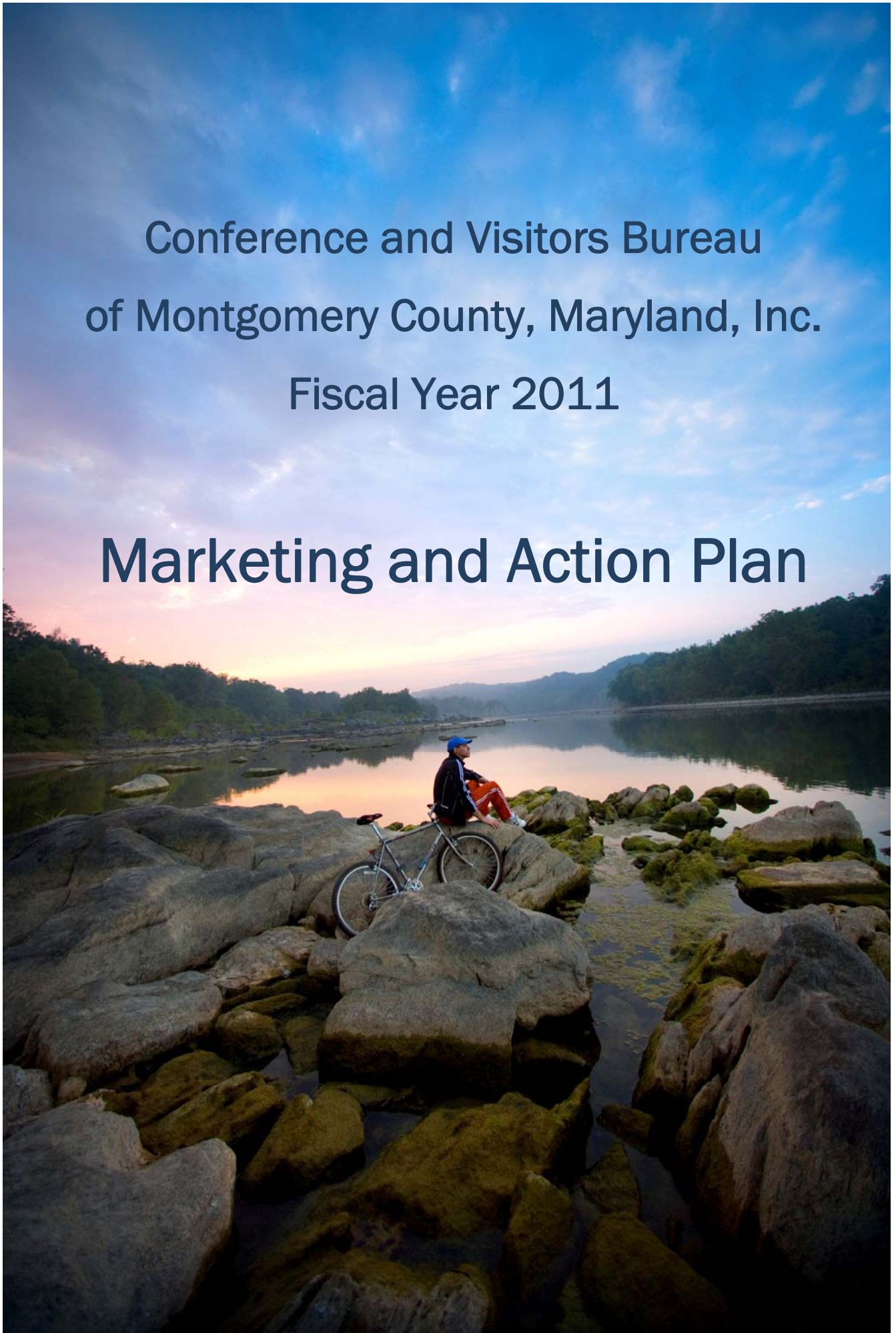


Conference and Visitors Bureau
of Montgomery County, Maryland, Inc.
Fiscal Year 2011

Marketing and Action Plan



Executive Summary

Organization Structure

The Conference and Visitors Bureau (CVB) of Montgomery County, Maryland, Inc. is guided and supported by a board of directors representing leaders from different sectors of the hospitality industry. The CVB is a 501c(6) non-profit organization serving as a sub-contractor to the Montgomery County Department of Economic Development.

Organization Mission Statement

The mission of the Conference and Visitors Bureau (CVB) of Montgomery County, Maryland, Inc. is to enthusiastically promote, market and sell Montgomery County as a destination for meetings, conventions and individual travelers, fostering economic development and benefiting and supporting members and the overall business community.

In addition, it is the CVB's goal to show leadership and be regarded as a quality organization of experts and advocate of its members, partnering with local, county, state and regional organizations and government officials in an effort to further these goals.

Funding

The CVB is a contractor to the Montgomery County Department of Economic Development. The primary source of funding for the organization comes from the room rental transient tax. The CVB receives 3.5% of the total room rental transient tax collections annually (current occupancy tax rate is 7%). In Fiscal Year 2009 the City of Rockville and City of Gaithersburg began (October 2009) leveraging additional room taxes, 2%. A visitor of Rockville or Gaithersburg staying in a hotel will pay the 7% County Hotel Tax plus the additional 2% tax. The CVB will receive 3.5% of the taxes collected by the City of Rockville and 4% of the taxes collected by the City of Gaithersburg. The CVB raises additional funds through cooperative advertising, souvenir sales, membership dues, housing services, State grants and other cooperative programs.

The CVB's administrative office is co-located with the Department of Economic Development at 111 Rockville Pike, Suite 800, Rockville, MD. The CVB's Visitor Information Center in Germantown closed due to funding reductions beginning March 2010.

The CVB's funding allocation from the room rental transient tax is projected by the Department of Finance. The Fiscal Year 2011 projected portion allocated to the CVB by the County is estimated at \$607,350.

Overall Destination Marketing Strategies for Fiscal Year 2011

In this Fiscal Year 2011, the CVB will continue to target its marketing to the leisure and group travelers through web and printing advertising, media exposure and participation in trade shows. Approximately seventy five % (75%) of the CVB's print and electronic advertising budget will be spent targeting weekend leisure travel. The trade show schedule reflects a one hundred % (100%) investment in attracting the group travel and meetings markets. The CVB will continue to cluster Montgomery County in to the following five groups for marketing: Bethesda/Chevy Chase, Silver Spring, Rockville, Gaithersburg and Germantown.

