

Maryland Tourism Development Board Business Meeting Minutes
Wednesday, April 30, 2014 @ 12:00 p.m.
Maryland Soccerplex, Discovery Sports Center
Boys, MD 20841

Call to Order/Roll Call

MTDB: Senator Jennie Forehand, John Fieseler, Alice Lloyd, Wini Roche, Greg Shockley, Victor Sulin, Gail Smith-Howard, Anthony Cohen, Trish Heffelfinger, Vira Safai, Heather Renz, Adolph Ebersberger, Christopher Schardt MDMO: Rachelina Bonacci, Kelly Groff DBED: Margot Amelia, Hannah Byron, Chanda Miller, Marci Ross, Lucy Chittenden, Liz Fitzsimmons, Diana Chen EDC: Ross Peddicord, Kevin Atticks , Terry Hasseltine

Board chair Greg Shockley welcomed everyone then introduced Trish Heffelfinger, and thanked her for hosting the board meeting.

Welcome – Trish Heffelfinger, Maryland Soccerplex

Trish gave an overview of the Soccerplex’s history. The Soccerplex started in 2000 and is the result of a public-private partnership. \$14 million in private funding was leveraged with land provided by the county to build the facility. In 2040, the lease will be up and the county will assume ownership. The facility hosts tournaments as well as indoor and outdoor events. This includes 12 major tournaments per year of soccer and lacrosse which bring in teams from all over the country. Basketball and volleyball tournaments are held indoors. The Soccerplex is the largest open space in Montgomery County as it is 48,000 sq. ft. and is also the home site of the Washington Spirit of the national Women’s Soccer League. Trish provided copies of a recent economic impact study conducted on the Soccerplex which she worked on with Kelly Groff. Trish introduced Bill Lynch, owner of the Washington Spirit to say a few words to the group about the team. Bill provided the team’s schedule and spoke about what incredible role models women in soccer are. They engage with groups of kids and help change behaviors through their input and guidance.

Board Member Comments/Highlights (not all inclusive)

Wini Roche- announced that they were allowed to receive a hotel tax. Challenge will be the next 6-12 months regarding the rate of the tax and how money will be distributed. Also worked to form Visit Harford, Inc. which is an extension of her office and work to help enhance programs, leverage private dollars and track investments. The Ladew Gardens festival is this weekend and will be a great event.

Senator Jennie Forehand – Praised everyone for their hard work and stated she will be one of tourism’s biggest advocates when her term ends in January, after 36 years with the legislature.

Greg thanked Senator Forehand for her service to the board and for her advocacy and insight, and then announced the presentation of a gift to her as a token of appreciation.

Alice Lloyd-Talbot County and the Bartlett pear Inn have had a successful beginning of spring. Restaurant Week was great and was held in the beginning of April. Wine Fest and Oxford Day were held the past weekend in St. Michael’s. Upcoming events include National Travel and Tourism week during the week of May 6, Chesapeake Wellness weekend is May 16-18, St. Michael’s will hold a first annual a Brew Fest on May 31st.

Adolph Ebersberger –Maryland live is generating \$1 million per day for tax revenue. Horseshoe Casino which is slated to open in September intends to bring high-rollers and gamblers to their casino and the hotels and restaurants in the vicinity. MGM National Harbor is slated to open in three years. Working on an initiative to help combat drug overdoses in the state through a program endorsed by the DEA.

John Fieseler –an RFP is in progress for a full service downtown Frederick hotel and there have been inquiries from numerous developers. There are four different sites in the heart of downtown that were allowed to propose the project on and are all close to the Visitor’s Center. John added that the bad weather helped hotel sales because there were sold out nights in February because people were without power in their homes.

Christopher Schardt- retail has had a tough year as sales are down primarily due to the weather. Downtown is starting to wake up, and they are looking forward to the opening of the casino and the Star Spangled Spectacular. August occupancy has been inching up to the mid-80’s which is good and is the highest it has been since 2009. This is partially due to the conversion of office to residential which is increasing. Companies such as Pandora will be moving their headquarters from Columbia to Baltimore City within the next twelve months.

