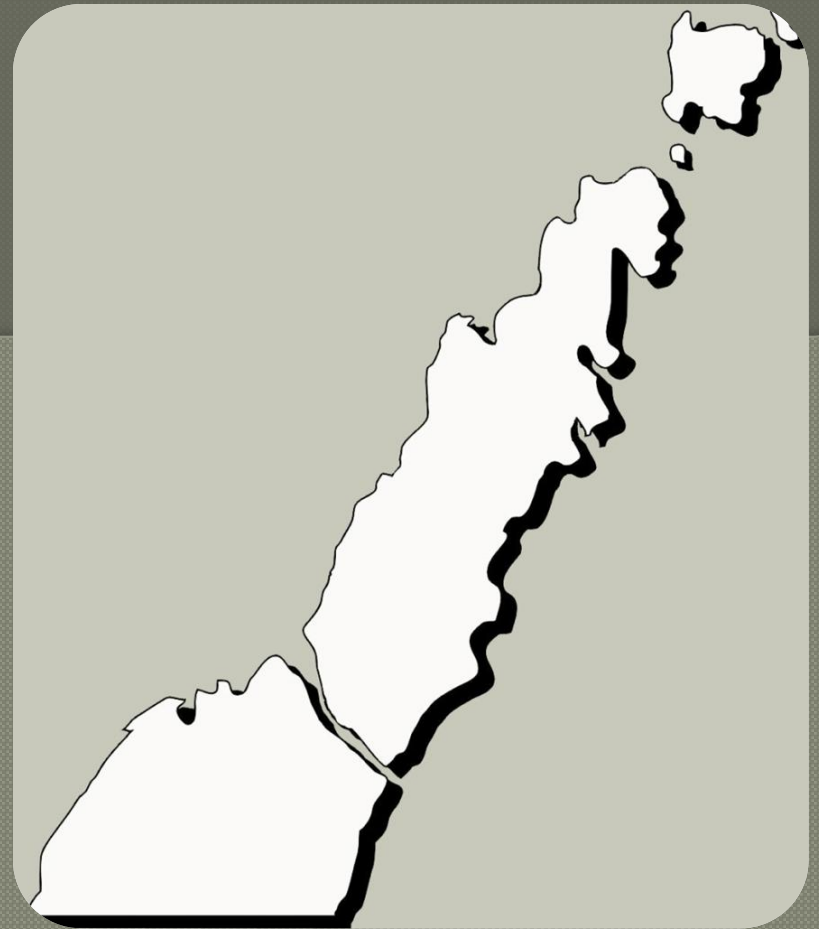


Door County Tourism Zone Commission



Annual Meeting
June 17, 2010



Why Are We Here?

- ◉ DCTZ Commission
 - Explain Mission
 - Review 2009 performance
 - Discuss 2010 issues
- ◉ Door County Visitor Bureau
 - Review 2009 trends
 - Review current marketing initiatives
- ◉ Answer questions

Commission Background...

- In April 2007, ten Door County communities formed a Tourism Zone according to Wisconsin State Statutes. Washington Island joined on August 1, 2007, and Gardner joined on May 1, 2008. The seven remaining municipalities joined by the end of 2008—the Tourism Zone now encompasses all of Door County.

Sister Bay	Ephraim	Gibraltar
Baileys Harbor	Village of Egg Harbor	Town of Egg Harbor
Jacksonport	Sevastopol	Nasewaupee
Liberty Grove	Town of Washington	Gardner
Brussels	Clay Banks	Town of Forestville
Village of Forestville	City of Sturgeon Bay	Town of Sturgeon Bay
	Town of Union	

Purpose of the Room Tax Governed by Wisconsin State Statute

66.0615(1)(fm)

(fm) "Tourism promotion and development" means any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under sub. (1m)(a) may be imposed, that are owned by different persons and located within a municipality in which a tax under this section is in effect; or, if the municipality has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:

66.0615(1)(fm)1.

