RESOLUTION NO. 10-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY A REVISED ANNUAL ASSESSMENT FOR FISCAL YEAR 2010-2011 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON PROPOSAL.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the California Legislature in adopting the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36500 *et*. *seq*.) authorized cities to levy assessments on businesses in order to promote economic revitalization and tourism, to create jobs, attract new businesses, and prevent erosion of business districts; and

WHEREAS, on July 5, 1995, by Ordinance No. 95-9, the City Council adopted a business improvement area, commonly known as the Costa Mesa Tourism & Promotion Business Improvement Area, the purpose of which is to promote tourism to the City and to fund programs that benefit the hotel and motel businesses within the City of Costa Mesa; and

WHEREAS, in January 2000, the City Council approved an increase in the assessment, raising the assessment from one percent (1%) to two percent (2%). The two percent (2%) assessment is based on the sale of overnight room stays; and

WHEREAS, the City Council has voted to continue the special assessment for the Costa Mesa Tourism & Promotion Council Business Improvement Area each year since its inception, including the adoption in June, 2010, of Resolution No. 10-41 authorizing the assessment for fiscal year 2010-2011; and

WHEREAS, this Resolution of Intention will commence proceedings under the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code § 36541) to levy a modified annual assessment of the Costa Mesa Conference and Visitor Bureau Business Improvement Area effective November 1, 2010 and for the remainder of the 2010-2011 fiscal year;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Costa Mesa as follows:

Section 1. Assessment. An annual assessment for the Costa Mesa Conference and Visitor Bureau Business Improvement Area is proposed to be levied pursuant to Streets & Highways Code § 36500 *et seq.* The proposed boundaries of the territory are the ten motels and hotels listed in Exhibit A, attached hereto and incorporated herein by this reference. The proposed amount of the annual assessment is three percent (3%) effective November 1, 2010. The three percent (3%) assessment is based on the sale of overnight room stays. New hotel and motel businesses commenced after the effective date of the ordinance levying the assessment will be exempt from the levy of assessment, pursuant to Streets & Highways Code § 36531 and § 36535.

Section 2. Annual Report. An annual report on the Business Improvement Area has been prepared by the Costa Mesa Conference & Visitor Bureau, acting as the advisory board as required by Streets & Highways Code § 36533 and § 36534. Said report is on file in the City Clerk's Office and is attached as Exhibit B.

Section 3. Types of Activities To Be Funded. The proposed type or types of activities to be funded by and through the annual levy of assessments on businesses within the Costa Mesa Conference and Visitor Bureau Business Improvement Area are specified in the referenced annual report.

Section 4. Method and Basis of Levy. The proposed method and basis of levying the assessment to allow each business owner to estimate the amount of the assessment to be levied against his or her business is set forth in the Costa Mesa Conference & Visitor Bureau's annual report relative to the Business Improvement Area.

Section 5. Time and Place of Public Hearing. The time and place of the public hearing on the business improvement area and the proposed increased annual levy of assessments shall be at 7:00 p.m., October 19, 2010, at the Costa Mesa City Hall, City Council Chambers, 77 Fair Drive, Costa Mesa, California. At the public hearing set forth above, the testimony of all interested persons for or against the proposed increased annual levy of assessment for the business improvement area, the extent of the area, or the furnishing of specific types of improvements or activities will be heard by the City Council.

Section 6. Protests. The following rules shall apply to all protests:

(a) A protest may be made orally or in writing by any interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made.

(b) Every written protest shall be filed with the City Clerk's office, Costa Mesa City Hall, Room 101, 77 Fair Drive, Post Office Box 1200, Costa Mesa, California 92626-1200, at or before the time fixed for the public hearing as set forth above.

(c) The City Council may waive any irregularity in the form or content of any written protest, and at the public hearing, may correct minor defects in the proceedings.

(d) If written protests are received from the owners of businesses in the proposed business improvement area which will pay fifty percent (50%) or more of the assessments to be levied and protests are not withdrawn so as to reduce the protests to less than the fifty percent (50%), no further proceedings on the proposal to continue the business improvement area assessment, as specified by this resolution of intention, shall be taken by the City Council for a period of one year from the date of the filing of a majority protest.

BE IT FURTHER RESOLVED THAT the City Council of the City of Costa Mesa, California, does hereby adopt the revised annual report by the Costa Mesa Conference & Visitor Bureau acting as the advisory board on the business improvement area (referenced report on file in the City Clerk's Office), and this Resolution of Intention as set forth herein, and Exhibit "A" which is attached hereto and incorporated by this reference.

PASSED, APPROVED, AND ADOPTED this 7th day of September, 2010.

_____
Allan R. Mansoor, Mayor

ATTEST: APPROVED AS TO FORM:

_____ _____

Julie Folcik, City Clerk Kimberly Hall Barlow, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, JULIE FOLCIK, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 10-____ and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 7th day of September, 2010, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this ___ day of September, 2010.

_____

JULIE FOLCIK, CITY CLERK

(SEAL)

EXHIBIT A

The Business Improvement Area ("BIA") benefit zone encompasses the entire City of Costa Mesa boundaries. It is anticipated that the entire City, including businesses and residents, will benefit from increased revenues generated by the activities financed by the BIA assessment.

The following businesses will be included in the BIA that is established pursuant to Streets & Highways Code § 36500 *et seq.,* the businesses commonly known as:

Ayres Hotel & Suites

Property Address: 325 and 345 Bristol Street, Costa Mesa

Business Owner: Bruce Ayres
1817 Westminster Avenue
Newport Beach, CA 92660

Donald Ayres, Jr.
506 Via Lido Nord
Newport Beach, CA 92663

Property Owner: Homes by Ayres
355 Bristol Street, Suite A
Costa Mesa, CA 92626

Best Western Newport Mesa Inn

Property Address: 2642 Newport Boulevard, Costa Mesa

Business Owner: Somes Hsuen
Shang-Pu Lee
2642 Newport Boulevard
Costa Mesa, CA 92627

Hilton Orange County/Costa Mesa

Property Address: 3050 Bristol Street, Costa Mesa

Business Owner: Ashford Hospitality Trust
14185 Dallas Parkway, Suite 1100
Dallas, TX 75254

Hotel Hanford

Property Address: 3131 Bristol Street, Costa Mesa

Business Owner: Hanford Hotels

Property Owner: Hanford Hotels
4 Corporate Drive, Suite 102
Newport Beach, CA 92660

Holiday Inn Express Hotel and Suites, Costa Mesa

Property Address: 2070 Newport Boulevard, Costa Mesa

Business Owner: Narendra B. Patel
2070 Newport Boulevard
Costa Mesa, CA 92667

Costa Mesa Marriott

Property Address: 500 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels

Property Owner: Marriott Suites, Ltd.
1 Marriott Way
Washington, D.C. 02258

Ramada Limited & Suites Costa Mesa

Property Address: 1680 Superior Avenue, Costa Mesa

Business Owner: B.D. Inns Inc./Ramada Ltd.
1680 Superior Avenue
Costa Mesa, CA 92627

Residence Inn by Marriott, Costa Mesa

Property Address: 881 Baker Street, Costa Mesa

Business Owner: Residence Inn by Marriott
1 Marriott Way
Washington, D.C. 02258

Property Owner: Marriott Residence Inn Ltd., Partnership
10400 Fernwood Road

Bethesda, MD 20817

The Westin South Coast Plaza

Property Address: 686 Anton Boulevard, Costa Mesa

Business Owner: Host Hotels & Resorts
6903 Rockledge Drive, Suite 1500
Bethesda, MD 20817

Property Owner: CJ Segerstrom & Sons
c/o South Coast Plaza
686 Anton Boulevard
Costa Mesa, CA 92626

Wyndham Orange County

Property Address: 3350 Avenue of the Arts, Costa Mesa

Business Owner: Rosanna Inc.
4100 MacArthur Boulevard, Suite 200
Newport Beach, CA 92660

August 30, 2010

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Dear Mr. Hatch:

Thank you for your strong support of the Costa Mesa Conference & Visitor Bureau (CVB). As you know, the CVB increases awareness of Costa Mesa as a visitor destination with the goal of maximizing hotel occupancy, travel-related spending and bed tax revenues while further contributing to the economic growth of the city.

Unfortunately, the recession has weakened travel demand; therefore, the current CVB revenues of $1.15m have declined by 30% over the past two years. Substantial reductions in marketing expenditures and programs have been made as a result of this shortfall.

The current tourism budget is insufficient when comparing it to Newport Beach ($4m) and Anaheim ($10m).

Although our hotels are seeing some early signs of business improvement, the reality is that Costa Mesa still has comparatively lower recognition as a viable business and tourism destination.

The Costa Mesa CVB recently commissioned strategic destination, branding and marketing plans. These reports reaffirm the strategy to re-invest in tourism in order to improve revenues, in particular over weekend and holiday periods.

- **Therefore the Board of Directors requests that the Business Improvement Assessment be increased from 2% to 3% in order to maximize awareness of Costa Mesa and improve our city's penetration in the ultra-competitive visitor market.**

We firmly believe Costa Mesa CVB has a major opportunity as a destination marketing organization to grow sustainable tourism. With new leadership and a strong strategic plan in place, we are certain that the additional funds of approximately $500,000 will provide the impetus to improve revenue streams throughout the entire community.

Costa Mesa Conference & Visitor Bureau • P.O. Box 5071, Costa Mesa, California 92628-5071
714.435.8530 • 800.399.5499 • *fax* 714.435.8522 www.costamesa-ca.com

The key strategies of our new Costa Mesa CVB are as follows:

1. Hired new CVB President with a proven track record in marketing and driving revenues through strategic partnerships.

2. Relocated the CVB office to a prime location within Costa Mesa.

3. Will be marketing Costa Mesa as the "Heart of Orange County."

4. Implementing more effective and expanded Board of Directors based on new partnership roles and strategic initiatives within:

    - Retail
    - Performing Arts
    - Culinary Tourism
    - Business Community i.e. Chamber, South Coast Metro Alliance, etc.
    - John Wayne Airport
    - OC Fair & Events Center

5. Create special events and partnerships to support community activities and objectives, i.e. schools, universities, residents etc.

6. Increase volume of international visitors in conjunction with neighboring communities.

7. Enhanced online destination marketing and related visitor conversion during off-peak periods. Upgrade website to enable revenue-generating functions for hotels and all strategic partners.

8. Focused direction and long-term planning for event direction, partnerships and support, i.e. the Barrett-Jackson collector car auction, OC Marathon, OC Jazz Festival, UPG Sports, the Costa Mesa Community Run, etc.

The members of the Board of Directors support this proposal and enthusiastically work as a team toward the success of the Costa Mesa Conference & Visitor Bureau. We appreciate the opportunity provided by the Costa Mesa City Council and thank you for your continued support.

