



# NEVADA COMMISSION ON TOURISM

Wednesday, September 21, 2016  
1:00 P.M.

## MEETING LOCATIONS:

401 N. Carson Street  
2<sup>nd</sup> Floor Chambers  
Carson City, NV 89701

Video Conference Location:  
555 E. Washington Ave.  
Governor's Conference Room #5100  
Las Vegas, NV 89101

Phone Conference Call Number:  
**888-363-4735**  
**Access Code 4878739**





**NEVADA  
COMMISSION  
ON TOURISM**

**Commissioners**

**Lt. Governor Mark  
Hutchison,  
Commission Chair\***  
Cindy Carano, Vice Chair\*  
Ryan Sheltra\*  
Don Newman\*  
John Wagnon\*  
Rossi Ralenkotter\*  
Jennifer Cunningham\*  
Herb Santos\*  
Mike Vaswani\*  
Dallas Haun\*  
Bob Morse\*  
Bob Stoldal  
Julia Arger  
Richard Arnold  
*\*Voting Member*

## NOTICE OF PUBLIC MEETING

Department of Tourism and Cultural Affairs  
Nevada Commission on Tourism

**MEETING LOCATION:**  
Nevada Commission on Tourism  
401 N. Carson Street – 2<sup>nd</sup> Floor  
Carson City, NV 89701

**VIDEO CONFERENCE LOCATION:**  
555 E. Washington Ave #5100  
Las Vegas, NV 89101

**TELECONFERENCE NUMBER:**  
**888-363-4735; Access Code: 4878739**

**MEETING DATE:**  
**Wednesday, September 21, 2016 – 1:00 PM**

## AGENDA

THIS MEETING IS IN COMPLIANCE WITH THE "NEVADA OPEN MEETING LAW" AND HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

Nevada Commission on Tourism, Carson City, Nevada  
Legislative Counsel Bureau, Carson City and Las Vegas, Nevada  
Nevada State Library, Carson City, Nevada  
Clark County Library, Windmill Branch, Las Vegas, NV  
Websites: [www.TravelNevada.biz](http://www.TravelNevada.biz) and [www.notice.nv.gov](http://www.notice.nv.gov)

- Action may be taken on those items denoted "For Possible Action".
- Items on this agenda may be taken in a different order than listed.
- Two or more agenda items may be combined for consideration.
- An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.
- Public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the chair, and speakers are urged to avoid repetition of comments made by previous speakers.
- Meetings are audio-recorded as part of the public record. Speakers are requested to identify themselves before speaking.
- Note: Please provide NCOT with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes.

## I. Roll Call

- A. Call to Order and Confirmation of Proper Posting – Cindy Carano, NCOT Vice-Chair
- B. Roll Call and Determination of Quorum– Cindy Carano, NCOT Vice-Chair

## II. Public Comment

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to three (3) minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

## III. Approval of Minutes – **For Possible Action**

- A. Approval of the June 29, 2016 Commission Meeting Minutes

## IV. Reports

- A. Vice-Chair’s Report – Report will be provided by Cindy Carano, NCOT Vice-Chair
- B. Administration
  - a. FY17 Budget/YTD Financials – Review of the FY16 financials and look at the planned expenditures for FY17.
  - b. Staffing Update – Introduction of new staff members
  - c. 2016 Governor’s Global Tourism Summit Event Update – Update regarding the agenda, international buyers and media attending, sponsors/exhibitors, communications outreach and attendance.
- C. Marketing Update
  - a. FY17 Integrated Marketing Approach (Fahlgren Mortine) – The agency and TravelNevada marketing team will present the recommended FY17 integrated marketing plan and request approval by the Commission – **FOR POSSIBLE ACTION**
  - b. Research – Economic Impact Survey (Dean Runyan) – The Division conducts biennial economic impact research with Dean Runyan and Associates. This report will provide the results of the economic impact of tourism throughout the state.
  - c. Cooperative Marketing – Domestic International Program – Overview of the new cooperative marketing program allowing partners to advertise to domestic Chinese (Mandarin) potential visitors.
  - d. Additional Team Updates
- D. Public Relations Update
  - a. PA Program/2017 Legislative Session Preparation – Efforts undertaken by the Division and its industry partners in advance of and during the upcoming legislative session.
  - b. Additional Team Updates

E. Sales and Industry Partners Update

- a. China Reentry Events/Program – Briefing on the upcoming events in China to announce the new sales/marketing agency and showcase the state’s commitment to the market.
- b. Brand USA FY17 Programs – Report on recent Brand USA collaborative activities: In-market FAMs, U.S. China Tourism Leadership Summit and Olly Ale Trails. Request for Commission approval – **FOR POSSIBLE ACTION**

F. Nevada Magazine Update

G. Department Agency Updates

- Division of Museums and History
- Nevada Arts Council
- Nevada Indian Commission

## V. Upcoming Meetings

Full Commission Meeting

Tuesday, October 11, 2016 (in conjunction with the Governor’s Global Tourism Summit)

11:30 a.m.

Grand Sierra Resort

Full Commission Meeting – Phone Conference Only

Wednesday, December 14, 2016

1:00 p.m.

## VI. Commissioner Comments

## VII. Public Comment

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

## VIII. Adjournment – For Possible Action

The public may acquire this agenda and supporting materials, pursuant to NRS 241.020(2) by contacting Dee Chekowitz-Dykes, Executive Assistant, Nevada Commission on Tourism, (775) 687-0621 or via email to [ddykes@travelnevada.com](mailto:ddykes@travelnevada.com). Materials are available from the Nevada Commission on Tourism office, 401 N. Carson Street, Carson City, Nevada or on [www.travelnevada.biz](http://www.travelnevada.biz)



June 29, 2016  
Commission Meeting

Draft Minutes

For Approval

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## Effect of a Self-Management Program on the Performance of a Student with Attention Deficit Disorder

John M. Johnston, University of North Carolina at Greensboro; and  
John E. McGee, University of North Carolina at Greensboro

**Abstract:** A self-management program was developed to help a student with attention deficit disorder (ADD) improve his performance on a reading task. The program was based on the principles of self-management and was designed to be used by the student independently.

**Keywords:** self-management, attention deficit disorder, reading performance, behavior analysis

**Introduction:** Attention deficit disorder (ADD) is a common behavioral disorder that affects many children and adolescents. It is characterized by inattention, hyperactivity, and impulsivity. Children with ADD often have difficulty in school, particularly in reading and writing tasks.

One of the most effective ways to help children with ADD improve their school performance is through the use of self-management programs. Self-management programs are designed to help children learn to manage their own behavior and to take responsibility for their own actions.

The purpose of this study was to evaluate the effectiveness of a self-management program designed to help a student with ADD improve his performance on a reading task. The program was based on the principles of self-management and was designed to be used by the student independently.

The student in this study was a 10-year-old male with a diagnosis of ADD. He had been in special education for several years and had a history of poor academic performance. His reading level was significantly below grade level.

The self-management program was developed by the researcher and was based on the principles of self-management. The program was designed to be used by the student independently and to help him learn to manage his own behavior and to take responsibility for his own actions.

The program consisted of several components, including self-monitoring, self-reinforcement, and self-evaluation. The student was taught to monitor his own behavior and to record his performance on a self-monitoring sheet. He was also taught to use self-reinforcement to reward himself for good performance and to use self-evaluation to assess his progress.

The program was implemented over a period of 10 weeks. The student's reading performance was measured at the beginning of the program and at the end of the program. The results of the study showed that the student's reading performance improved significantly over the course of the program.

The results of this study suggest that a self-management program can be an effective way to help a student with ADD improve his performance on a reading task. The program was designed to be used by the student independently and to help him learn to manage his own behavior and to take responsibility for his own actions.

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MINUTES of the NEVADA COMMISSION ON TOURISM  
June 29, 2016

The Nevada Commission on Tourism held a Commission meeting at 1:00 p.m. on June 29, 2016, by conference call and at 401 N. Carson Street, Carson City, NV 89701.

**Call to Order**

Lt. Governor and Chair Hutchison called the meeting to order at 1:00 p.m.

**Commissioners Present:**

Lieutenant Governor Mark A. Hutchison, Chair  
Cindy Carano, Vice Chair  
Kevin Bagger for Rossi Ralenkotter  
Jennifer Cunningham  
Don Newman  
Herb Santos, Jr.  
John Wagnon  
Julia Arger  
Dallas Haun  
Mike Vaswani  
Bob Stoldal

**Commissioners who are absent/excused:**

Richard Arnold  
Bob Morse  
Ryan Sheltra

**Staff present:**

Claudia Vecchio, Director  
Larry Friedman, Deputy Director  
David Peterson, Operations & Finance Manager  
Kari Frilot, Sales & Industry Partners  
Sarah Bradley, DAG

**Roll Call and Determination of Quorum**

VECCHIO: Good Afternoon. Who just called in?

VASWANI: Mike Vaswani.

VECCHIO: That's great. We're in business.

VASWANI: Hi, how are you?

VECCHIO: We're good. Who just joined us?

WAGNON: John.

VECCHIO: John, excellent. All right. Lieutenant Governor, I think we are ready to go. We have a quorum so we can start a meeting and move forward.

HUTCHISON: Great. Thank you everyone for making time in your schedule, being on this conference call and this is the time and place set forth for the Nevada Commission on Tourism meeting, Wednesday, June 29, 2016, 1:00 p.m. I'd like to begin with our agenda, Item No. 1 which is the roll call. Ms. Vecchio, if you could please call the roll and confirm a proper posting and then we'll move on to Subsection D and determination of a quorum as well. You can take all that in one fell swoop.

VECCHIO: We do confirm a proper posting. We had a revised agenda but that was posted before the time required which was Friday at 9:00 a.m. It was properly posted online and then at various physical locations prior to that time. I will take the roll call. Lieutenant Governor Hutchinson?

HUTCHISON: I'm here.

VECCHIO: We believe Commissioner Morse is not able to join us. Are you on the line? He's not. We excuse him. Jennifer Cunningham?

CUNNINGHAM: I'm here.

VECCHIO: Thank you. Cindy Carano?

CARANO: Present.

VECCHIO: Dallas Haun?

HAUN: Present.

VECCHIO: Don Newman?

NEWMAN: I am present in Carson City.

VECCHIO: We appreciate you coming over. Rossi Ralenkotter?

RALENKOTTER: Here.

VECCHIO: Thank you, Rossi. Herb Santos, Jr.?

SANTOS: Present.

VECCHIO: Excellent. Ryan Sheltra? We've spoken with him. I think he's going to call in at some point here and we'll mark him present when he arrives. Mike Vaswani?

VASWANI: Present.

VECCHIO: Thank you. John Wagnon?

WAGNON: Here.

VECCHIO: Thank you, John. We also have Commissioner Arger.

ARGER: Here.

VECCHIO: Julia is here. Richard Arnold? He's not in attendance. Bob Stoldal?

STOLDAL: Present.

VECCHIO: Thank you. I am here, sir. Sarah Bradley is here. We have a couple of folks in the audience here who will be part of the sponsorship discussion, but Lieutenant Governor, we have a quorum so we should be ready to go.

**Public Comment**

HUTCHISON: Great. Thank you very much. Let's move on to Agenda Item No. II which is public comment. I'll just note that the telephone number and the access code number were posted as part of the notice so is there anyone on the phone call who would like to make a public comment? All right, I am hearing none. Is there anyone in Carson City? You're physically present in Carson City. Is that right, Ms. Vecchio?

VECCHIO: Yes, we are.

HUTCHISON: Is there anyone there that would like to offer public comment?

VECCHIO: There does not appear to be.

HUTCHISON: Is this being broadcast to any other location?

DYKES: No, Lieutenant Governor.

#### Approval of Minutes

HUTCHISON: All right, well then we will close out Agenda Item No. II which is public comment and move on to Agenda Item No. III, Approval of the Minutes. Commissioners, you've seen the minutes which have been included in the materials from a March 15, 2016 meeting. Are there any comments, corrections or additions to be made to the new minutes? I'm hearing none. Chair will expect a motion to approve the minutes. Please identify yourself on the phone just for the purposes of the record whenever you speak.

CARANO: Cindy Carano, move to accept the minutes.

HUTCHISON: Thank you very much. Vice-Chair has moved for the approval of the minutes. Is there a second?

SANTOS: Commissioner Herb Santos second.

HUTCHISON: Thank you, Commissioner Santos. Are there any comments on the motion? I'm hearing none. Those in favor signify by saying aye.

GROUP: Ayes around.

#### Reports

HUTCHISON: Any opposed no. That motion is approved unanimously. We will close out Agenda Item III and move to Agenda Item IV, which are the various topics.

Because of the length of our agenda and wanting to get to our marketing grant program I'm going to forego my Chair report for now and move on to administrative and budget updates. Ms. Vecchio.

VECCHIO: Thank you very much. This is Claudia Vecchio for the record. I want to go through a couple of items from an administration and budget standpoint. First, I just wanted to provide some input and we'll be putting this in commissioners packets moving forward about the state of the Nevada tourism industry which is doing very well. Thank you to all of our partners statewide who are really helping to boost numbers across the board for Nevada tourism.

When we look at the first quarter of calendar year 2016, which is the third quarter of FY '16, our visitor volume is up almost 4 percent for January, February and March. Healthy numbers there during a generally slower part of the year, we're doing very well there.

Occupancy level is up. Net change over the three months is 1.5 percent. Room inventory of course is flat, so the fact that we're tracking against a flat room inventory is good news. Gross gaming revenue is up .8 percent. Some softness in January and March but February was up 8 percent so a strong month in gaming revenue.

Convention attendance is really where we're seeing significant increases and those DMOs that are involved with convention business have had a terrific quarter, January up 14.5 percent, February 11.6 percent and March 23.8 percent for rolling. Total over the past 12 months up 15.3 percent, so the convention business is really a great light in the overall Nevada tourism environment.

Airport volume is up too. You know we've seen significant increases at the Reno-Tahoe International Airport. McCarran is tracking a strong increase but the percent change over the rolling 12 months given January, February and March is 6.9 percent so airport buying was up strong as well.

The other bright light we see is in state parks usage. This number is a little skewed in that it does include some of the big national parks that are outside of Nevada. Generally speaking, the net-net is that people are really flocking to the parks, obviously to the centennial of the national parks.

There's a lot of publicity and a lot of notoriety around these extraordinary parks and so for the rolling 12 months park usage is up 7 percent. Overall numbers are good and again, we'll include these numbers in our upcoming commissioner report. Overall the industry is doing well.

From a staffing standpoint, I sent a note out to everyone regarding the change in our marketing director position. Brenda Nebesky who was our art director is now moving on to what we're calling our Chief Marketing Officer, a change of title. Bethany is now Chief Communications Officer and David Peterson is our Chief Operations and Finance Officer. David, I apologize if that's flip-flopped.

These titles are more indicative of private sector titles. We've all agreed that it's a good way to position those this year. Brenda Nebesky who was our art director is now our Chief Marketing Officer. She had some terrific marketing jobs prior to

coming to the state and is a great team leader. I look forward to having you all better integrate with her and get to know her and the marketing team.

Danny Miller who was the art director at Nevada Magazine is now going to move up and be our art director for Travel Nevada. We are recruiting for a marketing specialist, and as I mentioned in the email we'll put our web services out to bid. We have a master services agreement environment here at the state so we can select from a list of vendors without having to go through the whole procurement process. At some point, we'll do a contract with an external web master. We have just not had luck with having an internal person do that work. The marketing specialist will take on many of the projects that have been on the back burner for awhile.

From a budget standpoint, you have a very skeletal FY16 category expenditure update. This is for FY16, which ends this week, the end of our fiscal year. When you look at the end of these categories, which are noted there, obviously travel and state travel and so on, we're coming very close to spending all of that. The one area that we are low on, are those that have to do with vendor contracts and advertising. As you know, those invoices come in after the fact so we fully anticipate completely expending the promotion advertising international trade and tourism budgets.

It's critical that we spend down to as close to zero as we can in FY16 because that then becomes a base year for our FY18-19 budgets. The legislature who approves our 18-19 budget looks at how we spend this particular year and will make determinations on our budget based on the effective use of the money we are currently given. This is an important year. It's important for us to spend down to zero.

You were sent, and I apologize if this was a little later than I wanted it to be, but the FY16-17 expenditures only. I know there are those on the phone who are very much budget and financial experts and I would welcome a different format if you choose.

We don't have the typical revenue expenditure kind of an environment. For example with Governor's Conference, we can show the expenditures and I can show the sponsorships but they don't link in our system. Those revenues just go into our reserves and other places. There's no real link between programs, revenue and expenditures.

David Peterson, who is on the phone, also can answer any questions. This goes through a very detailed look at our programs and how those funds are allocated at this point. We'll go through sponsorships in a second. There's \$10,000 more in sponsorships that I was not aware of until yesterday and I'll go through that in a

second. But his gives you an overview of how we spend our money based on the various categories and the various programs. Are there any questions about that? I went through that pretty quickly, but any questions, comments?

HUTCHISON: Any questions for Ms. Vecchio concerning the budgetary items that she just reviewed?

CARANO: Yes, this is Cindy Carano. Claudia? The revenues aren't on a separate sheet or could you include revenues and so we could see what room taxes are. As you mentioned on the conference, if there are any revenues would be on a separate account.

VECCHIO: Yes, we can certainly send revenues and room tax collections and when we look at 16-17 we're anticipating room tax, and we can send that. Our budget of 40 for the room tax is on the back of the page, what we're estimating, but this doesn't give you a total picture of that anyway. So yes, we can send that revenue so you can get an idea of where those are. David, I'm not speaking out of turn, am I?

PETERSON: No.

CARANO: But I didn't see that. I wasn't able to print what you thought the room taxes were going to be.

VECCHIO: Yes, and even on the sheet that I gave you, that's not the total room tax allocation; it's the allocation based on these particular categories because we don't have the personnel category or operations category on here because those are set. Those then don't have the room tax that is associated with those categories. We can send you what that is with the revenues in the report as well.

CARANO: Okay, where did you say the room tax was?

VECCHIO: It's on the back, where it says total legislative authority. We're funded 100 percent with the room tax, so that's the room tax that is associated with these programs. It's not the overall total room tax collection. This really just shows expenditures in our program categories.

CARANO: Okay. In the past we've had it year by year and so we could see how it's grown and how our expenditures would have been able to grow with it.

VECCHIO: Yes, absolutely and we'll continue to provide that. We have not provided this depth of allocation overview of the particular programs that we're working on in the past

so I wanted you to see what that is. That other sheet that we provide that has the year over year tax, we will continue to provide that to you.

CARANO: Okay, great. How much percentage are we up total over year? Year over year?

PETERSON: Claudia, do you want me to take that?

VECCHIO: Yes, please, David.

PETERSON: Okay, for the record this is David Peterson, Chief Operations and Finance Officer with tourism. Right now Ms. Carano, we are projecting that FY16 lodging type collections will be up around 10.6 percent so we're projecting 22.64 million dollars for this fiscal year as compared to 22.47 million dollars last fiscal year being fiscal year 15.

CARANO: Okay, thank you. The majority of that would be going into marketing?

VECCHIO: Yes, of that amount we also deduct the transfers. David, what is our total after we take the transfers off? It's 14?

PETERSON: Ms. Carano, are you just referring to what it would be for us?

CARANO: Yes, the program budget that we have here. It's only raising about \$80,000. I was just wondering if the other increase, the 10 percent increase, was being shown in marketing or if it's going into operating budget.

PETERSON: For the record, Dave Peterson. It's split across all of the different categories that we have as Claudia mentioned. We have category one which is our personnel. We have our grant program as well that take up some of the allocations separate from all of the transfers. That fell out of our account, but the largest category that we have is category 31. That's our promotion and advertising marketing category.

What happens is, at the end of the fiscal year if there are additional lodging tax revenues that come in above and beyond what was original legislatively authority for lodging tax collections, those collections go into our reserves category. When we close out the year at the end of August, those dollars will go into our category 86. The excess lodging tax collections that come in during the course of the fiscal year build our reserve account.