1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.

66.0615(1)(fm)2.

2. Transient tourist informational services.

66.0615(1)(fm)3.

3. Tangible municipal development, including a convention center.

WI Statutes Govern Creation of a “Zone” and a “Commission”

- 66.0615(1m)(b)2
2. If 2 or more municipalities in a zone impose a room tax under par. (a), the municipalities shall enter into a contract under § 66.0301 to create a commission under par. (c). If no tourism entity exists in any of the municipalities in the zone that have formed a commission, the commission shall contract with another organization in the zone to perform the functions of the tourism entity. Each municipality in a single zone that imposes a room tax shall levy the same percentage of tax . If the municipalities are unable to agree on the percentage of tax for the zone, the commission shall set the percentage.
- 66.0615(1m)(b)3
3. A commission shall monitor the collection of room taxes from each municipality in a zone that has a room tax.
- 66.0615(1m)(b)4
4. A commission shall contract with one tourism entity from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.

Commission Mission Statement

- The Door County Tourism Zone Commission's mission is to:
 - Collect the room tax on behalf of its member municipalities in a fair and efficient manner.
 - Work in partnership with the Door County Visitor Bureau to support its marketing efforts in tourism promotion and development for the Tourism Zone as a single destination for transient tourists who are reasonably likely to generate paid overnight stays.
 - Keep all parties and businesses associated with the Tourism Zone and the Room Tax informed on the Commission's activities.

The Commission's Tasks

- ◉ Collect the tax
- ◉ Contract with a tourism marketing agency
- ◉ Disburse the funds
- ◉ Review and monitor marketing plans & results
- ◉ Enforce the tax ordinance

Visitor Bureau Purpose

- ◉ Develop annual marketing plan and budget
- ◉ Evaluate and hire vendors
- ◉ Execute the plan
- ◉ Evaluate results

And now a word about the tax...

- All municipalities have a 5.5% room tax rate
- 30% of collections go to municipalities to use for any purpose
- 66% goes to DCVB for marketing
- 4% remains with Commission for expenses
 - All Commissioners are volunteers
 - The Zone has a part-time Administrative Assistant

Commission Year in Review - 2009

- As of Year End 2009, the Tourism Zone had 867 permit holders. In 2009, 73 room tax permits were issued, slightly less than half the number issued in 2008 (151).
- Due diligence to ensure all Door County lodging owners are aware of tax obligations has led to only 1% noncompliance (more than 30 days late). Review by the Compliance Committee has resulted in solidified policies to pursue compliance of non-permitted properties, non-filing, late paying.
- Successfully completed two Circuit Court cases to collect delinquent room tax.

Show me the money...

Statement of Revenues, Expenses, and Changes in Net Assets		
Operating Revenues	12/31/2009	Percent <u>Allocations</u>
Room tax	\$ 3,062,033*	
Operating Expenses		
Administration	\$ 132,248	4%
Payments to DCVB	\$ 2,014,129	66%
Distribution to Municipalities	\$ 915,514	30%
Total Operating Expense	\$ 3,061,891	100%
Interest earned	\$ 27	
Total Net Assets 12/31/2009	\$ 40,889	
* includes late collections		

