



October 30, 2008

The Honorable Barbara Green, Mayor
Mr. Tony Lashbrook, Town Manager
10183 Truckee Airport Road
Truckee, CA 96161-3306

Dear Barbara and Tony:

We are pleased to present this package of information and formal invitation for Truckee to consider joining as a member of the destination marketing organization (DMO) that promotes the greater North Lake Tahoe area - the North Lake Tahoe Marketing Cooperative. The Cooperative is a partnership between the North Lake Tahoe Resort Association (NLTRA) and the Incline Village Crystal Bay Visitors Bureau (IVCBVB).

Background

A proven definition of a DMO is one whose function is *"to cooperatively promote tourism based on shared objectives among and between participating businesses and constituents which are more effectively and efficiently accomplished collectively than independently."* Through fiscal year 2005-06, the North Lake Tahoe Resort Association was spending approximately \$387,000 in consumer media advertising to promote the greater North Lake Tahoe area, including Truckee. Separately, the Incline Village Crystal Bay Visitors Bureau was spending an average of \$429,000. Each organization supported a different brand message; each had its own advertising agency, public relations firm and other duplicative program expenditures. In addition to these expenditures, both organizations participated in a variety of regional marketing coops.

In early 2006, the NLTRA and IVCBVB began to explore the development of a formal marketing partnership. The basis for this effort was our mutual interest in more effectively marketing and promoting the North Lake Tahoe destination. We know we must compete against other destinations with many millions of dollars to spend. Success demands efficiency, including our ability to leverage funds "based on shared objectives." The legal agreement that established the North Lake Tahoe Marketing Cooperative was approved by action of the NLTRA and IVCBVB Boards in the summer of 2006, and Cooperative activities officially began in October 2006. Cooperative activities include direct consumer advertising and promotion, Conference Sales, Leisure Sales, Public Relations, Web site and internet marketing, and participation in a variety of regional and state cooperative marketing programs.

Through the North Lake Tahoe Marketing Cooperative, we are able to combine the investment of transient occupancy tax dollars from eastern Placer County and Washoe County Tax dollars from Incline Village and Crystal Bay. Based on our experience and performance over the past two years, the Cooperative is meeting its objectives. We have

achieved greater efficiency by eliminating duplicative expenses, leveraging our funds, and expanding our influence and involvement with broader cooperative marketing efforts at the regional and state level. We encourage you to review the summary of marketing performance indicators enclosed with this package of materials.

Truckee has been included as part of our marketing message. We appreciate the unique attractions and resort attributes that Truckee provides as part of the greater North Lake Tahoe visitor and vacation destination. Going forward, we believe this synergy of mutual interests will be best served by a decision on the part of Truckee to formally join as a member of the North Lake Tahoe Marketing Cooperative. We recognize that the Transient Occupancy Tax generated within the Town is currently much less than is generated in eastern Placer County or Incline Village and Crystal Bay. Accordingly, we have developed a formula to calculate the amount of Truckee's contribution that is consistent with the formula used to determine the NLTRA and IVCBVB contributions, yet at the same time takes into account the total amount of Truckee's TOT collections. This formula is presented below for your review:

		<u>% of Total</u>
Placer County Total TOT*	\$7,333,333	100.00%
Total NLTRA TOT Budget	\$4,400,000	60.00%
Marketing Budget**	\$1,821,000	24.83%
Marketing Coop Budget	\$831,996	11.35%
Total Truckee TOT***	\$1,295,908	
Equitable Coop Contribution****	\$147,026	

* Based on FY-2008/09 Budget

** Minus \$27,000 for County Services

*** Projected Year End 2007/08

**** Based on 11.35% of Total TOT

Following your review of this package of materials, please contact one of us as shown below to let us know if you need any additional background or how we can be of further assistance as you consider our invitation to participate in the North Lake Tahoe Marketing Cooperative.

Very sincerely yours,

Debbie Casey, Chair
Board of Directors
550-5090

Steve Teshara
President & CEO
581-8739

Andy Chapman
Director of Tourism
581-8709

cc: Ms. Lynn Saunders, President & CEO
Truckee Donner Chamber of Commerce



Table of Contents

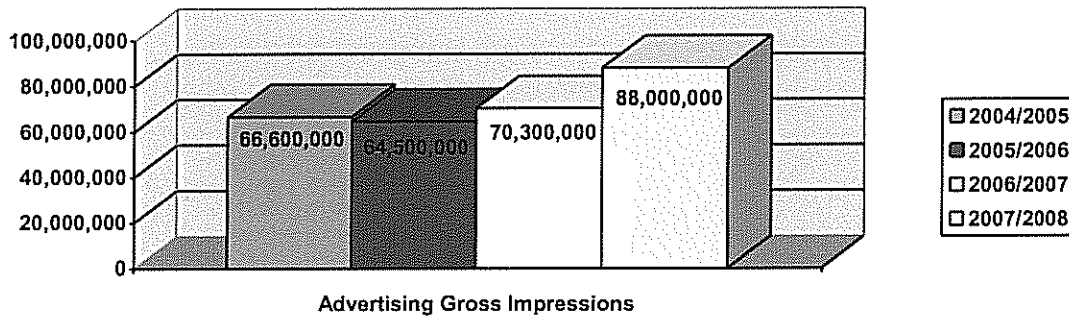
1. Key Indicators – Marketing Performance Reporting Document
Winter and Summer Reporting – Leisure and Conference Sales
2. Creative Overview
3. Marketing Resource Guide
4. NLTRA – Cooperative Development and Approval Timeline
5. North Lake Tahoe Marketing Cooperative Participation Agreement
6. Marketing Cooperative – Organizational Structure

Marketing

Advertising Gross Impressions

What is this Indicator?

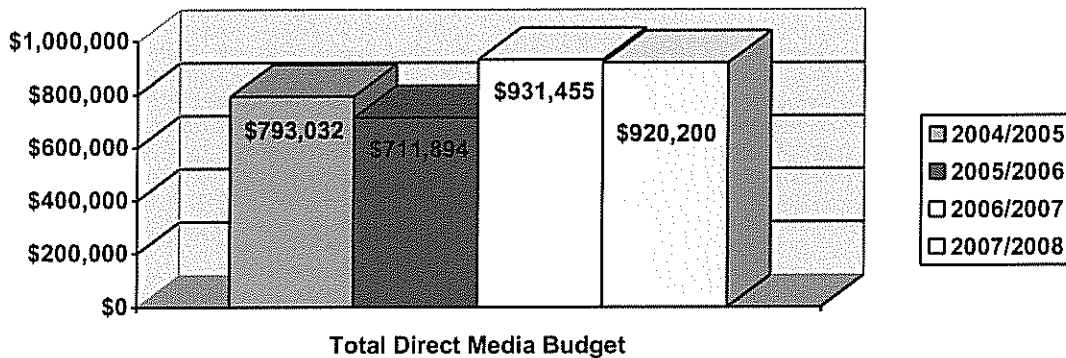
Gross impressions is the sum of the audience, in terms of people or households, viewing or hearing an advertising message (impression). Following a slight dip from FY-2004/2005 to 2005/2006, this indicator has been on a strong upward trend, thanks in large part to establishment of the North Lake Tahoe Marketing Cooperative in October of 2006, in the second quarter of FY-2006/2007. By combining marketing resources through the Cooperative to support a single brand message, direct media expenditures were increased, resulting in a measurable increase in Advertising Gross Impressions.



Total Direct Media Budget

What is this Indicator?

This indicator measures the resources available for direct media expenditures and tracks the overall funding capacity of the Cooperative to generate awareness and interest in the North Lake Tahoe destination in the areas of consumer, leisure sales and conference marketing and promotion. The increase in expenditures from \$711,894 in 2005/2006 to \$931,455 in 2006/2007 is directly attributable to the Cooperative. There was a slight decrease in direct media expenditures in FY-2007/2008, as the NLTRA directed funds into community outreach (marketing workshops and special meetings), and into market research. Most research activities were conducted in collaboration with the Cooperative.

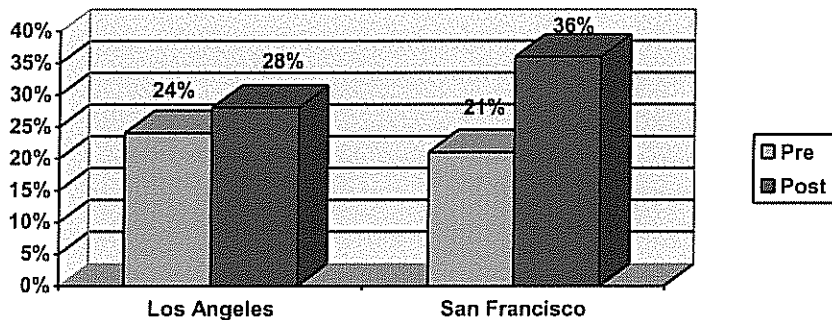


Total Advertising Awareness

What are these Indicators?

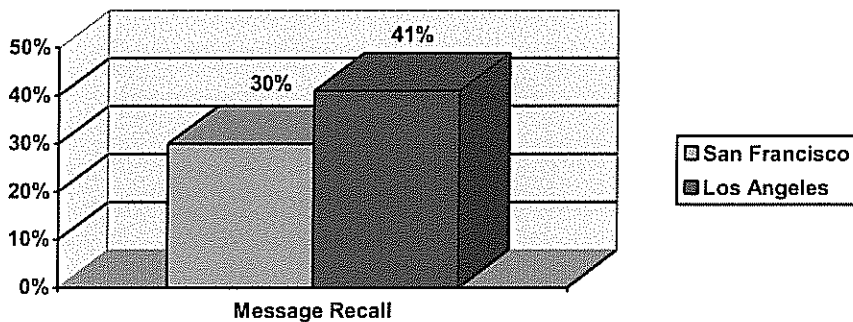
These indicators are designed to measure advertising awareness and recall and help determine the impact of NLTRA and NLTRA cooperative program advertising on the consumer, including the effectiveness of our advertising. The NLTRA had not conducted ad awareness studies any time in the recent past. Accordingly, the studies conducted during FY-2007/2008 have established a baseline against which future studies can be compared.

As shown below, targeted Los Angeles and San Francisco markets included both a "pre" and "post" ad campaign survey. North Lake Tahoe ad awareness among those surveyed in Los Angeles increased from 24 percent (pre campaign) to 28 percent (post campaign); of those surveyed in the San Francisco Bay Area, North Lake Tahoe ad awareness rose from 21 percent pre campaign to 36 percent post campaign.



Message Recall

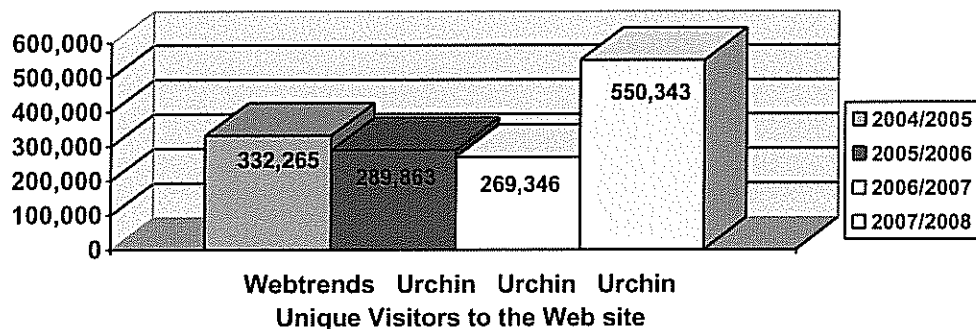
An advertising recall survey was conducted as part of the Advertising Awareness Study. As indicated below, 30 percent of those surveyed in the San Francisco Bay Area recalled a specific North Lake Tahoe ad message; 41 percent of those surveyed in Los Angeles recalled a specific ad message.



Number of Unique Visitors to the GoTahoeNorth.com Web Site

What is this Indicator?

The term "unique visit" is defined as the number of individual visits to a Web site within a specific period of time. The more unique visits, the more consumers are viewing and/or downloading information from the Web site. In FY-2006/2007, the NLTRA changed its tracking tool to Urchin, a more reliable system for tracking Web site statistics. FY-2007/2008 was the first full year of operation of the new GoTahoeNorth.com Web site, a project of the North Lake Tahoe Marketing Cooperative. During this period, unique visits increased dramatically, from 269,346 to 550,343.

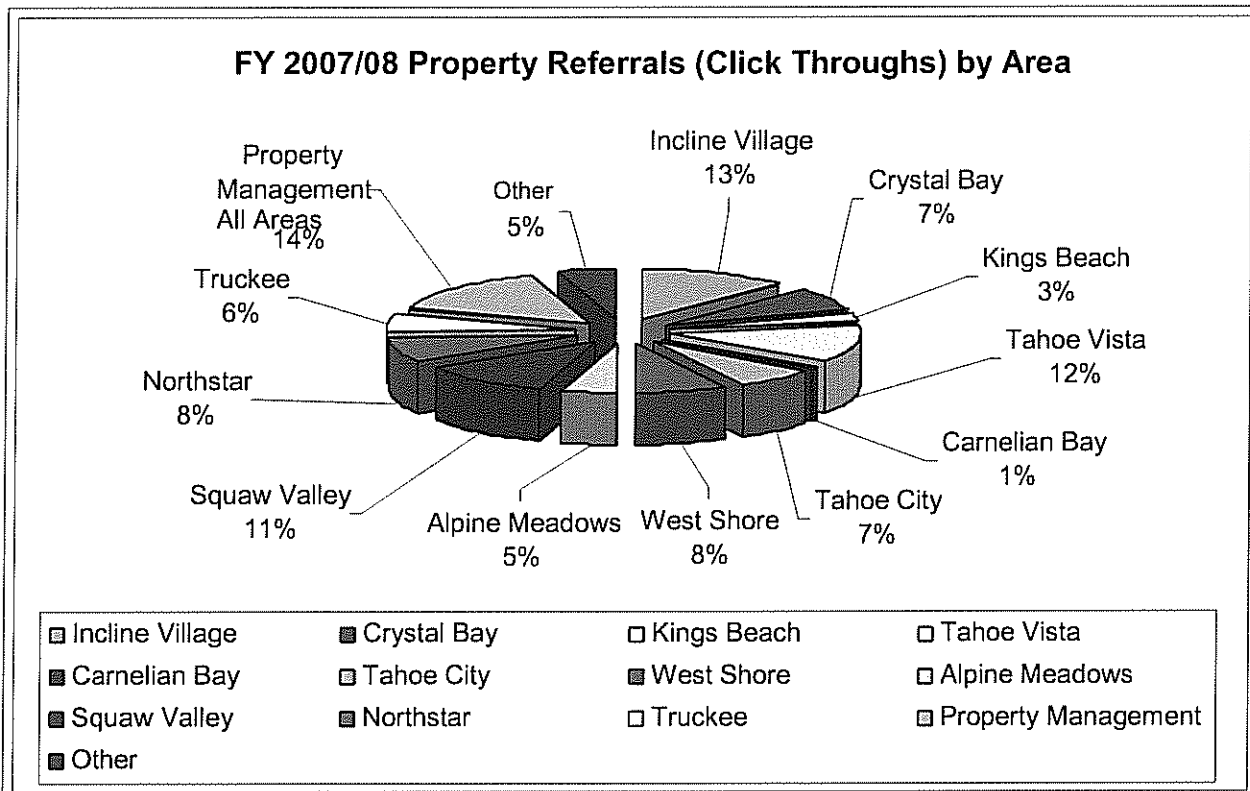
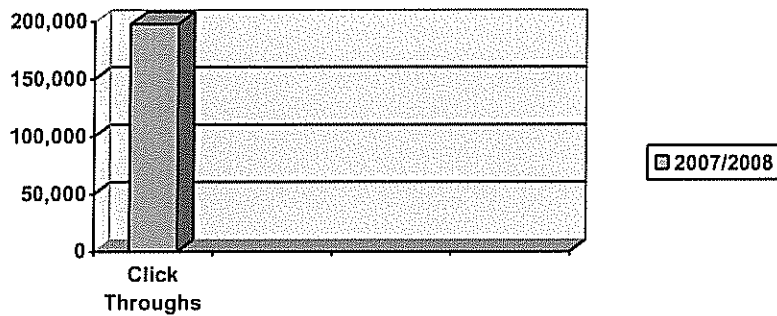


Total Number of Web Site Clicks to Lodging Properties

What is this Indicator?

The term "click" means that a Web site user has accessed and viewed a particular ad, icon, feature or service on the site. Total clicks, as measured during a specific period of time, represent the number of times a Web site user has "clicked through" to one or more of these features. This specific indicator measures the number of time that a user of GoTahoeNorth.com has clicked on the information available for a lodging property. This feature of the Web site began in October of 2007, following termination of the NLTRA's outsource contract for Lake Tahoe Central Reservations. During the period of October 2007 through June 2008, the GoTahoeNorth.com site generated approximately 200,000 click throughs to lodging properties. This figure will serve as a baseline for the comparison of future click through data.

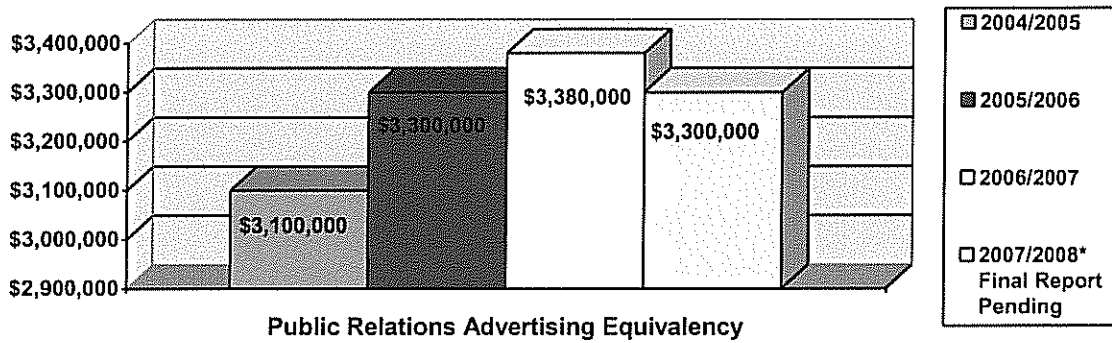
Note: According to the California Travel and Tourism Commission, by 2010, the Internet is expected to contribute over 45% of all travel related bookings in North America. The importance of the GoTahoeNorth.com Web site cannot be overestimated. It serves as the primary "call to action" for NLTRA and North Lake Tahoe Marketing Cooperative advertising.



Public Relations Advertising Equivalency

What is this Indicator?

This indicator measures the value of public relations by tracking the amount of editorial coverage generated by public relations and calculating what that coverage would have cost if the same amount of editorial had been purchased as advertising. Consistent with the NLTRA's adopted Marketing Performance Reporting Document, a one-to-one advertising equivalency is used to determine value. The indicator documents a steady upward trend in PR Advertising Equivalency. It can take up to 60 days to collect all the media clips and produce a final report. The final report for June 2008 is still pending at this time. Once the report is complete, we anticipate the final ROI for this indicator to be approximately \$4 million, continuing the uptrend.



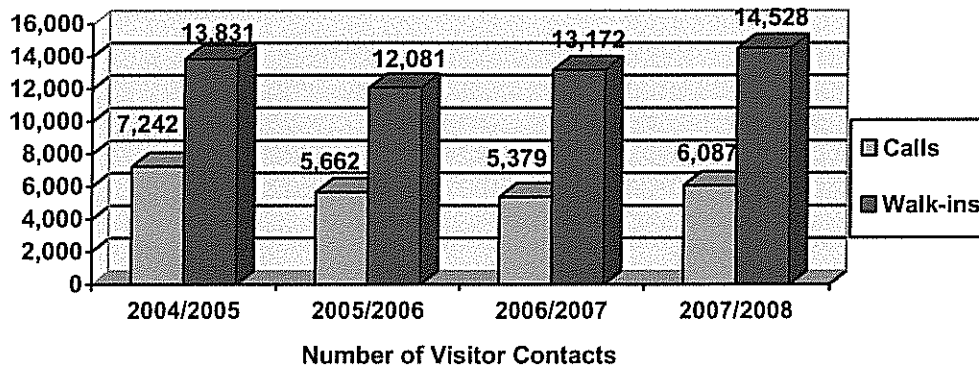
Visitor Information

Number of Visitor Contacts

What is this Indicator?

This indicator tracks the number of visitor contacts recorded by staff at the NLTRA/North Lake Tahoe Chamber of Commerce Visitor Information Center in Tahoe City. There are two separately tracked indicators - the number of telephone contacts and the number of "walk-in" contacts. The number of recorded visitor contacts helps measure the outreach of the NLTRA's visitor information operations.

With the increase in use of the Internet, and specifically the www.GoTahoeNorth.com and www.NorthLakeTahoeChamber.com Web sites, the number of telephone contacts has generally trended downward over the past four years, although there was an increase in FY-2007/08 compared with FY-2006/07. After a decline in FY-2005/06, the number of walk-in contacts (visitors served at the counter) increased in FY-2006/07 and again in FY-2007/08.



LEISURE ADVERTISING

Advertising/Promotions

Total media reach during this six month period decreased as compared to prior periods due to the shift from small, black and white ad placements in daily newspapers to large, four color placements in travel and lifestyle magazines. However, frequency increased to 3.14 during the same period. This shift from small newspaper advertising to large magazine advertising allowed us to better communicate the consumer benefits in a more compelling and impactful manner. Gross Impressions were down slightly from the prior period as well, for the same reason. Total Media Dollars increased \$123,762 from the prior six month period. The number of new entries in our consumer database dropped somewhat as a targeted effort was undertaken to improve the quality and profile of our “opt in” database.

Inquires/Conversions

New this period is the tracking of Lodging Click through data generated from the www.GoTahoeNorth.com website directly to our lodging supplier websites. This six month period documented over 92,000 outbound clicks, an average of over 15,000 per month.

Online Activity

The number of Pay per Click keywords decreased from 107 last period to 94 this period as we continued to enhance our search engine optimization rankings. High organic search results allow us to decrease the budget resources allocated to purchase Pay per Click keywords. Consumer time spent on the website decreased slightly during this period, while the number of unique visitors increased from 304,012 to 318,857 (a 5% increase). Search engine referrals, #1 positions, 1st page positions and 2nd page positions all increased during this period. Email open rates decreased from 12.9% to 11.7% while email click thru rates increased from 16.3% to 20.6%.

Media/Public Relations

Six media appointments were conducted in the New York market through our participation in the CTTC New York Media Blitz. This period also saw an increase in the number of qualified media and publications attending our winter media FAM. The number of media inquiries decreased while the number of media interviews increased. Total number of placements increased from 190 in the last period to 387 in this period; advertising equivalency increased from \$1.6 million to \$2.5 million.