CARANO: And then we're able to access those?



PETERSON: Through a work program, correct. Say we wanted to do an additional domestic market or ad buy or some additional international advertising, we would do that through the work program process and be added to the Interim Finance Committee agenda.

CARANO: Okay. Good I think we'll be doing that, right? Thank you.

HUTCHISON: Yes, probably. Okay, thank you Vice-Chairman Carano. Any other questions? Yes, please, identify yourself for the record.

RALENKOTTER: This is Rossi. How is everybody?

VECCHIO: Hi Rossi.

RALENKOTTER: It's a little warm down here. How is it up there?

VECCHIO: It's warm but it's not toasty so...

RALENKOTTER: I got you.

VECCHIO: Yes.

HUTCHISON: It's plummeted to about 110 down here right, Rossi?

RALENKOTTER: That's very true, very true. Claudia, are we doing anything on a co-op basis with Brand USA?

VECCHIO: Yes. For Brand USA we have \$150,000 co-op that's taken out of our marketing budget. That is split between a number of programs that we're doing with Brand USA, and I can certainly send you those programs, Rossi. We're looking at that television show, what used to be the Jen and Ollie Show that's kind of morphed into the Ollie Show.

We did a bridge website program for China with Miles and Yennifer who we hired as an International and PR specialist is our contact with Brand USA. I think we're still working out some programs. At this point we're at \$150,000 level with them.

RALENKOTTER: Okay, does that show up just as part of our marketing or is it a separate line item?

VECCHIO: It's not a separate line item, Rossi. Right now it's within the international section.

RALENKOTTER: Okay.

- VECCHIO: And we can break that out as a separate line item.
- RALENKOTTER: I think it would be good because hopefully that will be able to be expanded as you continue to increase revenues so I think that would be good for us to see.
- VECCHIO: Sure.
- RALENKOTTER: The second one I have is on the co-op Regional Air Service Committee and Ski Marketing Council. It shows \$100,000 for 16 but nothing for 17. Is there a reason for that?
- VECCHIO: We've been doing that for years so that's an ongoing partnership that we have with those two organizations. The Sierra Ski Marketing Council is actually the \$10,000 difference. Their membership rate went up to \$60,000 but there is no reason to anticipate that's not going to move forward in 17. Those are partnerships that are important for us.
- RALENKOTTER: Okay. All right.
- NEWMAN: This is Commissioner Newman. That was one of my questions also, the \$100,000 went to zero but then there's a notation, "see sponsorships". And that only changed \$19,000.
- VECCHIO: Right. The sponsorships are programs that we'll talk about.
- NEWMAN: Separate.
- VECCHIO: Right. Those sponsorships and the organizations that we sponsor and the amount that gets sponsored to each of those is in the recommendations and those change year over year. I moved those two organizations into sponsorships and I'll talk about that when we get there, but that's why that changed.
- NEWMAN: Again Commissioner Newman, another just notation here, Visitor Guide production went up about \$25,000 over last year. Was that something we're doing in-house? Are we subbing that out?
- VECCHIO: No, that's Nevada Magazine and we are printing up more guides. We're also changing paper, we're changing some of the design of the guide to up that guide a little bit, so it was important for us to put some more money into that, not putting much and it may not be that much but that's just what we're anticipating.

NEWMAN: And then my last question is down about two-thirds of the way down, ad evaluation. We had \$81,000 in there in 16 and nothing. Is that something that we're relying on our agency to give us that information?

VECCHIO: We do that kind of full study when we do new creative and to evaluate that sort of a thing. We do the ongoing evaluation of our advertising in the TNS report, so that's a little different spot. This is specialty advertising that we did when we had new creative and otherwise we rely on these other sources of research to do that for us. We do that on a bi-annual basis or when we get new creative.

NEWMAN: Okay.

VECCHIO: We see that in a couple of different research programs that we did. Web usability too, we did that this year and we'll wait a couple years before we do that again.

NEWMAN: Okay. Thank you.

VECCHIO: Unless you think we should do it more often. Then we can certainly add the cost back in there, but that's the idea.

HUTCHISON: Thank you. Mr. Newman, any further questions?

NEWMAN: No, that's it for me. Thank you.

HUTCHISON: Commissioners, any other questions of Ms. Vecchio concerning the Agenda Item IV B, Administrative and Budget Update?

HUTCHISON: Claudia, I've got one. Just quickly I'm looking at the international promotion and advertising budget item, and we got 550 fiscal year 16, 609 fiscal year 17. Can you just give us just what are the top three or four markets that that's directed towards? Let's say the top five markets.

VECCHIO: Yes. Those are funds and Larry, jump in here if I'm misspeaking, but those are funds that go to our 10 rep firms for their overall sales and marketing efforts. When we do the contracts with these rep firms we have an administrative side that is different for each of those markets depending on the expense of operating in those markets.

We also have the promotion and advertising side, and again each are allotted a certain amount based on markets. It's kind of across the board and we can provide to you the breakout per market; how much is spent both on the administrative side

and the promotions side. We're happy to do that and we can get that to you as a follow-up for this. Larry, anything else missing?

FRIEDMAN: No, that's correct.

VECCHIO: Okay.

HUTCHISON: Okay, great. Yes, if you could just give me the allocation that would be great. I'm just interested in how we allocate that.

VECCHIO: Absolutely. We'll provide that to everyone so you can see.

HUTCHISON: for the record it's Mark Hutchison. The only other point that hasn't been raised before is this Chambers AV System, \$35,000 fiscal year 17. Can you just put a little detail on that item?

VECCHIO: Here in the Laxalt Building chambers we're constantly challenged with technical issues. We've had some experts in this area come in and look at the chambers and we've had a number of bids from local companies that exceeded \$150,000. We have figured out with our Buildings and Grounds people, a way to get an actual AV system in here so that those of you who are sitting on the dais and watching via video conference will actually be able to do that in a way that is not as awkward as it is now. It really is just bringing us up technologically.

As you may know too, we host a certain number of meetings in this room that are public meetings, and we're constantly technologically challenged with those also. We're not being extravagant but we're really just trying to bring this room up to a technological level that allows us to run a flawless, seamless meeting.

HUTCHISON: Have we signed up on a contract on that yet or what are we doing as far as just documenting that?

VECCHIO: We've not signed off on a contract. David, can you provide updates? He's working with these folks.

PETERSON: Yes. For the record Dave Peterson. Lieutenant Governor, sir, what we're doing is we're working in conjunction with Purchasing and Buildings and Grounds to help us minimize the costs associated with the renovation. The plan is to work through Buildings and Grounds to have them do the labor portion of this so that we can make the payments directly to B&G so they would be responsible for all the wiring, the electrical, you know, running the necessary cables. And then maybe doing an RFP informal solicitation, to have like a company come in and do the design of it and

the actual setup of the system and the training. That's currently where we're at right now between our conversations and meetings with Buildings and Grounds and Purchasing.

There are some things that we will be able to purchase ourselves directly to try to minimize the costs to us as an agency. We have the luxury of working with a person who is familiar with all the electrical in the whole Laxalt building and the part of this process of running the necessary electrical wiring and data cables. That's currently where we're at and I think we have a meeting next week with B & G and Purchasing to discuss the project itself.

**HUTCHISON:** Okay, thank you. My biggest concern, Mr. Peterson, is that we make sure that we have performance criteria identified in the contract and documentation and then waiver to hold people accountable if the system doesn't work.

It seems like we put these expensive systems in, they don't work, and then they want to come back and charge for something that should have been done initially but probably wasn't spelled out clearly. Let's just make sure we have clear performance criteria for whoever is going to be handling this side of the program.

**PETERSON:** Yes, for the record, Dave Peterson. That's something that we discussed with B&G and even if we installed the system let's say in October, November, December time period, we're going to have whatever contract would be in place with the outside vendor run through June. That way in case there are any issues with the system, the equipment, the software and any training that we need we still have an additional six months to be able to work with or for those folks to be able to work with us.

**HUTCHISON:** Yeah.

**PETERSON:** So thank you. We're definitely keeping that in mind so we don't wind up in a situation.

**HUTCHISON:** I'll just mention this and then I'll get off this subject. We just went through this with an executive audit committee that I was involved in, the head of the agency signs off on this and is responsible to make sure that the RFP is accurate, the criteria is accurate and make sure that you're happy with it. Don't think you're going to hand it over to a different department or the attorney general's office and there's going to be some substantive involvement there in terms of terms and performance criteria. We have to make sure that it happens out of NCOT and we're happy with the criteria that we set forth because we're ultimately going to be responsible for it.

**Rural Marketing Grants**

**HUTCHISON:** All right, any other questions on Agenda Item IV B, Administration and Budget Update? All right, I'm not hearing any. We'll go ahead and close out that agenda item and move on to Agenda Item IV C which is Fiscal Year 17 First Cycle Rural Marketing Grant Recommendation Allocation. This will be for possible action and a vote. Ms. Vecchio.

**VECCHIO:** Thank you, Lieutenant Governor. Just as a reminder, the Division of Tourism works in two different grant categories. One is our Rural Marketing Grants in which there are two cycles per year. This is the first cycle and that's what you'll be voting on today.

We also have the Projects Relating to Tourism Grants and this is primarily infrastructure grant allocation. You voted on that one last meeting and that one is a biannual amount of \$200,000. This one, the Rural Marketing Grants are 1.4 million dollars and Kari Frilot will go through the recommendations for this year along with Commissioner Newman who sits on the Territory Advisory Council who is painstakingly and intimately involved with the decision making process. I will turn it over to Kari for her overview of this process.

**FRILOT:** Thank you Claudia. Thank you. For the record Kari Frilot, Rural Programs Manager. Good afternoon, Governor, commissioners, callers, co-workers and those of you in Carson City. I'm before you today to ask for your approval to award funds from the fiscal year 2017 Rural Marketing Grant Program as recommended on the Excel spreadsheet included in your meeting packet.

These recommendations are a result of a process that included a meeting with all of the territory chairs and the rural commissioner to review and agree on awards. That meeting took place on June 14 and concluded with a vote of consensus for the awards reflected in today's request.

Fiscal year 2017 has 1.4 million available for awards. That will be this year that we're awarding. This amount will increase to 1.65 million beginning in fiscal year 2018 and that's the result of having a meeting with the Interim Finance Committee on April 14 of this year where they allocated an additional \$250,000 for this program.

We were able to allocate the additional \$250,000 in fiscal year 2016 to those projects that were not fully funded in 2016, and comments in the grant recommendations for fiscal year 2017 reflect those allocations so that's what I'm referring to when you read anything in the current recommendations about allocations in 2016.

One example of that is that we were able to allocate an additional \$10,000 to the Lake Tahoe Shakespeare Festival for their marketing campaign. A brief description of the grant program is included under this topic on today's agenda. Thank you, Claudia, for including that.

For the fiscal year 2017 First Cycle Marketing Grant Program we received 207 applications. There were nine new organizations that applied for funding in that. We are recommending funding 162 of the projects. 1.747 million was requested and we're recommending an award of \$895,770 which leaves us a little over \$500,000 for the second cycle awards.

I humbly request your approval to move forward with recommendations and invite any questions you might have.

**HUTCHISON:** Thank you very much, Ms. Frilot. I appreciate that update. I know Commissioner Newman, you've been very involved in this process. Would you like to make any record comments or comments about the process?

**NEWMAN:** Well, yes I would. Commissioner Newman for the record. I would just let everyone know that each and every one of these applications is thoroughly vetted. We spent a lot of time discussing the merits, the history and the intent, what we believe to be the intent of these requests. Again, this is a three-hour to four-hour process that we go through each time we review these applications.

We put a lot of time, effort, energy and thought into this and Kari, I'm sure can answer any questions or myself regarding any specific requests so all of the advisory or the chairmen participated and it's a pretty good healthy discussion that takes place so we're all pretty proud of the outcome.

**HUTCHISON:** Thank you very much, Commissioner Newman, again for your time and your effort and your talents you bring to the task. Before I open up for questions, I just have a couple of overview questions.

You have 207 requests. How does that compare to prior years? Ms. Frilot or Commissioner Newman, whoever wants to take it. How does the 207 compare to prior years? And then, are there any territories that you are concerned about that have not been submitting applications or are not as dialed into the rural grant programs as we'd like them to be? If you could take those up one at a time I'd appreciate it.

**FRILOT:** This is Kari Frilot for the record. The 207 requests is pretty close to what we received last year for the first cycle. It was a little lower than that the preceding four years, but before that it was right up around 200 plus. So it runs pretty true.

As far as the territories participating, this particular cycle I was really pleased to see that there was a lot more participation by the territories and the one territory that really was not requesting funding before this, really stepped up this time and that was Las Vegas Territory. They really want to beef up their marketing in the rural areas of Clark County. Also in Pony Express Territory there's a few changes going on in that territory, but they still come through with a good number of requests.

**HUTCHISON:** Thank you very much. We'll open it now for questions from the commissioners concerning the Rural Marketing Grant Program recommendations. And please identify yourself for the record when you speak.

**SANTOS:** This is Commissioner Herb Santos. If I could ask a question? Would it be possible on these forms to, if it's not too much work, to get a breakdown as to how much was recommended to each of the counties, what percentage of the funds that were distributed, and then what each county requested and what was recommended for each county?

**NEWMAN:** By county or...

**FRILOT:** This is Kari Frilot.

**NEWMAN:** Go ahead, Kari.

**FRILOT:** No, that wouldn't be a problem. I can certainly do that.

**SANTOS:** Thank you.

**HUTCHISON:** Great. Thank you. Other questions, comments of other commissioners concerning the Rural Grant Recommendations? All right, this will be the last chance before we take a vote, anyone? Ms. Frilot, thank you very much. Commissioner Newman, thank you very much.

The Chair will entertain the motion to approve the fiscal year 2017 first cycle Rural Marketing Grant Recommendations as set forth in Agenda Item 4C and as encompassed within the packet of materials that we all received with the heading Fiscal Year 2017 First Cycle Rural Marketing Grant Program Recommendations and with the summary of the grants and the comments and the funding that has been recommended.



WAGNON: This is Commissioner Wagnon. I move to approve the FY17 First Cycle Rural Marketing Grant Recommendations as outlined in your comments.

HUTCHISON: Thank you very much, commissioner. Is there a second?

CUNNINGHAM: Commissioner Jennifer Cunningham, I second.

HUTCHISON: Thank you, commissioner. Are there any comments, with the motion and a second, are there any comments on the motion? Hearing none those in favor signify by saying aye.

GROUP: Aye.

HUTCHISON: Any opposed no. That motion passes unanimously. Thank you very much. Let's move now onto Agenda Item IV D, 2016 Governor's Global Tourism Summit Overview. Ms. Vecchio.

VECCHIO: Thank you, Lieutenant Governor. Claudia Vecchio for the record. In your packets I provided a preliminary agenda of the upcoming Governor's Global Tourism Summit that will take place October 11 and 12, but with pre and post FAM and press trips a couple of days before and after that conference.

I just wanted you all to see where we were going with this conference. It will be at the Grand Sierra Resort in Reno this year. Larry and his team have created great excitement among the international buyer community and I know we'll have at least 40 if not more buyers from our international markets. Larry, do you have an update that you want to add?

FRIEDMAN: Basically our goal is to have 50 plus and many of the countries have already come back with companies like Australia is bringing JUCY, South Korea is bringing Hana, but the invitations have gone out. The two FAM trips both start in Las Vegas. One will go up to Reno via 93 and the other will go up via 95.

VECCHIO: Thank you. Larry and his team are working incredibly hard on this and they always provide an extraordinary number of international buyers for our industry to meet with. New this year and you'll note this on the agenda will be a Media Marketplace. Bethany and her team as well as our international PR reps are working to bring in media as well. Invitations have gone out for that and we're excited about having that opportunity for our industry to meet with media as well.

The agenda continues to form and we have good speakers. We have Richard Cutting-Miller from this group called Resonance Consultancy and he's going to do Global Tourism Trends with some interactivity with the audience so that will be a great way to start the agenda.

We'll also have a panel on looking at the issues that impact the U.S. brand abroad. This kind of morphed from a political environment into more of a social and economic overview environment, but we have so many things happening as you all well know in the world right now that could impact travel to the U.S.

We are going to be privileged to hear from Jonathan Grella who's Executive Vice President at U.S. Travel Association and Mike Fullerton who's with Brand USA. Daniel Chan who's our rep firm at East West Marketing in China will be part of this panel, and we're continuing to look for panelists who can provide insights into particular regions in the world. I think that will be an incredibly enlightening discussion about all these potential impacts on inbound travel.

We also have a great lunch speaker, Jeff Salz, who can be seen on the Discovery Network and the History Channel. He's a cultural anthropologist and an adventurer and he'll talk a little bit about how to compel travelers to come to Nevada to this great adventure that we have in the state.

Going back on the evening of the 11<sup>th</sup>, the dinner event, we're going to do a celebration of the U.S. China Year of Tourism so we're looking at having some Chinese entertainment as well as a speaker who can talk a little bit about the importance of this year and our relationship with China.

That's where we're going with this. I think it's shaping up well. We're working with Tiffany East as our event planner and she's doing a great job working with the Grand Sierra Resort folks. I wanted you all to see where we were, and if anybody has any thoughts about speakers or anything else you'd like to see please let me know.

**HUTCHISON:** Thank you very much. Commissioners, any questions for Ms. Vecchio about Governor's Global Tourism Summit?

**CUNNINGHAM:** This is Commissioner Jennifer Cunningham. I think it sounds great and I applaud you for all the hard work. I look forward to sending our whole staff there, so thank you.

**VECCHIO:** Excellent.

**HUTCHISON:** It's a terrific summit and the folks who show up for that are just excited, they love Las Vegas, they love Nevada, they love Reno, they love the exposure to the state.

I'm really looking forward to spending time no matter which side of the state you're on it's always a success and people are very excited.

I know that Claudia, you and Larry and the team have spent a lot of time, so thank you for your efforts. I think half the people show up just to see Larry because he's such an international rock star as I call him in the tourism community. He's a big draw, just having Larry show up. It's quite a phenomenon to see Larry's groupies following him around the conference, so show up if for no other reason than to see that.

All right, any questions or comments about Agenda Item IV D? We're going to close that out and move on the Agenda Item IV E, Commercial Airport Summit June 30 and our meeting update, and that's tomorrow. I know we're getting ready down here to welcome the summit and move forward in a big way.

FRIEDMAN: Claudia, would you like me to talk about it?

VECCHIO: Yes, please.

FRIEDMAN: The summit will be tomorrow starting at 9:00 a.m. at the Nevada State Museum in Las Vegas which is where I currently am having checked out the facilities and how the room is set up, et cetera, and we're all ready for everyone.

We decided to invite the five airports that have had or have commercial service so the airports included are Las Vegas, Reno-Tahoe, Elko, Wendover and Ely. In addition we have invited the five corresponding marketing entities, the LVCVA, the RSCVA, the Elko Convention Visitors Authority, the city of Wendover and the White Pine County Fair and Rec Board.

There is an agenda, which includes airport infrastructure, air services, customs, airline risk mitigation and potential partnerships. One of the things that I think that's already come out of the meetings we've had with the entities in setting up this meeting is I think a better understanding of room tax and the Travel Nevada room tax and that risk mitigation is not an appropriate use for the room tax funding.

The other thing about the meeting tomorrow, just for those on the call that are participating in the meeting, I had wondered how to be politically correct in positioning the different attendees. The room we're in is shaped like the State of Nevada and so the RSCVA will be where Reno would be. Las Vegas will be on the Las Vegas side of the state and the Lieutenant Governor is approximately in Tonopah.

HUTCHISON: Probably the way that you feel about the Lieutenant Governor and where he ought to be positioned.

FRIEDMAN: Are there any questions on the overview?

HUTCHISON: Larry, this is Mark Hutchison. How does the attendance look and confirmations for the summit?

