

**TOURISM ADVISORY COUNCIL MEETING MINUTES
FEBRUARY 13, 2017
HELENA, MT**

COUNCIL MEMBERS PRESENT

Bill McGladdery, Chair—Butte
Glenniss Indreland, Vice Chair—Big Sky
Matt Ellis—Missoula
Rhonda Fitzgerald—Whitefish
Katie Grice—Big Sky

Kim Holzer—Stanford
Patricia McGlynn—Kalispell
Lindzy Roth—Kalispell
Brian Sprenger—Belgrade
Alger Swingley—Babb

COUNCIL MEMBERS NOT PRESENT

Tami Burke—Glasgow
Steve Wahrlich—Billings

MT OFFICE OF TOURISM & BUSINESS DEVELOPMENT (MOTBD) and DEPT. of COMMERCE (DOC) STAFF

Doug Mitchell—Deputy Director, DOC
Sean Becker—Administrator
Carmen Levick—Tourism Outreach Coordinator

Jenny Pelej—Chief of Marketing, MOTBD
Barb Sanem—Industry Program/Compliance Specialist
Jan Stoddard—Bureau Chief, Sales & Constituent Services

MONDAY, FEBRUARY 13, 2017

CALL TO ORDER, INTRODUCTIONS, NEW BUSINESS

Council Chair, Bill McGladdery called the meeting of the Tourism Advisory Council (TAC) to order at 1:00 p.m. He then introduced Governor Steve Bullock. The Governor thanked the Council and other tourism partners for all they do to promote tourism in Montana. Introductions of Council members and TAC member roundtable discussion followed.

TAC MEMBER ROUNDTABLE

Updates and information of happenings in Montana were given by TAC members. Discussion included:

- Agritourism activities in the Flathead area including introducing new crops to help agriculture diversify and increase profits for farmers.
- Air travel around the state was fairly strong last year with Bozeman, Helena, Kalispell and Missoula and West Yellowstone seeing increases. Billings remained relatively flat and Great Falls and Butte saw declines in numbers. Looking forward, projections are positive with several airports continuing or adding flights to Chicago, Dallas/Ft. Worth, Los Angeles and San Francisco.
- Engagement with tribal entities in working with the Regions, CVBs and local chambers to build the Native American tourism product across the state.
- Yellowstone Country having a strong season
- Big Sky benefitting from joint ventures partnership with MOTBD
- Challenges of Missouri River Country in lodging tax collections.
- Headframe Spirits received a \$60,000 grant from Big Sky Trust Fund at the Department of Commerce. With those funds, they are redeveloping the old Kelly mine which would make them the largest distillery west of the Mississippi.
- Online Travel Agents (OTAs) are seeing a flat shoulder season, but about an 8-10% growth for June, July and August in online lodging bookings for Yellowstone National Park.
- Big Sky benefited by an extreme power outage in Jackson Hole by offering lodging and lift tickets to those affected.
- Missoula is having an exciting year including the opening of Ft. Missoula Regional Park which will attract more sports events and tournaments in Missoula. Missoula will also be hosting the USAC Mountain Biking Championships.

- The music scene is strong in Missoula with newly added venues such as the new KettleHouse Amphitheatre.
- Missoula is also working to finalize their wayfinding signage project in getting the gateway entry signs installed.
- Whitefish has identified spring, fall and winter as their shoulder seasons. They are working to promote bicycling in the spring and fall with mountain and road biking including Going to the Sun road when it is open only to bicycles. For winter, Whitefish is promoting skiing and having a record year with snowfall. Whitefish is starting phase two of its wayfinding effort with promoting bicycle and pedestrian trails.
- Whitefish is also busy with crisis communications to combat recent negative information that is not representative of the Whitefish community.
- Medical tourism is a niche that focuses on bringing patients and/or clients to Montana for medical care
- Agriculture markets are down which is concerning for Montana ranchers and farmers
- Possible closing of Ackley State Park. This is the 19th most used park in the state and would be a big hit to the economy in Judith Basin County
- Several tournaments and festivals happening in Central Montana

The Council and meeting attendees thanked Governor Bullock for joining the meeting. Introductions of the Montana Office of Tourism & Business Development (MOTBD) staff and the audience followed.

