7-21-09 #28

Monterey County Convention & Visitors Bureau

2009-10 Strategic Plan

Strategic Assumptions

- Downward pressure on business through at least 2nd half of 2010, possibly 1st half of 2011
- Group business very soft overall
- Corporate and Incentive markets hurt most
- Association & SMERF in West is highest potential

Strategic Assumptions

- Leisure must be pursued to mitigate group
- Drive market is best leisure opportunity
- Can't assume high season success
- Subject to market learning, stay with current model through first half of FY – 09-10.

Rebound Readiness

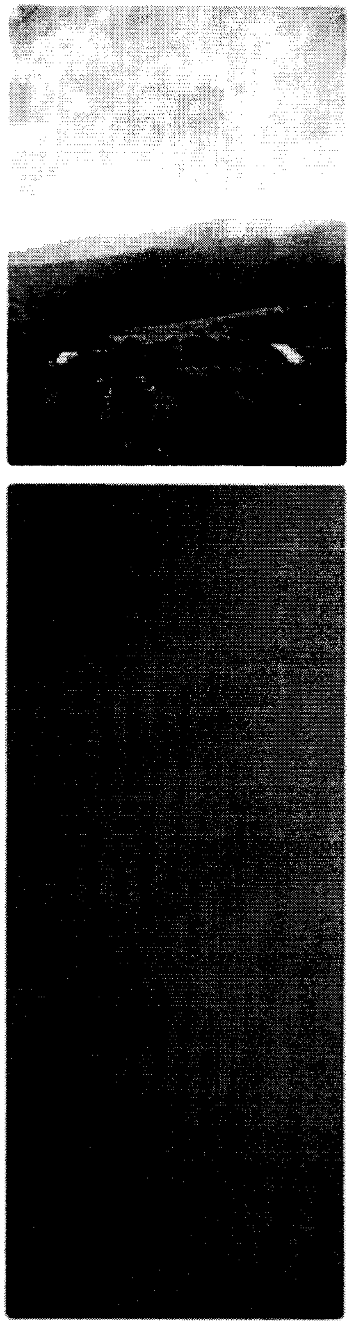
- Must stay in touch with group markets/relationships developed
- Must prepare for changed marketing environment
  - Downturn's impact on media outlets
  - Reduction in available budget
  - Growing importance of online
  - Requires data/research to make transition

Rebound Readiness

- Second half of FY could see major strategic changes
  - More online
  - Pre testing creative/media model (requires significant lead time)
  - More segmented appeals
  - Significant new research

Budget Comparisons

	08-09 Budget		09-10 Prelim Budget		Budget to Budget
INCOME	**4,681,803**		**4,264,265**		**(417,538)**
EXPENSES					
Admin	476,090	10%	415,237	9.74%	(60,853)
Sales/Group	1,726,398	35.50%	1,315,203	30.84%	(411,195)
Leisure Marketing	1,509,029	31%	1,425,620	33.43%	(83,409)
Internet	194,485	4.00%	202,485	4.75%	8,000
Communications	388,155	8.00%	363,390	8.52%	(24,765)
Membership	60,800	1.50%	64,200	1.51%	3,400
Visitor Services	410,378	8.50%	412,230	9.67%	1,852
TID Management	76,333	1.50%	65,900	1.55%	(10,433)
Total Expenses	**4,841,668**	**100%**	**4,264,265**	**100%**	(577,403)
Net Income (Loss)	(159,865)				



Group Sales

Projected Actual Compared to Goal

Year	Orig Goal	Proj Act	Var to Goal	Var to LY
Leads	650	370	-43.1%	-5.9%
Lead RN	200,000	157,736	-21.1%	-1.8%
Definite RN	30,000	33,267	10.9%	112.1%
Call Activity	25,000	49,774	99.1%	12.9%

Spread of CVB Bookings

(rolling 12 months booking pace, Mar 08 to Feb 09)

Year	2008	2009	2010	2011
Total RN	6,086	17,446	5,277	440
% of Total	21%	60%	18%	1%

DOS Strategy Sessions

- Top 5 Takeaways
  - Stay the course (staffing and deployment)
  - Keep group sales staff focusing on group
  - Travel budget adjustment consensus
  - Tradeshow budget adjustments consensus
  - Keep customer events in CA (incorporate some type of educational opportunity)

Key Group Sales Strategies

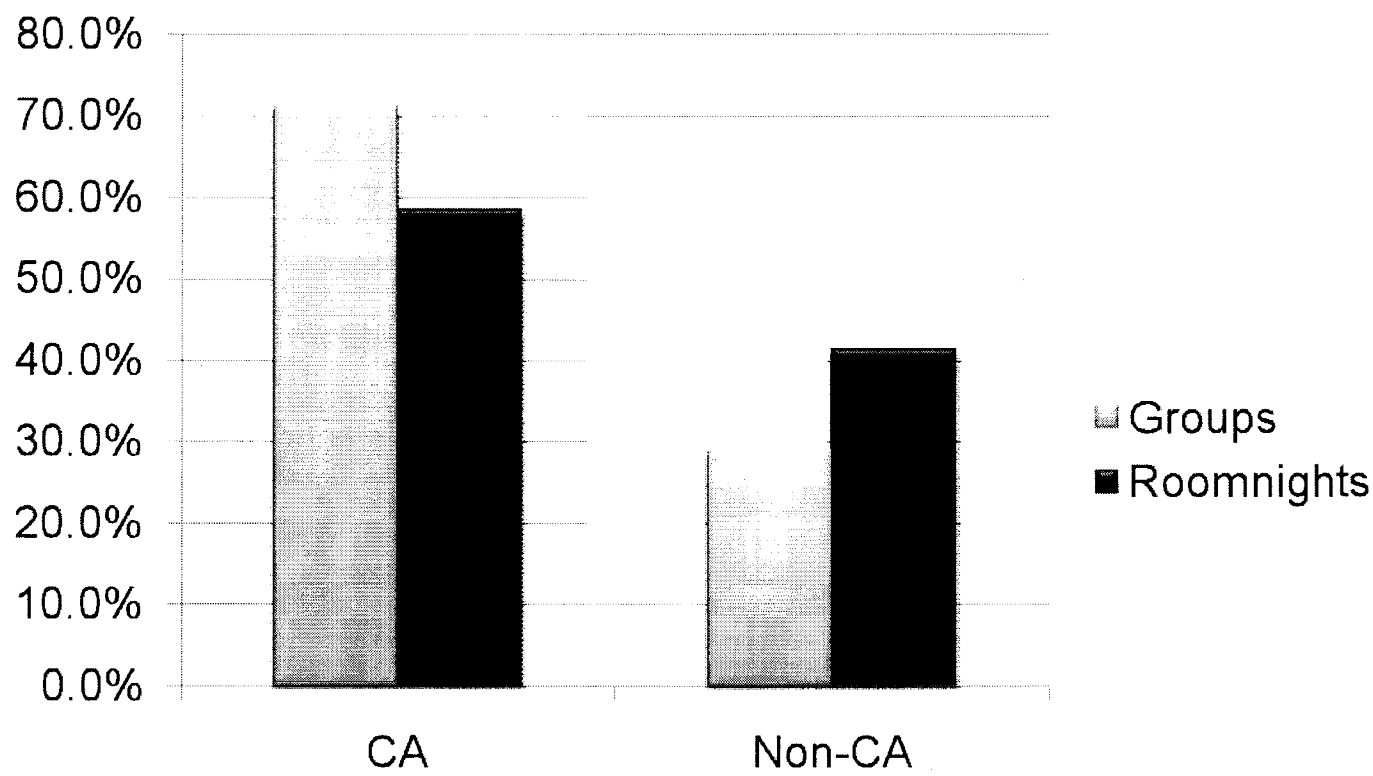
- Adjust market segment focus based on current economy
- Adjust focus within each geographical market and within each segment based on production potential
- Continue relationship-based sales strategies banking on when low-producing markets rebound
- Continue to balance focus across all property types and jurisdictions

Key Group Sales Strategies

- Get program opportunities in front of CVB Partners well in advance
- Go lean & mean for tradeshows
- Manage impact of MMC transition/reduction
- Review productivity by segment, territory, position then right-size goals accordingly

Percentage of Groups/Room Nights

(CA to Non-CA)



California-Specific Market Focus

- Continue to focus on CA to maximize productivity from this key feeder market
- Put extra manpower against Fresno to capitalize on that market potential
- Continue developing Southern CA opportunities
- Reap benefits of market consistency in Northern CA and Sacramento
- Be ready to jump start SJ/Silicon Valley when High Tech comes back

CA-Focused Tactics

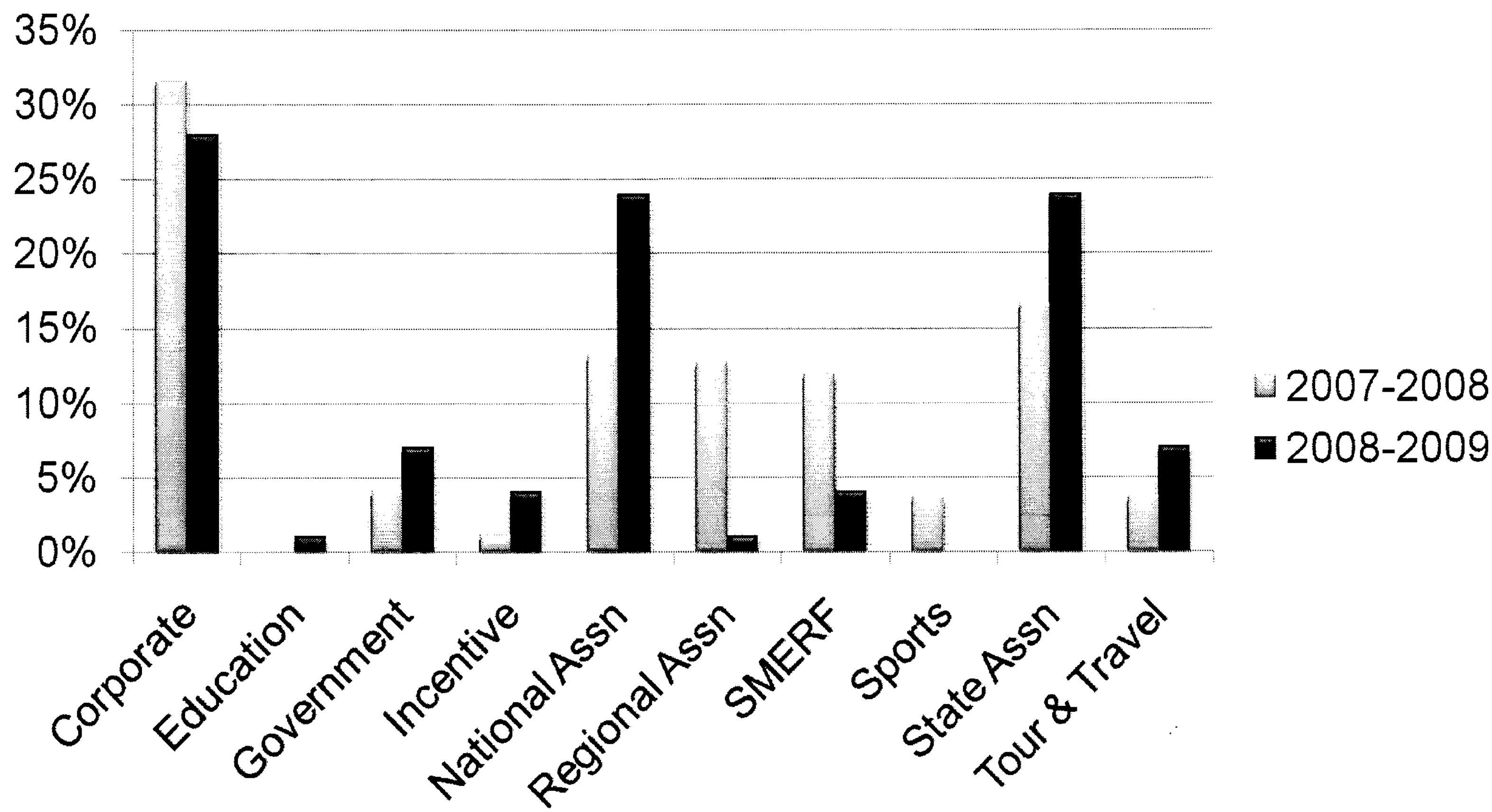
- NCC MPI – Banner, Directory, Sponsorship, Travel and Tradeshow, Blitzes (2)
- OC and SCC MPI - Banner, Sponsorship, Travel and Tradeshow, Blitzes (2)
- SSN MPI – Sponsorship, Travel and Tradeshow, Blitz (CalSAE)
- CalSAE – Directory, Sponsorship, Travel and Tradeshow, Blitz (SSN MPI)

Balance of US Market Focus

- Keep working on developing markets with a slight shift back towards western US
- Remain present in East Coast but continue developing Midwest (major focus on IL)
- Continue developing TX and GA in the South and Southwest
- Maximize WA and OR potential
- Continue to mine in CO and AZ due to direct flights into Monterey

Room Nights by Market Segment

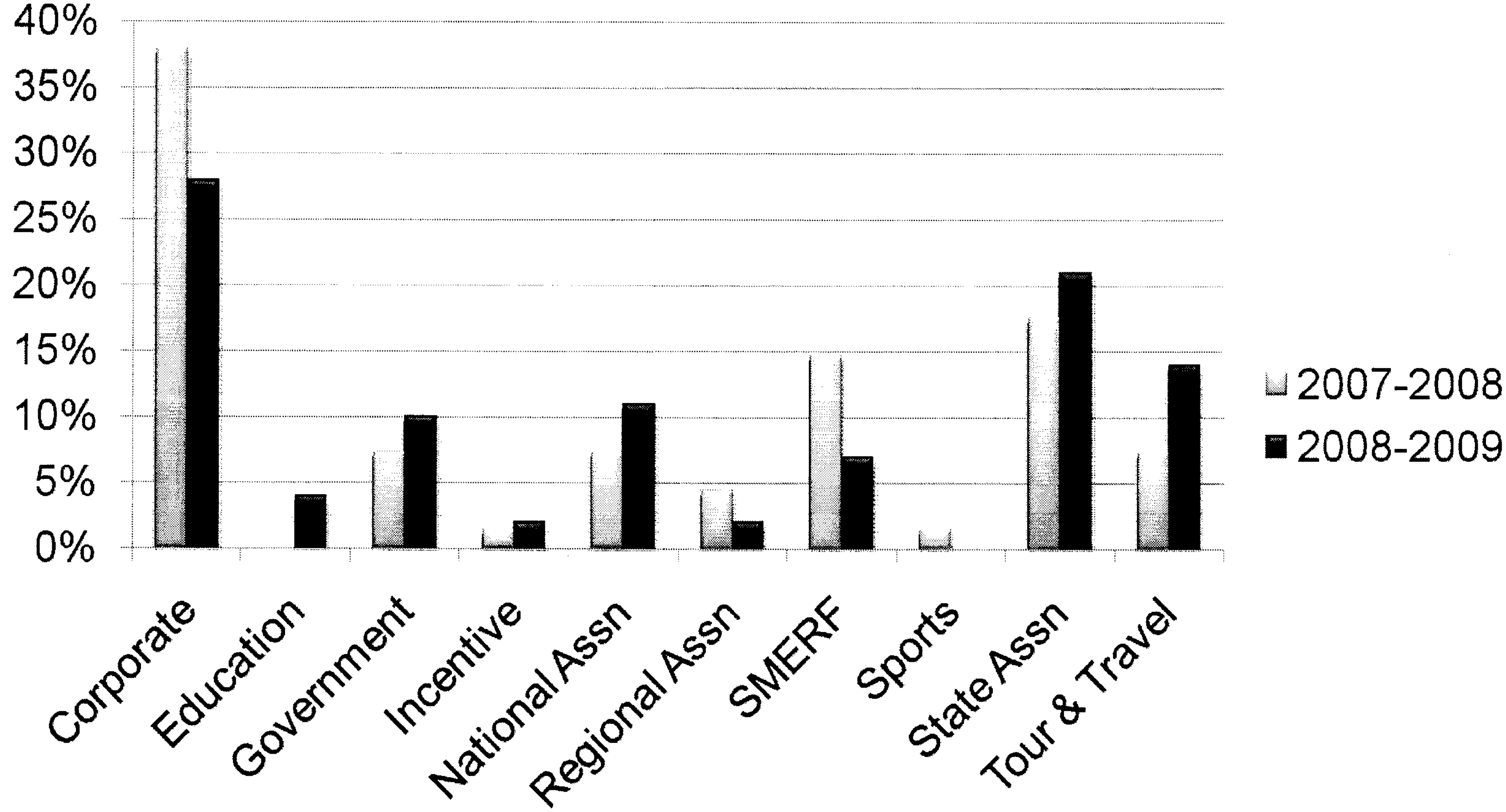
(Year over Year comparison)



* Although still very relevant, there is a 3 month overlap in the data

Groups by Market Segment

(Year over Year comparison)



