



FIRST QUARTER REPORT 2010-11 July, August, September

INTRODUCTION

Travel Salem is pleased to submit the tourism and convention first quarter report for 2010-11 pursuant to City of Salem contract section 1.5. The contract stipulates that quarterly reports include a financial report, an overview of Contractor's activities, and a statement of output measurements. This report fulfills these contractual requirements.

All programs and services tie back to Travel Salem'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 10-11 Business Plan, demonstrating progress to achieve plan goals.

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

EXECUTIVE SUMMARY

Activities during the first quarter produced positive results in key program areas. References to specific 10-11 Business Plan sections are included.

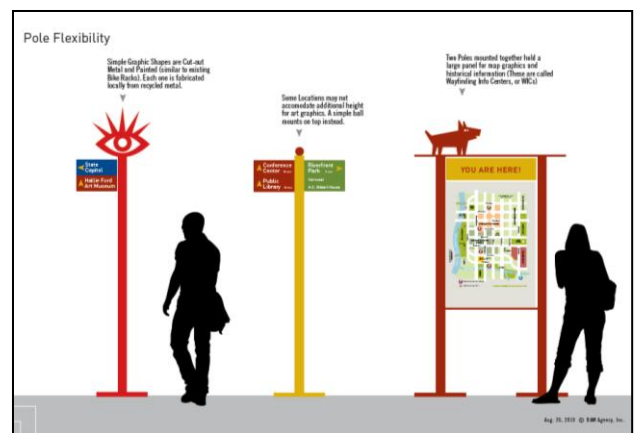
Filed incorporation documents with the IRS and Oregon to secure nonprofit status for Travel Salem's new foundation, **Cultivating Communities**. (1/a #4, 1/b #2)

Secured Salem Electric as the 10-11 sponsor for the **Absolutely Art Wall** in the Travel Café. (1/a #1, 2/d #5)

Vision 2020 Wayfinding & Entrance Ways Task Force – Salem City Council approved design & funding to support phase one of the signage system, including installation of 6 wayfinding information centers (WICs) and 36 wayfinding poles in downtown. A Wayfinding Placement Subcommittee will determine strategic placement. (2/d #1)

Marketing & PR

Secured a Travel Oregon grant to produce an Interactive Online Map for TravelSalem.com featuring regional cultural and heritage assets. Secured 10 partners to provide content & \$5,000 in financial support for the project. (1/a # 8, 2/b #2, 2/d #5)



Contracted MEDIAmerica as Travel Salem's **new Visitors Guide publisher & content provider**. (1/b #1, 2/b #4)

Hosted a VIP reception for **Extreme Home Makeover** with 175+ dignitaries and members attending. Secured \$80,000 worth of product donations and discount coupons for 100 Welcome Bags and 8 VIP bags for the EHM crew and talent. Created a Production Resource Guide for EHM, requested by the City of Salem. (2/b #8)

Organized a **Twitter Adventure** for the Oregon State Fair with Travel Oregon and the *Statesman Journal*. The promotion resulted in premium coverage in the SJ and Travel Oregon blog. (2b #1, #6, #10)

Organized an Aurora and Mt. Angel **familiarization tour** for a German journalist writing for *Mitteldutsche Zeitung* with a circulation of 328,000. (2/b #1 & #8)

Social media efforts continued to progress: 139 images were posted on Flickr with 4,426 viewer sessions during the quarter; 7 videos were posted on YouTube with 1,395 views during the quarter; 146 tweets were posted on Twitter reaching 2,627 local, national and international followers; and 84 events, specials and announcements were posted on Facebook reaching 1,333 fans. (2/b #5)

Secured Aurora Airport as a new Visitor Information Network **satellite location** (1/b #7, 2/b #3)

Conventions & Groups

Organized a Canadian **sales mission** targeting group tour operators and travel agents, through a partnership with Willamette Valley Visitors Association. (2/a #6, 2/b #8)

Launched a proactive **communications campaign** with the Salem Conference Center to keep community partners informed about conventions & groups on the ground, so that businesses can staff and prepare accordingly to serve the delegate's needs. (2/a #10, 2/d #3)

Booked the **2012 Oregon Women's Veterans** conference (400+ delegates) at the Salem Conference Center. (2/a #5)

Hosted **Good Vibrations – Music, Motorcycles & Merlot** in July with 700 riders rolling into the Salem area from Oregon, Washington, California, Arizona, Nevada, South Dakota and Canada,. Go Downtown sponsored a successful StreetFest event for participants. Good Vibrations had the largest attendance of any first-year event produced by Road Shows. The event has rebooked for 2011 and increased the event from three days to four. (2/a #10)

Participated in strategic **Salem downtown think-tank** meetings to discuss ways to integrate the facility into downtown to drive economic impact & best serve the hospitality needs of conference delegates. (2/a #10, 2/d #3)

Provided **services** to 44 conferences and events that were held at locations throughout the Salem area, serving roughly 45,491 delegates. (2/c #7)

Financials & Key Performance Measurements

Financial statements for the first quarter are attached: the organization is on track with the annual budget with revenues of \$202,710 (27% of budget) and expenses of \$173,069 (24% of budget).

The results generated by Travel Salem are measured by examining progress in three key areas:

- **Estimated Economic Impact** results are available at year end, and will be reported in Travel Salem's 10-11 annual report.
- First quarter **TOT receipts** were up 5% over the prior year same period to \$494,652.
- **Leverage** results were \$508,411, an increase of 80% over the previous year. The increase was due to media secured and the Visitor Information Network. *Please note: leverage results are not predictable from year to year because Travel Salem can't guarantee, for example, in-kind donations or that a story will be published. However, Travel Salem strives to increase leverage support each year by continuing to develop and broaden key partnerships.*

OVERVIEW OF ACTIVITIES

Travel Salem tracks numerous activities throughout the year to monitor, evaluate and adjust marketing strategies as needed. 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, will also have an impact on the peaks and valleys that these numbers may reflect.