Bookings

With the closure of the Lake Tahoe Central Reservations, online booking statistics are no longer available. On line tickets sales for the Ski Tahoe North Interchangeable Lift Ticket were quite strong this period despite the fact that the ticket was no longer available for purchase by residents within the Northern California market.

CONFERENCE SALES

Number of leads and lead room nights increased 35% and 61%, respectively, over the prior six month period. Number of bookings increased 40%, booked room nights increased 139% and total attendee spending increased 167% over prior period. Lost business also increased with the aggressive sales outreach during this period. Arrived business was down from prior period, which is to be expected during a winter season.

Performance Measurement Document

Leisure Advertising

Jan. - March 2007 April - Sept. 2007 Oct. - March 2007/08

Advertising/Promotions

Total Reach

Total Frequency

Gross Impressions

Total Value of Media Placed

a. Paid Media Dollars

b. Co-op Media Dollars

(private partner contributions & outside grants)

c. In Kind/Barter Media Dollars

d. Unpaid Media Dollars

49%	50%	16.66%
1.75%	2	3.14
31.6 Million	47.4 million	44.6million

\$118,113	\$284,389	\$ 361,774
\$42,208		\$ 14,050
	\$4,080	0
\$170,830	\$120,621	\$ 157,028
\$331,151	\$409,090	\$ 532,852
3,426	5,215	3226

TOTAL

Number of New Entries in Consumer Database

Inquires / Conversion

a. Number of brochure / planner requests

online

phone

b. Number of calls handled via LTCR

c. Number of consumers registering on website to receive information

d. Number of opt-in email addresses

e. Lodging Click Thru Numbers

605	3,924	3499
	5,576	2608
2,618	5,189	n/a
1,252	3,816	n/a
749	1,136	n/a
n/a	n/a	92,490

Online Activity

a. Number of pay per click keywords purchased

b. Time spent on consumer website

c. Number of web pages of content developed

d. Number of user sessions

e. Number of unique visitors

f. Number of repeat visitors

g. Search engine referrals

h. Search engine results

Avg. amount of #1 Positions

Avg. amount of 1st Page Positions

Avg. amount of 2nd Page Positions

i. Email open rate

j. Email click through rate

	107	94
4:23	5:44	5:21
1,524	5	14
72,429	304,012	318,857
59,393	248,249	263,778
11,227	55,754	55,079
21,251	81,476	89,888

3.33	4.5	7
19.7	25.67	28.6
10.7	15.5	16.6
16.4%	12.9%	11.70%
17.3%	16.3%	20.60%

Media/Public Relations

Media Trade Shows

a. Number of trade shows attended

b. Number of appointments

c. Number of qualified media in attendance

1	1	1
0	0	6
15	415	300

Media Missions

a. Number of media missions

b. Number of coop partners

c. Number of media contacts

0	0	0
n/a	n/a	n/a
n/a	n/a	n/a

Jan. - March 2007	April - Sept. 2007	Oct. - March 2007/08
----------------------	-----------------------	-------------------------

Media Familiarization Tours (FAMs)

a. Number of FAMs	9	9	10
b. Number of qualified media participating	11	12	38
c. Number of publications represented	15	20	114

Press Releases

a. Number of press releases issued	36	74	55
b. Number of press releases downloaded from website	564	2396	n/a
Number of Media Inquiries	71	156	170
Number of Media Interviews	60	92	68

Placements

a. Total number of placements	111	190	387
b. Regional vs. National	53/47	40/60	42/58
b. Domestic vs. International	95/5	97/3	n/a
Number of Impressions	n/a	n/a	n/a
Advertising Equivalency	\$1.3 million	\$1.6 million	\$2.5 million

Bookings

Lake Tahoe Central Reservations/Online

Total Reservations Booked	416	547	n/a
Number of room nights booked	868	1130	n/a
Revenue per room night	\$ 238	\$ 179	n/a
Average length of stay	2.08	2.06	n/a

Online Ticket Sales

a. Tickets sold online	564	582	1294
b. Ticket revenue	\$ 32,713	\$ 33,561	\$149,341
c. Ticket commission	\$ 5,888	n/a	n/a

Event Marketing

a. Number of events supported

Lake Tahoe Jazz Fest	3	5	4
Tour de Nez			
Lake Tahoe Marathon	X	X	
Lake Tahoe Triathlon			
Big Blue Adventure Race	X	X	
Learn to Ski & Board		X	
Squaw Valley Business Assoc			
Wellman Celebrity Golf		Postponed	
Honda Ski Tour	x		
USASA Championships	x		
Snowfest	x	X	
Tahoe City Downtown Assoc. Wine Walk		X	
PaddlePalooza		X	
Fabulous Fall Celebration	X	X	

b. Number of events produced

Autumn Food & Wine	0	1	0
Total Ticket Sales	n/a	\$41,400	n/a
Total Revenues	n/a	\$78,109	n/a

Conference/Group Sales

Leads

	Jan. - March 2007	April - Sept. 2007	Oct. - March 2007/08
Number of leads	88	197	266
Lead room nights	24,616	60,018	96656

Booked Business

Number of bookings	21	30	42
Booked room nights	1,527	4444	10,635
Booked attendance	1,307	1906	4813
Booked attendee spending	\$ 279,284	\$569,333	\$1,521,992

Lost Business

Number of lost opportunities	49	98	129
Lost room nights	12,606	25,551	44952
Lost attendance	14,317	11,339	16867

Arrived Business

Number of bookings	18	52	31
Number of booked room nights	2,951	7,078	6332
Number of booked attendees	925	4,237	3086
Booked attendees spending	\$ 290,431	\$920,128	\$714,567

Personnel productivity metrics

Number of leads-sales person A	60	197	266
Number of leads-sales person B	0	0	0
Number of bookings-sales person A	21	30	42
Number of bookings-sales person B	0	0	0
Number of booked room nights- sales person A	1,527	4444	10635
Number of booked room nights- sales person B	-	0	0

Travel Trade/Sales

Leisure Trade Shows

a. Number of trade shows attended	3	4	4
b. Number of Coop shows	3	3	4

Number of Sales Missions (call center trainings)

a. Domestic	0	11	8
b. International	0	22	0

Leisure Familiarization Tours (FAMs)

	14	12	12
--	----	----	----

Number of Site Inspections

	47	49	56
--	----	----	----

Number of Wholesale Brochure Placements

a. Domestic	30	31	31
b. International	41	43	42

North Lake Tahoe Resort Association Spring/Summer Performance Reporting Analysis

LEISURE ADVERTISING – Advertising/Promotions

Target: Adults 35-54

Reach: 50%

Frequency: 2

Gross Impressions: 47.4 Million

Paid Media: \$284,389

Unpaid Media: \$120,621

Average reach and frequency numbers are derived by pulling a report on measured media in the Bay Area and LA Market utilizing Scarborough market research. This includes outdoor, newspapers and some consumer magazines on the plan. This number does not measure all media on the plan. It excludes internet and some consumer publications and all conference media. We pull reach/frequency reports against Adults 35-54 and Adults 35-54 HHI\$100k+ for each market and average the four reports for this final number. The results show that between April-September we are reaching (on average and conservatively) 50% of our target market and they will be exposed at least 2 times. This report is used as a basis to ensure we are reaching at least half our target market. We also want to make sure we are buying deep enough (types and number of mediums) and frequent enough (number of insertions per medium).

Gross Impressions: This is the sum of all circulations for print insertions, number of impressions delivered via the internet and DEC (Daily Effective Circulation) for outdoor. This includes all media and represents the number of exposures across all markets (National, regional and drive). It does not take into effect populations in different markets or net reach (people). It is eyeballs exposed to our advertising.

Unpaid Media Dollars: This represents added value media. Additional exposure we were able to negotiate on top of invested dollars. This added value comes from free ad placements and color, discounted rates, free editorial and promotions. We spent \$284,389 in media and negotiated an additional \$120,621 in added value.

LEISURE ADVERTISING – Inquires/Conversions

9,500 Lake Tahoe Travel Planners were distributed via the phone and internet with 59% of the total from phone requests and 41% from website request. This represents a 171% increase of travel planners requested via our website. In addition, 5,189 calls were handled by Lake Tahoe Central Reservations. We continue to see increases in the number of consumers registering on our website as well the number of opt in email address for distribution of our North Lake Tahoe information. In fact, the number of consumers registering on our website for the six month period ending in September actually surpassed the total number registering for the entire fiscal year of 2005/06. This effort will continue to be an important focus of our marketing and promotional efforts.

LEISURE ADVERTISING – Online Activity

With our continued focus on search engine optimization and keyword purchase, we have seen the time consumers are spending on our site now average just under five and a half minutes. This is an 8% increase over fiscal year 2005/06. Unique visitors to our website have seen a dramatic increase to over 248,249 during this current period. This trend, if continued, will equal a 71% increase over fiscal year 2005/06. With the finalization of the consumer website in March of 2007, far fewer pages of new content have been developed. This figure of 5 pages will be more the norm for next few periods. Search engine results shows an all time high of five #1 positions and 25 first page positions for our consumer website. Email open rates (12.9%) and email click thru rates (16.3%) are both down from prior periods. Various adjustments are currently being considered, including separation of third party lists and a welcome email to new registered consumers.

LEISURE ADVERTISING – Media/Public Relations

The number of press releases sent out during the April – September six month period totaled 120. This is a 58% increase from the prior July – December six month period. The number press releases downloaded from our website by the media numbered 2,396. This represents a 93% increase over the prior July – December period. This increased activity indicates an increases awareness of the North Lake Tahoe product by the important media industry. Additionally, both the number of media inquires and the number of media interviews has increased from the July – December period. Also important to note, we have seen a shift toward a higher percentage of national coverage as we continue to position North Lake Tahoe as a premiere mountain destination area.

LEISURE ADVERTISING – Bookings

Activity through Lake Tahoe Central Reservations and the online booking engine continued to decrease during this period. Call volume, room nights booked and revenue per room night where all down from the prior periods. The NLTRA Board of Directors directed staff to terminate the contract on LTCR and eliminate that operation.

A total of 5 events were supported by the NLTRA Special Events department during this six month period. Fiscal year 2005/06 shows a total of 6 events supported for the entire year. The Special Events department is actively pursuing and participating in various events produced by other organizations around the region. This support includes but is not limited to website promotion, public relations, and professional event expertise.

The Lake Tahoe Autumn Food & Wine Festival is an event owned and produced by the NLTRA. This year was the first year in our new location of Northstar at Tahoe. The event generated \$76,142 in total revenue which represents a 12% increase over prior year. Also this year a major donation of \$5,000 was contributed to the Community Fund of North Lake Tahoe from the proceeds of this event.

CONFERENCE/GROUP SALES

The number of leads generated in the April – September six month period totaled 197. This is a 14% increase from the prior July – December six month period. The number of potential room nights represented by those leads totaled 60,018 which is an increase of 3% over the prior six month period. The number of bookings in the April – September period remained basically the same as the July – December period with 30 bookings versus 33. The total room nights represented by these bookings slipped 32% from 6461 to 4444. Revenue booked during this period also dropped by a similar amount but is tracking upwards based on October bookings. 52 groups arrived in the April – September period an increase of 31% from December – July. Room revenue generated by these groups was \$920,128, an increase of 13%.

TRAVEL TRADE/SALES – Leisure Trade Shows

Four main travel trade shows took place in the spring and summer of 2007. Ski Tops (spring), Mountain Travel Symposium, POW WOW and Ski Tops (summer). Normally, we would have attended five shows, but California Travel Mart was cancelled as it was scheduled during the same time as Mountain Travel Symposium and didn't generate enough attendees due to this scheduling conflict. Since October 1, 2006, all shows attended by NLTRA's Leisure Department are also co-op shows. This means that the Co-op shows are also the same number of four for this time period.

TRAVEL TRADE/SALES – Sales Missions (call center trainings)

Domestic

Late spring, summer and fall are the main times for sales missions that focus on winter travel. During the April – September period in 2007 there were three more domestic sales trainings, as a trip to Florida was added to into the travel schedule.

International

The international trainings also increased over July – December of 2006. This year, Ireland was added to the annual UK sales mission. It was very beneficial to meet with all of our wholesalers in the UK who send North Lake Tahoe the largest amount of destination business. Tacking on Ireland was important as well, especially this year due to the new direct Aer Lingus flight out of Dublin into SFO. The Irish wholesalers were happy to hear that we met with Aer Lingus and let the airline know who we work with and how they can assist with keeping that specific flight filled with North Lake Tahoe-bound travelers.

TRAVEL TRADE/SALES – Leisure Familiarization Tours (FAMs)

FAMs have been on the rise in North Lake Tahoe over the past couple of years for a few main reasons. In 2006, Squaw Valley and North Lake Tahoe hosted Mountain Travel Symposium which showcased the entire destination of North Lake Tahoe to many wholesalers who had never been to Lake Tahoe before. After each presentation at a sales office, the next question is "When can we host you and your staff out to North Lake Tahoe?" These reasons along with all of the major renovations, new projects, transportations services and resort upgrades taking place, call center agents have many

reasons to come out and see our great, ever-changing product and it is our job to show them everything that they have time to see.

TRAVEL TRADE/SALES – Number of Site Inspections

Site tours are also on the rise. This is a direct correlation to an increasing number of FAMs and a number of new properties emerging in the region. New properties such as Tahoe Mountain Resorts Lodging and the Cedar House Sport Hotel and major renovations at the Hyatt Regency, Resort at Squaw Creek, and Northstar at Tahoe make for important tours when showcasing North Lake Tahoe.

TRAVEL TRADE/SALES – Number of Brochure Placements

Domestic

Most domestic wholesalers are familiar with Lake Tahoe and have been for years. NLTRA has been working with all of the domestic operators for many years and make sure that the region is placed in all major brochures. This year, BookIt.com and JP Tours added North Lake Tahoe to their product lines.

International

The international market is a constant source of growth for North Lake Tahoe. Each year, companies are entering into selling vacations to the United States for the first time. This especially holds true for ski wholesalers who are hearing about all of the reliable snow and great resorts in the US. Europe, on the other hand, has been plagued by some back to back poor snow years and we realize that now is a great time to capitalize on new business. More international appointments were made this year at MTS and POW WOW in order to secure new contracts and brochure placements in multiple countries. As a direct result, North Lake Tahoe has made it into nine more international brochures than in 2006.

Performance Measurement Document

Leisure Advertising

July-June July-June July - Dec. Jan. - March April - Sept.
2004/05 2005/06 2006/07 2007 2007

Advertising/Promotions

Total Reach	51.3%	54.4%	53.3%	49%	50%
Total Frequency	8.4	6.4	2.84	1.75%	2
Gross Impressions	66.6 Million	64.5 Million	38.7 Million	31.6 Million	47.4 million
Total Value of Media Placed					
a. Paid Media Dollars	\$266,532	\$301,157	\$225,900	\$118,113	\$284,389
b. Co-op Media Dollars <i>(private partner contributions & outside grants)</i>	\$272,000	\$158,476	\$59,839	\$42,208	
c. In Kind/Barter Media Dollars			\$6,830		\$4,080
d. Unpaid Media Dollars	\$254,500	\$252,261	\$216,063	\$170,830	\$120,621
TOTAL	\$793,032	\$711,894	\$508,632	\$331,151	\$409,090

Number of New Entries in Consumer Database

	2,672	23,054	17,128	3,426	5,215
--	-------	--------	--------	-------	-------

Inquires / Conversion

a. Number of brochure / planner requests

 online

 phone

b. Number of calls handled via LTCR

c. Number of consumers registering on website to receive information

d. Number of opt-in email addresses

			1,444	605	3,924
					5,576
	68,205	37,512	2,506	2,618	5,189
	2,491	2,651	1,746	1,252	3,816
	8,091	5,512	3,290	749	1,136

Online Activity

a. Number of pay per click keywords purchased

b. Time spent on consumer website

c. Number of web pages of content developed

d. Number of user sessions

e. Number of unique visitors

f. Number of repeat visitors

g. Search engine referrals

h. Search engine results

 Avg. amount of #1 Positions

 Avg. amount of 1st Page Positions

 Avg. amount of 2nd Page Positions

i. Email open rate

j. Email click through rate

	97	127			107
	5:20	5:03	4:17	4:23	5:44
		17		1,524	5
	633,323	494,394	169,986	72,429	304,012
	332,265	289,863	114,874	59,393	248,249
	50,115	43,383	23,072	11,227	55,754
	175,810	93,664	44,930	21,251	81,476
	1.33	3.25	4	3.33	4.5
	3.75	16.08	19.5	19.7	25.67
	5.92	8.83	7.6	10.7	15.5
	25.7%	14.8%	17.2%	16.4%	12.9%
	11.3%	20.0%	17.6%	17.3%	16.3%

Media/Public Relations

Media Trade Shows

a. Number of trade shows attended

b. Number of appointments

c. Number of qualified media in attendance

	4	4	2	1	1
	20	11	5	0	0
	115	120	103	15	415

Media Missions

a. Number of media missions

b. Number of coop partners

c. Number of media contacts

	2	0	1	0	0
	5	0	5	n/a	n/a
	50	0	15	n/a	n/a

July-June 2004/05 July-June 2005/06 July - Dec. 2006/07 Jan. - March 2007 April - Sept. 2007

Media Familiarization Tours (FAMs)

a. Number of FAMs	24	26	17	9	9
b. Number of qualified media participating	80+	97	34	11	12
c. Number of publications represented	100+	125	62	15	20

Press Releases

a. Number of press releases issued	132	140	76	36	120
b. Number of press releases downloaded from website	N/A	N/A	1,236	564	2396

Number of Media Inquiries

	216	244	129	71	156
--	-----	-----	-----	----	-----

Number of Media Interviews

	144	162	60	60	92
--	-----	-----	----	----	----

Placements

a. Total number of placements	574	667	298	111	190*
b. Regional vs. National	60/40	60/40	60/40	53/47	40/60*
b. Domestic vs. International	95/5	95/5	95/5	95/5	97/3*

Number of Impressions

	N/A	N/A		n/a	n/a
--	-----	-----	--	-----	-----

Advertising Equivalency

	\$3.1 mill	\$3.3 mill	\$1.8 mill	\$1.3 million	920,000*
--	------------	------------	------------	---------------	----------

* Final numbers pending

Bookings

Lake Tahoe Central Reservations/Online

Total Reservations Booked			648	416	547
Number of room nights booked	11,237	7,511	1,510	868	1130
Revenue per room night	\$ 226	\$ 252	\$ 217	\$ 238	\$ 179
Average length of stay	2.2	2.2	2.33	2.08	2.06

Online Ticket Sales

a. Tickets sold online		564	582
b. Ticket revenue	\$	32,713	\$ 33,561
c. Ticket commission	\$	5,888	n/a

Event Marketing

a. Number of events supported

	5	6	4	3	5
Lake Tahoe Jazz Fest	X				
Tour de Nez		X			
Lake Tahoe Marathon	X	X	X		X
Lake Tahoe Triathlon	X				
Big Blue Adventure Race	X	X	X		X
Learn to Ski & Board	X	X	X		
Squaw Valley Business Assoc		X			
Wellman Celebrity Golf		X	X		Postponed
Honda Ski Tour				x	
USASA Championships				x	
Snowfest				x	
Tahoe City Downtown Assoc. Wine Walk					X
PaddlePalooza					X
Fabulous Fall Celebration			X	X	X

b. Number of events produced

Autumn Food & Wine	1	1	1	0	1
Total Ticket Sales		\$41,410	\$39,633	n/a	\$41,400
Total Revenues		\$67,327	\$68,162	n/a	\$78,109

Conference/Group Sales

Leads

Number of leads

Lead room nights

Booked Business

Number of bookings

Booked room nights

Booked attendance

Booked attendee spending

Lost Business

Number of lost opportunities

Lost room nights

Lost attendance

Arrived Business

Number of bookings

Number of booked room nights

Number of booked attendees

Booked attendees spending

Personnel productivity metrics

Number of leads-sales person A

Number of leads-sales person B

Number of bookings-sales person A

Number of bookings-sales person B

Number of booked room nights- sales person A

Number of booked room nights- sales person B

July-June 2004/05	July-June 2005/06	July - Dec. 2006/07	Jan. - March 2007	April - Sept. 2007
----------------------	----------------------	------------------------	----------------------	-----------------------

394	453	169	88	197
12,831	12,696	58,300	24,616	60,018

84	79	33	21	30
9,000	12,275	6,461	1,527	4444
4,990	6,542	3,361	1,307	1906
\$ 1,141,167	\$ 1,670,699	\$ 952,537	\$ 279,284	\$569,333

235	275	81	49	98
60,791	71,783	31,299	12,606	25,551
33,479	42,277	6,644	14,317	11,339

83	75	36	18	52
12,831	12,696	5,030	2,951	7,078
7,291	6,645	3,066	925	4,237
\$ 1,868,549	\$ 1,730,345	\$ 805,410	\$ 290,431	\$920,128

238	300	167	60	197
156	153	33	0	0
53	57	36	21	30
30	18	2	0	0
8,937	9,864	5,393	1,527	4444
3,894	2,832	535	-	0

Travel Trade/Sales

Leisure Trade Shows

a. Number of trade shows attended

b. Number of Coop shows

4	3	4
9	3	3

Number of Sales Missions (call center trainings)

a. Domestic

b. International

8	0	11
14	0	22

Leisure Familiarization Tours (FAMs)

Number of Site Inspections

6	14	12
42	47	49

Number of Wholesale Brochure Placements

a. Domestic

b. International

29	30	31
34	41	43

North Shore Cooperative Creative Overview

Mission: Our mission was to develop a campaign which is an evolution of the Pure Experiences brand and further establishes the unique identity we have created for North Lake Tahoe. This identity is not constrained by borders and applies to Incline Village/Crystal Bay in the same way it applies to the rest of North Shore. In addition to creating an umbrella campaign, we have created an execution within that campaign which promotes the various areas or "neighborhoods" which make up North Lake Tahoe

Goals: Ultimately, the campaign is meant to set North Shore apart from our competitors, create recognition for our destination, develop individual identities for the "neighborhoods" and encourage the audience to seek information and book a North Lake Tahoe vacation.