FRIEDMAN: All ten entities invited are participating.

HUTCHISON: Great. That's what we were hoping for.

FRIEDMAN: Yep.

HUTCHISON: Okay, great, any further questions on Agenda Item IV E, Commercial Airport Summit that's being held tomorrow in Las Vegas? All right. Larry, thank you very much. Let's go ahead and close out that agenda item and move on to Agenda Item IV F, Sales and Industry Partners Update, Ms. Vecchio.

VECCHIO: This is Claudia for the record. I will turn this back over to Larry to provide a brief update of the activities in his group.

FRIEDMAN: The first one mentioned is the IPW, which is produced by the United States Travel Association with Brand USA, the primary sponsor. It is an extraordinary opportunity. The top buyers from all over the world come to meet with the tourism industry of the United States.

Our activities started off the first Saturday with the Chairman's Circle Awards where the 50 top buyers of U.S. tourism product are honored, and we are able to join them and be with the 50 top companies who according to Roger Dow represent 75 percent of the travel into the United States from abroad. Christian Passink, David Lusvardi and I participated on behalf of sales. Bethany Drysdale participated in the media marketplace.

On the sales side, we had two completely full sets of appointments generated by the marketplace. In addition we had a third set of appointments that we manually added which were for people who also wanted to see us, people we wanted to see, a meeting with Brand USA, meetings with our international reps who were in attendance like Mexico, South Korea and China.

IPW, we had a record number of Chinese requests and a record number of requests from India, but even from our bread and butter markets of Europe. We had great

appointments with those we've been working with for years, but it's also an opportunity to talk about what's new in the state and offer new itinerary ideas and new destinations for them to promote. IPW without question was a huge success for not only us but I think all of the Nevadans who participated.

The European sales mission, we went in May to Paris, Amsterdam, Stockholm and Cologne. We had 10 partners joining Christian Passink and myself. They were truly from all over the state from as far north as Elko to as far south as Las Vegas, as far west as Lake Tahoe and as far east as Ely.

All four cities had meetings with tour operators and evening events with travel agents. I think that everybody would agree that probably the most remarkable surprises came from Amsterdam and Stockholm where there was huge interest in the entire state and the invited guests were extremely engaged.

In Amsterdam I will tell you that the tour operators were to come at 12:00 and their time with us was supposed to end at 3:00. At a quarter of 4:00 I had to tell them that we really had to leave in 15 minutes because we had to move on to our travel agent event. Great interest and great statewide interest.

I'll let Claudia talk about the trade mission to Australia, but I will just mention the LVCVA China Mission we'll be joining the LVCVA on the 10<sup>th</sup> of July going to five cities and we will be joined by East West China, our new representation firm in China at IPW. Not only did we have several meetings with them but we also had a chance to sit down with the LVCVA and their reps in China to get off to a great start of cooperation and working together in China.

In your commissioner packet there is a list of 2017 shows scheduled. I noticed that there are three items in yellow and I'm assuming those are yellow because they are events that we will be inviting partners to.

VECCHIO: Exactly.

FRIEDMAN: In addition to those partner events we will also invite partners to the Travel Agent Exchange in San Diego in December. Also, invite partners to the Global Travel Marketplace in May in Arizona and also to the Western Regional Red Carpet event as well. Those will also be partner events.

I would like to add to Rossi's question about Brand USA. Claudia and I both participated in the Brand USA China Sales Mission. I'll be participating in their sales mission in September which is our number one lead generator for the state with over 300 leads each year over the past two years.

You'll notice that at the bottom under miscellaneous, it says Brand USA Workshop. Brand USA now has approximately 200 or depending on who you talk to, anywhere from 150 to 200 products that we can take advantage of. Yennifer and I are meeting and doing a Brand USA workshop in Washington, D.C. Actually it is going to be taking place the first week in August, to really assess all the different things that we can take advantage of.

In addition to the 150 to 200 products they offer we also want to take better advantage of their value added program where we can purchase or do a promotion with someone like Knutsa in Germany and with their approval they will add another 15 percent to the amount of money that we are committing to that promotion.

Both Yennifer and I expect great things that we will then be able to come back with a recommendation to Claudia on future activities for the next fiscal year. Those are my items. I think, Claudia, I'll turn it back to you unless anybody has any questions.

HUTCHISON: Any questions, commissioners, from the report that Larry's provided us on our Sales and Industry Partners update? Any of those items that he addressed? Okay, Ms. Vecchio.

VECCHIO: Thank you, Lieutenant Governor. If I might just cover the Governor's Trade Mission to Australia?

HUTCHISON: Yes.

VECCHIO: The Governor's Office of Economic Development contacted us regarding an upcoming trade mission the Governor will be leading to Australia the end of July, first week of August. That group will be going to Melbourne, Sydney and Brisbane and we've been invited to do tourism focused receptions, in Melbourne and Sydney which we are glad to do.

We're working in conjunction with the LVCVA and great thanks to Rossi, Raphael and that team for your help on this to put together these receptions. We also have the partnership of Cirque du Soleil who will be providing performers for those receptions. They promise to be fun and engaging and a great way for us to promote Nevada while we're there.

Our group at Canuckiwi has invited top tour operators, top travel agents, media as well as airline partners. United will be partnering with us in those receptions as well. I think it will be a tremendous way for us to create a great additional product

for a trade mission to Australia. That's what we have for Sales and Industry Partners. If I might move on to marketing and advertising?

HUTCHISON: Please.

VECCHIO: Thank you. The first item on there is FY17 Sponsorships and Commissioner Newman can answer your questions as we go through these sponsorships and how I've organized that for this year. We've had a certain amount of conversation about sponsorships and value of them. What I did with this recommendation was different from the recommendations you received in the past, in that I put in the Reno Air Service Corporation and the Sierra Ski Marketing Council.

We've sponsored these two organizations by being a member of these groups for a long time. But, when I looked at sponsorships and the way that we provide money out to these external organizations to promote tourism to Nevada, we don't influence our overall brand, nor is it our own advertising and marketing. It seemed like these two were lumped together into a reasonable grouping of the way the money gets spent. That's why I put those two organizations into this sponsorship recommendation.

The difference in the totals from year over year is, if you recall, there was \$100,000 that went to Seven Magic Mountains last year. That was included in the sponsorships. That brought us up to \$181,000 because we have historically had \$100,000 in this line item.

You'll see this year it's \$210,000 with the \$60,000 for the Sierra Ski Marketing Council, but that includes the \$100,000 to sponsor the Seven Magic Mountains last year. I'll just go through these and I know we have some representatives here and on the phone who can answer questions.

The Reno Championship Air Races is an event sponsorship that many of you will recall from several years ago. We have had a complimentary sponsorship based on a major gift a few years ago which goes through 2016. This will be the last year of our sponsorship through that original contract and you can see the benefit to Nevada tourism is the international appeal and media coverage that we receive either pre or during the event. We are thrilled to have association with these international luxury brands. It has a remarkable link to the "Don't Fence Me In" brand. You'll see a zero sponsorship level for this year. It continues to be a great place for us to be.

Even though there is a zero sponsorship level on that, we put a certain amount of money into those banners and into all the onsite collateral, so that's a little bit

misleading to say it's zero sponsorship. The money we give to that organization still remains zero and we certainly appreciate that ongoing partnership.

The second piece that comes out of this is a program on NBC. We have Mary Beth Sewald and Mike Crowell on the phone who can talk about this. The National Championship Air Races has put together a program that's seen on NBC Sports. You have in your packets a deck that provides an overview of that sponsorship.

We participated in this last year. It was put into the media buy section, but really by definition of sponsorships, it has morphed into a sponsorship. You can see here and in your deck, we have put our commercials in this broadcast. It is a national platform for the Air Races, for Nevada and for the northern Nevada area. I think this has some good opportunities for us.

You can see there are a couple sponsorship levels in here, one of which, the RSCVA, has taken as a presenting sponsorship at the \$75,000 level and then the one that we're presented with is the gold sponsorship.

I will just keep going through these and then we can go through and talk if that's okay. The Great Reno Balloon Race, and Pete Copeland's here and with us in Carson City. Sponsorship level which we've been at the same for years is \$15,000. I think we went up from \$10,000 at one point. Obviously this is the largest free balloon race that's out there and it's an extraordinary opportunity for us to showcase the brand. We have the brand on a graphic that's on a balloon and that's terrific. We do a number of promotional activities around that but, just another way for us to extend the brand.

Red Rock Rendezvous we've done for several years as well. That is an event that happens in Las Vegas in April. It's a great event for Millennials and we do promotions around that as well. That's a small sponsorship and that's just a nice way for us to continue to get our name out to that rock climbing group. It's a popular event.

Then you have the two associations, the Sierra Ski Marketing Council, \$50,000 is on here, but that one had the membership had gone up to \$60,000. Commissioner Wagnon and I were at a presentation by the marketing team for this and they are doing a great job in promoting the area through a variety of integrative marketing activities so that continues to be a good place for us to put our money.

The Reno Air Service Corporation, obviously they are working hard to enhance air service into northern Nevada so we would continue to be part of that. And then, the Continental Cup, the Curling group. We did this last year as well. This is a nice



way for us to have some outreach to an incredibly rapidly fan group of curling enthusiasts out of Canada. They come to Nevada at this great event at the Orleans in Las Vegas and we do promotional kinds of activities to encourage them to come back.

The last piece of this is collateral materials development at \$7,000 and that's about what it takes. What this doesn't include is staffing and the other things that go into this and it is extensive, but the total then for sponsorships would be \$210,000.

I know I ran through that quickly as well and there are people on the phone ready to answer questions about these specific sponsorships, but I would respectfully ask your approval for this and/or any questions you might have. Thank you.

HUTCHISON: Commissioners, what questions do you have on this agenda item, Marketing/Advertising Update Fiscal Year Sponsorship?

SANTOS: This is Herb Santos. Question on the \$50,000 for the National Championship Air Race NBC Sports program. Do we have someone on the phone that does our marketing and our buys? When you look at what you get for the gold sponsorship, is that the best use of our \$50,000 compared to just using it in our regular marketing?

VECCHIO: This is Claudia. We have two very experienced people on the phone to be able to talk to this but from our standpoint it provides us with some national exposure. We don't generally buy national cable and this gets us to national exposure on that. Plus the overall show itself gives us exposure for Nevada and for the northern Nevada area.

If you look at the, you know, the ad equivalency is pretty high for this overall show so I think as a community partner it provides us with a good way for us to get on national cable in association with a program that is a good extension of the brand.

SANTOS: Well if I'm not mistaken it says from the TV shows it's not on NBC; it's on one of their other channels so like CBS Sports Network, right?

VECCHIO: Yes.

SANTOS: It says that 166,000 people watch this nationally and so my question is with a \$50,000 buy is that a good return? I see it as the other regular media and social media, but looking at the people that watch that show, is that a good return on a \$50,000 buy?

**CROWELL:** This is Mike Crowell. I'm with the Air Race Association. If you look at the 166,000 people, the program last year was run on Easter Sunday at 12:00 so the timing was not very good and we have worked very diligently with these people for this year to get us in better time slots which will get us more people, you know, participating in the viewing. It was our first time doing something like this and we were very enthusiastic about doing it, you know, nationally and selling our state and so we were encouraged and like I say, that was the first time, but we've gotten better at it especially on the buying side.

**SANTOS:** Is there a date that's been set that it won't be on a day where folks aren't watching TV?

**CROWELL:** The dates have not been set, but with the pricing we have some general parameters of time lines like between 1:00 and 5:00 and 4:00 and 7:00. There are different time lines and last year they understood that we were very unhappy with the time lines. But, like I said, it was the first time we had done it and we learned a lot.

**SANTOS:** Herb Santos for the record. I would defer to our media experts on that. I don't know if any of them are present, Claudia, who would be able answer the question of whether or not this is a good bang for our buck.

**VECCHIO:** There was supposed to be a Fahlgren representative on the phone. Carissa, are you on the phone?

**RICHARDSON:** Yes, I am on the phone, and I'm sorry, I don't know that. I would need to take another look at this. Is there any way for you to email that to me.

**SANTOS:** Sure.

**RICHARDSON:** That would be great.

**SEWALD:** If I may, Claudia and Commissioner Santos – I'm sorry.

**RICHARDSON:** Go ahead.

**SEWALD:** For the record, this is Mary Beth Sewald, President of Nevada Broadcasters Association, but I'm here today representing the Reno Air Race Association. Commissioner Santos, I absolutely appreciate your question. I would echo what Claudia said about a certain intangible value although I know we're looking for tangibles and we're going to get that for you.

There is a certain intangible value though that we were able to enjoy by being seen across the country, and then you saw the social metrics as well. As Mike said, we absolutely have our arms around getting good quality time periods this year or and pushing them through social media and promotion.

Without having the benefit of guaranteeing you or the ability to guarantee you of certain, GRP or viewership, I think we can comfortably say that we are absolutely moving forward with providing the best time period. It's in all of our best interests and in our best interest for the event's survival and moving forward to get as much exposure as we can.

For what that's worth I want to assure you that we are definitely pushing as hard as we can to get the best exposure, and we'll provide as many numbers as we can possibly get for you.

SANTOS: Herb Santos for the record. I will accept you as expert in the media, so I appreciate that. Do you think those numbers will significantly increase in terms of how many people view this and based upon your work on getting a better time period in a day?

SEWALD: Yeah, I absolutely do. This last year was Easter Sunday at Noon and we have gone out of our way to make sure that we secure better time periods. As soon as we have that we can pass that along to you and we'll be promoting it because we want everybody to know when it is. For the record too, it's NBC Sports Network. I'm absolutely confident that we'll promote it and we'll have better time periods and with our social that will increase the viewership as well.

SANTOS: Okay. And it will NBC Sports Network, that's going to be on Charter Cable? Are they on Direct TV, DISH Network, all the different cable companies?

SEWALD: Yes, they are.

SANTOS: Okay.

NEWMAN: Mary Beth, this is Commissioner Newman.

HUTCHISON: Yes, please.

NEWMAN: Have there been any discussions about possible rebroadcasts in addition to the original programming? Will they rerun this multiple times or is it one and done?

SEWALD: We don't currently have any plans to run this last one that we aired, but we have discussed re-airing the future show that you are currently considering sponsoring. But would you like for us to re-air it?

NEWMAN: Well I think the more it can be broadcast, the better it would be for everybody.

SEWALD: Yeah, I agree with you on that. We do plan to do three shows over the coming months and year. I'll mark that down and we'll talk about when we may be able to re-air it.

VECCHIO: Mary Beth, this is Claudia. Does it go on to their website afterward for viewing? Do you know? Is there any re-viewing?

SEWALD: On NBC Sports Network?

VECCHIO: On their website or on a digital platform of some sort?

SEWALD: You know it's not on their website currently but, we can definitely look into that too. I don't think it would cost us anything to ask them to put a link on it.

VECCHIO: That would be great. The one thing so you know as well, is we ask that our commercial not be put into the ongoing use of this program because of the rights issues that we deal with, with the songs and the talent. That is an additional cost, so when we budget for the use of this spot it is just in that one program.

SEWALD: Okay, that's good. I know you told me that, so thanks for the reminder.

HUTCHISON: All right thank you. Any further questions on any of the sponsorships that have been discussed at this point? Claudia, we've got \$50,000 allocated in sponsorships to the Reno Air Service Corporation and of course that's in addition to what we've been talking about. What's the relationship there between those two entries with National Championship Air Race and NBC Sports that we've been talking about, the first item which is zero sponsorship level, the benefits of that, and then this other item, Reno Air Service Corporation? What's the relationship there?

VECCHIO: The Reno Air Service Corporation has evolved from a regional marketing group, and their existence now is to work with airlines and the Reno-Tahoe International Airport to enhance air service. They've gone from a purely marketing driven group into very much a sales and business development group.

They operate differently from the events that we're talking about. That's an ongoing group and I know Commissioner Cunningham sits on this. It is a group that

works to enhance air service and has a little different focus from the other entities on this sponsorship list.

HUTCHISON: Got it. Yeah, that was my question. All right, any other questions? I guess Commissioner Santos, what's your pleasure on the questions you'd had on the NBC Sports Program?

I don't know where you are in terms of your satisfaction level and if you have any follow-up to that if you want to have any further discussion on it or an evaluation of that? I know that there's going to be some emailing going back and forth. Where are you in terms of your comfort level at this point?

SANTOS: Well with Mary Beth, I've had a lot of dealings with her in the past and I look at her as being expert in this area and she satisfied my concerns. Certainly this is something that's an ongoing thing. You know I would hope to see some significantly higher numbers next year in terms of what the viewership was, but I'm comfortable with it.

HUTCHISON: Okay.

SANTOS: Thank you.

HUTCHISON: Thank you, commissioner. Are there any other questions or concerns before I ask for a motion? I don't want to have a motion until we're to the point where we're comfortable and satisfied with the discussion and the analysis.

If anybody is not, please speak up now. All right, then let's go ahead and Chair will accept a motion for the approval of Agenda Item IV G, Subsection 1, the Fiscal Year 17 Sponsorship as outlined by Ms. Vecchio.

CARANO: This is Commissioner Carano, I move to approve the sponsorship package.

HAUN: Commissioner Haun, second it.

HUTCHISON: We've got a motion and a second. Is there any discussion on the motion? Hearing none those in favor signify by saying aye.

GROUP: Ayes around.

HUTCHISON: Any opposed no? Thank you very much. Motion passes unanimously. We will close out that agenda item and move on to the Spring Summer Campaign, a preliminary report under Agenda Item G. Ms. Vecchio.

**VECCHIO:** Thank you, Lieutenant Governor. Carissa Richardson from Fahlgren is on the line and she will provide a very brief overview. As you know we just started the Spring Summer Campaign so these results are very preliminary but she's going to give you an idea of where we stand at this point. Carissa.

**RICHARDSON:** Yes, for the record this is Carissa Richardson with Fahlgren Mortine Media Director. So far, this is actually looking all the way back through November because we've had some "always on" partners that ran. The campaign has actually generated almost 89 million impressions. That's a lot of eyeballs that have been seeing the advertisements and getting a good response.

2.7, almost 2.8 million people have interacted with the ad and that can be anything from rolling over the ad to expand, clicking, watching a video, just moving around and consuming the content that lives within those ads.

Then from there, there's also been 392,000 clicks generated through to the site which has resulted in 92,000 page views, almost 93,000 page views on the site which is a great number, but what's even better is that the people that are coming through are spending over two minutes on the site which is a really long time. They're visiting about 1-1/2 to 2 pages so they're clicking around.

Especially we have data that the Adventures that Sidney puts up on the website, have been viewed by the audience as coming from the campaign 2,700 times. These are really great numbers.

The campaign is also really contributing to a larger social following which is great because then we can continue the conversation. We've actually had 3,172 new Face Book fans just from the campaign alone. That doesn't include any other organic things that we're doing.

Our contents that we're doing in conjunction with the media partners has been shared or re-tweeted over 2,800 times. This is really good exposure and not just exposure but people are engaging with the ads; they're coming to the site, they're consuming the content and they're learning more which is really exciting.

**HUTCHISON:** Great, Ms. Richardson, thank you very much. Any further update or is that the end of the update?

**RICHARDSON:** That is the end unless there's any questions anyone wants me to elaborate on.

HUTCHISON: Thank you very much. Commissioners, questions for Ms. Richardson and this Spring Summer Campaign report? I've got a general follow-up for you, Ms. Richardson. You say these are great impressions, numbers and interactions numbers, clicks through and re-tweets and all that kind of stuff. When you say they're great numbers, what are you comparing that to? What's your measurement there?

RICHARDSON: We utilize benchmarks from Google, kind of set travel and tourism industry but desktop benchmarks. That's basically the average results that they're seeing for advertisers in the travel tourism industry that are running across the nation.

For instance, interaction rate of the benchmark, which is the total interactions out of all the people who saw the ad, is typically 1.26 percent and we're at 23.15. Well above benchmark there.

