

CALL TO ORDER

The California Travel and Tourism Commission (CTTC) Meeting was held in San Francisco, California, at 10:30 a.m. PST on Wednesday, Feb. 24, 2016 with Vice Chair of Marketing James Bermingham presiding.

Attendance

Aaron Medina, Andy Wirth, Andy Chapman, Benjamin Webster, Brian King, Cody Plott, Ed Fuller, Gary Buffo, Gene Zanger, Howard Pickett, James Bermingham, Jeff Senior, Jim Burba, Joe Terzi, John Urdi, Jordan Meisner, Jot Condie, Kathy Janega-Dykes, Kevin Fat, Kimberly Adams, Lynn Mohrfeld, Michael Rossi, Mike Gallagher, Noreen Martin, Rusty Gregory, Sima Patel, Tammy Blount, Ted Molter, Tom Klein, Terry Selk, Will Withington

Absent

Ali Best, Carl Schuster, Diane Mandeville, Don Skeoch, Ernest Wooden, Jr., Jay Burress, Jeff King, Jeff Larsen, Joe D'Alessandro, Joe Knight, Kathy Paver, Kristen Esposito, Lisa Cesaro, Matt Stiker, Millie Matz, Paula Beck, Scott White, Sheldon Duncan, Michael Colglazier, Tim Zahner

Motion by Commissioner Withington to approve the October Board Meeting minutes. Second by Commissioner Wirth. Motion unanimously approved.

Yes Votes:

1. Michael E. Rossi
2. Noreen Martin
3. Jot Condie
4. Gary Buffo
5. Will Withington
6. Aaron Medina
7. Andy Wirth
8. Andy Chapman
9. Benjamin Webster
10. Brian King
11. Cody Plott
12. Ed Fuller
13. Gary Buffo
14. Gene Zanger
15. Howard Pickett
16. James Bermingham
17. Jeff Senior
18. Jim Burba
19. Joe Terzi
20. John Urdi
21. Jordan Meisner

22. Kathy Janega-Dykes
23. Kerri Verbeke Kapich
24. Kevin Fat
25. Kimberly Adams
26. Lynn Mohrfeld
27. Rusty Gregory
28. Sima Patel
29. Tammy Blount
30. Ted Molter
31. Tom Klien

No Votes: None
Abstentions: None

OPENING REMARKS

Vice Chair of Marketing James Bermingham introduced himself and Montage Hotels & Resorts before presiding over his first Marketing Advisory Committee Meeting. Vice Chair Bermingham introduced the priorities of the day, which included hearing from Visit California's international offices, marketing highlights of FY15/16, reviewing the FY16/17 draft marketing plan and budget. He then introduced CEO Caroline Beteta for the CEO report.

CEO REPORT

CEO Beteta introduced the FY16/17 draft marketing plan. The plan included feedback from the committee leadership. Plan highlights included:

- Audiences - with detailed plans for the Super Affluent and Family audiences
- Product - with detailed plans for Outdoor and Culinary target audiences
- International initiatives - personas have evolved to include global nuances, along with updated international market blueprints
- Content - with a far more detailed section including an overview of FY16/17 content and specific execution for more informational content

Final plan will be delivered in May and will include full media plans and final market allocations.

Visit California's agencies of record were introduced to show how each agency operates. MeringCarson handles all brand activity; Time California handles content creation; and ICUC amplifies brand and content through our social platforms.

The marketing highlights included the refreshed brand spot, Average Joes; the new family spot, Kids Unplugged; and some of the localized adaptations of the Dreamers spot. Other creative programs included the hosting of Top Chef: California in December. Lastly, Visit California leveraged the Super Bowl with its digital content series, Bay Area or Bust, which featured Hall of Fame quarterback Joe Montana. The series resulted in more than 97 million paid media impressions and more than 47 years of viewing time.

Conversation then turned to the international scene with CEO Beteta introducing the global offices, which reported out on how each respective market was performing.

Global Plan Delivery 15/16

Visit California Vice President of Marketing Lynn Carpenter described more about the organization's target audiences, California's luxury initiatives, Visit California's new family concept called "Kidifornia," and other programs such as California Restaurant Month and "California DreamEater."

Visit California Vice President of Communications Ryan Becker, provided insight into a new pilot program called "Experience California Boot Camp" which will premiere in Austin, Texas, for media in the major Texas metropolitan areas. Other programs Mr. Becker covered were California Gold Pass, where Visit California works with (at a minimum of) three other DMOs to host top tier journalists and media influences in the Golden State. The last communications update highlighted the Global Ready program, which was launched across the state with 11 different seminars and resulted in participation from more than 1,000 tourism professionals.

Visit California Chief Operating Officer Matt Sabbatini communicated an update on the 17 California Welcome Centers (CWC) located throughout the state. Recent developments include a renewed mission statement, defining collaborative objectives across the independent CWCs, performing an in-depth program analysis and new promotion via content channels.

American Express was asked to deliver a sponsor update. Arquelle Shaw spoke about American Express' work in the corporate and leisure travel space.

FY15/16 Midyear Proposed Budget Revision

CEO Beteta took an opportunity to speak to the midyear proposed budget revision for FY15/16. The revision consisted of moving \$4.1 million in a reserve line item called "Opportunistic" into program cost since collection projections

are on track. The money will fund the cost of increased talent fees, develop new content and invest in new infrastructure for Visit California's B2B industry website.

FY16/17 Draft Budget Discussion

CEO Beteta introduced the draft budget for FY16/17. Highlights included the following:

Global Brand:

- This category includes all paid media activity as well as global production activity and global brand agency fees.
- Increased investment in this area by just over \$6 million dollars, allowing Visit California to maintain consistent year-over-year media delivery in Tier 1 and 2 markets, accounting for media increases to combat inflation and rising cost of media.
- Also included is an increase to support new television production.

Global Digital:

- This category funds infrastructure support for Visit California's global suite of website, agency services to manage global social activity and agency and content support for the growing email newsletter program.
- A slight increase in this category (under \$300K) will primarily support additional resources for social management.

Global Consumer Coop:

- Reduced to reflect co-op spend to date more accurately - these line items represent Brand USA co-op and Global Consumer co-ops.

Global Content:

- NOTE: The 15/16 number was adjusted by \$3.8 million; therefore the difference is inflated (original budget was \$1.89 million).
- This category supports content development for our owned channels globally, fulfillment of our publications globally and agency fees for creation and execution of our growing inform-level content.
- While it looked like a decrease in this area, it is an increase from where we started in FY15/16 at \$1.89 million.

International

- International budgets include media, trade and PR budgets within each market.
- This year Visit California looked at reducing some spending in Brazil but still maintain the work in that market at a Tier 1 level, as the focus is on the long term horizon.

- Visit California added budget in China as the media costs in that market rose significantly in the last year.

OTHER MATTERS

None were discussed

AGENDA ITEMS FOR FUTURE MEETINGS

None were discussed.

PUBLIC COMMENT

Vice Chair Bermingham opened the floor up for public comment. There was none.

ADJOURNMENT

Motion by Commissioner Gregory to adjourn the February Marketing Advisory Committee meeting. Second by Commissioner Patel. Motion unanimously approved.

Yes Votes:

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2. Noreen Martin
3. Jot Condie
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2016 MARKETING ADVISORY COMMITTEE MEETING MINUTES

California Travel & Tourism Commission - Feb. 24, 2016 - SAN FRANCISCO, CALIFORNIA

21. Jordan Meisner
22. Kathy Janega-Dykes
23. Kerri Verbeke Kapich
24. Kevin Fat
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27. Rusty Gregory
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No Votes: None

Abstentions: None