Municipal Impact

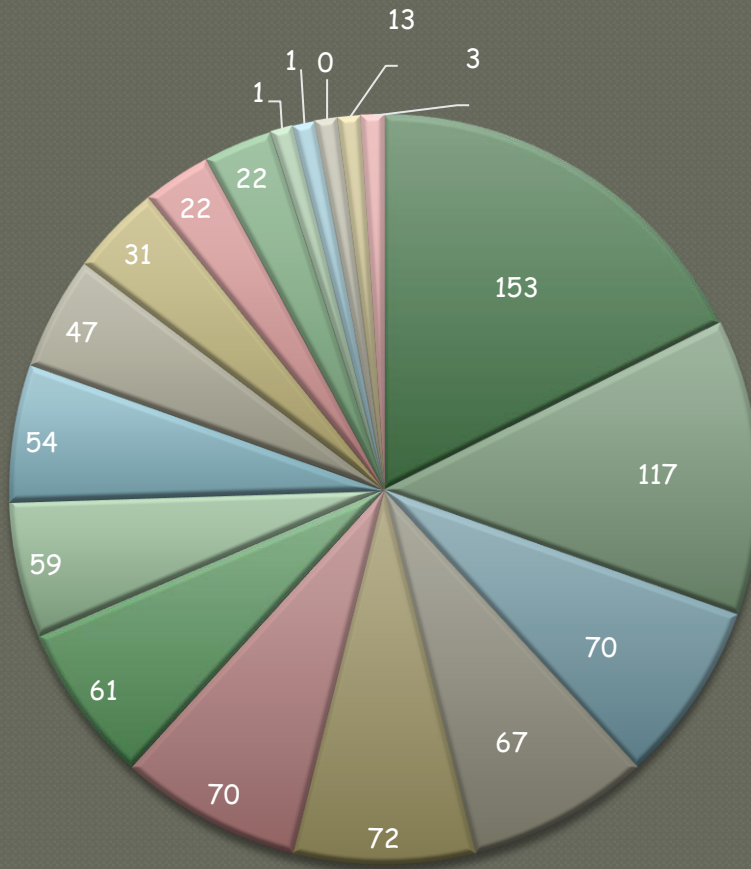
Municipality	2009	Share	30% to Municipality	2008
Baileys Harbor	\$ 224,533	7.3%	\$ 67,360	\$ 216,262
Brussels	\$ -		\$ -	N/A
Clay Banks	\$ 1,849	0.1%	\$ 555	N/A
Egg Harbor-Town	\$ 237,369	7.8%	\$ 71,211	\$ 246,369
Egg Harbor - Village	\$ 289,063	9.4%	\$ 86,719	\$ 307,499
Ephraim	\$ 391,087	12.8%	\$ 117,326	\$ 385,209
Forestville-Town	\$ -		\$ -	N/A
Forestville-Village	\$ -		\$ -	N/A
Gardner	\$ 24,795	0.8%	\$ 7,439	\$ 13,189
Gibraltar	\$ 462,374	15.1%	\$ 138,712	\$ 454,420
Jacksonport	\$ 58,864	1.9%	\$ 17,659	\$ 54,489
Liberty Grove	\$ 207,777	6.8%	\$ 62,333	\$ 200,439
Nasewaupee	\$ 67,074	2.1%	\$ 20,122	\$ 40,245
Sevastopol	\$ 207,222	6.8%	\$ 62,167	\$ 207,545
Sister Bay	\$ 385,098	12.6%	\$ 115,529	\$ 407,603
Sturgeon Bay-City	\$ 432,359	14.1%	\$ 129,708	N/A
Sturgeon Bay-Town	\$ 13,477	0.4%	\$ 4,043	N/A
Union	\$ 403	0.1%	\$ 121	N/A
Washington Island	\$ 58,689	1.9%	\$ 22,761	\$ 56,418
TOTALS	\$ 3,062,033	100.0%	\$ 923,765*	\$ 2,589,686