Respectfully,

Shaun Robinson

Shaun Robinson, General Manager, Hilton
Chairman, Costa Mesa Conference & Visitor Bureau
cc: Board of Directors

Costa Mesa
The Best Of Southern California

Costa Mesa Conference and Visitor Bureau
Budget Summary

FISCAL YEAR 2009/2010		*2010/2011 WITH PROPOSED INCREASE*	
Revenue	$1,114,379	Projected Revenue	$1,600,000
		Office Rent	$25,000
Employee Costs	$284,320	Office FF&E	$75,000
Admin Expenses	$115,813	Employee Costs	$360,000
Marketing Expenses	$476,246	Admin Expenses	$125,000
Reserve	$238,000	*Marketing Expenses	$750,000
		Reserve	$265,000

*With proposed 2011 increase, CVB would increase marketing in order to multiply revenues and increase awareness of Costa Mesa with special focus in the following areas:

- Special Events, i.e. Barrett-Jackson, OC Marathon etc.
- Online marketing
- Travel and Tradeshows

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714.435.8530 • 800.399.5499 • fax 714.435.8522 www.costamesa-ca.com

Barrett-Jackson

Orange County Auction Highlights – June 25-27, 2010

Attendance Highlights:

- Attendance: over **58,000**

Television Highlights:

- Television Coverage: **18** hours of live coverage on SPEED

Website Highlights:

- Friday 6/25: **358,247 page views**, Saturday 6/26: **471,671 page views**, Sunday 6/27: **437,126 page views**
- Total Page Views 6/25-6/27: **1,267,044**
- Total Page Views during auction week: **1,751,233**

Sales Highlights:

- Total Auction Sales: **over $15,000,000**
- Total Number of Vehicles Sold: **395**
- Auction Sales Ratio: **100%**
- Top Selling Vehicles:
  - Lot #370 - 1970 Chevrolet Chevelle SS 454 Convertible - $253,000
  - Lot #350 - 1970 Chevrolet Chevelle SS Custom Coupe - $250,000
  - Lot #362 - 1970 Plymouth Road Runner Custom 2 Door Hardtop - $187,000
  - Lot #375.1 – 1967 Chevrolet Corvette Convertible - $181,500
  - Lot #383 – 1940 Willys Custom 2 Door Coupe - $181,500
  - Lot #354 – 1931 Packard 840 Roadster - $170,500
  - Lot #355 – 1938 Packard Victoria Convertible - $170,500
  - Lot #382 – 1936 Ford Custom Five Window Coupe - $165,000
  - Lot #378 – 2004 Maybach MOD 62 Four Door Sedan - $154,000
  - Lot #386.1 – 1990 Darrell Gwynn Coors Extra Gold Top Fuel Dragster replica - $150,000

Bidders Highlights:

- Total Number of Bidders: **604**
- **58%** of Bidders are New Bidders
- **53%** of Vehicles were Purchased by New Bidders
- Bidders were from **36 States** and **Canada**
- Total Number of Foreign Bidders: **19**
- Total Absentee Bidders (includes internet, telephone and auction representative bidders): **23** bidders for a total of **$485,500** in vehicle sales

Media Highlights:

- Total Media Outlets Credentialed: **78**
- Total Credentials Issued: **176**
- Media Outlets were represented by **9 States**

Sponsors: 43 Corporate Event Sponsors gathered at the event, all ranging from lifestyle to automotive.

Vendors and Exhibitors:
More than **90** commercial vendors and exhibitors displayed at the event. These vendors and exhibitors sell everything from the very best automotive art and sculpture to Automobilia, motor homes, real estate, car care products and general merchandise including jewelry, collectables, electronics and apparel. These vendors and exhibitors sales account for a significant portion of the economic impact.

Barrett-Jackson

MEDIA ALERT
October 21, 2009

A brief presentation and private reception will be held this week to acknowledge the significant positive economic boost for Orange County's challenged tourism industry when The World's Greatest Collector Car Auctions™ comes to the OC Fair & Event Center in Costa Mesa in June of 2010. Event set for five p.m., Thursday, October 22 at Hilton Orange County/Costa Mesa.

WHAT: The presentation will highlight the probable economic impact of the 2010 Barrett-Jackson Auction Company LLC car auction that will encompass the OC Fair & Event Center grounds and include the famous collector car auction, sponsor promotions and displays, vendors, exhibitors, interactive demonstrations, galas and other festivities. Local Orange County elected officials, tourism executives and other VIPs will attend to welcome Barrett-Jackson to Orange County.

WHY: The auction will have a significant economic effect on Orange County's challenged tourism business before and after the June 25-27 auction as attendees fill hotel rooms, and dine and shop locally. Annually, the auctions in Scottsdale, Palm Beach and Las Vegas combined draw more than 300,000 attendees, sell more than 2,000 vehicles for a total of more than $112 million, and provide more than $6.5 million to local charities. The West Coast is packed with auto enthusiasts who follow Barrett-Jackson and are valuable and committed constituents of the collector car hobby.

WHERE: Fountain Terrace, Hilton Orange County/Costa Mesa, 3050 Bristol Street, Costa Mesa, CA 92626

WHEN: From 5 to 6 pm, Thursday, October 22, 2009

PHOTO OP: Exotic cars will be placed in the hotel to set the tone for the auction

WHO: Craig Jackson, Chairman and CEO, Patrick van den Bossche, COO, Barrett-Jackson Auction Company LLC; Steve Beazley, president OC Fair & Event Center; and Shaun Robinson, president, Costa Mesa Conference & Visitor Bureau, will be on-hand for interviews.

DETAILS: For further details, call Robin Wachner, Communications Director, OC Fair & Event Center at 714.708.1559 or 714.371.6268 (mobile) or Dan Pittman, communications representative for the Costa Mesa Conference & Visitor Bureau and the Hiilton at 714.282.9994 or 714.397.1932 (mobile).

Barrett-Jackson OC Auction
2010 Publicity

Local Consumer Print Coverage
Stories and photos appeared in the following local consumer media in print and online editions: Los Angeles Times (Cir. 400,000); the Orange County Register (Cir. 251,000); the Orange County Business Journal (Cir. 23,000); OC Metro (Cir. 70,000) the Daily Pilot (Cir. 62,000); Palm Springs Desert Sun (Cir. 50,000); and North County Times (Cir. 150,000). Many stories were syndicated to other markets.

Estimated value: More than $150,000

Radio Broadcast Coverage
Rudy Maxa, one of America's premier consumer travel experts, conducted two live radio shows featuring the destination and the auction. On Saturday morning, Rudy Maxa's World" was broadcasted on nearly 100 stations coast to coast and on Sirius/XM Radio. On Sunday, his live show from the auction was broadcasted on CBS' KFWB News Talk 980 in Los Angeles.

KFWB promoted the broadcast for several days prior to airing:

"KFWB NEWS TALK 980 will be broadcasting live from the Inaugural 2010 Barrett-Jackson Collector Car Auction in Orange County at the OC Fair & Event Center in Costa Mesa, California. Come down and see Rudy Maxa Broadcast his show Rudy Maza's World live on Sunday June 27th inside the Exhibitor Pavilion from 2p-3p."

Estimated value: More than $50,000

Television Coverage
Local news mentions augmented many hours of live SPEED Channel coverage that showcased the destination to millions of viewers.

Estimated value: Potential millions of dollars

In all, consumer media reporters combined with automotive journalists represented nearly 100 media outlets in nine states that covered the auction on television, in print and online.

Online and E-blasts
Four colorful e-blasts were prepared by the team and sent to thousands of e-mail addresses in the Barrett-Jackson system. Auction updates were posted on the CVB sites and social media was employed to get the word out.

Inaugural Fam Trip
An inaugural fam trip hosted automotive and consumer journalists who participated in the Road Rally and became more familiar with what the destination has to offer.

RENOWNED BARRETT-JACKSON COLLECTOR CAR AUCTION COMES TO OC FAIR & EVENT CENTER IN 2010

Calling all car collectors. The Barrett-Jackson Auction Company LLC will bring "The World's Greatest Collector Car Auctions™ to the OC Fair & Event Center in Costa Mesa, June 25-27, 2010.

The Orange County edition of the auction will become the fourth annual Barrett-Jackson event, joining auctions in Scottsdale, Arizona; Palm Beach, Florida; and Las Vegas, Nevada. Annually, the auctions combined draw more than 300,000 attendees, sell more than 2,000 vehicles for a total of more than $112 million, and provide more than $6.5 million to local charities.

In the Barrett-Jackson tradition, the event will encompass the OC Fair & Event Center grounds and will include the famous collector car auction, sponsor promotions and displays, vendors, exhibitors, interactive demonstrations, and other festivities. Approximately 400 cars are expected to be sold during the inaugural year.

Through its relationship with the SPEED Channel, Barrett-Jackson auctions are the subject of highly rated television programs that are telecast to a national audience with over 70 hours of live television and hundreds of hours of replays throughout the year.

Stay tuned for special hotel packages and rates.

FOR IMMEDIATE RELEASE

Dan Pittman
714-282-9994
dan@pittmanpr.com

BARRETT-JACKSON TO BRING RENOWNED COLLECTOR CAR AUCTION TO OC FAIR & EVENT CENTER IN 2010

Hotels expect to fill up as thousands of auto enthusiasts come to Orange County

Costa Mesa, California – Hotels in Costa Mesa and Newport Beach, along with shopping centers, restaurants and other businesses catering to overnight guests, anticipate they will be very busy when the Barrett-Jackson Auction Company LLC, host of "The World's Greatest Collector Car Auctions™, comes to the OC Fair & Event Center in Costa Mesa on June 25-27, 2010.

"We are delighted to welcome Barrett-Jackson to Orange County. This incredible signature event has the potential to be a serious economic engine for the county, and will certainly put us on the map from a national awareness perspective," said Shaun Robinson, president of the Costa Mesa Conference & Visitor Bureau, at a recent reception held at the Hilton Orange County/Costa Mesa where he is the general manager.

Robinson said the auction was a natural fit for Southern California and its famed car culture and could represent a financial boost of $25 million or more to the county's tourist industry that has been negatively affected by the economic downturn.

"We plan to work very closely with the county's other visitor bureaus and hospitality professionals to build a strong partnership and a united front that we hope will benefit everyone," said Robinson.

The Orange County edition of the auction will become the fourth annual event, joining auctions in Scottsdale, Arizona; Palm Beach, Florida; and Las Vegas, Nevada. Annually, the auctions combined draw more than 300,000 attendees, sell more than 2,000 vehicles for a total of more than $112 million, and provide more than $6.5 million to local charities.

-more-

"We're thrilled about the opportunity to work with the OC Fair & Event Center to launch a fourth Barrett-Jackson auction event," noted Craig Jackson, Chairman and CEO of Barrett-Jackson. "The West Coast is packed with auto enthusiasts who follow Barrett-Jackson and are valuable and committed constituents of the collector car hobby." Approximately 400 cars are expected to be sold during the inaugural year.

In the Barrett-Jackson tradition, the event would encompass the OC Fair & Event Center grounds and would include the famous collector car auction, sponsor promotions and displays, vendors, exhibitors, interactive demonstrations, and other festivities. The proposed dates would have the Barrett-Jackson auction taking place prior to the 2010 OC Super Fair.

"Barrett-Jackson is the gold standard of collector car auctions," said Steve Beazley, CEO, OC Fair & Event Center. "This event has the potential to forever change the landscape of the fairgrounds and of Orange County."

Through its relationship with SPEED, Barrett-Jackson auctions are the subject of highly rated television programs that are telecast to a national audience with over 70 hours of live television and hundreds of hours of replays throughout the year.

