

**TOURISM ADVISORY COUNCIL MEETING MINUTES
FEBRUARY 3-4, 2014
MISSOULA, MT**

COUNCIL MEMBERS PRESENT

Amber Wood-Jensen, Chair—Butte
Bill McGladdery, Vice-Chair—Butte
Mark Anderlik—Missoula

Matt Ellis—Missoula
Bill McGladdery—Butte
Rhonda Fitzgerald—Whitefish

Glenniss Indreland—Bozeman
Stan Ozark—Glasgow
Gail Richardson—Bozeman

COUNCIL MEMBERS ABSENT

Philip Aaberg—Chester
Cyndy Andrus—Bozeman
Dan Austin—Billings

Bev Harbaugh—Jordan
Lark Paz—Crow Agency

MONTANA OFFICE of TOURISM STAFF

Jeri Duran—Division Administrator
Victor Bjornberg—Tourism Development & Education Manager
Riana Davidson—Social Media Coordinator
Thurston Elfstrom—Digital Marketing Manager
Pam Gosink—Sales & Constituent Services Bureau Chief
Rachel Gregg—Film Office Coordinator

Daniel Iverson—Public Information Officer
Carmen Levick—Administrative Assistant
Garrett Norcott—DOC Legal Counsel
Barb Sanem—Compliance Specialist
Deny Staggs—Film Office Bureau Chief

MONDAY, OCTOBER 7, 2013

CALL TO ORDER, INTRODUCTIONS

Council Chair, Amber Wood-Jensen called the meeting of the Tourism Advisory Council (TAC) to order at 12:34 p.m. Introductions of the audience, Council members and Montana Office of Tourism (MTOT) staff followed.

CHANGES TO THE AGENDA

There were no requests to make changes to the agenda.

APPROVAL OF MINUTES

- October 6-7, 2013 TAC Retreat Minutes
Mark Anderlik moved to approve the minutes. Gail Richardson seconded. Motion passed.
- October 7-8, 2013 TAC Conference Call Meeting Minutes
Kim Holzer moved to approve the minutes. Glenniss Indreland seconded. Motion passed.

ITRR UPDATE—Norma Nickerson

Norma Nickerson gave an overview of the 2014 economic outlook. A presentation of various research projects was also shown. For more information on research by topic or locations, please visit <http://itrr.umt.edu/>.

MONTANA OFFICE OF TOURISM (MTOT) UPDATE—Jeri Duran, Administrator

Montana Office of Tourism (MTOT) and Montana Film Office (MFO) updates were given along with the lodging tax revenue reports. Highlights included:

- MTOT Staff/Organizational changes—Daniel Iverson has joined MTOT as the new public information officer, replacing Sarah Lawlor. Recruitment for filling the Marketing Bureau Chief position formerly held by Katy Peterson will take place over the next couple of months.
- The Montana Film Office took third place for logo design and digital video from the Association of Film Commissioners International
- MTOT received 30 applications requesting \$590 million for the Tourism E-Marketing Technology Grant Program. Nine projects will be funded utilizing the \$200,000 available for this program.
- Get Lost (in Montana) merchandise is now available for sale online. For more information, you can visit www.getlostmontana.com and click on the “Get the Gear” tab.

Revenue Reports

- **2nd Quarter—(April-June 2013)**—Statewide collections were up 7% over 2012
- **3rd Quarter—(July-September 2013)**—Statewide collections were up 5% over 2012
- **Smith Travel Research**—Year to date (through November 2013), Montana is up 0.5% in rooms sold and 3.8% in room revenue over 2012

PUBLIC COMMENT

Adventure Cycling: Jim Sayer from Adventure Cycling thanked MTOT for the E-Marketing Tourism Grant. He also invited meeting attendees to visit Adventure Cycling while they were in Missoula. He noted that bicycle tourism is growing and that he would love to work with the TAC and meeting attendees to promote it.

Destination Missoula: Barb Neilan welcomed everyone to Missoula and invited the meeting attendees to the reception that evening at the University of Montana.