* includes uncollected

Lodging Statistics

As of 1/10/2010

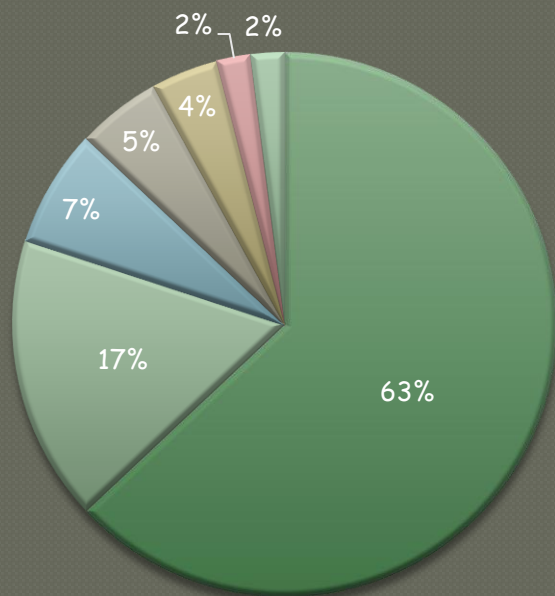
Permits by Municipality



- Liberty Grove (18%)
- Gibraltar (13%)
- Baileys Harbor (8%)
- Egg Harbor - Town (8%)
- Sister Bay (8%)
- Washington Island (8%)
- Sevastopol (7%)
- Egg Harbor - Village (6%)
- Ephraim (6%)
- Jacksonport (5%)
- Sturgeon Bay - City (4%)
- Nasewaupee (3%)
- Sturgeon Bay - Town (3%)
- Clay Banks (<1%)
- Forestville - Town (<1%)
- Forestville - Village (<1%)
- Gardner (<1%)
- Union (<1%)

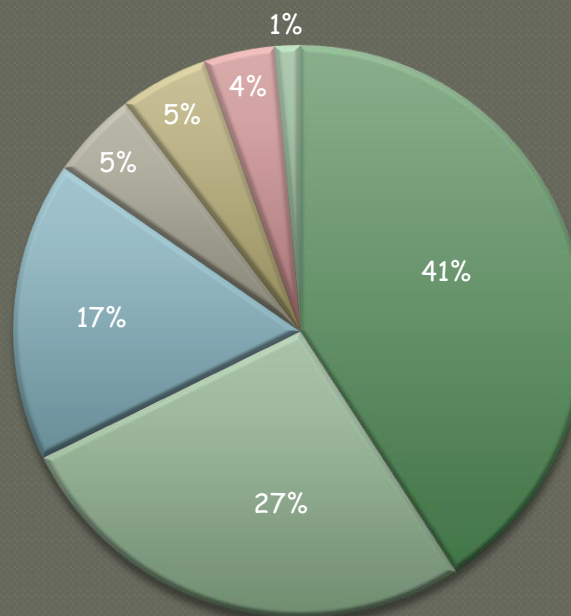
Lodging Statistics

As of 1/10/2010



By Lodging Type
(867 permits)

- Cottage/Cabin/House
- Condo
- Hotel/Motel
- Resort
- B&B
- Inn
- Other



By Units
(4654 units)

- Resort
- Hotel/Motel
- Cottage/Cabin/House
- Inn
- Condo
- B&B
- Other

Next Steps 2010

- Early recommitment to Intergovernmental Agreement & Bylaws
 - All 19 municipalities are considering Resolutions or have already passed Resolutions to continue the Tourism Zone concept and room tax collections beyond the initial five-year period (ending December 31, 2011).
- Enhanced online capabilities and value-added functions
 - Bay Lake Systems is streamlining the online report/payment submissions on DoorCountyTourismZone.com, including ability to change login and automatic late fee/interest calculations.
 - The Tourism Zone has contracted with Official Payments Corp. to add online credit card and e-check payment capabilities.
- Continued pursuit of non-compliance
 - Impose fines & penalties on late and non-reporting properties
 - Instruct attorney William Vande Castle to audit under-reporting or suspect properties and, as necessary, file charges in Circuit Court for full enforcement
- Evaluate success of marketing programs
 - Compare year-to-year figures of occupancy statistics, room tax collections, and track the transient lodging economy in Door County



Jack Moneypenny, President/CEO





Room Tax Accomplishments

- The room tax has given Door County an unprecedented reach into our regional market as well as some great national coverage.
- We developed marketing and sales and PR/communication goals in a comprehensive three year marketing plan, our Strategic Conversation, with a targeted direction, but fluid enough to alter those directions if tourism trends should dictate.
- We have grown organic website users from 16,000 to well over 200,000.
- We have grown website traffic 179% from 1,477,774 in 2006 to 2,649,890 in 2009.
- We hosted 173 travel journalists in 2008 & 2009.
- We hired an ad agency of record, Noise, Inc., to incorporate our brand in all aspects of advertising, web, and social media.