Recognizing the importance of the web as a tool for travelers and event planners, the CVB in Fiscal Year 2011 will provide more emphasis on web development and digital marketing strategies. The CVB launched a new website in April 2010 which provides a much more effective tool for marketing Montgomery County, Maryland. The next phases of developing the website includes future landing pages for special events, more e-blasts and e-newsletters, further use of social media, e-commerce for souvenir sales, link building, surveying, promoting "hot" or need dates in partnership with the hotels, expanded e-newsletter subscribers list and expanded event listings.

The new graphic design of the website launch in April 2010 will gradually be incorporated in to the look of all CVB publications, advertising and marketing going forward. The CVB will continue to use the slogan Montgomery County, Maryland, the Upside of Downtown along with Montgomery County, Maryland Welcome! The CVB will continue to market Montgomery County's proximity to the nation's capital as a hook for bringing more leisure, group and meetings business.

A new marketing initiative in Fiscal Year 2011 includes promoting Montgomery County as the home of the 2011 U.S. Open. In addition, the CVB will identify and participate in any partnership opportunities around promoting the 2012 Civil War Sesquicentennial. The 2011 U.S. Open brings national and international exposure for the community. Throughout the year, the CVB will promote its location as the host of the 2011 U.S. Open in all marketing outreach including the website. In addition, preparing the community to welcome the estimated 100,000 visitors will be necessary to ensure a positive experience for the media and spectators. As guests visit Montgomery County and have a great experience, they will continue to provide strong word-of-mouth coverage about the destination for future visitors. In addition, Montgomery County will host the Constellation Energy Senior Players Championship October 7-10, 2010 at Avenel in Potomac.

The 2012 Civil War Sesquicentennial Commemoration will bring new visitation from the historic traveler. The Maryland Civil War Trails program includes the Antietam Campaign Trail which starts with the route that Robert E. Lee took crossing the Potomac River into Maryland at Whites Ford, then moving toward Frederick. There are also several stops in Montgomery County on the Gettysburg Campaign: Invasion and Retreat. Trail signs provide interpretation of significant activity at specific sites throughout the county. The CVB will identify and participate in cooperative opportunities with the Maryland Office of Tourism, Heritage Areas, and Destination DC as identified during Fiscal Year 2011 promoting the Commemoration. Other initiatives to incorporate in the marketing efforts and website promotion are the Canal Towns/Trail Towns (C&O Canal), town centers, recreational trails, arts and entertainment districts, and heritage areas.

A Look Ahead

Based on industry projections and the first and second quarter hotel data, hotel occupancy should increase slightly in Fiscal Year 2011. According to the Montgomery County Department of Finance, occupancy tax collections were up 20% and 10% for the months of March and April 2010. In May 2010 occupancy tax collections were up 11% over the previous year.

More than 500 hotels rooms were added to the current hotel room supply in Montgomery County for the period of October 2009-August 2010:

- Opened October 2009 – Hilton Garden Inn, Bethesda, 216 rooms
- Opened April 2010 – Homewood Suites Rockville (Hilton brand) Gaithersburg, 87 rooms
- Opened April 2010 – Hilton Garden Inn Rockville Gaithersburg, 112 rooms
- Opened February 2010 – Residence Inn Silver Spring North
- Opening 2010 – Hilton Garden Inn Silver Spring (Technology Drive), 87 rooms

Lodging sector trends:

Montgomery County Hotels

Year	Occupancy	Average Daily Rate	Revenue Per Available Room (REVPAR)	Demand	Revenue
2006	65.00%	\$126.98	\$82.60	2,011,377	\$255,408,271
2007	64.60%	\$131.33	\$84.87	2,014,254	\$264,536,811
2008	64.80%	\$136.87	\$88.76	1,978,530	\$270,687,168
2009	61.60%	\$125.22	\$77.09	1,992,493	\$249,494,892
2010 <i>(thru June 2010)</i>	66.70%	\$123.47	\$82.33	1,115,304	\$130,608,204
Hotel Data	1st Quarter	1st Quarter	1st Quarter	1st Quarter	1st Quarter
	2006	2007	2008	2009	2010
Occupancy	60.30%	57.80%	57.0%	54.20%	58.10%
Average Daily Rate	\$124.09	\$130.53	\$137.26	\$141.20 *	\$119.73
REVPAR	\$74.88	\$78.41	\$78.41	\$76.13	\$69.54

*2009
Inauguration

Hotel Data	2nd Quarter	2nd Quarter	2nd Quarter	2nd Quarter	2nd Quarter
	2006	2007	2008	2009	2010
Occupancy	76.20%	74.80%	76.30%	71.0%	75.03%
Average Daily Rate	\$131.24	\$132.24	\$140.77	\$126.37	\$126.27
REVPAR	\$100.01	\$99.00	\$107.44	\$89.69	\$94.74

Source: Smith Travel Research

Global Insight Statistics for 2009 (most recent available)

2008 Sales	Accommodations	Entertainment	Food	Retail	Transportation	Total
Montgomery County	\$290,961,000	\$370,915,502	\$508,087,502	\$393,141,890	\$716,385,578	\$2,279,4091,472
Maryland All	\$2,525,650,326	\$1,835,666,603	\$3,584,572,385	\$2,694,221,820	\$3,815,346,753	\$14,455,457,886

2007 Sales	Accommodations	Entertainment	Food	Retail	Transportation	Total
Montgomery County	\$292,935,411	\$367,814,913	\$510,763,818	\$397,445,301	\$704,293,179	\$2,273,252,622
Maryland All	\$2,434,259,960	\$1,803,519,959	\$3,482,696,876	\$2,706,902,202	\$3,586,388,445	\$14,013,767,441