###

About The Barrett-Jackson Auction Company

Established in 1971 and headquartered in Scottsdale, Ariz., Barrett-Jackson specializes in providing products and services to classic and collector car owners, astute collectors and automotive enthusiasts around the world. The company produces "The World's Greatest Collector Car Auctions™" in Scottsdale, Palm Beach, Fla. and Las Vegas. Barrett-Jackson also endorses a one-of-a-kind collector car insurance offering for collector vehicles and other valued belongings. For more information about Barrett-Jackson, visit www.barrett-jackson.com or call (480) 421-6694.

Renowned Barrett-Jackson Collector Car Auction Comes To OC Fair & Event Center

Calling all Costa Mesans! You are invited to experience a unique event this summer. The Barrett-Jackson Auction Company LLC will bring the newest edition to "The World's Greatest Collector Car Auctions"™ to the OC Fair & Event Center in Costa Mesa, June 25-27, 2010.

The Orange County auction will become the fourth annual Barrett-Jackson event, joining successful auctions in Scottsdale, Palm Beach and Las Vegas. Annually, the auctions combined draw more than 300,000 attendees, sell more than 2,000 vehicles for a total of more than $112 million, and provide more than $6.5 million to local charities.

The Costa Mesa event will provide a significant boost to our local economy, filling our hotels and restaurants, increasing business in our retail centers, and more. Plans also call for a road rally and car show, a golf tournament and a gala for charity. Individual tickets to the auction will be available for just $10 each. At auction, cars may sell for a few thousand to more than one million dollars.

In the Barrett-Jackson tradition, the lifestyle event will encompass the OC Fair & Event Center grounds and will include the famous collector car auction, sponsor promotions and displays, vendors, exhibitors, interactive demonstrations, and other festivities. Approximately 400 cars are expected to be sold during the inaugural year.

Through its relationship with the SPEED Channel, Barrett-Jackson auctions are also the subject of highly rated television programs that are telecast to a national audience with over 70 hours of live television and hundreds of hours of replays throughout the year.

For more information, visit www.TravelCostaMesa.com.

BARRETT-JACKSON COLLECTOR CAR AUCTION
Points to Consider for 2011

Overall Observations

Apparent mixed results for Newport Beach participants from a business perspective – need to discuss

Shuttle service from SCP exceptional

Branding of Costa Mesa exceptional on Speed Channel

VIP tickets – how where they distributed?

Selection of charities – maybe add a more local Costa Mesa charity

Request any demographic information that was gathered on overnight guests and all auction attendees – will help in our marketing recommendations

Costa Mesa CVB signage at auction seemed limited

Public Relations Suggestions

Fam Trip

Plan and execute another media fam trip with more leisure travel/automotive enthusiasts media

"Free" Live Remote Broadcasts

KFI John & Ken Show

Paul Lasley and Elizabeth Harryman On Travel

Marketing Opportunities

Co-op advertising plan with B-J in local feeder markets, such as the Inland Empire's Riverside, Ontario, Palm Springs areas; plus San Diego; and valley areas of Los Angeles where we can get overnight guests

Sell advertising space in four e-blasts

Reconnect with hotel guests to offer early registration

Co-op program with local restaurants to increase business – charge fee to restaurants for the business we bring to them

Co-op with other care-related events happening in the weeks before the auction and during auction week – such as the annual Dana Point Concours d'Elegance, weekly Cars & Coffee, etc.

Advertorial (Paid) Suggestions

Best Deals TV Show (LA TV)
Reaches 450,000 SoCal viewers

Another Live "Rudy Maxa's World" Travel Radio Broadcast
Broadcast on 98 news/talk stations in the United States (with an Arbitron-measured audience of just under one million listeners)

COSTA MESA
The Best of Southern California

Bureau

The Costa Mesa Conference & Visitor Bureau represents 10 hotels that welcome leisure and business travelers and are the site of many meetings and social events.

Community

Costa Mesa is considered the OC's premier shopping, dining and cultural destination – we're called the Best of Southern California.

Situated in the heart of Southern California between Los Angles and San Diego, we're near the beach and easily accessible by car and plane.

Home to South Coast Plaza and the Theater & Arts District, featuring world-class performing arts venues like the magnificent Renée and Henry Segerstrom Concert Hall, plus exceptional outdoor artworks.

Many luxury hotels like the Hilton Orange County/Costa Mesa, The Westin South Coast Plaza and fine and casual dining restaurants are here, too.

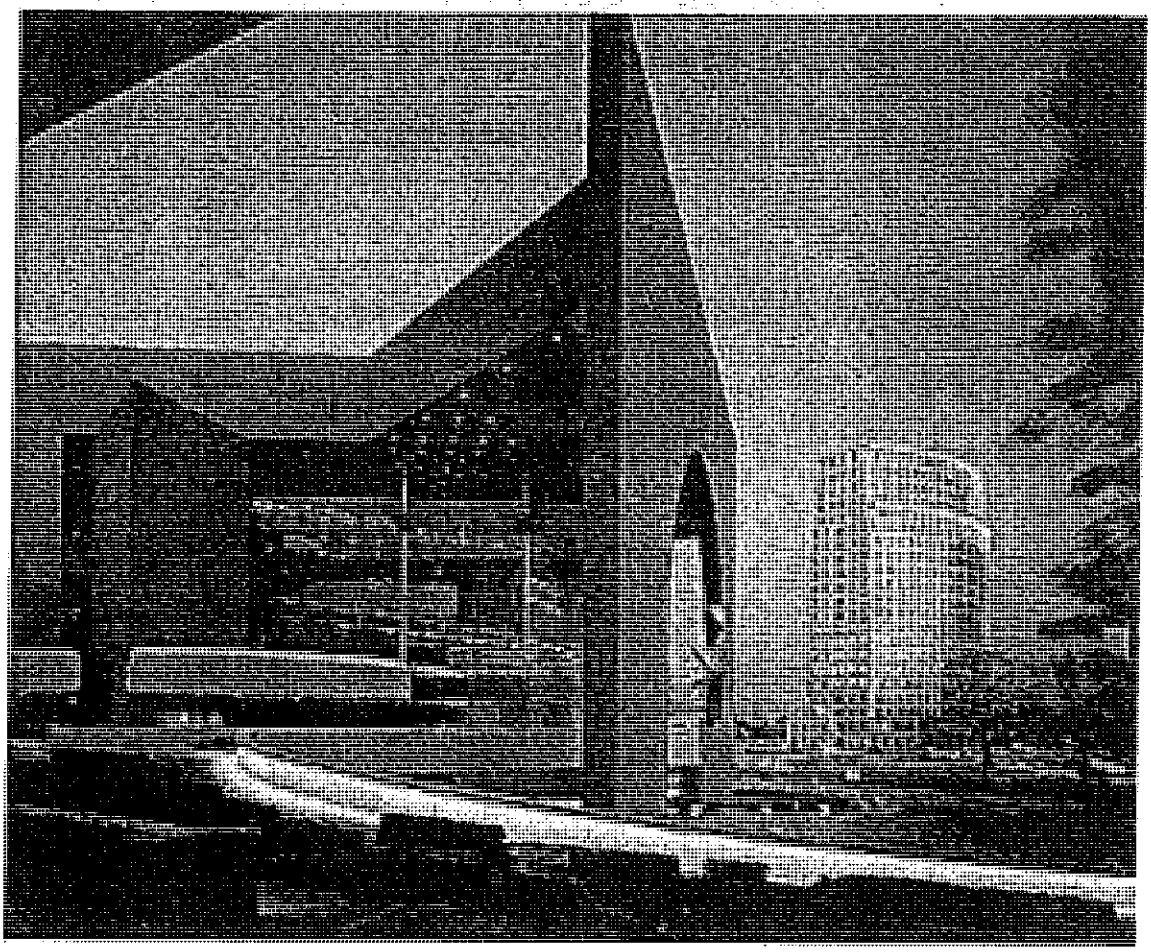
Costa Mesa is the place to visit for the holidays.

The hotels of the Costa Mesa Conference & Visitor Bureau are celebrating the holiday season with a sweet deal for overnight guests, including a $30 travel reimbursement and $20 nightly dining certificates good at many great restaurants.

Learn all about us by visiting our Website: www.TravelCostaMesa.com.

January 4, 2010

2010 Calendar Year
Destination Brand Marketing and Business Plan



Costa Mesa
Conference & Visitor Bureau (CMCVB)

2010 Destination Brand Marketing and Business Plan Outline

Page

Introduction 1

Purpose, Benefits and Uses 1

Costa Mesa Main Destination Challenges 2

Costa Mesa Destination Brand Vision 2

Costa Mesa CVB Vision 2

Costa Mesa CVB Mission and Goals 3

Costa Mesa CVB Philosophy and Customer Commitment 4

Costa Mesa CVB 2010 Priority Initiatives 5

Costa Mesa Brand Target Market Situation 6

Leisure Travel SWOT Analysis 6

Group Travel SWOT Analysis 7

Main Target Market Positioning and Messaging 8

Critical Success Factors by Target Market 8

Costa Mesa Brand Marketing, Sales and Servicing Strategies 9

Goal and Target Markets 9

Critical Factors for Successful Brand Marketing and Sales 9

Advertising and Sales Promotion Activity Focus 9

Public Relations Activity Focus 9

Direct Sales Activity Focus 9

Online/Internet Activity Focus 9

Programs and Measurable Objectives 10

2010 Brand Marketing, Sales and Servicing Priority Program Checklist 11

2010 Marketing Strategy and Positioning by Leisure Travel Market 13

2010 Brand Marketing Strategy and Positioning by Group Travel Market 15

Brand Experience Development Strategies 18
Goal and Key Projects 18
Critical Factors for Successful Brand Experience Development 18
Product Offerings and Infrastructure Activity Focus 18
Brand Delivery Assistance Activity Focus 18
Programs and Measurable Objectives 19
2010 Brand Experience Development Priority Program Checklist 20
Costa Mesa CVB Community Relations Strategies 21
Goal and Target Audiences 21
Critical Factors for Successful Community Relations 21
Destination/CVB Advocacy Activity Focus 21
Board Governance Activity Focus 21
Programs and Measurable Objectives 22
2010 CVB Community Relations Priority Program Checklist 23
2010 CVB Community Relations Strategy and Positioning by Internal Audience 24
Costa Mesa CVB Finance and Administration Strategies 28
Goal and Target Audiences 28
Critical Factors for Successful CVB Management 28
Administrative and Funding Activity Focus 28
Management Team Development Activity Focus 28
Programs and Measurable Objectives 29
2010 CVB Finance and Administration Priority Program Checklist 30
Costa Mesa CVB 2010 Budget Allocations 32

Introduction

Purpose, Benefits and Uses

The Costa Mesa Conference & Visitor Bureau (CMCVB) *2010 Destination Brand Marketing and Business Plan* was prepared by the Executive Director given directions from the *2010–2012 Strategic Destination Plan* and advice from the CVB Marketing/Steering Committee members. **This annual business plan is directly allied to the strategic plan with the first year of the latter plan detailed herein as to key strategies and programming. Annual plan activities have been identified to be implemented monthly and with responsibilities and expected measurable results assigned.**

For acknowledgement purposes, the CMCVB is a 501(c)6 not-for-profit corporation formed in 1995 which currently has 10 partner hotel representatives and two City of Costa Mesa officials as Board of Directors. This corporation was created through a state legislated business improvement district mechanism. A self-directed 2 percentage point assessment as applied to occupied guestroom rates is received fully by the CMCVB for destination marketing and sales efforts. In addition, a 6% tax on tourism (TOT) is levied by the City of Costa Mesa and all proceeds received are deposited in the general fund. In 2008, these funds generated approximately $1.6 million and in excess of $5 million, respectively. Given the economic recession from late 2008 and most of 2009 and the substantial decrease in business travel and the slowdown in leisure trips, it is projected that the CMCVB will have an operating budget of an estimated $1.2 million to invest in marketing activities in 2010.