As far as click through rate goes, same thing. The industry benchmark is a .07 percent which sounds really low but when you're serving millions and millions of impressions it's actually a lot of clicks. Actually ours is at .47 percent which is over six times the industry benchmark, so that's kind of where I'm gauging that from.

HUTCHISON: Then you said we've got about 3,100 new Face Book followers. Do we have a total number of followers to our Face Book page?

RICHARDSON: I can look that up right now.

HUTCHISON: If you've got it handy, I just was curious.

RICHARDSON: Let's see here. We've got almost 132,000 followers.

HUTCHISON: And comparing that to benchmarks? I assume that probably depends on population levels and that sort of thing, but how does that compare to in terms of the benchmarks you're talking about?

RICHARDSON: They don't really have benchmarks for social followers just because it varies so much by the type of place. Unfortunately, we don't have benchmarks for that. Increasing the followers, especially by a thousand is always a good thing because it gives you that opportunity to continue the conversation with people.

HUTCHISON: Right. Well thank you very much. Thank you for the good work. Any other questions, commissioners, before we move off this agenda item for Ms. Richardson?

CARANO: This is Cindy Carano. I'm thinking that the RSCVA, our Las Vegas Convention Authority, might have numbers on their Face Book followers that you can compare to.

RICHARDSON: Yes, we can certainly look at that.

HUTCHISON: All right, further comments or questions? Vice-chairman Carano, any further comments or questions?

CARANO: No, thank you.

HUTCHISON: Okay. Thank you. Last chance before we move on to our next agenda item. We'll close that then Agenda Item IV G2 and move on to Agenda Item IV G3 which is Fiscal Year 17 Planning Calendar/August 10 Marketing Committee Meeting. Ms. Vecchio.

VECCHIO: Thank you, Lieutenant Governor. This is a continuation of the last agenda item with the report of the campaign. We will be doing our FY17 creative planning and the integrative marketing planning and will provide the marketing committee with that recommended schedule, time frame, campaign components and an overarching approach to FY17 at our upcoming meeting on August 10.

We'll be sending that to you prior to the meeting for review, so please take a look at that. We'll hopefully have a robust discussion about how we approach this next year as there are some obvious campaign components that we need to work on. We have some website issues we have to work on. We have some CRM opportunities that need to rise to the top of the heap. There are a number of things that we'll be recommending and providing to you as well as results, so you know what's been successful, what we need and what we have challenges with so we know how to better plan the upcoming year.

That will be coming to the marketing committee here very shortly and then once we have that discussion and we have a good plan of attack for FY17 then that committee will present that to the overall commission in September. We have a September meeting because of the need to have quarterly meetings. We'll provide that in September for the whole commission to approve and review where we are for this year. I just wanted to let you know that's coming.

HUTCHISON: Thank you. All right, well that concludes Subsection 3 of Agenda Item IV G. Any questions, commissioners, on that agenda item or any other subsection before we move off of Agenda Item G? All right, we'll close out Agenda Item IV G and move on to Agenda items IV H which is Public Relations Update. Ms. Vecchio.



VECCHIO:

Thank you, Lieutenant Governor. Bethany is currently on a press trip with a group of Indian media representatives so she's unavailable today to provide an update. As Larry mentioned, she was also at IPW. IPW has a media marketplace that she participates in that and as well as having ongoing meetings with media during that great show.

You have in your packet the preliminary report of the Media Mission to San Francisco. That was a tremendous event. You have the invitation as well as the event overview in your packets. Our partners at Fahlgren found a tremendous location at the Zephyr Hotel, and what a great millennial focused property. We couldn't have asked for a better spot.

We had tremendous media attendance and not only good numbers but really good outlets like the Huffington Post. The group met with Spud Hilton and some very important media representatives for us in that area. We invited partners and had great participation from across the state of those who came out to support us there. We appreciate that.

We had Clip Joli who's a chef here. We had a woman who is an artist do a painting of Highway 50 which was given away at the end of the event. We had a wonderful singer who did a great rendition of "Don't Fence Me In." It was a very interactive and fun night. Thanks to Fahlgren for doing that. We like doing these in-market missions because it brings Nevada to these locations and we do so in an interactive and fun way. I think everybody had a tremendous night.

Domestic Outreach and Media Coverage, obviously the team works very hard to deal with domestic outreach. I don't have the media report to provide to you today, but they've been doing some great outreach and we'll provide that to you here in an upcoming meeting.

The last piece is Recent Awards. You have a press release in your packet about the Silver Anvil award and I just have to thank the Fahlgren team for all their help on this. For those of us in the PR world, this is a coveted award. Earlier in the year we won some Bronze Anvils. The Bronze anvils are a national award for campaign components, but the Silver Anvil really recognizes the entire campaign. This is an overall program and which is why it's so gratifying to have been recognized for this and it was for our program outreach to Millennials. I have to thank the whole team for their work on that.

Just at this last Reno Marketing Association Chapter Ace Awards we were entered in three categories and we won all three which really we should in a regional

competition. We won for our "Wild Night" television commercial, for our website and then for social media outreach.

I hope that you all agree that the marketing team, the sales team, really I think the whole team is doing an extraordinary job and it's nice to get these awards to not only say it was a good campaign but the campaign showed great results. My thanks to the team.

**HUTCHISON:** Well congratulations to the entire team. We know this is a big deal, the press release was complimentary to everybody on the team, and it's a proud day for Nevada that we have this kind of a marketing and sales effort that's recognized. Thank you all for your great work, and commissioners, thank you for approving the campaign and it's been successful, really on all fronts, and it's nice to get the recognition.

Any questions on Agenda Item IV H, Public Relations Update. I'm hearing none. We'll close out Agenda Item IV H and move on to Agenda Item IV I, Nevada Magazine Update. Ms. Vecchio.

**VECCHIO:** Thank you, Lieutenant Governor. I will turn this update over to Ms. Janet Geary, publisher of Nevada Magazine.

**GEARY:** Thank you, Claudia. Good afternoon, Lieutenant Governor and commissioners. This is Janet Geary, Publisher of Nevada Magazine. Just wanted to let you know our most recent issue of the magazine containing our fourth of our sixth Ghost Town series is out on newsstands right now.

We also tied in this year's Silver State Scavenger Hunt using ghost towns as a destination for the hunt. We've chosen 14 ghost towns from the north and 14 from the south and we ask people to go to at least 10, take a selfie with our magazine in front of one of the ghost towns signs and send it in. When they get 10, they are entered into the contest to win a great prize from Land Rover.

We actually had our first person that submitted all 10 photos. They actually made a three-day vacation and completed all ten locations in three days. You should have received our Ghost Town Map in your packets, which was printed last month. We have sold over 1,000 of our ghost town maps so far and are putting them in retail stores as well as our subscribers are picking those up.

We also did a direct mail campaign. You should have received also a direct mail letter in an envelope in your packets. We have just completed our fifth mailing and so far have received over 400 new subscribers at an average of about 28 dollars per

subscriber. They're still coming in at the average of about 5 to 10 per day. We're getting a great response from our direct mail.

We also have launched our Great Nevada Picture Hunt search will which be coming out in our September/October edition and we are receiving a tremendous amount of photos already for the 2016 Great Nevada Picture Hunt. That's it from me.

**HUTCHISON:** Wonderful. Thank you very much. And I know that those Ghost Town Maps have been wildly popular and I assume the Silver State Scavenger Hunt has been popular as well.

**GEARY:** Absolutely.

**HUTCHISON:** Based on that gauge, is that right?

**GEARY:** Yes, if you go on Instagram you can actually see there are a lot of people that are submitting photos. We had a huge response last year and this year we expect even more people because the ghost towns seems to be such a tremendous subject for everybody. We're starting to put more Ghost Town information on our website and then with the Ghost Town Map and the Silver State Scavenger Hunt we're tying it all together.

**HUTCHISON:** Wonderful. Questions on Agenda Item IV I, Nevada Magazine Update? Commissions, any questions? Okay, thank you very much. We will close out Agenda Item IV I and we will move on to Agenda Item V, Upcoming Meetings. You can see the meetings there on our agenda. Commissioners, please make note of each of those. Ms. Vecchio, I don't know if you want to make any comments about upcoming meetings?

**VECCHIO:** I don't think we need to make any comments. Hopefully these are explanatory. The full commission meeting on September 21, again is because we need to do a meeting each quarter by statute. The fourth quarter is the October, November, December quarter and because our conference in October we're going to have meetings very close to one another there, but we'll make good time and good use of both of those meetings.

#### **Commissioner Comments**

**HUTCHISON:** Thank you. We will move on, close out Agenda Item V and move on to Agenda Item VI, Commissioner Comments. Commissioners, open for your comments, observations and words of wisdom.

**SANTOS:** Mr. Hutchinson, I'm not sure about the words of wisdom but I'd like to just congratulate our incredible staff and the Fahlgren Abbi team for its work and being recognized together that it's the best travel marketing program nationwide.

I just want to put on the record and personally submit that we have an incredible staff and I think it's the best of the best from our marketing to our Nevada Magazine to Mr. Friedman and his universal fam groups, we're really lucky to have the staff that we do. I just you to know you all make us all Nevada proud, and I want to thank you for everything that you guys do.

**HUTCHISON:** Thank you, Commissioner Santos. I think we all echo your sentiments. We are very proud and very, very honored to be involved with the teams that we have working with us and it's nice, like I said before, to be recognized and I could not agree more. Thank you for your comments, commissioner. Other comments, observations, words of wisdom?

**NEWMAN:** This is Commissioner Newman. Observations. I'd like to thank Reno in addition to Austin, Wendover and Elko. We hosted recently the Great Race. It's a vintage car road rally that is going from San Rafael, California to Moline, Illinois. They overnighted in Reno with about 110 cars or maybe 115. By the time they got to Elko it was down to 109.

These cars cannot be any newer than a 1972. The entourage traveling with them was about 250 to 300 people so they lunched in Austin, Nevada, and overnighted in Elko, lunched the next day in Wendover and then headed to Evanston, Wyoming, and I don't know where they are now down the road, but it drew a big crowd for us in Elko and was a pretty exciting event. I'm sure us being able in Elko to host that had something to do with Reno being a leg in front of us, so thank you, Reno, for your support.

I just have a question, quick question, back to kind of sponsorships. We did sponsor Seven Magic Mountains, and I saw the vandalism was an issue down there, and maybe Rossi or somebody in the southern side can update what's going on with that, what steps have they taken or maybe at the end we promote an international graffiti festival to wrap it up. What's going on with the Magic Mountains?

**RALENKOTTER:** This is Rossi. Unfortunately that did occur. They are taking steps to eliminate the graffiti that was placed on the exhibits themselves on the mountain part and increasing some security in the area. They're looking at ways to prevent it in the future. Like I said, it was just a very unfortunate incident. It was reported back by some of the visitors to there and but they acted very rapidly to repair it.

HUTCHISON: Thank you, commissioners.

NEWMAN: Sad but true.

**Public Comment**

HUTCHISON: Any other commissioner comments, observations, words of wisdom, anything else? All right, I'm hearing none. Let's close out Agenda Item VI, Commissioner Comments. We'll move on to Agenda Item VII, Public Comment. First, anybody on the telephone who would like to offer a public comment? I'm hearing none.

SEWALD: If I may, Lieutenant Hutchinson, I'm sorry. This is Mary Beth Sewald again for the record.

SEWALD: I just wanted to say on behalf of the Reno Air Race Association a heartfelt thank you to the commissioners. When the accident happened in 2011 you all stepped up and have supported us robustly ever since. I could venture to say confidently that it's mostly due to your support that we've been able to survive and now thrive. In case we have been remiss in not expressing our deep gratitude, I just wanted to make that known and on the record today so thanks very much.

HUTCHISON: Thank you, Mary Beth, you've already heard some expressions of appreciation for you and for what you do and the confidence that we have in you as well, so it goes both ways and we appreciate the great service to the state. Any other public comments with anyone on the phone?

CROWELL: Excuse me, this is Mike Crowell and I can only reiterate what Mary Beth said, thank you so much for your support. It's been a pleasure. Thank you.

HUTCHISON: Mike, thank you and thank you for being on the phone and sparing some time for us and answering a lot of questions. We appreciate your insight and your candor with us and we have a lot of hopes for the future and we put a lot of confidence in you. Thank you.

CROWELL: Thank you.

HUTCHISON: Other public comments from anyone on the phone? Okay, anyone in Carson City? Ms. Vecchio, is there anyone in Carson City that would like to make a public comment?

VECCHIO: There is not.

**Adjournment**

**HUTCHISON:** Thank you. We'll close out Agenda Item No. VIII and move on to Agenda Item VIII which is Adjournment. Chair will accept a motion to adjourn.

**WAGNON:** Commissioner Wagon, so moved.

**HUTCHISON:** Commissioner Wagon has moved to adjourn. Is there a second?

**SANTOS:** Second. Herb Santos.

**HUTCHISON:** Commissioner Santos, thank you very much. Any comments on the motion? I'm hearing none. Those in favor signify by saying aye.

**GROUP:** Ayes around.

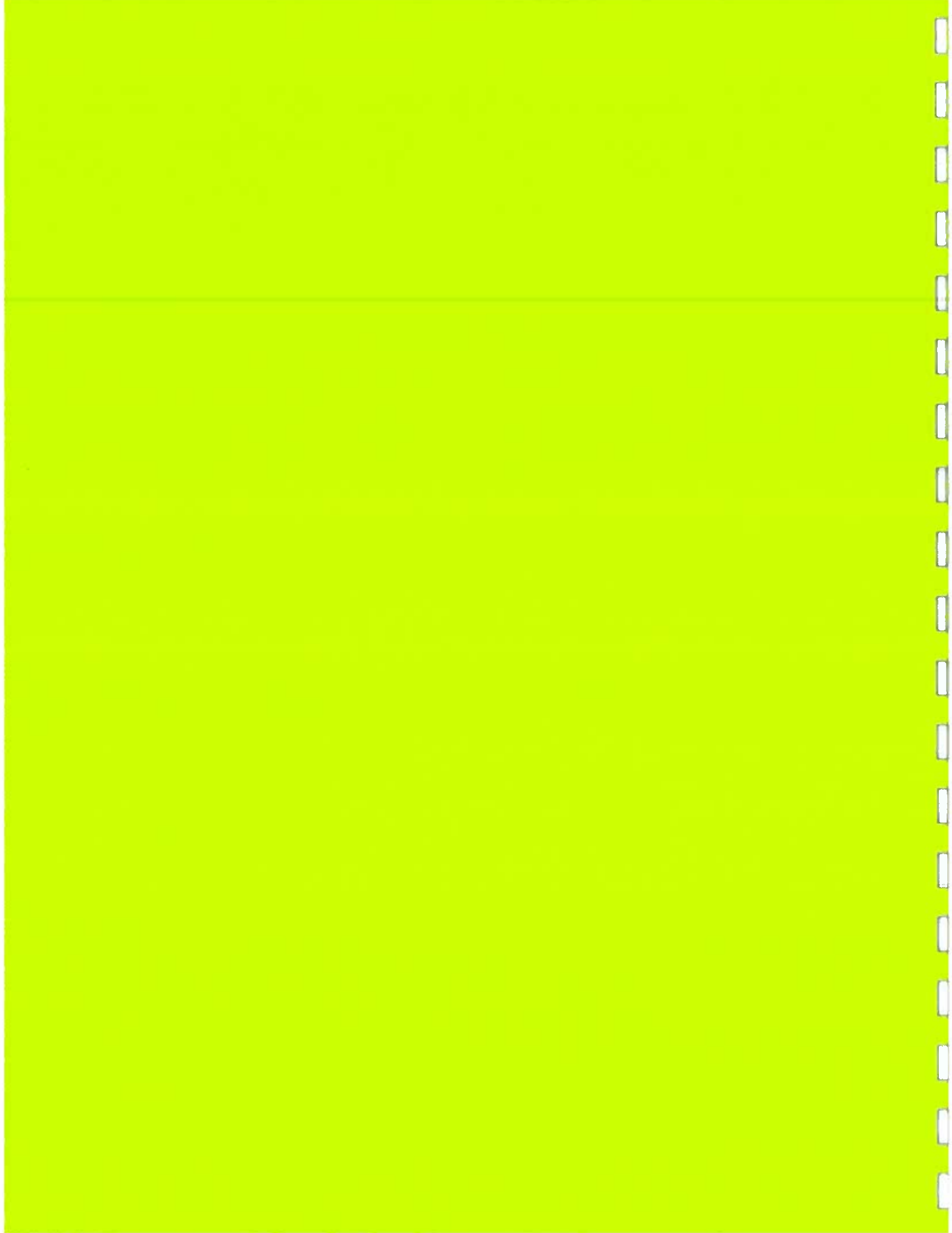
**HUTCHISON:** Any opposed no. Motion passed unanimously. Thank you all for your time and for your energy and your efforts. We are adjourned.

The meeting adjourned at 2:40 p.m.

Respectfully submitted,  
Dee Chekowitz-Dykes, Executive Assistant  
Department of Tourism and Cultural Affairs  
Nevada Commission on Tourism

# Reports

TRAVELNEVADA.COM ✦ #TRAVELNEVADA





**TOURISM DEVELOPMENT FUND (B/A 1522)  
BUDGET SUMMARY  
FISCAL YEARS 16 & 17**

G.L.	DESCRIPTION	FY2016 ACTUAL	FY2017 AUTHORITY
<b>RECEIPTS &amp; FUNDING</b>			
2511	Balance Forward From Previous Year (Beginning Cash Balance)	5,024,498	5,469,535
2512	Balance Forward to New Year	(5,469,535)	0
3301	Lodging Tax (FY17 Projection as of 8/27/16 \$23,750,419)	22,585,614	21,244,818
3700	Registration Fees	36,580	11,420
4203	Prior Year Refunds	1,799	0
	<b>Total Revenue</b>	<b>22,178,956</b>	<b>26,725,773</b>
<b>EXPENDITURES</b>			
01	Personnel Services	2,184,388	2,320,157
02	Out-of-State Travel	48,907	49,406
03	In-State Travel	37,520	43,496
04	Operating	302,126	312,996
14	Outside Postage	144,678	127,892
21	Trans to Motion Pictures	488,149	600,080
22	Trans to Nevada Magazine	50,000	0
26	Information Services	73,314	99,610
30	Training	6,931	7,086
31	Marketing/Advertising	12,162,330*	11,309,367
35	Transfer to State Parks	509,131	509,131
40	Rural Grant Program	1,650,000*	1,400,000
42	Governor's Washington Office	106,511	106,511
43	International Offices	721,863	753,306
50	Tourism Development Grants	100,000	100,000
60	Lost City Museum	179,193	191,312
61	Nevada Historical Society	247,695	318,397
62	NV State Museum - Carson City	706,871	861,785
63	NV State Museum - Las Vegas	655,678	750,832
64	State Railroad Museums	424,791	989,564
65	Arts Council	908,145	1,224,753
66	Indian Commission	66,755	395,497
67	Division of Museums	206,850	208,822
68	Stewart Historic District	0	75,000
82	DHRM Cost Allocation	11,330	12,993
87	Purchasing Assessment	7,563	18,102
88	State Cost Allocation	170,505	160,285
89	AG Cost Allocation Plan	7,732	13,020
	<b>Total Expenditures</b>	<b>22,178,956</b>	<b>22,939,400</b>
86	Reserve (Ending Cash Balance)	0	3,786,373
	<b>Total Expenditures + Reserve</b>	<b>22,178,956</b>	<b>26,725,773</b>
	<b>Tourism Operating Budget</b>	<b>17,679,187</b>	<b>16,727,716</b>
	<b>Total Transfers</b>	<b>4,499,769</b>	<b>6,211,684</b>

\*Additional tourism promotion funding due to incremental lodging tax, approved at the April 2016 IFC meeting.