Source: Global Insight, D.K. Shifflet

Total Direct Tourism Tax Impact

Top 5 Counties in Maryland
Fiscal Year 2009

Counties	County Admission and Amusement Taxes	County Hotel/Motel Taxes	State Tourism Sales Taxes	Total Direct Tourism Tax Impact
Prince George's	\$12,659,927	\$17,631,201	\$52,279,024	\$82,570,152
Montgomery	\$4,223,332	\$17,499,931	\$54,393,002	\$76,116,265
Baltimore City	\$9,627,597	\$20,554,220	\$41,793,19	\$71,974,946
Anne Arundel	\$8,738,537	\$14,018,204	\$41,294,416	\$64,051,157
Baltimore County	\$6,439,949	\$7,965,849	\$41,750,443	\$56,156,241

Source - County Budget Offices and Comptroller of Maryland

The BRAC movement, federal government agency activity at National Institutes of Health and Nuclear Regulatory Commission and the Food and Drug Administration consolidation at White Oak could potentially be the highest demand generators over the next several years in the area. Locally the weekend sports market and SMERF (social, medical, educational, religious and fraternal) business remains strong in Montgomery County. The Maryland SoccerPlex continues to be one of the highest generators of room nights. In Fiscal Year 2010, events hosted at the Maryland SoccerPlex generated approximately 14,000 room nights.

Market Update - Trends

Demographic research is obtained by surveying the hotels data provided by the United States Travel Association, Smith Travel Research, statistics provided by the Maryland Office of Tourism Development and inquiries from the CVB website and advertising campaign. The CVB of Montgomery County's target audiences are travelers with an average household income of \$75,000+ that are traveling for an average of 2-3 nights. These targeted travelers are traveling on business, pleasure, or business/pleasure combined.

Leisure Trends: Leisure travelers continue to stay close to home. The U.S. Travel Association projections indicate that leisure travel will be up 2.3% in 2010 and 2.6% in 2011. Generation X (those born from 1965 through 1980) account for 31 % of all leisure travelers. Generation Y (those born after 1980) make up 12 % of all U.S. leisure travelers and take an average of 4.2 trips per year.

Business Travel Market Trends: The hotel industry has been hit hard by the decreases in business demand. Business travel accounts for \$240 billion in spending and \$39 billion in tax revenue at the federal, state and local levels. The industry expects that business travel will continue to be soft until mid-2011. Airlines can expect business fares to increase 1% to 6%, while hotels will continue to see declining average daily rates and occupancy rates.

International Trends: According to the U.S. Travel Association, international travelers to the U.S. will increase 4.0% in 2010 and 5.2% in 2011. Capital Regional USA reported that in 2009 D.C. saw a record increase in international arrivals, the highest arrivals of any U.S. city. Maryland had 261,000 arrivals and Virginia 380,000 arrivals. Top arrival markets were the United Kingdom, Germany and France. China and Brazil market arrivals increased 30%. In March 2010, President Obama signed in to law the first-ever travel promotion and communications program to attract more international travelers to the U.S. The Tourism Promotion Act, according to Oxford Economics, estimates that a successful national promotion will yield \$4 billion in new spending annually, create 40,000 new jobs and generate \$321 million in new tax revenue each year. The Congressional Budget Office reported that the Travel Promotion Act would reduce the federal deficit by \$425 million over ten years. The U.S. Department of Commerce will oversee the Corporation and work with the Departments of State and Homeland Security to nominate an 11-member board comprised of representatives from various segments of the travel community. Once the board is in place, it will select an executive director to run the operations of the Corporation. The Corporation will develop a multi-channel marketing and communications program to attract more international visitors and explain changing travel security policies. The initiative will be funded through a matching program featuring up to \$100 million in private sector contributions and a \$10 fee on foreign travelers who do not pay \$131 for a visa to enter the United States. The fee will be collected once every two years in conjunction with the Department of Homeland Security's Electronic System for Travel Authorization. No money is provided by U.S. taxpayers.

Meeting/Group Markets Trends: Each meeting and event traveler spends an average of \$1,000 per trip. The meeting and event industry is being recreated due to the economy, time constraints, and expenses. Event planners are becoming a bit more optimistic about business for the remainder of

2010 and 2011. Meeting professionals still believe in the value of face-to-face meetings. Planners are requesting more negotiations on rate, cancellation and attrition clauses for future meetings. Occupancy rates have decreased sharply and businesses continue to rein in expenses. This will continue to create a buyer's market for the near future. Suppliers will focus on value pricing, which will help meeting professionals maximize the return on investment of face-to-face interaction to senior management. PKF Hospitality Research forecast that nine consecutive quarters of declining demand for U. S. hotels will come to an end in second quarter of 2010. While increasing demand historically has led to more difficult negotiations for meeting planners, this will not be true for most of next year. Price discounting has firmly taken hold, so room rates are expected to decline again in 2010.

Green Meetings:

The economic situation in this country (and the world) has had a tremendous impact on the lodging industry. More event and meeting professionals are incorporating green/sustainable practices into their meetings. Offering water in pitchers instead of bottles and minimizing waste by not providing cocktail napkins or printed handouts are just a few, easy examples of environmentally sensitive practices that save money. Companies that go the extra mile to cut energy and utility consumption reduce their environmental footprint, and act with a social conscience.

Corporate Meetings:

Overall demand for corporate meetings is up in 2010 over 2009. The booking window for corporate meetings remains very short term from 30-45 days. Planners are unwilling to commit too far out and risk cancellation and other penalties, given the economic times. The recession has caused extreme price sensitivity. Hotels once again are competing for meetings business with aggressive package pricing. Meeting groups are considerably smaller than previously and tend to be regional verses national. Meeting spending is seriously conservative, highly image conscious, and focused on the basics. Social media is all the rage in 2010, but not for the meetings business. The corporate meetings segment is still reliant on old-fashioned face-to-face contact.

Pharmaceutical Meetings:

For pharmaceutical planners, proving one's value often comes down to managing cost and strategic meeting management. Meetings will still be very important, they want to embrace technologies and the tools, but not lose the relationships. The economy is also affecting the size and location of meetings.

Association Meetings:

Association meeting planners had a challenging year in 2009. Predictions are that recovery will occur in 2010. Attendance was down at annual meetings, sponsorships and exhibitor attendance suffered, and some planners faced attrition penalties. This segment is predicted to see some recovery in 2010: 38.5% of meeting planners believe 2010 attendance at their largest meeting will be better than 2009, and another 41 % expect no change in attendance from 2009.