Target Audience: The target audience is a psychographic group which we have identified as "Escapists." They are people seeking a way to get away from the stress of today's insane living (congestion, commuting, carpools, career, craziness) and looking to Tahoe for the serenity of its pure, natural setting and diversity of activities. Their demographics break down as follows:

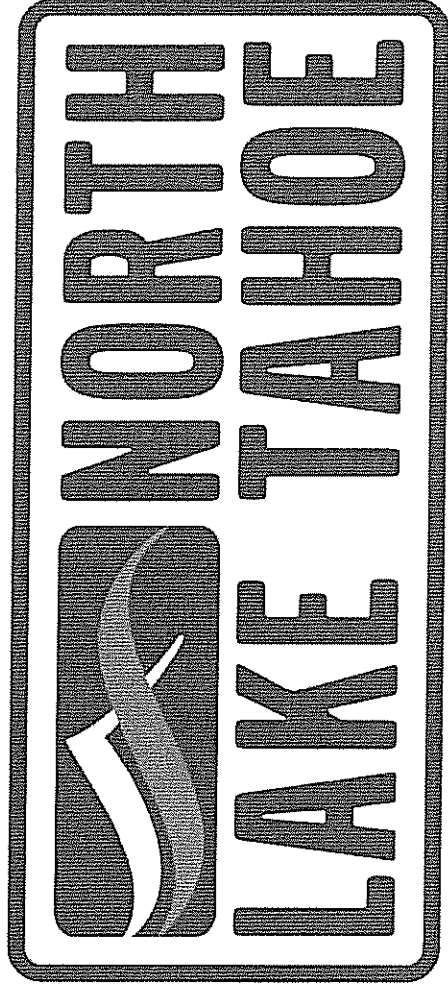
- Age: 34-54
- Married Dual Income
- Kids or No Kids
- Educated
- HHI\$100K+
- Live in high-density area
- Plan on taking a vacation in the US (non Hawaii) in the next 12 months
- Have taken 3+ domestic vacations past year
- Activities on vacation: skiing, backpacking/hiking, general sightseeing, other outdoor recreation

Additional target audiences to be considered are Adventure Travelers who seek adrenaline-filled vacations and Family/Friend Centric vacationers who are looking to get away with family and friends.

Creative Execution: More than just a visual modification, this concept offers a strategic opportunity for the new cooperative alliance. The iconographic "n" – representing North – used in conjunction with the full bleed imagery will become a recognizable brand, differentiating this campaign from the competition. The casual, friendly tone of the copy is inviting and brings the audience into a relationship with North Lake Tahoe. It provides an easy read and entices the audience to garner information about each "neighborhood."

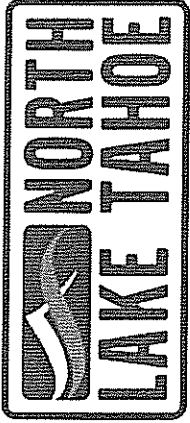
- Exploits the power of imagery
- Communicates a strategy and brand
- Features simple, clean, pure visuals
- Is emotional, unique and recognizable
- Exudes warmth and friendliness

The concept will be worked into print, outdoor, direct marketing, collateral and website applications.



Marketing Resource Guide
July 2008 – June 2009

smith + jones
IN COLLABORATION WITH
ding communications • exl media

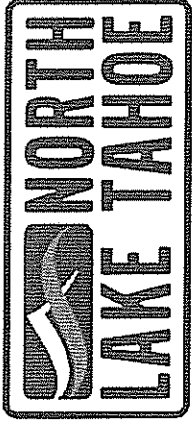


Target Audience

- Adventure & Sports-Minded Travelers
- Family & Friend-Centric Folks
 - Escapists
 - Meeting Planners

smith ⊕ jones

IN COLLABORATION WITH
ding communications • exl media

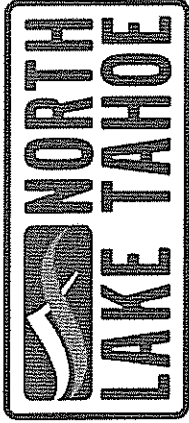


Target Market

- Adults, ages 30-54
- Mostly married dual income
- May/may not have children
 - HHI \$100,000+
- Interests: hiking, shopping/dining, golf, mountain biking, resort activities, skiing/snowboarding
 - Propensity to visit Lake Tahoe

smith  jones

IN COLLABORATION WITH
ding communications • exl media

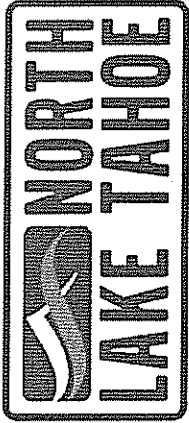


Geographic Market

- Bay Area/drive market
- Southern CA market (LA/Orange counties)
 - Destination market - Western U.S.
 - Conference: Dallas, Chicago, Atlanta

smith ⊕ jones

IN COLLABORATION WITH
ding communications • exl media

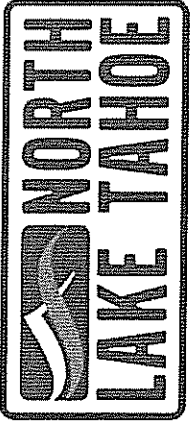


Objectives

- Keep North Lake Tahoe top of mind with target audience.
- Educate potential new visitors/customers to benefits of North Lake Tahoe.
- Drive people to GoTahoeNorth.com for more information.

smith  jones

IN COLLABORATION WITH
ding communications • exl media



Goals

Measurable Goals -

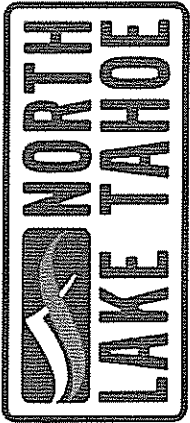
- Increase traffic to GoTahoeNorth.com from target geographic markets of Bay Area and LA.
- Grow both leisure and conference databases.

Difficult to Attribute -

- TOT occupancy
- Sales tax

smith  jones

IN COLLABORATION WITH
ding communications • ext media



Messages

Engage in variety of activities from adventure to relaxation and enjoy a *Pure Experience* in North Lake Tahoe.

Call to Actions:

- Call or go online to book a package to North Lake Tahoe
- Find out more about North Lake Tahoe neighborhoods online
- Go to the website or call toll-free number for more information.
 - Click for Cool Deals for internet marketing.

smith  jones

IN COLLABORATION WITH
ding communications • ext media

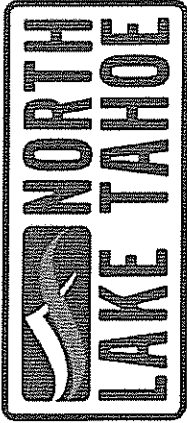


NLT Marketing Coop Revenues

NLTRA	\$ 832,000
IVCBVB	\$ 665,337
Fees & Comm.	<u>\$ 12,000</u>
	\$1,509,655

smith ⊕ jones

IN COLLABORATION WITH
ding communications • exl media



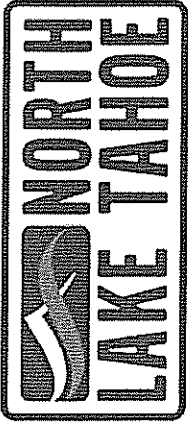
NLT Coop - Total Allocations

- Public Relations: \$89,200 (5.9%)
- Leisure Sales: \$110,750 (7.3%)
- Conference Sales: \$200,000 (13.2%)
 - Consumer: \$785,800 (52.1%)
- Coop/Misc. Programs: \$323,000 (21.4%)
- Misc Supplies/Contingency: \$905 (.05%)

Total: \$1,509,655

smith  jones

IN COLLABORATION WITH
ding communications • exl media



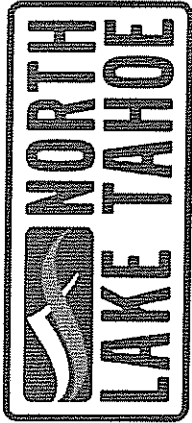
Consumer - Total Allocations

- Media: \$505,900 (64%)
- Direct Response: \$91,000 (12%)
- Website Development: \$66,000 (8%)
- Production/Client Services: \$122,900 (16%)

Total: \$785,800

smith  jones

IN COLLABORATION WITH
ding communications • exl media



Consumer - Media

- Print: \$260,330 (60%)

Drive: \$69,002 Destination: \$156,594 Annual: \$35,934

- Television: \$22,784 (5%)

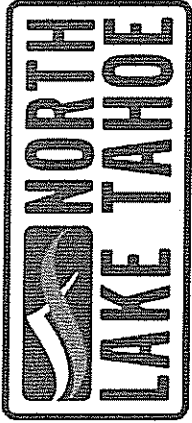
- Outdoor: \$83,492 (15%)

- Internet: \$135,909 (20%)

Total: \$502,515

smith  jones

IN COLLABORATION WITH
ding communications • exl media



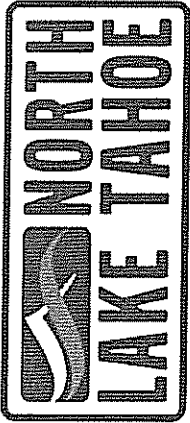
Consumer - Seasonal Media Allocations

- Summer (April - September): \$242,736 (48%)
- Winter (October - March): \$227,230 (45%)
- Annual: \$35,934 (7%)

Total: \$505,900

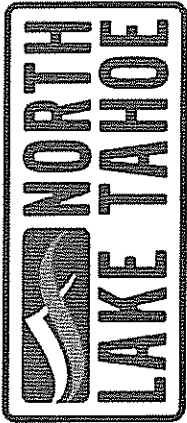
smith ⊕ jones

IN COLLABORATION WITH
ding communications • ext media



Consumer - Media *No CA Market by Season*

- Summer (April - September): \$149,610
- Winter (October - March) \$103,114
- *Total: \$252,724 (50%)*

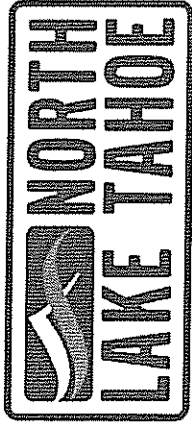


Consumer - Media So CA Market by Season

- Summer (April - September): \$66,371
- Winter (October - March) \$58,681
- Total: \$125,052 (25%)

smith + jones

IN COLLABORATION WITH
ding communications • exl media



Consumer - Media Regional Media by Season

West/CA

- Summer (April - September): \$39,616
 - Winter (October - March) \$51,745
- Total: \$91,361 (18%)**

smith  jones

IN COLLABORATION WITH
ding communications • ext media

12 Month Category review for DRAFT FY 2008/09 Planning
 Revised 7-9-08

Line Item/Description	FY 2008/09 Draft Proposed	Revised FY 07-08 Budget	Variance
Public Relations	\$ 89,200	\$ 99,200	\$ (10,000)
Leisure Sales	\$ 110,750	\$ 124,250	\$ (13,500)
North Tahoe Conference Sales Media	\$ 200,000	\$ 214,750	\$ (14,750)
SUB-TOTAL	\$ 399,950	\$ 438,200	\$ (38,250)
Coop/Misc. Committed Programs			
Sierra Ski Marketing Council	\$ 93,000	\$ 93,000	\$ -
Hotel Travel Index	\$ -	\$ 13,000	\$ (13,000)
Regional Marketing Committee *	\$ 75,000	\$ 100,000	\$ (25,000)
North Tahoe Wedding Association	\$ 90,000	\$ 90,000	\$ -
Photography	\$ 12,000	\$ 15,000	\$ (3,000)
MTRIP Research Project	\$ 15,000	\$ 15,000	\$ -
California Snow Campaign	\$ 28,000	\$ -	\$ 28,000
Fulfillment	\$ 10,000	\$ 10,000	\$ -
SUB-TOTAL	\$ 323,000	\$ 336,000	\$ (13,000)
Consumer Marketing			
Drive Market	\$ 95,171	\$ 117,778	\$ (22,607)
Destination Market	\$ 189,097	\$ 335,223	\$ (146,126)
Outdoor	\$ 83,493	\$ 74,216	\$ 9,277
Internet (Drive and Destination)	\$ 133,139	\$ 150,761	\$ (17,622)
Direct Response	\$ 96,000	\$ 115,692	\$ (19,692)
Website Programs (non advertising)	\$ 66,000	\$ 119,043	\$ (53,043)
Production/Client Services/Promo Planning	\$ 122,900	\$ 111,622	\$ 11,278
Research	\$ -	\$ 29,500	\$ (29,500)
SUB-TOTAL	\$ 785,800	\$ 1,053,835	\$ (268,035)
Misc. Supplies/Contingency			
	\$ 905	\$ 9,133	\$ 8,228
TOTAL	\$ 1,509,655	\$ 1,837,168	
NLTRA Marketing Budget			
NLTRA Carryover Revenue to Marketing Coop	\$ 832,000	\$ 883,168	\$ (51,168)
IVCBVB Projected Marketing Budget	\$ 665,655	\$ 775,000	\$ (109,345)
IVCBVB Carryover Revenue to Marketing Coop	\$ 12,000	\$ 30,000	\$ (18,000)
Fees & Commissions	\$ 1,509,655	\$ 1,837,168	\$ (327,513)
TOTAL	\$ 1,509,655	\$ 1,837,168	

NLT Coop 2008-09 Consumer Advertising Plan

	July	August	September	October	November	December	January	February	March	April	May	June	Variance	Total
July 2008-June 2009														
DRIVE MARKET PRINT														
NCGA Golf (1/2 pg)	\$6,481													\$6,481
7x7 Magazine (Full pg)	\$8,163													\$8,163
San Francisco Magazine (1/2 pg)				\$7,825			\$7,825							\$15,250
Sunset Magazine Northern CA Reno/Tahoe Section (1/3 pg)				\$16,108										\$16,108
Drive Market Print Subtotal	\$12,644	\$0	\$0	\$23,733	\$0	\$0	\$7,825	\$0	\$0	\$0	\$0	\$0	\$0	\$44,002
DESTINATION PRINT														
<i>Southern California</i>														
Los Angeles Magazine (1/2 page)				\$8,450			\$8,450							\$18,900
Newsweek LA Metro Buy (1/2 page)				\$6,705			\$6,705							\$13,410
<i>Regional Print</i>														
Newsweek CA State Buy (Full pg)	\$14,785													\$14,785
National Geographic: The West's Best (1/2 pg)			\$8,174											\$8,174
Outside Magazine: Western Circ. (Full pg & 1/2 pg)	\$11,344				\$11,825		\$11,825							\$34,894
Fairways & Greens (Full pg)			\$5,313											\$5,313
Ski Press Coop (Full pg. 4C, 2-4 partners)				\$15,513			\$2,291							\$4,582
ETTC Insert (1/3 pg)				\$4,000			\$4,000							\$15,513
Women's Adventure Magazine (1/2 pg)				\$24,863			\$34,271							\$7,000
Destination Print Total	\$26,129	\$0	\$13,487	\$24,863	\$21,520	\$2,291	\$34,271	\$0	\$0	\$0	\$0	\$0	\$0	\$122,871
ANNUAL PRINT														
AAA Tourbook								\$6,021						\$6,021
CA Visitors Guide Coop Ad. Full pg. 4C, 8 partners							\$19,375							\$19,375
NV Travel Planner/Mailor Guide Coop Ad. Full pg. 4C, 4 partners				\$8,538										\$8,538
Total Annual	\$0	\$0	\$0	\$8,538	\$0	\$0	\$19,375	\$6,021	\$0	\$0	\$0	\$0	\$0	\$36,934
TELEVISION														
Bay Area Cable TV: Travel, Comedy Cent. HGTV/Discover	\$22,784													\$22,784
Total Television	\$22,784	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,784
BAY AREA OUTDOOR														
Bay Bridge: 12' x 24" Illuminated	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$74,218
Total Outdoor	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$9,277	\$74,218
INTERNET (DRIVE & DESTINATION) - ESTIMATED														
VCB Co-op Search Engine Prog*	\$6,222	\$4,588	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$5,700	\$580	\$51,300
Sigate.com	\$229	\$221	\$225											\$875
OnlyInSanFrancisco.com (SF CVB website)	\$438	\$438	\$438	\$365	\$365	\$365	\$365	\$365	\$365	\$365	\$365	\$365	\$365	\$3,654
Trip Advisor CPC	\$550	\$278		\$2,000	\$2,125	\$2,125								\$7,078
Tribune Network: Traveled Untraveled Newsletter		\$625												\$625
Outsidemag.com email														\$0
Fairways and Greens Email														\$0
Mountain News	\$610	\$610	\$255											\$1,275
Away Network Newsletter Sponsorship (cpc buy)	\$233	\$60	\$200										\$117	\$600
Mailcallifornia.com			td											\$0
Sunset.com		\$1,250	\$1,136		\$1,250	\$1,250								\$5,908
Destination TV (may pull based on performance)*	\$3,684													\$3,684
Google	\$1,514	\$1,493	\$1,500	\$1,000	\$1,000	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	(\$7)	\$13,600
Yahoo	\$668	\$340	\$900	\$500	\$500	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$692	\$6,200
KCED.org Newsletter Sponsorship					\$1,250									\$1,250
OCRegister.com Stand Alone Email Blast							\$750							\$750
Sheekys.com SF Stand Alone Email Blast														\$1,000
Sheekys.com LA Stand Alone Email Blast														\$1,000
LATimes.com Banner Ad Travel Section														\$1,875
Skidzle.com Email Blast to LA Database														\$1,875
Gordon's Guide Custom Mailer Guide														\$1,925
Internet Subtotal	\$15,050	\$9,803	\$10,254	\$7,655	\$11,890	\$12,765	\$13,265	\$11,640	\$9,765	\$0	\$0	\$0	\$1,154	\$102,959

SPRINGEARLY SUMMER MEDIA													
TOTAL MEDIA	\$85,932	\$19,080	\$33,018	\$41,066	\$66,230	\$24,333	\$76,188	\$36,663	\$19,042	\$100,000	\$100,000	\$1,154	\$502,606
DIRECT RESPONSE													
Direct Mail Newsletter (55k-65k to Western States DB)	\$32,396												
Bay Area Direct Mail Postcard Q1 11,500	\$9,073					\$26,500							\$58,896
Email Program Improvement			\$3,000										\$9,073
Email Blasts - Existing Database	\$1,867		\$2,000		\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$6,000
Direct Response Subtotal	\$43,436	\$0	\$5,000	\$0	\$2,000	\$28,500	\$2,000	\$5,000	\$2,000	\$0	\$2,000	\$0	\$91,936
ADDTL WEBSITE PROGRAMS													
Monthly Maintenance	\$3,992	\$4,007	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$47,999
Search Engine Optimization	\$1,315	\$1,361	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$17,676
Advtl Website Subtotal	\$5,307	\$5,368	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$66,675
PRODUCTION													
Creative Development for Phase II Campaign			\$3,700										\$3,700
Summer Television Production	\$22,936												\$22,936
Billboard Production	\$1,474				\$1,500		\$1,500			\$1,500			\$5,974
Visitjaketahoe.com Production					\$3,500								\$3,500
Design/Resizes/Special Services	\$2,902	\$3,357	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$36,259
Internet Banners/Buttons/Email Copy/ Production	\$1,405	\$1,671	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,076
Website Live Chat Monthly Service													\$0
Production Subtotal	\$28,717	\$6,028	\$8,200	\$4,500	\$6,000	\$8,000	\$6,000	\$4,500	\$4,500	\$4,500	\$6,000	\$4,500	\$90,445
MISCELLANEOUS													
Client Service	\$2,103	\$2,182	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$2,100	\$25,285
Special Projects	\$1,025		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,025
Miscellaneous Subtotal	\$3,128	\$2,182	\$3,100	\$2,100	\$3,100	\$2,100	\$3,100	\$2,100	\$3,100	\$2,100	\$3,100	\$2,100	\$31,310
NON-MEDIA TOTAL	\$80,568	\$12,578	\$21,800	\$12,100	\$16,600	\$44,100	\$16,600	\$17,100	\$15,100	\$12,100	\$16,600	\$14,100	\$279,366
COOPERATIVE PROGRAMS													
Sierra Ski Marketing Council						\$93,000							\$93,000
Regional Marketing Committee												\$75,000	\$75,000
North Tahoe Wedding & Honeymoon Association												\$90,000	\$90,000
MTRIP												\$15,000	\$15,000
Photo Shoot	\$3,414	\$5,000	\$3,586			\$28,000							\$12,000
CA Snow Campaign													\$28,000
Fulfillment													\$10,000
Cooperative Programs Subtotal	\$3,414	\$5,000	\$3,586	\$0	\$0	\$121,000	\$0	\$0	\$0	\$0	\$0	\$190,000	\$323,000
GRAND TOTAL	\$169,934	\$36,658	\$58,404	\$53,166	\$82,830	\$189,433	\$92,788	\$53,663	\$34,142	\$112,100	\$16,600	\$204,100	\$1,104,972

NLT Coop 2008-09 Conference Plan

July 2008 - June 2009	July	August	September	October	November	December	January	February	March	April	May	June	Variance	BUDGET
REGIONAL CO-OP														
Reno-Tahoe Meetings Co-op	\$50,000													\$50,000
Successful Meetings 32-page insert, 3-pages Added Value: Meeting News (3 ad pages), banner ad and electronic insert on www.mimegasite.com	x			x										
The Meeting Professional 32-page insert, 3-pages	x													
The Meeting Professional 3 full-page ads Added Value: Banner ad and electronic version of insert on www.mplweb.org	x						x							
Representative at joint trade show efforts - 3 TBD for 08 + Jan 09							x							
Meeting & Convention Planning Kit, 4 pages														
RFP responses generated from website														
Miscellaneous Subtotal	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$50,000
TOP OF MIND AWARENESS ADVERTISING														
TOP OF MIND REGIONAL PRINT PARTNER														
Meetings West, FP 4C (total \$6,360)							\$3,180			\$3,180				\$10,074
Meetings West, Postcard Insert, No Cal Circ (total \$4,756)		\$2,378					Northern CA			Lake Tahoe		Annual Guide		\$2,378
Meetings West Insert Production (\$3200 per piece)		\$1,600												\$1,600
Smart Meetings Magazine FP 4C (total \$5,738)								\$2,869						\$2,869
Smart Meetings Postcard Insert Full Circ (total \$5,206)	\$2,603							Lake Tahoe						\$2,603
Smart Meetings Insert Production (\$3300 per piece)	\$1,650													\$1,650
CSAE Newsletter														\$2,158
NCCMPI Directory				\$2,062								membership drive		\$2,062
annual directory														\$2,062
Top of Mind Awareness Advertising Subtotal	\$4,253	\$0	\$3,978	\$2,062	\$0	\$0	\$3,180	\$2,869	\$3,158	\$3,180	\$0	\$3,714		\$25,384
SALES EFFORT ADVERTISING SUPPORT														
TARGET MARKET ADVERTISING														
Chicago Road Show/Trade Shows														
Forum of Chicagoland, 1/2 P 4C, 2 Insertion														\$6,658
Direct Mail List: 3,700 members			\$2,986			\$3,872								\$1,344
E-newsletter sponsorship (9/08)			\$1,344											\$1,250
Chicago Tradeshow marketing production			\$4,800			\$1,500								\$6,300
Sales Effort Advertising Subtotal	\$0	\$0	\$9,730	\$0	\$0	\$6,622	\$0	\$0	\$0	\$0	\$0	\$0		\$15,752