PUBLIC COMMENT

Travel Ban—Marlee Iverson, Travel Trade Manager, MOTBD gave an update on the travel measures included in recent executive orders regarding immigrants and refugees. The order is specific to the Visa Interview Waiver Program for seven countries, none of which are Montana’s key markets. The US Travel Association is reaching out to the Administration, Congress, the media and other stakeholders to communicate both the tourism industry’s alignment on security goals and the importance of international travel to the US economy and to ensure efforts to enhance national security do not harm legitimate travel.

Montana is part of a four-state consortium to market internationally in seven markets and these markets are not affected by this executive order. The representation in these markets all have essentially the same message saying that interest to travel to the US and especially the Rocky Mountain Region remains very high. Marlee said that 2017 bookings are at the same level that they were at the same time last year and that the peak season for booking travel to the US is still several weeks out. She gave an overview comments from international representatives:

- Italy: Exchange rate is stable and Italians love the USA
- Australia and New Zealand: Current issues does not appear to have stopped increasing numbers of kiwis snapping up cheap fares to the US. A recent article talked about why Australians are going to still travel to the US saying that “the national parks are absolutely amazing; the people are incredibly friendly and the skies in Montana will remain big and blue”
- Germany: Canada will be the biggest competitor for the US due to the exchange rate.
- France: The US is still very much a popular destination

Marlee said that Montana will move forward with the message that international travelers are welcome and that we are a fantastic destination in the US. She also thanked all of the Regions and CVBs and other tourism partners for the work they do to market Montana to international visitors including attending tradeshow, assisting with FAM trips and hosting travel writers.

Montana State Parks—Melissa Baker stated that while there is some transition in leadership at Montana State Parks, the staff is committed to continuing partnerships and collaboration with tourism partners and other stakeholders. She also said that there is a five-year plan proposed for Ackley State Park.

TAC COMMITTEE REPORTS

Research Committee—Rhonda Fitzgerald, Chair

Rhonda gave the recommendations of the Research Committee for FY18 research projects for a total of \$772,600.

Those projects are:

- 1) Quarterly Nonresident Visitor Analysis
- 2) 2017 Economic Impacts and 2018 Outlook
- 3) Tourism and Recreation Monitoring
- 4) ITRR Data Mining
- 5) Panel Studies
- 6) Survey Kits
- 7) Resident Travel in Montana
- 8) Montana Tourism Forecasting and Trends
- 9) Regional Economic & Transportation Analysis: YNP area pilot study
- 10) Montana's Outfitter and Guide Industry: Business and Clients
- 11) The Impact of Mountain Biking and Trails in Helena: A Case Study

Matt Ellis moved to approve the recommendation of the committee. Kim Holzer seconded. Motion passed.

ITRR RESEARCH PROJECTS & UPDATES—Dr. Norma Nickerson, Director, ITRR

Norma gave an overview of the 2017 economic outlook including the impact of the outdoor recreation industry to tourism in Montana. She also talked about various research projects. For more information on research by topic or locations, please visit <http://itr.umd.edu/>.

TAC COMMITTEE REPORTS (continued)

Executive Committee—Bill McGladdery, Chair

Bill stated that the TAC committee assignments will be updated and sent out soon.

Marketing Committee/Audits—Glenniss Indreland, Chair

Glenniss announced that the changes to the "Regulations and Procedures for Regional/CVB Tourism Organizations Use of Lodging Facility Use Tax Revenue" have been adopted. She asked that everyone make sure they are using the current version of this document which can be found at:

<http://marketmt.com/Portals/129/shared/docs/pdf/Regulations April 2016 Final.pdf>.

The Marketing Committee recommended final approval for the following FY16 audits:

Glacier Country: Approval as submitted with uncommitted funds on hand of \$659.53.

Katie Grice moved to approve the recommendation. Matt Ellis seconded. Motion passed.

Southeast Montana: Approval as submitted with uncommitted funds on hand of \$58.60.