Medical Meetings:

In 2009, a historically bad year for exhibitions, government/nonprofit conventions and medical exhibitions were among the best performing industries measured in the Center for Exhibition Industry

(CEIR) Index annual report. The good news is that medical meetings are faring better than other sectors. Attendance rates did not drop as low for medical conventions and exhibitions. Healthcare reform is expected to have a positive impact in the medical expo sector.

Government Meetings:

The government/nonprofit sectors are expected to outperform again this year, thanks in large part to federal government stimulus spending. However, the sector will once again be challenged to see revenue growth as corporations and individuals have less money to donate to charities.

Religious Meetings:

There has been a renewed dedication to family and faith and a new dedication to community. These two factors are a few reasons that the religious group travel market is strong. There are over 450,000 churches in the U. S, about 50,000 of which are known to run group travel programs. Travel by religious groups take on many shapes and purposes. Sectors include youth, missionary and fellowship.

Youth – includes retreats, missionary work, choir and religious bonding

Missionary – giving back to those less fortunate is an integral part of the religious foundation.

Fellowship – religious institutions are promoting leisure group trips that allow for bonding among community members

CVB Target Market Breakdown – Fiscal Year 2011

Primary Market: The primary market (400 mile radius) is the Mid-Atlantic and Northeast including the states of New York, New Jersey, Delaware, Virginia, Maryland and Pennsylvania. These are drive-in visitors interested in the Washington, D.C. sites, events happening in the county/region, and recreation, shopping and dining in the county. The local businesses, most specifically the federal agencies, are significant producers of meetings and overnight business into county hotels.

Secondary Market: The secondary market efforts are focused on attracting the day trip customers interested in visiting our local attractions and special events. Marketing efforts for this market are through brochure distribution throughout the state, local advertising and website marketing.

Corporate/Association Market: The primary market is the Mid-Atlantic and Northeast including the states of New York, New Jersey, Delaware, Virginia, Maryland and Pennsylvania. The Bethesda North Conference Center, with a doubling in size of the connecting Bethesda North Marriott Hotel, can attract larger conferences that plan cyclical meetings around second and third tier cities.

Government Market: Montgomery County is the headquarters for 19 federal agencies and government contractors, government agencies such as the National Institutes of Standards and Technology, Food and Drug Administration, The National Institute of Health and companies such as Lockheed Martin, Northrop Grumman and BAE Systems. Planners find Montgomery County an alternative to Washington, D.C. with easy access to Capitol Hill via Metrorail.

Sports Market: The sports market continues to grow in Montgomery County. With the Maryland SoccerPlex/Discovery Sports Center the CVB can now bid on larger sporting events that will also bring needed weekend room revenue to the hotels in the area. The Montgomery County Aquatic

Centers are other venues that will attract local and regional swimming and diving teams to the county. Georgetown Prep's new sports facility will allow the CVB to go after other events such as wrestling, track, and cheerleading competitions.

Tour and Travel Market: The CVB will continue to market to tour companies that will bring seniors and students and other leisure travelers to the Washington, D.C. area. Montgomery County is a perfect housing headquarters that will bring weekend and shoulder season business to the area. The challenge is locating properties with competitive rates for student travel business that has its highest room night generation in the spring season. Some of the strengths in the tour and travel market include:

- Travelers choose not to fly due to hassles.
- The international tourists are creating new demand for charter and tours.
- The new generation of travelers that like bus travel with I-Pod hook ups, flat screen DVD's, reclining seats, and personal climate control.
- 200-400 mile distance motor coaches are competitive, on time and cost effective.
- The economy is keeping Americans from outbound foreign travel and closer to home travel increases.
- Still viewed as the safe way to travel.

Montgomery County's Marketing Strengths and Weaknesses

Marketing Strengths: Montgomery County is an attractive destination for visitors (leisure and business), offering easy access to the nation's capital and other surrounding attractions. Affordability, easy access, shopping, recreation, smaller museums and safety are all reasons why travelers are selecting Montgomery County as the destination of choice while visiting the capital region. The county hotels also range in rate and amenities that give the traveler a variety of choices for accommodations. In addition, Metrorail availability and choice of three major airports, BWI Thurgood Marshall, Ronald Reagan National Airport and Washington Dulles International Airport are the transportation factors the leisure and business travelers consider when selecting a destination.

Additional strengths include:

- Proximity to high-tech business and government agencies such as the National Institute of Health (NIH), National Institute of Standards and Technology (NIST), and the Food and Drug Administration (FDA) is a plus.
- The County's state-of-the-art Bethesda North Conference Center with a 23,000 sq. ft. ballroom and 12 additional meeting rooms and doubling in hotel size is attracting new business to the county.
- Local hotels have re-branded and put millions of dollars into renovating their product.
- Planners are looking for learning focused environments and the county has (4) conference centers that enable planners to have dedicated conference support and dedicated and focused learning.

- Montgomery County also offers unique venues for all types of meeting and group events such as: The Music Center at Strathmore, Discovery Sports Center and Montgomery County Agricultural Fairgrounds.
- More and more planners are also using the tools the CVB has to offer: Online tools like maps, list of hotels, restaurants, and attractions that are CVB members. The CVB can assist with site tours, suggested itineraries, discounts/promotions, collateral for registrations, and more.

Marketing Weaknesses: The County's Virginia competitors, Arlington, Fairfax, Alexandria and Loudoun have a competitive edge with airport accessibility and ease of transport into Washington, D.C. as well as DMO expansive advertising and marketing budgets. Another weakness for the county is the distance to the airports and lack of Metrorail direct access from BWI Thurgood Marshall and Dulles. Aside from Prince George's County, the CVB of Montgomery County has the smallest tourism marketing budget of any destination marketing organization in the Washington metropolitan region.