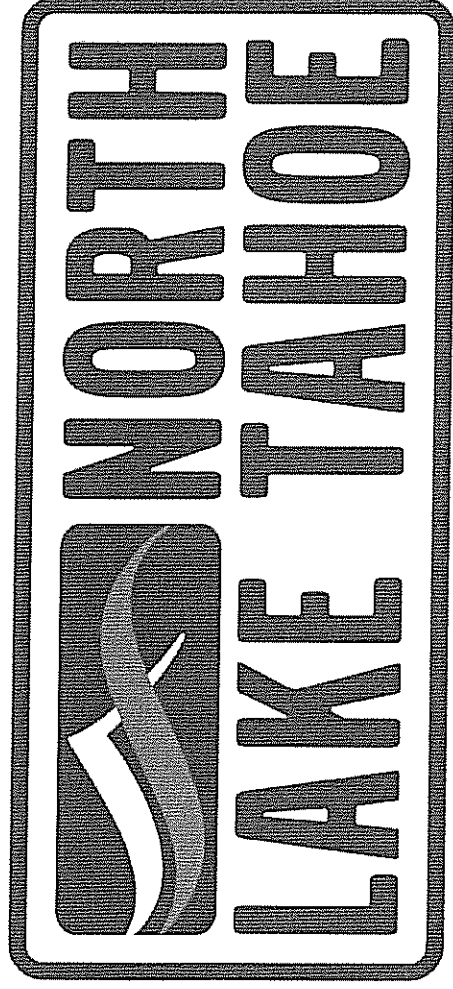
DATABASE BUILDING/RELATIONSHIP MANAGEMENT														
CONTESTING/DATABASE BUILDING														
E-Prodirect Email Blast											\$3,500			
CalSAE Member List: Email Blast											\$375			
conventionplanil.com Stand Alone E-Newsletter											\$5,881			
Meetings Mart: E-newsletter featured supplier											\$1,500			
Email Blast Production											\$3,000			
Contest Giveaways											\$1,000			
											\$0			
EXISTING DATABASE CORRESPONDENCE														
BI-annual DB Direct Mail Nwlr (total cost \$15,000)											\$17,000			
Special Offer Campaign Postcard (total cost \$14,200, incl overrun for CalSAE & NCCMPI)											\$6,700			
CalSAE Member List:											\$188			
NCCMPI Member List:											\$157			
Database Email Blasts											\$4,500			
Database Building/Relationship Mgt Subtotal						\$9,000					\$43,801			
INTERNET PROGRAMS														
Website Upgrades, Video Posting, Maintenance											\$1,500			
Meetingsfocus.com (annual listing)											\$1,589			
Meetingsfocus.com TV (online video)											\$2,656			
Smartmeetings.com (annual profile)											\$0			
Smartmeetings.com (newsletter sponsorship)											\$1,219			
Business.com Pay-per-click											\$375			
MeetingMart (annual listing)											\$951			
MeetingMart E-Newsletter (destination spotlight)											\$625			
ConventionPlanil.com (annual listing)											\$2,244			
ConventionPlanil.com Divine Deal (NLT Hol Deals)											\$1,000			
Internet Programs Subtotal						\$500					\$7,159			
PRODUCTION														
Design/Resizes/Special Services											\$8,400			
Internet Banners/Buttons/Email Copy											\$3,000			
Production Subtotal											\$11,400			
MISCELLANEOUS														
Client Service/Special Projects/Reporting											\$11,400			
Miscellaneous Subtotal											\$11,400			
ANTICIPATED PARTNER PRODUCTION CONTRIBUTION														
CONTINGENCY														
Grand Total Advertising	\$23,218	\$2,650	\$16,258	\$9,587	\$2,775	\$8,272	\$16,330	\$6,238	\$15,853	\$11,711	\$1,650	\$5,364	\$0	\$168,706

NLT Coop 2008-09 Leisure Sales Plan

Leisure Sales	July	August	September	October	November	December	January	February	March	April	May	June	Totals
2008-09 Draft Budget													
DOMESTIC - MARKETING													
Trade Shows - Domestic Misc. Costs				500	500								1000
Travel Agent and Product Launches (markets TBD)													0
Sales calls													0
giveaways													0
additional opps													0
Farms domestic			1500	2500		1000						1000	2000
Call Center Training													4000
Travelocity/WCT Call center Training													0
SUB TOTAL TRADE SHOWS MISC	\$ -	\$ -	\$ 1,500	\$ 3,000	\$ 500	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 7,000
Trade Shows - Domestic				1500									1500
Trade Shows - Domestic SSMC - Shipping									1500				1500
HSVC - Trade Shows		650					200	200			200		1250
Trade Shows - Domestic Chicago Ski & Snowboard													0
Trade Shows - Ski Club													0
Ski Tops													0
LA Ski Dazzle													0
SUB-TOTAL DOMESTIC TRADE SHOWS	\$ -	\$ 650	\$ -	\$ 1,500	\$ -	\$ -	\$ 200	\$ 200	\$ 1,500	\$ -	\$ -	\$ 200	\$ 4,250
INTERNATIONAL MARKETING													
Farm Trips						1000	1000	1000				1000	4000
Advertising DER Tour													0
CA Snow German Promotion		4000											4000
Meiers Welt Reisen													0
SKIMAX/Quantas Coop													4000
Additional Opportunities		1000											1000
SUB-TOTAL INTERNATIONAL ADVERTISING	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ 9,000
POW WOW													
Australian Sales Mission												5000	5000
California Travel Market		4000											4000
Mountain Travel Symposium (MTS)										3500			3500
ITB - Berlin International Trade Show													0
German Sales Calls													0
UK Daily Mail/Sales Calls													0
UK Sales Calls					7000								7000
Mexico CVA Sales Mission													0
Mexico Sales Calls													0
State of CA Int'l Co-op													0
Germany/MSI													0
UK/Black Diamond	8750			8750							8750		36,000
Mexico													0
Australia	6250			6250							6250		25000
Ski Lake Tahoe International Program				10000									10000
TOTAL INTERNATIONAL TRADE SHOWS/PROGRAMS	\$ 15,000	\$ 4,000	\$ -	\$ 25,000	\$ 7,000	\$ -	\$ 15,000	\$ -	\$ -	\$ 18,500	\$ 5,000	\$ -	\$ 90,500
TOTALS	\$ 20,000	\$ 4,650	\$ 1,600	\$ 29,600	\$ 7,500	\$ 2,000	\$ 16,200	\$ 1,200	\$ 1,500	\$ 18,500	\$ 5,200	\$ 2,000	\$ 110,750

NLT Coop 2008-09 Public Relations Plan

PR Programs	July	August	September	October	November	December	January	February	March	April	May	June	Total
Agency Fees	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,866	\$ 3,870	\$ 3,870	\$ 46,400
Press Fams	\$ 500			\$ 500			\$ 500			\$ 500			\$ 2,000
Business Wire			\$ 375			\$ 375							\$ 750
Burrelle's	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 6,000
Winter Press Kit				\$ 2,000									\$ 2,000
Summer Press Kit											\$ 2,000		\$ 2,000
Fed-Ex Postage	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
NASJA - Oakland				\$ -									\$ -
Ski Writer Invite				\$300									\$ 300
Video News Releases	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,000		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000		\$ 2,000	\$ 19,000
Golf Media Tour												\$ 5,000	\$ 5,000
CTTC Media Blitz - NY													\$ -
Pow Wow Media Fam													\$ -
Summer Media Invite													\$ -
B-Roll													\$ -
Media/Gift Drop	\$ 25			\$ 25			\$ 25			\$ 25			\$ 100
AFW Media Invite (Fall)			\$ 250										\$ 250
Meetings PR Plan	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 4,200
Program Total	\$ 3,475	\$ 2,950	\$ 3,575	\$ 4,775	\$ 950	\$ 3,325	\$ 3,475	\$ 2,950	\$ 2,950	\$ 3,475	\$ 2,950	\$ 7,950	\$ 42,800
TOTAL W/AGENCY FEE	\$ 7,341	\$ 6,816	\$ 7,441	\$ 8,641	\$ 4,816	\$ 7,191	\$ 7,341	\$ 6,816	\$ 6,816	\$ 7,341	\$ 6,820	\$ 11,820	\$ 89,200



smith ⊕ jones

IN COLLABORATION WITH
ding communications ⊕ exl media

n

n is for north

North Lake Tahoe's 10 courses cover the spectrum, from classic links play to lakerview masterpieces, either set against Tahoe's spiraling peaks or nestled among the pines.

GoTahoeNorth.com/ncca
800.Tahoe4U

Lake Tahoe awarded the #1 U.S. destination by TripAdvisor

PURE EXPERIENCES

466_6855 NCGA

Smith + Jones, Inc. 06/09/08 gG

CMYK, 7 x 5" Half- Page, PDF-X1a

NCGA Golf

½ page, Quarterly, July Insertion

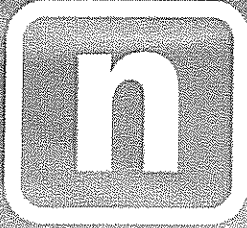
Circulation: 180,000

Demographics: 54 Average Age

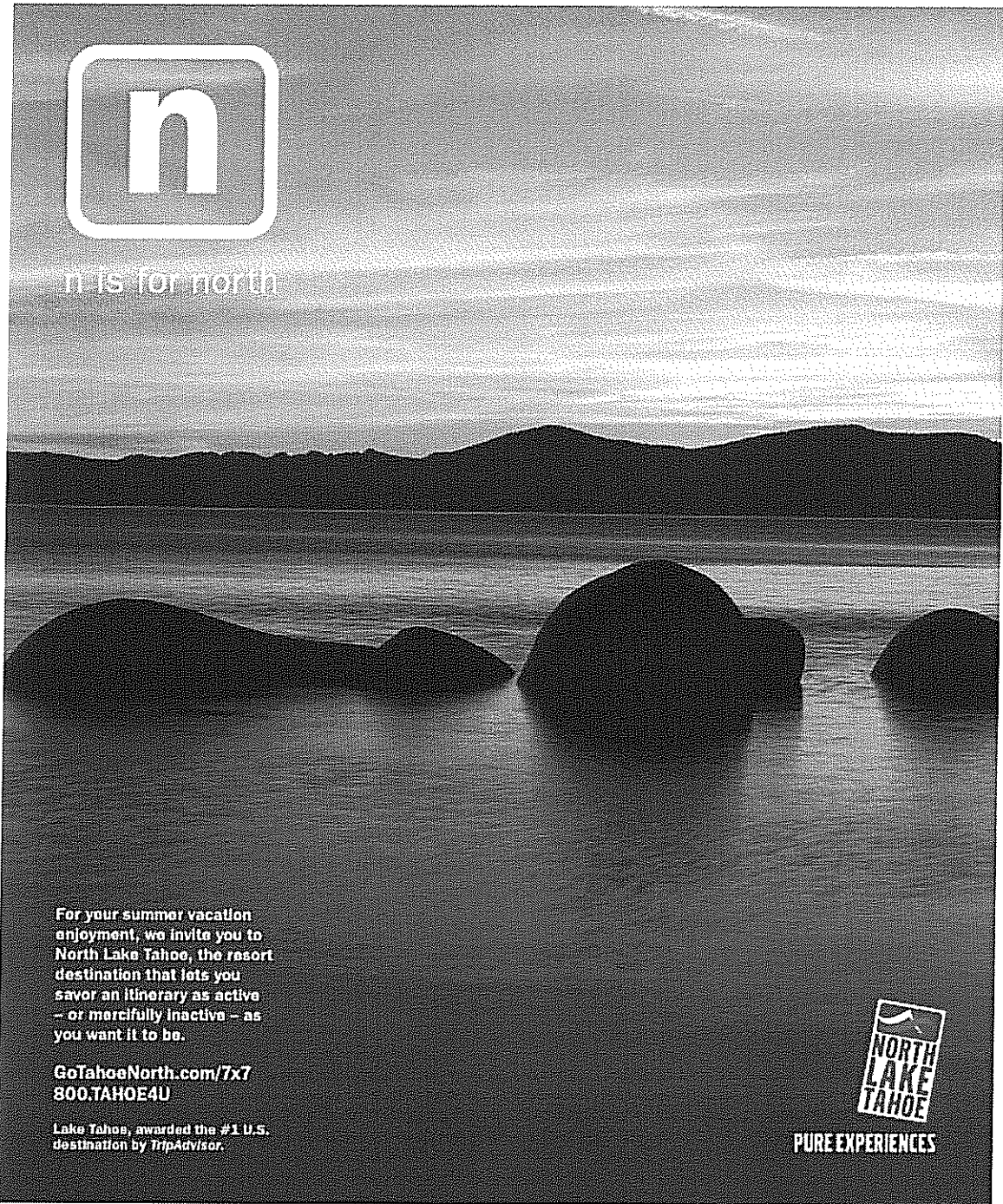
\$173,800 Average HHI

97% Took a golf trip in the past year

51% Took 5+ golf trips in the past year



n is for north



For your summer vacation enjoyment, we invite you to North Lake Tahoe, the resort destination that lets you savor an itinerary as active – or mercifully inactive – as you want it to be.

GoTahoeNorth.com/7x7
800.TAHOE4U

Lake Tahoe, awarded the #1 U.S. destination by *TripAdvisor*.



PURE EXPERIENCES

7x7 Magazine

Full page, July Insertion

Circulation: 48,000

Demographics: 62% Female

73% Age 25-44

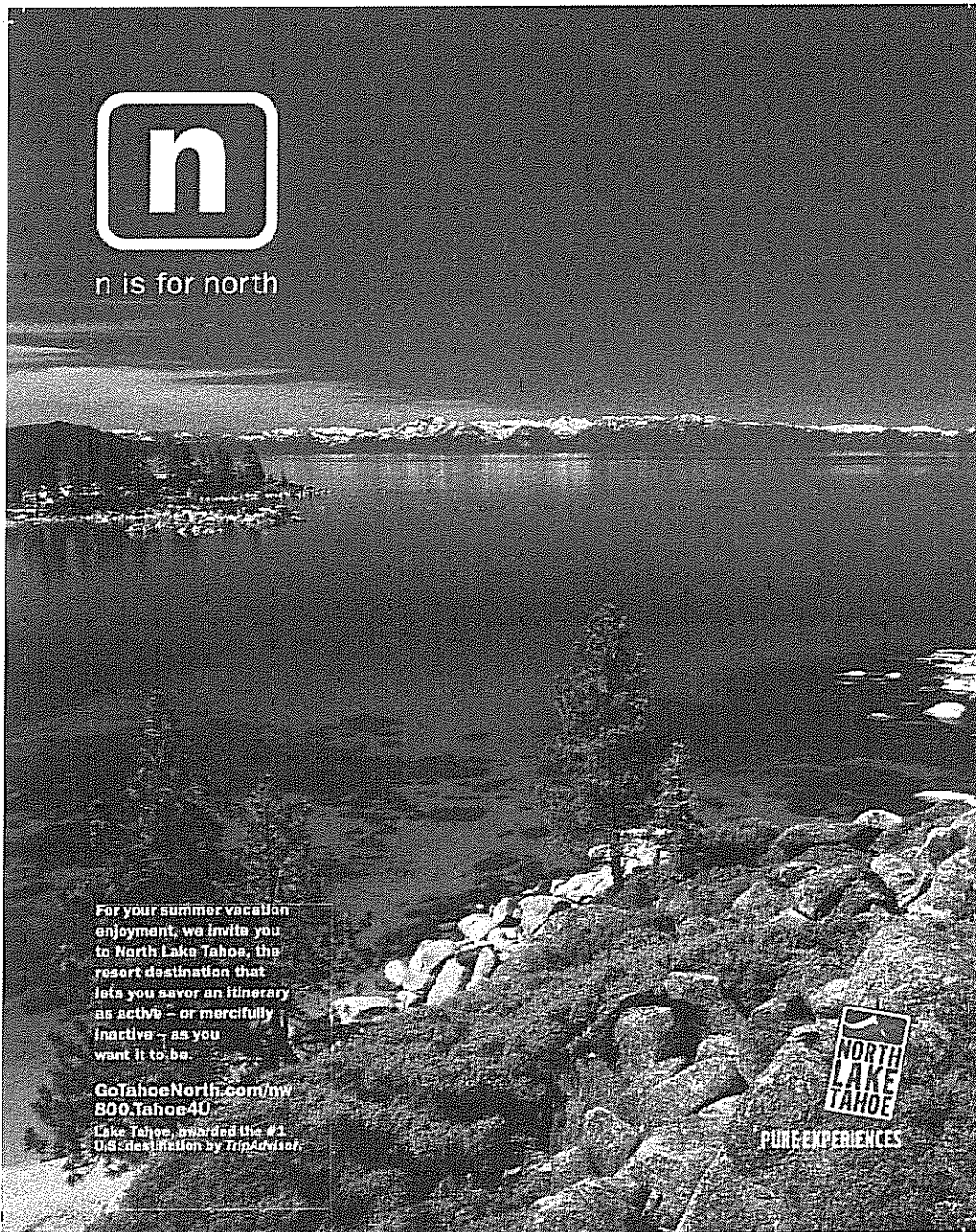
40% Married

49% HHI \$100,000+

23% Visited Lake Tahoe in the past year



n is for north



For your summer vacation enjoyment, we invite you to North Lake Tahoe, the resort destination that lets you savor an itinerary as active – or mercifully inactive – as you want it to be.

GoTahoeNorth.com/nw
800.Tahoe4U

Lake Tahoe, awarded the #1 U.S. destination by TripAdvisor



PURE EXPERIENCES

446_6856 Newsweek Ad
Smith + Jones, Inc. 06/09/08 gG
CMYK, Full Bleed, 7.875 x 10.5 Trim, PDF -X1A

Newsweek, CA State Buy
Full page, June 30 Insertion
Circulation: 354,000
Demographics: 51% Male
49% Female
48.5% Ages 35-54
41.3% HHI \$100,000+



n is for north

For your summer vacation enjoyment, we invite you to North Lake Tahoe, the resort destination that lets you savor an itinerary as active – or mercifully inactive – as you want it to be.

It's friendly here, too. People. A remarkable summer.

GoTahoeNorth.com or call 800.TAHOE.4U



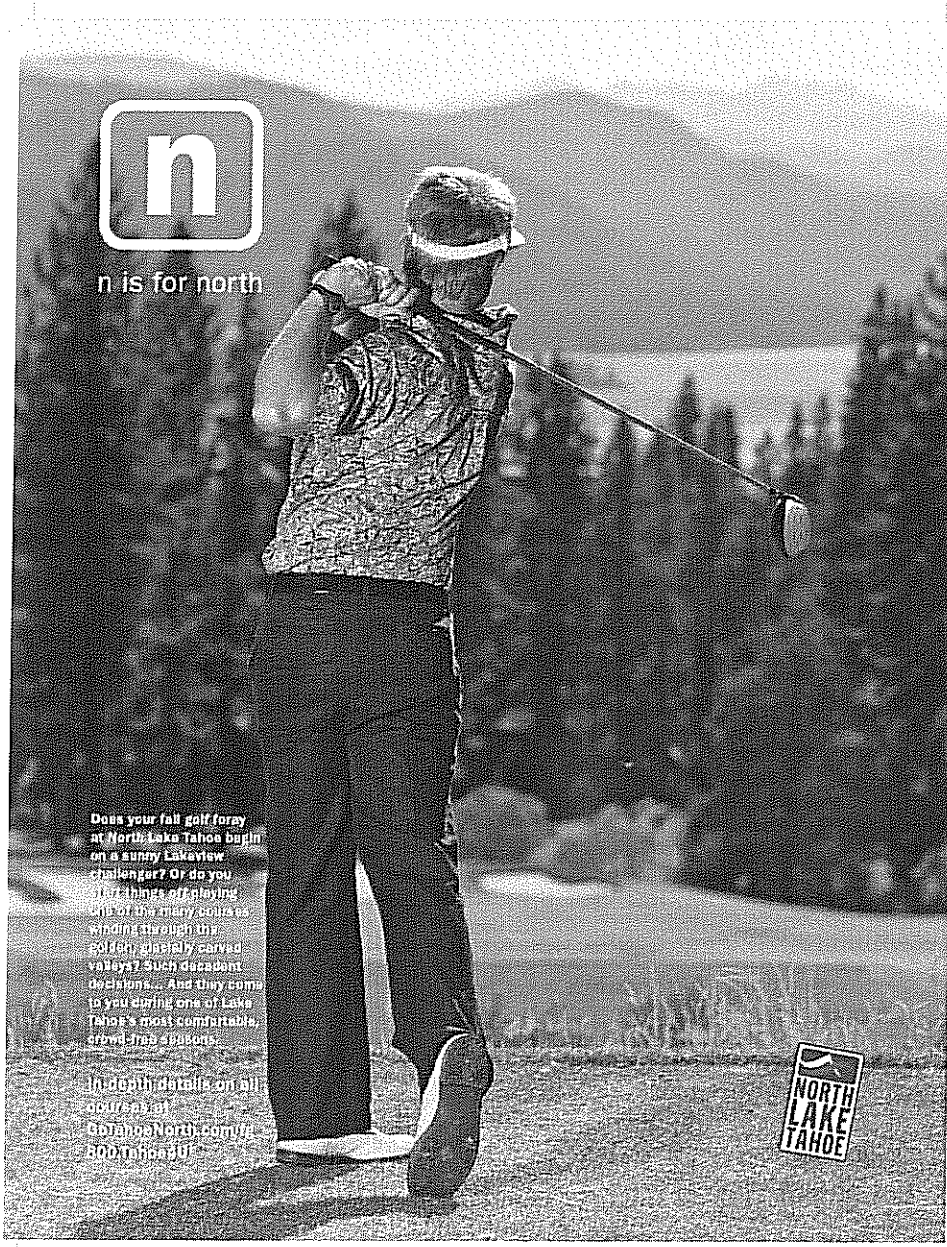
PURE EXPERIENCES

Outside Magazine

Full page, July Insertion

Circulation: 215,000 (33% of national circulation)
43% is distributed in CA

Demographics: 65% Male
58% Ages 30-54
Average Age 41
55% Married
33% HHI \$100,000+, Average HHI \$142,369
15% Visited California in the past 12 months



n is for north

Does your fall golf form
 at North Lake Tahoe begin
 on a sunny Lakeview
 challenge? Or do you
 start here off playing
 one of the many courses
 winding through the
 golden, closely carved
 valleys? Such dependant
 decisions... And they come
 to you during one of Lake
 Tahoe's most comfortable
 crowd-free seasons.