Jim Grube-St. Mary’s Co. is in an interesting spot a lot of its economy is dominated by the Patuxent River Naval Station and yet it is the start of the state of md so there is a lot of built-in culture and tradition. With the dynamic of the county’s culture and the impact of defense spending, a lot of small businesses rely on tourism as well as the larger hotels and restaurants along 235. Carolyn Laray has done a great job with the War of 1812 project which St Mary’s Co. is involved with. One specific issue under the radar from a tourism standpoint but that may be significant is an active movement among watermen to grow oysters. Watermen are seeking to lease acres of offshore areas for water-column oysters and it is a difficult issue. Water-column grown oysters impact the coast significantly. Kayaking sailing and swimming could be affected greatly.

Anthony Cohen-Button-Farm is helping to restore a 19th century barn to replicate 1830’s plantation life in Maryland and they are doing a program called the Underground Railroad Immersion Experience which was developed more than a decade ago to train Oprah Winfrey for her role in beloved. In Montgomery County, there is an attempt to oust the county’s arcane liquor laws which has been a big complaint of the restaurant industry in the county.

Heather Renz-hoping for good weather in spring and summer and looking forward to the events that will be happening downtown which will hopefully produce an uptick in business. Business as a whole has been good.

Gail Smith-Howard-1st quarter this year was better than the 1st quarter last year. The hotel will be busy from April through November with very strong sales for the weekends. Rooms during the week of Star Spangled Spectacular are filling up. The results from a recent customer advisory board meeting were that they are ahead of pace compared to other similar cities.

Vira Safai- Montgomery County has a great conference and visitor’s bureau in Montgomery Co. and due to some of their efforts, the Comfort Inn is sold out this week and all of next week. Vira thanked Senator Forehand for her support and welcomed everyone to Montgomery County. There is a zip line in Montgomery County at Adventure Park which is the second largest.

Trish Heffelfinger-the Soccer National Championships will be held in July and usually brings \$4 to \$5 million in direct economic impact. Due to the weather, they have had to cancel two soccer tournaments previously-one in October and one in March.

Greg – There were five events last weekend in Ocean City including a half-marathon which drew 4,200 people, a mini bike week, and championship carving. Spring fest is this weekend and events continue from there. Ocean City is excited to premiere the film Ping Pong Summer. Ocean City and Worcester County were investors in the movie, and the work of Hannah and Jack and film credits helped make it possible.

Hannah Byron added that Ping Pong Summer will premiere in Ocean city on the beach with ping-pong tables. Greg’s niece is the star of the movie and it is a great film and is great PR advertising for Ocean City.

Chairman's Report

The legislative session was successful. The budget was fully funded at the Governor's request and is the largest amount in years. Greg reminded everyone that it is a year-round process is to take care of the budget through advocacy for tourism and he gave kudos to everyone for their hard work. The board's legacy will be the educational process as the board has educated a lot of legislators about the value of tourism. This year's allocation is evidence of that. Greg encouraged board members to interview candidates to see how they feel about tourism and then let issues be known. School start date task-force continues to meet with one or two meetings remaining. The task-force is in the process of putting the report together. Additionally, he and other restaurateurs were very involved in the minimum wage discussion and were successful in helping to keep indexing and tip credit amounts the same. Greg asked for the board's approval of the meeting minutes from the January 30 board meeting and the revisions to the advocacy plan which all were in favor of approving.