Bill McGladdery moved to approve the recommendation. Rhonda Fitzgerald seconded. Motion passed.

Southwest Montana: Approval as submitted with uncommitted funds on hand of \$490.50.

Kim Holzer moved to approve the recommendation. Alger Swingley seconded. Motion passed.

Belgrade CVB: Approval as submitted with uncommitted funds on hand of \$31.08.

Matt Ellis moved to approve the recommendation. Bill McGladdery seconded. Motion passed.

Big Sky CVB: Approval as submitted with uncommitted funds on hand of \$76,974.81.

Brian Sprenger moved to approve the recommendation. Kim Holzer seconded. Glenniss Indreland abstained. Motion passed.

Bozeman CVB: Approval as submitted with uncommitted funds on hand of \$984.12.

Matt Ellis moved to approve the recommendation. Alger Swingley seconded. Motion passed.

Gardiner CVB: Approval as submitted with uncommitted funds on hand of \$80.92.

Brian Sprenger moved to approve the recommendation. Kim Holzer seconded. Motion passed.

Helena CVB: Approval as submitted with uncommitted funds on hand of \$59.13.

Bill McGladdery moved to approve the recommendation. Alger Swingley seconded. Motion passed.

Kalispell CVB: Approval as submitted with uncommitted funds on hand of \$438.67.

Matt Ellis moved to approve the recommendation. Kim Holzer seconded. Motion passed.

Livingston CVB: Approval as submitted with uncommitted funds on hand of \$467.31.

Alger Swingley moved to approve the recommendation. Rhonda Fitzgerald seconded. Motion passed.

West Yellowstone CVB: Approval as submitted with uncommitted funds on hand of \$429.88.

Kim Holzer moved to approve the recommendation. Alger Swingley seconded. Motion passed.

Whitefish CVB: Approval as submitted with uncommitted funds on hand of \$1,545.39.

Bill McGladdery moved to approve the recommendation. Alger Swingley seconded. Rhonda Fitzgerald abstained. Motion passed.

Site Selection—Glenniss Indreland, Chair

Glenniss said that the Executive Committee is recommending that the October 2-3, 2017 meeting be held in Helena due to the central location. Bill McGladdery said that in discussions, the benefit and advantages of having meetings in Helena more regularly would include not only the possibility of more engagement with the Governor or DOC Director, but also having DOC and MOTBD staff more readily available for presentations which might not happen if the TAC meets in a location that would take staff out of the office for one or two days for a half hour presentation. He also stated that it is more cost effective all the way around. Rhonda Fitzgerald commented that while she has always been an advocate for TAC meetings to be held in different communities across the state, the opportunities to have more staff attend and the cost and time savings of having meetings in Helena are huge and she agrees that meeting in Helena should be considered. Kim Holzer commented that she feels that it is important to have meetings across the state and that maybe staff could conference call in for presentations. Explanation was given that depending on location, the technology isn't always accommodating for digital needs. This will be discussed more at the June 12-13 meeting in Havre.

MARKETING PLAN DISCUSSION—Glenniss Indreland, Vice-Chair

Glenniss reviewed the outline for the marketing plan presentation format for the June 12-13 meeting. She said that the new format would be more of a show and tell scenario with each Region and its respective CVB set up in a tradeshow type booth area. The TAC would then visit each booth to get a brief presentation of what each organization is doing for marketing in a more interactive and visual way including learning about any collaborative efforts between the Region and its CVB(s) or other co-ops with communities in their respective areas. The TAC would still like to see a pie chart with a budget breakdown of how the Regions and CVBs are spending the bed tax dollars. The TAC would also like to know what makes your area unique in the Montana brand pillars. If needed, the laptop and projector will be available in the main meeting room for those that need to do a presentation prior to the marketing plan being approved. General consensus and comments were to give this new format a try and that if it doesn't work, it would revert back to the more formal presentations.

UPCOMING TAC MEETINGS

- June 12-13, 2017—Havre
- October 2-3, 2017—Helena

ADJOURNMENT

The meeting was adjourned at 3:30 p.m.