COMMITTEE REPORTS

Executive Committee—Amber Wood-Jensen, Chair

Amber said that the TAC would have a short meeting on April 13, prior the Governor’s Conference on Tourism in Billings. She said that in helping to orientate new TAC members, the Executive Committee decided to bring back the buddy/mentor system for new members of the Council. Rhonda Fitzgerald will be the buddy for Matt Ellis and Cyndy Andrus will be the buddy for Mark Anderlik.

Other things discussed at the Executive Committee meeting included discussion on the upcoming legislative session, job descriptions for TAC members and goals and strategies for TAC committees.

Research Committee—Bill McGladdery, Chair

Bill gave the recommendations of the Research Committee for FY15 research projects for a total of \$635,400. Those projects are:

- Continuation of the Quarterly Nonresident Visitor Analysis
- 2015 Outlook and 2014 Economic Impacts
- Monitoring of Tourism & Recreation in MT
- Economic Impacts on Counties and Regions
- Data Mining of ITRR Data Sets
- Panel Studies
- Resource Library & Website Revamp
- Survey Kits

Glenniss Indreland moved to approve the recommendations of the Research Committee. Kim Holzer seconded. Motion passed.

Ad-hoc Committees—Amber Wood-Jensen, Chair

Amber said that the TAC is working moving forward with the following ad-hoc committees and will be discussing in further detail during the meeting at the Governor's Conference. Those committees are:

- TAC Member Role Descriptions—Amber Wood-Jensen, Cyndy Andrus
- Advising the Governor—Stan Ozark, Dan Austin, Gail Richardson and Mark Anderlik
- MTOT Partnerships—Amber Wood-Jensen, Bill McGladdery, Philip Aaberg, Bev Harbaugh and Kim Holzer
- Measurement & Accountability—Rhonda Fitzgerald, Cyndy Andrus and Matt Ellis
- Infrastructure & Wayfinding—Rhonda Fitzgerald, Gail Richardson, Kim Holzer and Matt Ellis
- Develop & Prioritize Future Initiative/Themes—Philip Aaberg, Glenniss Indreland and Mark Anderlik

Site Selection Task Force—Mike Mergenthaler, Chair

Mike Mergenthaler said that the Site Selection Task Force received four bids for the February 2015 TAC meeting in Helena. The Committee's recommendation was for the Comfort Suites (lodging)/Gateway Center (meeting location).

Gail Richardson moved to approve the recommendation of the Site Selection Committee. Matt Ellis seconded. Bill McGladdery abstained. Motion passed.

Tourism Awards Update—Amber Wood-Jensen, Chair

Amber announced that the tourism awards process has changed. New categories have been added and to be more reflective and related to MTOT programs and tourism promotional efforts around the state. The new categories will be:

- Co-op Partner Award—(entities that have partnered with MTOT for a campaign, project, etc)
- Gateway Community Award—(community that has worked to incorporate the MT brand and be a gateway to some of our most visited attractions)
- Outstanding Film Friendly Community Award
- Best Use of Social or Digital Media Award
- Special Event Grant Program Award
- Tourism Infrastructure Investment Program Award
- Technology Innovation Award (e-marketing tech grant recipients)
- Tourism Ambassador of the Year (business or individual that has helped to spread the message of the Montana Brand, importance of tourism or that really is an ambassador for what MTOT does and helps spread the message to get others on board)

MTOT will compile the list of nominees for all categories except for the Tourism Ambassador of the Year. For this category, one nominee will be submitted from each Region. The nominee list (with a brief description of each) will be sent out in a survey monkey link to be voted on by the TAC, Regions, CVBs and other tourism partners.

Winners will be announced "academy award" style with results in an envelope so nobody will know who the winner is until that moment.

NEXT EXIT HISTORY—Dave Strohmaier, Project Historian, Historical Research Associates, Inc.

A presentation and overview of the Next Exit History mobile app was shown.