* Although still very relevant, there is a 3 month overlap in the data

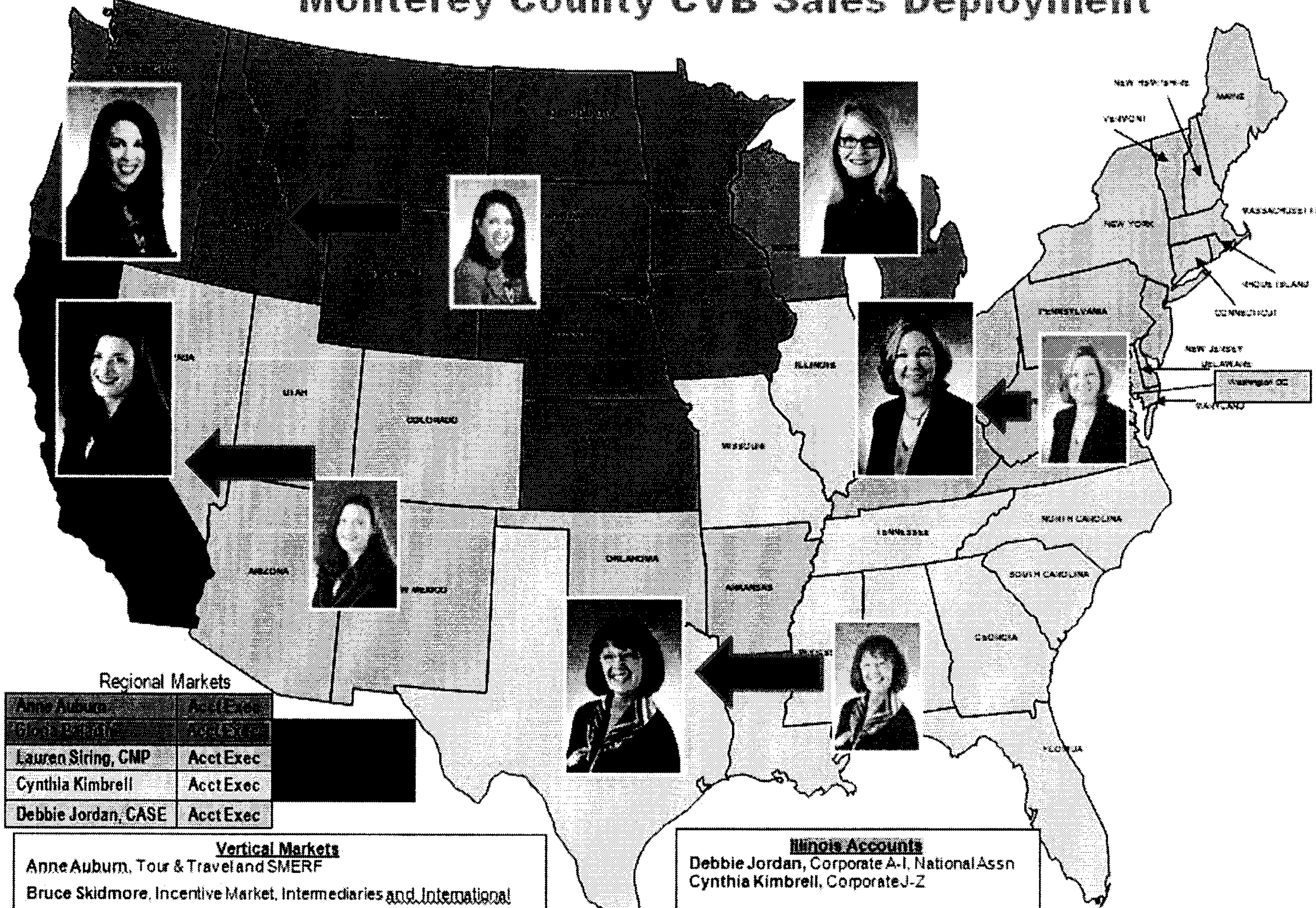
Near Term Segment Emphasis

- **Corporate** – while total percentage is lower, total roomnights are up substantially
- **Government** – increased as more partners are willing to play in this rated market during the downturn
- **National, State and Regional Association** - all up substantially due to our efforts and presence in DC/VA/MD and Sacramento
- **Tour & Travel** - showing very positive growth as more hotels want to partake as we ramp up to hosting NTA Spring Meet

Segments for Rebound

- High Tech is resting now but we are poised for the rebound when it turns
- Financial and Insurance will be quiet for a while
- Incentive is currently flying below the radar as no one wants to be seen spending lavishly (companies are averse to resort destinations and properties with resort in their name)

Monterey County CVB Sales Deployment



Regional Markets

Anne Auburn	Acct Exec	[redacted]
[illegible]	Acct Exec	
Lauren Siring, CMP	Acct Exec	
Cynthia Kimbrell	Acct Exec	
Debbie Jordan, CASE	Acct Exec	

Vertical Markets

Anne Auburn, Tour & Travel and SMERF

Bruce Skidmore, Incentive Market, Intermediaries and International

Lauren Siring, CA State Association and CA State Agency

Jerry Diaz, Sales Coordinator, service leads and under 10 rooms/night

Illinois Accounts

Debbie Jordan, Corporate A-I, National Assn

Cynthia Kimbrell, Corporate J-Z

Revised: Feb 2009

Group Advertising & PR Tactics

- Meeting Industry E-Newsletter
- Minimal print advertising with Co-Op due to budget shift into Leisure Marketing
- Directory listings in key markets (CalSAE, ASAE, SITE)
- Public relations/editorial

Mar to Jun 08/09 Media Plan

FY 2008/2009: March (23, 2, 9, 16, 23) · April (30, 6, 13, 20) · May (27, 4, 11, 18, 25) · June (1, 8, 15, 22)

FY 2009/2010: July (29, 6, 13, 20) · August

Key Shows/Events	Week	
MPI-NCC Tradeshow (2/24)	23 (March)	
MPI-SCC Tradeshow (3/25)	23 (March)	
CA Marketplace (4/20-23)	20 (April)	
CalSAE Annual Conf (4/27-29)	27 (May)	
MPI-NCC Annual Gala (6/2-4)	1 (June)	
NTA Spring Meet Monterey (6/4-6)	1 (June)	
Affordable Meetings West (6/10-11)	8 (June)	

Media	Placement	Net Cost
Search Engine Marketing		
Pay-per-click	Western United States	$ 18,000
Trade Magazines and Websites		
Smart Meetings		
P4CB (ROB)	Editorial Focus: Monterey/Carmel/Santa Cruz Bonus Distribution: [illegible] Affordable Meetings West	
E-Newsletter	Destination Focus: Greater SF Leaderboard	
	Destination Focus: Monterey Leaderboard	
smartmeetings.com	Interstitial Link from Home Page to Destination Sponsorship	$ 13,619
Successful Meetings		
1/2 P4CB	CA Planner's Guide Supplement Bonus 1/2 Page Advertorial	
successfulmeetings.com	Site Sponsorship	
	300x100 banner on Home Page	$ 11,400
Meetings West		
E-Newsletter	Destination: Nor CA Coast	
meetingsfocus.com	300x250 Top Position Home Page	$ 6,181
	TOTAL MEDIA	$ 49,200

Tradeshows

- Corporate/incentive shows – 10 (8)
- National/state association shows – 9 (10)
- Tour and travel shows – 3 (5)
- SMERF – 0 (3)

Blitzes, Fams, Sponsorships

- **Sales Blitzes**
  - San Jose/Silicon Valley (Nov 09, May 10)
  - Sacramento (May 10)
  - Greater San Francisco (Nov 09, June 10)
  - Los Angeles (Mar 10)
  - Orange County (Mar 10)

Blitzes, Fams, Sponsorships

- **FAMs – Two (featuring Monterey and greater Carmel area)**
  - 12 clients each
  - 3 nights each
  - With air for out of town clients
  - Dates contingent on partner availability
- **Successful Meetings University – CA**
  - April 2010, 3 nights
  - 35 qualified clients
  - Sponsored events throughout Monterey County

Blitzes, Fams, Sponsorships

- **Sponsorships**
  - CalSAE Annual Meeting ($3k)
  - NCCMPI Tradeshow ($3k)
  - SITE Annual Meeting ($5k)
  - SMU CA Breakfast ($4k)
  - NTA Annual Meeting Wine Reception ($1500)
  - Other Co-Op opportunities as presented if partners participate

Calendar 2009 Combined Activities

Activity	July	August	September	October	November	December
Trade Show	MPI WEC	ASAE Annual	ISITE Classic	SITE Annual	NTA Annual	CalSAE Seasonal
			IT&ME			Holiday Showcase
			Affordable Mtgs DC			
FAMS				Monterey FAM		
Blitzes					SJ/Silicon Valley	
					San Francisco	
Sales Trips	DC/VA/MD	WI	DC/VA/MD	LA/OC, CA	RI/NYC	LA/OC, CA
	E Bay, N Bay, SF	DC/VA/MD	SF	Dallas, TX	SF	DC/VA/MD
	Sacramento	LA/OC, CA	Seattle	DC/VA/MD	DC/VA/MD	E Bay, N Bay, SF
	SF	SF	AZ	SJ-East Bay	Portland	
				SF	SJ/Santa Clara, CA	
Key	Corporate	Natl Assn	State Assn	Incentive		
	Tour & Travel	Consumer	SMERF	Corp/Assn		

Calendar 2010 Combined Activities

Activity	January	February	March	April	May	June
Trade Show		NAJ Summit	MPI SCC	Affordable Mtgs Chi	Pow Wow	MPI NCC Gala
		MPI NCC	MPI SSN	ASAE Springtime		Sunset Travel
		Dest Showcase DC		CalSAE Annual		Affordable Mtgs W
						Dest Showcase Chi
FAMS			Carmel/CV FAM	SMU CA Fam		
Blitzes			Los Angeles		SJ/Silicon Valley	San Francisco
			Orange County		Sacramento	
Sales Trips	LA/OC, CA	PA/NJ	MI	Ohio	Atlanta	Midwest
	DC/VA/MD	Silicon Valley, CA	DC/VA/MD	DC/VA/MD	DC/VA/MD	LA/OC, CA
	Denver	East Bay	SF	Kansas/NE	E Bay, N Bay, SF	IL/IN
	Iowa/Minn		Central Coast	Silicon Valley, CA		DC/VA/MD
			Chicago	SJ/Santa Clara, CA		SF
						East Bay
Key	Corporate	Natl Assn	State Assn	Incentive		
	Tour & Travel	Consumer	SMERF	Corp/Assn		

Additional Initiatives

- Adding $25,000 in group-focused destination research

- Adding Shopper Service to use as a training tool and feedback on Account Executive performance

Marketing

Core Strategies: Uncertain Economic Conditions

- **Address current conditions by remaining nimble**
  - Economy forecasted to remain status quo, rebounding in 2010, probably not till Q3-4
  - Plan annual media schedule with Q2 assessment of market conditions
  - Create "trigger" for re-plan of second half *(rebound would allow us to go back to branding as primary role)*

Core Strategies: Market Selection

- **Focus on core markets during current economic climate.**
  - Concentrate on Northern CA travelers taking shorter trips to near-by destinations
  - Take advantage of the fact that Monterey County is a "known" brand for Bay Area market

Core Strategies: Timing

- **Adjust advertising flights to high/shoulder season rather than off season**
  - Core season may be vulnerable
  - Short lead time means off season flighting is too early
  - "Fish where and when the fish are biting."
  - Craft non advertising, "soft" marketing tactics to support off-season months

Core Strategies: Media

- **Continue higher than normal focus on *Information* and *Price Value* Phases.**
  - Use "hybrid" advertising that both brands the destination and includes call to action messaging
  - Adjust co-operative effort to provide realistic partner program (online)
  - Maximize online tactics to extend media (post click marketing)

Media Vehicles

Regional Publications:

- Targeted vehicle in concentrated geographic area
- Additional coverage through value added and editorial

SEM:

- Use year 'round to keep Monterey in consideration set of vacation/travel searches
- Eliminates campaign "ramp up"
- Support searches specific to the off-season timing/pulsing
- Target users based on categories that include:

– Travel Enthusiast, CA/Monterey Qualified

Media Vehicles

Online Advertising

- Target the in-market traveler on premier travel research websites (i.e. Trip Advisor, Yahoo!Travel, etc.)
- Link consumers directly to offers/deals
- Selection criteria includes:
  - Appropriate content (ex. Travel & Vacation focused content)
  - Traffic/Reach
  - Target Audience composition
  - CPMs
  - Proven Performers

Media-Considered/Not Recommended

Sunset Magazine

- ROI on investment for Northern California Only buy not worthy

Newspaper

- Approximately $17K each week to run in the Chronicle and Bee

Radio:

- Builds frequency and provides promotional capabilities
- Added value and promotional weight can be used to extend schedules
- :10/:15 traffic sponsorship ids (San Francisco & Sacramento)
  - Spots air at key listening times primarily morning and afternoon drives when ratings are highest

Preliminary Schedule

	July	August	September	October	November	December	January	February	March	April	May	June	July	Client Costs
	FY 2009-2010												FY11	
		Peak Season			Off-Peak Season:					Peak Season				(Estimated)
		"Secret Season"			Unpaid or low-cost marketing activities: PR, Promotions, partnerships, Locals-Only					Summer				
Other Key Needs Periods					Thanks-giving	Holidays/New Years		Valentines		Easter/Spring Break	Cooking for Solutions			
Inspiration Phase														
Internet Advertising Northern CA														$320,000
CA Official Visitors Guide (P4CB)	2009 CA State Official Visitors Guide									2010 CA State Official Visitors Guide				$18,000
Local Magazines (P4CB) San Francisco Magazine Sacramento Magazine SacTown														$100,000
			Decision-making for Spring, 2010 strategies						Print Runs Mid March	Advertising for Spring, 2010 (TBD)				$245,000
Information Phase														
Search Engine Marketing California					Increase SEM when required for NEED Periods									$180,000
			Decision-making for Spring, 2010 strategies								Advertising for Spring, 2010 (TBD)			
													Total Media Expenditures	*$863,000*
		27%			12%					61%				

Segment Strategy

- Green Monterey, Food & Wine, US Open/Golf, International & Heritage
- Gather critical mass of information on segment
- Promote it through MCCVB vehicles (PR, website, blog, newsletter)
- Support with advertising as warranted (print, banner, search)

Green Monterey

- Organize green database
- Provide in format useful to both leisure and group visitors
- Use MCCVB vehicles to drive traffic
- Due to “nature” of the content, provide as a resource not mission

Green Monterey

GREEN Monterey

MONTEREY
alive is the air

Welcome to GREEN Monterey. Everything you need to know about Monterey County's green scene, meeting tips and more!

Green Your Trip | Green Meetings | News | Green Blog | Ideas

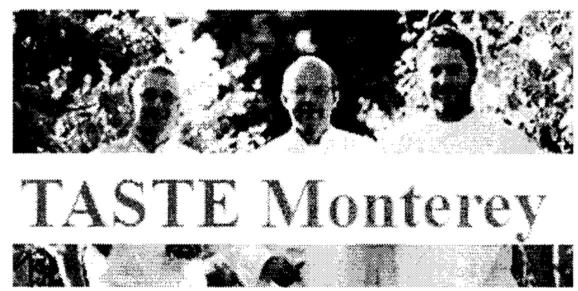
Plan your next trip

Green Your Trip

Ideas, Itineraries and Innovations

Food & Wine

- Promote key messaging points for culinary and wine segment
- Support key events (Pebble Beach Food & Wine, Cooking for Solutions, etc.)
- Highlight local, notable chefs
- Provide some paid support



- Use MCCVB vehicles to drive traffic

Food & Wine

TASTE Monterey

MONTEREY
alive is the air

Welcome to TASTE Monterey. Everything you need to know about Monterey County's culinary scene, chefs and more is here.

Food History | Featured Articles | Chef Profiles | Foodie 411 Blog | Events   Plan your next trip

Upcoming Taste Events

Pebble Beach Food & Wine
April 16-19

Cooking for Solutions
May 15-16

Castroville Artichoke Festival
May 16-17

US Open/Golf

- Leverage event 3 months before & after
- Determine potential support from golf/lodging
- Explore media partnerships with Golf Digest, Golf Channel, & online vehicles
- Support with online
- Create landing page, use main site as resource
- Stimulate traffic with sweepstakes
- Leverage unpaid media promotion in golf and non-golf travel publications

International

International Visitors to the US:

- Stay 11 nights in California
  - (75% Say CA is Main Destination)
- Have a 50-100 day planning window
- 80% Stay in Hotels
- Spend $1,166 per trip compared to in-state at $435
- Growth since 2003, but projected down for most major markets in 2009
- California lifestyle is appealing

International

- Translate portion of website into key languages
  - German, French, Italian, Japanese
- Tweak presentation to cultural appeal
- Search engine marketing to assist in driving traffic
- Potentially advertise in CTTC and SF CVB international guides

Heritage

- Create database of historic tourism offerings throughout Monterey County
- Create partnership with National Trust for Historic Preservation
- Further promote through MCCVB vehicles, including video
- Support buildup to 100th Salinas Rodeo

Research

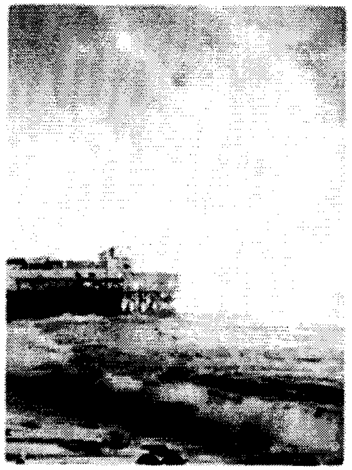
- Return on Investment Study – results in August
- Visitor Profile Study
- Predictive research with the Aquarium
- International CTTC/VISA data
- Visitor Center surveys
- Website and newsletter surveys

Leisure Marketing Expense Budget

Expenses	08-09 Budget	% of Budget	09-10 Prelim Budget	% of Budget	08-09/09-10 Bdgt to Bdgt
Payroll & Related	179,900		195,800		15,900
Advertising Agency Fees	180,000		180,000		-
Production & Media	794,129		883,000		106,169
Coop Marketing Programs	300,000		-		(300,000)
Research	33,000		80,000		47,000
Publications	5,000		5,000		-
Training & Education	5,000		1,500		(3,500)
Postage & Shipping	4,000		500		(3,500)
Travel & Meals	4,000		800		(3,200)
Telephone	4,000		2,000		(2,000)
TOTAL	**1,509,029**	**32%**	**1,365,898**	**32%**	**(143,131)**

Leisure Marketing Expense Budget

Expenses	08-09 Budget	% of Budget	09-10 Prelim Budget	% of Budget	08-09/09-10 Bdgt to Bdgt
Internet Payroll & Related	60,000		68,000		8,000
Website Production	50,000		45,000		(5,000)
Internet Marketing	80,000		85,885		5,885
ASP License	4,485		3,600		(885)
TOTAL	**194,485**	**4%**	**202,485**	**5%**	**8,000**



Communications

09-10 Objectives

- Primary Focus: Core/Drive Market but stay connected to National outlets
- Pulse around opportunistic; focused periods/seasonal niches
  - Secret Season, Romance, Holidays, Spring Break
- Generate group & meetings relationships and coverage

09-10 Objectives

- Editorial support of marketing value initiatives
  - Fall Secret Season, etc
- Other targeted outreach, supported by hot topics (as indicated by journalists, online UGC)
  - Affordable/Family
  - Arts & Culture
  - Adventure

09-10 Objectives

- Maximize gateways provided by State Tourism & SFCVB
  - treated as an outlet
  - increase share voice
- Build destination story in designated areas
  - Adventure/Green/Eco
  - Food & Wine
- Capitalize spotlight of US Open 2010
  - Tell our destination and golf story

Story Angle Development

- Food and Wine - sustainable, salad bowl, surprising wine story
- Arts, Culture, Heritage – preservation, architecture, undiscovered gems
- Family & Affordable – lists, itineraries, packages
- Adventure & Outdoor - soft adventure, eco friendly/adventure lodging
- Golf – known and unknown courses and other secrets

Group Sales

- Build relationships in key group editorial publications
  - Successful Meetings
  - Meetings West
  - Corporate Meetings & Incentive Travel
  - Smart Meetings
- Generate buzz around event settings, venues, "Monterey-only" activities
- Assist publications in Monterey coverage for special editorial round-ups

UK Initiatives

- Media Relations
- Media familiarization program
  - 8 individual visits in 12 months
- Itinerary development
- Media releases (6)
- Industry relations - (airlines, tour operators)
- Industry trade show

Media Missions/Outreach

- New York
  - Scheduled 1x per year in person in conjunction with CTTC Event (12-15 editorial visits)
- San Francisco
  - Scheduled 2x per year in person plus ongoing visits as needed (-15 editorial visits per)
- Los Angeles
  - Scheduled 1x per year in person in conjunction with CTTC Event plus ongoing visits as needed (12-15 editorial visits)

Media Missions/Outreach

- Central Valley
  - Sacramento, Stockton, Modesto, Fresno, initial in-person visits with key outlets
- Group Media Outreach
  - Initial in-person visits as needed (5+)
- Society of American Travel Writers
  - Annual conference

  - Small Hosted Events (i.e. Showcase Monterey Food and Wine)
  - MCVGA San Francisco Event

Media Familiarization/Story Trips

- 40 Domestic Fam visits
- 8 international UK Fam visits
- Pitching, travel coordination, on site hosting, follow up

Community Relations

- Help community understand and connect to MCCVB activities
  - Member newsletter
  - Local coverage
  - Community presentations
- Crisis Management

Land & See

- Redesign
  - More consumer publication look & feel
- Rewrite
  - More editorial feel while maintaining directory usefulness
  - "Article" features based on strategic angles

Tools

- New Service: Vocus
  - Replaces Cision/Bacons, Burrelles monitoring, reproduction and distribution services
  - Unifies traditional and non traditional media sources under one supplier
- Photo Shoot
  - Targeted angles (romance, pet travel, holiday specific etc.)

