

**KALISPELL TOURISM
BUSINESS IMPROVEMENT
DISTRICT**

BOARD OF DIRECTORS MEETING

Wednesday, March 2, 2011

3:00pm – 5:00pm

Kalispell Chamber of Commerce

**Board of Directors Meeting
Kalispell Tourism Business Improvement District
Wednesday – March 2, 2011
3:00 pm – 5:00 pm**

Location: Kalispell Chamber of Commerce

AGENDA

3:00 pm Meeting Called to Order: Chris Walters, Chairman of the Board

1. Hear from the Public

Member of the public are invited to present information related to the Tourism Business Improvement District. Presenters are limited to three (3) minutes each.

2. Board Discussions

- a. TBID quarterly collection audit – Greg Peck with JCCS CPA firm as guest speaker
- b. Officer job descriptions
- c. Budget review : branding, marketing and website
- d. Sales manager
- e. Board vacancy

3. Consent Agenda

- a. Approval of minutes: February 2, 2011 board meeting
- b. TBID financial statement as of 01/31/2011

4. KCVB Updates

5:00 pm Meeting adjourns

Enclosures: February 2, 2011 minutes
February 21, 2011 minutes
TBID officer meeting minutes
TBID financial statement
Article IV from TBID By-Laws – board officer position descriptions
TBID board term memo
FY'11 TBID budget spreadsheet
FY'11 & FY'12 TBID cash flow analysis
KCVB mid-year report
Press clippings

For Further Information, Please Contact:

Chris Walters, Board Chairman chris.walters@hilton.com or 406-758-2570
Diane Medler, KCVB Director dianem@kalispellchamber.com or 406-758-2808

TBID Board Meeting Schedule for 2011

January 5	February 2	March 2	April 6	May 4	June 1
July 6	August 3	September 7	October 5	November 2	December 7

**Board of Directors Meeting
Kalispell Tourism Business Improvement District
Wednesday, February 2, 2011 – 3:00 PM
Kalispell Chamber of Commerce**

Minutes

Board Members Present: Chris Walter, David Ginepra, Janet Clark, Lori Fisher, Arlinna Wolfe and Bryan Scott

Board Members Absent: Gib Bissell

Staff Present: Joe Unterreiner, Diane Medler

Guests Present: Jane Howington

Meeting was called to order by Chris Walters, Chairman of the Board at 3:10 PM.

1. Hear from the public

Jane Howington, City Manager for the City of Kalispell addressed the TBID board to discuss the Mayor's consideration of a convention/civic center. Ms. Howington addressed concerns the Mayor has about perceptions, wanted to work with the Kalispell hotels to eliminate any potential conflict with the goal of complimenting the existing facilities no duplicate. Preliminary plans look at a 1300 seat facility, possible location at the West Side Tiff property. The group expressed the following concerns: a) hotels have a hard enough time filling the convention/meeting space already in existence, b) Montana struggles to get groups due to air schedules and prices, c) concerned that these discussions are happening prior to a feasibility study being completed, d) we need to educate the community about our current facilities – our capacity to handle large groups, and d) perhaps there is a stronger need for an event facility vs. meeting space. The City Manager thanked the board and will relay these comments to the Mayor.

2. Consent Agenda

a. Approve Minutes from the January 5, 2011 Meeting:

Discussion: None

Action: Motion was made by Janet Clark to approve the minutes as written. Motion seconded by Bryan Scott. Board approved unanimously.

b. TBID financial statement:

Discussion: Bryan noted that the Employee Search item will be moved into Admin section of the budget and starting with the FY'12 the budget will be broken out by quarter versus comparing annual budget to actual to better reflect our cash flow situation.

Action: Motion was made by Janet Clark to approve the financial statements. Motion seconded by Lori Fisher. Board approved unanimously.

c. Approval of revenue amount to be used in fiscal year 2012 budget:

Discussion: Bryan calculated projected revenue by determining the average number of room nights sold during 2009 and 2010 and the percentage of that business that generates a TBID room fee. A range of \$260,000 - \$275,000 was deemed appropriate. The group agreed to select a budget amount on the conservative side of the range.