Primary Results

	2009	2008
Wisconsin Traveler Expenditures	\$ 12.1 billion	\$13.1 billion
Door County Traveler Expenditures	\$ 430,500,000	\$483,900,000
Wisconsin Tourism Market Share	3.6%	3.69%

- Retained 6th place in Wisconsin destinations
- Behind Milwaukee, Waukesha, Dane, Sauk, and Brown Counties
- During one of the worst economic downturns since the depression, the use of the tax dollars for targeted marketing enabled Door County's tourism impact to remain flat, while much of the state and Midwest saw double digit declines.



2009 Davidson-Peterson Economic Impact Study

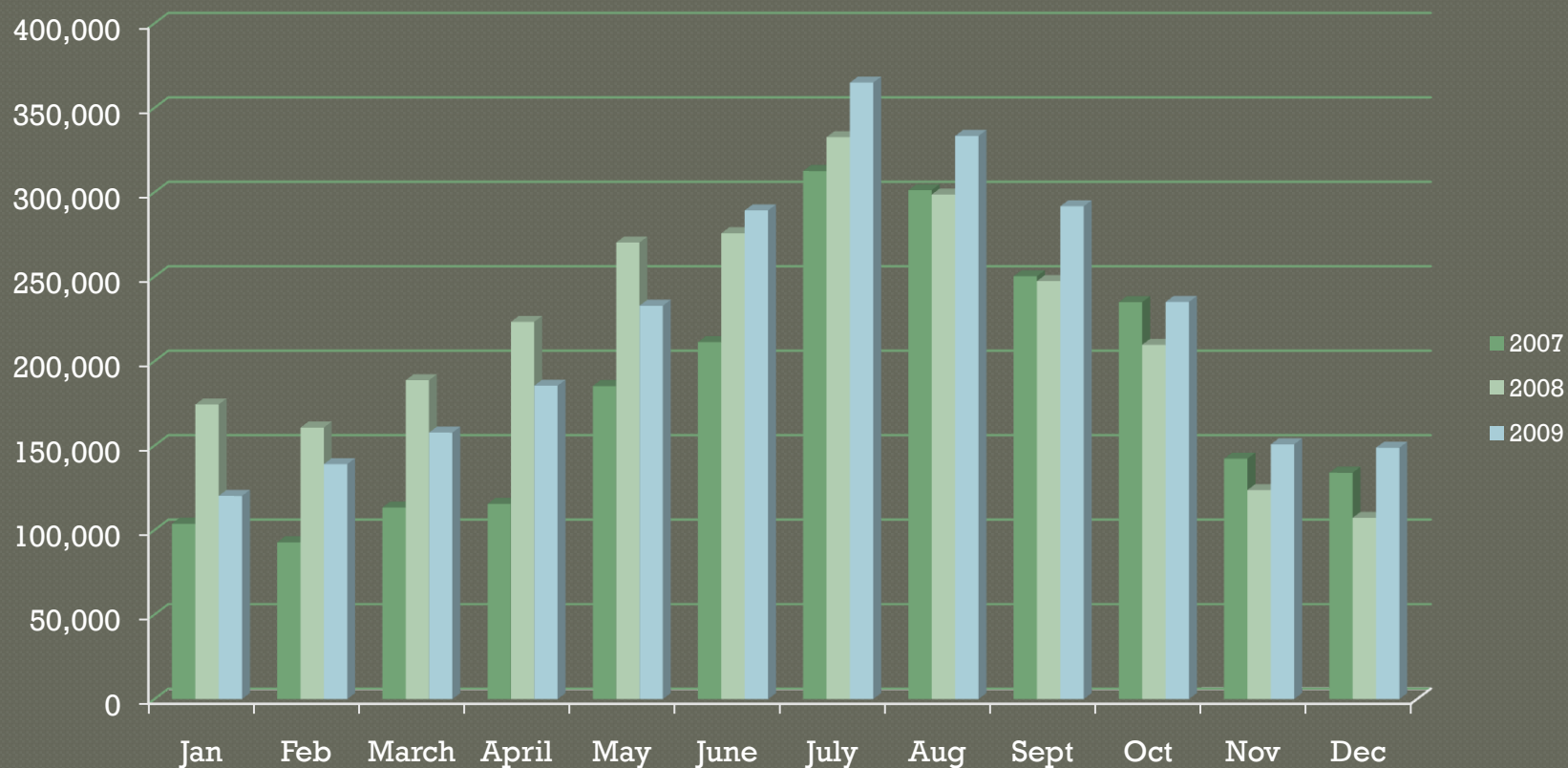
- \$430.5 million in direct spending
- \$58.3 million in local and state taxes
- 7,563 jobs
- \$159.65 million in resident income
- Support to local lodging, restaurants, retail and attractions....enhancing the quality of life