Membership and Visitor Services

Membership

- Member Communication/Outreach
  - Visible connector between members and MCCVB
  - Reinforce general and specific membership benefits (promotional programs, e specials, etc)
- New member development
  - Target nightlife, restaurants and wineries
- Update Sales Kits revising all necessary information
- Help connect members to MCCVB and industry data, trends and studies

Visitor Services

- Quarterly Staff Training and update sessions
- Secret Shopper Program to gauge performance
- Work with Chambers to administer at least three staff FAM trips per year
- Explore extending video shorts to El Estero
- Survey machine to gather demographic data
- Explore partner hosted events for Visitor Center Staff (education, appreciation)

Appendix

Sales Budget Adjustment Strategies

- Right-size Account Executive travel
- Increase Co-Op budget expectations above LY Budget but below LY Actuals
- Reduce sponsorship commitments
- Reduce Advertising, Media and Agency Fees to support increased Leisure Marketing budget

Key Research Points

- Planners expect a 9% decrease in number of mtgs, 3% decrease in staffing, 5% increase in their workload (closely mirrored by suppliers expectations)
- Second half of 2008, organizations canceled 4.1 meetings representing 8% of total for that period.
- For 2009, organizations have already canceled 3.4 meetings representing 7% of all meetings.
- Clients want to negotiate extras like free transportation, comp meals and expect more competitive bids.
- Clients still see face to face meetings as very important.

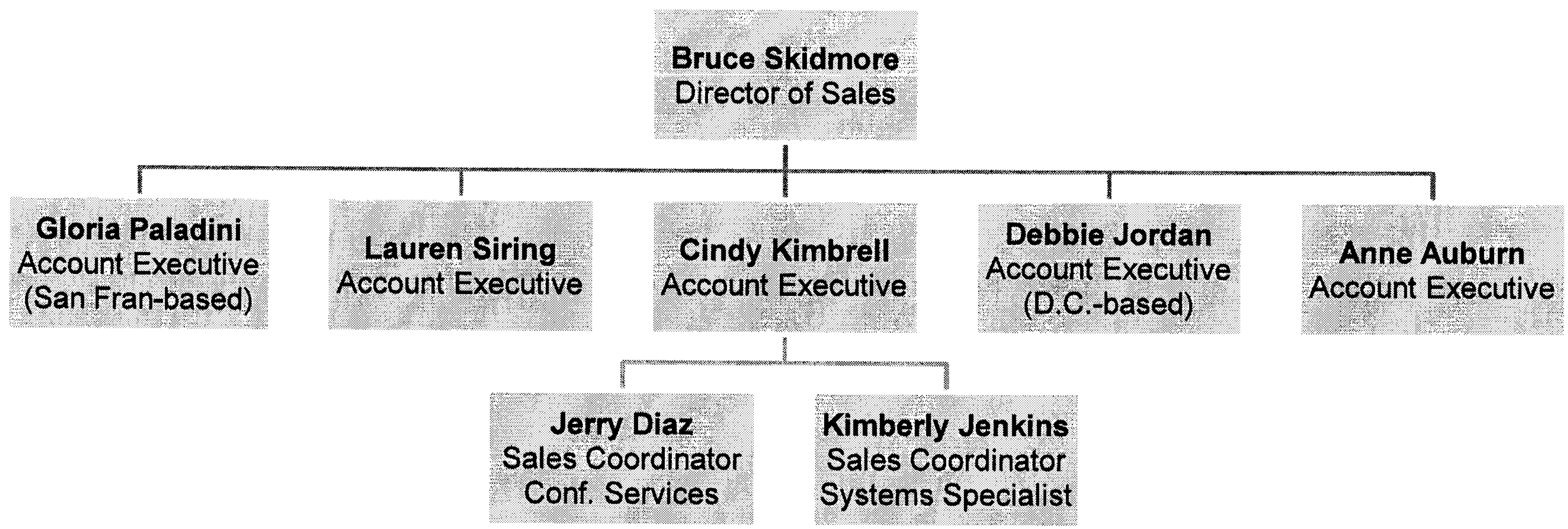
Key Research Points

- Planner decisions driven by cost, airlift and then customer service.
- Planners feel it is now a buyers market.
- Planners expect a 2% increase in cost per meeting compared to last year's 11% growth in meeting budgets and 22.6% in spending per individual meeting.

Source: MPI Futurewatch 2009 (2,740 meeting professionals, survey data collected from 11/11-27/08 and released 2/09). For complete Executive Summary, see Group Sales Appendix

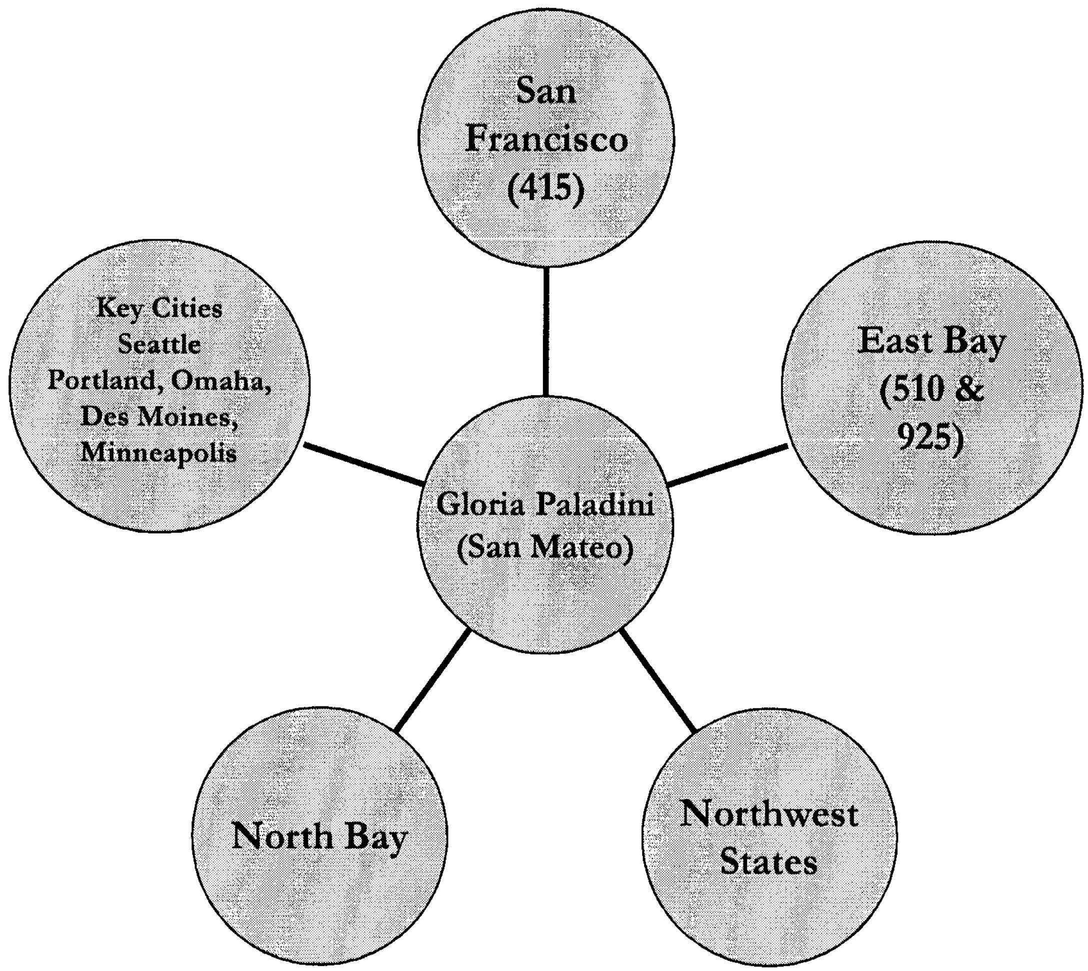
Sales Deployment

Sales Department Organizational Chart



Bruce Skidmore
Director of Sales

Gloria Paladini
Account Executive (Remote)

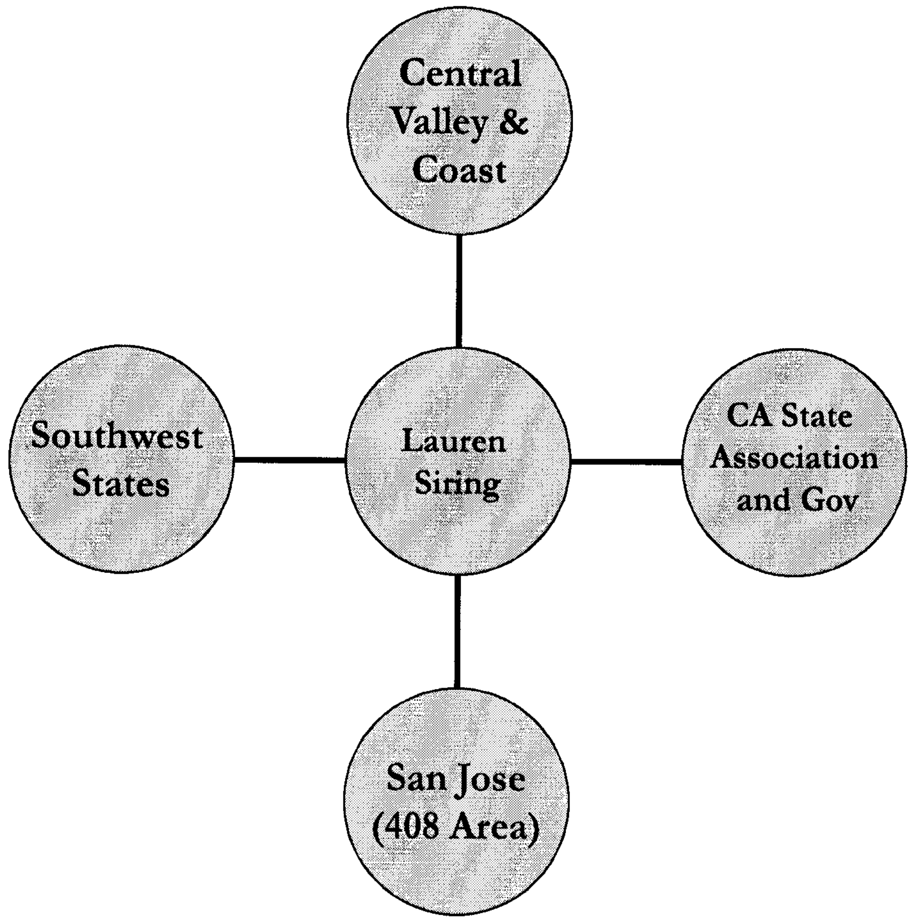


California Market Coverage

California Sales Territories (North to South)

Gloria Paladini Northern California Corporate and other (except state association and government)
707 – Eureka, Ukiah, Santa Rosa, Napa
530 – Redding, Chico, Truckee
916 – Sacramento (everything except state association or government)
415 – San Francisco
925 – Walnut Creek, Pleasanton
510 – Oakland, Fremont
650 - San Mateo, Palo Alto, Mountain View

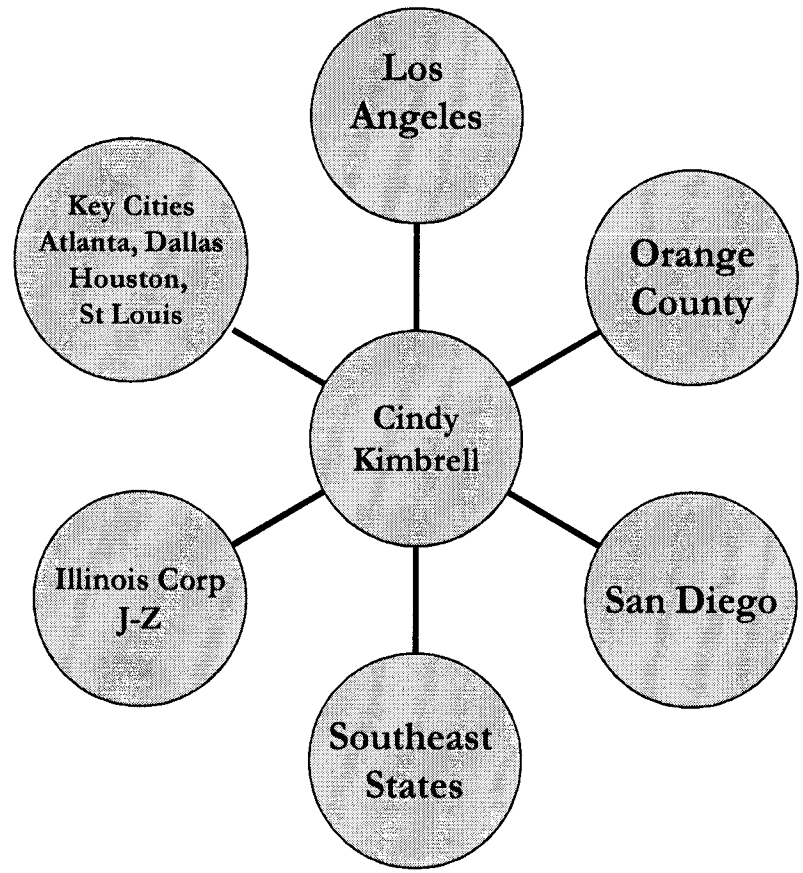
Lauren Siring
Account Executive



California Market Coverage

Lauren Siring Central Coast and Central Valley Corporate and other All CA State Association and CA State Government
408 – San Jose, Santa Clara
209 – Stockton
831 – Monterey County, Santa Cruz
559 – Fresno

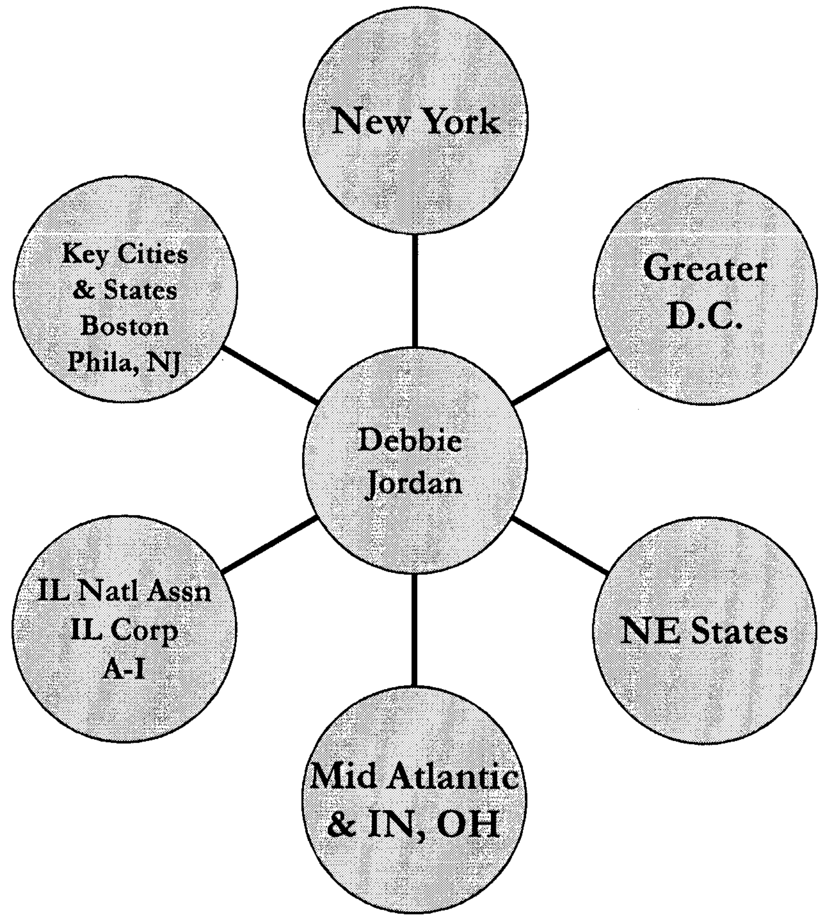
Cindy Kimbrell
Account Executive



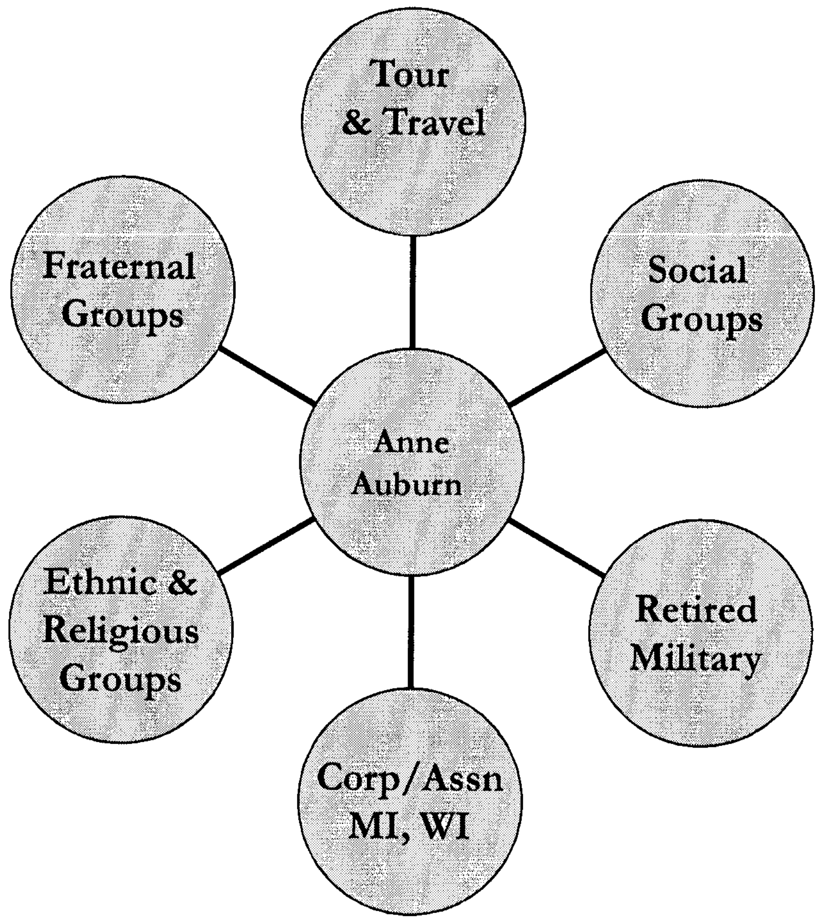
California Market Coverage

Cindy Kimbrell Southern California Corporate
805 – Santa Barbara, Thousand Oaks
661 – Bakersfield, Santa Clarita
760 – Barstow, Palm Springs
818 – San Fernando
626 – Pasadena
213, 310, 323 – Los Angeles
562 – Long Beach
951 – Riverside
909 – Pomona, San Bernadino
714 – Anaheim
949 – Irvine, Newport Beach, Laguna Beach
858, 619 – San Diego