Glossary of Terms for definitions of the following activities is available upon request.

Activity & Production Statistics	1 st Qtr 10-11	% Change from 09-10	10-11 YTD	1 st Qtr 09-10	1 st Qtr 08-09
Marketing & PR					
Publicity Ad Equivalency Value (see PR Addendum) ¹	\$246,949	86%	\$246,949	\$133,069	\$195,756
Visitor Information Inquiries ²	6,096	-47%	6,096	11,570	15,665
Visitor Information Network Attendance ³	35,361	121%	35,361	15,966	9,105
Events & Community Activities Assisted	498	-3%	498	514	317
TravelSalem.com Visits	42,622	14%	42,622	37,225	61,554
Convention & Event Marketing					
Real-Time Conventions/Events ⁴	15	53%	15	7	16
• Number of Delegates ⁵	10,990	47%	10,990	5,802	5,013
• Number of Room Nights ⁶	7,592	-47%	7,592	3,360	3,455
Sales Leads Generated	6	-1%	6	7	15
Bookings	4	-2%	4	11	9
Convention & Event Services					
Conventions Assisted ⁷	44	32%	44	30	29
Visitors Reached ⁸	45,491	62%	45,491	17,321	21,076
Welcome Bags Distributed	5,546	29%	5,546	3,922	2,216
Membership					
Total Membership	339	18%	339	287	222
New Members Acquired ⁹	7	-87%	7	54	31
Attrition	13	8%	13	12	n/a
Leverage (detail below)¹⁰	\$508,410	80%	\$508,410	\$282,607	\$287,315
Visitors Guide	\$0	0%	\$0	\$0	\$700
Volunteers	\$4,107	-7%	\$4,107	\$4,410	\$7,236
Media – Advertising Equivalency	\$246,949	86%	\$246,949	\$133,069	\$195,756
Advertising	\$4,970	-72%	\$4,970	\$17,600	\$2,054
In-Kind	\$209,185	190%	\$209,185	\$72,028	\$18,019
WVVA/Regional	\$43,199	-22%	\$43,199	\$55,500	\$64,250

¹Publicity Value – fluctuations are normal due to unpredictability of publicity efforts.

²Visitor Information Inquiries – the decrease is a result of the WVVA's advertising budget cuts impacting Travel Salem's advertising partnership results.

³Visitor Information Network Attendance – the increase is due to the expanded network including the Travel Café and satellite locations.

⁴Real-Time Conventions/Events – one weekend of the Jehovah Witness conference fell into July 2010, instead of all three weekends being in June; secured new business such as Good Vibrations.

⁵Number of Delegates - one weekend of the Jehovah Witness conference fell into July 2010, instead of all three weekends being in June; secured new business such as Good Vibrations.

⁶Number of Room Nights - one weekend of the Jehovah Witness conference fell into July 2010, instead of all three weekends being in June.

⁷Conventions Assisted – increase was due to new business during the quarter (e.g. Good Vibrations).




⁸Visitors Reached - increase was due to new business during the quarter (e.g. Good Vibrations).



⁹New Members Acquired – decrease due to reduced membership sales staff.

¹⁰Leverage - increases reflect enhanced media exposure, plus the expanded Visitor Information Network.

PR ADDENDUM
National & Regional Media

Secured 179 published articles/references with a reach of 1,729,626
and advertising equivalency of \$246,949

	Media/Headline	Value	Reach	Key Messages/Content
	\$40 a Day – Rachel Ray	\$57,367		Hallie Ford Museum of Art, Busick Court, Willamette University, Mission Mill Museum, Pentacle Theatre, Willamette Valley Vineyards, Morton's Bistro
	Portland Guide	\$100	400,000 annually	Oregon State Capitol, Salem Art Association, Travel Salem
	Travel Oregon Blog	\$1,350	130,000	Oregon State Fair, Dallas Motor-Vu Drive In
	Meetings West – “Time-Out”	\$2,995	35,064	Salem as a meeting venue, Silver Falls State Park, Oregon Wine Safari, Silver Grille, Creekside Golf Club, Willamette Valley Vineyards, Oregon Garden
	Salem Weekly	\$980	80,000	Willamette Art Center, Polk County Fairgrounds, Oregon State Fair, Eola Hills Bike Oregon Wine Country, First Wednesday, Riverfront Movies, etc.
	Travel Oregon Newsletter (August)	\$1,350	130,000	Oregon State Fair, Adam's Rib Restaurant, Great American BBQ Tour

	Willamette Woman	\$2,100	12,000	Pentacle Theatre, Historic Deepwood Estates Garden Gala, Mt. Angel Oktoberfest, Elsinore Theatre/John Davidson
	Statesman Journal "Tourism is the Name of the Game"	\$9,920	48,836	Cascade Futbol Club soccer tournaments
	Statesman Journal	\$9,626	48,826	Oregon State Fair Twitter Adventure
	Statesman Journal	\$902	48,836	Monthly Column: Wandering Aengus, Bread Board Bakery, E.Z. Orchards, Willamette Valley Cheese Company, Prudence Uncorked
	HelloWestTravel.com	\$200	172,979	Enchanted Forest, Honeywood Winery, Amtrak
	Moms Like Me	\$785	15,000	Oregon State Fair, Cascade Foothills Saturday Faire, Wednesday Farmer's Market, E.Z. Orchards etc.