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**Division of Tourism**  
**FY17 International Office Representation Budgets**

<b>International Office</b>	<b>Sales</b>	<b>PR</b>	<b>Advertising / Promotion / PR Subtotal (CAT 31)</b>	<b>Annual Service Fee (CAT 43)</b>	<b>Total Contract Amount</b>
Germany	85,000	6,700	91,700	75,000	166,700
France	70,000	5,000	75,000	75,000	150,000
UK	70,000	10,000	80,000	70,000	150,000
Brazil	50,000	5,000	55,000	70,000	125,000
Mexico	79,550	5,000	84,550	75,000	159,550
Australia	60,000	35,500	95,500	70,000	165,500
South Korea	55,000	4,200	59,200	70,000	129,200
Canada	-	50,000	50,000	60,000	110,000
China	70,000	10,000	80,000	118,000	198,000
India	65,000	10,000	75,000	70,000	145,000
<b>TOTAL</b>	<b>604,550</b>	<b>141,400</b>	<b>745,950</b>	<b>753,000</b>	<b>1,498,950</b>

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# NEVADA GOVERNOR'S GLOBAL TOURISM SUMMIT

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## NEXUS NEVADA 2016

October 11-12, 2016 (FAM/Press Trip Oct. 9-11)  
Grand Sierra Resort

### Agenda Overview – PRELIMINARY DRAFT

#### Tuesday, October 11, 2016

10:00 a.m.

Exhibitors allowed to set-up in exhibit area

11:30 – 2:00 p.m.

NCOT Commission Meeting

Lunch served

2:00 p.m.

Registration opens

Exhibit area opens

2:30 p.m.

Opening and Welcome Remarks

Lt. Governor Mark Hutchison

Reno Mayor Hillary Shieve (invited)

Jennifer Cunningham, Interim Managing Director, Reno Sparks Convention and Visitors Authority

Tracy Minmo, General Manager, Grand Sierra Resort

Claudia Vecchio, Director, Nevada Department of Tourism and Cultural Affairs

3:00 p.m.

Governor Brian Sandoval

3:15 p.m.

*Global Tourism Trends*

Richard Cutting-Miller

Executive Vice President at [Resonance Consultancy](#) Ltd.

4:15 p.m.

Millennial Chinese Traveler

Eric Fish

5:15 p.m.

Meeting Break

6:00 p.m.

Opening Cocktail Reception - hosted at/by Grand Sierra Resort

7:00 p.m.

Opening Dinner Event

U.S. – China Year of Tourism Celebration

Department of Commerce/Office of Travel and Tourism, Washington D.C.– speaker  
Iconic Chinese entertainment

**Wednesday, October 12, 2016**

6:30 – 8:00 a.m.

Breakfast

7:00 a.m. – 12 p.m.

Registration

8:00 a.m.

Opening Session

State of the International Traveler, Perceptions of Nevada

Dave Bratton

Destination Analysts

8:45 a.m.

General Session – Panel: *Issues impacting the U.S. brand abroad*

- Lt. Governor Mark Hutchison - Moderator
- Jonathan Grella, Executive Vice President, Public Affairs, U.S. Travel Association
- Mike Fullerton, Director Public Affairs, Brand USA
- Alina Xiang, General Manager, East West Marketing

9:45 – 10:00 a.m.

Morning Refreshment Break

10:00 a.m. – noon

Sales Marketplace

10:00 a.m. – noon

Media Marketplace

10:00 a.m. – noon

Building a Culinary Destination that Connects International Travelers With Your Destination's "Sense of Place" (Session 1 of 3) Erik Wolf, Founder, World Food Tourism Association (limited to 45 participants)  
To be eligible to take the online certification exam, participants must attend all three sessions.

Noon – 1:30 p.m.

Lunch

Speaker, Jeff Salz, Cultural anthropologist, global adventurer, documentary producer for Discovery Network and the History Channel.

1:30 – 2:30 p.m.

Division of Tourism Overview – State of the Nevada tourism industry, agency programs, China Welcome program introduction, domestic international cooperative program Spring, Brand USA programming

2:30 p.m. – 2:45 p.m.

Break

2:45 – 3:30 p.m.

Breakout Sessions (three sessions, three separate rooms )

1. International Sales and Marketing – TravelNevada’s International Program, Panel with Rep Firms – Part One
2. Building a Culinary Destination that Connects International Travelers With Your Destination’s “Sense of Place” (Session 2 of 3) Erik Wolf, Founder, World Food Tourism Association
3. TBD

3:30 p.m.

Afternoon Refreshment Break

3:45 p.m. – 4:30 p.m.

Breakout Sessions (same configuration as above)

1. International Sales and Marketing – TravelNevada’s International Program, Panel with Rep Firms – Part Two
2. Building a Culinary Destination that Connects International Travelers With Your Destination’s “Sense of Place” (Session 3 of 3) Erik Wolf, Founder, World Food Tourism Association
3. TBD

4:30 p.m. - Conference Ends





# FY17 Integrated Approach

September 21, 2016

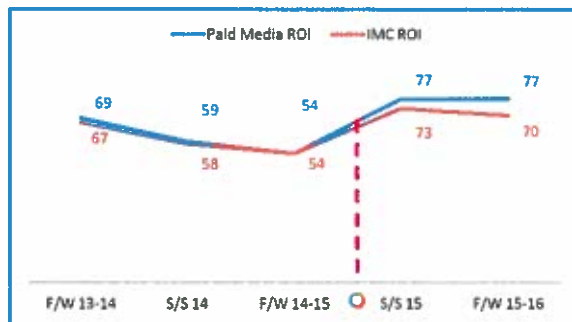


**NEVADA** A WORLD WITHIN.  
A STATE APART.

fahlgren  mortine

## FY16-17 Strategic Plan

- Drive revenue to the State of Nevada through travel and tourism activities
- Raise brand engagement for consumers, travel trade professionals and partners
- Increase domestic integrated marketing campaign return-on-investment
- Expand partner marketing and business development opportunities



U.S. TRAVEL  
ASSOCIATION

PRSA  
Public  
Relations  
Society of  
America



hsmi

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Source: Nevada Advertising/Marketing Effectiveness Study, TNS

## Communication Goals

- Convey “only in Nevada” DFMI experiences to our key markets and audiences in an eye-catching way in order to:
  - Create relationships, encourage engagement and deliver an authentic Nevada experience
  - Drive traffic to TravelNevada.com
  - Continue to build the overall Nevada brand
  - Increase destination consideration
  - Encourage *new* visitors to include Nevada in their vacation plans while ensuring continued planning activity among *repeat* visitors
  - Drive tourism bookings

## Geography & Audience

- **Core Markets (DMAs)**
  - Video & Digital Support: Los Angeles, San Francisco, Phoenix, Salt Lake City, Las Vegas, and Reno DMAs
  - Digital Support Only: Boise, Dallas, Portland, Sacramento, and San Diego DMAs
  - National (PR and social)
- **Audience**
  - Millennials
  - Focus on adventure mindset

**Adventure  
Mindset**

**Crave inspiration**

**Thirst for adventure**

**Culturally Active**

**Discover for themselves**

**Authenticity is important**

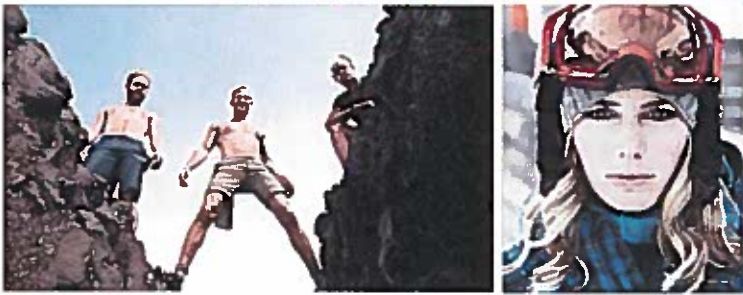
**Confident Active**

**Social Foster and cultivate  
relationships**

**Explorer**

**Personalization is critical**

**Resourceful**



**DFMI 3.0**

## Used to Inform Evolution

- Paid Performance – KPIs and Optimizations
- Consumer Concept Testing (2015)
- IME Studies (Spring/Summer, Fall/Winter)
- Website Usability Study
- Web and Social Analytics
  - Top-performing content/engagement
- Stakeholder, Partner and Consumer feedback



Destination  Analysts



## Key Themes and Insights

1. **Surprising or unexpected scenery sells**
  - People still aren't sure what's in Nevada beyond Vegas and Reno
2. **Character approach is resonating**
  - Continue to skew toward raw/authentic/real
  - Use for audience appeal, but not wayfinding
3. **DFMI is strong – continue to embed as part of the brand experience**
  - Consider new ways to embed/add equity
  - Stories/characters work at macro level; DFMI is transformative
4. **Personalization/customization of content is key**
  - Shift from "buckets" to storylines
  - Synchrony of content with media recommendation
  - CRM/email/automation
5. **Planning content could/should be more robust**
  - Adventure content performed well, but can alienate if too extreme
  - Invisible infrastructure via curated content

## DFMI Evolution

### FY15:

Introduction to DFMI



### FY16:

Characters embodying DEML spirit



### FY17:

DFMI *authentic* characters & experiences are front & center



## Logo Evolution



**NEVADA** A WORLD WITHIN.  
A STATE APART.

## Logo Evolution



**NEVADA** A WORLD WITHIN.  
A STATE APART.

## Traveler Journey



DREAMER



**PLANNER**



ADVENTURER



AMBASSADOR

\*Focus more on planning stage in FY17

## Broadcast – TV Commercial

- Run Wild Night 100% rotation in FY17



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## The Hub: TravelNevada.com

Main Homepage



Kelsey Owens,  
Sculpture Artist,  
Reno, NV.

*Video loop will  
showcase various  
Nevadans and  
adventures*

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## The Hub: TravelNevada.com

### Adventure Homepage



Rub Hutchinson,  
Mt. Biker,  
Lake Tahoe, NV

*Video loop will  
focus on active  
adventures and  
real, adventure  
seeking  
characters*

## The Hub: TravelNevada.com

### Nevada Insider Homepage



Kelsey Owens,  
Artist,  
Reno, NV

*Video loop will  
focus on  
Nevadans doing  
and making  
amazing things*



## The Hub: TravelNevada.com

### Nevada Road Trips Homepage



Ben Tucker,  
Culture Enthusiast,  
Vintage Vegas, NV.

*Video loop will showcase various road trip snapshots and real characters from across the state*

## The Hub: TravelNevada.com

### Adventure subpage

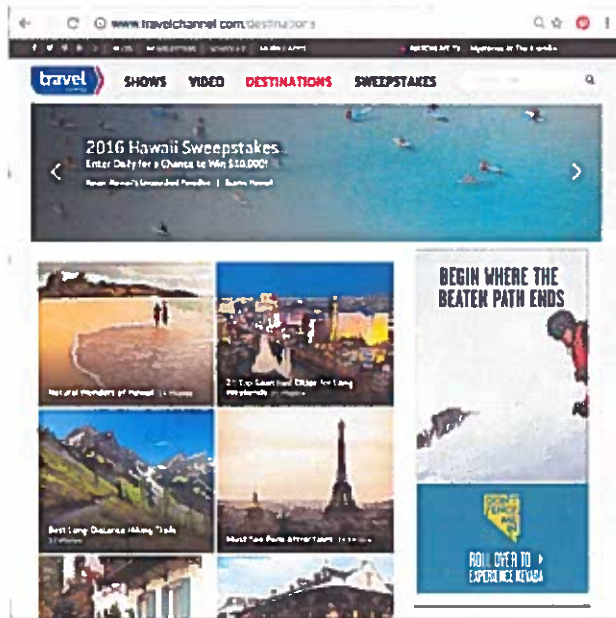


Rub Hutchinson,  
Mt. Biker,  
Lake Tahoe, NV.

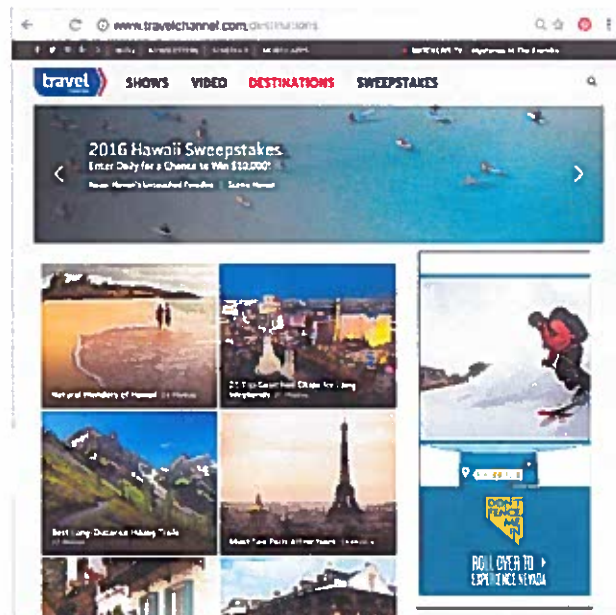
*Video showcases Rub's POV on adventuring in Nevada. Supporting videos will also be hosted in slider.*



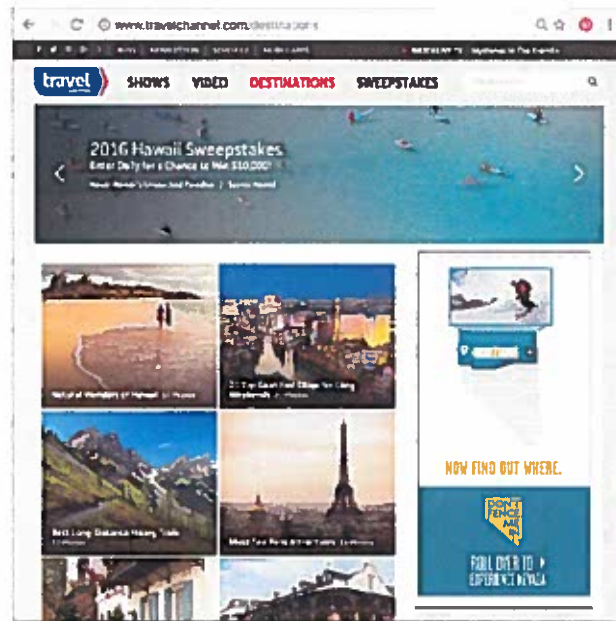
## Hub Driver: Rich Media



## Hub Driver: Rich Media



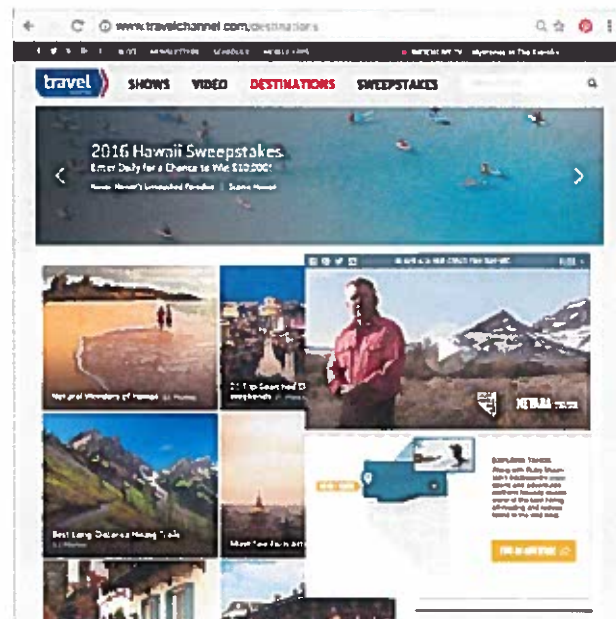
## Hub Driver: Rich Media



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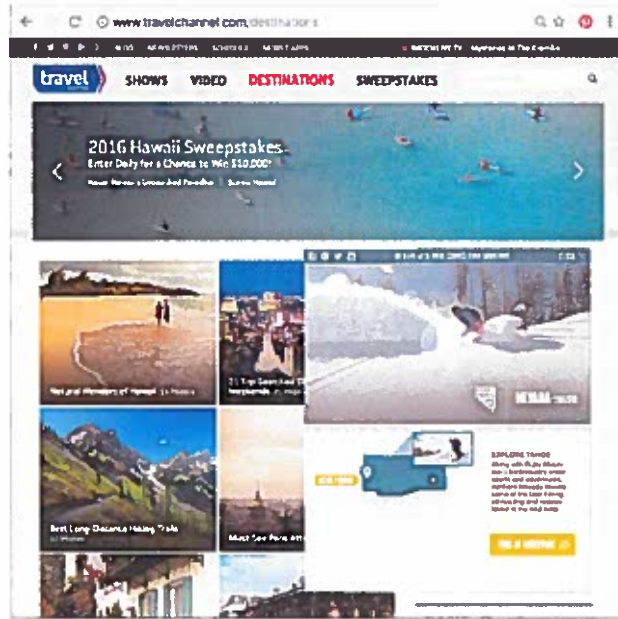
## Hub Driver: Rich Media



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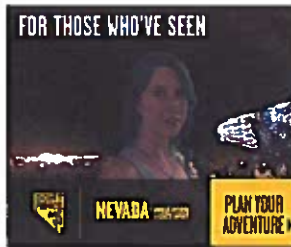
## Hub Driver: Rich Media



## Hub Driver: Standard Banners



1



2



3



1



2



3

## Hub Driver: Standard Banners



1



2



3



1



2



3

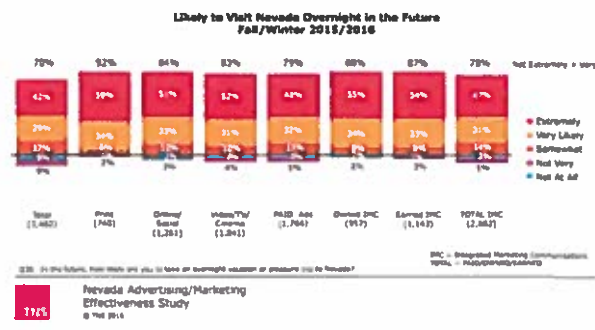
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## Breaking Through: Disruptive Ideas

- According to the IME study, every IMC channel boosts likelihood to visit
- Study indicates opportunity in key market – Los Angeles
- Don't Fence Me In: use contextual appeal to drive recall

### Every IMC channel boosts likelihood to visit



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## Always On Disruptor: LAX Activation



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## Always On Disruptor: LAX Activation



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# PR-Driven Campaign

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## Message-Driven Approach: Core Content Areas

### Evolution from “Buckets” to evolved storylines

- Character-driven stories, including originals and hard/soft adventure
- Insider info.
- Social-first content



## FY 2017 Public Relations

- Master Content/Editorial Calendar
- Character Storylines and Insider Content
- Online Pressroom Revamp
- Broadcast SMT
- Media Tours in Key Markets
  - Fall: Denver/Boulder, NYC
  - Spring: Los Angeles, Boise
- Los Angeles Event/Activation - Spring
- Content-Driven Social Media Campaigns
  - Offerpop
- Influencer Program
  - Chute
- Individual Media Hostings – Key Targets
- Instagram Enhancement



# Digital Ecosystem Evolution



## TravelNevada.com

- Enhanced content hub (based on usability study)
  - Enhanced search
  - Events calendar
  - Homepage refresh
- Deep integration of social content
- Mobile app educational content



## Hub Driver: CRM

**CHOOSE YOUR OWN ADVENTURE**

Thanks for choosing the small guide - a handy little resource to help you plan and understand the area that you're visiting. We hope you enjoy it! If you have any questions or feedback, please let us know. We'll be happy to help.

