentations include community outreach to promote SCVA programs and services, general tourism-related issues, convention, meeting and event business, and overall awareness of tourism economic impact.

Visitor Information Inquiries

Ad inquiries, travelsalem.com, telephone, U.S. post inquiries – requesting a variety of information and resources.

TravelSalem.com User Sessions

A User Session measures website traffic and is defined by the presence of a user with a specific IP address who has not visited the site recently. This type of user typically visits multiple pages on the TravelSalem.com site.

TravelSalem.com Hits

The total number of requests made to the server/TravelSalem.com site during a given time period.

Visitors Center Attendance

The number of visitors to the Visitors Center that are assisted with their travel plans.

Events & Community Activities Assisted

SCVA helps promote community events and activities through the Visitors Center, TravelSalem.com, broadcast consumer and industry email, public relations and media exposure, and general information resources.

Real-Time Conventions/Events

Conventions/events that actually take place during the current month. The business may have been booked in a previous year, but it is reported in the month when it actually takes place.

Number of Delegates

The estimated number of delegates attending Real-Time Conventions/Events. When possible, the actual number of delegates is reported when the figure has been verified with the conference meeting planner and/or venue.

Number of Room Nights

The estimated number of room nights from the Real-Time Conventions/Events. When possible, the actual number of room nights is reported when the figure has been verified with the conference meeting planner and/or venue.

Sales Leads Generated

The number of leads of potential business that are distributed to venues.

Bookings

The number of leads that resulted in a confirmed booking taking place at a venue in the future.

SALES ACTIVITIES**Direct Contact**

The number of meeting/conference/event planners that are contacted in face-to-face appointments or through tradeshow.

Phone/Email

The number of meeting/conference/event planners that are contacted via phone or email.

Sales Packets Distributed

The number of packets mailed to meeting/conference/event planners per request or as a result from Direct Contact.

Site/FAM Tours

A Site Tour is when the Director of Sales takes a meeting planner, group of meeting planners or group tour operator on a showcase tour of venues (e.g. hotels, meeting facilities). A Familiarization Tour (FAM) is when the Director of Sales takes a meeting planner, group of meeting planners or group tour operator on a showcase tour of Salem's attractions, restaurants, shopping, etc.

Referrals

The number of times a location is recommended to a meeting planner verbally or by email.

Conference Facility Guide Downloads from Website

The number of times a meeting planner downloads the Conference Facility Guide from Travelsalem.com.

CONVENTION & EVENT SERVICES**Conventions Assisted**

The number of groups/events that are provided services, resources and visitor information.

Visitors Reached

The number of visitors at conferences/events where SCVA provides visitor information.

Welcome Bags Distributed

Welcome Bags contain promotional information from local businesses on what there is to “see and do” in the Salem area. The Welcome Bags are distributed to conferences/events and contain information that is tailored to meet the delegates’ interest/needs.

LEVERAGE**Volunteers**

The number of volunteer hours worked in the Visitors Center or at conferences/events. The hourly value of this service is provided by Points of Light & Hands On Network.

Media

Local, regional or national media exposure resulting from SCVA’s publicity efforts to promote the region. For print media the value is calculated using advertising rates per column inch of what that space would cost if SCVA had to purchase the exposure. For broadcast media the value is calculated using the “air-time” rate of what that broadcast would cost if purchased.

Advertising

SCVA receives an “agency discount” on media buys because it is recognized as an in-house advertising agency. This discount is not available to individual businesses purchasing advertising.

In-Kind

SCVA receives donated products and services that it would otherwise have to purchase. Examples include office and meeting space, accounting, legal services, product donations, advertising, etc.

WVVA/Regional

Travel Oregon receives a statewide one percent lodging tax that it allocates to regional visitors associations for use in promoting each region to out-of-state visitors. The monies cannot be allocated to local destination marketing organizations. Salem is included in the Willamette Valley Visitors Association (WVVA) along with Eugene (East Lane County), Corvallis (Benton County), Albany (Linn County), Yamhill County and South Clackamas County). The WVVA Board of Directors includes key decision makers from the DMO of each city. This Board determines how the resources will be spent to market the region. SCVA recognizes the WVVA financial resources allocated from Travel Oregon as leverage.