The enclosed annual *Destination Brand Marketing and Business Plan* is to be used as the tactical implementation document for the efficient marketing communications and related sales efforts of the CMCVB. Its intent is to provide a strong, flexible and accountable program of destiuation marketing work for 2010.

Costa Mesa Main Destination Challenges

We face eight broad challenges as a city and destination marketing organization to grow sustainable tourism.

1. Full implementation agreement on a community brand identity and destination accessibility communications strategy
2. Excellent opportunity to capitalize upon an integrated shopping, culinary and arts/cultural visitor experience through innovative programming and packaging
3. Enhanced online destination marketing presence and related visitor conversion during off-peak periods
4. Increased volume of international visitors in conjunction with neighboring communities
5. Focused direction and long-term plan for event development and support
6. Continued investment in CVB professional talent and more effective and visitor industry expanded Board of Directors based on new partnership roles and strategic initiatives
7. Expanded capacity and accessibility advocacy related to John Wayne, Long Beach and Los Angeles International Airports
8. Better intermodal public transportation in Orange County and Costa Mesa wayfinding navigation system

Costa Mesa Destination Brand Vision

We aspire to a 2020 destination vision dependent on collective partnerships and mutual benefits.

Costa Mesa is an international arts, cultural and shopping destination of distinction.

Costa Mesa CVB Vision

We aspire to an organization vision aligned to the destination brand vision and dependent on astute board leadership and professional management.

The Costa Mesa Conference & Visitor Bureau is the engaged destination marketing leader by supporting and selling the city's distinct visitor brand experiences and advocating community tourism benefits.

Costa Mesa CVB Mission and Goals

We accomplish a focused mission through goals and strategies that meet the majority of program filter tests.

The Costa Mesa Conference & Visitor Bureau enhances and promotes the destination brand experience further increasing visitor spending for industry and community economic viability, sustainability and quality of life.

Filter Tests

- Provides positive economic impact with optimal ROI results
- Assists in achieving the destination brand vision and CVB mission
- Delivers on the destination brand promise
- Encourages partnership development

Brand Marketing, Sales and Servicing

To increase the awareness of the destination brand experience and subsequent visitor conversion through the implementation of targeted research- and partner-based promotion, sales and servicing strategies.

- Collateral assessment and production
- Internet/online marketing development
- Market development support and direct sales leads
- Orange County and California State Tourism programming
- Advertising and promotion
- Niche/"special interest" tourism packaging and itinerary programming
- Public relations support
- Applied market research

Brand Experience Development

To strategize and support events, hospitality services, attractions and related public infrastructure.

- Destination development programming
- Public infrastructure technical support

CVB Community Relations

To advocate the importance and value of community tourism and the partnership roles and activities of the Costa Mesa CVB to all stakeholders.

- Key audience identification and message development
- Partnership communications and results
- Strategic community/industry leadership dialogue

CVB Finance and Administration

To function as a fiscally responsible and accountable organization through effective resource planning and execution.

- Strategic/business planning and funding
- Administrative/human resources operations
- Budgeting, measurement and statements
- Industry and event funding support

Costa Mesa CVB Philosophy and Customer Commitment

We perform effectively by adhering to values and guiding principles, and delivering on customer promises.

- Professional
- Proactive
- Ethical
- Visitor-centric
- Partner-based/inclusive
- Visionary
- Accountable
- Innovative

Partner Promise

The CMCVB commits to mutually support and leverage relationships among our visitor industry partners and the community by creating profitable business opportunities through heightened visitor experience awareness, convertible sales leads and professional development assistance.

Visitor Promise

The CMCVB commits to being the visitor representative and advocate through the provision of current on demand destination information and advice based on the fulfillment of our visitor expectations and needs.

Costa Mesa CVB 2010 Priority Initiatives

Over the next three years (2010–2012), 24 new destination marketing and management initiatives have been identified for implementation and completion including 20 to be commenced in 2010.

- Partnership assessment and relationship building
- Preferred partnership funding program and event sponsorship evaluation
- Festivals/event tourism packaging and itinerary programming
- Arts/cultural and event tourism strategy and plan development
- Branded destination/service excellence orientation
- Local communications strategy and plan formulation
- Quarterly marketing input meetings
- CVB Board effective representation review
- CVB Board briefings and committee participation
- Strategic plan updates and approvals
- Program performance measurement and results
- Staff strategy and development team plan formulation
- Brand marketing messages/stories content analysis and creative update
- Key advocacy positioning messages
- Annual community tourism report and presentation
- Discover America/National Tourism week activities
- Increased lodging assessment evaluation and new funding proposal
- Visitor profile market research
- Community gateway redevelopment technical support
- Area wayfinding signage improvements advice
- Regional attraction shuttle services investigation
- Visitors welcome center/office assessment
- DMAI CVB accreditation program and best practices compliance
- Crisis/emergency planning involvement

Costa Mesa Brand Target Market Situation

Leisure Travel SWOT Analysis

The SWOT (strength-weakness-opportunities-threats) analyses were conducted from leisure and group travel perspectives and covered commentary on the visitor experience and marketing communications effort. These analyses follow with conclusions.

Strengths (present advantages)

- Central location in Southern California and Orange County
- South Coast Plaza upscale shopping
- Segerstrom Center for the Arts
- Close to beaches and Disneyland
- Temperate climate
- Accessible to major Interstate highways
- Adjacent to Orange County/John Wayne airport and to nearby Los Angeles International and Long Beach airports
- Clean and safe destination
- Concentrated CVB targeted marketing strategies over past five years (Drive & Dine)
- Strong website presence with leisure packaging and programming options

Weaknesses (present disadvantages)

- Limited walkable nightlife entertainment
- No signature event
- Some family-based leisure activities
- Low Costa Mesa and Orange County brand name recognition
- Limited visitor-friendly public transportation

Opportunities (potential advantages)

- Piggyback on State of California, Orange County and Anaheim tourism marketing efforts
- Festival and event programming and promotion with South Coast Plaza and Segerstrom Center for the Arts
- Enhanced promotions with John Wayne/OC airport
- Working with Irvine Transportation Center and LAX shuttle service
- Day tours programming and local shuttles

Threats (potential disadvantages)

- Current recessionary economy situation
- Higher gas prices
- Increased competition and associated price discounting

Conclusions

Given the leisure travel SWOT analysis above, it was generally found that:

1. Leisure travel is recognized as the primary targeted online marketing investment with increased promotional partnership activities required.
2. A need to have efficient airport shuttle services within the region along with branded day tour programming.
3. An opportunity to encourage and support family-based activities and market a well-focused festival and event calendar.

Group Travel SWOT Analysis

Strengths (present advantages)

- Easy access to Interstates
- Temperate climate
- Nearby OC/John Wayne airport
- Approximately 320,000 sq. ft. of event/meeting space in various locations and buildings (largest "open space" hotel meeting room at 12,000 sq. ft.)
- Approximately 1,900 rooms available for citywide conventions
- Good variety of price point lodging properties
- Reputation for affordability with lowest TOT in county
- Excellent selection of fine dining restaurants (independent and also in hotels and key attractions)

Weaknesses (present disadvantages)

- No centralized meeting/convention center
- Not so visitor friendly public transportation services
- Limited walkable nightlife entertainment
- Absence of a high city brand recognition
- Only two hotels with expanded meeting facilities
- Minimal overnight motor coach tour business

Opportunities (potential advantages)

- Customized SMERF meetings potential
- Specialized affinity group tours
- Bidding on amateur sports events
- Hotel partner understanding and consensus on CVB group marketing focus
- Encouragement of pre/post meetings activities
- Working closer with Segerstrom Center for the Arts and OC Fair & Event Center on meetings

Threats (potential disadvantages)

- Anaheim Garden Walk and associated entertainment facilities
- Economic recession negative effects on group travel
- Increased competition from other California cities
- Decrease in Costa Mesa corporate leasing vacancy rate

Conclusions

Given the group travel SWOT analysis above, it was generally found that:

1. Good potential for special interest/affinity (SMERF) meetings, sports events and customized group tours
2. A need for Board agreement on CVB outcomes from group travel marketing
3. An opportunity to influence existing business travelers on leisure vacations (pre/post meetings or future trip).

Main Target Market Positioning and Messaging

The key messaging points by target market are as follows:

Target Market	Communications Messages
Leisure Travel (shopping/dining, arts/cultural events, airport transient, visiting friends & relatives and personal from in state feeder, out-of-state and international markets)	➲ Central location in SoCal/OC and freeway accessibility ➲ Proximity to beaches ➲ South Coast Plaza shopping ➲ Segerstrom Center for the Arts performance events
Group Travel (group tour, association/government/corporate meetings, SMERF, sports, consumer and reunion events)	➲ Small to intermediate size meetings (1,600 to 1,900 hotel rooms) ➲ Adjacent to John Wayne/OC airport and nearby Long Beach and LAX airports ➲ Special pre- and post meeting leisure activities given unique destination attractions

Critical Success Factors by Target Market

In order to successfully market to these targeted segments, the following factors need to be adhered to:

Leisure Travel	Group Travel
➲ Higher Costa Mesa community brand awareness	➲ Higher Costa Mesa community brand awareness
➲ Continuance of Drive & Dine program with enhanced value-added incentives	➲ Affordable guestroom pricing
➲ Linked online hotel room booking system	➲ Attractive meeting incentives
➲ Communication of available entertainment activities	➲ Focus on "backyard marketing" meeting lead contacts
➲ Affordable hotel themed packaging	➲ Pre- and post meeting special interest itinerary planning options
➲ Suggested special interest travel itinerary planning	

Costa Mesa Brand Marketing, Sales and Servicing Strategies

Goal and Target Markets

To increase the awareness of the destination brand experience and subsequent visitor conversion through the implementation of targeted research- and partner-based promotion, sales and servicing strategies.