Executive Director's Report

Margot echoed that the budget allocation is the highest general fund budget the office has ever received for the Maryland Tourism Development Board. Margot thanked everyone for attending the meeting and specifically thanked Trish, Vira their hospitality and Kelly for the bags she provided for everyone. Margot went over Spring/Summer marketing plan and mentioned the copy of the power-point behind tab 2. Marketing is more difficult today than it used to be. The current target demographic of 35-64 is a bit older but there is still a need to have messaging seen by millennials and Generation X. For the remainder of this fiscal year, there is a budget of about \$1.8 million and more media will be purchased once the fiscal 2015 budget is received from Department of Budget and Management even though we know that we will receive 10.5 million in general funds with \$2 million going to the War of 1812. The full budget will be presented once all documents have been received from the Department of Budget and Management and that is what will be discussed at the June board meeting pretty intently. Again, the target audience is adults 35-54 both with and without children living in the home, and while we know that women are the primary travel planner in the majority of households, the historic events that we are putting a lot of focus on have strong appeal to men. This buy is a little broader in appeal to men than in the past. We will focus our TV buy on the top three feeder markets; D.C- where 32% of our travellers came from in 2012; Baltimore-50% of travellers in 2012, and Philadelphia where 11% of travellers in 2012 came from. Our messaging in TV and in print and to a great degree of online advertising is promoting our upcoming civil war and in particular the launch of a new trail-The Monocacy: the battle that saved Washington trail attack on Washington, War of 1812 commemorations and Chesapeake Campaign events. Jim referenced the event that is coming to St. Mary's County the first weekend in June-Raiders and Invaders, as well as the activities leading up to Star Spangled Spectacular and Scenic Byways driving tours. There is still funding from the monster grant which will be expended this year as well. We are doing not only broadcast television both over the air and cable, but we are also doing a lot of digital video. We will leverage local television to generate a broad awareness of Maryland as a tourist destination and use cable and programs in day parks to reach our target audience and will do a lot of audience and behavioral targeting with the digital plan. The buy for TV cable and digital video started April 28 and will run on TV until before Memorial Day weekend and then will come back June 2-29. It will run the whole time period on digital video. Tactics are to run the animated TV spots from last year, bookending them on broadcast stations and running them as 30's on cable stations. The spots will be on early and late morning and evening news and a lot of prime cable broadcasts. The budget for television is \$900,000 for eight weeks in the three markets. It would be ideal to be able to run that kind of schedule from March through October which is the goal, but more money is needed in the budget to have that kind of presence and that is just in the top three feeder markets-not the NY market where we really need to be. Margot is very pleased that in Baltimore, the buy has been able to reach almost 97% of target audience over twelve times. We will be on all of the local network television affiliates-CBS, ABC, NBC, FOX and on CNBC, FX, History Channel and MASN, to highlight a few. The buy will reach almost 99% of the target audience in D.C., over twelve times via all four local affiliates adding BET, Sci-Fi, Spike and Headline News and in Philadelphia, 94% of the target audience, more than eleven times with all four local affiliates similar kind of schedule but ESPN, TNT, and Pawn Stars and Rizzoli and Isles. Digital video including streaming video and pre-roll for people who watch a lot of video and news clips. The spots run shortly before or between content. Traffic will be driven from digital banners to