Panel Discussion—Strategic Legislative Planning for Tourism

- Mike Garcia, Voices of Montana Tourism
- Drew Geiger, Tourism Matters to Montana
- Jeri Duran, Montana Office of Tourism
- Deny Staggs, Montana Film Office
- Chas VanGenderen, Montana State Parks
- Elijah Allen, Montana Heritage Commission (Tentative)

The panel discussed the importance of monitoring tourism related issues for the upcoming legislative session. Suggestion was made to possibly form a legislative coalition group similar to the group formed for the 2007 session that included various partners from across the state.

TUESDAY, FEBRUARY 4, 2014

Amber Wood-Jensen called the meeting to order at 8:00 a.m. She thanked the reception sponsors and hotel staff for their hospitality.

TRAVEL/VISITOR GUIDE DISCUSSION—Bill McGladdery

Bill McGladdery said that at the October 2013 meeting there was a discussion regarding the practice of ad revenues for guide books going into private funds. He read a memo from the Southeast Montana Tourism Region Board of Directors that the TAC received via e-mail from John Brewer asking that the TAC not change their policy regarding the use of ad sale revenues. He said that the reference to “unrestricted funds” was used seven times in the memo.

Rhonda Fitzgerald said that she does not look at this as a change, because as long as she can remember, the TAC has never permitted ad revenues to be put into private funds. She said that originally, the ad sales were permitted because they helped defray the cost of the projects for the Regions and CVBs with smaller budgets. At the time, the guidebooks were an essential part of marketing.

Based on research done by MTOT in 2010, the results show that advertising lowers the credibility of the guidebook in the eyes of the visitor. She said that if the Regions or CVBs need ad sale revenues to help pay for the project, the TAC wants to allow that.

Racene Friede commented that there are items that are not currently allowed to use bed tax funds for that the Regions and CVBs utilize the ad sale revenue funds for such as:

- Items for resale
- Operations for events such as conventions and press events
- Disbursement of funds to other promotional entities
- Financial sponsorships

She said that she would encourage that if this is the direction that the TAC wants to go, that before implementing these changes that the rules and regulations be reviewed and changed so that it does not create a budgeting crunch for the Regions and CVBs moving forward.

Rhonda Fitzgerald moved that in the Rules & Regulations, anywhere that “ad sales” are referenced to add language “any revenue from ad sales must be applied to the cost of that project”. Mark Anderlik seconded.

After more discussion, the motion was amended to add “if ad sales exceed the cost of the project, the money can be used for other bed tax funded projects or moved to private funds”.

Rhonda Fitzgerald amended the motion to say that in the Rules & Regulations, anywhere a bed tax funded project that involved ad sales language would be added to say “any advertising revenue from that bed tax funded project must be applied to the cost of that project”. Mark Anderlik seconded.

This discussion was tabled until later in the meeting to allow time for the TAC to formulate a motion that is a clear and concise.

Rules & Regulations
Page 22 (Compliance Requirement & Reporting)
“Actions for Non-Compliance”

Glenniss Indreland moved to adopt the language for fines as submitted. Gail Richardson seconded. Matt Ellis opposed the motion. Motion passed.

After the break, discussion regarding ad sale revenues continued.

Rhonda Fitzgerald stated that she, Matt Ellis, Glenniss Indreland, Bill McGladdery and Kim Holzer re-wrote the previous motion regarding ad sale revenues. Rhonda Fitzgerald stated the motion to say that in the rules and regulations for the Region and CVB use of the lodging facility use tax, add language in the areas where it references ad sales to say “any revenue earned from ad sales on a lodging use tax funded project must be first applied toward the lodging use tax cost of that project. She clarified this would appear in Appendix C (page 32-42) of the Rules & Regulations under electronic material, portable media and printed material. Mark Anderlik seconded. Stan Ozark opposed the motion. Motion passed.

Discussion followed to state that the TAC would review items under specific allowable expenses and discuss this at their meeting prior to the Governor’s Conference in April. They asked the Regions and CVBs to come up with a list of things that they would like to see under allowable expenses.

Rules & Regulations
Page 37-38
“Printed Material”

Recommendation was to delete number 3 and 5 and to amend number 6 to say “Printed on recycled paper or the use of the recycle symbol is encouraged.