**THANK YOU FOR SUBSCRIBING**

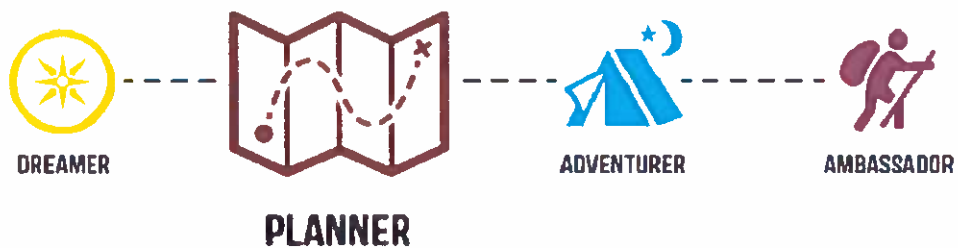
You've just added this free guide to your list. We'll be happy to help you find more guides to help you plan your trip. We'll be happy to help you find more guides to help you plan your trip.

**NEVADA TRAVEL APP**

Download the Nevada Travel App today! It's free and available on the App Store and Google Play. Get the app now!

# Paid Media Recommendation

## Traveler Journey



\*Focus more on planning stage in FY17

## Connections Strategy

- Utilize data to make decisions for targeting, partnerships and content
- Continue to build on successful partnerships while exploring new opportunities to keep the message fresh and increase audience reach
- Incorporate partners that will allow us to increase our connection to the audience while they are in the planning stage
- Integrate paid, earned, owned, and shared media to ensure we are surrounding the audience throughout their daily lives

### Adventure Mindset

## Crave inspiration

Thirst for adventure

## Culturally Active

Discover for themselves

Authenticity is important

Active

## Confident

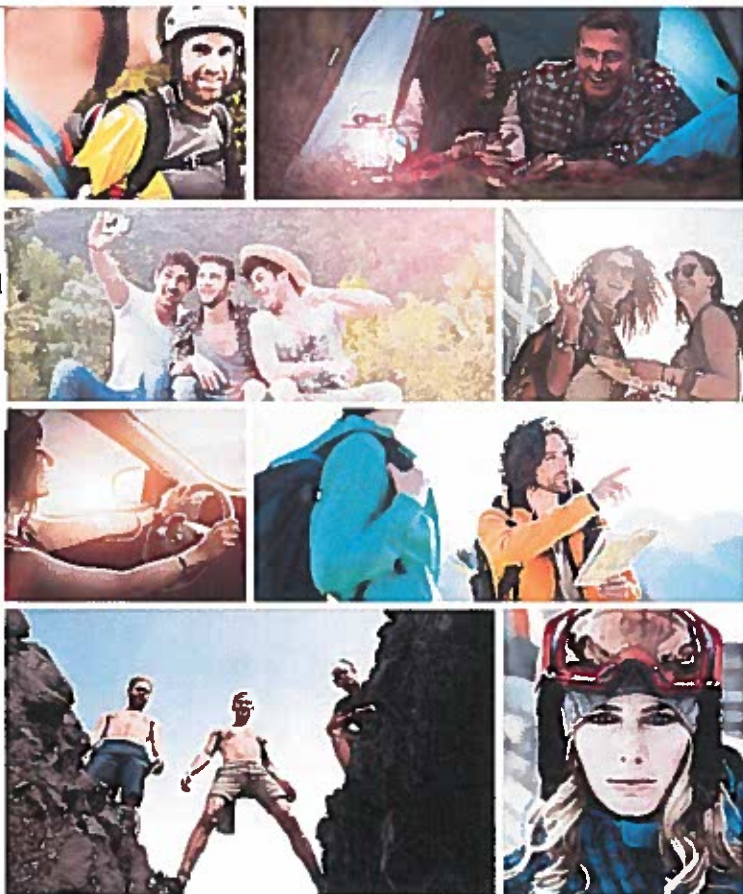
Foster and cultivate relationships

## Social

Explorer

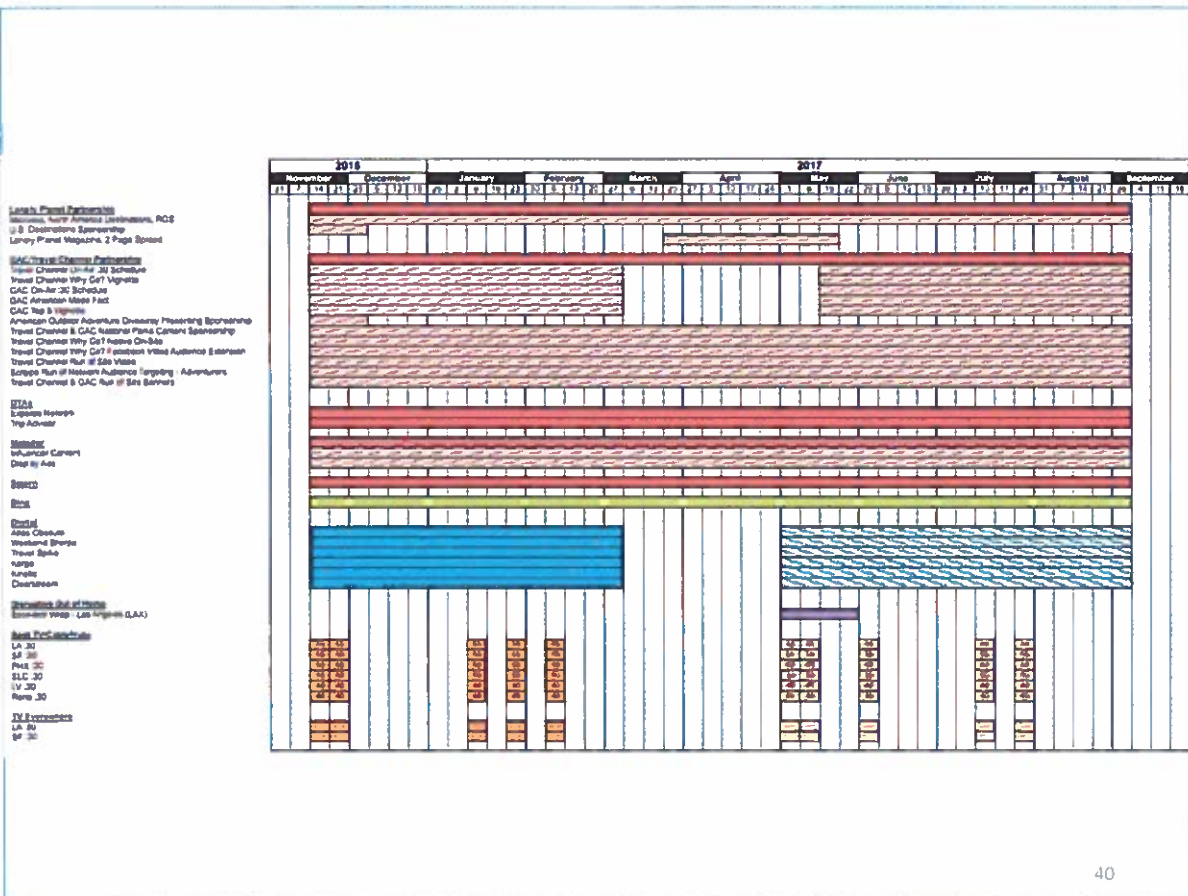
Personalization is critical

## Resourceful



## Recommended Media Approach

- Support core markets with year-round media efforts in addition to seasonal pushes during the key planning periods
- Core Markets (DMAs):
  - Video & Digital Support: Los Angeles, San Francisco, Phoenix, Salt Lake City, Las Vegas, and Reno DMAs
  - Digital Support Only: Boise, Dallas, Portland, Sacramento, and San Diego DMAs



## FY17 Media Approach

FY16 "Always On"  
32% of Budget

### National Niche Partnerships

- Lonely Planet, Travel Channel, Great American Country

### OTAs

- Trip Advisor, Expedia Network

### Content Partners

- Matador

### Network Partners

- Sojern

### Search Marketing

- Bing

Fall/Winter  
31% of Budget

### Video

- TV, Cable, Hulu

### Digital

- Paid Social, Native, Content Programs, Pre-roll Video, Mobile

Spring/Summer\*  
37% of Budget

### Video

- TV, Cable, Hulu

### Digital

- Paid Social, Native, Content Programs, Pre-roll Video, Mobile

### Disruptor Out of Home

- Escalator Wrap – L.A. (LAX)

## FY17 Recommended Partners

### FY17 Always On



### FY17 Fall-Winter



### FY17 Spring-Summer

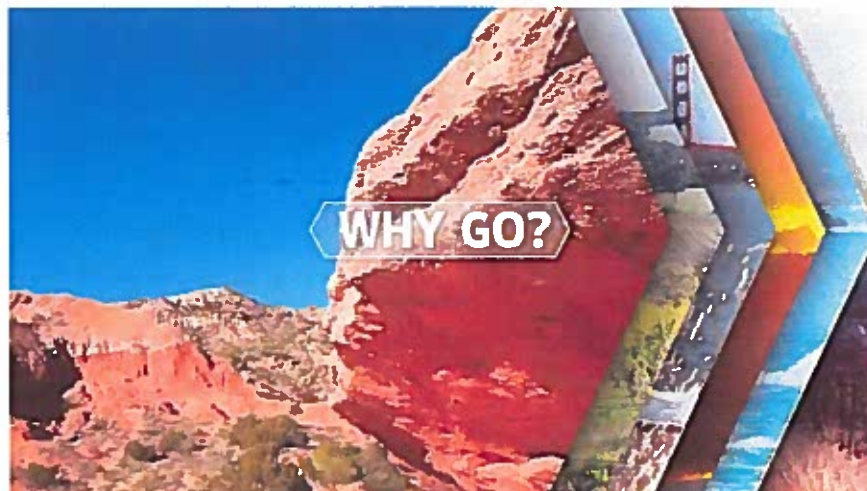
Partners will be TBD based on the performance of partners during the Fall-Winter campaign

## FY17 Recommendation Highlights

- **Travel Channel:** Custom vignettes running within relevant programming designed to educate the audience about all the experiences they can have in Nevada
- **Expedia:** User generated influencer content and extended digital display reach across the Expedia network which now includes Expedia, Orbitz, Hotels, Travelocity, Hotwire, and Cheaptickets
- **Lonely Planet:** Partnership will help increase exposure to audience in the planning stage with custom content and microsite and supported with digital display and print advertising
- **Matador:** Extend our reach beyond just the Matador audience and also reach the followers of outdoor adventure influencers through social media influencer content



## Travel Channel Why Go? On Air Vignette



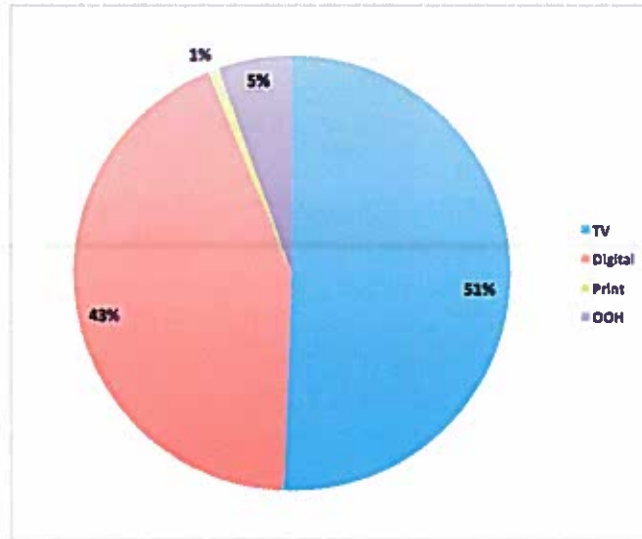
## Lonely Planet Microsite



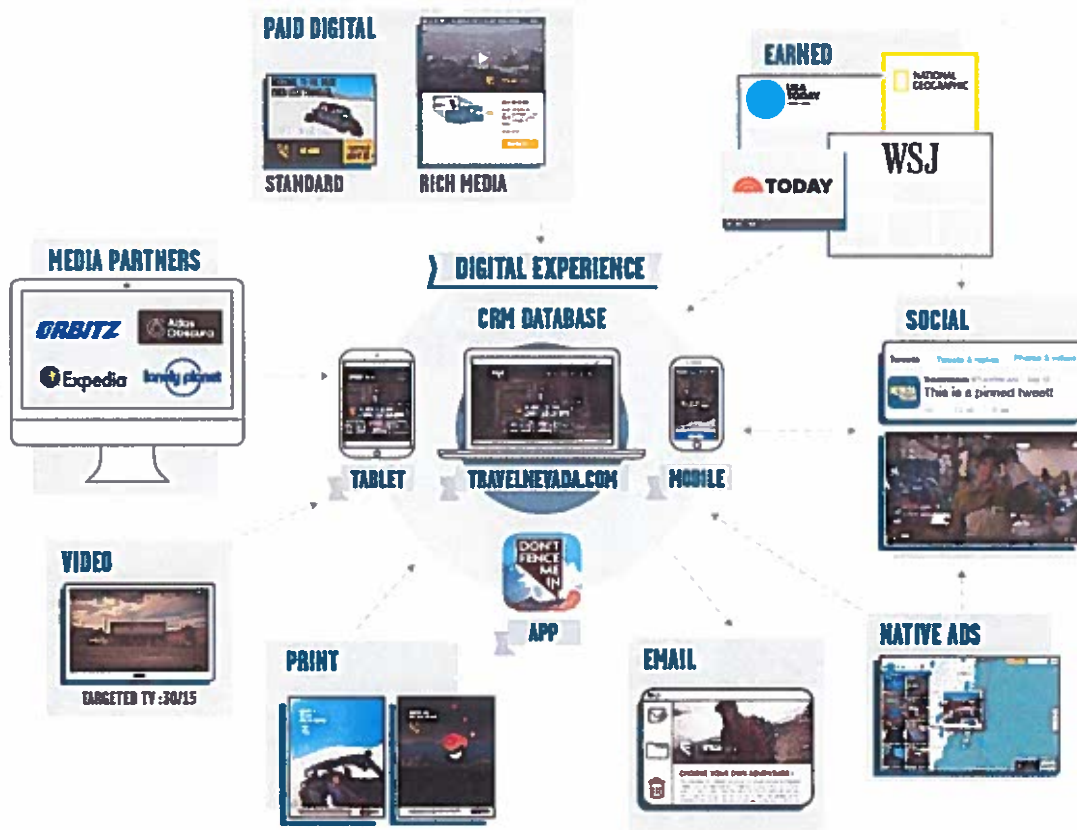
## Atlas Obscura Custom Interactive Map Ad



## FY17 Investment Breakdown



\* Digital includes: Publisher Partnerships, OTAs, Content, Digital Audio, Mobile, Ad Networks, Digital Video  
 \*\* TV includes: Local Spot TV/Cable, National Cable, TV Everywhere  
 \*\*\* Print includes: Lonely Planet





U.S. Department of Commerce  
International Trade Administration



National Travel and Tourism Office

# Cultural Heritage Traveler



## 2015 Industry Sector Profile: Cultural Heritage

### Overseas Cultural Heritage Visitors

[thousands of visitors]	2008	2009	2010	2011	2012	2013	2014 <sup>1</sup>	2015 <sup>1</sup>	Change 2015/2008
Overseas Visitors <sup>(2)</sup>	14,217	13,494	15,369	16,590	16,815	18,294	19,915	22,152	7,935
% Change	-6	-5	14	8	1	9	9	11	56
Share of Overseas Visitors	56.1	56.8	58.3	59.5	56.5	57.1	57.0	57.7	
Point Change in Share	-7	1	1	1	-3	1	0	1	2

### Country of Origin of Cultural Heritage Visitors

Visitor Origin	Market Share 2014 (Percent)	Volume 2014 <sup>1</sup> (000)	Market Share 2015 (Percent)	Volume 2015 <sup>1</sup> (000)
<b>Regions</b>				
Europe	48.5	9,659	49.4	10,948
Asia	22.5	4,481	22.7	5,029
South America	15.4	3,067	13.2	2,924
Oceania	7.0	1,394	7.3	1,617
Middle East	2.7	588	2.9	642
Central America	1.7	339	1.9	421
Africa	0.9	179	0.8	177
<b>Countries</b>				
United Kingdom	14.0	2,788	15.4	3,411
Germany	7.5	1,494	7.8	1,728
P. R. of China	6.8	1,364	7.7	1,706
Brazil	7.4	1,474	6.2	1,373
Australia	5.9	1,175	6.1	1,351
France	6.3	1,255	6.1	1,351
Japan	5.9	1,175	5.5	1,218
Korea, South	4.2	836	4.2	930
Italy	3.6	717	3.4	758
Spain	2.7	538	2.5	554
Netherlands	**	**	2.4	512
India	2.0	398	2.1	465
Argentina	1.9	398	1.8	399
Colombia	2.0	398	1.7	377
Taiwan	1.1	219	**	**

# 2015 Industry Sector Profile: Cultural Heritage

## Main Purpose of Trip

Main Purpose of Trip	2014 (Percent)	2015 (Percent)	Point Change
Vacation/Holiday	65	65	-0.1
Visit Friends/Relatives	17	18	0.9
Business	7	6	-0.3
Convention/Conference/Trade Show	5	6	0.4
Education	5	5	-0.4
Health Treatment	0	0	0.0
Religion/Pilgrimages	0	0	-0.1
Other	1	0	-0.8

## All Purposes of Trip

Purpose of Trip (multiple responses)	2014 (Percent)	2015 (Percent)	Point Change
Vacation/Holiday	77	78	0.6
Visit Friends/Relatives	33	34	1.0
Business	10	9	-0.7
Convention/Conference/Trade Show	7	8	0.6
Education	8	7	-0.3
Religion/Pilgrimages	1	1	0.3
Health Treatment	1	1	-0.2
Other	1	1	-0.6
<b>NET PURPOSES OF TRIP:</b>			
Leisure & VFR	89	89	0.4
Business & Convention	15	15	-0.1

## 2015 Industry Sector Profile: Cultural Heritage

### Information Sources Used by Cultural Heritage Travelers to Plan Trip

Information Sources Used (multiple responses)	2014 (Percent)	2015 (Percent)	Point Change
Airlines	45	46	0.7
Online Travel Agency	37	38	0.5
Personal Recommendation	31	32	1.1
Travel Agency Office	22	21	-0.8
Travel Guides	17	16	-0.5
Corporate Travel Dept.	10	10	-0.1
National/State/City Travel Office	11	9	-1.8
Tour Operator/Travel Club	9	9	-0.5
Other	6	6	-0.2

### Transportation Used in United States by Cultural Heritage Travelers

Transportation Types Used in United States (multiple responses)	2014 (Percent)	2015 (Percent)	Point Change
City Subway/Tram/Bus	42	42	-0.1
Rented Auto	37	37	-0.2
Taxicab/Limousine	37	36	-1.4
Auto, Private or Company	33	35	1.6
Air Travel between U.S. Cities	35	34	-1.2
Bus between Cities	20	20	-0.6
Ferry/River Taxi/Srt Scenic Cruise	15	15	0.0
Railroad between Cities	9	9	0.2
Cruise Ship/River Boat 1+ Nights	6	6	0.3
Rented Bicycle/Motorcycle/Moped	4	5	0.5
Motor Home/Camper	1	2	0.2

# 2015 Industry Sector Profile: Cultural Heritage

## Activity Participation While in the United States

Activity Participation While in the U.S. (multiple responses)	2014 (Percent)	2015 (Percent)	Point Change
Shopping	91	89	-1.6
Sightseeing	86	87	0.6
National Parks/Monuments	60	61	1.5
Art Gallery/Museum	49	50	0.7
Historical Locations	46	46	0.0
Experience Fine Dining	45	44	-0.7
Small Towns/Countryside	40	40	0.8
Amusement/Theme Parks	38	38	0.0
Guided Tours	32	32	-0.6
Cultural / Ethnic Heritage Sites	27	28	1.3
Concert/Play/Musical	30	28	-2.3
Nightclubbing/Dancing	19	18	-0.8
Sporting Event	17	17	-0.1
Casinos/Gamble	18	18	0.3
Water Sports	11	11	-0.1
American Indian Communities	8	9	0.4
Camping/Hiking	8	8	0.4
Environ/Eco Excursions	6	6	0.1
Golfing/Tennis	4	4	-0.2
Hunting/Fishing	2	2	-0.2
Snow Sports	2	2	-0.3
Other	1	1	-0.2