In depth details on all
 courses at
GolfingNorth.com
 800.766.8801



446_6881 NLT Co-op Fairways and Greens
 Smith + Jones, Inc. 07/11/03 gG
 CMYK, Full Bleed, 8.375 x 10.875 Trim

Fairways & Greens

Full page, Bi-monthly, September Insertion

Circulation: 100,000 (5,000 paid) California, Nevada, Oregon, Utah (St. George), Arizona, Idaho, Washington and Oregon

Demographics: 89% Male

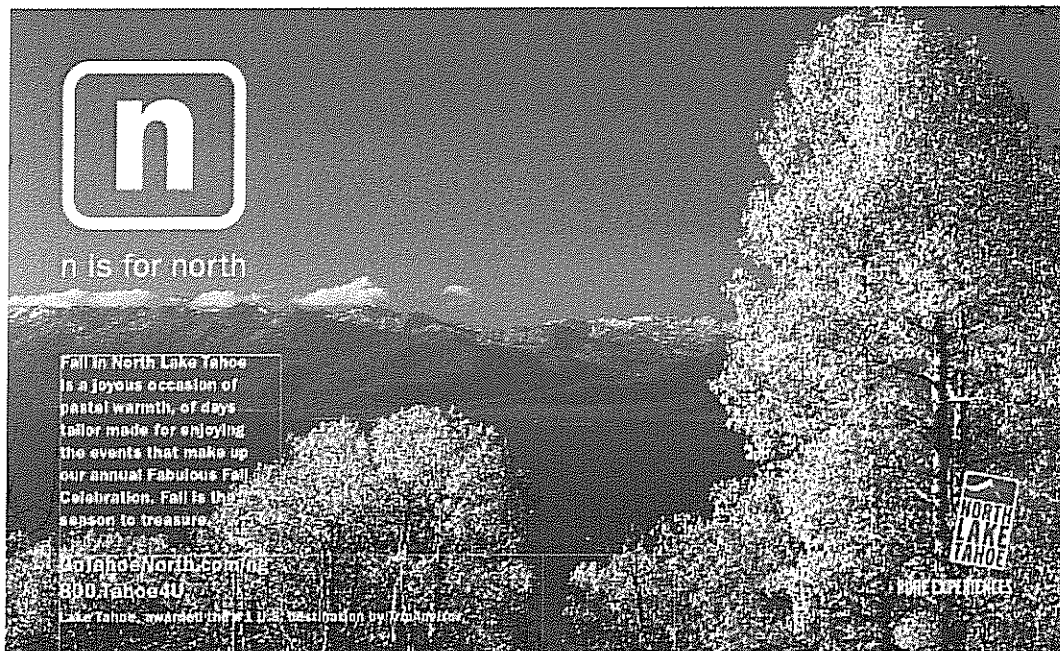
11% Female

50% Age 35-54

30% Age 55+

43% HHI \$100,000+

67% Travel regionally when taking golf vacations



National Geographic Traveler

½ page, 6x per year, September Insertion

West Circulation: 125,000 (64% in California)

National Circulation: 719,556 (100% paid)

Distribution: California, Washington, Oregon, Arizona, New Mexico

Demographics: 53% Male

51% Ages 30-54

42 Median Age

58% Married

29% HHI \$100,000+

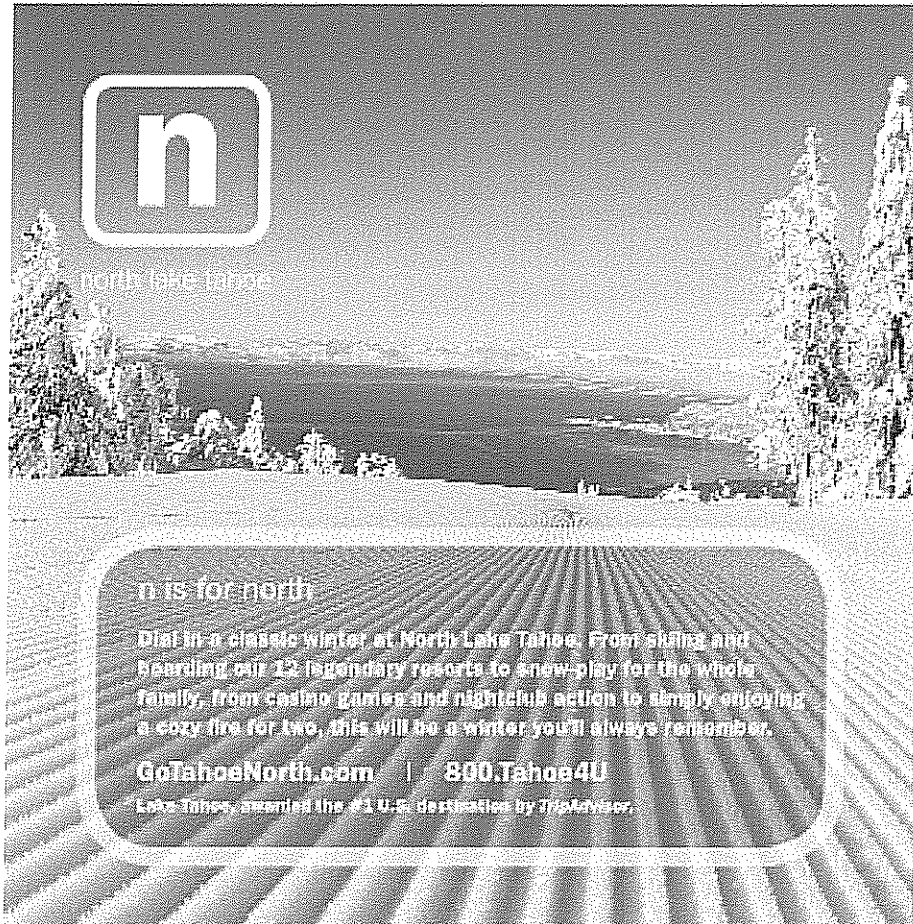
\$77,212 Average HHI

28% Took 3+ domestic trips per year

12% Visited California in the past 12 months

14% Go to the beach on a trip

21% Do general sightseeing on a trip



466_6882 CTTC

Smith + Jones, Inc. 07/17/08 gG

CMYK, 4.75 x 4.812

CTTC Insert,

1/3 page

Insert goes into:

Travel & Leisure October issue (150,000)

National Geographic Traveler October issue (450,000)

Food & Wine November issue (350,000)

Vancouver Sun Newspaper October 11th issue (215,000)

n
north lake tahoe

n is for north

North Lake Tahoe is where snow spends its winter vacation. Snow covers our 12 legendary resorts in blankets of deep powder and makes the 7-Mountain Interchangeable Lift Ticket an indispensable blessing. Best yet, our snow and Lake Tahoe's righteous blue waters are a simple non-stop away.

GoTahoeNorth.com | 800.Tahoe4U

Lake Tahoe, awarded the #1 U.S. destination by TripAdvisor.

466_6896 Los Angeles Magazine
 Smith + Jones, Inc. 08/21/08 gG
 CMYK, 6.75 x 4.625 Half-page Horizontal, PDFX-1a

Los Angeles Magazine
 ½ page, October Insertion
 Circulation: 155,709 (100% paid)
 Demographics: 46% Male
 23% Ages 35-44
 24% Ages 45-54
 39% Ages 55+
 \$212,600 Average HHI



n is for north

It's the North in North Lake Tahoe. This is the top half of Lake Tahoe where every season becomes a playground of a different color. Sandy beaches to snowy reaches, uptown to ski town, Golden State to Silver State, North Lake Tahoe is 180 degrees of discovery.

180 degrees of discovery
— what's that? Good question...

GoTahoeNorth.com/nvg
800.TAHOE4U



PURE EXPERIENCES

FEATURED PARTNERS

Pumpjack Squaw Valley Inn
800.323.NOOM PumpjackSquawValleyInn.com
5th-floor ballroom hotel at the base of Squaw Valley Award-Winning Restaurants & Wine List. Inclusive Gourmet Breakfast Buffet. Complimentary High-Speed Wireless Internet. Pool. Spa area.

Incline Village General Improvement District
877.00.VIEWS TourTahoePlace.com
North Lake Tahoe's year-round recreation facilities: 2 golf courses, spa, resorts, tennis, wedding/meeting facilities.

Hyatt Regency Lake Tahoe Resort, Spa and Casino
800.510.0589 LakeTahoe.Hyatt.com
Classic Tahoe Style. Experience all that lakefront luxury and world-class amenities, minutes from pat and sking.

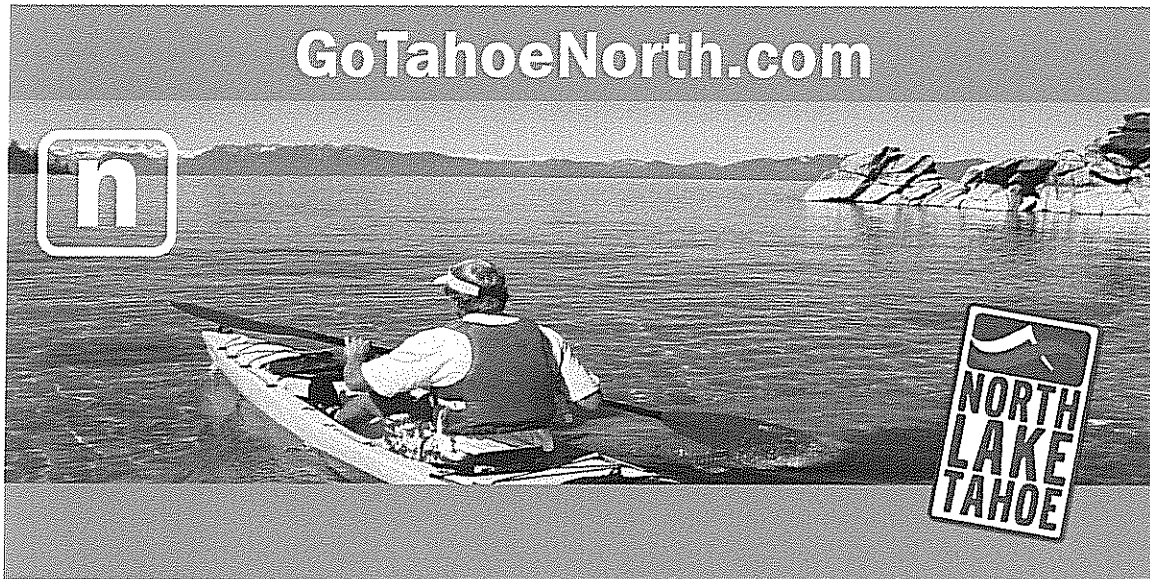
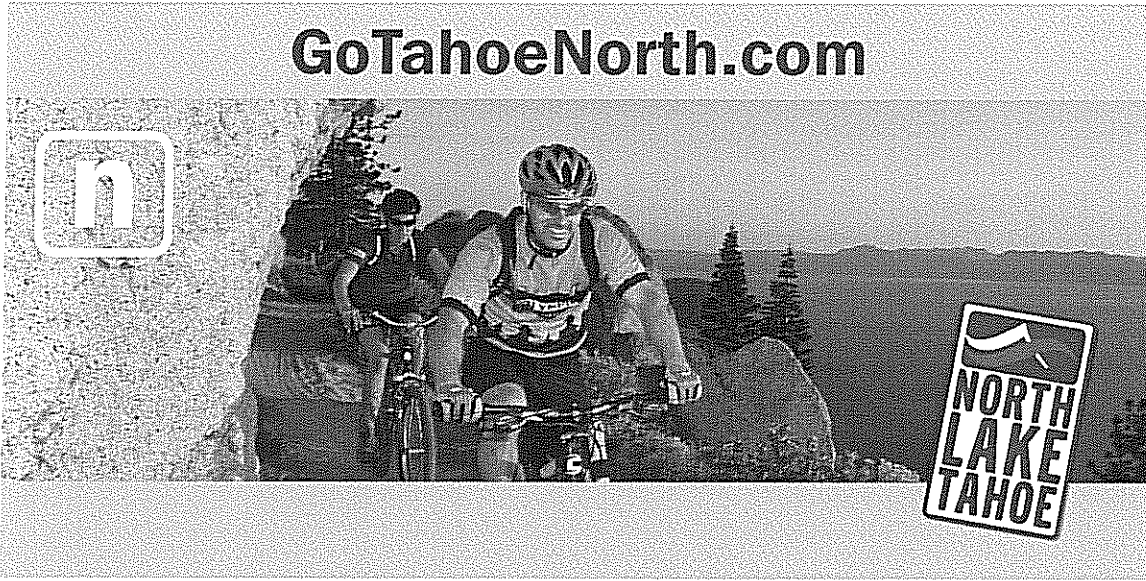
North Lake Tahoe Express Airport Shuttle
888.216.8222 NorthLakeTahoeExpress.com
North Lake Tahoe and Incline Village have scheduled, year-round, reasonably priced airport service to/from Reno Tahoe International Airport. Three routes run from 4:30am - 12midnight.

Nevada Travel Planner
Full page, Annual

Circulation: 625,000

Distribution: NV Visitor Guide (550,000) - mailed nationally and internationally to consumers requesting information on visiting Nevada. It is also handed out by the NV Commission on Tourism regionally and at numerous trade shows.

NV Travel Planner (75,000) - 46,004 are direct mailed with Travel Agent Magazine and 13,200 are direct mailed with Canadian Travel Press Magazine, both to qualified agents.



PREMIERE PANEL

Location: I-80 east of 6th Street, West Facing, Left Read
West of the Bay Bridge (current location)
Size: 12' x 24' Illuminated
Months: June-September
Monthly Impressions: 4.6 Million

n

north lake tahoe

n is for north

Planning a North Lake Tahoe meeting is uncomplicated.
Here's how we make your job enjoyable:

- Professional, one-stop planning resource at no charge to you
- Short travel time from anywhere in California
- 7,000 hotel rooms & condos • 200,000 sq. ft. of meeting space
- Express shuttle from Reno/Tahoe International

GoTahoeNorth.com/nc | 800.462.5196

Lake Tahoe, awarded the #1 U.S. destination by TripAdvisor

466_6867 MCCMPPI
Smith + Jones, Inc. 07/22/08 gG4
CMYK, 7 x 4.583"

NCCMPI
½ page, Annual
Circulation: 1,000 (50% planner/50% supplier)
The official publication of the Northern California Chapter of Meetings Professional International.

n
north lake tahoe

n is for north

Planning a North Lake Tahoe meeting is uncomplicated. Here's how we make your job enjoyable:

- Professional, one-stop planning resource at no charge to you
- Multiple non-stop flights between Chicago and Reno/Tahoe Intl. Airport
- 7,000 hotel rooms & condos • 200,000 sq. ft. of meeting space
- Express shuttle from Reno/Tahoe International
- Diverse team-building activities • Unique off-site event options

GoTahoeNorth.com/chi | 800.462.5196

Lake Tahoe, awarded the #1 U.S. Destination by TripAdvisor

Forum of Chicagoland

½ page, September Insertion

Circulation: Regular Issues – 4,100 (distributed to 3,700 members)

Demographics:

93% of members are responsible for or assist in meeting site selection

79% of members are responsible for site selected

Job Title


62% Management Level

Job description:

39.9% Admin/Finance/HR, 21.7% Meetings/Education, 21.4% Membership Development/Services, 20.1% Communication/Marketing/Public Relations
11.5% Technology

Association Types

69% Professional (Individual Membership Groups), 36% Medical Associations, 16% Trade (Corporate Membership Groups), 6% Association Management Companies, 9% Philanthropic/Charitable, 5% Other




n is for north

N also happens to be the lead letter in "Now, let's get down to business." Here's how North Lake Tahoe VCB works for your business:

- One-stop planning resource for all your meeting needs
- 7,000 hotel rooms & condos
- 200,000 sq. ft. of meeting space
- 30 distinct meeting sites
- Reno/Tahoe Intl. Airport is served by every major carrier
- Express shuttle from airport

Learn more about the business end of North Lake Tahoe.

GoTahoeNorth.com
800.462.6198



PURE EXPERIENCES



FEATURED PARTNERS



Granlibakken Conference Center
877.552.6304 Granlibakken.com
 The expanded Executive Lodge opened in June, 2007, with 194 new conference rooms, bringing the conference space to 16,000 sq. ft. The all-inclusive meeting package, from \$186/person, includes lodging, breakfast, lunch, snacks, meeting space and more. Minutes from Tahoe City and the Lake.



Hyatt Regency Lake Tahoe Resort Spa and Casino
800.510.4291 LakeTahoe.Hyatt.com
 Experience ultimate relaxation at the Hyatt Regency Lake Tahoe. World-class amenities include 80,000 sq. ft. of indoor/outdoor function space, Silverwater Spa, 24-hour casino, 4 restaurants (one on the Lake), heated luxury style pool and private beach, minutes to golf and skiing.



PURE EXPERIENCES

Smart Meetings Postcard Insert

July Insertion

Circulation: 31,500 (BPA, 100% qualified, non-paid)

Demographics:

By Market Segment:

78.5% Corporate Planner, 18.4% Association Planner, 3.1% Other

Title:

17.5% Meeting Planner, 22% Chairman/CEO/President, 21% Executive VP/Director, 11.9% Office Personnel/Other Manager, 11.6% Marketing/Sales Manager, 11.4% Others allied to the field, 2.9% Convention/Conference Center, 1.7% Training/Education Manager

n
north lake tahoe

n also happens to be the lead letter in "Now, let's get down to business."
Here's how North Lake Tahoe VCR works for your business:

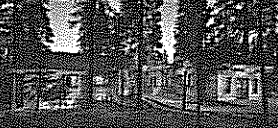
- No-cost, one-stop-planning resource for all your meeting needs
- 7,000 hotel rooms & suites • 200,000 sq. ft. of meeting space • 30 distinct meeting sites
- Reno/Tahoe Intl. Airport is served by every major carrier • Express shuttle from airport

Learn more about the business end of North Lake Tahoe.
GoTahoeNorth.com | 800.482.5198

Lake Tahoe now has the #1 U.S. destination by TripAdvisor


n
north lake tahoe

FEATURED PARTNERS



Granlibakken Conference Center
877.552.6304 Granlibakken.com

The expanded Executive Lodge opened in June, 2007, with two new conference rooms, bringing the conference space to 18,000 sq. ft. The all-inclusive meeting package, from \$155/person, includes lodging, three meals per day, cocktails, meeting space and more. Minutes from Tahoe City and the Lake.



Hyatt Regency Lake Tahoe Resort Spa and Casino
800.510.4891 LakeTahoe.hyatt.com

Experience ultimate lakeside luxury at the Hyatt Regency Lake Tahoe. World-class amenities include 50,000 sq. ft. of indoor/outdoor function space, Stillwater Spa, 24-hour casino, 4 restaurants (one on the Lake), heated lagoon style pool and private beach. Minutes to golf and skiing.

Meetings West Postcard Insert

September Insertion

Circulation: 31,025 (BPA, 100% qualified, non-paid)

Demographics: Type:

57.8% Corporate Planner, 28% Association Planner, 14.2% Independent Plnr

Title:

33.7% Meeting Planner, 21.9% Chairman/CEO/Owner/President, 16.7

Executive VP/Director, 14.8% Office Personnel/Other Management, 9.1%

Marketing/Sales Manager, 2.1% Training/Education Manager, 1.7% Others allied to field

The following is the sequential, complete series of Marketing Committee and NLTRA Board meeting minutes related to the proposed North Lake Tahoe Marketing Cooperative between the NLTRA and the Incline Village Crystal Bay Visitor Bureau. Minutes included are from the Marketing Committee meetings of March 7th and May 2nd, June 6th and the Board meetings of April 12th, April 26th (special meeting with the Marketing Committee), May 3rd, June 7th and July 12th.

MARKETING COMMITTEE MEETING MINUTES - MARCH 7, 2006

8.0 PRESENTATION ON NORTH LAKE TAHOE RESORT ASSOCIATION/INCLINE VILLAGE CRYSTAL BAY VISITORS AND CONVENTION BUREAU FY 2006/07 MARKETING COOPERATIVE CONCEPT

- 8.1 Andy Chapman introduced Greg Fine from Ding Communications and Jess Wellner, the new NLTRA Marketing Coordinator from Smith & Jones. The NLTRA staff has been working with the staff of the Incline Village Crystal Bay Visitors Bureau (IVCBVB) to explore a larger, more integrated marketing cooperative for North Lake Tahoe. Bill Hoffman, IVCB Executive Director, has been given direction and support by his Board to develop a North Lake Tahoe Marketing Cooperative with the NLTRA so that both organizations can support the promotion of North Lake Tahoe as a single brand. The cooperative will be used to further support and evolve the North Lake Tahoe "Pure Experiences" brand campaign.
- 8.2 Andy reported the NLTRA and IVCBVB dollars have been spent on marketing efforts for the same specific area with two different brands. An overview of the NLTRA/IVCBVB Marketing Cooperative Organizational Structure was presented. The two separate organizations would not change; however, on a cooperative level, there would be representation from two NLTRA Board members, one Lay member, and the Executive Director on a coordinating Committee. The IVCBVB's coordinating Committee representation would be the same. All issues budgets and decision making would still be approved by the NLTRA Marketing Committee and Board, as they always have. The Cooperative "Oversight Committee" would meet quarterly to ensure the cooperative programs are being implemented appropriately. Andy distributed and reviewed a proposed draft cooperative budget that compared the same line items currently being spent from both organizations and the amount of money that could potentially be saved by cooperative efforts. As far as events, the existing events of each organization will remain outside of the cooperative, at least at this time. In the future, cooperative support for one or more special events may be considered.
- 8.3 Cathy Davis provided an overview of how the "Pure Experience" brand campaign began.
- 8.4 Greg Fine reported the work he has done with the IVCBVB is a mirror image of the work done with the NLTRA campaigns. There was discussion on the "neighborhood umbrella" being applied as the working title to showcase each neighborhood's different personality. Greg reviewed the different concepts and applications to be used for the campaign to achieve sustainability and longevity. The core community neighborhoods consist of Carnelian Bay, Incline Village, Crystal Bay, Tahoe City, Tahoe Vista, West Shore, Northstar, Kings Beach

Squaw Valley, and Truckee. Central Reservations would remain the call to action with an integrated website developed. Comments followed.