Marketing and Sales

Web Site Activity / Internet Marketing		
	2009	2008
DoorCounty.com site visits	2,649,890	2,613,116
Insider Tip emails	4,250,194	2,394,526
Pay-per-clicks	50,658	55,545
Per Inquiry "PI" leads	80,000	62,684
<i>Explore The Door</i> views/downloads	115,883	104,376

DoorCounty.com Site Visits





Group Sales

No formal program prior to 2008

	2008	2009
Group Tour Contacts	182	994
Group Tour Inquiries	32	62
Meeting Planner Contacts	269	651
Meeting Planner Inquiries	15	45

- Updated lodging and attractions for marketing materials
- Attended Circle Wisconsin Marketplace, Holiday Showcase Tradeshow
- Held a Circle Wisconsin Listening Session in Door County
- Kicked off a formal motorcoach Meet & Greet Program at the Welcome Center



Advertising Highlights

A small sampling of what was placed

- Created/placed a 8-page insert which was placed in 500,000 newspapers in the Midwest. The inserts were placed into targeted zip codes of newspaper subscribers in Chicago, Milwaukee, Madison and the Twin Cities.
- Placed print, radio ads into our primary feeder markets. Also utilized AAA Living to reach baby boomer demographic households.
- Continued to utilize E-Brains to build the on-line database as well as Geiger & Associates to execute press trips for writers into Door County.
- Create TV ads for distribution through Time Warner Cable in key markets of Milwaukee and the Fox Valley.
- Developed co-op marketing opportunities to members in such publications as a Wisconsin Biker's Guide.



Communications / Public Relations

Media Marketing Program		
	2009	2008
Ad Value Equivalency (AVE)	\$1,153,514	\$904,599
Impressions	15,643,233	11,397,771
Visiting Journalists	52	121

- Hosted 4 seasonally themed press tours in 2009: February 26-March 1, June 21-26, October 18-23, and December 10-13.
- 177 articles placed in print, radio, or online media from media marketing efforts.
- Through the end of 2009, the return on investment for the media marketing program was 292%. For every dollar spent, the DCVB received \$3.92 in AVE.