## 2015 Industry Sector Profile: Cultural Heritage

### U.S. Destinations Visited by Overseas Cultural Heritage Travelers

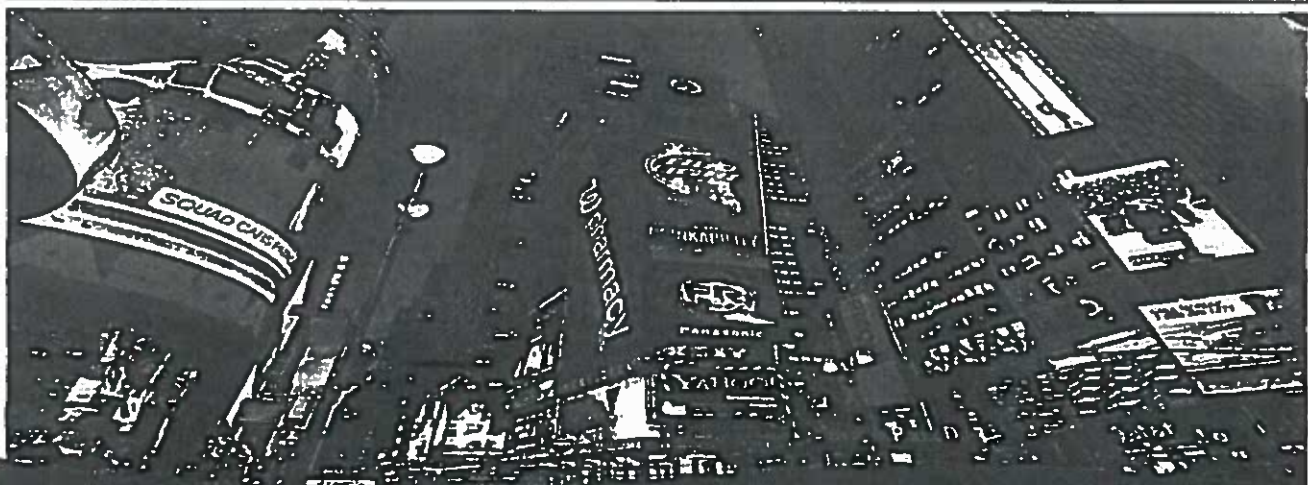
Visitation to U.S. Destinations/Regions (4)	Market Share 2014 (Percent)	Volume 2014 <sup>1</sup> (000)	Market Share 2015 (Percent)	Volume 2015 <sup>1</sup> (000)
<b>Regions</b>				
Middle Atlantic	41.40	8,245	38.98	8,635
South Atlantic	31.30	6,233	31.05	6,878
Pacific	28.00	5,576	28.72	6,362
Mountain	17.40	3,465	17.83	3,950
Pacific Islands	9.40	1,872	8.43	1,867
East North Central	6.20	1,235	7.32	1,622
New England	7.20	1,434	7.26	1,608
West South Central	5.90	1,175	6.42	1,422
West North Central	2.20	438	2.23	494
East South Central	**	**	2.04	452
<b>States</b>				
New York	38.80	7,727	36.72	8,134
California	26.20	5,213	26.46	5,861
Florida	19.90	3,963	20.30	4,497
Nevada	14.00	2,738	14.21	3,148
Hawaii	8.00	1,593	7.11	1,575
Massachusetts	5.90	1,175	6.15	1,362
Illinois	4.10	817	5.17	1,145
Texas	4.40	876	4.53	1,003
Arizona	4.30	856	4.28	948
Pennsylvania	3.90	777	3.53	732
New Jersey	3.00	597	2.78	616
Washington	2.10	418	2.77	614
Georgia	2.70	538	2.68	594
Utah	2.70	538	2.59	574

...continued

## 2015 Industry Sector Profile: Cultural Heritage

### U.S. Destinations Visited by Cultural Heritage Travelers (continued)

Visitation to U.S. Destinations/Regions (4)	Market Share 2014 (Percent)	Volume 2014 <sup>1</sup> (000)	Market Share 2015 (Percent)	Volume 2015 <sup>1</sup> (000)
<b>Cities</b>				
New York City	38.10	7,588	36.00	7,975
Los Angeles	17.10	3,405	16.99	3,764
Las Vegas	13.60	2,708	13.85	3,068
San Francisco	13.60	2,708	13.58	3,008
Miami	12.00	2,390	12.35	2,736
Orlando	9.30	1,852	9.30	2,060
Washington, D.C.	8.80	1,753	8.84	1,847
Boston	5.50	1,095	5.60	1,241
Honolulu/Oahu	6.10	1,215	5.29	1,172
Chicago	4.00	797	5.03	1,114
San Diego	4.10	817	3.89	862
Flagstaff/Grand Canyon/Sedona	3.20	637	3.12	691
Seattle	**	**	2.57	569
Philadelphia	2.70	538	2.46	545
Florida Keys	2.00	398	2.39	529
Atlanta	**	**	2.16	478
Houston	2.20	488	2.06	456
Ft. Lauderdale	**	**	1.95	432



# 2015 Industry Sector Profile: Cultural Heritage

## Select Traveler Characteristics of Cultural Heritage Travelers

Traveler Characteristics	2014	2015	Change (3)
Advance Trip Decision Time (mean days)	113	116	3.1
Advance Trip Decision Time (median days)	90	90	0.0
Prepaid Package	16	15	-1.0
First International Trip to the U.S.	27	28	0.4
Length of Stay in U.S. (mean nights)	21.0	20.3	-0.7
Length of Stay in U.S. (median nights)	12	12	0.0
Number of States Visited (% 1 state)	60	61	0.8
Average Number of States Visited	1.7	1.7	0.0
Hotel/Motel (% 1+ nights)	78	77	-1.8
Average # of Nights in Hotel/Motel	11.2	11.2	0.0
Travel Party Size (mean # of persons)	1.8	1.8	0.0
Gender % Male (among adults)	50	52	1.2
Household Income (mean average)	\$89,490	\$83,881	-\$5,609
Household Income (median average)	\$66,240	\$61,166	-\$5,074
Average Age: Female (among adults)	38	38	0.0
Average Age: Male (among adults)	41	41	0.0

**NOTE:** A cultural-heritage traveler is defined as having participated in one or more of the following activities: Art Gallery/Museum, Concert/Play/Musical, Cultural/Ethnic Heritage Sites, American Indian Communities, Historical Locations, and National Parks/Monuments. The wording changes make the past 2010-2011 cultural heritage profiles not directly comparable to the current profiles, but both are a combination of the cultural heritage travelers.

- (1) 2015 arrivals and percent change reflect a combination of additional records counted and market conditions.
- (2) Excludes Canada and Mexico
- (3) Percentage-point and percentage changes are based on non-rounded data.
- (4) Only census region, state, and city destinations having a sample size of 400 or more are displayed. Due to quarterly data weighting by country and port of entry, some unreported destinations may have a higher proportion of total than those reported.
- (\*\*) Estimate not shown due to sample size fewer than 400 for this year.
- (r) Estimate was revised.
- (p) Estimate is preliminary and subject to revision.

This profile shows only a portion of the 37 travel characteristics data reported on international arrivals to the United States. Additional information may be obtained for a fee. To learn more, please visit our website: <http://travel.trade.gov/research/index.html>

For a list of the states that comprise each census region, please visit: [http://travel.trade.gov/outreachpages/census\\_regions.html](http://travel.trade.gov/outreachpages/census_regions.html)

Interested in data for your destination? The NITTO sells custom reports. To learn more, go to: <http://travel.trade.gov/research/programs/ifs/customized.html>

Source: U.S. Department of Commerce, ITA, National Travel & Tourism Office

Publication Date: July 2016



# Survey of International Air Travelers

The Survey of International Air Travelers provides a level of detail and insight into the traveler characteristics and travel patterns of international visitors to and from the United States not found elsewhere. Responses are weighted with data from the Department of Homeland Security and the following thirty-seven tables are then populated. This report, which was constructed using just a fraction of the data available, summarizes what we know about the overseas traveler who visited cultural heritage sites while in the United States.

Survey of International Air Travelers: Table Number and Description

Table 1	Country of Residence	Table 20	Number of Destinations Visited
Table 2	Information Sources	Table 21	Transportation in the U.S.
Table 3	Advance Trip Decision	Table 22	Port of Entry
Table 4	Advance Airline Reservation	Table 23	Main Destination
Table 5	Means of Booking Air Trip	Table 24	U.S. Destinations Visited
Table 6	Advance Air Ticket Payment	Table 25	Leisure Activities
Table 7	Prepaid, Inclusive Tour Package	Table 26	Total Trip Expenditures
Table 8	Pre-Booked Lodging	Table 27	Itemized Trip Expenditures
Table 9	Travel Insurance Purchased	Table 28	Trip Payment Methods - Average
Table 10	Travel Companions	Table 29	Payment Methods - Frequency
Table 11	Travel Party Size	Table 30	Payment Methods - Expen. Weighted
Table 12	Main Purpose of Trip	Table 31	Factors in Airline Choice
Table 13	Purpose(s) of Trip	Table 32	Main Factor in Airline Choice
Table 14	Type of Accommodation	Table 33	Seating Area
Table 15	Nights in the U.S.	Table 34	Type of Airline Ticket
Table 16	Total Nights Away from Home	Table 35	Gender and Age of Travelers
Table 17	First Trip to the U.S.	Table 36	Occupation
Table 18	U.S. Trips Last 12 months	Table 37	Annual Household Income
Table 19	Number of States Visited		

## Interested in obtaining data for your organization?

One of the unique features of the Survey program is its 'data-mining' potential. The Survey research data, collected from the questionnaire, is maintained in a computer database. Therefore, customized reports, special tables and data files are available.

To learn more, go to: <http://travel.trade.gov/research/programs/ifs/index.html>

## For NTTO programs of interest visit:

<http://travel.trade.gov/research/index.html>

- Summary of International Travel to the United States (I-94)
- U.S. International Air Traveler Statistics (APIS, formerly I-92)
- Survey of International Air Travelers (SIAT)
- Canadian Statistics
- Forecast of International Arrivals to the United States
- U.S. Travel and Tourism Exports, Imports and the Balance of Trade
- U.S. Travel and Tourism Satellite Accounts

### **U.S. Department of Commerce**

International Trade Administration  
Industry & Analysis  
National Travel and Tourism Office  
1401 Constitution Ave, NW  
Washington, D.C. 20230  
Phone: (202) 482-0140  
Fax: (202) 482-2887  
[ntto@trade.gov](mailto:ntto@trade.gov)

# <http://travel.trade.gov>



**STRATEGY PLANNER-**

Nevada Department of Tourism

3-Aug-16

TARGET COUNTRIES					
LOA amount and Month					
FY 2015 \$150K (August)					
FY 2014 \$150K (Sept.)					
FY 2013 \$150K (June)					
Starting Balance Aug. 3, 2016		\$	206,529.77		Cost if Contracted Without Brand USA
<b>Confirmed</b>			Partner Cost		
Inspiration Guide	Jan - Dec 2017	The guide goes out to multiple travel agents from different countries and is translated in 13 languages. A tool to attract visitors from the most valuable international markets.	\$	27,350.00	55,000
Go USA Page	Jan - Dec 2017	To enhance our exposure with Brand USA supported efforts.	\$	10,500.00	22,000
Australia MC	April - June 2017	4 week digital campaign with a customized call to action step. Half page ad and content traffic generation.	\$	21,850.00	\$65,550
China MC	May - June 2017	A 3 month digital and social media campaign, with print advertising, 1 10-minute TV episode and 2 minute vignettes.	\$	20,800.00	62,400
India MC	Feb - March 2017	Six week content traffic generation campaign. 6,000/1,875,000 guarantee impressions.	\$	20,500.00	60,000

Telegraph	May-17	Nevada advertorial in conjunction with a call to action Virgin Holidays & America As You Like It.	\$ 25,000.00	50,000
America Unlimited		Cinema Advertising for one month with Germanys biggest Cinema chains.	\$ 11,200.00	14,000
Thomas Cook	Oct 2016- Sept 2017	A new multi-channel marketing platform in conjunction with Thomas Cook first party data. Placing Nevada promotions in front of the consumer while consumers plan their travel.	\$ 22,500.00	97,826
STA	Oct 2016- Sept 2017	STA consumers are millennial travelers, the campaign will enhance our millennia outreach by having store displays, advertising impressions, and 3 weekly newsletters fro 3 markets.	\$ 10,000.00	274,000
India Mission	Sep-16	Brand USA India Sales Mission	\$ 6,000.00	8,000
Maintained Discovery Badge Page	Jan-17	Tour Operators will be part of an extensive online training and will earn a badge based on their knowledge of Nevada.	\$ 2,000.00	
Rocket Fuel	Jan - Dec 2017	Generate qualified traffic to in language videos, expand consumer reach and engagement	\$ 23,625.00	58,875
<b>Total</b>			\$ 201,325.00	767,651
<b>Future Consideration</b>			Approx.	Value
America Journal			\$ 4,000.00	10,500
Travel Nation			TBD	
Post Media			TBD	
Televisa			TBD	
In Language Videos (2)			\$ 19,800.00	\$50,000

## CITY SPOTLIGHT

### Vegas Ventures

Casinos are just one source of entertainment in the desert destination. From celebrity houses to fitness high above the city, Vegas really does have something for everyone.



#### Elevated Yoga

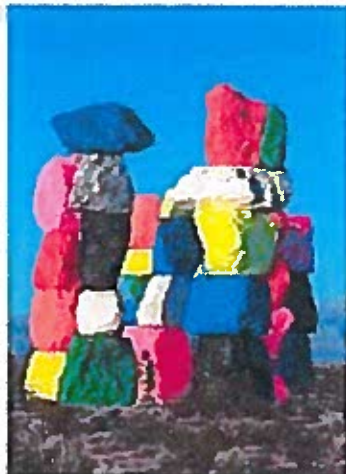
► Performing a tree pose or downward-facing dog at 550 feet in the air is now possible thanks to one-hour yoga sessions being offered on the High Roller Observation Wheel, touted as the tallest such wheel in the world. Call 702-322-0537 or visit [cesars.com/inq/high-roller](http://cesars.com/inq/high-roller). —Tyler Hillis

#### Vegas Nets NHL Team

► Ice will soon fly in the desert. This summer, the NHL announced that Las Vegas will be home to an expansion team starting in the 2017-2018 season. —Janel Crouch

#### Bright Boulders

► In the Strip Valley, south of Las Vegas, seven towers of painted boulders rise to heights of 30 to 35 feet. The limestone pieces stacked in various arrangements of fluorescent and metallic colors make up artist Ugo Rondinone's Seven Magic Mountains installation, which will be shown through May 2013. Call 775-329-3353, visit [sevenmagicmountains.com](http://sevenmagicmountains.com). —Meggan Wehe



#### Touring Wayne's World

They don't call Wayne Newton "MR. LAS VEGAS" for nothing—2016 marks the 58th year the crooner has performed in the city. Now visitors can gain insights about the 74-year-old entertainer by touring the 52-acre estate, Casa de Shenandoah, where Newton lived until recently. Tours range from \$19.95 to \$95 for out-of-town visitors and grant different levels of access.

The property, which sits southeast of McCarran International Airport, is a 15-minute cab ride from most Strip hotels. Each tour begins in the visitor center, where a video chronicles Newton's early years. Most tours continue to a museum of Newton's memorabilia. On display is everything from Newton's tasseled stage costumes to the Bentleys and Rolls-Royces that make up Newton's classic car collection.

In addition to extensive CD and filmographies and TV credits, Newton is known as one of the world's foremost collectors and breeders of Arabian horses; some tours showcase Casa de Shenandoah's stables. Guests might get to meet the singer's capuchin monkey, Bob, or be invited to a shaded paddock to watch the horses run.

The more expensive tours end in the mansion, where guests can marvel at a crystal pool table, ornate wrought-iron staircases, and Newton's office, complete with a desk once owned by Franklin Delano Roosevelt.

When leaving Casa de Shenandoah, the best way to express gratitude for a worthwhile tour might be to croon the chorus of Newton's career-launching 1963 single, *Danke Schoen*. —Matt Vilano





# Basque Country, USA

## How Europe's Most Original Ethnic Group Transformed the Culture of Idaho and Nevada

By Melissa

SHARE SHARE PIN

Although most people associate the Basque diaspora with South America, since the 19th century, Idaho and Nevada have been home to a founding Basque presence that has left a major cultural imprint—undoubtedly one of the best-kept secrets of the western United States.

First, some background. There are currently about 3 million people of Basque ethnicity in the Pyrenees in the region of northern Spain and southern France known as Basque Country (*Euzkadi* in the Basque language). Additionally, there are several hundred thousand people of Basque descent scattered around the world.

The Basques have a long and singular history, scratching their heads for centuries over their unusual language, one related to no other anywhere else in the world. The current consensus is that their language developed before the Indo-European languages did, which would explain its uniqueness.



In the 19th and 20th centuries, many Basques left their homeland in search of better fortunes on the other side of the Atlantic. Like other Spanish immigrants, most settled in Latin America, which consequently has a large Basque diaspora, most notably in Chile and Argentina.

The largest number of Basque-Americans lives in California, but a high concentration can also be found in Idaho and Nevada. The Basques have left an indelible imprint on the culture of those two states. (Fun fact: Although Chile and Argentina have the largest Basque diaspora in absolute numbers, Boise, Idaho, has the highest concentration of people of Basque extraction (a total of 16,000) outside the Pyrenees.)

Growing numbers of Basques began to settle there in the 19th century, living off what they could best back in Europe: sheepherding. This proved a useful trade during that century's gold rush era, when miners increasingly needed help.

So, if you're interested in Basque culture in the United States, Boise is the first place you should visit. It is the site of the Sheeplender's Ball, held in Boise each year since 1929, during which locals perform traditional dances and Basque cuisine is served.

Another annual event that highlights Boise's Basque heritage is the feast day of St. Ignatius of Loyola, the Basque founder of the Jesu Order. The feast day celebrations have a religious component, with Mass celebrated, and highlight the Basques' tenacious connection with their Catholic faith, but they also feature performances of folk dances, sports competitions, and picnics.



Basque flags adorn Boise's Basque Block. For a moment, you might forget that you're not in Europe.

While these two events are each held only once a year, you can experience Basque culture in Boise year-round. The city even has a Basque Block, which was restored several years ago. While, as its name suggests, it is only a block long, which makes calling it a Basque neighborhood a stretch, that block is a hub of Basque-American culture. There, you can find the Basque Museum and Cultural Center, which offers lessons in the Basque language and runs the nation's first Basque preschool. Another important site in the Basque Block is the Basque Center, which the City of Boise dancers use for rehearsal and where you can play the Basque card game Mus. The surrounding development has been painted red, white, and green—the colors of the Basque flag.

Although many Basque immigrants to the U.S. eventually returned home to the Pyrenees, they also left a lasting imprint on the state's culture. Each year, folk dances grace the streets of downtown in the U.S. and Reno celebrates annually in Basque Culture Week. Meanwhile, the University of Nevada at Reno even has a Basque Studies program.





2.7. Basque in Gardnerville is one of many places in Nevada where you can enjoy some porkies and lamb steaks washed down with Pilsner.

In Nevada, the second most common occupation of the Basques after sheepherding was mining overland. As boarding houses, shepherds would wander for long distances with the herds. They needed to eat and sleep somewhere, and wanted to be entertained to break up the monotony. In response, Basques started to build and run overlands. Today, many still serve delicious Basque cuisine, although their patrons are more likely to be tourists than shepherds.

Some of the best known Nevada overland-turned-Basque restaurants include the Green Endive Market in Winnemucca and El Rancho Hotel in Gardnerville. Basque cuisine is characterized by generous use of garlic, peppers, and French fries. Typical Basque dishes include stew made of beef and unspriced lamb and sliced cheese. Wine is also called for, there is a local appellation. When you go to a Basque restaurant in Nevada, be sure to down your hearty meal with Pilsner punch, a cocktail made with Amaretto, quinine, and cold pressed oil, and a touch of brandy, an invention of Basque immigrants in the United States.