visitmaryland.org. Digital banners allow us to show up in places where people are actively planning a trip. This is where all of the technology has occurred with the behavioral, contextual and geo-targeting and it is why it is important to have experts on board as consultants. About \$200,000 will be spent on digital banners for the nine week flight, running from May 1st through June 30th. The banners will focus on weekend and overnight travelers as well as outdoor enthusiasts. The geo-target is about a 400 mile radius over Baltimore. We will embed custom widgets on local news sites including one on the Baltimore Sun homepage which will directly link to our calendar of events and the same will be done on the WTOP homepage. Trip Advisor has been a proven partner where there's been a lot of traffic and engaged visitors. We also still do print which is a very important medium. We are spending about \$100,000 in core leisure traveler print buys this spring. We have a good partnership with AAA and we get a lot of good editorial in AAA's publications because of the very large program we've done with AAA the last couple of years. We'll be running ads in Preservation's summer issue in June with a major Civil War Trails and Chesapeake Campaign ad. We also had an ad in this past Sunday's Washington Post in one of their Civil War sections. We also purchased print advertising as part of our co-op advertising plan that we offer to all of the DMO's and partners and that budget is \$200,000 and we have a very large print program through that. More AAA, Amtrak magazine, Arrive, Coastal Living, and Food Network-this is the first year we've done Food Network magazine which is such a great story which has been a nice way for us to enter into the culinary landscape. Our Meredith buy that we do every year, with Better Homes and Gardens, Family Circle, Ladies Home Journal, Oprah, Preservation, Southern living in April and June, and more- we will have a major editorial focus on Baltimore and Maryland and all things Star-Spangled in July in Southwest Airlines Spirit magazine. Lots of Civil War activity, America's Best Vacations and Great Vacations Getaways which are inserts in Sunday newspapers and again the back page of the travel section of the Washington post May 18th and June 15th. Margot mentioned something she is really excited about is that the Star-Spangled Banner manuscript which is at the Maryland Historical Society in Baltimore is going to go on loan to the Smithsonian Museum of American History from June 14 through the Fourth of July weekend. D.C. is very excited to have the actual flag and manuscript in their museum. We will do some outdoor advertising in D.C. while this exhibit is going on and were going to be on all of the bus shelters around the Smithsonian and in the metro station with eleven different banners which will talk about Maryland's part of the story. We are going to station dominate Union station from June 2-29. We will have 46 different banners and a station wall unit and four-sided kiosks and Margot stated that she would be happy to share the creative at the next meeting. It is really fun and tongue-in-cheek. Hopefully the thousands of commuters who use Union Station will make the short trip to the wonderful places in Maryland that tell the Star-Spangled story. We will continue Maryland Minute which is every Wednesday. There will be seventeen weeks where we will highlight different activities going on during this important spring/summer time period. When you add radio and TV together it ups our region frequency a bit but it's good to have multiple media influence so that you get a larger target audience. We do all of this because of consumer research that helps us drive our marketing platforms and the qualitative research with focus groups to talk about what we should be saying in our advertising and our web design and we will be doing more of that as we enter into our new web design project which we're kicking off tomorrow. We are in the middle of the next round of our image and awareness study and we're doing very well-all but 200 respondents are in. The results will help us determine what consumers think of Maryland and our competitors five years after we did it the first time and will help determine what motivates consumers of today so our new ad agency-Siquis-can develop a new branding campaign for us that will launch the end of this calendar year-beginning of next year. Just to remind you, it's because we know that our efforts deliver a powerful return on investment. You commissioned the effectiveness study on our advertising and it has been a wonderful talking point with legislators and the press. Every dollar that has been invested in the Office of Tourism advertising returned \$160 in visitor spending, \$22 in state and local taxes and worth \$5 in state sales tax. We are beginning development of visit Maryland 2.0 and beginning the development of our new marketing campaign and we are continuing our international marketing efforts we'll spend a little more time on that at a future meeting and we are already beginning to develop our new culinary outdoor recreation and Chesapeake food products. Marci is working very hard to ensure that we have a culinary initiative that we can market next spring.

Margot directed everyone to look at the examples of the current creative and the rack card in the binders and gave a brief overview of the Executive Office report for March.

Margot thanked Kevin for attending the meeting with the Brewers Association of Maryland and Lyon Distilling Company and having a dialogue with them and she mentioned being involved with reviewing EARN grant applications.

Margot added that the Tourism Monitor for January and Tourism Sales and Use taxes for eight months are both completed for and are in the binders. One area where we are still behind is full-service hotels but the good news is that the March travel numbers show that Maryland is outperforming the region and Capitol region is ahead in terms of revenue.