Debbie Jordan
Account Executive (Remote)



Anne Auburn
Account Executive

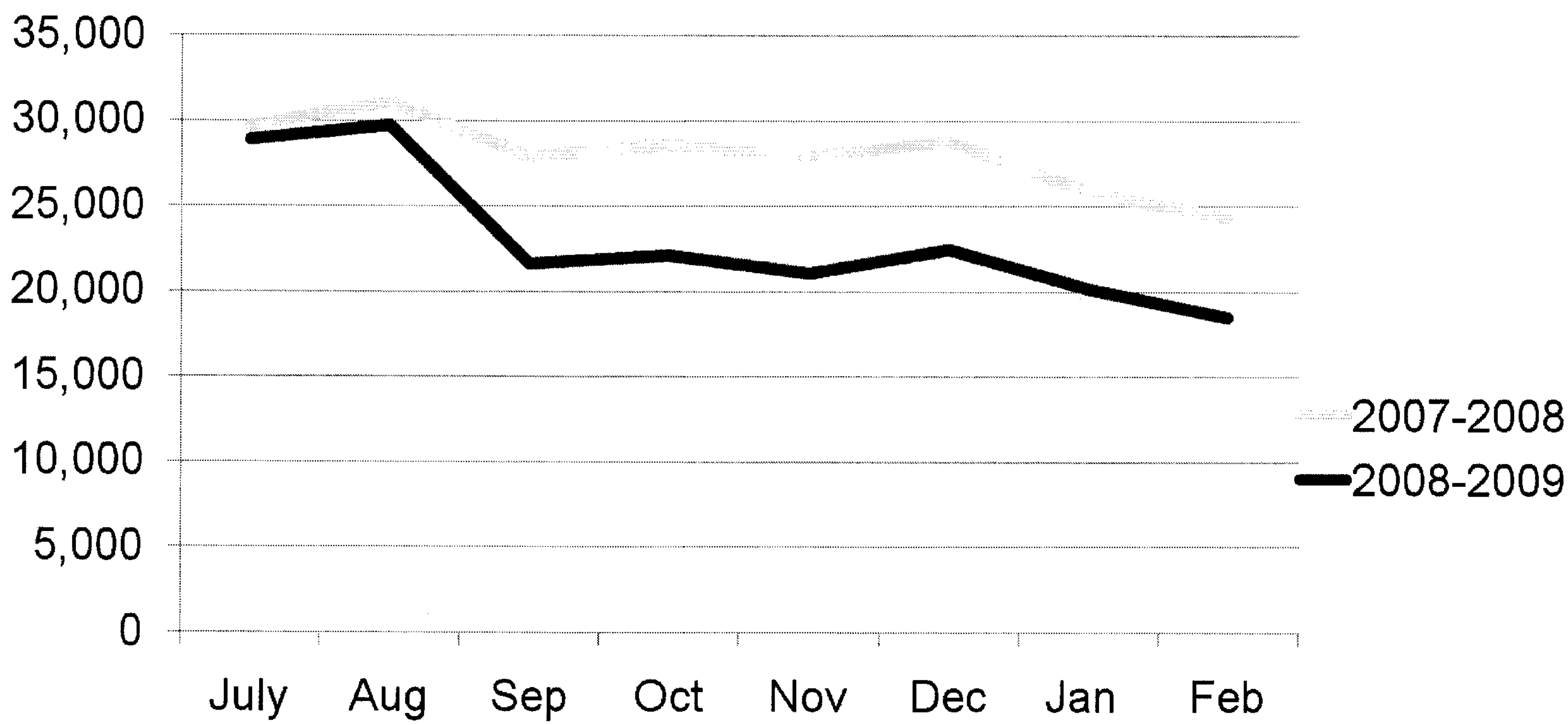


Conference Services

- Continue to refine processes, services
- Outreach with partner hotels
  - Directors of Convention Services for referrals
- Build on existing relationships
  - Meet all clients at their conference facility
- Outsource labor to proper partners
- Continue populating website convention calendar
- Passkey becomes self funding

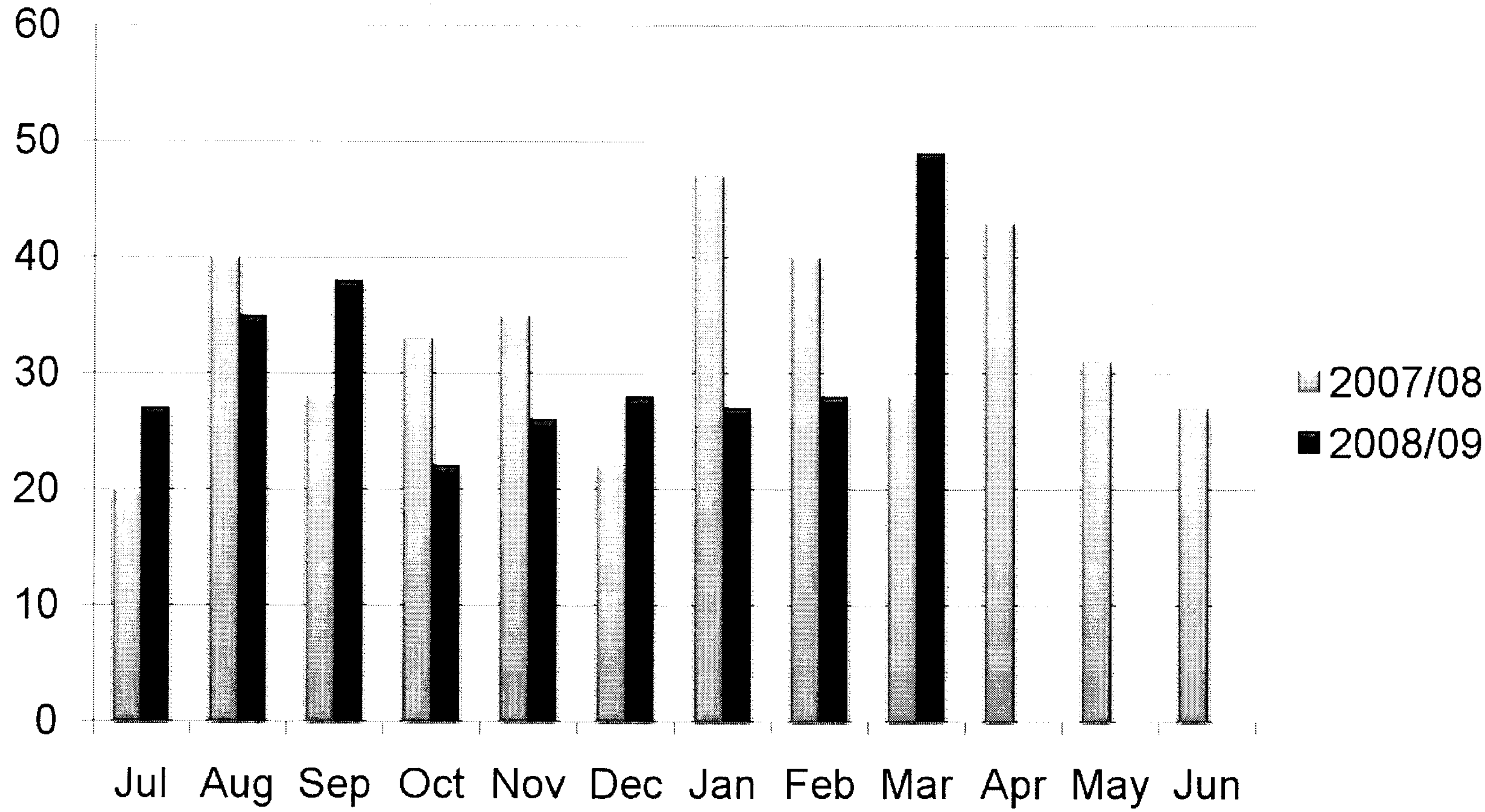
Sales Statistics

Available Airport Seat Miles Monterey Peninsula Airport



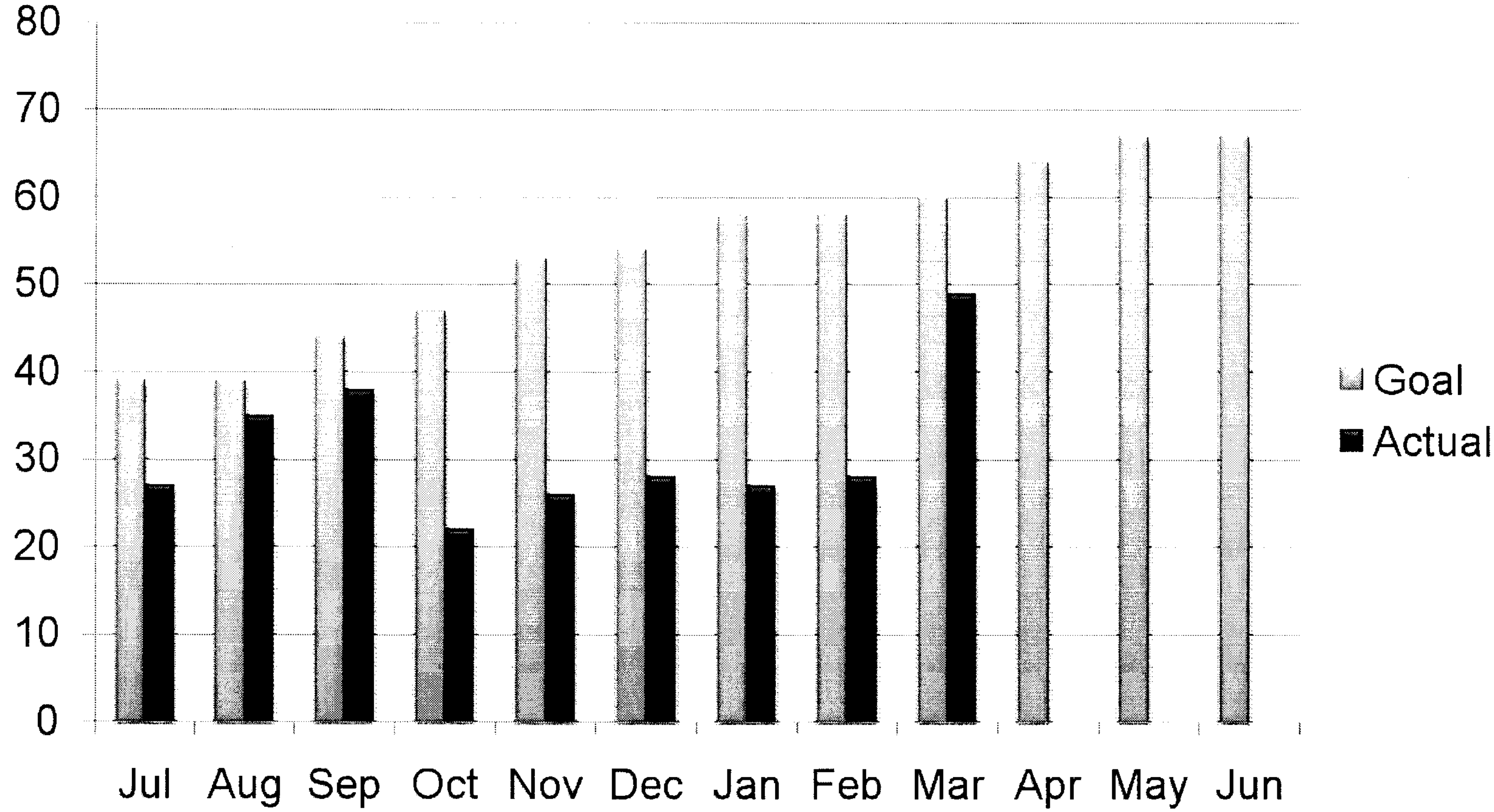
New Leads Per Month

(Year over Year comparison)



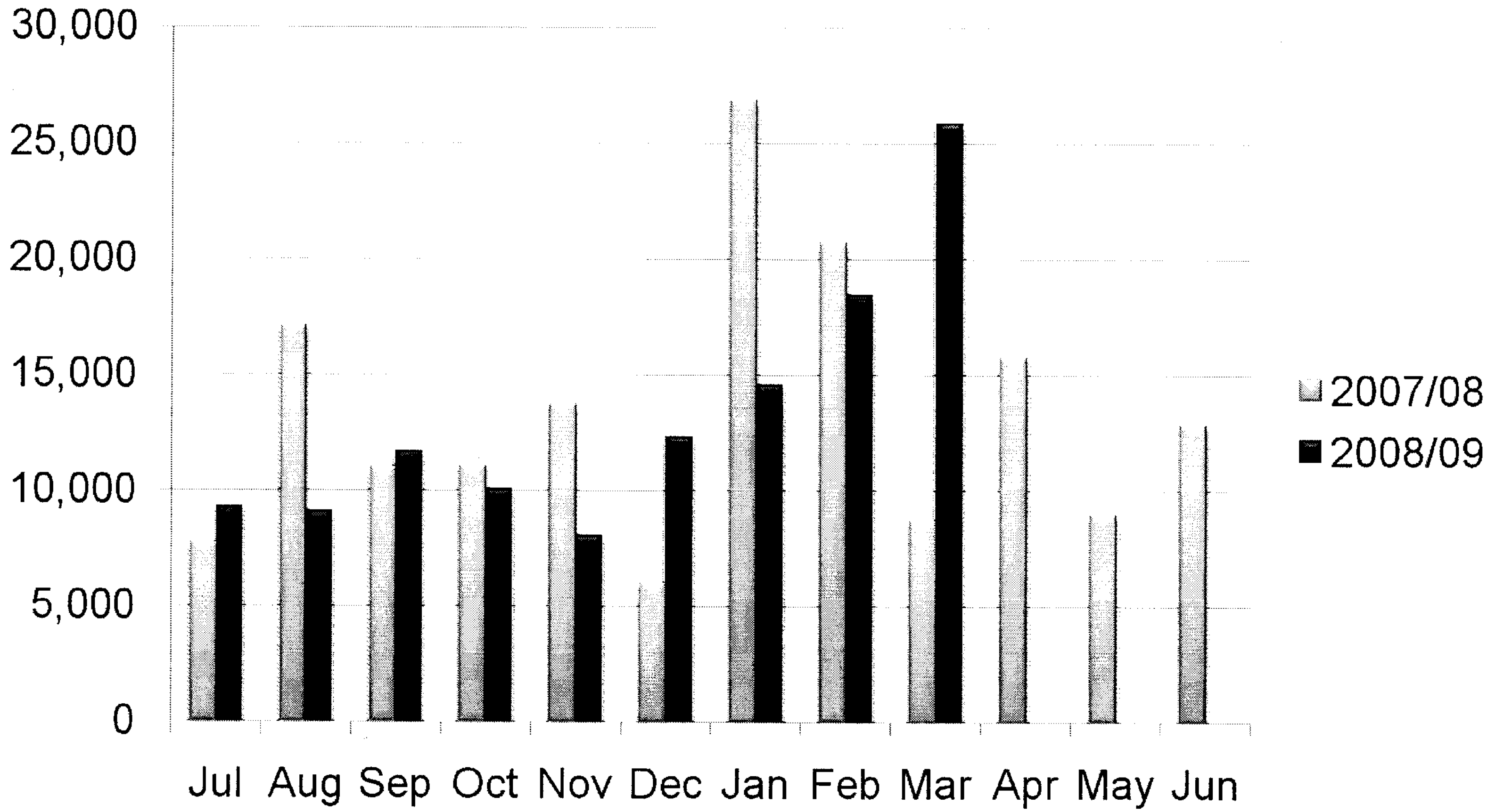
New Leads Per Month

(Comparison to Goal)



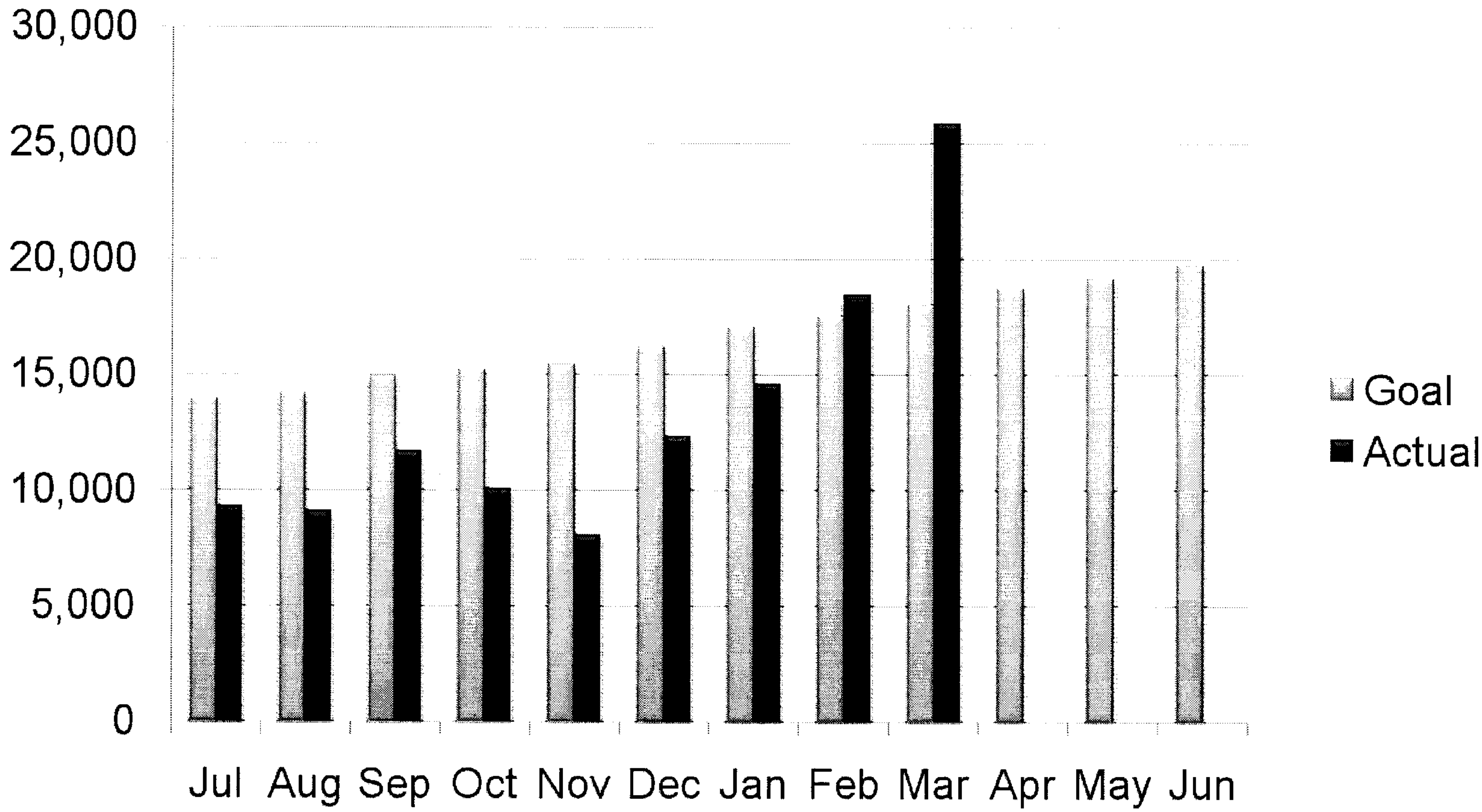
New Lead Room Nights Per Month

(Year over Year comparison)