- Shopping/dining travelers
- Arts/cultural event and festival patrons
- Airport transient travelers
- Group tour operators/wholesalers
- Meeting planners/organizers
- Reunion leaders
- Sports event organizers/rights holders
- Commercial/consumer event attendees

Critical Factors for Successful Brand Marketing and Sales

- Well-performing website and visitor database
- An agreed-upon destination brand identity usage
- Research-based targeted marketing and conversion accountability

Advertising and Sales Promotion Activity Focus

- Integrated promotional campaigns (print, radio and online)
- Destination website linkages
- Print collateral fulfillment

Public Relations Activity Focus

- Ongoing news releases
- Media FAM tours
- One time special interest story communications

Direct Sales Activity Focus

- Meeting planner FAMs
- Backyard marketing for meeting/event leads
- In-state meeting tradeshow attendance

Online/Internet Activity Focus

- Destination website search optimization
- Online advertising
- Email newsletters, postcards and blasts

Programs and Measurable Objectives

1. Collateral assessment and production
   - Destination promotional materials requests
2. Internet/online marketing development
   - Number of unique users
   - Number of unique user sessions
3. Market development support and direct sales leads
   - Number of Drive & Dine inquiries/conversions
   - Number of group tour and meeting leads
4. Orange County and California State Tourism programming
   - Number of website and collateral inquiries/converted inquiries
   - Number of online targeted promotions and sales
5. Advertising and promotion
   - Number of website and collateral inquiries/converted inquiries
   - Number of online targeted promotions and sales
   - Number of collateral targeted promotions and sales
6. Niche/"special interest" tourism packaging and itinerary programming
   - Number of rooms/packages sold
   - Seasonal leisure activity programming responses
7. Public relations support
   - Number of media contacts
   - Number of gross impressions
   - Value equivalency of media coverage
8. Applied market research
   - Number of total visitors to community
   - Visitor spending by destination sector and event
   - Key visitor behavior characteristics

2010 Brand Marketing, Sales and Servicing Priority Program Checklist

Program (with itemized actions)	Priority Status	Calendar Year Timing 1Q	2Q	3Q	4Q	CMCVB/ Co-Partner Responsibility	Completed (✓)
➲ Collateral assessment and production							
❖ Printed materials evaluation	1				✓	CMCVB (ED/MSPM)	❑
❖ Visitors guide, event and leisure travel updated materials		✓					❑
❖ Printed materials production		✓					❑
➲ Internet/online marketing development							
❖ Website evaluation and search engine optimization	1	✓	✓	✓	✓	CMCVB (ED/ITC) H	❑
❖ Website improvements, upgrades and maintenance		✓	✓	✓	✓		❑
❖ VRM database enhancements		✓	✓	✓	✓		❑
❖ Internet/social media development		✓	✓	✓	✓		❑
➲ Market development support and direct sales leads							
❖ Leisure niche travel segment assessment and sales activities (Drive & Dine)	1	✓	✓	✓	✓	CMCVB (ED/MSPM) SCP SCA	❑
❖ Meeting/conference business segment assessment and sales activities	2	✓	✓	✓	✓		❑
❖ Group travel segment assessment and sales activities (tour, sports and incentive)	2	✓	✓	✓	✓		❑
❖ Marketing partnership opportunities annual planner (CVB activities as to tradeshows and advertising/programming buy-ins)	1		✓	✓			❑

Key

1	Core Strategic	ALL	All Staff	H	Hyperdisk	OCFEC	Orange County Fair & Event Center
2	Market Developmental	BRD	Board of Directors	ITC	Information Technology Coordinator	PA	Pittman & Associates
3	Support Assisted	CCM	City of Costa Mesa	MA	Mutual Advantage	SCA	Segerstrom Center for the Ar'
		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Program (with itemized actions)	Priority Status	Calendar Year Timing 1Q	2Q	3Q	4Q	CMCVB/ Co-Partner Responsibility	Completed (✓)
➲ Orange County and California State Tourism programming							
❖ Orange County Tourism Council (OCTC)	2	✓	✓	✓	✓	CMCVB (ED)	❑
❖ California Travel and Tourism Commission (CTTC)		✓	✓	✓	✓		❑
❖ South Coast CVBs consortium (Newport Beach, Laguna Beach and Huntington Beach)		✓	✓				❑
➲ Advertising and promotion							
❖ Market segment promotional vehicle evaluation	1				✓	CMCVB (ED) MA	❑
❖ Media advertising placement		✓					❑
❖ Promotional fulfillment/distribution		✓	✓	✓	✓		❑
➲ Public relations support							❑
❖ Media relations plan formulation	1				✓	CMCVB (ED) PA	❑
❖ News releases and story placements		✓	✓	✓	✓		❑
❖ Media FAMs, missions and showcase participations			✓	✓			❑
➲ Applied market research							
❖ Ongoing visitor profile/spending analysis (online survey) NEW	3		✓	✓	✓	CMCVB (ED) PA	❑
❖ Brand marketing messages/stories content analysis and creative update NEW	1	✓			✓		❑

Key

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2010 Marketing Strategy and Positioning by Leisure Travel Market

Leisure Travel Segment Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
State Tourism and OC Tourist Council/CVBs (Partners)														
Advertising/Sales Promotion														
❖ Promotional campaigns				✓	✓	✓	✓	✓					ED	❑
❖ State Tourism publication	✓												ED	❑
❖ OC visitor guide			✓										ED	❑
Direct Online Communications/ Public Relations														
❖ State website linkages/updates	✓			✓			✓			✓			ITC/H	❑
❖ News releases	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	PA	❑
❖ FAM tours				✓					✓				ED/PA	❑
❖ State tourism/OCTC strategy input and partnership evaluation	✓				✓				✓				ED	❑

Strategic Direction Focus

Market penetration and development

Key Communications Messages

- Central location
- Near beaches
- Recognized shopping and arts/cultural event performances

Key

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		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Leisure Travel Segment Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
CMCVB-based Hotels and Attractions/Events (Partners)														
Advertising/Sales Promotion														
❖ Leisure media placement				✓	✓	✓	✓	✓					ED	❑
❖ Visitors guide			✓										ED/MSPM	❑
❖ Other travel publications (as needed)													ED	❑
Direct Online Communications/ Public Relations														
❖ Main website update	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	ITC/ED/H	❑
❖ Leisure database update	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	ITC/H	❑
❖ E-blasts		✓	✓	✓		✓	✓			✓	✓			❑
❖ Partnership marketing opportunity annual planner	✓				✓				✓				ED/MSPM	❑
❖ Promotional fulfillment and distribution	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	ALL	❑

Strategic Direction Focus

Market penetration and development

Key Communications Messages

- Differentiated vacation experiences (shopping, dining and performing arts)
- Available marketing partnership opportunities
- Travel information and advice within 24 hrs

Key

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2	Market Developmental	BRD	Board of Directors	ITC	Information Technology Coordinator	PA	Pittman & Associates
3	Support Assisted	CCM	City of Costa Mesa	MA	Mutual Advantage	SCA	Segerstrom Center for the Arts
		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

2010 Brand Marketing Strategy and Positioning by Group Travel Market

Group Travel Segment Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
Meeting/Conference (planner/professional)														
Advertising/Sales Promotion														
❖ Meetings profile sheet	✓												MSPM	❑
Public Relations														
❖ News releases	✓		✓		✓			✓	✓	✓			PA	❑
❖ E-newsletter	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	ITC	❑
❖ FAM and special tours					✓								ED/MSPM	❑
Database/Internet														
❖ E-blasts	✓		✓		✓				✓	✓			ITC/H	❑
❖ Meeting database update (MPI, ASAE and ISAE)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		❑
❖ Website section update	✓		✓		✓			✓		✓				❑

Strategic Direction Focus

Market penetration and product development

Key Communications Messages

- Personalized event attention
- Affordable pricing
- Pre- and post meeting itinerary options

Key

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3	Support Assisted	CCM	City of Costa Mesa	MA	Mutual Advantage	SCA	Segerstrom Center for the Ar'
		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Group Travel Segment Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
Group Tour (operator/wholesaler)														
Advertising/Sales Promotion														
❖ Tour profile sheets		✓											MSPM	❑
Database/Internet														
❖ E-newsletter	✓		✓		✓			✓		✓			ITC	❑
❖ Group tour database update			✓				✓			✓				❑
❖ Website section update	✓				✓					✓				❑

Strategic Direction Focus

Market penetration

Key Communications Messages

- New itinerary development
- Cost effective net rates

Key

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		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Group Travel Segment Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
Sports/Reunion (organizer/leader)														
Advertising/Sales Promotion														
❖ Profile sheet		✓											MSPM	❑
Public Relations														
❖ News releases	✓		✓		✓				✓				PA	❑
Database/Internet														
❖ Database update	✓						✓						ITC	❑
❖ Website section update		✓												❑

Strategic Direction Focus

Market development

Key Communications Messages

- Affordable pricing
- Reunion focus
- Personalized event attention

Key

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		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Brand Experience Development Strategies

Goal and Key Projects

To strategize and support events, hospitality services, attractions and related public infrastructure.

- Arts/cultural and event tourism strategy
- Regional attraction shuttle services
- Branded destination service excellence orientation
- Visitors welcome center/office assessment
- Community gateway redevelopment
- Area wayfinding signage improvements

Critical Factors for Successful Brand Experience Development

- CVB facilitating technical/professional support where required
- Agreed-upon branded event tourism strategy and plan
- A visible and user-friendly official visitors welcome center

Product Offerings and Infrastructure Activity Focus

- Technical brand identity support
- New opportunity facilitation and assistance
- Event plan formulation

Brand Delivery Assistance Activity Focus

- Destination/community brand promise interpretation
- Brand identity update
- Brand orientation delivery

Programs and Measurable Objectives

1. Destination development programming
   - Number of event planning meetings and partnerships
   - Number of branded service orientation sessions/FAM tours
   - Number of branded service orientation participants by activity
2. Public infrastructure support
   - Number of partnerships
   - Number of infrastructure planning meetings and time commitment
   - Amount of public and private capital investment

2010 Brand Experience Development Priority Program Checklist

Program (with itemized actions)	Priority Status	Calendar Year Timing 1Q	2Q	3Q	4Q	CMCVB/ Co-Partner Responsibility	Completed (✓)
➲ Destination development programming							
❖ Arts/cultural and event tourism strategy and plan NEW	1	✓				CMCVB (ED) SCA/SCP/OCFEC LAX Authority	❑
❖ Branded destination/service excellence orientation and implementation NEW	1			✓	✓		❑
❖ Regional attraction shuttle services investigation and ongoing discussions NEW	3		✓				❑

Key

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		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Costa Mesa CVB Community Relations Strategies

Goal and Target Audiences

To advocate the importance and value of community tourism and the partnership roles and activities of the Costa Mesa CVB to all stakeholders.

- Elected and appointed city officials
- Hotel board members/partners
- Attraction/visitor industry operators/partners
- Media representatives
- Corporate leaders
- Industry/trade association proponents
- Residents
- Orange County Tourism Council members

Critical Factors for Successful Community Relations

- Accountable reporting to key target audiences
- Ongoing mutual relationship-building
- Detailed community relations plan implementation

Destination/CVB Advocacy Activity Focus

- Key message development
- Partnership assessment and engagement
- Ongoing audience relationship building

Board Governance Activity Focus

- Board structure/makeup assessment
- CVB management reporting interface
- Board committee review and direction

Programs and Measurable Objectives

1. Key audience identification and message development
   - Number and type of community publics
   - Number and quality of allied messages
2. Partnership communications and results
   - Number of public contacts
   - Number of activities by audience
   - Number and quality of customized messages
   - Number and value of new partners/members
3. Strategic community/industry leadership dialogue
   - Number of meetings and time commitment
   - Degree of Board member involvement
   - Number of new marketing opportunities identified