- 8.5 A comment was made regarding the unique characteristics and personality of each community. Promotion using the core "neighborhood" concept was considered appealing instead of using the wording "villages".
- 8.6 Andy pointed out the NLTRA has been promoting the IVCBVB side of the North Shore for some time. There is now a commitment to combine Washoe County TOT dollars along with Placer County TOT dollars to promote North Lake Tahoe with a single brand. He noted South Shore is preparing to generate an additional \$1 million in marketing funds through a lodging property "special assessment" (Business Improvement District). He believes it is essential for the North Shore to work together through the proposed coop to ensure we can stay competitive from a marketing perspective.
- 8.7 Andy explained coop savings have been identified in specific line items. Both organizations' currently pay for public relation firms, marketing agencies, and web site costs. In two months it will be determined whether both organizations will continue to pay \$50,000 each for supporting the Regional Marketing Committee. There is potentially a carry forward amount of dollars that have not been spent, which could mean that RMC support would be decrease to \$25,000 per member.
- 8.8 Rick Brown inquired if the IVCBVB Marketing Committee and Board had been approach about this concept. Andy explained they do not have a marketing committee, however the IVCBVB Board gave Bill Hoffman direction to pursue this concept, and they are willing to give up their Incline brand. Andy had given a presentation to the IVCBVB Board at the retreat last October on the NLTRA Pure Experiences brand at their Board retreat. The Incline Board is prepared to consider and support a detailed marketing coop plan at their April meeting, assuming the NLTRA Marketing Committee and Board signal their support. Rick asked if the main players have been notified of this concept to join forces. Andy clarified the main properties (Hyatt, Cal Neva, Biltmore, etc.) sit on IVCBVB Board and had attended the Board retreat in October when he had given the NLTRA's presentation. Their VCB operates differently then the NLTRA in that they are not a member organization and have a separate Chamber of Commerce. Their funding comes from room tax collected in the Incline/Crystal Bay area and goes to the Reno Sparks Convention and Visitors Bureau (RSCVA) as the tax collector. Based on Nevada State Law, the IVCBVB is guaranteed a specific amount of Washoe County TOT funding each year.
- 8.9 Eric Brandt commented this was a major strategic shift and one of significant consideration relative to marketing. He wanted to clarify that the IVCBVB was to give up a large portion of its consumer side of their marketing program and contribute that money into a cooperative program. Andy indicated this was indeed Incline's commitment. He repeated that the coop coordinating committee would provide oversight to implementation of the annual coop plan and the budget resources to support that plan. However, all of the NLTRA's decision's leading up to adoption of our annual Marketing Plan and marketing budget will remain with the NLTRA Marketing Committee and Board of Directors. He said that a joint bank account would be established to implement the coop. Financial reports will be prepared and distributed by Sally Lyon of the NLTRA Management Team, just as they are now. As media is placed and production is done, invoices would be reviewed and authorized for payment as the designated Cooperative Marketing Plan Administrator. This is the same function Andy performs for the

NLTRA now. Checks would be generated with signatures from both coop partners. We will not be creating a new organization. This is strictly a marketing cooperative not a merger.

- 8.10 Julie Maurer feels the concept is totally natural because historically that was where we came from prior to becoming the NLTRA. She gave an example of conference funding in the past from Placer TOT and Washoe TOT which amounted to approximately \$450,000 budget to market conferencing. This was a more effective approach. She believes the coop is vital because we have been struggling with a smaller marketing budget, particularly in terms of buying power. She was interested to know the County's perspective on this proposal. She believes the customer does not stop at the "pine cone" barrier or the Stateline. They are staying in Incline Village and recreating in Placer County and vice versa. They do not know the difference. North Lake Tahoe is one experience for them.
- 8.11 Eric Brandt expressed concerned about the "cooperative coordinating committee" as a merger of decision making. Andy clarified that the committee would only deal with the marketing plan and resources allocated to support it as provided by the NLTRA and IVCBVB through their separate decision making processes. Steve Tremewan noted that the cooperative resources will not include the entire marketing budget of each organization.
- 8.12 Steve Teshara noted that there is a functional difference between the two organizations. The IVCBVB is a much smaller organization. It does not have members. They do not have a marketing committee, per se, like the NLTRA does. Both the IVCBVB and the NLTRA will retain their current decision making processes and autonomy. The coop respects the differences in each organization, but allows us to jointly market one North Lake Tahoe. He also noted that in developing the coop proposal, it was clear that both organizations have been marketing to essentially the same demographic profile and customer. Promoting two different North Lake Tahoe brands to these customers is confusing.
- 8.13 Rick Brown asked if there would be a problem with reporting ROI back to the County with TOT being combined. Steve stated the financial side has been looked at very closely and the software used by the NLTRA accounting department allows the County's contributions to be broken out.
- 8.14 Rick Brown inquired if this plan would require any changes in the process of negotiating the NLTRA's TOT budget with Placer County. Steve Teshara said that process would remain the same. He noted, however, that in order to be successful, the marketing coop would have to be "additive". He hoped the County would continue to support adequate marketing resources for the NLTRA, not lower the amount of funds available because Incline would now be contributing funds to jointly promote North Lake Tahoe.
- 8.15 There was discussion about whether Lake Tahoe Central Reservations would remain the conversion mechanism. A new web site will be created with a combined database. Andy said that a "prenuptial agreement" will be prepared that would establish the terms and conditions under which the cooperative marketing program could be dissolved if the participants were not satisfied it was working in the future. This agreement would address how the assets of each organization as contributed to the coop would be returned to the original "owner".
- 8.16 Julie Maurer added there was a lot of a conversation regarding the brand and whether it made sense (in a pure marketing perceptible), of combining the brands.

She felt it is a tremendous competitive advantage to have this opportunity. She remarked what changes are going to happen on the South Shore is going to change the tides. She felt the "neighborhoods" idea is also an incredible advantage in terms of sub brands of the brand by adding dimensionality to our destination and interest that the South Shore is not able to replicate.

- 8.17 Dan Tester stated he thought this concept was a great idea and suggested staff to continue in the direction of further development.
- 8.18 **M/S/C (Tester/Regos) (9/0) Approval for staff to proceed with further development of the joint proposal of the NLTRA/IVCBVB FY 2006/07 Marketing Cooperative Concept with a presentation to the Board for consideration in April.**

BOARD OF DIRECTORS MINUTES – APRIL 12, 2006

8.0 PRESENTATION ON PROPOSED NORTH LAKE TAHOE RESORT ASSOCIATION/INCLINE VILLAGE CRYSTAL BAY VISITORS BUREAU FY-2006/07 MARKETING COOPERATIVE

- 8.1 Steve Teshara began by introducing Bill Hoffman, Executive Director of the Incline Village Crystal Bay Visitors Bureau (IVCBVB). Steve reported that the world is changing and our marketing needs to reflect that. Traditionally when visitors think of Lake Tahoe they think South Lake Tahoe. The NLTRA wants to differentiate the North Shore from the South Shore. Staff feels that with the help of Washoe County funds we can expand our North Lake Tahoe brand. Staff is asking the Board to support moving forward with further development of this cooperative project.
- 8.2 Andy Chapman introduced the Smith and Jones team in attendance: Kelly Houston, Cathy Davis, and Jess Welner, along with Wendy Hummer from EXL Media and Greg Fine, Creative Director from Ding Communications. Andy mentioned that the NLTRA is currently promoting the Incline Chamber, Conference, and Reservations members. We have always considered Incline part of North Lake Tahoe. Combining our marketing efforts would clear up visitor confusion if all North Lake Tahoe was promoted using the same brand. The cooperative would be organized using an oversight committee that would be made up of two Board members from each organization, one lay member from each area and both the IVCBVB and NLTRA Executive Directors. They would meet quarterly in the beginning and Andy would administer the process. Smith & Jones will continue to be the lead agency on the creative, Wendy with EXL Media will continue the media buying and Pettit Gilwee will handle public relations. Andy said that in the past, the two organizations duplicated their marketing efforts; a cooperative would create a way to focus dollars for the same purpose and market more efficiently.
- 8.3 Andy distributed the proposed marketing budget as well as the past marketing expenditures and revenue of each organization. He reported that next fiscal year the NLTRA marketing budget will be reduced by over \$200,000 due to the lack of carryover. If the NLTRA were to combine marketing dollars with the IVCBVB, there would be additional resources in the amount of \$400,000.
- 8.4 Sally reported on the accounting procedures. Although all details haven't been finalized, both organizations would provide monthly funding to a separate bank

account. There would be a line item for the cooperative which would track accounting expenditures. Andy explained that it will be the same reporting structure that is currently in place. Steve added that this process is detailed in the legal agreement which is almost completed. Steve noted that the NLTRA and IVCBVB are not merging their organizations, just establishing a marketing cooperative. Staff suggested a workshop to discuss all the details with the Marketing Committee and the Board. At the workshop, staff will provide the draft Marketing Performance Document and the Legal Agreement for review and consideration as part of the cooperative project package.

8.5 Discussion followed in regards to the proposed cooperative.

- Jennifer Merchant said the information would be clearer if staff were to breakout the contributions for both organizations. Andy said it would be a collaborative effort and therefore not be separated out.
- Roger Kahn suggested expanding the Marketing Committee in order to better coordinate regional events. Bill explained that his board acts like the NLTRA Marketing Committee so if they sent representatives to the Marketing Committee they would have sufficient representation. Andy mentioned that it was decided by both entities to initially keep special events separate due to the different community responsibilities.
- Andy noted that the NLTRA has always promoted the North Lake Tahoe region. This is consistent with the NLTRA's mission. Since 2004, we have used our new *Pure Experiences* brand. As part of the proposed coop, Incline has agreed to drop its *Golden Shores* brand and redirect a substantial portion of its marketing budget in support for the *Pure Experiences* brand. This will strengthen North Lake Tahoe's marketing against growing competition.
- Roger asked for clarification on what the cooperative is and what is isn't. Andy explained that Reservations will remain the same. The cooperative affects consumer marketing including leisure sales and public relations. All decisions will continue to go through the NLTRA Marketing Committee, the NLTRA Board, and the IVCBVB Board.

8.6 Cathy Davis familiarized the group with the *Pure Experiences* brand. Smith and Jones began the process of creating an identity for North Lake Tahoe in 2004. The *Pure Experiences* campaign was established to send a message to the consumer that they will have a pure experience in North Lake Tahoe whether it is adventure or relaxation. As it relates to the cooperative, the *Pure Experiences* campaign would continue to evolve with the addition of a new "Neighborhoods of North Lake Tahoe" component.

8.7 Greg Fine reported on the creative execution. He said it is not difficult to bring Incline into the brand since it shares similar characteristics with the rest of the North Shore. The campaign is "N is for North". They wanted to focus on North as a defining and positive characteristic of the North Shore from San Harbor to D.L. Bliss State Park. To define individual neighborhoods, the consumer has different and unique opportunities to visit and explore including the West Shore, Tahoe City, Squaw Valley and Alpine, Truckee, Kings Beach, Carnelian Bay, Tahoe Vista, Crystal Bay and Incline. Andy added that the "Neighborhoods" concept will drive the consumer through the website to the individual community organizations.

8.8 Discussion followed in regards to the cooperative and creative campaign.

- Raine Howe asked if Truckee has been identified as North Lake Tahoe. Roger Kahn said visitors define Truckee as Tahoe. Debbie agreed and said that the Truckee community strongly identifies with North Lake Tahoe. Andy said Truckee is the gateway to North Lake Tahoe and he would like to include them in the process.
- Jennifer asked about the ROI analysis and the accountability of this campaign in each jurisdiction. Andy said reporting would remain the same with an overall ROI for the entire campaign. The ROI document information is based on standards generated from the Western Association Visitor Convention Bureau Organization on how to track ROI. Jennifer said that it would be important for the County to see where the money is going specifically.
- Eric Brandt reported that he supports the project, but thinks that there are many unanswered questions. He asked whether it was necessary to enter into a legal agreement with Incline instead of just collaborating marketing efforts on this campaign. He said the Incline Board has discussed the cooperative at length which is not the case for the NLTRA Board. His concerns include the shrinking budget for marketing and decisions being made with Central Reservations. He would like the Board to discuss further before entering into a legal agreement. Steve said the overall structure for the proposed cooperative is similar to the Regional Marketing Committee. It is an approach the NLTRA has used successfully before.
- Bill explained that the Incline lodging facilities have been supported by NLTRA marketing. At the Incline Board retreat, they decided to give up their brand and apply their marketing dollars to one North Shore brand in order to drive more Incline visitation. He said lodging facilities need more business and the NLTRA needs more marketing dollars. He thinks it is the right time for the coop. Eric said he thinks from a marketing standpoint it is the right move, but questions the way it is being structured from an organizational standpoint. Steve said he is familiar with this process having gone through it on the South Shore. He reported that South Shore political jurisdictions pooled their marketing dollars back in the late 1990s, to the overall benefit of promoting the South Shore.
- Jennifer said that similar to the Incline Board, the NLTRA Board needs more time to review the details, although she thinks the concept is great and is a step in the right direction. She would like the NLTRA to reach out to the NLTRA partners for reaction. Steve reported that Director Roger Beck has similar concerns in regards to the cooperative and how it will affect the Resort at Squaw Creek. Roger also expressed concern that he didn't have enough information in order to make a decision. He requested review of two documents, the Marketing ROI Document and the legal agreement before moving forward. Steve suggested workshop dates and asked that representatives from our community partner groups attend. Bill will arrange for representatives from his area.
- Dave Wilderotter said he supports the workshop and the project. He would like to see the legal agreement, but doesn't want to wait for the ROI Document to be produced. He wants it noted that he is ready to move forward with this cooperative. Roger Kahn said that by requesting both

documents there will be no delay and said it is important to address issues that concern members of the Board.

- Ron McIntyre commended Steve for bringing forth this opportunity because it will be a service to all members. Dan Tester mentioned that he is an enthusiastic supporter of the idea and hopes everyone will reach a comfort level with the concept.

<p style="text-align: center;">SPECIAL MEETING OF THE BOARD AND MARKETING COMMITTEE APRIL 26, 2006</p>

- 4.3 Steve reported on the proposed North Lake Tahoe Marketing Cooperative involving the NLTRA and the Lake Tahoe Incline Village Crystal Bay Visitors Bureau. He said that the NLTRA's master plan and adopted mission classifies the Resort Association as a Destination Management Organization (DMO). The IVCBVB is also a DMO. A DMO has certain responsibilities including *to cooperatively promote tourism based on shared objectives among and between participating member businesses and constituents which are more effectively and efficiently accomplished collectively than independently.* As a DMO on the California side the NLTRA has an opportunity to collaborate with Nevada to collectively promote North Lake Tahoe. The NLTRA has always promoted the Incline area and its Nevada members. As outlined in the legal agreement, a joint Committee will be established which will include representatives from each DMO. Each of the two organizations have asked for specific tracking, evaluation, and accountability as a participant in the cooperative.
- 4.4 Steve said that the proposed North Lake Tahoe Marketing Cooperative has been developed to address a number of marketing challenges facing North Lake Tahoe. These include: 1) an opportunity to "clear up" brand confusion by promoting a single brand for North Lake Tahoe; 2) the NLTRA's marketing programs advertise and promote the entire North Lake Tahoe region; however, at the time, Placer County TOT is the primary source of funding for these programs – the Cooperative would bring Washoe County TOT funds to the table as a funding source. Steve noted the Cooperative framework is structured such that additional public funding partners could become part of the effort in the future, such as Truckee; 3) the major resorts of Incline and Crystal Bay are already members of the NLTRA and participate as private sector partners in various NLTRA marketing programs – the Coop would bring in public funds from Incline – Crystal Bay; 5) visitors to North Lake Tahoe do not recognize state or county boundaries – most come to experience and enjoy all the area has to offer. The Coop recognizes this reality; 6) our ability to market more broadly and aggressively is essential in the face of competitive pressures which continue to increase; 7) the proposed Cooperative is consistent with the goals, objectives and recommendations in the 2004 *North Lake Tahoe Tourism and Community Investment Master Plan* and the NLTRA's adopted Three Year Marketing Strategy. Steve noted that for about eight years in the 1990's, the IVCBVB contributed over \$100,000 annually to the NLTRA's Conference Program (the Tahoe North VCB's program before the NLTRA was formed in 1996). When he and Andy were hired in January 2003, the NLTRA Board directed them to seek to restore this funding. Steve asked Andy to review the current marketing programs in which the NLTRA and IVCBVB were already partners.
- 4.5 Andy Chapman discussed the current integrated programs with Incline and Crystal Bay. Properties currently part of the NLTRA Conference Sales program

includes: Cal Neva, the Chateau, and the Hyatt. Central Reservations books four Incline properties and Diamond Peak and Mt. Rose ski resorts are part of the seven mountain North Lake Tahoe Interchangeable ski ticket. Both organizations are members of the Regional Marketing Committee (RMC), and along with other RMC members, work to promote air service to the Reno/Tahoe International Airport. This past winter, both organizations participated in the California Winter Snow Campaign coordinated by the California Travel and Tourism Commission (CTTC). Both organizations are partners, along with the South Shore's LTVA, in the lake wide travel planner. Andy mentioned that not all of the marketing will fall into this cooperative. Special events and promotions will still be kept separate, including Autumn Food and Wine and targeted Placer County programs such as the "Inns of North Lake Tahoe" and specific NLTRA organizational public relations. Steve added that coops exist because the visitor looks at Lake Tahoe as one destination. It is important to reinforce a single message. This cooperative will help to sell the North Shore and provide an opportunity for North Lake Tahoe to strengthen its competitive position.

4.6 Discussion followed in regards to the cooperative.

- Roger Kahn asked about risks and drawbacks. Steve said there are risks involved. In his experience, anytime public funds are combined from different local jurisdictions, there are potential political issues. The South Shore combined TOT resources from the City of South Lake Tahoe and Douglas County. There were some political issues to work through, but the cooperative funding efforts have been successful. There is also the risk that the cooperative program won't have the desired effect to increase and establish more effective marketing for North Lake Tahoe. Roger asked if political issues have been addressed. Steve said that he thought that the issues Placer County has raised regarding the proposed Cooperative legal agreement could be addressed. Alex Mourelatos noted that another risk may be in regard to reaching a consensus on marketing direction and strategies. Steve pointed out that the NLTRA and its current marketing partners face and address those risks each year.
- Roger Beck asked about the possibility of a disproportionate share going to members that do not pay TOT. Steve answered that the role of the DMO is to create awareness for the destination. It is the business owner's job to bring people into their establishments. He added that the bulk of the bed base is in Placer County, so it's logical to believe that the primary benefit would go to the area with the most beds to fill. Doug Flynn said that he supports the idea and hopes we can work past the self interests because the cooperative is good for the whole area.
- Jennifer asked what the real benefit is to the business community, increasing TOT revenue, and improving the tourist economy. She asked whether a fiscal analysis could be developed to outline the benefits. Steve said that in order to analyze the benefits there needs to be something with which to weigh and to do research to fully understand the benefit of the cooperative. Ron McIntyre commented that one way to measure would be to compare the TOT collections with percentage of TOT used to market the area.
- Debbie Casey said that she has spoken with various business owners and part of the challenge is geographic location. The largest asset is the Lake. As a real estate developer with no property fronting the lake, East West is benefiting everyone through their marketing efforts which focus heavily on the North Shore. She said that the mission of the NLTRA is to promote business of all sizes, all types, and all contributing factors of TOT and to promote a destination area that

is to the benefit of all the businesses. She said it is difficult to quantify the ROI of marketing dollars, but ROI is reflected in the health and vibrancy of a destination.

- 4.7 Steve reviewed the North Lake Tahoe Marketing Cooperative Participation Agreement. Steve wanted to make it clear that the organizations are not merging. Each will retain its own autonomy and decision making. Cooperative dollars would come together for certain purposes. Key components of the cooperative include a creation of a joint committee with four representatives from Incline and the NLTRA, a finalized marketing plan, a designated Plan Administrator, and a designated Budget Administrator. The role of the Budget Administrator is to review and authorize invoices and payments consistent with the approved budget. Each organization will sign the checks. Bill Hoffman was asked how long the IVCBVB Board had been discussing the idea of a coop with the NLTRA. Bill said that during a one-day strategic Board planning workshop last October, his Board gave him direction to pursue such a cooperative. Formal discussions with NLTRA staff began earlier this year. A lot of staff time was spent working through details to determine if the coop concept was feasible before attention turned to developing a specific proposal. Bill noted that his Board unanimously approved the Cooperative Plan that NLTRA is reviewing today on April 18th.
- 4.8 Steve said that since the meeting packet was completed, Placer County and others had advised staff of concerns regarding the draft Cooperative Participation Agreement. A series of proposed amendments had been prepared by staff and provided to everyone at today's meeting. Staff will continue to work on other issues related to the proposed Agreement as they may arise at this meeting. Steve repeated earlier statements that the proposed Cooperative does not include the entire marketing budget of either the NLTRA or IVCBVB, but eliminates duplicative costs that both organizations currently spend and creates new efficiencies. He noted that without the proposed Cooperative, the NLTRA's own marketing budget is anticipated to be more than \$200,000 less in FY – 2006/07 compared to the current year's marketing budget. Staff feels it would be extremely unfortunate to have lower marketing budget next year, sine a great deal of momentum for the North Lake Tahoe destination has been created based on the recent, very successful Mountain Travel Symposium hosted by Squaw Valley/North Lake Tahoe.
- 4.9 Discussion followed in regards to the North Lake Tahoe Marketing Cooperative Participation Agreement.
- Eric Brandt articulated his concerns about the legal agreement and suggested that staff address the "holes" before the Board approves the document. Eric's concerns include: price point promotion, the term of the agreement (he proposes two years which is renewable by mutual agreement based on a report and review of ROI consideration), and a clear delineated of ownership of marketing, media, brands, and campaigns. Upon dissolution Eric believes it should be stipulated that each party does not have the right to continue use of any element unless previously owned. He also supports a definition of the media plan and marketing strategy, a description and overview of drive vs. destination marketing, a clear description of contributions (he thinks it should articulate minimum contributions and without a minimum what the policy would be if there was a shortage), and a definition of the use of funds and the parameters. Bill said this is a marketing cooperative and not a new committee and there is some danger in going into too much detail. He would like the process to be flexible in order to respond to the marketplace.