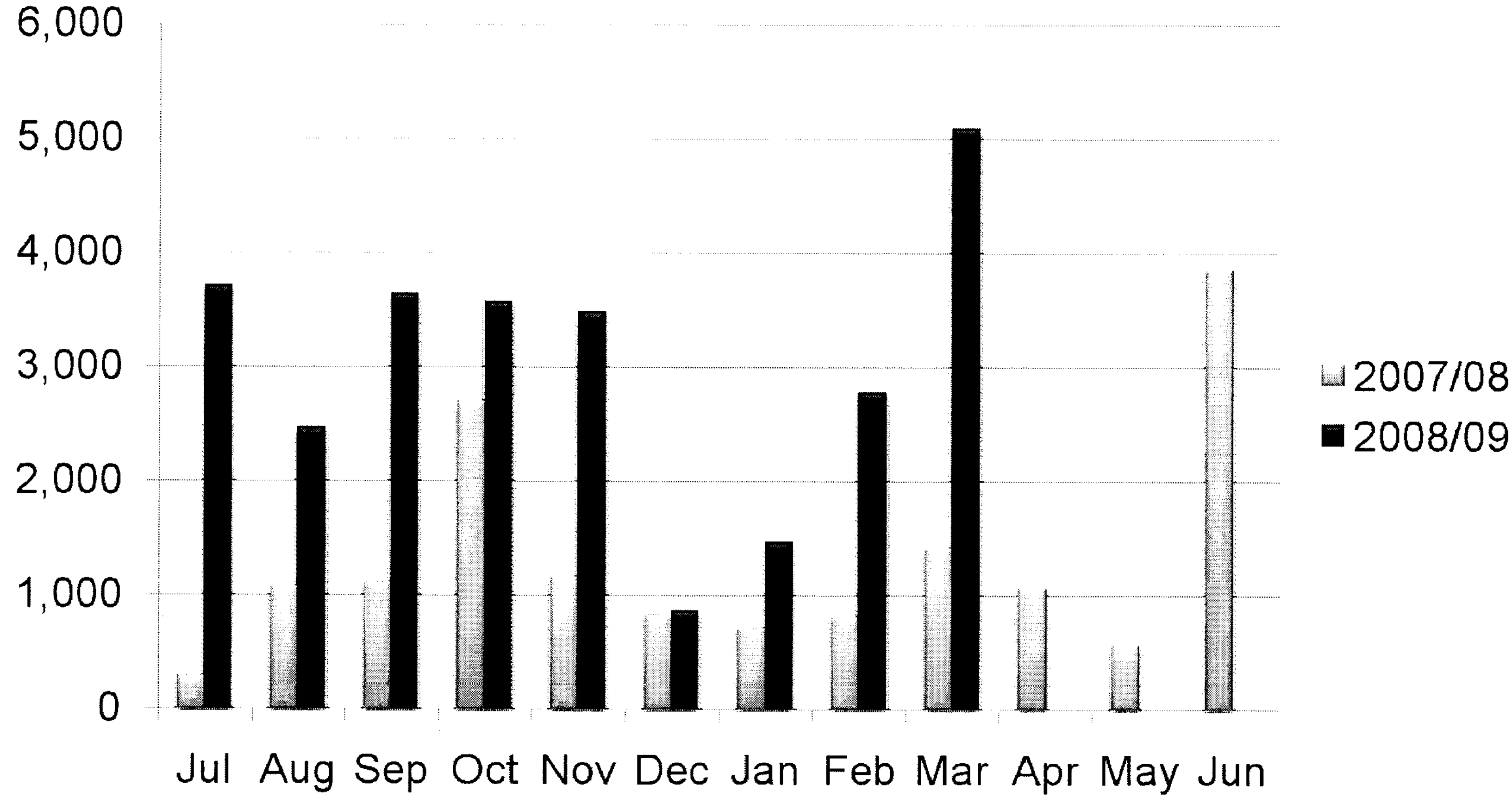
New Lead Room Nights Per Month

(Comparison to Goal)



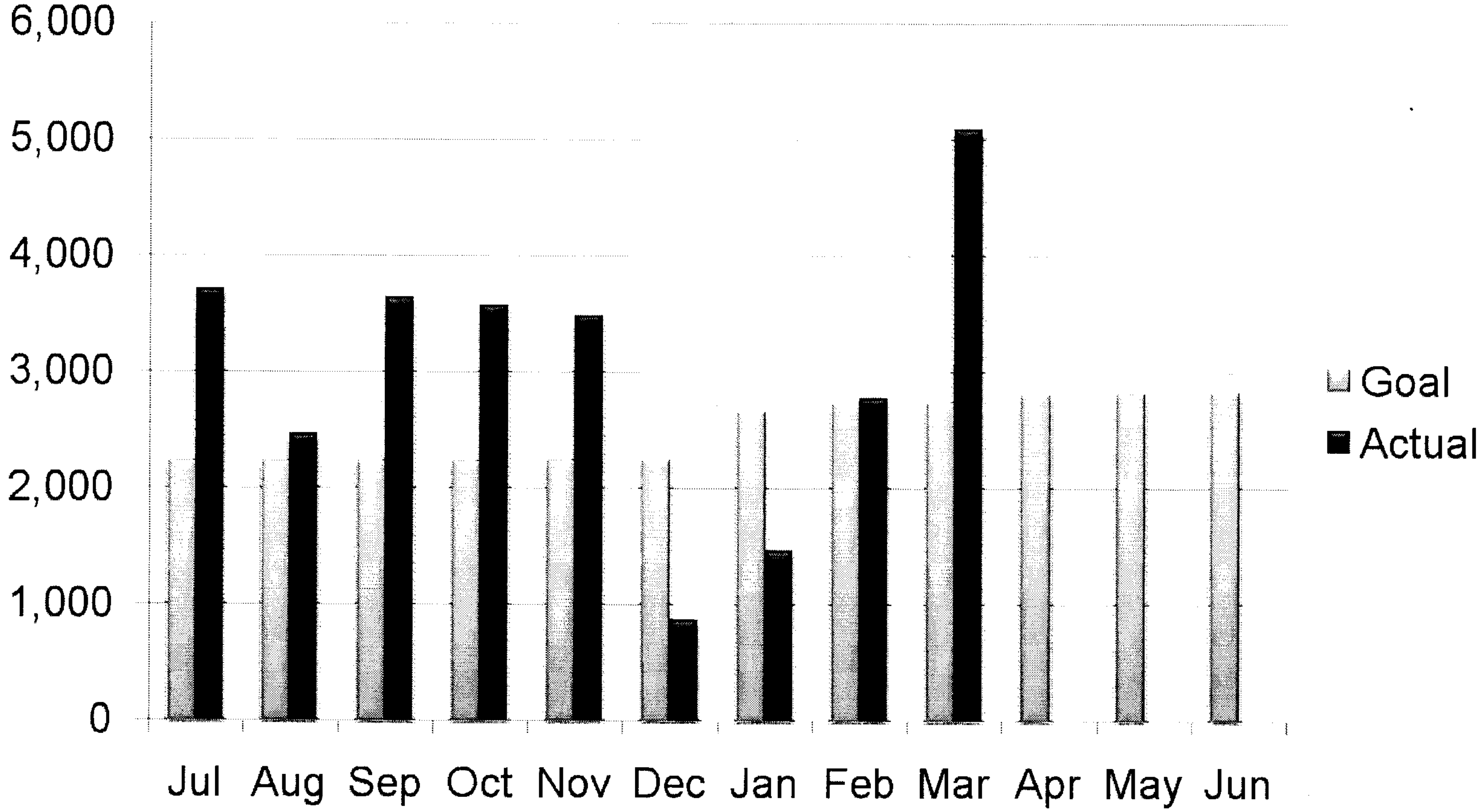
Booked Room Nights Per Month

(Year over Year comparison)



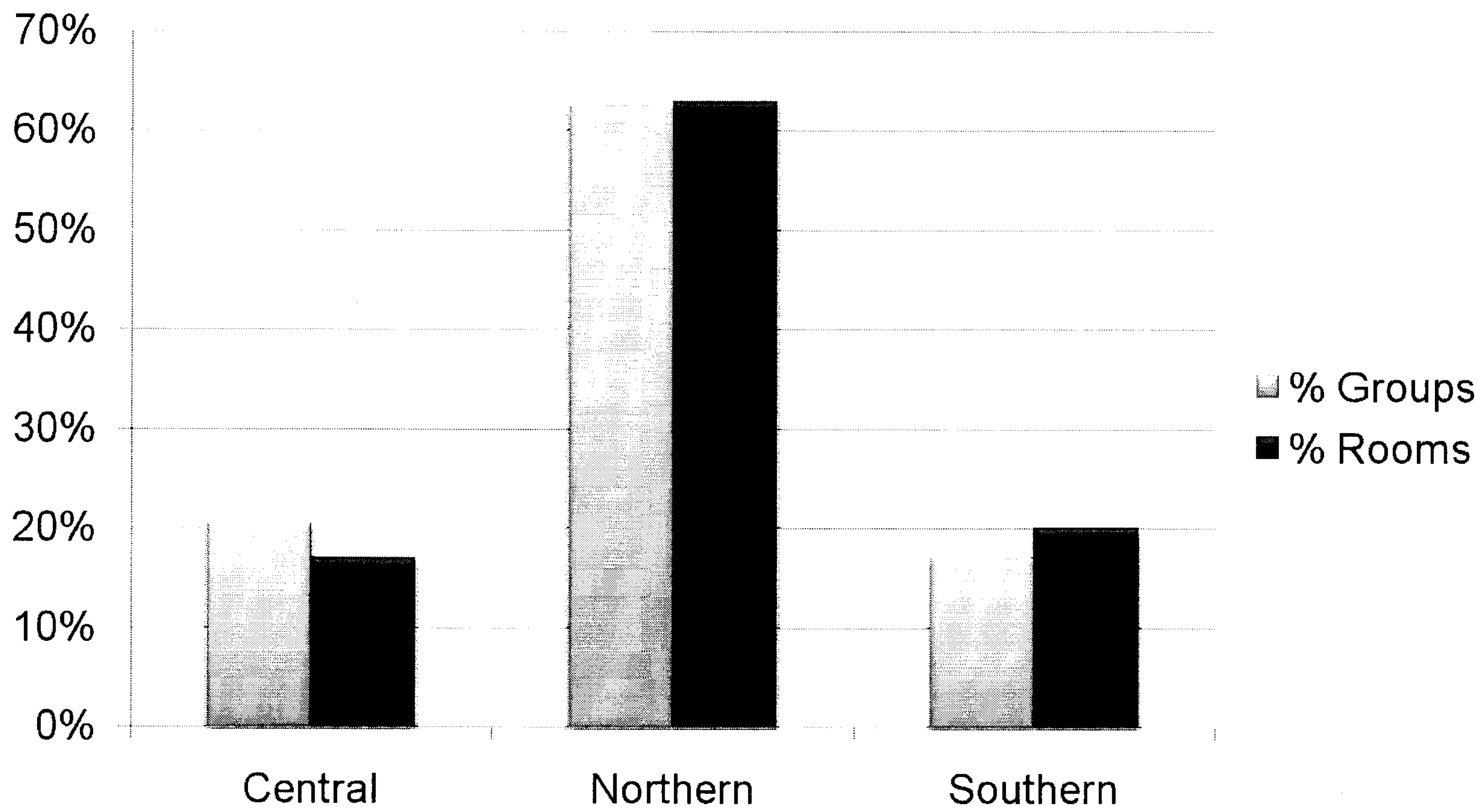
Booked Room Nights Per Month

(Comparison to Goal)



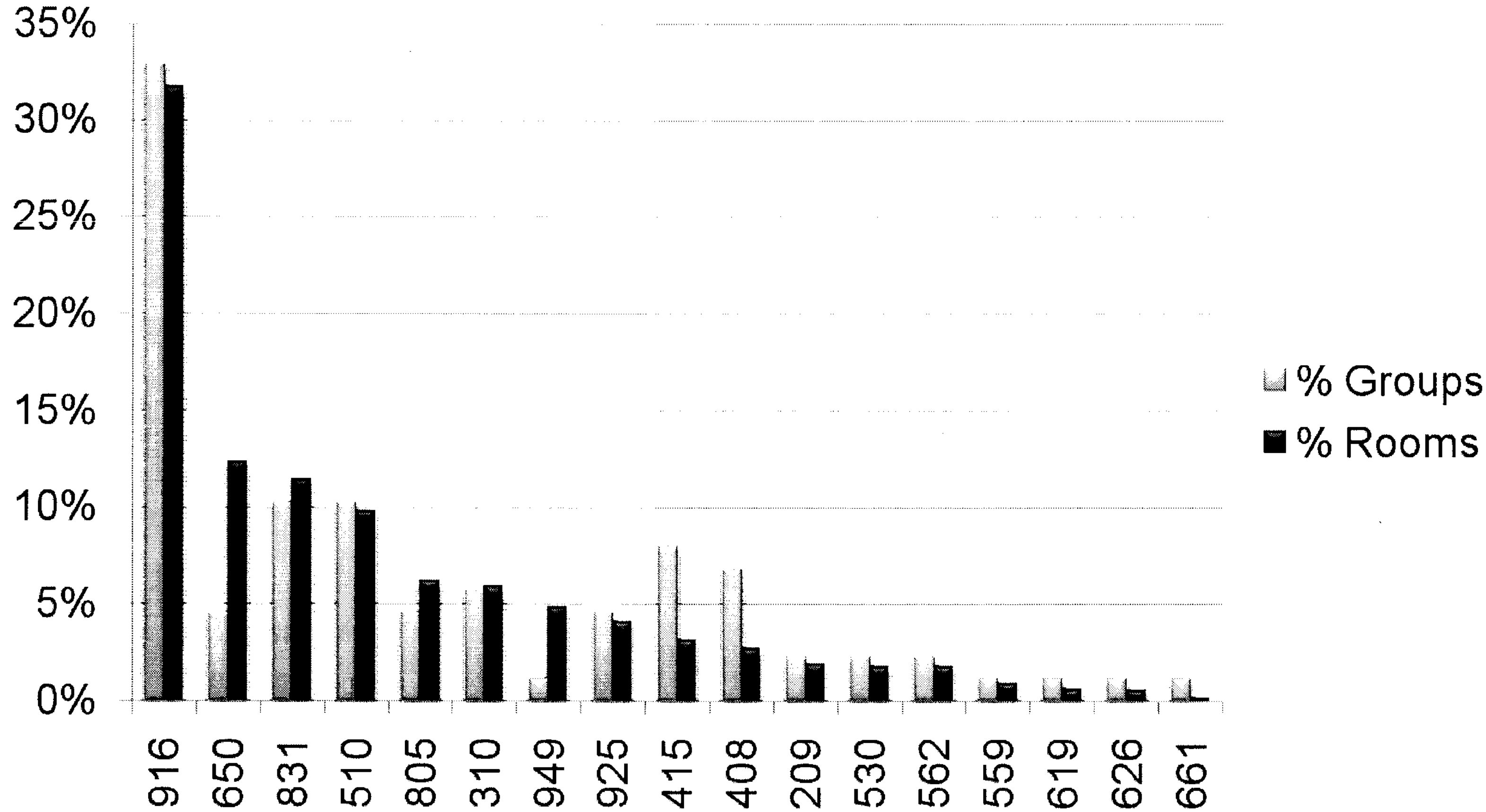
Percentage of Groups/Room Nights

(Within CA, by Region)