Regional Competitive Analysis – CVB/Destination Marketing Organizations

CVB	City/County	Annual Budget	Hotel Rooms	Resources per hotel room	Full-Time Staff
Destination DC	Washington, DC	\$13 million	26,269	\$470	45
Fairfax County CVB	Fairfax County, VA	\$3 million	19,000	\$158	7
Loudon County CVA	Loudon County, VA	\$2.8 million	4,156	\$671	12
Alexandria CVA	Alexandria, VA	\$2 million	5,439	\$368	9
Tourism Council of Frederick County	Frederick County, MD	\$1.5 million	1,993	\$546	5
Arlington County CVB	Arlington County, VA	\$1.38 million	10,000	\$138	9
Prince William County CVB	Prince William County, VA	\$1.3 million	5,623	\$231	9
Prince George's County CVB	Prince George's County, MD	\$1.1 million	10,000	\$110	4
Montgomery County CVB	Montgomery County, MD	\$900,000	9,443	\$95	4

Tourism Promotion Act of 2008 – Maryland Fiscal Year 2011 Grant Program:

With the passage of the Tourism Promotion Act in 2008, the Maryland Office of Tourism will have a new funding source that will be based upon tourism sector's growth year over year. The funding formula will take eight tax codes, tracked and multiplied by a tourism factor, the amount attributable to tourism by the Comptroller of Maryland. The Tourism Promotion Act of 2008 was created for the purpose of requiring the MD Tourism Development Board to provide grants to the destination marketing organizations and financial assistance to the Office of Tourism Development. The program would begin in Fiscal Year 2011 and will provide grants to the MD Destination Marketing Organizations of not less than **\$2,500,000** in total each fiscal year for the purpose of attracting visitors to the State. The Maryland Comptroller will track annual sales and use tax revenues for tourist-oriented goods and services. If tax revenues have increased more than 3% the Governor may consider including a portion of the increase in the Maryland Tourism Development Board budget.

CVB ACTION PLAN: Fiscal Year 2011

Sales- General Tasks

- Host two (2) meetings per year in each cluster to discuss bookings, trends, cooperative opportunities and other marketing strategies. (Clusters include: Bethesda/Chevy Chase, Silver Spring, Rockville and Gaithersburg/Germantown.)
- Research MINT Database/Lead Source programs offered by Destination Marketing Association International (DMAI), provide proposal to CVB director by August 30, 2010 for review and board discussion.
- Obtain a proposal from a reader board service that would source leaders in other markets for CVB follow up by August 30, 2010.
- Create new grid at year-end which provides return on investment figures of bookings generated by attendance at each individual trade show.
- Create a report for year-end Fiscal Year 2010 that shows the list of CVB generated bookings per individual hotel or event venue.
- Hold two meetings per year with the Maryland Office of Tourism Development North American salesperson to identify cooperative partnerships.
- Attend a seminar on Social Media to assist in the Sales effort. Create strategy for social media sales effort through coordination with Marketing and Communications Manager.
- Attend all trade shows as scheduled on the attached Trade Show Schedule for Fiscal Year 2011.

Market Segments- Government/Corporate/Association and SMERF and Sports

- Attend monthly meetings of the Potomac Chapter of Meeting Professionals International (PMPI), Society of Government Meeting Professionals (SGMP) and the Professional Convention Management Association (PCMA)
- Conduct a Silver Spring familiarization tour with meeting planners in conjunction with partners in Silver Spring by June 30, 2011.
- Arrange sponsorship of a luncheon or other networking event with the MPI Chapter in Philadelphia or Pittsburgh. Incorporate a sales mission with a trip to the area following the MPI event.

Market Segments– Government/Corporate/Association and SMERF and Sports - continued

- Generate a sponsorship plan (include budget) for a meeting industry event by August 30, 2010. Plan to be reviewed at the September 13, 2010 board of directors meeting.
- Send three (3) mailings and/or e-blasts in Fiscal Year 2011 to meeting planners directing them to our website for hot dates and special meeting packages.
- Identify new sporting event bids and work with local community to review the bids and submit proposals if applicable to facility uses.
- Host a work-session with members and other businesses to create itineraries to market to wholesale operators and receptive operators.
- Send three (3) mailings and/or e-blasts in Fiscal Year 2011 to receptive operators directing them to the CVB website for activities, special offers, itineraries, etc.
- Utilize the web to search for potential SMERF business, goal set as 30 cold SMERF telephone calls per month.
- Identify potential partnerships with Capital Region USA (CRUSA) marketing initiative, add to the CVB's advertising and marketing plan for Fiscal Year 2011.
- Participate in a Sales Mission to Canada with Annapolis, Hagerstown, Frederick,, Baltimore County, and Calvert County
- Participate in the CRUSA organized familiarization tour September 16-19, 2010 for receptive operators.

Action Steps- Membership Program

- Host 5 networking/educational programs during FY 2011.
 - U.S. Open Discussion & Networking Event (September 22, 2010)
 - December Holiday Open House/Taste of Montgomery
 - Familiarization Tour
 - Two Educational/Networking functions (identify restaurants to host)
(ideas: Montgomery County Chief Economist Presentation, Candidates forum, etc).
- Complete in-person site visits of targeted members by September 30, 2010.
- Retain 80% of membership from Fiscal Year 2010 and generate 20 new members in Fiscal Year 2011.
- Design a postcard that is distributed to the membership to include user name and password information for the member to make changes to their lists and add uploads.

Action Steps- Membership Program-continued

- Continue to update and improve the new CVB website, including selling member promotions and packages, sending all CVB members their individual website visits/hits quarterly, and selling ad space to CVB members/non-members.
- Implement new programs/services to target each membership category to increase membership renewals and entice new members to join.
- Record the CVB member non-renewals through summer 2010 and implement staff/board programs to contact and encourage member renewals.
- Implement a program with CVB board members to complete personal note of thanks for renewing members.
- Attend networking functions with local chambers of commerce (schedule TBA)
- Participate as an advisory board member of the Montgomery County Chamber of Commerce.
- Load “tweets” on new members and renewing members as payments are processed.
- Identify and secure industry partners as sponsors of each networking/educational event hosted by the CVB in Fiscal Year 2011.
- Launch a restaurant member coupon promotion with local restaurants as part of the U.S. Open 2010 Week Promotion.