2010 CVB Community Relations Priority Program Checklist

Program (with itemized actions)	Priority Status	Calendar Year Timing 1Q	2Q	3Q	4Q	CMCVB/ Co-Partner Respon-sibility	Completed (✓)
➲ Key audience identification and message development							
❖ Communications strategy and plan formulation (activity listing) NEW	1				✓	CMCVB (ED) H/PA	❑
❖ Key advocacy positioning messages NEW					✓		❑
❖ Annual community tourism report and presentation (results summary) NEW			✓				❑
➲ Partnership communications and results							
❖ Discover America/National Tourism week activities (OC CVBs) NEW	2		✓			CMCVB (ED)	❑
❖ Partnership assessment and relationship building NEW	1	✓		✓			❑
❖ Newsletter/local media liaisons	2	✓	✓	✓	✓		❑
❖ Quarterly marketing input meetings NEW	3	✓	✓	✓	✓		❑
➲ Strategic community/industry leadership dialogue							❑
❖ CVB Board effective representation review NEW	1	✓				CMCVB (ED) H/PA	
❖ CVB Board briefings and committee participation (Board meetings and marketing) NEW	1	✓					❑
❖ Select county/state government elected/appointed officials	3	✓	✓	✓	✓		❑
❖ City government officials	1	✓	✓	✓	✓		❑
❖ South Coast Metro Alliance	3	✓	✓	✓	✓		❑
❖ California State Tourism/OCTC directors	3	✓	✓	✓	✓		❑
❖ Orange County CVB executive directors/CEOs	3	✓	✓	✓	✓		❑
❖ Arts/cultural and shopping attraction marketing liaison	3	✓	✓	✓	✓		❑

Key

1	Core Strategic	ALL	All Staff	H	Hyperdisk	OCFEC	Orange County Fair & Event Center
2	Market Developmental	BRD	Board of Directors	ITC	Information Technology Coordinator	PA	Pittman & Associates
3	Support Assisted	CCM	City of Costa Mesa	MA	Mutual Advantage	SCA	Segerstrom Center for the Ar'
		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

2010 CVB Community Relations Strategy and Positioning by Internal Audience

Internal Audience Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
Resident (local citizens)														
Advertising/Sales Promotion														
❖ Newspaper/visitor guide			✓										ED/MSPM	❑
❖ Radio/television seasonal campaign													ED	❑
Direct Communications/ Public Relations														
❖ Key message development (VFR)		✓											PA/ED	❑
❖ Newspaper column negotiations			✓	✓									PA/ED	❑
❖ Seasonal video presentations					✓				✓				PA/ED	❑

Strategic Direction Focus

Audience penetration

Key Communications Messages

- Tourism enhanced quality of life
- VFR assistance
- Community facility partnership

Key

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		ED	Executive Director	MSPM	Marketing/Special Projects Manager	SCP	South Coast Plaza

Internal Audience Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Complete (✓)
Board of Directors (members/partners)														
Direct Communications/ Public Relations														
❖ Annual report preparation				✓									ED/PA	❑
❖ CVB event appearances					✓	✓							BRD/ED	❑
❖ Board meetings	✓		✓				✓		✓		✓		BRD/ED	❑
❖ Board executive meetings	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	BRD/ED	❑
❖ Board representation at Marketing Committee meetings	✓		✓				✓		✓		✓		BRD/ED	❑

Strategic Direction Focus

Audience penetration

Key Communications Messages

- CVB accountability/ROI measures
- Active involvement and leadership positions
- Higher community profile

Key

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Internal Audience Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Completed (✓)
Attraction/Visitor Industry (partners/operators)														
Direct Communications/ Public Relations														
❖ Information exchange meetings	✓		✓			✓			✓		✓		ED/ SCP/SCA/OCFEC	❑

Strategic Direction Focus

Audience penetration

Key Communications Messages

- Increased destination marketing and sales
- Tourism economic impact
- Tourism partnerships and leveraged programming

Key

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Internal Audience Key Activities	Timing J	F	M	A	M	J	J	A	S	O	N	D	Responsibility (lead/support)	Comple (✓)
Community (government officials, media reps, corporate/association leaders)														
Direct Communications/ Public Relations														
❖ Communications funding support with city					✓	✓	✓						BRD/ED	❑
❖ Mesa Water insert				✓					✓				ED	❑
❖ City Business License insert	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	CCM	❑
❖ Community/industry meetings (as needed)													ED	❑

Strategic Direction Focus

Audience penetration

Key Communications Messages

- Tourism economic impact
- Tourism development support
- Tourism enhanced quality of life

Key

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Costa Mesa CVB Finance and Administration Strategies

Goal and Target Audiences

To function as a fiscally responsible and accountable organization through effective resource planning and execution.

- Professional staff
- Key subcontractors
- Other outside suppliers

Critical Factors for Successful CVB Management

- Development of a destination/CVB performance scorecard
- An effective CVB team and Board members

Administrative and Funding Activity Focus

- Strategic and annual marketing/business plan implementation
- Lodging/TOT assessment evaluation and new funding opportunity
- Destination Marketing Accreditation Program achievement

Management Team Development Activity Focus

- Staff strategy and team development plan formulation
- Marketing manager acquisition

Programs and Measurable Objectives

1. Strategic/business planning and funding
   - Number and type of programs implemented
   - Projected revenue return on programs reporting
2. Budgeting, measurement and reporting
   - Annual income statement/balance sheet prepared and accepted
   - Number of program performance measures
   - New partner revenue generation
3. Human resource development
   - Staff productivity indices
4. Administrative operations
   - Employment compensation/benefits recorded and approved
   - Meeting and travel expenses recorded and approved
5. Industry and event funding support
   - Number and value of hospitality-related partnerships
   - Number and value of event sponsorships

2010 CVB Finance and Administration Priority Program Checklist

Program (with itemized actions)	Priority Status	Calendar Year Timing 1Q	2Q	3Q	4Q	CMCVB/ Co-Partner Responsibility	Completed (✓)
➲ Strategic/business planning and funding							
❖ Strategic plan updates and approvals NEW	1				✓	CMCVB (ED)	❑
❖ Detailed annual CVB marketing/business plan with budget allocations					✓		❑
❖ Increased lodging assessment evaluation and new funding proposal NEW			✓			CCM/BRD	❑
❖ DMAI CVB accreditation program and best practices compliance NEW	2			✓	✓	CMCVB (ED/BRD)	❑
❖ Crisis/emergency planning involvement NEW	3			✓		CCM/BRD/ED	❑
➲ Budgeting, measurement and reporting							
❖ Strategy driven, zero-based budgeting process	1				✓	CMCVB (ED)	❑
❖ Program performance measurement and results NEW					✓		❑
❖ Audited financial statements		✓					❑
➲ Human resource development							
❖ Staff strategy and team development plan formulation NEW	1	✓				CMCVB (ED/BRD)	❑
❖ Ongoing staff evaluation				✓			❑
❖ Training/professional development investment		✓	✓	✓	✓		❑
➲ Administrative operations							
❖ Office lease and operations management	1	✓	✓	✓	✓	CMCVB (ED)	❑
❖ Administrative and marketing staff compensation		✓	✓	✓	✓		❑
➲ Industry and event funding support							
❖ Preferred partnership funding program and event sponsorship evaluation NEW	2	✓			✓	CMCVB (ED/BRD)	❑
❖ Hotel partner monies allocation		✓	✓	✓	✓		❑
❖ Event sponsorship monies allocation		✓	✓	✓	✓		❑

Key

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Costa Mesa CVB Composite Program/Project Measurements

Brand Marketing, Sales and Servicing	Quantifiable Objective
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
Brand Experience Development	**Quantifiable Objective**
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
Community Relations	**Quantifiable Objective**
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
Finance and Administration	**Quantifiable Objective**
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	
➲ Measure:	

COSTA MESA CONFERENCE & VISITOR BUREAU

COMPETITIVE ASSESSMENT

Conducted by:
Creighton Casper
MCA Management Consulting

PURPOSE & OBJECTIVES

Purpose

- Conduct an independent assessment of the CMCVB sales and marketing program.
- Recommend strategies to improve performance and increase stakeholder ROI.

Objectives

- Improve Costa Mesa's position as a visitor destination in Southern California.
- Maximize visitor revenues to the Costa Mesa economy throughout the year.

COMPETITIVE ASSESSMENT

Project Outline

- Plan Review
  - Review CMCVB Operating and Sales Plans.
- Stakeholder Issues
  - Interview stakeholders to identify their needs, issues & concerns.
- CMCVB Sales and Marketing Review
  - Review & assess CMCVB sales and marketing programs, structure and leadership.
- Competition Survey
  - Survey CVB competition and sales programs.
- Best Practices
  - Identify applicable best practices in the visitor marketing industry.
- Recommendations
  - Strategies to improve impact and stakeholder ROI.

EXECUTIVE SUMMARY

CMCVB pursues multiple objectives with limited resources.

- Low awareness limits Costa Mesa's penetration of visitor market.
- 2009 will be a difficult year as recession weakens travel demand.
- Strategic approach needed to improve impact in high value markets.
  - Evaluate ROI of all programs in light of economy and immediate hotel needs.
  - Focus resources against fewer markets, channels and programs.
  - Leisure marketing in regional area is the primary opportunity.
  - Clear objectives and measurable goals are needed to focus efforts.
- Strategic relationships can extend CVB reach and penetration.
  - Outside resources can bring additional capabilities to bear in target markets.
- Limited resources reduce the impact of CVB programs.
  - Marketing: Ongoing programs address key markets.
  - Sales: Lack of focus and capabilities have limited sales success.
  - Funding: limited funds are spread too thin to maximize contribution and ROI.
- CVB membership structure limits effectiveness.
  - Limited funding base constrains the range and depth of visitor programs.
  - Narrow hotel only membership inhibits broader community support/participation.
- Reposition CVB as marketing organization to maximize impact/ROI.

CVB STRUCTURE

- Membership
  - Ten area hotels comprise the CMCVB.
    - Ayers Hotel, Best Western, Costa Mesa Marriott, Costa Mesa Residence Inn, Hilton Orange County/Costa Mesa, Holiday Inn, Holiday Inn Express, Ramada Costa Mesa, Westin South Coast Plaza and Wyndham Hotel.
  - Board of Directors
    - The board includes GMs of member hotels and two city representatives.
  - Marketing Committee
    - Hotel DoMs and non-member representatives from Costa Mesa retail, arts, entertainment and visitor facilities comprise a working marketing group.
- Funding
  - BIA: Business Improvement Area provides for assessment of 2% of overnight room stay revenues at the member hotels.
  - Funds: CMCVB operates on $2 MM/yr. from this mechanism.

CMCVB PROGRAMS

Channel	Programs
Sales	• CVB sales program to develop M&C group leads/bookings. • Coordinates hotel participation in targeted trade shows.
E-marketing	• CVB website and online marketing. • Increasing application and usage as visitor marketing tool.
Advertising	• Print, radio and TV ads direct travelers to CVB website. • Ads promote CVB programs in target markets.
Publicity	• Ongoing campaign to build destination awareness. • Supports other channels in integrated market coverage.

SITUATION

- Orange County Visitor Market
  - Southern California is one of the largest regional population centers in the United States.
  - Orange County enjoys a strong visitor and convention market.
    - 44 million visitors came to Orange County in 2007.
    - 19 million of those visitors generated hotel overnight stays.
  - Orange County Business Mix:
    - Individual business and leisure travelers.
    - Meeting and convention attendees.
- Changing Market Environment
  - Visitor demand is declining as the economy slips into recession.
  - Orange County cities compete for share in the visitor markets.
  - The share battle will intensify as demand declines in 2009.
- Competitive Assessment
  - The Board of Directors initiated this independent review of the CMCVB program to ensure its capabilities and effectiveness.

