

SAN DIEGO TOURISM MARKETING DISTRICT  
BOARD OF DIRECTORS MEETING  
Bahia Resort Hotel, Shell Room  
998 West Mission Bay Drive, San Diego, CA 92109  
Friday, March 8, 2013  
9:00 a.m.

MINUTES

Call to Order / Introductions:

C. Terry Brown, Chairman, called the meeting to order at 9:09 a.m.

Board members present: Terry Brown, Bill Evans, Luis Barrios, John Schafer, Mohsen Khaleghi, Richard Bartell, Keri Robinson, and Bob Rauch.

Board members absent: Patrick Duffy.

Also in attendance: Lorin Stewart, Executive Director; John Lambeth, Civitas Advisors; and Jere Batten, Batten Accounting.

PUBLIC COMMENT

Jere Batten gave an update on the Opportunity/Catastrophe Fund. The balance of the fund is \$1,880,000. The remaining balance has been budgeted to legal expenses re: ongoing litigation and operational costs.

INFORMATIONAL ITEMS

None.

ACTION ITEMS

1. Approval of Minutes: A motion was made by Mr. Bartell to approve the March 1, 2013 minutes. There was a second from Mr. Barrios. Yes 7, No 0, Abstain 0 (Evans was not present yet).

2. Nomination Committee: John Lambeth explained the 2013 Director Election Procedures & Schedule. Mr. Barrios moved to approve the election procedures and schedule. Mr. Bartell seconded the motion. Yes 8, No 0, Abstain 0.

Mr. Barrios moved to create the Nomination Committee and appoint Mr. Evans as its chair. Mr. Bartell seconded the motion. Yes 8, No 0, Abstain 0.

Mr. Brown moved to appoint Schafer and Barrios to the Nomination Committee. Mr. Rauch seconded the motion. Yes 8, No 0, Abstain 0.

Mr. Bartell moved to approve the criteria and call for self-nominations. Schafer seconded the motion. Yes 8, No 0, Abstain 0.

3. FY 2012 Performance Reports- SD Tourism Authority:

Dory with Redwitz reported on performance reports of the San Diego Tourism Authority. Mr. Barrios moved to approve the report; Mr. Evans seconded the motion. Yes 8, No 0, Abstain 0.

4. FY 2014 Annual Program of Work Proposal: San Diego Tourism Authority: Joe Terzi presented on the annual program of work for the SD Tourism Authority. FY 2013 key performance indicators include ROI of 22:1 with an estimated 1.4 million room nights.

Other metrics include \$20.7 million in unpaid media exposure, 900,000 room nights from convention center bookings, and achieving a 15.96 percent market share of hotel room nights in the Western Region.

Mr. Evans asked about the change in ROI. Kerri Koepek presented an update on the 2013 Industry Performance. Marjorie reported on the sales activity of the SD Tourism Authority. Mr. Evans asked about the Sports Commission. Mr. Kahleghi inquired about competition for groups from Phoenix and Seattle. Mr. Evans asked about bookings in Orlando and Anaheim. Kerri Koepek presented on the Marketing Division.

Mr. Evans thanked Kerri and her team for the success of the British Airways flights. He is optimistic about the Asian flights.

FY 12 Spring & Fall campaign produced over 2.3 million room nights. Rick Meza reviewed the budgets. Mr. Evans asked about allocations between categories. Kerri Koepek reviewed the Category A- Consumer Direct Category. Mr. Evans asked about ROI from advertising campaigns. Kerri said some spot campaigns are at 50:1. Mr. Evans asked about business lost because the advertising has been cancelled. Mr. Terzi said Expedia has indicated that we are down by 40 percent. Mr. Evans asked about other marketing that has been or will be cancelled. Mr. Khaleghi asked about how the new projection compares to efforts prior to the TMD.

Kerri Koepek reported that the Cooperative with Sea World (\$1.6 million from Sea World and \$1.6 million from the TMD) has airtime held until early April. If funding is not released by early April, the advertising will be cancelled.

5. Projected Timing of FY2014 Allocation Recommendation Session: Loris Stewart gave background on requests for FY14.

Mr. Evans said that he thinks the TMD should put on hold all discussions of funding every organization, except the SD Tourism Authority. Mr. Brown said Tourism Authority is number one priority.

The Board discussed directing, Lorin to notify all applicants that all TMD funding will be put on hold. Mr. Bartell moved to delay decision on funding applicants until there is a determination that funds are available. Mr. Brown seconded the motion; Yes 8, No 0, Abstain 0.

CLOSED SESSION ITEMS

The meeting was adjourned to closed session at 10:50 a.m.

CLOSED SESSION REPORT

The meeting was reconvened to open session at 12:05 p.m. John Lambeth stated that there were no reportable actions taken by the Board.

The meeting was adjourned by Chairman Brown without objection at 12:06 p.m.

Approved \_\_\_\_\_  
Luis Barrios, Secretary

Date \_\_\_\_\_

SDTMD Minutes

March 8, 2013

Page 4 of 3