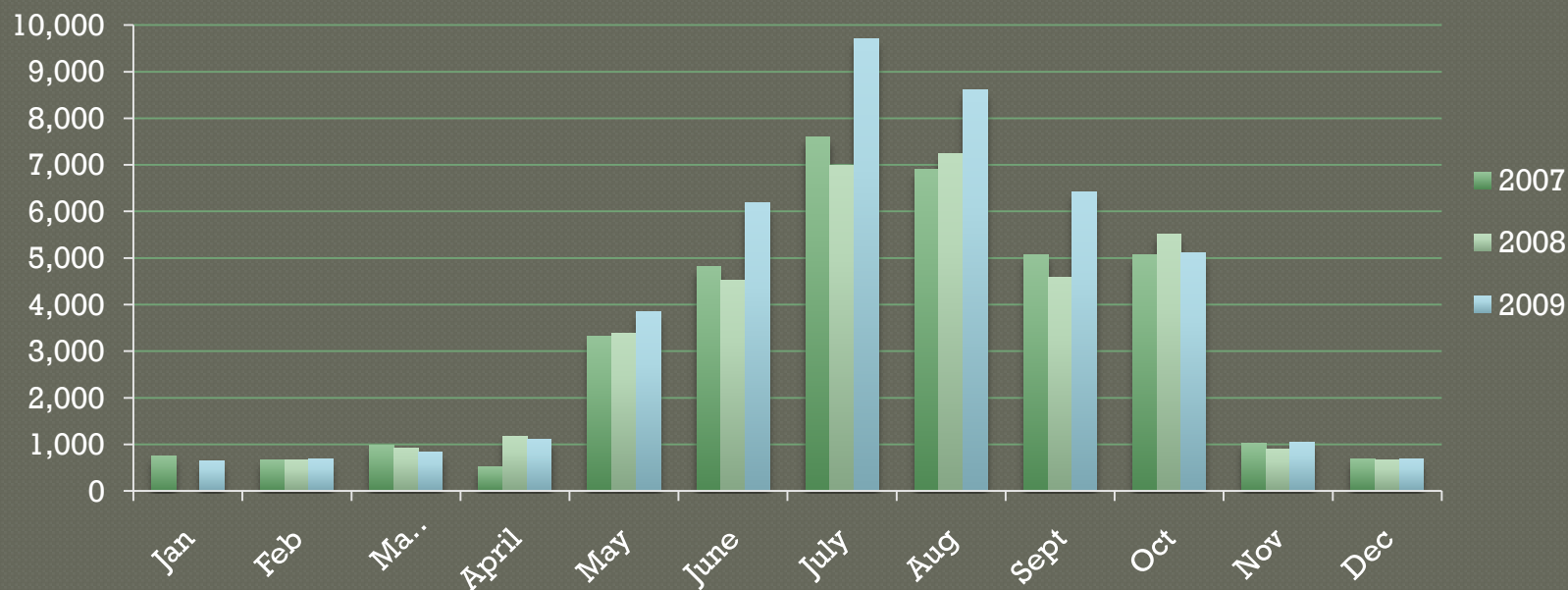


Communications / Public Relations

Media Monitoring		
	2009	2008
Ad Value Equivalency (AVE)	\$2,163,619	\$4,744,650

- In 2009, the DCVB tracked a total of 2,089 articles/ stories about Door County in print, broadcast and online through their media monitoring vendor. Those 2,089 articles/stories generated 519,190,365 impressions and had an ad value equivalency of \$2,163,619.00.

Welcome Center Visitor Traffic



2009	44,893	
2008	36,556	No data for January
2007	37,469	(759 = January)



Looking Ahead to 2010

A small sampling of what will take place

- Working with our new ad agency Noise, Inc., the Door County Visitor Bureau put together a cohesive plan for print, radio, TV, and, most importantly, the online component to capitalize on social marketing.
- The service mark of “Your Stories. Our Setting. Like Nowhere Else.” was developed to tie all components of the campaign together and connect to the customer on an emotional level. This will tie-in with our social media and scrapbooking on our web to encourage visitors to post their stories and share with their friends and family.
- 2010 gives us the opportunity to begin filming some video footage to use as B-roll, as well as develop “Quick Clicks,” short 3-to-4 minute videos of Door County for DoorCounty.com.