APPROACH – INFORMATION GATHERING

- Plan Review
  - CMCVB 2007/2008 Annual Report.
  - Competitive destination plans, reports and programs.
- Stakeholder and Visitor Industry Interviews
  - CMCVB board and marketing committee members, OC and other area CVB and hotel executives and consultants.
- Competition Survey
  - Orange County: Anaheim, Costa Mesa, Huntington Beach, Irvine, Laguna Beach, Newport Beach.
  - Southern California: Beverly Hills, Carlsbad, Oxnard, Riverside, San Diego, North, Santa Barbara, Santa Monica, West Hollywood.
  - Other destinations: Alexandria, VA, Mesa, AZ, Scottsdale, AZ, Tempe, AZ.
- Visitor Industry Resources
  - Sales and marketing websites, programs and data.

STAKEHOLDER NEEDS & CONCERNS

CMCVB Plan Review

- Annual Report

  Summarizes the CVB sales and marketing programs.
  - BIA structure requires annual report to city council on CVB activities.
  - Outlines CVB sales and marketing programs and budget.
  - CVB has operated without an annual business plan.

Board Expectations

- Market Costa Mesa as an appealing visitor destination.
  - Position the city in the Orange County visitor market.
  - Conduct a competitive destination sales and marketing program.
  - Develop, monitor and improve programs over time.
  - Help hotels achieve their business objectives.

STAKEHOLDER NEEDS & CONCERNS

Board Expectations

- Key Issues
  - Vision
    - Create long-term vision for future visitor growth to Costa Mesa.
  - Proactive Plan
    - Develop a clear plan and proactive programs to move forward.
    - Establish fast and flexible response to changes in the market.
  - Accountability
    - Structure CVB programs to address hotel business needs.
    - Measure and evaluate results and initiate changes, as indicated.
  - Innovation
    - Introduce new ideas, fresh approaches and creative solutions.
  - Communication
    - Structured board updates on program contribution.
  - Leadership
    - Build destination-wide teamwork to sell Costa Mesa effectively.

STAKEHOLDER NEEDS & CONCERNS

Board Expectations

- Clear Direction and Leadership for CMCVB.
  - Internal

    Produce and execute the CVB sales and marketing program:
    - Work with board to identify needs, objectives and strategic direction.
    - Develop an annual marketing plan to addresses stakeholder needs.
    - Lead CVB stakeholders and staff to integrate CVB programs with hotels to ensure successful execution.
    - Evaluate programs and modify as indicated.
  - External

    Organize and lead destination sales and marketing efforts:
    - Position CVB to act as extension of hotel sales teams.
    - Identify key segments and customers.
    - Develop strategic relationships to increase CVB reach and coverage.
    - Involve board, hotels and community in CMCVB program execution.

STAKEHOLDER NEEDS & CONCERNS

Board Expectations

- Marketing

  Conduct effective destination marketing campaign.
  - Build Costa Mesa image and awareness as visitor destination.
  - Increase business over low demand periods.
    - Weekends, holidays, summer and in November and December .

- Sales

  Board members like CVB funding for hotel based S&M programs.
  - Funds augment their hotel A&BP budgets.
  - Hotels can target their top priority segments and customers.

  Board members uncertain of value and ROI of CVB sales program .
  - No apparent strategy or plan to increase group sales.
    - Sales program should tie directly to hotel business needs.
    - Some CVB sales activities seen as duplication of hotel efforts.
  - Inconsistent tracking make contribution and accountability unclear.

PARADIGM SHIFT

- Economic Downturn
  - Financial and economic uncertainty are rapidly eroding demand for travel and hotel usage.
  - Recession in 2009 will intensify price resistance and competition.
  - Hotels need more short-term business now to maintain revenues.
- Paradigm Shift
  - Hotel owners require increased profits from their hotels.
  - Hotel GMs look to their CVBs to improve performance and contribution.
  - Traditional CVB model/programs no longer adequate in today's market.
- Expectations
  - The declining economy puts increased pressure on Costa Mesa hotels.
  - Board members need CVB to respond to competitive new environment.
  - New strategies needed to increase CMCVB contribution.

DESTINATION

Strengths

- Southern California location
  - Central location and easy access.
- Large regional visitor market
  - Provides strong drive market.
- Demand generators
  - Area offices drive business travel.
  - South Coast Plaza
    - Luxury shopping destination.
  - OC Performing Artscenter
    - Opera, symphony, repertory, etc.
- Branding program
  - Will help address identity issues.
- Strong political support
- Funding mechanism
  - Hotels fund CVB through BIA.

Weaknesses

- Costa Mesa inland location
  - Beach has powerful leisure appeal.
- Low awareness
  - Costa Mesa is not positioned as a primary OC visitor destination.
- Demand generators
  - No conference center for group market.
  - Retail, dining, arts and entertainment produce limited hotel demand.
- CVB structure
  - Hotel only membership does not include all CM visitor industry stakeholders.
- Funding mechanism
  - Funding will decline as demand falls.
  - Limits CVB potential to impact market.

AWARENESS and IDENTITY

- Awareness
  - Multiple OC cities compete for awareness and share the Southern California visitor market.
  - South Coast Plaza is a key visitor demand generator:
    - High recognition and visitor awareness.
    - SCP restricts use of its brand for visitor marketing.
  - CM political leaders want CVB to promote Costa Mesa name.
- Identity
  - Several OC cities have established visitor destination brands.
  - Costa Mesa is as a residential community with high quality shopping, dining, entertainment and arts amenities.
  - Costa Mesa is not perceived as a primary visitor destination.

CVB MARKETING

Marketing is best tool to build awareness and identity.

- Awareness issue impacts all aspects of destination marketing:
  - "Where is Costa Mesa" issue dilutes marketing effectiveness.
  - Strategic approach needed to address this key issue.
  - Branding program will build Costa Mesa awareness and identity.
  - Leverage appeal of Costa Mesa's visitor activities and attractions.
    - Promote the city's dining, shopping, arts and entertainment.
    - Central location and easy access to Disneyland, beaches and other OC attractions.
  - Provide common sales message to build destination identity.
- Packages generate leisure bookings.
  - Package promotion timed to demand patterns and hotel need periods.
    - Drive & Dine, Shopping, Holiday programs, etc.

CVB MARKETING PROGRAMS

Program	Profile
E-marketing & website	• Leisure visitors migrating to internet sites for travel booking. • TravelCostaMesa.com promotes destination, attractions & programs.
Hotel Niche Marketing	• CVB funding for hotel based marketing programs. • Hotels use funds to address priorities and target markets.
Mktg. Materials	• Brochures promote destination attractions and CVB programs.
Sponsorships	• Community relations opportunities and charitable contributions.
Advertising	• Media advertising promote packages, promotions, etc. • Barter reduces hard costs of print, television and radio placements.
Publicity	• Low cost tool to promote destination, packages and activities.
Database Mktg.	• CVB captures package respondents in customer database.

CVB MARKETING – ISSUES & BARRIERS

- Awareness and Identity
  - Perception is Reality - and is difficult to overcome.
- Clutter
  - Southern California is one of the busiest markets in the world.
  - Countless marketing messages compete for visitor attention.
- Location
  - OC beach cities have a clear advantage in the leisure market.
- CVB Structure
  - Key visitor industry stakeholders are not CVB members.
    - South Coast Plaza, OC Performing Artscenter, OC Fair Grounds, large retailers and restaurants are all on the outside looking in.
  - This dilutes destination marketing support and synergy.
  - Limited funds constrain marketing reach and coverage.
- Lack of marketing plan precludes strategic vision.

CVB MARKETING – OPPORTUNITIES

With limited funds CVB must focus on high potential markets.

- Marketing Planning
  - Annual plan will increase efficiency, contribution and ROI.
- Target Markets
  - Identify high-value segments as target markets for 2009.
- Awareness and Branding
  - Concentrate branding program against the target markets.
  - Focus marketing spend on fewer, more targeted programs.
- Allocation of Resources
  - Focus resources against most flexible and impactful channels.
- E-marketing and Website
  - CVB's improved website is strong marketing tool for all segments.
- Publicity
  - Low cost, high impact tool for branding and proactive programs.

CVB SALES

- An inefficient sales program has not produced desired results or contribution.
  - Objectives
    - Lead generation vs. confirmed definite bookings.
    - Did not align with hotel booked revenue goals.
  - Direction
    - Changes in sales direction and priorities diluted impact and momentum.
      - California Association, SMERFES, leisure, local and regional efforts.
      - Focus on secondary segments generated business hotels did not want.
    - Difficult to penetrate segments, identify targets and build relationships.
  - Structure
    - Lack of focus, organization and accountability undercut sales success.
- Low awareness complicates the sales process.
  - "Where is Costa Mesa" means sales has to educate customers.
  - It is difficult and time consuming to sell unfamiliar destination.

CVB SALES

- Destination M&C Profile
  - Lack of conference center limits capacity for large groups.
    - Larger area facilities are not purpose built for M&C events.
    - Performing Artscenter, OC Fairground, etc.
  - Hilton is only true meeting and conference hotel in Costa Mesa.
    - Westin has capacity, but has focused on business travel market.
    - Other member hotels have more limited M&C space.
  - All hotels need smaller groups to fill low demand periods.
- CVB sales scope and process
  - Hotel sales teams know and focus on their high priority markets.
    - Some CVB sales activities overlapped member hotel programs.
    - Inconsistent planning and communication caused some duplication of effort.
  - Weak CVB sales infrastructure.
    - Manual sales process, lack of automation, weak database and conversion tracking .
  - Trade show coverage.
    - CVB coordinated arrangements for selected trade shows.

CVB SALES - BARRIERS to SUCCESS

- External
  - Destination Identity and Awareness
    - Costa Mesa is not well positioned as an M&C destination.
  - Lift
    - Majority of flights to John Wayne are from regional cities.
    - LAX has much broader range of flights from key US cities.
- Internal
  - Planning and Direction
    - Lack of annual sales plan limits focus and coordination with hotels.
    - Contributes to duplication of effort with hotels.
  - Sales Capabilities
    - CVB has limited sales capabilities and infrastructure.
    - Hotel sales teams target and address their top priority markets.
    - Limited funding restricts resources for sales program.

CVB SALES - OPPORTUNITIES

- Strategic Direction
  - Clear strategies and direction are crucial.
    - Focus sales program on areas not addressed by the hotels.
    - Maintain consistent program focus and stay the course.
- Sales Plan
  - Involve hotel DoMs in CVB sales planning process.
  - Alignment with hotel target segments and business objectives.
    - Leisure market focus will help all member hotels.
    - Position Costa Mesa as corporate meetings destination.
    - Short-term focus on priority segments for 2009 business.
  - Close CVB/hotel teamwork can offset limited resources.
- Marketing Support for Hotel M&C Sales.
  - M&C destination sell capabilities and tools.
  - E-marketing and website.
  - Lead generation against the target segments.
  - Outside resources and alliances.

CVB SALES

Findings

- Lack of conference center limits group potential.
  - CVB targets in-house groups.
- Hotel sales teams target key segments for their hotels.
  - Focused and effective approach.
- CVB sales program has been ineffective.
  - Changing direction and priorities.
  - Lack of accountability.
  - Duplication of hotel sales efforts.
- Several CVB tools can help hotel sales efforts.
  - Website for sales support.
  - Hotel Resources lead program.
  - CVB account database.

Conclusions

- Little potential for citywide or multiple hotel bookings.
  - Lack of center and campus hotel package limits multi-hotel appeal.
- CVB sales should compliment CM hotel sales programs.
  - Address areas hotels cannot cover.
  - Best use of limited resources.
- Lack of ROI eroded support for CVB sales program.
- Effective group sales for hotels will be crucial in 2009.
- CVB can provide valuable support to hotel M&C sales.