Staff updates:

Liz Fitzsimmons-things have been busy in the Advertising-Communications Unit. Miles is the new vendor for content development and multi-media consumer information. Miles partnership is a world-class organization and is the marketing partner for Brand USA. They do a lot of other states' destination guides. They will help us amplify our marketing messages and look at content across platforms. Liz pointed out the current Destination Maryland is available for everyone to take a copy of. The next guide with the new vendor will be out in January 2015. The goal is to have one publication that will come out every year at the beginning of the calendar year. Siquis will be celebrating their one year anniversary with us in July and they have been a great partner. Welcome Centers have been turned into point of purchase marketing and examples of ads on display are in the binders. Liz announced the hiring of Leslie Cox who has hit the ground running in the PR department. There is an upcoming Star-Spangled Banner National Trail FAM tour with journalists going to VA and MD and reconvening in Baltimore to compare stories then to DC and back home.

AAA is hosting a regional editor's conference in Annapolis where we will be giving a presentation on "Why Maryland".

Social media has created lots of conversation and followers. We are working on a blogger bash where we will be taking bloggers to a Central Maryland location and expose them to our unique product mix and in this case it will be culinary and then bring interested DMO's together so that they can build relationships with the bloggers. That will be a pilot project and if it works it will be taken throughout the state and applied to different aspects.

Liz pointed to the press releases and Insights in the binders and stated the importance of updates to the online calendar.

Lucy Chittenden-seconded the importance of the online calendar and mentioned the state's Maryland.gov website was re-launched and there is a special section with events and meetings and the events from our website are also being added to the Maryland.gov website. Events are also posted to the Maryland State Arts Council website. A summer sweepstakes was just launched themed "National Harbor". There are 315 entries so far from 22 different states. The prize is a two night stay at the Gaylord. Potomac Water Taxi and Tours donated a prize as well and DC Boating donated canoeing and paddle-boarding. Tanger donated a gift card and National Harbor donated gift cards to the entertainment district and the Capitol Wheel.

Diana Chen-keep looking at the tourism tax code data and the lodging data for this coming month is looking strong so hopefully that continues throughout the year.

Marci Ross – In terms of customer contact programs as of May 1st they are going five days per week Thursday through Friday at all five of the state run welcome centers and that will continue through the end of fiscal 15. We have had limited operations six months out of the year so the welcome centers were excited to go back to five days per week. There has been positive feedback from the constituency knowing that doors will be open even more moving forward. The Centers have been doing a great job getting together with the industry to celebrate Tourism Week. Industry exhibitors will be in welcome centers May 8, 9, and 10th. Saturday was added because Thursday and Friday sold out. Jennifer Jones and Margie Long kicked off the AAA event. We were asked to conduct training

online travel planning agents from AAA. It was a great program where staff gave information on scenic byways and commemorative driving trails and wine trails in Maryland. We are also in the midst of planning the annual Travel Information Center Workshop. We have meetings regarding Harford County's opening of a Visitors Center and she and Hannah were in Thurmont speaking with the Main Street Manager discussing the opening of a Visitors Center in Thurmont.

A majority of the work reviewing sign program applications is being handled through the customer contact program. The State Highway Administration is rolling the program out over a five year time period. In the next year Marci's team will look at adding the icon for soft launches for cattling enthusiasts to the sign program. They will also be looking into micro-breweries and distilleries from a sign standpoint. Marci was able to tour Crow Vineyards who mentioned that signage has made a big difference in their business. Sales are up and people have mentioned that they stopped because of the signs. Marci gave kudos to the Kevin Atticks and the Wineries Association for not giving up and holding SHA to standards with respect to providing signs. There was a bill passed in the General Assembly this year to take a look at how agricultural entities are being signed. Marci will be working with the State Highway Administration and the department of Agriculture and whatever group is formed to help develop a sign program to fit better for farms that are attractions. The Board of Public Works today approved the construction contract for the Harriet Tubman Underground Railroad State Park and National Monument. This will be the only National Park unit dedicated to an African-American woman. The plan is to open in 2016 which is the 100th anniversary of the National Parks system in the U.S.