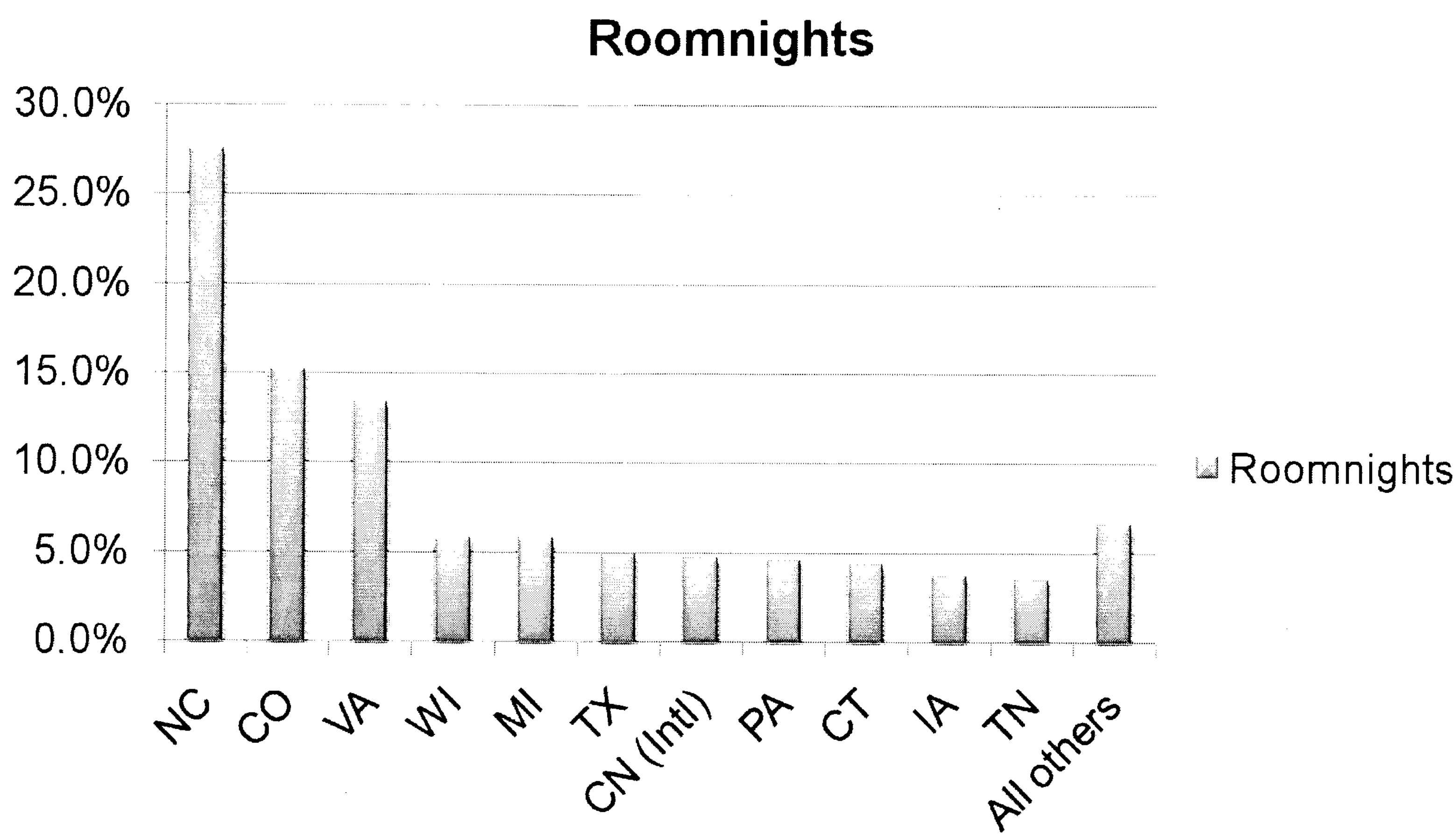


Percentage of Groups/Room Nights

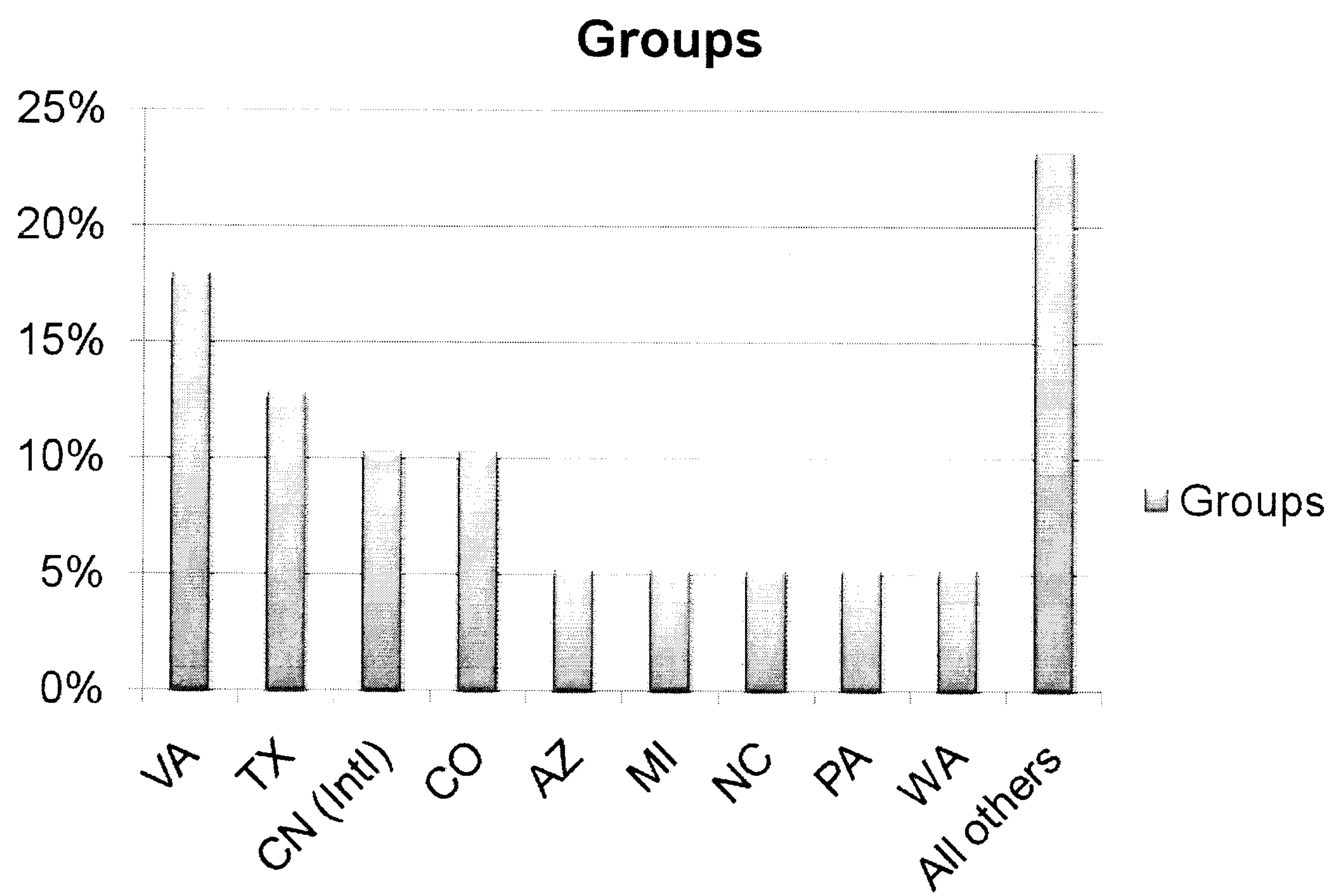
(By Area Code)



Percentage of Room Nights by State
(Non-CA)



Percentage of Groups by State
(Non-CA)



Booking Analysis – by Segment

By number of Groups booked, Mar 1, 2008 - Feb 28, 2009

Percentage of RN by Segment				
Segment	RN	Groups	Avg TRN	Percentage
Corporate	8292	38	218	28%
National Assn	7035	15	469	24%
State Assn	6941	29	239	24%
Tour & Travel	2150	19	113	7%
Government	1970	14	141	7%
SMERF	1170	9	130	4%
Incentive	1152	3	384	4%
Education	389	5	78	1%
Regional Assn	164	3	55	1%
Total	29263	135	217	100%

Booking Analysis – by Segment

By number of Groups booked, Mar 1, 2008 - Feb 28, 2009

Percentage of Groups by Segment			
Segment	Groups	RN	Percentage
Corporate	38	8292	28%
State Assn	29	6941	21%
Tour & Travel	19	2150	14%
National Assn	15	7035	11%
Government	14	1970	10%
SMERF	9	1170	7%
Education	5	389	4%
Regional Assn	3	164	2%
Incentive	3	1152	2%
Total	135	29263	100%

Booking Analysis – by State

By number of Groups booked, Mar 1, 2008 - Feb 28, 2009

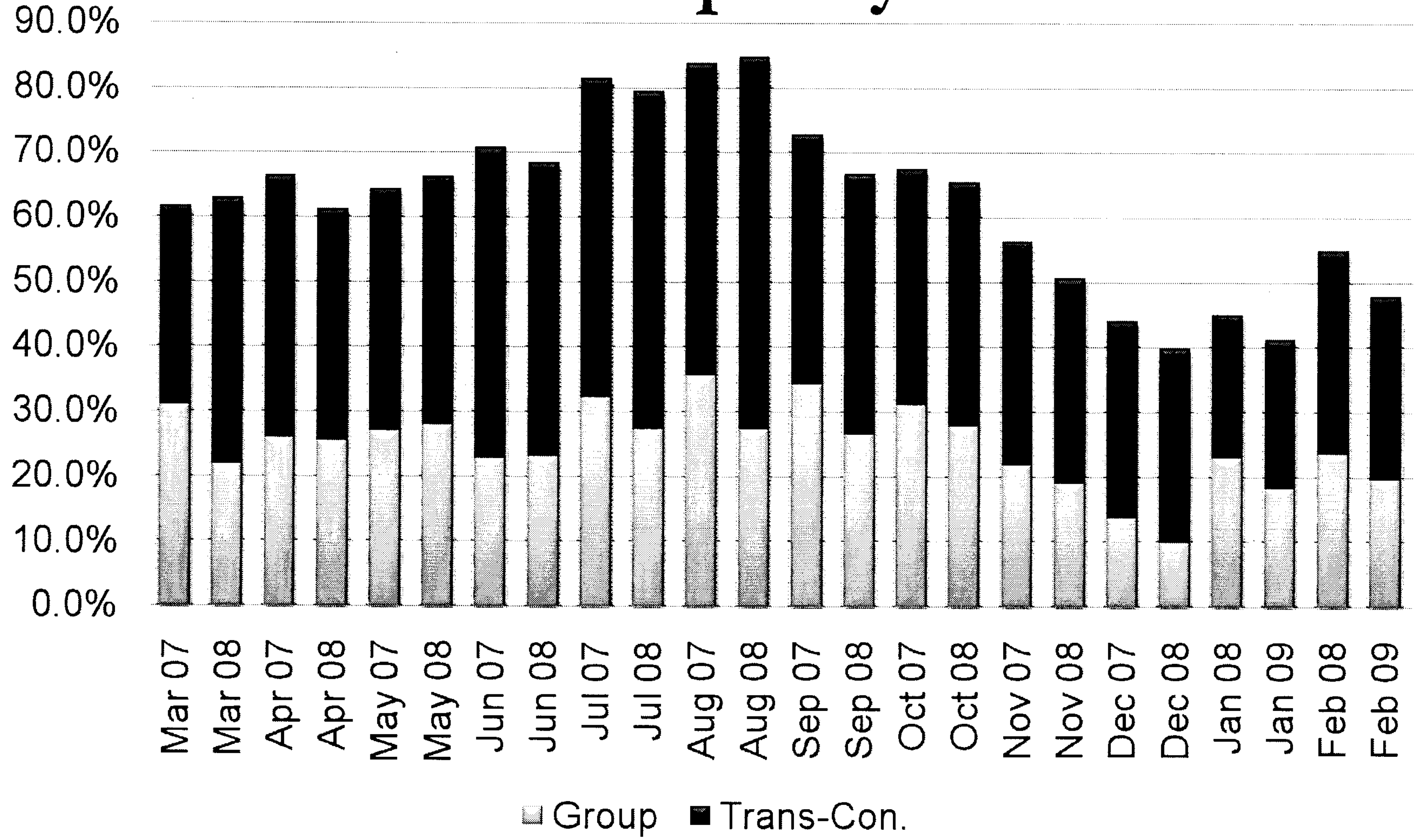
Percentage of RN by State				
State	RN	Groups	Percentage	Avg TRN
CA	17137	96	58.6%	179
NC	3333	2	11.4%	1667
CO	1845	4	6.3%	461
VA	1623	7	5.5%	232
WI	704	1	2.4%	704
MI	702	2	2.4%	351
TX	596	5	2.0%	119
CN (Intl)	566	4	1.9%	142
PA	559	2	1.9%	280
CT	528	1	1.8%	528
IA	450	1	1.5%	450
TN	419	1	1.4%	419
All others	801	9	2.7%	89
Total	29263	135	100%	217

Booking Analysis – by State

By number of Groups booked, Mar 1, 2008 - Feb 28, 2009

Percentage of Groups by State			
State	Groups	RN	Percentage
CA	96	17137	71.1%
VA	7	1623	5.2%
TX	5	596	3.7%
CN (Intl)	4	566	3.0%
CO	4	1845	3.0%
AZ	2	187	1.5%
MI	2	702	1.5%
NC	2	3333	1.5%
PA	2	559	1.5%
WA	2	251	1.5%
All others	9	2464	6.7%
Total	135	29263	100%

Group Percentage of Total Occupancy



Trade Show Information

FY 09-10 Tradeshows

Fiscal 09/10 Shows-Events	Dates	City, State	Market Segment
MPI-WEC	Jul-09	Salt Lake City, UT	Corporate
ASAE Annual Meeting & Exposition	Aug-09	Toronto, Ontario	National Association
ISITE Classic	Sep-09	Fort Worth, TX	Incentive Travel
Affordable Meetings National	Sep-09	Washington, D.C.	Association/Govt
The Motivation Show IT&ME	Sep-09	Chicago, IL	Incentive Travel
SITE (Society of Incentive Execs.)	Oct-09	Aruba	Incentive Travel
NTA Annual Convention	Nov-09	Reno, NV	Tour & Travel/Wholesale
CalSAE Seasonal Spectacular	Dec-09	Sacramento, CA	California Association
Holiday Showcase	Dec-09	Chicago, IL	National Association
NAJ Summit West	Feb-10	Los Angeles, CA	Tour & Travel/Wholesale
MPI-NCC Tradeshow	Feb-10	San Francisco, CA	California Corporate
Destinations Showcase DC	Feb-10	Washington, D.C.	National Association
MPI-SCC Tradeshow	Mar-10	TBD	California Corporate
MPI-SSN Chapter Tradeshow	Mar-10	Sacramento, CA	CA Corp/State Assn
Affordable Meetings Mid-America	Apr-10	Chicago, IL	Natl Assn/Corp
California Marketplace-Successful Mtgs	Apr-10	Monterey, CA	National Corporate
ASAE's Springtime Expo	Apr-10	Washington, D.C.	National Association
CalSAE Annual Conference	Apr-10	TBD	California Association
International Pow Wow	May-10	Orlando, FL	Tour & Travel/Wholesale
MPI-NCC Annual Gala	Jun-10	San Francisco, CA	California Corporate
Sunset Travel Show	Jun-10	Menlo Park, CA	Leisure Show
Affordable Meetings West	Jun-10	Long Beach, CA	Corporate
Destinations Showcase Chicago	Jun-10	Chicago, IL	National Corporate

Calendar 2009 Sales Trip Schedule

MCCVB Sales Trip Schedule - Calendar 2009			
Month/Year	Trip Type	City/Region	Account Executive
Jul-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Jul-09	Local Sales Trip	E Bay, N Bay, SF	Lauren Siring
Jul-09	Local Sales Trip	Sacramento	Lauren Siring
Jul-09	Local Sales Trip	SF	Gloria Paladini
Aug-09	Sales Trip	WI	Anne Auburn
Aug-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Aug-09	Sales Trip	LA/OC, CA	Cindy Kimbrell
Aug-09	Local Sales Trip	SF	Gloria Paladini
Sep-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Sep-09	Local Sales Trip	SF	Gloria Paladini
Sep-09	Sales Trip	Seattle	Gloria Paladini
Sep-09	Sales Trip	AZ	Lauren Siring
Oct-09	Sales Trip	LA/OC, CA	Cindy Kimbrell
Oct-09	Sales Trip	Dallas, TX	Cindy Kimbrell
Oct-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Oct-09	Local Sales Trip	SJ-East Bay	Lauren Siring
Oct-09	Local Sales Trip	SF	Gloria Paladini
Nov-09	Sales Trip	RI/NYC	Debbie Jordan
Nov-09	Local Sales Trip	SF	Gloria Paladini
Nov-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Nov-09	Sales Trip	Portland	Gloria Paladini
Nov-09	Local Sales Trip	SJ/Santa Clara, CA	Lauren Siring
Dec-09	Sales Trip	LA/OC, CA	Cindy Kimbrell
Dec-09	Local Sales Trip	DC/VA/MD	Debbie Jordan
Dec-09	Local Sales Trip	E Bay, N Bay, SF	Gloria Paladini

Calendar 2010 Sales Trip Schedule

MCCVB Sales Trip Schedule - Calendar 2010			
Month/Year	**Trip Type**	**City/Region**	**Account Executive**
Jan-10	Local Sales Trip	LA/OC, CA	Cindy Kimbrell
Jan-10	Local Sales Trip	DC/VA/MD	Debbie Jordan
Jan-10	Sales Trip	Denver	Lauren Siring
Jan-10	Sales Trip	Iowa/Minn	Gloria Paladini
Feb-10	Local Sales Trip	PA/NJ	Debbie Jordan
Feb-10	Local Sales Trip	Silicon Valley, CA	Gloria Paladini
Feb-10	Local Sales Trip	East Bay	Lauren Siring
Mar-10	Sales Trip	MI	Anne Auburn
Mar-10	Local Sales Trip	DC/VA/MD	Debbie Jordan
Mar-10	Local Sales Trip	SF	Gloria Paladini
Mar-10	Local Sales Trip	Central Coast	Lauren Siring
Mar-10	Sales Trip	Chicago	Cindy Kimbrell
Apr-10	Sales Trip	Ohio	Debbie Jordan
Apr-10	Local Sales Trip	DC/VA/MD	Debbie Jordan
Apr-10	Sales Trip	Kansas/NE	Gloria Paladini
Apr-10	Local Sales Trip	Silicon Valley, CA	Gloria Paladini
Apr-10	Local Sales Trip	Sj/Santa Clara, CA	Lauren Siring
May-10	Sales Trip	Atlanta	Cindy Kimbrell
May-10	Local Sales Trip	DC/VA/MD	Debbie Jordan
May-10	Local Sales Trip	E Bay, N Bay, SF	Gloria Paladini
Jun-10	Sales Trip	Midwest	Anne Auburn
Jun-10	Sales Trip	LA/OC, CA	Cindy Kimbrell
Jun-10	Sales Trip	IL/IN	Debbie Jordan
Jun-10	Local Sales Trip	DC/VA/MD	Debbie Jordan
Jun-10	Local Sales Trip	SF	Gloria Paladini
Jun-10	Local Sales Trip	East Bay	Lauren Siring

Year Over Year Comparison

Tradeshow Participation

- 159 separate CVB Partner Co-Op transactions in 08/09 compared to 152 in 07/08 representing a 4.6% increase year over year

- 31 different partners join us in Co-Ops in 08/09 compared to 23 in 07/08 representing a 34.7% increase year over year