CVB SALES – STRATEGIC OPTIONS

Options	+	-
Continue/improve sales program.	Maintain sales capability and presence in market.	May not be best use of limited resources.
Eliminate CMCVB sales program.	Redirect resources to other channels and markets.	Loss of CVB sales presence and capability.
Reposition into sales support role.	Help make hotel sales teams more effective.	Need to develop new sales support tools and capabilities.
Outsource some sales functions.	Add professional support. Broaden coverage.	Requires oversight. Cost and benefit TBD.
Increase funds to hotels for sales.	Hotels will focus on their top priority markets.	Loss of CVB sales presence and capability.

COMPETITION – OC DESTINATIONS

Destination Profiles	CM	NPB	LB	Irv.	HB	A/OC
Visitor Destination Identity • Market position & awareness	=	+	+	=	=	+
Downtown Visitor Attractions • Entertainment, shops, dining	+	+	+	=	=	+
Leisure Destination • Location, attractions & appeal	=	+	+	-	+	+
Business Travel Destination • Proximity to business offices	+	+	-	+	=	-
M&C Destination • Location, access, hotels	=	+	-	+	=	+
Hotel M&C Package • Rooms and M&C space,	=	=	-	=	=	+

COMPETITION – CVB PROFILES

CVB	CM	NPB	LB	Irv.	HB	A/OC
Budget	$1.5M	$3M	$1M	$200K	$1.25M	$10M
Staff	5	14	4	1	4	40

- Destination profiles and business mix determine CVB focus.
  - Costa Mesa, Newport Beach and Irvine have similar broad business mixes.
  - Newport Beach enjoys destination profile and funding advantages.
  - Laguna Beach is focused entirely on leisure travel.
- OC Visitor Alliances
  - Orange County Tourism Council
    - Markets The OC brand to build destination awareness and identity for Orange County.
  - The Oceanfront
    - Beach cities work together to promote in leisure travel market.
- Anaheim/Orange County VCB
  - M&C sales capabilities, coverage, and manpower generate in-house groups.
  - OC-wide purview offer potential strategic opportunity for Costa Mesa.

COMPETITION – CVB PROFILES

CVB Capabilities	CM	NPB	LB	Irv.	HB	A/OC
CVB Funding • Competitive funding	=	+	=	-	=	+
Sales & Marketing Planning • Disciplined process	-	+	=	=	=	+
Sales & Program Tracking • Evaluation and accountability	-	+	+	-	=	+
Sales • Focus, strength & manpower	-	+	=	+	-	+
Marketing • Positive client perception	=	+	+	-	+	=
CVB Website • Use as primary sales tool	=	+	+	-	=	=
Community Commitment • Destination-wide support	-	+	+	-	=	=

COMPETITION BEST PRACTICES

- Planning
  - Effective planning is essential for a strategic approach and competitive program.
  - The CVB board must be involved and engaged throughout the planning process.
- Measurable Goals
  - Measurable program goals provide transparency and accountability.
  - Tracking mechanisms measure ongoing program performance.
- Internal CVB Communication
  - Regular board meetings with set reporting agenda provide consistent direction and oversight for CVBs.
- Community Involvement
  - Broad support and involvement is crucial to successful destination marketing.
  - The CVB must engage all areas of the community in a common, integrated program.
- Strategic Relationships
  - Sales and marketing alliances and partnerships extend CVB reach and impact ,
- CVB/hotel/stakeholder integration
  - Powerful tool to extend impact of CVB programs and branding. Essential for small cities.
- E-marketing
  - Proactive destination website and internet positioning effective in all markets.

NEWPORT BEACH CVB MODEL

- Planning

  Disciplined Planning process sets CVB direction.
  - Strategic plan outlines long-term plan objectives and strategies.
  - Annual Sales and Marketing Plan
    - Planning process ties CVB program goals to member business objectives.
    - Details action plan, measurable goals for each program.
- Branding Integration
  - Effective use of branding to build destination image and profile.
    - Consistent application in all CVB markets, channels and programs.
    - Alignment with stakeholder operations creates destination-wide application.
- Board Communication
  - Executive Committee provides consistent direction.
    - Monthly executive committee meetings maintain active participation and focus.
    - Sales, marketing, financial and president's reports track progress against objectives and issues.

COMPETITION SURVEY – Implications

- Traditional CVB sales model is no longer adequate in today's competitive environment.
- Lack of planning inhibits sales and marketing vision, direction and effectiveness.
- CMCVB must be strategic, targeted and proactive to increase its competitive position in the market.
  - Develop integrated CVB/hotel plan to focus destination sales and marketing efforts.
  - Allocate resources on highest ROI segments.
- Recession impact require immediate tactical focus.
- With limited resources CMCVB must consider strategic options and/or focus its resources more narrowly to increase impact and ROI.

STRATEGIC OPTIONS

Option	+	-
Continue current program.	Low cost/low reward. Maintain status quo.	Not additional benefit to hotels. Hotels need more business for 2009.
Increase sales emphasis.	Address gaps in hotel programs. Build need-period segments.	Lack of conference center limits M&C potential.
Increase marketing emphasis.	Address identity and awareness. Increased visibility in target markets. Build need period programs.	Additional funding needed to increase reach and penetration.
Expand CMCVB membership base.	Broaden support and participation. Increase sources of funding.	Need strong value proposition & ROI. May dilute focus on hotel priorities.
Brand Costa Mesa destination.	Address identity and awareness. Define destination in visitor market.	Limited brand equity to build on. Cost of program.
Build strategic relationships.	Low cost method to extend visibility, reach and presence.	Must create win-win opportunities. Cost of program(s).

RECOMMENDATIONS

The Art of the Possible

RECOMMENDATIONS

Objectives

- Position Costa Mesa as a primary Orange County visitor destination.
  - Build awareness in targeted leisure and group segments.
  - Increase visitor revenues over low demand periods.
  - Address challenges of soft economy in 2009.

Key Strategies

- Initiate a structured annual business planning process.
- Build CVB marketing resources and capabilities and focus efforts on targeted high-value markets.
- Target Southern California regional drive market.
- Broaden CMCVB membership base.
  - Increase community participation and funding base.

RECOMMENDATIONS

Planning & Alignment

Institute a structured annual business planning process.

- Sales and Marketing Plan

  What will we do to maximize current and future visitor revenues in 2009?

  Detail specific plans and actions to achieve annual objectives.
  - Set goals and strategies for the key target segments.
    - Leisure, off-season and in-house group business.
    - Align CVB goals and programs with current business needs of hotels.
  - Detail programs plans and action plans
    - Coordinate implementation with hotels to maximize reach and impact.
    - Track results to measure contribution from each program.

- Costa Mesa Strategic Plan

  Where do we want to be in 3/5 years? What will we do to get there?
  - Develop long term Costa Mesa vision, positioning and CVB strategies.
  - Align goals and programs with long term business needs.
  - Update annually and define annual actions in sales and marketing plan.

RECOMMENDATIONS

Strategies

Build CVB marketing resources and capabilities and focus efforts on high-value target markets.

- Design programs to penetrate target markets.
  - Identify high potential segments and set program goals and objectives.
  - Define unique segment needs, strategies and packaging to address them.
  - Track results from each program and evaluate performance.
- Leisure Travel Market
  - Position Costa Mesa as an appealing leisure travel destination.
  - Implement branding campaign against targeted leisure segments.
- Corporate Meeting Market
  - Position Costa Mesa as a viable corporate meeting site.
  - Deploy destination sale marketing tools hotel sales programs.
  - Develop alliances and partnerships to extend M&C market coverage.

Target Southern California regional drive market.

- Focus marketing spend in Southern California regional area.

RECOMMENDATIONS

Marketing

Develop CVB marketing tools and capabilities.

- Website and e-marketing
  - Position TravelCostaMesa.com as primary destination marketing platform.
  - Enhance capability to promote and purchase packages and specials.
  - Develop proactive e-marketing to qualified travel influencers and visitors.
- Hotel Resources
  - Explore capabilities to develop qualified regional M&C database through HotelResources.com.
- Database Marketing
  - Build and expand customer databases in each target segment.
  - Leisure customers, package visitors and regional corporate M&C planners.
  - Develop proactive programs to market to target segments.
- Publicity
  - Produce targeted seasonal publicity campaign to target segments.
  - Develop proactive destination publicity campaign to segment databases.
- Produce program tracking data.
  - Maintain ongoing program tracking and post for CVB board on website.

RECOMMENDATIONS

Sales

Reposition CVB from active sales role to support capability for hotel sales programs.

- Website and e-marketing
  - Position TravelCostaMesa.com as primary M&C group resource.
  - Planner access to all group service & destination information.
  - Create "destination sell" page to deliver M&C group sales messages.
  - Develop hotel lead distribution and tracking tool on CVB site.
  - Hotel stakeholder access for sales leads and program performance data.
- Hotel Resources
  - Enhance lead development through HotelResources.com.
  - Develop database criteria to identify high potential OC accounts.
  - Incorporate seasonal and regional focus.
- Database Marketing
  - Build group site selection and corporate planner database.
  - Regional MPI membership, PCMA, etc.
  - Develop seasonal programs to promote short-term bookings.
- Produce program tracking data.
  - Provide ongoing sales program tacking to hotel stakeholders through site.

RECOMMENDATIONS

CVB Organization

Structure CMCVB team to execute the plan.

- Leadership
  - Executive Director
    - Develop and improve Costa Mesa destination marketing programs.
    - Sell CVB value message and build community-wide membership base.
    - Focus on planning , strategy, stakeholder needs and CVB programs.
    - Evaluate program performance and communicate actively with board.
  - Marketing Director
    - Develop and implement CVB marketing programs.
    - Work with marketing committee to identify needs and effective programs.
    - Monitor program performance and contribution.
  - Sales Coordinator
    - Coordinate sales programs, performance tracking, trade shows, etc.
- Marketing Committee
  - Provide direction and oversight for bureau sales and marketing programs to CVB leadership.

RECOMMENDATIONS

Strategies

Broaden CMCVB membership base.

- Develop CVB value proposition.
  - Costa Mesa visitor financial impact story.
  - CVB vision and plan to increase visitor revenues.
  - Proactively sell CVB value proposition to potential stakeholders.
- Include all Costa Mesa visitor industry stakeholders.
  - South Coast Plaza.
  - Orange County Performing Arts Center.
  - Orange County Fair Grounds.
  - Area retailers, restaurants, performing arts companies, museums, area shopping centers, transportation, visitor services, etc.
- Create community-wide support and participation.
  - Involve stakeholders in CVB program planning and execution
  - Integrate CM/stakeholder segment marketing programs to extend impact.
- Create a Costa Mesa Visitor Marketing Culture
  - Promote financial impact of visitor industry throughout the community.
  - Build close teamwork between CVB and all visitor industry stakeholders.

NEXT STEPS

Implementation

- Board review and of competitive assessment.
- Board discussion of options and choice of strategies and of course action to pursue.
  - Implications and strategic options.
  - Recommendations and strategies.
  - CVB structure and organization.
- Develop 2009 CMCVB sales and marketing plan.
- Board approval of S&M plan.
- Implementation

COSTA MESA CONFERENCE & VISITOR BUREAU

COMPETITIVE ASSESSMENT