Action Steps- Conference and Visitors Services/Housing/ Research/Fulfillment

- Maintain a calendar listing on the website of all key events/conventions held in Montgomery County and the region. Reach out to event directors to ensure CVB website links for hotel accommodations and tourist information is on the event website.
- Develop a postcard promoting CVB services to meeting/event planners and distribute to all CVB bookings and members.
- Continue to provide and promote housing services to assist groups needing multi-property accommodations.
- Collect and complete monthly report of all website inquiries, write-in inquiries, bulk brochure orders, advertising, conference services requests and other inquiries. Generate monthly summary of website activity provided by Google Analytics. Identify trends to communicate to CVB staff and membership.

Action Steps- Conference and Visitors Services/Housing/ Research/Fulfillment-continued

- Request occupancy and average daily rate reports four times per year from Smith Travel Research for Montgomery County, City of Rockville and the City of Gaithersburg and the Washington, D.C. Tract. Communicate data to the membership, Montgomery County Department of Finance and the municipalities of Gaithersburg and Rockville.
- Participate in the Maryland Office of Tourism Development/ MD Association of DMO's three-year research program with Global Insight generating traveler expenditures in Montgomery County.
- Utilize sales division data for creating economic impact reports on CVB generated bookings.
- Track room nights generated through the Maryland SoccerPlex/Discovery Sports Center and create economic impact reports.
- Assist the current tournaments scheduled at the Maryland SoccerPlex/Discovery Sports Center to maximize revenues for the local community.
- Capture email addresses from teams/players registered within the CVB housing system and send e-mail alerts with special promotions and other information promoting the membership.
- Begin surveying teams participating in the housing service through Survey Monkey on their experience with the site and experience in Montgomery County.
- Contact hotels individually twice a year with economic impact reports based on all business referred to hotels from the CVB.
- Implement a new housing registration site for use of sports tournaments and events need multiple hotel usage.

Action Steps- Public Relations and Community Awareness

- Develop a suggested outline for hosting a "Scavenger Hunt" with the objective of generating awareness of Montgomery County's best kept secrets, the value of tourism dollars to the community and mission of the CVB.
- Continue with the promotion of the CVB's new branding campaign including changes to printed materials to align with new website design: Montgomery County, Maryland. The Upside of Downtown. Welcome!
- Create by September 30, 2010 an action plan as the host community for the 2011 U.S. Open Championship, June 13-19, 2011.

Action Steps- Public Relations and Community Awareness-continued

- Update/maintain a quality local, regional and national travel trade media list.
- Produce press releases regularly about CVB programs, member meetings, member news, advertising campaigns and annual statistics.
- Produce e-blasts weekly (or more frequently as needed) to the membership and prospects on industry information/updates/announcements.
- Update standard press kit for media inquiries and place on website. (Online & print version)
- Host press tours for editorial professionals referred by the MD Office of Tourism Development.
- Produce the CVB e-newsletter monthly beginning in September 2010.
- Incorporate new announcements and promotions for the Canal Towns/Canal Trails Initiative, Heritage Areas, Arts and Entertainment Districts, town centers and recreational trails in to website marketing, e-newsletter and e-blasts.
- Participate on the Arts and Humanities Council of Montgomery County Marketing Committee.
- Identify opportunities for promoting the Civil War Trails in Montgomery County with the regional campaign of the Civil War Sesquicentennial. Identify other potential partnerships in programs of Heritage Montgomery.
- Research Destination DC campaign and cooperative opportunities to create a campaign for Montgomery County to promote the upcoming Cherry Blossom Centennial Celebration scheduled in 2012.

Action Steps- Publications/Print Media/Website

- Produce a Calendar of Events and place within a publication (TBA) and as a pull out for distribution aside from magazine subscribers. Partner with Arts & Humanities Council.
- Reproduce the Official Visitor Guide to Montgomery County for release in Winter 2011.
- Reproduce the Meeting and Event Planning Guide for release in spring 2011.
- Produce a restaurant map and coupon book to be distributed at the MD SoccerPlex, hotels, clients and at the Visitor Information Center in Germantown.

Action Steps- Publications/Print Media/Website-continued

- Proof all Maryland Office of Tourism Development publications: Maryland Direct, Maryland Field Trip Guide, Destination Maryland, Calendar of Events, Maryland Golf Guide to ensure membership listing accuracies and maximum editorial coverage for Montgomery County.
- Identify partnerships with Destination DC to add to the CVB's action plan for Fiscal Year 2011.

Action Steps - Website

- Generate an action plan for continued promotion of the website to membership and local residents by August 30, 2010.
- Award the bid for the Website Maintenance Agreement in June 2010. Create 6-month strategy with hired vendor for website development Phase II by July 15, 2010.
- Award the bid for the Website Digital Marketing Services for Fiscal Year 2011 by August 30, 2010. Create strategy with vendor for presentation at the CVB Board of Directors meeting in September 2010.
- Send quarterly e-mails to the membership on their hits/visits generated from visitmontgomery.com
- Develop rate structure for selling banner ads on the CVB website.
- Review the Maryland Office of Tourism's website for accuracy of Montgomery County information, advertising opportunities and appropriate links. (ongoing)

Action Steps- Advertising

- Review and participate in the Maryland Office of Tourism Development's advertorial and cooperative advertising opportunities for Fiscal Year 2011.
- Increase the amount of private sector financial support for the CVB's annual advertising campaign.
- Monitor and review quarterly the Group Tour, Consumer and Meetings Market print and electronic media campaign.
- Create new online marketing strategies shifting from print through assistance from the new hired vendor for digital marketing services.

Action Steps - Advertising-continued

- Identify cross-advertising opportunities with Montgomery County Department of Economic Development and other agencies.
- Add a Montgomery County CVB link to meetingsource.com under CVB's section.
- Sponsor a full page destination profile Site Selection, Optimizer, etc.

Action Steps - Administrative/Board

- Schedule meetings with new board members to complete orientation prior to the September 2010 meeting.
- Develop suggested committees for assignment to the CVB Board of Directors at the September 2010 meeting.
- Provide regular program/budget updates to Montgomery County Department of Economic Development, Montgomery County Council and the municipalities of Rockville and Gaithersburg.
- Identify potential new board members for participation on the CVB board in Fiscal Year 2012.
- Create a venue for board members to meet one-on-one with candidates for County Council.
- Host four (4) meetings with the hotel general managers in Fiscal Year 2011.
- Attend regular meetings of the Maryland Association of Destination Marketing Organizations (MD DMO).
- Attend bi-monthly meetings of the Greater Washington Tourism Alliance.
- Attend quarterly meetings of the Maryland Tourism Development Board.
- Participate as a board member of the Heritage Areas Alliance non-profit organization.