Travel Data and Forecasts

National Forecast – All Hotels

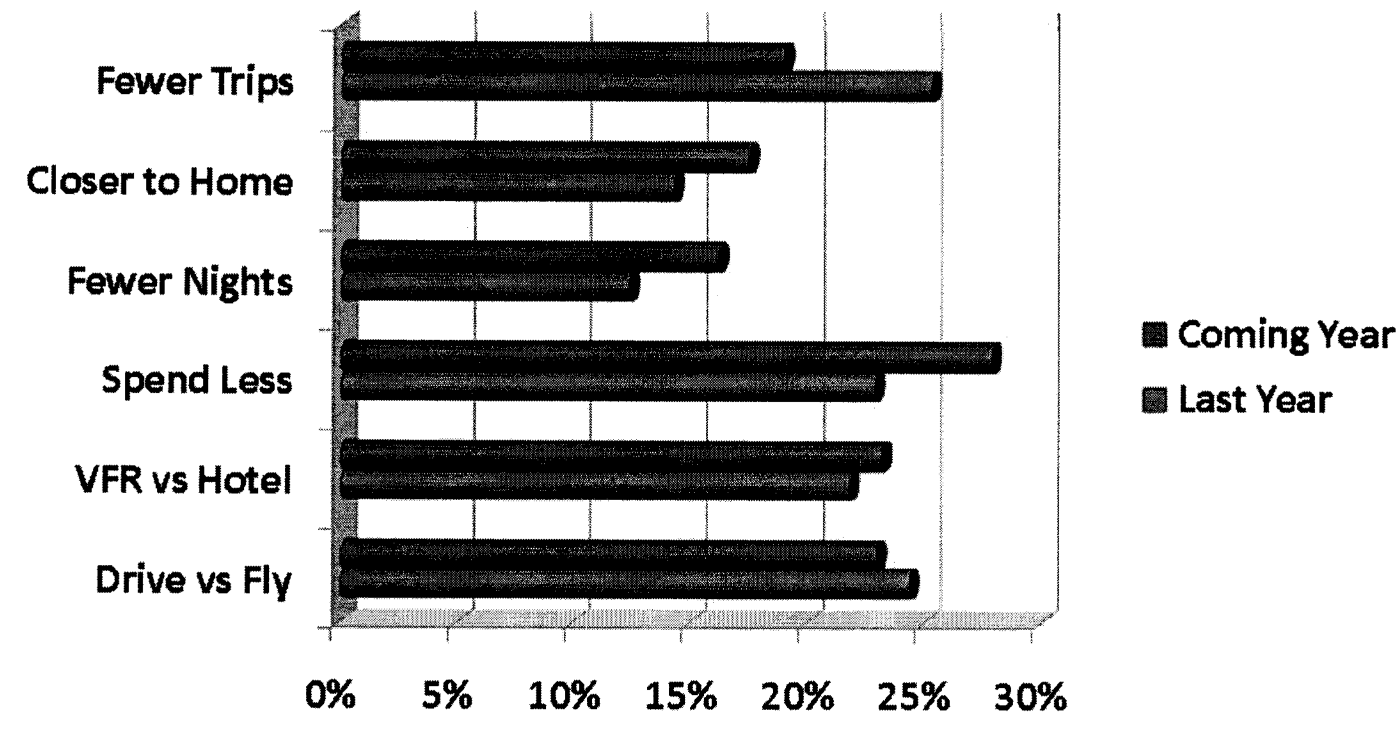
PKF Hotel Horizons 2009 1Q

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR
2008	Annual	60.4%	-4.2%	$106.56	2.4%	$64.38
2009F	1	52.0%	-10.0%	$100.44	-7.1%	$52.21
2009F	2	58.9%	-9.3%	$100.50	-6.4%	$59.19
2009F	3	61.0%	-7.3%	$98.29	-8.1%	$59.96
2009F	4	50.8%	-4.3%	$99.90	-3.4%	$50.78
2009F	Annual	55.7%	-7.8%	$99.74	-6.4%	$55.54
2010F	1	50.6%	-2.7%	$97.04	-3.4%	$49.06
2010F	2	57.4%	-2.5%	$97.71	-2.8%	$56.09
2010F	3	61.5%	0.8%	$96.46	-1.9%	$59.30
2010F	4	51.3%	1.0%	$98.61	-1.3%	$50.61
2010F	Annual	55.2%	-0.9%	$97.42	-2.3%	$53.77
2011F	Annual	56.6%	2.5%	$101.99	4.7%	$57.69
2012F	Annual	57.5%	1.6%	$108.45	6.3%	$62.33
2013F	Annual	57.9%	0.7%	$113.21	4.4%	$65.55

National Forecast – Luxury Hotels

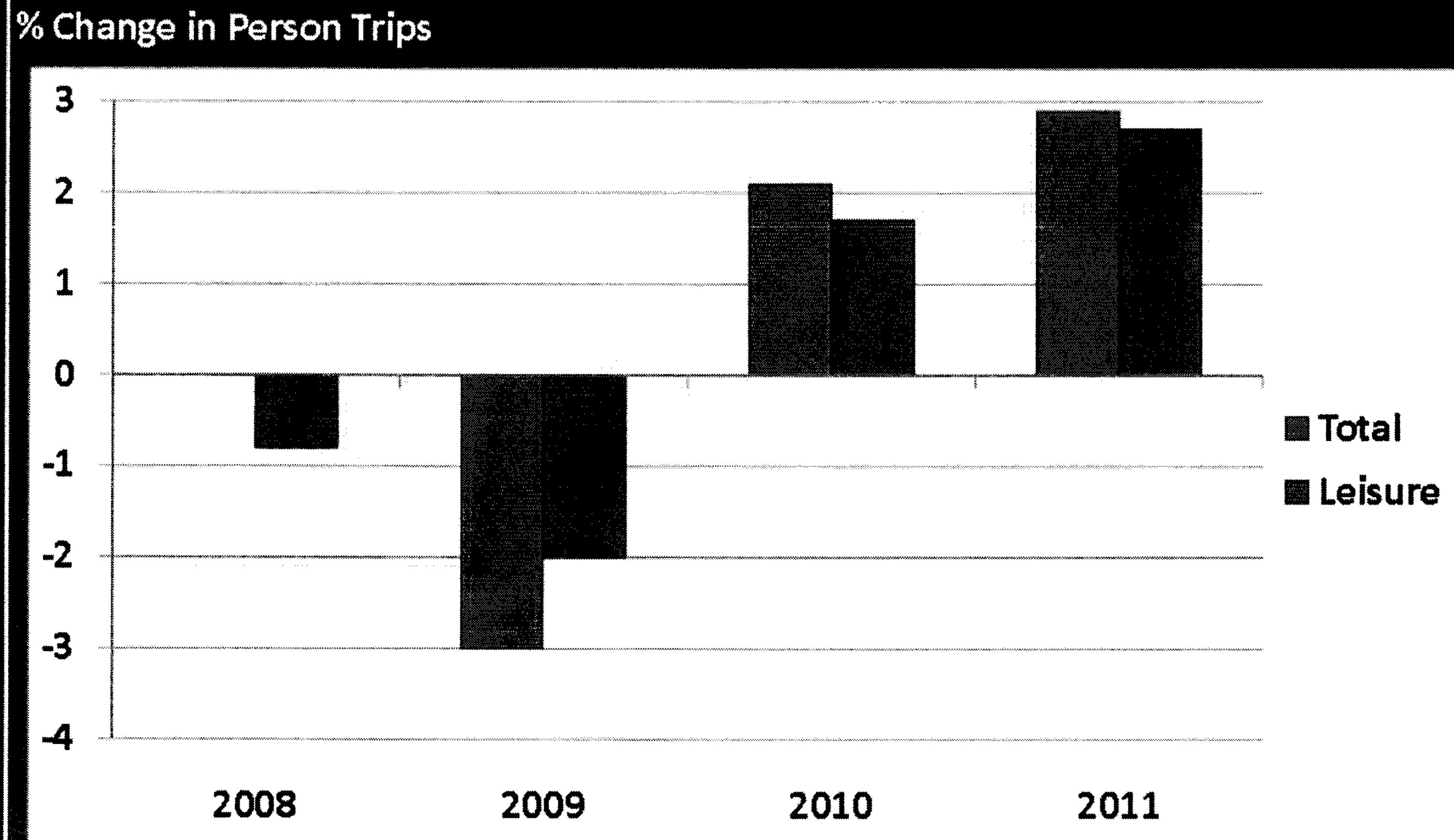
Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR
2008	Annual	67.9%	-5.1%	$288.71	0.0%	$195.98
2009F	1	59.4%	-13.6%	$279.35	-7.9%	$165.83
2009F	2	61.7%	-15.2%	$265.43	-8.0%	$163.80
2009F	3	62.1%	-11.5%	$245.52	-11.1%	$152.38
2009F	4	61.2%	1.7%	$268.26	-6.7%	$164.16
2009F	Annual	61.1%	-10.0%	$264.38	-8.4%	$161.52
2010F	1	57.6%	-2.9%	$258.95	-7.3%	$149.23
2010F	2	61.1%	-0.9%	$254.44	-4.1%	$155.55
2010F	3	61.7%	-0.6%	$246.38	0.4%	$151.99
2010F	4	60.3%	-1.5%	$271.75	1.3%	$163.74
2010F	Annual	60.2%	-1.5%	$257.77	-2.5%	$155.12
2011F	Annual	62.5%	3.8%	$270.66	5.0%	$169.06
2012F	Annual	64.3%	2.9%	$289.88	7.1%	$186.31
2013F	Annual	64.4%	0.2%	$307.27	6.0%	$197.89

Changing Travel Behavior, January 2009



Source: Strategic Marketing Research, Inc; January 2009

California Domestic Travel Forecast



Source: Tourism Economics, DK Shifflet & Assoc., TNS

California Tourism Outlook

CTTC National Survey

Spending Less, Staying with Friends and Family

- 19% will take fewer trips
- 28% plan to spend less money
- 23% plan to stay with friends
- 18% will travel closer to home
- 16% will take shorter trips
- 23% will drive instead of fly

San Francisco Tourism Outlook

News and Updates

- “Flat is the new Up”
- Unemployment 6.6% in SF, 9% in CA, 10% US
- SF was last into recession and will be last out
- International Travel: Europe holding
- Travel Spending: ’09 down 7.7%, ’10 down 5.3%, ’11 up 4.5%
- Budget cuts for meetings: Corporate -17%, Assn -12%, Govt. -10%

San Francisco Tourism Outlook

News and Updates Continued

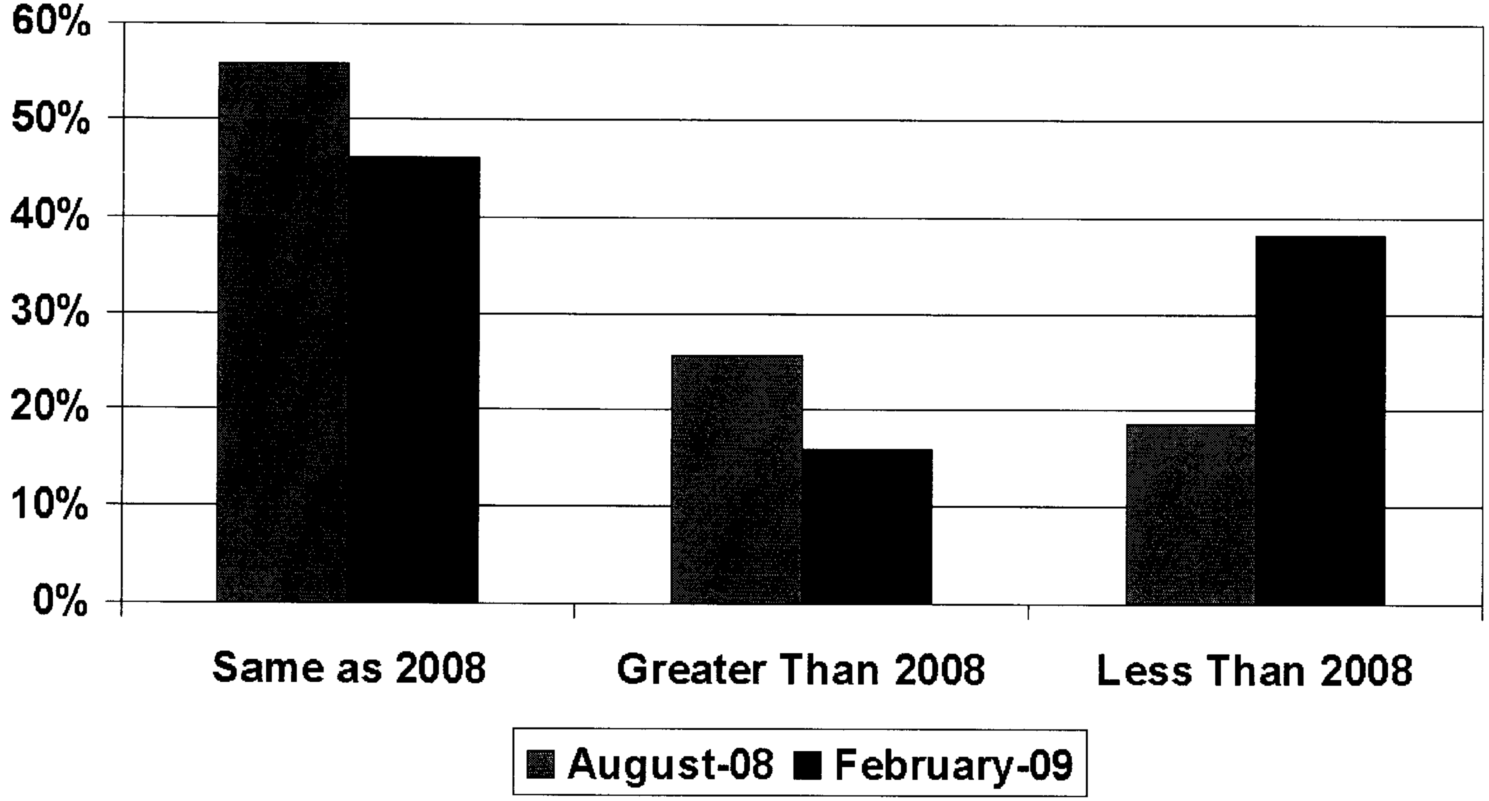
- Q3 or Q4 will emerge from recession (declines will stop)
- National demand for accommodations for 09
  - Overall demand -2.8% (1.3% in 10)
  - Occ at 57.2 (57.4% for 10)
  - ADR -4.6% (1% in 10)
  - Revpar -9.8% (1.3% in 10)

San Francisco Tourism Outlook

AAA Domestic Travel consumer trends

- 5.5 trips per year previously, now 4.7
- 30% said they would travel less
- Closer to home, shorter in duration
- People over $75k household income traveling same or more, under $75k, less
- Most important issues for domestic travel:
- Increase value
- Price less important than value
- Destination is less important
- Family Bonding is in

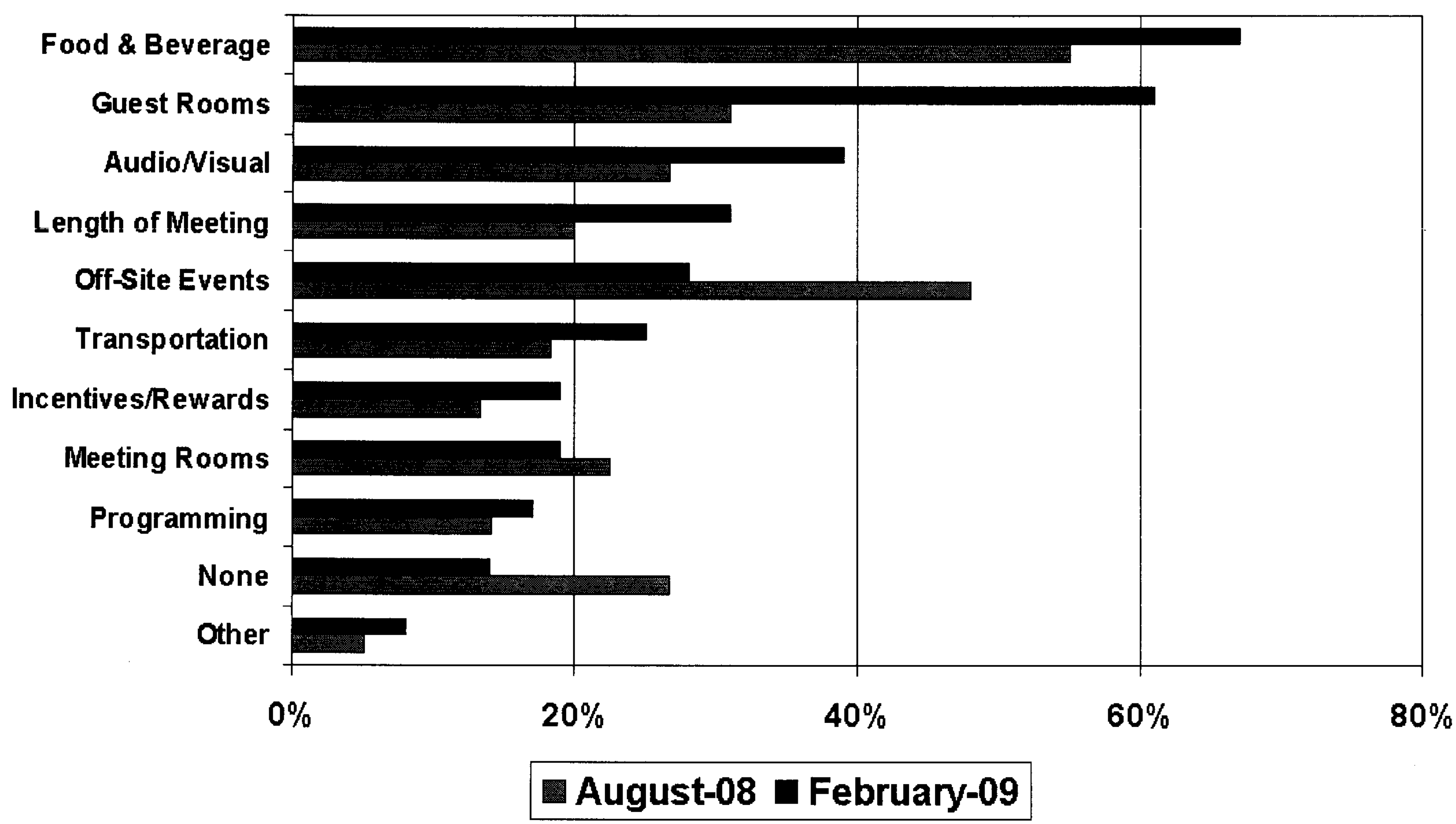
Number of Meetings Planned for 2009 (Percent of Planners)



Source: *ConventionSouth*, PKF Hospitality Research, February 2009 survey update

Where Costs Are Being Cut

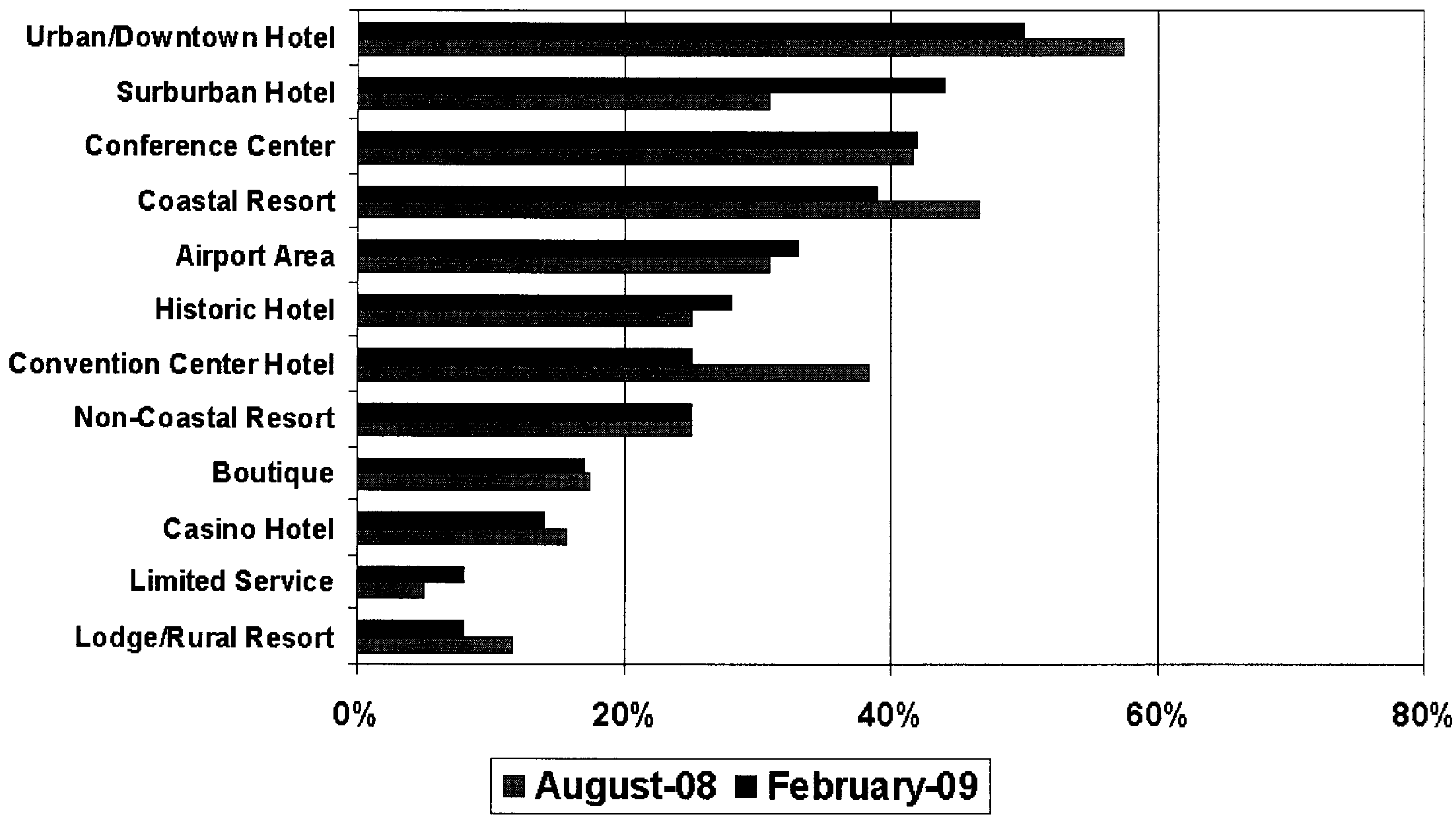
(Percent of Planners, Multiple Responses Allowed)