Scenic byways funds will go towards print and digital development as well as advertising which will be wonderful in getting a refreshed face out regarding the Underground Railroad story. Staff is actively gathering information about Jubilee which is November of this year. The Civil War Trail Attack on Washington opening event will be held on June 25th which will launch simultaneously with the new app in the Civil Wars Trails mobile app. Everyone will receive a save the date. Some from OTD went to Deep Creek Lake to meet with Deep Creek 2014 to figure how our office, Deep Creek 2014 and the Garrett County Chamber of Commerce will work to maximize the opportunities for the World Championships coming to the Adventure Sports Center in September.

Hannah Byron-working with Diana to on an eight year report on the Division of Tourism, Film and the Arts. There will be a transition so it is important that they see what it is we do and how we do it and what we've been able to accomplish. An economic development commission was appointed in the last General Assembly of private sector business leaders. There aren't any tourism or hospitality folks on it but they will be looking at the Department of Business and Economic Development in general so the report will be important for them as we have a great story to tell. Hannah stated that the board and MTC may be able to weigh in on, and bring issues to the forefront related to oyster- farming brought to attention by Jim Grube. Hannah asked that Jim contact Margot and Ross for their assistance to get the word out about the impact oyster farming will have on tourism.

Executive Directors Council and DMOs (brief summary – not all-inclusive)

Kelly Groff-welcomed everyone to Montgomery County.

Ross Peddicord- Tourism Day was great and very effective. MTC will be working with Margot on candidate questions about the oyster farming issue. There is an upcoming board meeting and it will be brought up and discussed then. There are three new board members including Tm Noonan from Visit Baltimore and Regina Ford with Turf Valley and Ruth Toomey. There will be an event aboard the Pride of Baltimore and the Maryland Science Center on June 25 showcasing all of the new product in Baltimore. The Tourism Summit will be in Ocean City November 12-14. He is also Executive Director of the Maryland Horse Industry and is following Kevin's lead with wineries. Marci has been assisting to develop horse heritage trails throughout the state. The first will launch this summer in Worcester County and the second one will be in Southern Maryland. Also developing experience centers for horses at already licensed recreational riding stables which will roll out this summer. Kevin is working with the stadium authority on a horse park system.

Kevin Atticks- proud member of the State Highway Administration sign committee and to that end he has seen a big difference in how they operate. There is thought about how their decisions will affect what is happening in the regions and they've been known recently to make exceptions on their timeline and put signs in when there are businesses in desperate need to have them. There are sixty-seven wineries in the state-five are in Montgomery County where one just opened up to the public this year. We received great mentions and reviews in the Washington Post recently and in the New York Times, Detroit papers and one in Key West that featured Maryland wine. Nine of the wineries are opening breweries and distilleries. They are being creative with marketing and they've developed a free-state throw-down which is an event that is tailored around whoever the teams are playing. At an upcoming game against the Cleveland Browns customers will be invited to try Ohio wine vs. Maryland wine and a winner will be picked.

Terry Hasseltine-It has been a great calendar year for sporting events. The UFC fight was this past weekend and Preakness is coming on May 17. There will be a plethora of sporting events Memorial Day weekend. The Dew Tour and Quicken Loans golf event happens in June, the International Crown will be coming to Baltimore County in July. Upcoming events include the Army/Navy game, 10k across the bay in November. Iron Man Maryland just signed and will happen in Dorchester County in September.

Rachelina Bonacci- DMO's reached out to legislators during the legislative session on behalf of OTD. There will be a June MDMO meeting in Calvert County and an August meeting in Berlin. The State Highway Administration has agreed to present to the group. With a small film budget the county was able to get Chesapeake Collectibles to film live in Turf Valley in June. Maryland Sheep and Wool festival is this weekend. Merriweather Post Pavilion season has kicked off the beginning of a six month commemoration of Jim Rouse and Columbia's 50th anniversary. Rachelina thanked Kelly, Matt and John for their efforts on the DMO grants committee.

Adjournment

There being no further business to come before the Board, upon a motion duly made, seconded and unanimously approved, the meeting was declared adjourned.