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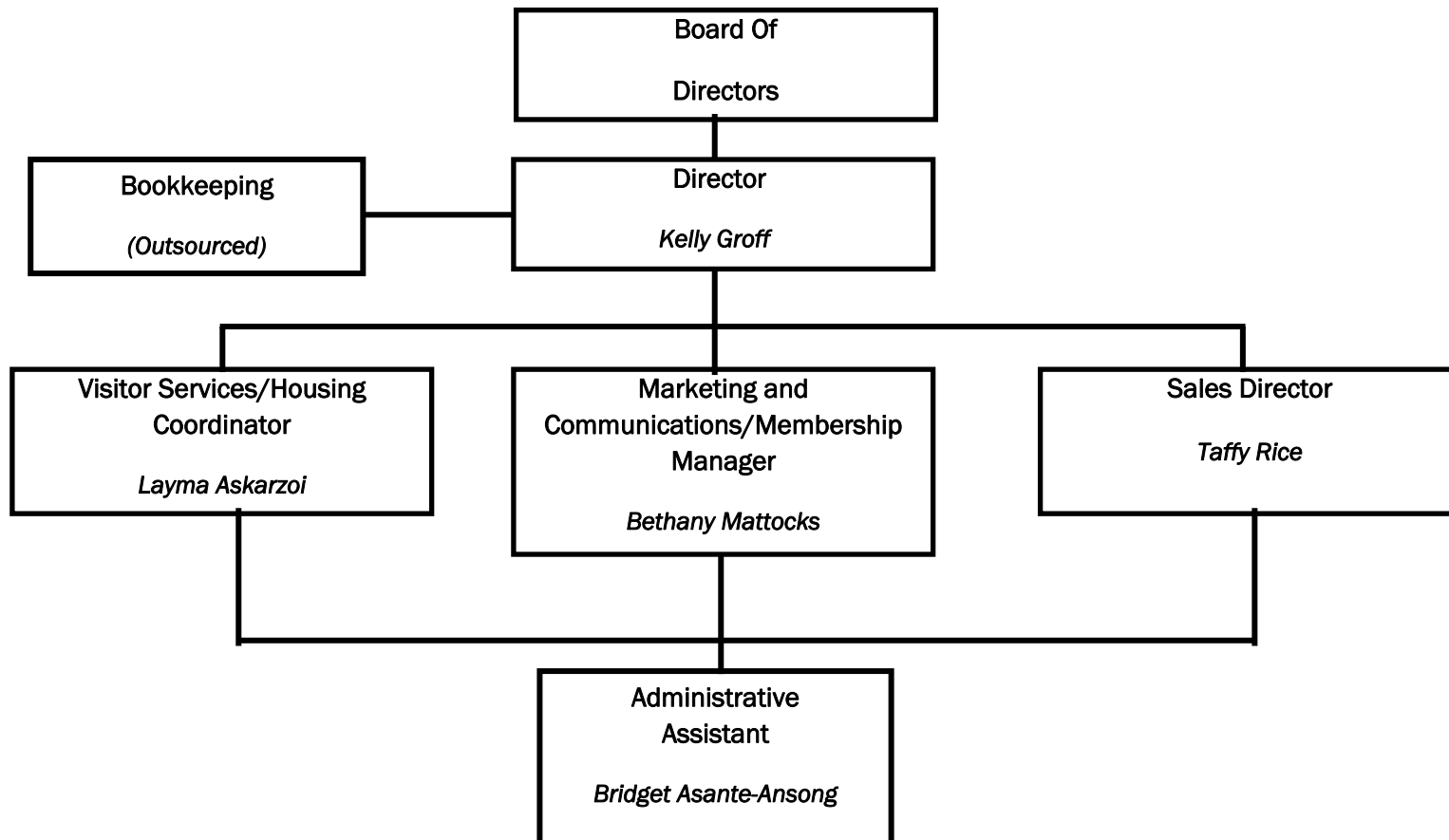
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Taffy Rice
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Organizational Chart

Fiscal Year 2011

Conference and Visitors Bureau of Montgomery County, MD, Inc.



Conference and Visitors Bureau of Montgomery County, MD, Inc.

Fiscal Year 2011 - FINAL

REVENUES	FY 2010	FY 2011	FY 2011*	Inc/Dec
				from 2010
Public Revenues				
Occupancy Tax	\$692,650	\$607,350	\$607,350	(\$85,300)
Occupancy Tax - Municipal	\$0	\$45,000	\$45,000	\$45,000
MD Tourism Grant	\$55,000	\$50,000	\$50,000	(\$5,000)
Private Revenues				
Membership Dues	\$30,900	\$31,000	\$31,000	\$100
Membership Events	\$5,200	\$5,000	\$5,000	(\$200)
Miscellaneous Income	\$1,500	\$1,500	\$1,500	\$0
Visitor Center Revenues				
Souvenir Sales	\$2,000	\$0	\$0	(\$2,000)
Marketing & Promotions Revenues				
Hotel Reservation Service Commissions	\$60,000	\$80,000	\$80,000	\$20,000
Cooperative Trade Shows	\$9,900	\$3,000	\$14,650	\$4,750
Coop Advertising/Print	\$10,000	\$10,000	\$10,000	\$0
CVB Collateral Advertising	\$35,000	\$35,000	\$35,000	\$0
Advertising Revenues on CVB website	\$3,000	\$3,000	\$3,000	\$0
TOTAL REVENUES	905,150	\$870,850	\$882,500	(\$22,650)
EXPENSES	FY 2010	FY 2011	FY 2011*	Inc/Dec
		New MARC		from 2010
Accounting/Payroll Services	\$27,000	\$29,000	\$29,000	\$2,000
Advertising - Print	\$126,800	\$136,000	\$133,785	\$6,985
Advertising-Electronic	\$60,000	\$63,000	\$63,000	\$3,000
Advertising/Production	\$3,000	\$5,013	\$5,013	\$2,013
Brochure Distribution	\$3,000	\$1,500	\$1,500	(\$1,500)
Consulting/Management	\$1,000	\$1,000	\$1,000	\$0
Depreciation	\$2,000	\$2,000	\$2,000	\$0
Dues/Subscriptions	\$7,500	\$6,500	\$6,500	(\$1,000)
Equipment/R&M/ADMIN	\$1,700	\$1,700	\$1,700	\$0
Equip/R&M/VIC	\$2,700	\$0	\$0	(\$2,700)
Insurance/Commercial & Board	\$3,000	\$3,000	\$3,000	\$0
Insurance Employee Health, etc.	\$21,600	\$26,300	\$26,300	\$4,700
Legal Counsel	\$2,000	\$2,000	\$2,000	\$0
Maintenance/ADMIN	\$21,809	\$16,681	\$16,681	(\$5,128)
Maintenance/VIC	\$3,900	\$0	\$0	(\$3,900)
Miscellaneous/Mileage/ADMIN	\$8,500	\$9,000	\$9,000	(\$500)