The Basques have created an unique culture that has fascinated travelers in store and online for many years. Do you want to take to the Pyrenees right now to enjoy some porkies and wash Basque banders, consider Idaho and Nevada as the next best spots.



## Weekender Elko, Nevada

AS FALL DAYS turn crisp in the Ruby Mountains, glaciated valleys burst with quaking aspens, their leaves shimmering in shades of saffron, lime, and crimson. Nearby Elko provides a high-spirited gateway to this cowboy-friendly land.

■ The California Trail Interpretive Center focuses on one of the largest migrations in United States history, when 250,000 people — pioneers and prospectors — crossed the continent. Interactive exhibits of clothing, games, and tools testify to the ingenuity needed to travel in covered wagons.

■ At the Western Folklife Center, you can listen to little-known recordings of cowboy singers and poets. This coming year, from Jan. 30 to Feb. 4, the center hosts the National Cowboy Poetry Gathering, an annual event celebrating the verse, music, and stories of ranch dwellers.

■ The Guerrilla Craft Eats food truck serves organic, seasonal fare. Try the roasted pork sandwich with rye whiskey barbecue sauce and apple-kale slaw, a regular on the menu.

■ Winding through the heart of the Ruby Mountains, Lamoille Canyon Scenic Byway follows 12 miles of ter-

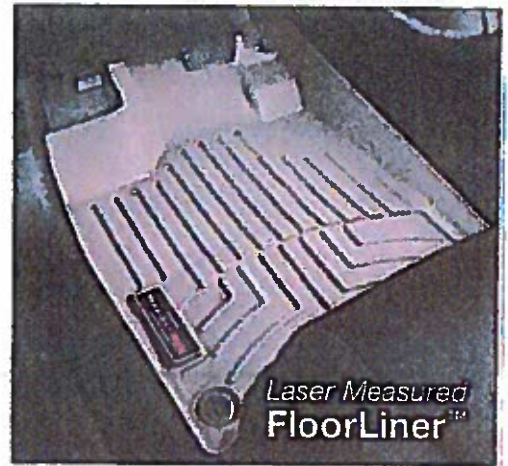
rain that glaciers spent centuries scouring. Hike the gentle Lamoille Canyon Nature Trail to see high cirques and shining pools left behind by ancient ice. At the end of the byway, you can explore the back-country on the popular 3.7-mile round-trip Lamoille Lake trail or the steeper 3.8-mile round-trip Island Lake trail. Spy mountain goats on rocky ledges through a scope.

■ The hamlet of Lamoille, with its cottonwoods and iconic steepled white church, is a pretty remnant of Nevada's self-reliant Old West. Grab a burger on the porch at O'Carroll's and watch the ranchers and motorcyclists rub elbows at the pool table inside.

■ Cowboy Joe Coffee in downtown Elko serves espresso drinks around a woodstove. You can peruse local photography or browse *The White Fawn*, the latest children's book by Lamoille's Karen Collett Wilson.

— LAURA READ

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## Public Relations–Driven Integrated Domestic Marketing Program

### Domestic Media Relations

- In August, staff conducted deskside meetings with Denver-area media. Appointments were held with:
  - 5280
  - Go World Travel
  - Denver Life
  - Climbing
  - Freeskier
  - Backpacker
  - Mountain
  - American Cowboy
  - Multiple freelance writers writing for a variety of publications including the New York Times, CNN's Great Big Story, Newsweek, Nation Geographic, Slate, the Denver Post, and AAA magazine.
- In September, staff appeared on three Salt Lake City morning shows to promote the Great Basin National Park Astronomy Festival, held Sept. 29-Oct. 1. Interviews were conducted on KSTU Fox 13's Good Day Utah program, KTVX ABC 4's Good Morning Utah, and KUTV CBS's Fresh Living program.
- Planning is underway for deskside meetings in New York in October, and we will be planning a large-scale media event in Los Angeles in the spring.
- Matt Long of Landlopers.com visited Nevada in August/September to write about roadtripping in Nevada. The website receives 1.4 million unique visitors annually and 1.82 million page views annually. It has more than 150,000 followers across social platforms. Matt wrote about his travels on Landlopers.com and shared his experiences socially.



Destination

### Driving the Extraterrestrial Highway in Nevada: What You Need to Know



Matt Long

The International Car Forest of the Last Church. Goldfield Nevada  
[PHOTO] [landlopers.com/2016/09/12/photo...](http://landlopers.com/2016/09/12/photo-of-the-international-car-forest-of-the-last-church-in-goldfield-nevada/) #NevadaTravel #Nevada #art #not



The International Car Forest of the Last Church, Gol ...  
Photo of The International Car Forest of the Last Church in Goldfield Nevada

[landlopers.com](http://landlopers.com)



Other domestic media coverage garnered in the last quarter include:

- Seven Magic Mountains in Alaska Airlines inflight magazine, a result of a deskside meeting in April.
- Nevada's Basque culture in Preservation magazine, the magazine for the National Trust for Historic Preservation, a result of a deskside meeting in December 2015.
- Reno in Endless Vacation magazine
- Elko in Via magazine, a result of ongoing pitching and hosting of a Via travel writer.
- Reno and beyond-Vegas attractions included in Southwest Spirit's Nevada section, a result of ongoing pitching of travel writer.
- Great Basin National Park on National Geographic online, a result of a story pitch:  
<http://www.nationalgeographic.com/travel/top-10/10-national-parks-should-need-visit/>

#### International Media Relations

- Bloggers from [www.littlegypsy.fr](http://www.littlegypsy.fr) (France) traveled Nevada in September from Reno to Gerlach to Ely to Las Vegas. The blog receives 10,000 unique visitors/month and each web visit lasts approximately 3 minutes, so we know that the content is compelling and capturing its readers.



**LittleGypsy** added 9 new photos

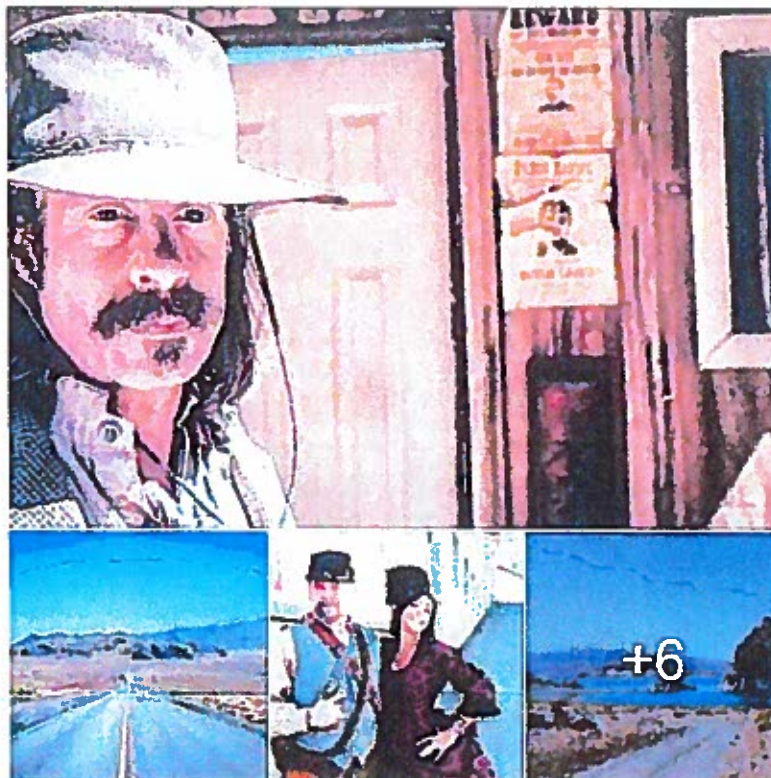
Yesterday at 7:30am

Le Nevada pour clôturer ce voyage ❤️

Non parce qu'on parle tout le temps de Vegas mais le Nevada c'est aussi les réserves indiennes la zone 51 la moitié des chevaux sauvages d'Amérique les villes fantômes les vrais cow-boys la route la plus solitaire le burning man des gens d'une gentillesse incroyable les paysages à couper le souffle Je continue ?

Du coup je me suis dit qu'avant de rentrer c'était bien assez suffisant pour faire "le Nevada en s'amusant" #DanseDe See More

See Translation



- Aviareps, our representative company in China, issued an events-focused news release to media. (example included)
- Two travel writers from Australia and New Zealand visited Nevada in September on assignment for Let's Travel Magazine and various other publications including Escape Travel in the Sunday Telegraph, ABC Travel, and Brand USA publications. They visited Reno, Lake Tahoe, Tonopah, Ely, Great Basin National Park, and Las Vegas. Let's Travel is a luxury travel publication that prints bimonthly and has an online audience of 40,000 unique visitors per month.

### Discover Your Nevada

#### Recap of program:

Discover Your Nevada is an annual campaign designed by the Nevada Division of Tourism to stimulate in-state travel among Nevadans. The national average for in-state travel is 51 percent. However, Nevada's in-state travel is only 6.7 percent, meaning that most Nevadans are traveling out of state for their weekend getaways and vacations.

This year's campaign will feature six road-trip routes. When travelers drive these routes and "check in" at a designated point on each route via Twitter, Instagram or Facebook using the hashtag #DiscoverNV16 and posting a photo or tip for that location, they will earn \$1 for the Field Trip Fund. Each traveler could earn up to \$6 for the fund by traveling each of the six routes.

The Nevada Department of Education will conduct an essay contest open to eighth-grade students in Nevada. The essay topic will be determined by the Department of Education and will be related to travel. The writer of the winning essay will be awarded a field trip in Nevada to be scheduled toward the end of the 2016-17 school year. Depending on how much money has been generated during the travel period, the fund may be used to host the winning student's entire class on a field trip.

Travelers must check in at the approved check-in locations identified in the routes on the Discover Your Nevada website. There are six routes and each has one check-in location. We understand that cell service is not guaranteed in each of these locations, and will accept nearby check-ins if the spirit of the campaign is maintained. Check-ins must be on either Facebook, Twitter, or Instagram. Facebook users must go to Facebook to submit their check-ins. Instagram and Twitter users must include the hashtag #DiscoverNV16. All check-ins must also include either a photo of the location or a travel tip related to the location. The purpose of this is to use each check-in as inspiration and education for fellow travelers.

#### Results:

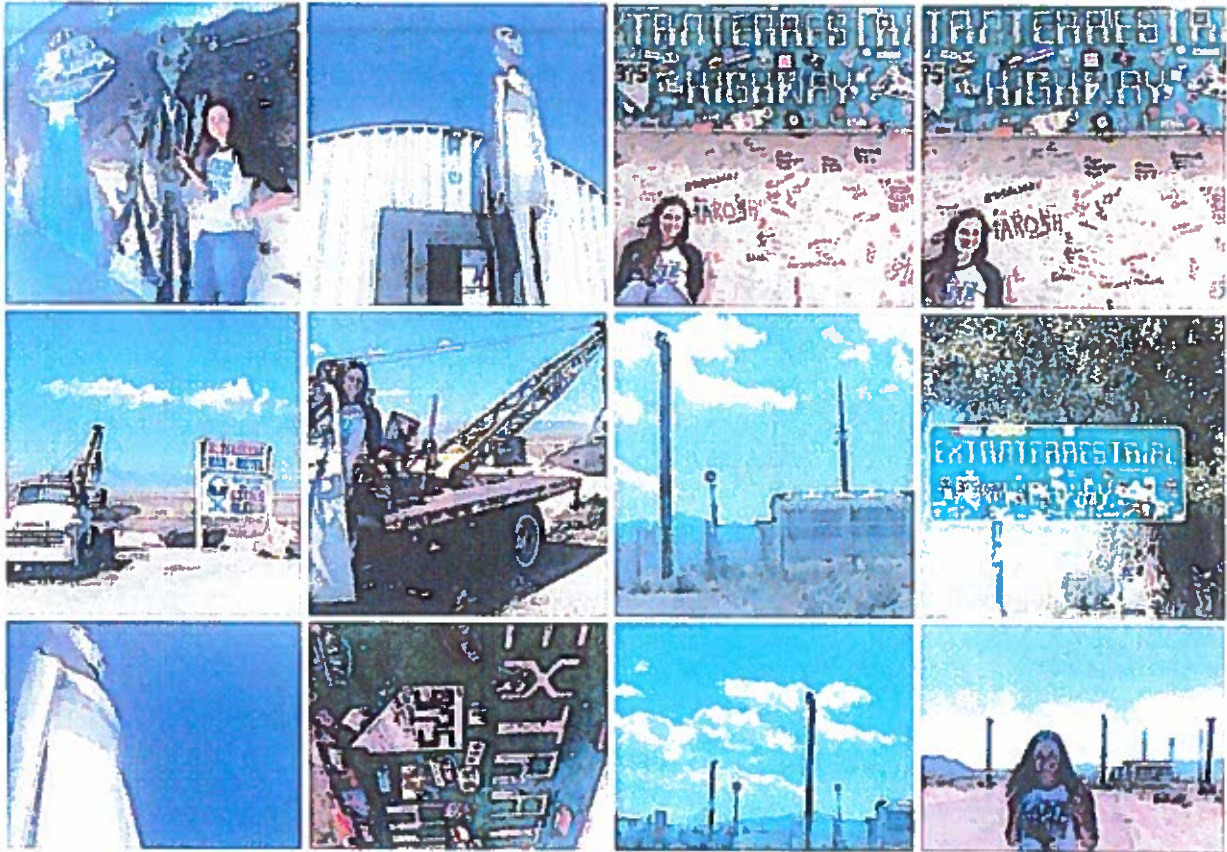
The emphasis this year was on Nevadans actually taking the initiative to travel rather than to just educate them about the state. We expected a low number of check-ins as it's a new version of the campaign, and getting people to actually get in their car and explore takes repeated effort and incentive. We had more than 100 check-ins, which means that more than 100 people took the suggested road trips and made the effort to check in using the campaign hashtag.

The best results are the anecdotal ones, like Catherine Odgers from Ely, who learned about the campaign and took it as a personal challenge to travel all the road trips in the campaign.

## Travel NV #DiscoverNV16

Updated about a week ago

Being born and raised in Nevada and as a member of Nevada State High School Rodeo Association for many years I have traveled the roads of Nevada and have found many treasures along the way. But even with constant traveling there are still some things I haven't seen. So my mother and I took to the #DiscoverNV16 challenge and explored local and far off wonderlands! I challenge you to go out and find treasures in your own backyard!





## OUTBOUND TOURISM

# Report tracks Chinese overseas travel trends

### Mainlanders prefer regional destinations

When choosing overseas tourism destinations, Chinese travelers prefer neighboring countries and regions, according to the annual Report of Outbound Tourism Development by the China Tourism Academy, a think tank under the national tourism administration.

Hong Kong and Macao accepted more than 63 percent of the 117 million total outbound tourists from the mainland in 2015. Despite the fact that total visits to Hong Kong in 2015 dropped by 4.3 percent, to 45.8 million, it still ranks at the top for mainland visitors.

Other popular tourism destinations include Thailand, South Korea, Japan, Vietnam, the United States, Singapore, Russia, Australia, Indonesia and Malaysia.

Several countries and regions saw huge growth — Thailand was up 88 percent (7.93 million visitors), Japan was up 82 percent (4.99 million visitors) and Vietnam was up 68 percent (1.78 million visitors).

However, visits to Africa dropped by 61.8 percent in 2015, while visits to Europe increased by 23.8 percent, the report said.

### Most money spent on shopping

When asking to rank their

largest expenditures on overseas trips, 85.9 percent of tourists answered shopping.

About 61 percent chose fees paid to travel agencies and local organizers. More than 58 percent chose dining.

Chinese people are not shy about spending big during overseas trips. More than 60 percent of tourists said their budget for one trip was more than 10,000 yuan (\$1,500), the outbound tourist report said.

More than 30 percent said they would spend 5,000 to 10,000 yuan for one trip. Only 8 percent said their budget was below 5,000 yuan.

### Eastern China provides most tourists

Beijing, Shanghai, Guangdong province, Jiangsu province and Zhejiang province were the top five source markets for China's booming outbound tourism industry. In 2015, Beijing sent out 5.3 million citizens to travel overseas, a year-on-year jump of 29.7 percent. Average overseas spending was 5,000 to 15,000 yuan, the report said.

Eastern China has a mature tourism industry, and it takes the lead both in accepting tourists and sending them out. Central China also makes a big contribution, the report said. The gaps between western, central and eastern China are being narrowed as airports are built and visa centers are opened in second- and third-tier cities, it said.

—SU ZHOU



A Chinese tourist takes a selfie in front of Notre Dame Cathedral in Paris in May. JACKY NAEGELEN / REUTERS



# CHINADAILY

FRIDAY, September 9, 2016

中國日報

china

## TOURISM

# Exchange rates shaping travel plans

By SU ZHOU  
suzhou@chinadaily.com.cn

Uncertainties such as fluctuating currency exchange rates and fear of terrorist attacks are influencing outbound tourists' decision-making, says a new report.

The depreciation of the yuan versus the US dollar didn't have a significant impact on tourism destinations such as the United States last year, according to the annual report on China outbound tourism development, released on Thursday by the China Tourism Academy.

However, the yuan's appreciation against the Japanese yen, the Russian rouble and the Canadian dollar have boosted quickly planned overseas trips, it said.

"Travel to destinations with favorable currency exchange rates has become a phenomenon," said Yang Jinsong, a professor of international tourism at the China Tourism Academy.

"At the same time, terrorism attacks have caused signifi-

cant negative impact on outbound tourism. Thailand, France, Turkey and Egypt have seen a drop in the number of Chinese tourists."

Last year, 117 million Chinese mainland tourists visited overseas countries and regions. The number is expected to hit 133 million this year, according to the China National Tourism Administration.

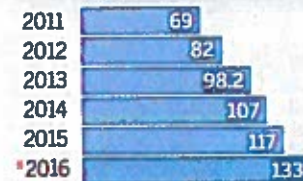
"Consumers are always sensitive to the currency exchange rate," said Dong Na at the Chinese online travel agency Qunar. "During the summer vacation, many tourists have consulted about whether a trip to Europe would cost more."

"Generally speaking, tourists need to spend more for their overseas trips if the RMB has depreciated against a basket of currencies. But tourists know how to choose destinations."

The United Kingdom has benefited. The cheaper pound and euro brought on by the

## Outbound visits made by Chinese mainland tourists from 2011-16

Unit: million \* estimated



Source: China National Tourism Administration  
LIU CHEN / CHINA DAILY

## At a glance

### The top 10 regions and countries visited by Chinese mainlanders

- 1 Hong Kong
- 2 Macao
- 3 Thailand
- 4 South Korea
- 5 Japan
- 6 Taiwan
- 7 Vietnam
- 8 United States
- 9 Russia
- 10 Australia

SEE "TRAVEL" PAGE 5

# Travel: For tourists, the top concern is now security

FROM PAGE 1

Brexit referendum in June is an incentive for Chinese travelers going to Britain, according to Qunar. It said its travel business to the United Kingdom increased by 35 percent after July, compared with the same period last year.

Liu Simin, vice-president of the tourism branch of the China Society for Futures Studies, said that in the past, tourists tended to choose tourism destinations based on tourism resources, visa requirements, distance and cost. However, the priority has changed in recent years, Liu said.

The currency exchange rates have influenced tourists "because Chinese outbound tourists are cost-sensitive and love shopping," he said.

The report also said that nearly 60 percent of Chinese tourists said an overseas trip is a big consumption decision.

Liu also said that, in the past, not much attention was paid to security concerns.

"However, security has become the top concern," he said. "In the past, the tourism industry would consider the negative impact brought by natural disaster and political disturbances as a short-term issue. However, terrorism is totally different."