Rhonda Fitzgerald moved to approve the recommendations for required language under printed material. Gail Richardson seconded. Motion passed.

Bill McGladdery moved to approve all other changes for the marketing plan re-boot. Kim Holzer seconded. Motion passed.

CONSUMER MARKETING UPDATE—Riana Davidson, Social Media Coordinator, MTOT
An overview of the MTOT warm campaigns including national key markets was shown.

MARKETING COMMITTEE REPORT—Stan Ozark, Chair, Marketing Committee
The Marketing Committee recommended final approval for the following FY13 audits:

Big Sky CVB: Approval as submitted with uncommitted funds on hand of \$42,584.99.

Bill McGladdery moved to approve the recommendation. Kim Holzer seconded. Motion passed.

Bozeman CVB: Approval as submitted with uncommitted funds on hand of \$10,000.23.

Glenniss Indreland moved to approve the recommendation. Gail Richardson seconded. Motion passed.

Butte CVB: Approval as submitted with uncommitted funds on hand of \$468.66.

Mark Anderlik moved to approve the recommendation. Gail Richardson seconded. Motion passed.

Helena CVB: Approval as submitted with uncommitted funds on hand of \$.76.

Kim Holzer moved to approve the recommendation. Bill McGladdery seconded. Motion passed.

Kalispell CVB: Approval as submitted with uncommitted funds on hand of \$117.33.

Mark Anderlik moved to approve the recommendation. Kim Holzer seconded. Motion passed.

Miles City CVB: Approval as submitted with uncommitted funds on hand of \$468.66.

Gail Richardson moved to approve the recommendation. Glenniss Indreland seconded. Motion passed.

Missoula CVB: Approval as submitted with uncommitted funds on hand of \$0.00.

Mark Anderlik moved to approve the recommendation. Kim Holzer seconded. Motion passed.

West Yellowstone CVB: Approval as submitted with uncommitted funds on hand of \$16,357.01.

Kim Holzer moved to approve the recommendation. Glenniss Indreland seconded. Motion passed.

Whitefish CVB: Approval as submitted with uncommitted funds on hand of \$0.45.

Gail Richardson moved to approve the recommendation. Mark Anderlik seconded. Motion passed.

Missouri River Country: Approval as submitted with uncommitted funds on hand of \$0.50.

Matt Ellis moved to approve the recommendation. Mark Anderlik seconded. Motion passed.

Southwest Montana: Approval as submitted with uncommitted funds on hand of \$2,035.64.

Gail Richardson moved to approve the recommendation. Mark Anderlik seconded. Motion passed.

The Audits & Applications Committee recommended final approval for the following project applications:

Kalispell CVB: Photo/Video Library—Winter for \$10,000

Kim Holzer moved to approve the recommendation. Bill McGladdery seconded. Motion passed.

Big Sky CVB: Consumer Marketing—Big Sky Map & Lure Brochure \$42,000.

Rhonda Fitzgerald moved to approve the recommendation. Bev Harbaugh seconded. Motion passed.

TRIBAL TOURISM REPORT

—Heather Sobrepena-George, Manager, Indian Country Economic Development (ICED), DOC

Heather introduced Ray Gone, Fort Belknap Tourism Director for the Island Mountain Development Group. Ray talked about opportunities for tours and educational activities to learn about tribal life on the Fort Belknap reservation. They are working to build tourism development and infrastructure necessary to move forward. He said that he would like to work with the TAC to help make Fort Belknap a tourism destination.

FUTURE MEETING DISCUSSION/SPEAKERS

Suggestions for the June 2014 meeting included:

- Outfitter/Guides
- MTOT / Razorfish Digital Efforts
- Tour of the Laurel Farmer's Market/Growth of vegetables along the river—Kim Holzer encourages people to take the time to visit this area which is not too far off the highway.
- Fracking in the Beartooth area

UPCOMING MEETINGS

June 2-3, 2014—Rock Creek Resort, Red Lodge

October 6-7, 2014—TBD

ADJOURNMENT

Meeting was adjourned at 11:35 a.m.