Source: *ConventionSouth*, PKF Hospitality Research, February 2009 survey update

Type of Hotels Used

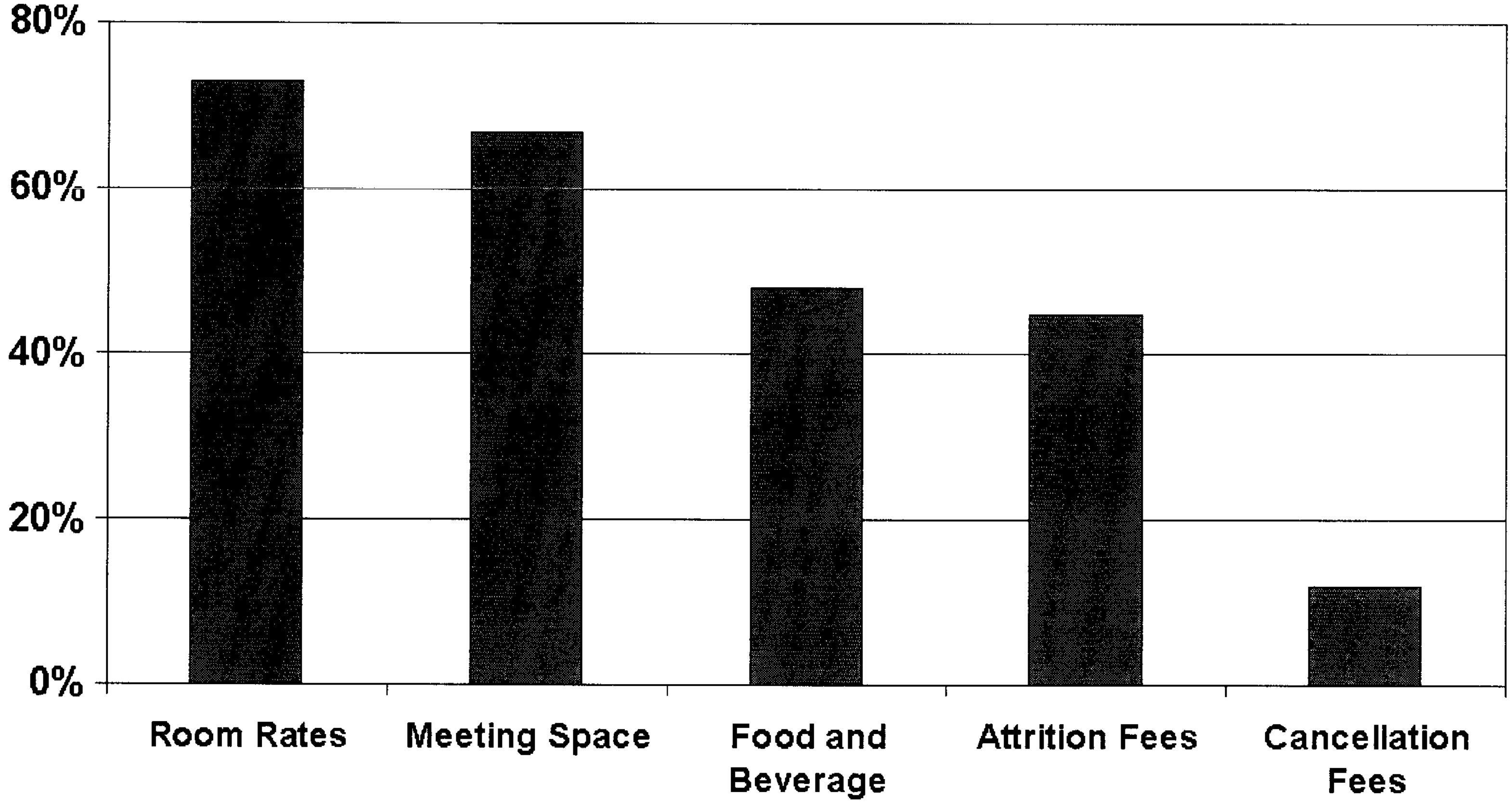
(Percent of Planners, Multiple Responses Allowed)



Source: *ConventionSouth*, PKF Hospitality Research, February 2009 survey update

Compared to August 2008, Areas Where Hotels are More Willing to Give Concessions

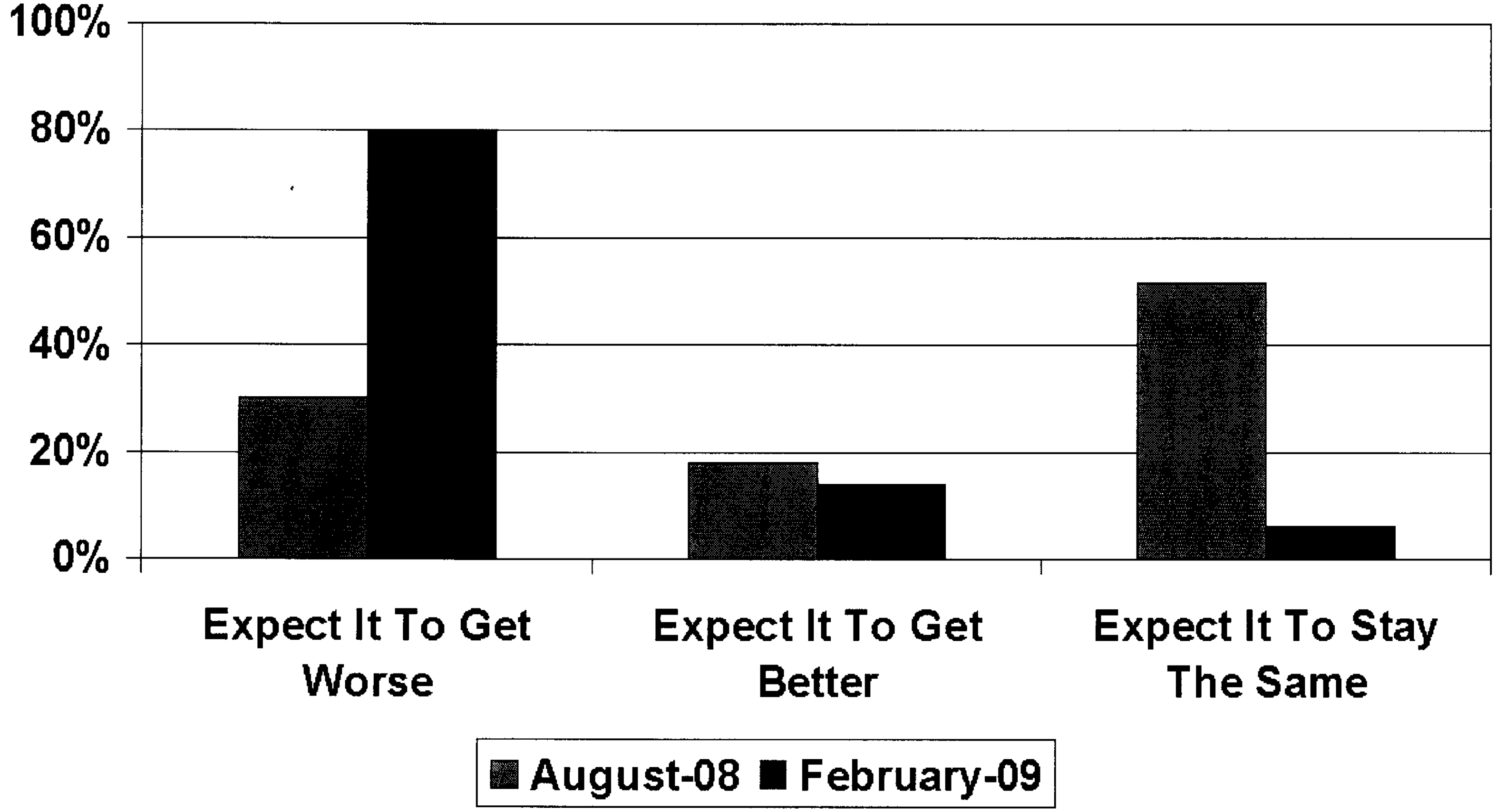
(Percent of Planners, Multiple Responses Allowed)



Source: *ConventionSouth*, PKF Hospitality Research, February 2009 survey update

Health of Meetings Industry For Next 18 Months

(Percent of Planners)



Source: *ConventionSouth*, PKF Hospitality Research, February 2009 survey update

CA Marketshare Based on Demand (Room Nights)

	Marketshare for December			Marketshare 12 Month		
Area/City/County	2007	2008	% Change	2007	2008	% Change
California Central Coast	6.63%	6.51%	-0.13%	7.23%	7.33%	0.10%
	Smallest to Largest Gains					
San Jose-Santa Cruz	5.80%	5.16%	-0.64%	6.11%	5.93%	-0.18%
San Diego	11.29%	10.95%	-0.34%	11.98%	12.03%	0.05%
Newport Beach/Dana Point	2.04%	1.84%	-0.20%	2.03%	1.99%	-0.04%
Long Beach/Torrance	3.21%	3.08%	-0.13%	3.14%	3.03%	-0.11%
Sonoma County	1.02%	0.97%	-0.05%	1.11%	1.13%	0.03%
Monterey County	1.92%	1.87%	-0.05%	2.26%	2.25%	-0.01%
Santa Barbara County	1.73%	1.70%	-0.03%	1.84%	1.89%	0.05%
Napa County	0.59%	0.56%	-0.03%	0.72%	0.73%	0.02%
Palm Springs	2.51%	2.51%	0.00%	2.45%	2.46%	0.00%
San Luis Obispo County,	1.36%	1.38%	0.02%	1.54%	1.55%	0.01%
South Lake Tahoe	1.38%	1.44%	0.06%	1.41%	1.37%	-0.04%
Anaheim	5.67%	6.03%	0.36%	5.10%	5.05%	-0.05%
San Francisco County	8.25%	9.10%	0.85%	7.82%	8.20%	0.38%

CA Marketshare Based on Revenue

	Marketshare for December			Marketshare 12 Month		
Area/City/County	**2007**	**2008**	**% Change**	**2007**	**2008**	**% Change**
California Central Coast	7.17%	6.71%	-0.45%	8.31%	8.23%	-0.08%
	Smallest to Largest Gains					
San Jose-Santa Cruz	5.96%	5.21%	-0.75%	6.09%	5.99%	-0.10%
San Diego	11.87%	11.17%	-0.70%	13.98%	13.93%	-0.05%
Newport Beach/Dana Point	2.95%	2.47%	-0.48%	3.05%	2.88%	-0.17%
Palm Springs	2.78%	2.53%	-0.25%	2.70%	2.60%	-0.10%
Monterey County	2.35%	2.16%	-0.19%	3.14%	3.04%	-0.10%
Long Beach/Torrance	2.84%	2.71%	-0.13%	2.74%	2.63%	-0.11%
Santa Barbara County	2.04%	1.92%	-0.12%	2.23%	2.28%	0.05%
Sonoma County	0.94%	0.87%	-0.07%	1.16%	1.14%	-0.02%
Napa County	0.79%	0.75%	-0.04%	1.10%	1.16%	0.06%
San Luis Obispo County,	1.23%	1.23%	0.00%	1.48%	1.43%	-0.04%
South Lake Tahoe	1.70%	1.71%	0.01%	1.32%	1.26%	-0.06%
Anaheim	5.87%	6.46%	0.60%	5.00%	4.96%	-0.04%
San Francisco County	10.62%	13.23%	2.61%	10.74%	11.55%	0.81%

Comp Set Marketshare Based on Demand (Room Nights)

	Marketshare for December			Marketshare 12 Month		
Area/City/County	**2007**	**2008**	**% Change**	**2007**	**2008**	**% Change**
	Smallest to Largest Gains					
Sonoma County	15.35%	14.82%	-0.54%	15.07%	15.34%	0.28%
Napa County	8.91%	8.61%	-0.30%	9.76%	9.94%	0.18%
Monterey County	28.83%	28.54%	-0.30%	30.77%	30.49%	-0.29%
Santa Barbara County	26.07%	26.00%	-0.08%	25.14%	25.65%	0.51%
South Lake Tahoe	20.83%	22.04%	1.21%	19.27%	18.59%	-0.68%

Comp Set Marketshare Based on Revenue

	Marketshare for December			Marketshare 12 Month		
Area/City/County	**2007**	**2008**	**% Change**	**2007**	**2008**	**% Change**
	Smallest to Largest Gains					
Monterey County	30.06%	29.15%	-0.91%	35.07%	34.24%	-0.83%
Sonoma County	12.03%	11.78%	-0.24%	12.95%	12.85%	-0.09%
Santa Barbara County	26.14%	25.92%	-0.22%	24.98%	25.68%	0.70%
Napa County	10.06%	10.07%	0.01%	12.29%	13.07%	0.77%
South Lake Tahoe	21.71%	23.07%	1.36%	14.71%	14.15%	-0.56%

CA Marketshare Based on Demand (Room Nights)

	Marketshare for February			Marketshare YTD		
Area/City/County	**2008**	**2009**	**% Change**	**2008**	**2009**	**% Change**
California Central Coast	7.00%	7.07%	0.07%	6.76%	7.00%	0.24%
	Smallest to Largest Gains					
San Francisco County	7.68%	6.98%	-0.70%	7.56%	7.45%	-0.10%
San Jose-Santa Cruz	6.07%	5.44%	-0.63%	6.21%	5.48%	-0.73%
Long Beach/Torrance	3.34%	3.16%	-0.18%	3.37%	3.28%	-0.10%
Palm Springs	3.05%	2.94%	-0.11%	2.96%	2.95%	-0.01%
Newport Beach/Dana Point	1.98%	1.94%	-0.04%	1.99%	1.95%	-0.04%
Sonoma County	1.01%	0.97%	-0.03%	1.01%	0.95%	-0.06%
South Lake Tahoe	1.46%	1.44%	-0.02%	1.50%	1.44%	-0.06%
Santa Barbara County	1.84%	1.84%	0.00%	1.83%	1.87%	0.04%
Monterey County	1.97%	1.98%	0.01%	1.89%	1.94%	0.05%
Napa County	0.59%	0.62%	0.03%	0.58%	0.60%	0.02%
San Luis Obispo County,	1.49%	1.63%	0.14%	1.39%	1.58%	0.19%
Anaheim	4.93%	5.07%	0.15%	4.93%	4.96%	0.03%
San Diego	12.07%	12.79%	0.72%	11.96%	12.36%	0.40%

CA Marketshare Based on Revenue

	Marketshare for February			Marketshare YTD		
Area/City/County	2008	2009	% Change	2008	2009	% Change
California Central Coast	7.16%	7.55%	0.39%	6.69%	7.21%	0.52%
	Smallest to Largest Gains					
San Francisco County	10.68%	8.39%	-2.29%	10.32%	9.61%	-0.71%
San Jose-Santa Cruz	6.27%	5.45%	-0.81%	6.52%	5.58%	-0.95%
Palm Springs	3.80%	3.56%	-0.24%	3.63%	3.56%	-0.07%
Newport Beach/Dana Point	2.82%	2.70%	-0.12%	2.82%	2.73%	-0.09%
Sonoma County	0.86%	0.84%	-0.02%	0.86%	0.83%	-0.03%
South Lake Tahoe	1.53%	1.55%	0.02%	1.54%	1.54%	0.00%
Napa County	0.74%	0.81%	0.07%	0.70%	0.75%	0.05%
Santa Barbara County	1.92%	2.01%	0.10%	1.88%	2.06%	0.17%
Monterey County	2.63%	2.73%	0.10%	2.31%	2.40%	0.10%
Long Beach/Torrance	2.96%	3.10%	0.15%	2.99%	3.09%	0.10%
San Luis Obispo County,	1.17%	1.39%	0.22%	1.08%	1.32%	0.24%
Anaheim	4.78%	5.28%	0.50%	4.94%	5.19%	0.26%
San Diego	13.56%	14.77%	1.21%	13.46%	13.97%	0.51%

Comp Set Marketshare Based on Demand (Room Nights)

	Marketshare for February			Marketshare YTD		
Area/City/County	**2008**	**2009**	**% Change**	**2008**	**2009**	**% Change**
	Smallest to Largest Gains					
Napa County	14.67%	14.18%	-0.49%	14.88%	14.02%	-0.86%
South Lake Tahoe	21.22%	21.02%	-0.20%	22.04%	21.18%	-0.86%
Santa Barbara County	26.76%	26.83%	0.06%	26.87%	27.48%	0.61%
Monterey County	28.67%	28.87%	0.20%	27.73%	28.52%	0.79%
Sonoma County	8.67%	9.09%	0.42%	8.48%	8.79%	0.32%

Comp Set Marketshare Based on Revenue

	Marketshare for February			Marketshare YTD		
Area/City/County	**2008**	**2009**	**% Change**	**2008**	**2009**	**% Change**
	Smallest to Largest Gains					
Napa County	11.23%	10.60%	-0.62%	11.76%	10.95%	-0.81%
South Lake Tahoe	19.95%	19.49%	-0.46%	21.10%	20.27%	-0.82%
Monterey County	34.25%	34.39%	0.14%	31.66%	31.73%	0.07%
Santa Barbara County	24.99%	25.37%	0.39%	25.83%	27.13%	1.30%
Sonoma County	9.60%	10.15%	0.55%	9.66%	9.92%	0.26%