

**2012-2017 Michigan Tourism Strategic Plan
Funding Committee Meeting
Country Club of Lansing, February 21, 2-5pm**

Agenda

1. Welcome and Introductions
2. Review of September 23 and November 6 Meeting Notes
3. Update from November 8 and January 24 Travel Commission Meetings – Travel Commissioners Jerry Toney and Bill Parlberg
 - a. Establishment of 501(c)(6) MI Tourism Plan Fund – Jerry Toney and Steve Yencich
 - b. Funding/Governance Structure – draft organizational chart – Sarah Nicholls
4. Status of Action Items from September 23 Meeting
 - a. Summary of the ROI methodology and data – Sarah Nicholls
 - b. Summary of the former TTRRC’s activities – Sarah Nicholls
 - c. List of Michigan associations – Sarah Nicholls
5. Update on Objective One – \$50 million by 2017
 - a. Discussion of Governor’s proposed 2014-15 budget
6. Discussion of Objective Two – funding of strategic plan initiatives
 - a. MI Tourism Plan Fund
 - i. Formation/first meeting of board
 - ii. Development of bylaws
 - iii. Selection of bank/opening of account
 - iv. Identification of minimum balance
 - b. Raising of funds
 - i. Promises to date – MIS (\$5,000), Susan Sherer (\$2,000)
 - ii. Industry-wide solicitation – who, when, how, etc.
7. Next Steps and Next Meeting
 - a. Report at Governor’s Conference (afternoon of March 11)
 - b. Meeting in April or May

**2012-2017 Michigan Tourism Strategic Plan
Funding Committee Meeting
Country Club of Lansing, February 21, 2-4:30pm**

Meeting Notes

In Attendance (in person): Jerome Toney (Co-Chair), Steve Yencich (Co-Chair), Mike O'Callaghan, Sarah Nicholls, Louise Smith.

In Attendance (on phone): Mary Carroll, Bill Parlberg, Rick Winn.

Absent: Kellie Dean, Linda Hoath, Stephen Kircher, Susan Sherer.

Welcome and Introductions – Introductions made by all.

Review of September 23 and November 6 Meeting Notes – No changes or additions made.

Update from November 8 and January 24 Travel Commission Meetings –

Travel Commissioners Jerry Toney and Bill Parlberg updated the group on the TC meetings held since the last Funding Committee meeting. Most significant development = ongoing discussions re. governance and funding of MTSP. The MTSP gives the TC a purpose, and the TC is keen to take real leadership of this effort and to continue to align the industry. A TC subcommittee has been formed to discuss leadership and oversight; this group met in December. Chair Curtis presented this subcommittee's proposals re. a governance process and the structure of a funding mechanism to the TC for a vote on January 24. The final outcome will be discussed/presented at the TC meeting on March 9 and at the meeting of all eight committees on March 11. The TC expects any potentially controversial or divisive issue to be brought before them prior to implementation; SN and the TCers on each committee should decide what does and does not need TC review/approval.

The 501(c)(6) MI Tourism Plan Fund has been established. The structure of the MI Tourism Plan Fund Board, and of the proposal/request for funding process, is represented in the ~draft~ organizational flow chart as shared prior to the meeting. The Fund will have a five-member board, including three Travel Commissioners (the Chair – currently Roger Curtis, the Funding Co-Chair – Jerry Toney, and one other) and two industry members (the Funding Co-Chair – Steve Yencich, and one other). A Travel MI/MEDC representative will serve as an ex-officio member. The TC might also choose to form a task force to further investigate any proposal/request rather than take an immediate vote (at step three in the chart); it is also recognized that some proposals/requests might be sufficiently urgent to require a special TC meeting/vote (prior to the next scheduled TC meeting).

Status of Action Items from September 23 Meeting –

- a) Summary of the ROI methodology and data – Sarah prepared a summary of how Longwoods calculates the Pure MI ROI (this is an approximation since the exact process is proprietary). Discussion of whether other states employ Longwoods; yes, most states use Longwoods or Strategic Marketing & Research, Inc (the latter's ROIs tend to be higher than those of Longwoods). Other Longwoods states (all 2012): Minnesota, \$8; New Mexico, \$3; North Dakota, \$9; South Dakota, \$5. However, it is unlikely that even these measure the exact same ROI. CRITICAL to NOT compare our ROI to other states – value of the ROI is within the state, to show return to the state – other states' ROIs should not be considered relevant.
- b) Summary of the former TTRRC's activities – Sarah provided copies of the mission and major activities of the former TTRRC. The CVBs are currently being surveyed re. their data/research needs. Their responses will help inform the RTA committee's recommendations re. a new data/research entity (RTA objective #2: Develop a financially sustainable online information system to capture and share relevant industry research).
- c) List of Michigan associations – Sarah provided the list of associations that she and Louise developed for the CCP committee, to assist that group in identifying the most strategic groups with which to partner. CCP has for now prioritized the MI Restaurant Association and the Small Business Association of Michigan. Discussion of approaching these entities for donations – but most associations do not have much money to spare. Their and other foundations = more likely to be in a position to give. Need a very clear ask – but also need to establish minimum balance in fund.

Update on Objective One – \$50 million by 2017 –

The Governor's proposed 2014-15 budget includes an additional \$2 million for Pure Michigan. Also of relevance to tourism: \$6 million for invasive species and \$2.5 million for trails. New PM total for 2014-15 would therefore be \$31 million, \$4 million short of where we need to be to reach \$50 million by 2017. Discussion of other investments made into PM and into marketing Michigan tourism in general (MEDC partnership program, CVB activity, private spending, etc.). Importance of data re. ROI, jobs, etc. when showing benefits of tourism and making ask for additional funding. Discussion of timing of additional asks.

Discussion of Objective Two – Funding of Strategic Plan Initiatives –

- a) MI Tourism Plan Fund
 - i. Formation/first meeting of board – to be appointed/established by TC Chair and Board President Roger Curtis.
 - ii. Development of bylaws – to be developed by Board at its first meeting.

- iii. Selection of bank/opening of account – Steve Y. recommends Capitol National. Preferable to have an account opened and be ready to receive cheques prior to the Governor’s Conference.
- iv. Identification of minimum balance – Funding committee recommends a minimum balance of \$5,000 be maintained. Also critical to acquire D&O insurance.

b) Raising of funds

- i. Promises to date – MIS (\$5,000), Susan Sherer (\$2,000)
- ii. Industry-wide solicitation – who, when, how, etc.

MTSP meeting on March 11 = one opportunity – these are all individuals heavily committed to the MTSP. Need to prep and distribute something to all committee members prior to the conference, so that they know this ask is coming. CVBs have already been asked to give (to MEDC, to cover plan implementation). Also need something for a more general audience (those not currently involved in MTSP) – a letter from the Funding Co-Chairs introducing the MTSP, outlining the roles of the eight committees, focusing on one-two big ticket items (e.g., research).

Discussion of foundations: typically fund within well-defined areas and expect very detailed and targeted proposals. I.e., need to go to them with specific ideas (which need to come from the various MTSP committees).

First target = \$25,000 by June 1.

Next Steps and Next Meeting –

- a) Report at Governor’s Conference (afternoon of March 11) – Co-Chairs will have 5 minutes to cover: (i) Prioritization of objectives; (ii) Progress made in 2013; and (iii) Plan for 2014. It is hoped that all members of all eight committees will attend, also open to any other interested members of the industry.
- b) Meeting in April or May – Sarah will send out Doodle. Prior to April 20 preferable for Jerry.

Action Items –

- Sarah and Louise will prepare list of Michigan foundations as well as a sample of their RFPs.