- Becky Moore added that it should be defined whether the Plan Administrator would be hired or appointed. Eric added that is not the intent of these dollars to hire an administrator and asked whether Andy would be able to take on the additional responsibility.
- Alex expressed concern about the way the agreement was brought to the Board. He felt it was inappropriate for the Board to be asked to approve the document in this timeframe. He asked for clarification of funds to be committed to the cooperative. Steve said that staff cannot commit dollars until the County contract has been approved. Alex suggested restrictions for creating separate brands. Steve said there is a clear commitment by both organizations to one brand.
- Roger Beck asked how much staff time would be needed for the cooperative and if any funds would go toward paying an administrator. Bill said the intent of the coop is to free up as much money for true marketing without effecting staff. Roger pointed out that Incline will be contributing 39% of the Coop funds while NLTRA will be contributing 50%. He suggested representation on the Cooperative Marketing Committee should be based on dollars contributed. Steve explained that the percentage of funds contributed may change from year to year, making committee representation based on a percentage of funds contributed awkward. Staff felt that for a variety of reasons, it was better to have equal committee representation.
- Ron McIntyre said that Exhibit A should reflect more accurately the numbers we have to spend. Steve said that Exhibit A is a draft based on current year numbers. We won't know specific marketing dollars available for FY-2006/07 until we have a budget for the year.
- Jennifer Merchant reported she had discussed the agreement with the County Counsel's office and they have several concerns. One was that the agreement seemed to assign marketing duties contracted by the County to the NLTRA to a separate organization. The County believes the agreement should discuss meeting notice requirements. Steve said the agreement will be amended to require public meeting notices based on requirements of the Nevada Open Meeting Law which should address Placer County's concern. Jennifer also indicated that the County is considering whether the agreement would have to be presented for consideration and approval by at the Placer County Board of Supervisors. She noted that nothing in the agreement can conflict with provisions in the agreement between the County and the NLTRA. County CEO staff has also expressed interest in a fiscal analysis of the proposed Coop. Steve said staff was prepared to address the concerns expressed today with the goal of revising the draft Participation Agreement before presenting it back for further consideration by Placer County, the NLTRA, and IVCBVB.

6.0 Discussion and Possible Action on the following:

- 6.1 Approval of the North Lake Tahoe Marketing Cooperative, involving the North Lake Tahoe Resort Association and the Lake Tahoe Incline Village Crystal Bay Visitors Bureau, including approval of the North Lake Tahoe Cooperative Participation Agreement and authorization for the NLTRA Board President to sign the agreement; and direction to staff to address the Cooperative in the context of developing the NLTRA's FY-2006/07 marketing budget and annual marketing plan.
- 6.2 Discussion followed in regards to the Marketing Cooperative action item.

- Bill commented that Incline would like to proceed quickly since their new budget year begins July 1st. Incline is giving up their brand *Golden Shores* to consolidate with *Pure Experiences* in an effort to reinforce one message for the North Shore. Timing is very important. Steve said that timing is also important for the NLTRA. He would like to incorporate the cooperative into the budget even though there are issues with the legal document. Dan Tester asked about a "drop dead" date. Bill reported that his Board has passed a resolution regarding the coop and the legal agreement and they may not want to wait another month for an answer.
- Debbie said that she feels the consensus is to move forward with the cooperative although there is a need to address issues with the legal document. She doesn't want to wait and lose out on the opportunity. Dan agreed and said there are some hurdles, but it is a tremendous opportunity to solidify the brand.
- Jim supports the cooperative to leverage marketing dollars. He asked how the NLTRA Marketing Committee will integrate into the joint committee. Steve explained that if the cooperative is approved the Marketing Committee would begin to develop a marketing budget and plan. The Cooperative Marketing Committee will then execute the plan that is prepared by the NLTRA Marketing Committee and the IVCBVB. Andy added that the cooperative will be represented by two Board members and one lay member from each organization, along with both Executive Directors. The NLTRA Marketing Committee and Board will receive regular updates from Andy on Coop activities.
- Eric said he was opposed to taking any action at this meeting. He suggested that staff address concerns expressed with the legal agreement and bring it back for Board review in May. Steve indicated he did not think issues related to the legal agreement could be addressed in time for the Board's May 3rd meeting.
- Roger Beck suggested staff put together a packet assuming there will be a coop because it will allow enough time to adjust the legal agreement in a way that is responsive to the Board and provide them time to review before taking action. Steve asked for a Board representative to assist staff with the legal agreement.
- Doug Phillips said that there is a bigger picture involved. Nevada conveys gaming which doesn't represent the rest of the North Shore. He doesn't understand how the two messages can be combined. Bill Hoffman explained that gaming is an activity like everything else and it is not the only marketing focus.
- Jim Phelan asked if there had been adequate discussion at the Marketing Committee level about the coop. Dan Tester confirmed there had been "robust" discussion. Doug Phillips and Rick Brown said there should have been more discussion. Andy noted that the Marketing Committee voted unanimously (9-0) on March 7th, giving *Approval for staff to proceed with further development of the NLTRA/IVCBVB 2006/07 Marketing Cooperative with a presentation to the NLTRA Board for consideration in April*. Andy noted the first Board presentation was April 12th. Andy also noted that two letters of support for the coop had been distributed today to the Board from people unable to attend this meeting – one from Julie Maurer, Marketing Committee Chair, and one from Dave Wilderotter, NLTRA Board and Marketing Committee member.

- Adam Wilson mentioned that the consumer is confused by different messages and the sooner we solidify a single marketing message for North Lake Tahoe the more likely we are able to bring a consumer to our destination.
- Roger Kahn said we are moving too fast and we need to do it properly. Steve said he can work with Bill Hoffman to bring the coop proposal back for Board consideration in June.
- Jennifer requested that staff conduct further outreach with constituencies including properties that generate significant amounts of TOT. Steve said he will include information on all committee agendas and will post information on nltra.org. He reported that staff had already held or attended several outreach meetings and would continue to do so. Andy committed to present the information at the Community Partners meeting this Friday.

- 6.3 M/S/C (Mourelatos/Phelan) (6/4 No-Merchant, Brandt, Beck, Kahn/0) The Board endorses the concept and overall premise and purpose of the proposed arrangement with the following criteria: Direct staff to incorporate feedback from today's workshop into the legal agreement and present to the Board how they addressed those changes in the document, direct the Marketing Committee to evaluate the approach and content of the relationship of the Marketing Plan that will be generated, and that staff works with Placer County to ensure any and all concerns related to the legal agreement and structure of the cooperative arrangement is to their satisfaction. The Board committed to make a final decision at the June Board meeting.**

MARKETING COMMITTEE MEETING MINUTES - MAY 2, 2006

5.0 REVIEW AND DISCUSSION ON "N IS FOR NORTH" AND "NEIGHBORHOODS OF NORTH TAHOE" CREATIVE EXECUTION

- 5.1 Andy Chapman reported that staff had presented the Marketing Cooperative Concept to the Board of Directors at the April 12th NLTRA Board meeting. After much discussion, the Board of Directors directed staff to hold a special meeting of the Board of Directors and the Marketing Committee on April 26th. A staff report outlining those meetings and the motions made were provided. Andy pointed out a correction on the staff report provided stating the *NLTRA Board of Directors had approved the following motion on April 26th* as stated, however the minutes from that meeting have not yet been formally approved.
- 5.2 The Board has directed staff:
- a) to incorporate feedback from the workshop into the legal agreement and present to the Board how those changes were addressed in the document.
 - b) to direct the Marketing Committee to evaluate the approach and content of the relationship of the Marketing Plan that will be generated.
 - c) to work with Placer County to ensure any and all concerns related to the legal agreement and structure of the cooperative arrangement is to their satisfaction.
- 5.2.2 The Board has committed to make their final decision at the June Board meeting.

- 5.3 Andy explained the "N is for North" creative is represented to further the evolution of the *"Pure Experience"* brand. The "N" creative and campaign would also provide a platform for launching the "Neighborhoods of North Lake Tahoe" component of the *"Pure Experiences"* brand. The proposed launch for "N" is this summer, with the neighborhoods program to be launched in the fall. The NLTRA staff and Smith & Jones are soliciting information from the Community Partners organizations to help develop the individual neighborhood messages. The web site will be the main tool for the "Neighborhoods". Other components include newspaper, and magazine promotions, email blasts, visitors guide and maps of the area.
- 5.4 Staff is looking for input from the Marketing Committee in regards to the creative execution and how to handle the "Neighborhoods" component within that execution. Included in the packet is a proposed budget review of where the NLTRA was last year, a review of where IVCBVB was last year and a recommended combined Marketing Cooperative Budget review. Also included are the media plans as they relate to leisure and conference sales.
- 5.5 Discussion followed in regards to the cooperative creative execution.
- Alex Mourelatos felt the Board's intent was for the Marketing Committee to direct staff on strategies for both organizations and provide what needs to be accomplished in order to remain in sync with one another. He would like the marketing dollars to be expended with a complimentary strategy of consolidating into one brand. He would like to know what the IVCBVB perspective is on drive market vs. destination and how they want to position their marketing dollars. He felt there should be an analysis of how each organization positions and uses its marketing dollars before a commitment is made to the coop.
 - Andy presented a series of recent IVCBVB ads. He noted there had been questions about how Incline had promoted itself, including the gaming aspect. Alex asked if we knew what future direction Incline intended to take. Andy replied that Incline's direction is to fold into the *"Pure Experiences"* brand and support the "N is for North" creative execution and the "Neighborhood" concept. Incline does not plan to run individual ads; their intention is to be added as one of the "Neighborhoods of North Lake Tahoe".
 - Eric Brandt questioned if the Committee should assume that the creative on the "Neighborhoods" concept was going to move forward with or without the Incline equation. He also wondered if the "Neighborhood" element could be separated out from the "N" creative and run without the campaign. He is concerned the *"Pure Experiences"* brand has not had enough time to sink in and feels that by adding the "N" creative would at this time, create further confusion. Cathy Davis agreed there is a lot of momentum behind the *"Pure Experience"* brand. She said there is a definite difference between a brand and a creative execution in support of that brand. A two-year benchmark is usually the time frame to decide whether to move to the next creative execution.
 - Andy presented the campaign that IVCBVB has used over the last couple of years. As shown, their ads do not provide price points or the advertisement of gaming, but rather they advertise to outdoor activities, recreation, and family life style. Wendy Hummer reported she has worked with Incline on media buys for the last seven years and they have almost the exact same media strategies as the NLTRA.

- Dave Wilderotter is concerned about casino advertisements which offer a price point including meals. It was clarified those are ads done by individual properties promoting themselves. They are not ads done by the IVCBVB.
- Milena Regos commented she agreed with Eric about not launching the new creative until the website is built and all matters with Incline are worked out. She believes a strong September launch for the winter season would be better. She added that she is against using the "N" is for North creative until everything is clearly defined regarding additional participation such as Incline Village and Truckee. Until those matters are determined, it would be confusing to the consumer.
- Becky Moore is concerned on the timing of the delivery of the message. The same time she had heard about the "N" campaign, she heard about the "Neighborhoods" campaign and felt the brand is becoming completely disenfranchised. Becky concurred with Eric with regards to a brand remaining longer than two years. She found the creative messaging a bit confused.
- Dave Wilderotter likes the "N" campaign with *"Pure Experience"* and he believed it made sense for advertisements.
- Doug Flynn stated the golf course industry supports the "N" concept and he believed it should move forward.

6.0 REVIEW AND DISCUSSION ON MARKETING BUDGET RESOURCE ALLOCATION

- 6.1 Andy Chapman provided the Marketing Cooperative Budget Review that included the current budget and 06/07 recommended budget for Public Relations, Leisure Sales, and Conference Sales Programs. The budget is broken down by the NLTRA and IVCBVB individually as well as combined. He is asking for direction from the Committee on percentages of the allocation of resources.
- 6.2 There was discussion of a higher percentage of allocations spent in the drive market for summertime and a higher percentage allocated in the winter for the destination market.
- 6.3 Andy commented the bus connection to Reno Tahoe International Airport should be integrated by mid October. Without affordable and reliable airport transportation, North Lake Tahoe is at a competitive disadvantage.
- 6.4 Dan Tester suggested developing two budget scenarios, one combined with Incline and another without Incline. Becky Moore suggested highlighting on the budget the strategic impact of a coop approach.

BOARD OF DIRECTORS MINUTES - May 3, 2006

11.0 MARKETING REPORT

- 11.1 Andy Chapman reported that there was a lengthy discussion at the Marketing Committee meeting on the "N" for North campaign and budget allocations. In light of the timing, the July 1st launch date has been postponed for a later time. The *Pure Experiences* campaign will continue to support the brand through summer. Two marketing budget scenarios will be presented in June; one will include the Incline Marketing Cooperative and one will not. Andy mentioned that Incline will move forward with their own campaigns this summer. Roger Kahn asked if the IVCBVB had been contacted in regard to the delay. Andy confirmed that they are willing to hold off until September.
- 11.2 Jim Phelan asked if he could receive the Marketing minutes as soon as they are completed in order to review the discussion. Steve said staff will submit the Board and Marketing minutes as soon as they are available.
- 11.3 Eric Brandt clarified that there were crucial points discussed relative to the creative that were separate from the proposed Marketing Cooperative. It was discussed whether it was necessary to move forward with the creative with or without Incline as a co-op partner. In addition, there was some confusion in regards to the "N" is for North campaign and the Neighborhoods concept and how they relate to the branding of *Pure Experiences*. It was decided to hold off the launch date until the details were finalized. It was also discussed whether *Pure Experiences* had enough time to establish itself as a brand. Andy added that the creative campaign based on a brand typically changes every year. The "N" is for North campaign fits in with the *Pure Experiences* campaign and highlights the North Shore.

Marketing Committee Meeting – June 6, 2006

5.0 PRESENTATION ON CONTINUING DEVELOPMENT OF THE NLTRA/IVCBVB MARKETING COOPERATIVE CONCEPT

- 5.1 Andy Chapman reported that included in the Marketing Committee packet is a variety of meeting minutes from the Board and Marketing Committee meetings with capsulation on the history of discussions that had occurred regarding the NLTRA/IVCBVB Marketing Cooperative Concept. For review is the response on a letter signed from Tom Miller, Placer County Executive in regards to the coop and the legal agreement that has been revised.
- 5.2 A Power Point presentation was given on how the *Pure Experience* brand had been developed, the advertising objectives, advertising strategies, and media strategies.
- 5.3 Cathy Davis, from Smith & Jones, discussed media strategies for spending a higher percentage of the budget on the drive market in the summer and a higher percentage on the destination market in the winter.
- 5.4 Cathy used the Ritz Carlton as an example of similar branding. Ad campaigns were viewed and recognition of the Ritz Carlton slogan - *"It's our Pleasure"*. She read their mission statement of their brand and noted their ads offer picturesque photography with very little copy. Cathy then compared the similarities of the *"Pure Experience"* mission statement. She explained the campaign could be a multitude of different creative executions as long as there is an emotional connection to make. The brand does not specifically need to be mentioned in the headlines, through the photography and the copy those elements can still come across.
- 5.5 Andy presented a Preliminary 2006/07 Budget for Marketing with non-TOT NLTRA revenues and one with Placer County TOT. Sally Lyon reported on the comparison to the most recent forecast that was prepared with 9 month actual and final 3 month as a forecast for 2005/06 totals. The marketing portion of the TOT Budget is \$1,722,000, of that \$310,000 is allocated to the Conference Budget and \$154,000 to the Visitor Information Budget. Andy added that the NLTRA is operating off of a based budget of \$4.1 Million but with a \$450,000, carryover from the previous year that had substantially covered marketing. Sally reported on the significant impacts in reductions on the Budget, particularly the Direct Program Expense.
- 5.6 Sally reviewed the 2005/06 Preliminary Budget from October thru June with Cooperative Direct Program Expense towards the Cooperative. The Direct Program Expense with the NLTRA towards the Cooperative would be a proposed amount of \$676,750 with the contribution from the IVCBVB of \$550,000 would total a combined recommended nine month Budget of \$1,226,750.
- 5.7 Andy discussed the NLTRA Media Budget Analysis outlining where the media dollars have been spent since 1996, the amount of actual budgets, what that buying power was, and what media budget is needed to keep up with inflation.

6.0 DISCUSSION AND POSSIBLE ACTION ON THE NLTRA/IVCBVB MARKETING COOPERATIVE

- 6.1 Steve Teshara noted on the Committee's request of calculating two budget scenarios. One budget is with the cooperative factored in and the other one without; to have the ability to make a decision on what impact may be made in terms of the Marketing resources available. Staff is requesting a recommendation from the Committee for Board approval on the budget either with or without the Cooperative.
- 6.2 Steve mentioned the letter that arrived May 8th from the Placer County CEO office on the issues related to County concerns. The NLTRA Board and County had concerns regarding the legal agreement of the Cooperative. The NLTRA's written response and revised legal participation agreement was included in the packet for Committee and Board review. Comments and discussion followed.
 - Steve Tremewan commented he was impressed with the research that had been done. He felt the staff had done a good job with answering questions to the CEO office. He pointed out that some of the shots on the *"Pure Experience"* campaign was taken of the back country in Incline. To the person reading the ad, they know it as the North Shore not as Stateline.

- There was an inquiry regarding administration costs for the Cooperative programs. Andy responded that no additional staff would be hired. Leisure Sales would handle the Cooperative programs and staff would track time spent on the projects.
- Alex Mourelatos believed the Marketing Committee needed to look at the structure of the Cooperative Marketing agreement. He felt that not from a legal standpoint on the content of the memorandum of understanding (MOU), but from a business and marketing integration perspective. He wanted to feel as though the Marketing Committee had looked at the details and they felt confident in recommending the "concept" to the Board (having been reflected in the MOU) that this was an appropriate action for the NLTRA to take. Alex still has concerns around ownership, intellectual property, and the potential dissolution of the agreement and protecting both the NLTRA and IVCBVB around assets. He was not satisfied with both, on what the County asked for and their response as reflected in section #7. He believed that this Committee should be recommending to the Board this agreement from a marketing standpoint as appropriate for the Cooperative.
- Jennifer Merchant stated she was not against the Cooperative concept. Placer County continues to have concerns regarding legalities of the contract, and administrative costs need to be further addressed.
- Julie Maurer responded to Jennifer Merchant's concerns regarding the administrative incremental labor costs associated with the program. Julie pointed out that her job entails her to administer over six resorts throughout the nation. The reason for that is because of the efficiencies and synergies of when you are placing a buy and leveraging that buy in one call. She receives better rates or placement because there is more clout and more marketing power. There is not incremental labor in accounting associated with this program; there are just more dollars to administer. Julie feels satisfied with the idea that the NLTRA would account for this, and in the end of the year, if there were some issues where the accounting staff spent a lot of time on this program, there would be a way to divvy it up. She wanted to make clear that it will be tracked for time spent on the project and it will be a discussion item with the Board.
- In response to Alex, Julie stated the intellectual property, the brand property, the web site property is paramount if there is were dissolution and she believes there would have to be good prenuptials.
- Alex responded, as far as "concept" he agrees, but as far as "content" he would like more clarification and more detail on the contract. He thought more detail on the content should be handled at the Board level.
- Eric Brandt added he didn't feel the Marketing Committee has seen the agreement and even should be in the position to necessary review agreement based on these issues. As Julie had stated the Committee would recommend moving forward based on the assumption that the rest of the business and legal standpoint are being dealt with in the proper manner. He wanted to add that this Committee is not looking at the legal agreement; we are deciding whether this is good marketing sense and that is the motion on the table. He thought that point should be clarified when presented to the Board. It is a marketing based decision by this Committee, not a practical or legal decision.

6.3 (Tester/Regos) (11/0/1) the Marketing Committee recommended for Board approval to proceed with the Marketing Cooperative concept from a Marketing perspective. (Phillips)- Abstention.

- *Steve stated this topic would be included on tomorrow's Board agenda. He felt the discussion was very helpful on clarification. Assuming the Board votes in favor to support this recommendation, a more detailed budget scenario for Committee review, and input will be presented (based on this direction) at July's meeting.*

NLTRA Board Meeting Minutes – June 7, 2006

9.0 DISCUSSION AND POSSIBLE ACTION TO APPROVE THE NORTH LAKE TAHOE MARKETING COOPERATIVE BETWEEN THE NORTH LAKE TAHOE RESORT ASSOCIATION AND THE INCLINE VILLAGE CRYSTAL BAY VISITORS BUREAU, INCLUDING THE NORTH LAKE TAHOE MARKETING COOPERATIVE PARTICIPATION AGREEMENT

- 9.1 Steve Teshara reviewed direction from the April 26th Special Board and Marketing Committee meeting related to the proposed Cooperative. As a result of directions given, the following work products have been produced: A revised legal agreement, a written response to the written concerns submitted by Placer County, additional community outreach regarding the proposed Cooperative, and continued work as directed with the Marketing Committee.
- 9.2 Andy Chapman reported on the June 6th Marketing Committee discussions. Staff submitted to the Committee a consolidation of related meeting minutes into one document. They reviewed the brand development and how Incline fits into the brand and perception mapping. Media strategies were discussed going forward under the coop option. He noted that Wendy Hummer from EXL Media told the Committee that media buying for both organizations is very similar. They also looked at the budget ramifications with and without the Cooperative and reviewed the Cooperative legal agreement. Andy reported that the Committee (with one abstention) recommended to the Board approval of the Marketing Cooperative.
- 9.3 Discussion followed in regard to the Marketing Cooperative.
- Dave Wilderotter asked about the effect of a fixed Incline contribution in comparison to a fluctuating NLTRA contribution. Steve explained that the proposed contributions are working numbers and reflect a 12 month budget. Bill Hoffman added that Incline's budget is based on room tax as well, but it is a dedicated amount so they are comfortable with the amount they will have unless there is a hotel closure. Dave asked about the consequences of redirecting marketing dollars. Bill said it is the intent of the Cooperative to market the area as a whole and it is stated in the contract that Cooperative money is not to be used to conflict with the North Lake Tahoe brand. Bill added that the two organizations will have separate special event budgets that are not a part of the Cooperative.
 - Roger Beck suggested tying any agreement to a percentage of TOT so everyone can participate equally. Julie Maurer explained that we are creating one brand so if percentages are limited, it does not allow for marketing flexibility. Roger suggested setting a minimum contribution.
 - Ron McIntyre asked if there had been previous discussion with regard to minimum percentages. Steve explained that there was discussion about setting maximums, but saw that as limiting the needs of marketing. He added that North Lake Tahoe is competing with markets that have more dollars, so we should not limit our efforts. Bill explained that his organization is strictly a destination marketing organization so all program dollars go into marketing. He said they would not know what to do with extra funds that could be leftover if percentages were set. He said that although there are unforeseen expenses, they want as much of their marketing money in the Cooperative as possible. Steve suggested setting a high minimum. Roger Kahn agreed and added that he supports a fair contribution to the coop with enough for their unforeseen expenditures. He

encourages them to contribute more than the minimum and in doing that create stability.