Miscellaneous/Mileage/VIC	\$100	\$0	\$0	(\$100)
SUB-TOTAL	\$295,609	\$302,694	\$300,479	\$3,870
EXPENSES	FY 2010	FY 2011	FY 2011*	Inc/Dec
		New MARC		from 2010
Pilot Marketing Program	\$60,000	\$0	\$0	(\$60,000)
Postage/Shipping/ADMIN	\$17,000	\$13,000	\$13,000	(\$4,000)
Postage/Shipping/VIC	\$6,000	\$0	\$0	(\$6,000)
Publications/Collateral	\$62,000	\$65,000	\$65,000	\$3,000
Promotions	\$40,000	\$40,000	\$40,000	\$0
Professional Development/ADMIN	\$7,000	\$5,000	\$5,000	(\$2,000)
Research	\$6,000	\$8,000	\$8,000	\$2,000
Salaries/Retirement Benefits ADMIN	\$218,136	\$282,074	\$282,074	\$63,938
Salaries/Visitor Center & Part Time Staff	\$28,000	\$0	\$0	(\$28,000)
Sales-International *	\$9,650	\$7,825	\$10,350	\$700
Sales - Meetings/Conventions Trade Shows	\$34,565	\$28,820	\$40,160	\$5,595
Sales - Group Tour Trade Shows	\$1,875	\$2,525	\$2,525	\$650
Sales - Sports Marketing Trade Shows	\$3,725	\$3,600	\$3,600	(\$125)
Sports Rebates/Housing Expenses	\$24,000	\$32,000	\$32,000	\$8,000
Souvenirs/VIC	\$2,000	\$1,000	\$1,000	(\$1,000)
Supplies/ADMIN	\$4,500	\$4,500	\$4,500	\$0
Supplies/VIC	\$1,000	\$0	\$0	(\$1,000)
Taxes/Payroll ADMIN	\$20,400	\$25,000	\$25,000	\$4,600
Taxes/Payroll/VIC	\$2,000	\$0	\$0	(\$2,000)
Technical Support	\$13,000	\$10,000	\$10,000	(\$3,000)
Telecommunications/ADMIN	\$6,000	\$6,000	\$6,000	\$0
Telecommunications/VIC	\$1,500	\$0	\$0	(1,500)
Volunteer Rewards/VIC	\$0	\$0	\$0	\$0
Website SEO/SEM	\$41,190	\$33,812	\$33,812	(7,378)
SUB-TOTAL	\$609,541	\$568,156	\$582,021	(\$26,520)
TOTAL EXPENSES	\$905,150	\$870,850	\$882,500	(\$22,650)

Springtime in the Park GWSAE	\$3,845	\$ -	\$50	\$1,900	\$5,795	TBA	\$1,500/partner (2 partners max)
April 27, 2011, Washington DC							
Society of Govt. Mtg. Professionals	\$ -	\$3,300	\$300	\$1,900	\$5,500	TBA	\$1,575/partner (2 partners max)
June 8 - 11, 2011, Norfolk, VA							
SUB-TOTAL	\$3,845	\$3,300	\$350	\$ 3,800	\$11,295		\$6,150
Group Tour/Consumer Markets and International Market	Exhibit Fees	Registration Fees	Transportation	Misc. Expenses	Total Expenditure	Staff Attending	Income
American Bus Assoc. - Group Tour	\$ -	\$1,225	\$300	\$1,000	\$2,525	Kelly Groff	N/A
January 7 - 12, 2011 - Philadelphia, PA							
Canadian Sales Mission - International	\$850	\$ -	\$800	\$1,000	\$2,650	Taffy Rice	N/A
November 2010							
Receptive Operators Mission to N.Y. - International	\$ -	\$1,500	\$700	\$500	\$2,700	Taffy Rice	N/A
6/1/2011 (Partner with CRUSA)							
International POW WOW - International	\$ -	\$2,000	\$500	\$2,500	\$5,000	Taffy Rice	N/A
May 21 - 25, 2011 - San Francisco, CA							
SUB-TOTAL	\$850	\$4,725	\$2,300	\$5,000	\$12,875		\$ -
SPORTS MARKET	Exhibit Fees	Registration Fees	Transportation	Misc. Expenses	Total Expenditure	Staff Attending	Income
TEAMS							
October 18-22, 2010- Charlotte, NC	\$2,600	\$ -	\$700	\$300	\$3,600		N/A
<i>FY 2010 Group/Sports Budget \$11,525</i>							
SUB-TOTAL	\$2,600	\$ -	\$700	\$300	\$3,600		N/A

GRAND TOTAL	\$22,010	\$9,000	\$5,000	\$20,625	\$56,635		\$ 14,650
<i>Miscellaneous Expenses: includes shipping and materials (estimated, \$600); booth furnishing and booth decorations (estimated at \$100); booth electricity (estimated, \$100); lead retrieval (estimated, \$350); pre and post show mailings (estimated \$200); booth giveaway (estimated, \$600), accommodation expenses (estimated \$600); meals (estimated \$150); shuttles, cab fares (estimated \$200)</i>							

Board of Directors- Fiscal Year 2011

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