- Alex Mourelatos said that there needs to be a statement added to the agreement to read, *both organizations will commit funds that they anticipate spending on broad base marketing activities*. In addition, he suggested adding a description of the types of funds that will be allocated to the coop.
- Adam Wilson wasn't aware that the NLTRA could assign percentages. Steve said that percentages can be assigned within the marketing percentage allocated. Roger Beck clarified that he was suggesting that the contributions should be a percentage of the TOT to keep it equitable. Jennifer said that the NLTRA could assign TOT as long as it doesn't exceed the Marketing budget.
- Jennifer Merchant clarified that she voted to support the Cooperative, but Placer County continues to have concerns with the administrative cost. Steve said that staff would track time spent on the Cooperative in order to review next year. Other issues include legal issues with the Nevada Governing Law provision, the assignment of duties, and the representation on the Committee given the inequity in funding. Steve said that staff responded to these concerns to the County Executive Officer. Rich Colwell said that the responses from staff did not adequately address Placer County's concerns. He added that there are key government accounting principles that need to be addressed. Rich said that the County Counsel's office would not sign off on the legal agreement until their issues are addressed, but the CEO's office is willing to work through these issues with the NLTRA.
- Roger Kahn suggested that the attorney's from Placer County, Incline and the NLTRA work out the legal details. Jennifer agreed and said that the County supports leveraging dollars, but the legal agreement needs some additional work. She said since the proposed cooperative won't be implemented until October, there is time to address the concerns.
- Eric Brandt said he agrees to a minimum percentage for TOT especially from a budgeting standpoint. He mentioned that the agreement seemed to be loosely written. He asked that the agreement address the language in regard to the competing marketing activities, the term of the agreement, return of excess funds and dissolution, additional language to address assets and role of the chair person.
- Julie clarified that the Marketing Committee agreed that in regard to administration there really is not incremental labor associated with this program; there are just more dollars to administer. Rich said that Placer County is not concerned about the labor, but the allocation of cost. Julie said the Committee recognized the need for staff to track time spent on the project.
- Roger Beck asked for clarification on brand competitiveness. Steve explained that it relates to marketing competition with the overall brand. Roger suggested that the "no compete" clause language be taken out. Steve said that the subcommittee will address the language in the legal agreement.
- Debbie Casey explained that all we are gaining through this cooperative is buying power. She asked the County to articulate their remaining concerns with the legal agreement. Rich Colwell repeated the County's concern with the perception of an NLTRA administration subsidy. Jennifer Merchant added that

other concerns include #4 of the legal agreement that discusses the assignment of duties, #2 that discusses Nevada Governing Law, and #5 committee representation. Debbie asked to serve on the subcommittee. Dan said he would work with staff to develop a subcommittee.

- 9.4 **M/S/C (Mourelatos/Casey) (11/0) to approve the North Lake Tahoe Marketing Cooperative between the North Lake Tahoe Resort Association and the Incline Village Crystal Bay Visitors Bureau, including the North Lake Tahoe Marketing Cooperative Participation Agreement, subject to the inclusion of language that establishes a minimum percentage baseline spending of TOT funds from each participating organization and to resolve remaining outstanding issues through the formation of a subcommittee that consists of NLTRA Board members, Placer County representatives, NLTRA and IVCBVB staff and NLTRA Marketing Committee representatives and to direct staff to reflect the cooperative marketing funding in the 2006/07 budget and media planning. The final agreement will come before the Board for official ratification.**

NLTRA Board Meeting – July 12, 2006

7.0 **DISCUSSION AND POSSIBLE ACTION TO APPROVE THE NORTH LAKE TAHOE MARKETING COOPERATIVE INVOLVING THE NORTH LAKE TAHOE RESORT ASSOCIATION AND THE INCLINE VILLAGE CRYSTAL BAY VISITORS BUREAU, INCLUDING APPROVAL OF THE NORTH LAKE TAHOE MARKETING COOPERATIVE PARTICIPATION AGREEMENT**

- 7.1 Steve Teshara reported that staff submitted a memo which summarized the June 19th meeting of the Subcommittee, as directed by the Board, and the procedures the committee followed to address the Board motion, as unanimously approved June 7th. Also included is the revised Participation Agreement. Dan Tester reported that the committee broke down the components of the Board motion and resolved the remaining issues.
- 7.2 Discussion followed regarding the Marketing Cooperative.
- Roger Beck asked why the committee changed tying the minimum contribution to a percentage of marketing funds instead of the total TOT budget for each organization. Dan explained that the committee decided to use marketing funds since it is a marketing issue and that marketing dollars are a percentage of TOT. Roger pointed out that the Incline contribution of TOT is higher than the NLTRA's contribution. He added that Washoe County could reduce the IVCBVB TOT contributions in the next 3 years and feels that it is important to tie the percentages to total TOT. Steve said that if the TOT collected in our Placer County area declined then the NLTRA budget would also decline. The IVCBVB has a fixed percentage of room tax as a matter of state law so they are less susceptible to percentage change. Roger Beck said he is concerned about the equity for local lodging properties, but if the 30% of their TOT cannot be changed, he is in favor of the cooperative.
 - Roger Kahn asked about Placer County's concerns. Dan explained that the concerns were addressed in the Subcommittee meeting and recommendations were discussed with and approved by Rich Colwell.

- Alex Mourelatos asked that cooperative expenses allocated in Marketing be identified. Sally said she would generate a financial statement specific to the coop.
- 7.3 Steve reported that Attachment A outlines the total amount of TOT funds each organization will collect and the percentage of funds allocated to the Cooperative. Based on the FY-2006/07 NLTRA TOT Budget of \$4.1 million, \$1.7 million is allocated to Marketing. The IVCBVB receives \$1.2 million for Marketing. Steve noted that the Subcommittee agreed to a 45% minimum of Marketing TOT to be contributed to the cooperative by each organization.
- 7.4 Sally Lyon presented Attachment B that was requested by Placer County. It identifies administrative costs for each organization related to the Cooperative. Based on current staffing of each organization, staff is projecting a \$19,000 cost for NLTRA and \$14,000 for the IVCBVB. Steve reported that the County representatives have approved the breakdown. Staff involved in the coop will each track their time associated with the cooperative. Administrative costs will be reviewed and reevaluated next year.
- 7.5 M/S/C (Wilson/Mourelatos) (9/0) to approve the North Lake Tahoe Marketing Cooperative involving the North Lake Tahoe Resort Association and the Incline Village Crystal Bay Visitors Bureau and the revised participation agreement.**

**NORTH LAKE TAHOE MARKETING COOPERATIVE
PARTICIPATION AGREEMENT**

This NORTH LAKE TAHOE MARKETING COOPERATIVE PARTICIPATION AGREEMENT ("**Agreement**") dated as of the first day of July 2006 is entered into by, between and among the Participants (as defined below).

RECITALS:

WHEREAS, the Participants are comprised of public non profit corporations which receive Transient Occupancy Tax ("**TOT**") funds from their respective local political jurisdictions for the purposes of marketing the North Lake Tahoe (Exhibit B) region and desire to join together to contribute funds to market and position the region as one tourism destination through a North Lake Tahoe Marketing Cooperative ("**NLTMC**").

WHEREAS, the Participants desire to develop and implement on the terms and conditions set forth herein a NLTMC marketing plan to support the North Lake Tahoe hospitality industry by establishing an overall resort destination identity.

WHEREAS, to develop and implement this marketing plan the Participants agree to establish a Cooperative Marketing Committee ("**CMC**") and to elect representatives to serve on the CMC to coordinate this cooperative effort.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Participants agree as follows:

AGREEMENT:

1. DEFINITIONS.

1.1 Participants: The term "**Participants**" shall refer to the following organizations:

(i) The Lake Tahoe Incline Village Crystal Bay Visitors Bureau, a Nevada non-profit corporation ("**LTIVCBVB**");

(ii) North Lake Tahoe Resort Association, a California public benefit non profit corporation ("**NLTRA**");

1.2 North Lake Tahoe Marketing Cooperative: The NLTMC as established by the Participants as a cooperative agreement.

1.3 Cooperative Marketing Committee: The committee established by the Participants to coordinate efforts to fund and implement the North Lake Tahoe Marketing Cooperative. The role of the CMC is to finalize a Regional Cooperative Marketing Plan ("Plan") and oversee Plan implementation, using the budget resources identified and approved by the Participants. The CMC shall oversee the Plan by providing direction and oversight to the Plan Administrator. The Plan shall not be effective unless and until approved by the Boards of each Participant.

Subject to Section 8, below, each Participant will select four individuals to serve as voting members of the CMC ("**Voting Member**") (Exhibit C). CMC meetings shall be noticed and conducted in accordance with the Nevada Open Meeting Law and in accordance with those requirements of NLTRA's agreement with Placer County, and held at least once each quarter, or as needed, at the discretion of the CMC Chairperson, based on marketing initiatives or programs requiring CMC discussion, direction, or action in the form of a vote.

1.4 CMC Chairperson: The Chairperson ("**Chair**") to be elected on an annual basis by a majority of the voting members of the CMC, subject to conditions in Section 9, Paragraph 1.

1.5 Plan Administrator. The NLTRA shall provide a person to serve as the NLTMC Plan Administrator ("**Administrator**") throughout the term of this Agreement, at the discretion of the CMC. The Administrator shall manage the CMC approved Plan implementation. The Administrator shall update the CMC at all regularly scheduled meetings and provide additional updates as required, depending on programs or as directed by the CMC Chair. The Administrator shall be responsible for (i) identifying and retaining the services of such persons, firms and organizations to provide creative and other necessary support to develop and implement the Mission Statement and the Plan; (ii) identifying and implementing sales and marketing projects to achieve the goal of the Mission Statement and Plan and set forth in sections 2 and 3 of this Agreement, respectively; (iii) identifying and supporting strategies, organizations and businesses that are cooperative with, or further the Mission Statement and the Plan. In addition, the Administrator shall authorize invoices and payments consistent with the Plan and ensure financial accountability to both the CMC and the Participants.

1.6 Budget Administrator The person designated by the LTIVCBVB to act as Budget Administrator. The role of the Budget Administrator is to (i) ultimately authorize payments in accordance with the approved CMC Budget subsequent to plan administrator approval, (ii) coordinate cooperative fund contributions and payment of vendors and contractors, and (iii) coordinate accounting procedures to insure financial compatibility between each participating organization and the CMC.

1.7 **New Participants.** New Participants may be accepted at any time upon the approval of all existing Participants in the NLTMC, provided that the new Participant agrees in writing to the terms and conditions of this Agreement. Each added Participant shall select four individuals who shall be added to the CMC, to serve a Voting Members so long as that entity is a Participant.

2. **MISSION STATEMENT.** The Participants agree that the intent and mission of the NLTMC is to bring together public and private organizations and businesses to contribute marketing dollars and expertise to position the North Lake Tahoe region as one destination, to focus on identifying national and international markets, and to target common tourism industry interests and desires for cooperative action and marketing programs.

3. **REGIONAL COOPERATIVE MARKETING PLAN** The Participants shall develop and implement a Plan for the purpose of furthering the adopted NLTMC Mission Statement, supporting the regional tourism industry and business community by establishing an overall resort destination marketing identity; developing regional private sector support for this identity and a commitment to position and sell private sector products and/or services as components of the identity and Plan, as may be appropriate for each Participant and supporting partner. During the term of this agreement, participants agree that any other marketing activities undertaken, outside the Cooperative Marketing Plan will in no way compete with the destination brand as further developed and supported by the cooperative.

4. **FUND CONTRIBUTION.** Preparation, administration and implementation of the Plan shall be funded through annual contributions made by each Participant. Contributions shall be made by each Participant for each fiscal year of the program. Each Participant agrees to annually contribute the amount of money set forth in Exhibit A attached hereto and incorporated by reference. The Participants recognize and agree that the amount of funding each contributes may vary from fiscal year to fiscal year, depending on the total amount of TOT funding available to each from their respective local political jurisdictions. All funds contributed to this Agreement shall be used for the purpose of funding the Plan as generally defined in section 3, above. In no event shall the cumulative expenses and costs of the Plan exceed the aggregate amount of the marketing funds set forth in Exhibit A.

5. **TERM.** This Agreement shall remain in effect unless canceled, in writing, by one of the Participants. It is recognized that to achieve maximum effectiveness, the NLTMC should be established and continued for the long-term. Therefore, a written notice to cancel by any one of the Participants must provide a minimum of 12 months notice prior to the effective date of the cancellation, so that the NLTMC can wind down operations with minimum disruption to the separate marketing programs of each Participant. In the event that notice is given, CMC operations and governance shall continue as specified in this Agreement and funding levels shall be maintained at a level of at least 75% of the contribution, of each Participant, at the time

of notice of intent to cancel. It is further agreed by the Participants that the initial term of this agreement shall be three years. The Agreement may be renewable for one or more additional terms, as may be agreed, in writing, by the Participants.

6. **FUNDS AVAILABLE.** The Participants recognize and agree that their ability to provide funds to support the NLTMC is contingent upon the receipt of TOT revenues from their respective local political jurisdictions. Should one or more of the Participants be advised by their local political jurisdiction of a reduction or elimination of TOT revenues, a notice of cancellation, if necessary, can be submitted in writing with a notice of less than 12 months. However, the Participants pledge their good faith efforts to ensure that any cancellation of this Agreement takes place over a minimum of 12 months to help ensure a minimum disruption to the separate marketing programs of each Participant.

7. **DISSOLUTION**

7.1 **RETURN OF EXCESS FUNDS.** If this Agreement is canceled, upon dissolution of the NLTMC, any excess funds remaining in the NLTMC account shall be distributed on a pro rata share to the Participants in accordance with their annual contributions to the NLTMC account as of the effective date of termination. Should there be a deficiency of funds to cover authorized expenses, the Participants agree to fund their share of such expenses, consistent with the manner by which any excess funds would be distributed. Lists and data collected and projected during the term of this Agreement will be equally the property of all Participants at the time of dissolution. Collateral materials produced by cooperative marketing funds (e.g., brochures, exhibits, ticket stock, etc) shall be divided among the Participants in the same manner as the distribution of any excess marketing funds.

7.2 **USE OF PARTICIPANT INTELLECTUAL PROPERTY** Unless otherwise agreed, upon dissolution none of the participants will have the right to any brand, creative, or intellectual property created using cooperative funds. The Participants acknowledge that each Participant owns certain intellectual property (specifically including but not limited to trademarks, service marks, trade secrets, websites and the like), and each Participant hereby agrees not to use any intellectual property belonging to another Participant without first executing a separate trademark license agreement governing such use.

8. **MEMBERSHIP OF THE COOPERATIVE MARKETING COMMITTEE.** Consistent with the role of the CMC, as defined in Section 1, above, the membership of the CMC shall consist of four (4) members selected by the Board of Directors of each Participant, to include the Executive Director ("CEO") of each Participant, two (2) existing Board members from each Participant, and one (1) At Large representative from each Participant. The term of each selected CMC member shall be one year. No term limits shall apply, however, each may be replaced, at will, by their respective Participant board of directors.

9. **VOTING AND VOTING PROCEDURES.** All transactions of business requiring approval of the CMC shall only be taken with a quorum present and provided a majority of the duly authorized voting members has participated in discussions and has voted on the action proposed. A quorum of the Committee is established with five members. The transaction of business requiring approval of the CMC shall include, but not be limited to, the responsibilities as outlined in Section 1.3, above. Voting shall be conducted at any regularly scheduled and noticed meeting of the CMC or at a meeting scheduled and noticed at the direction of the Chair with the consent of a majority of the CMC members. Voting members may participate by telephone in scheduled, noticed meetings of the CMC, as long as all participants can hear each other and there is a physical location for the meeting accessible to the public and at least one voting member is present at that location.

9.1 **Chair.** The Chair of the CMC shall preside at all CMC meetings and exercise and perform such other powers and duties as may be required from time to time as part of the role of CMC Chair. The term of the Chair shall be one (1) year. The position shall rotate between the participants on a yearly basis.

10. **MISCELLANEOUS.**

10.1 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and no other party shall be a beneficiary hereunder.

10.2 **Entire Agreement.** This Agreement may not be amended or modified except in writing executed by all parties hereto. The Participants each acknowledge that there are no other agreements or representations regarding the subject matter hereof, either oral or written, express or implied, that are not embodied in this Agreement, and this Agreement, and the Exhibits attached to this Agreement, represent a complete integration of all the prior and contemporaneous agreements and understandings and documents regarding the subject matter hereof.

10.3 **Governing Law.** This Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada. Each of the parties hereto acknowledges and agrees that the laws of the State of Nevada were freely chosen.

10.4 **Severability.** The invalidity, illegality or unenforceability of any provision of this Agreement shall not affect the enforceability of any other provision of this Agreement, all of which shall remain in full force and effect.

10.5 **Counterpart.** This Agreement may be signed in counterparts by the participating parties, which counterparts together shall constitute a single instrument.

The Participants have executed this Agreement to be effective as of the date first written above.

10.6 NRS Compliance This is an interlocal agreement subject to the provisions of NRS 277.100, et seq., and will not be valid until approved in accordance with that chapter.

10.7 Precedence In Conflicting Documents. It is further expressly agreed by and between the participants hereto that should there be any conflict between the terms of this instrument and the NLTRA/Placer County Agreement, as it reads on the date of this document signing, then the NLTRA/ Placer County Agreement shall control and nothing herein shall be considered as acceptance of the said terms by either NLTRA nor Placer County.

**INCLINE VILLAGE/CRYSTAL BAY NORTH LAKE TAHOE RESORT
VB ASSOCIATION**

By: _____

By: Dan Joff

Its: _____

Its: President

Date: _____

Date: 7/16/06

EXHIBIT A

**North Lake Tahoe Marketing Cooperative
Contribution Schedule**

<u>Month</u>	<u>% of Total Due</u>
July	.083
August	.083
September	.10
October	.10
November	.10
December	.083
January	.083
February	.083
March	.083
April	.066
May	.066
<u>June</u>	<u>.066</u>
Total	100

Estimated 2006/2007 Total Contribution as of May 1, 2006

<i>NLTRA</i>	<i>\$850,000</i>
<i>IVCBVB</i>	<i>\$650,000</i>

Participants agree to a minimum contribution of 45% of their total marketing budgets for the initial year of this agreement (may be pro-rated dependent upon coop start date). This percentage is subject to review and adjustment on an annual basis to coincide with the budgeting process for both participants.

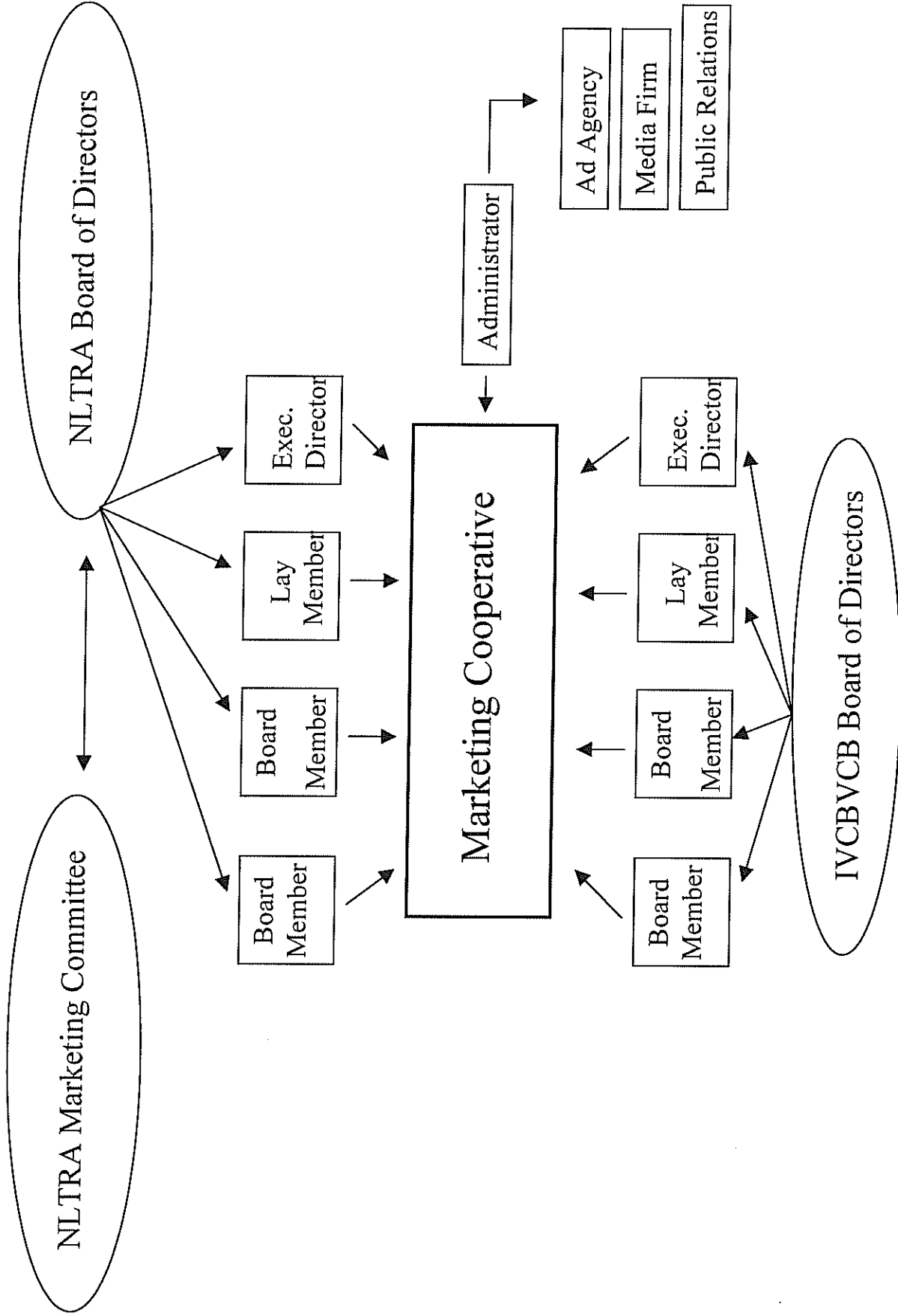
EXHIBIT B

"North Lake Tahoe" Geographic definition

The North Lake Tahoe Marketing Cooperative will brand "North Lake Tahoe" which will encompass the specific and general areas encompassing the following communities:

Incline Village
Crystal Bay
Kings Beach
Tahoe Vista
Carnelian Bay
Tahoe City
West Shore
Squaw Valley
Northstar
Greater Truckee
Alpine Meadows

NLTRA



IVCBVCB

NLTRA/IVCBVCB Marketing Cooperative Organizational Structure