Action: Motion was made by Bryan Scott to approve \$267,000 as a projected budget for fiscal year 2012. Motion was seconded by Lori Fisher. Board approved unanimously.

3. Board Discussions

- a. TBID officer meetings: The officers of the TBID board have begun meeting a week prior to the board meeting to approve the agenda and strive to improve the effectiveness of the monthly board meetings. The officers confirm the agenda based on any input from board members and outstanding items discussed at prior meetings; no action is taken by the officers. The group discussed whether a formal Executive Committee needs to be formed. Board members agreed that it was important that the board know about the officer meetings, have access to minutes of those meetings and no action be taken that isn't presented to the full board, but agreed that a formal committee is not necessary. Minutes of the Dec 2nd, Dec 29th and Jan 28th officer meetings are included in today's board packet. Moving forward, the date/time of the meeting and minutes will be posted on a TBID Board web page and be included in the packet.
- b. 2011 legislature updates: HB316 and HB317 were discussed. HB316 would reduce the 4% portion of the bed tax that the state office of tourism, regional tourism offices and CVB, and other entities receive by 10%. The state general fund would receive an additional \$1.8M of lodging tax funds if the bill is passed. HB317 makes bed tax funding subject to annual review of the legislature, making it difficult for tourism offices to create multi-year advertising and promotion campaigns.

CVB Updates – Diane

- a. Diane provided a summary of current marketing promotion taking place including the completed updates on the Visit section of the Kalispell chamber website which provides increased promotion for the TBID hotels. Upcoming advertising included the Lethbridge Shopper and e-marketing blast sent out to the KCVB database. Diane pointed out the tracking codes included in the advertising and asked the hotels to communicate with their front desk staff and track calls generated by the ads. Diane announced that the RFP was completed and the evaluation committee selected Partners Creative as the creative agency of record. The contract will be completed immediately enabling the branding and marketing work to be began as quickly as possible.

Meeting was adjourned by Chris Walters at 5:00 PM.

Respectfully Submitted: Diane Medler

For Further Information, Please Contact

Chris Walters, Board Chairman, chris.walters@hilton.com or 406-758-2570
Diane Medler, CVB Director, dianem@kalispellchamber.com or 406-758-2808

Board Meeting Schedule for 2011 - Kalispell Chamber Conference Room at 3:00 Pm

January 5	February 2	March 2	April 6	May 4	June 1
July 6	August 3	September 7	October 5	November 2	December 7

SPECIAL Board of Directors Meeting
Kalispell Tourism Business Improvement District
Monday, February 21, 2011 – 3:15 PM
Kalispell Chamber of Commerce

Minutes

Board Members Present: Chris Walter, David Ginepra, Janet Clark, Lori Fisher, Arlinna Wolfe, Gib Bissell

Board Members Absent: Bryan Scott

Staff Present: Joe Unterreiner, Diane Medler

Meeting was called to order by Chris Walters, Chairman of the Board at 3:15 PM.

Consent Agenda - 2011 Visitor Guide:

Discussion: Diane presented the proposed methods of creating the 2011 visitor guide

1. Vacation and Community Guide –cooperative effort with the Chamber and Daily Inter Lake.
40 pgs, 15,000 copies, approx. 70% visitor info and 30% community resources
 - cost savings – TBID budget includes \$15,000 for publications/travel guide, a coop guide will cost the TBID approx. \$3,800
 - Guide will be completed by April
 - DIL writes copy, sells ads and designs guide
 - Ad sales directed to Chamber members – that may include Chamber member hotels that are not part of TBID such as Grouse Mountain, LaQuinta, Belton Chalet, White Oak, Kwa Taq Nuk
 - TBID members will be featured on an advertorial page about Lodging in Kalispell at no additional cost. If TBID members that are Chamber members wish to purchase an ad they can do so at their cost.
2. TBID visitor guide
Utilizing TBID budget amount of \$15,000, guide would be 20-25 pages with minimum print quantities
 - TBID controls who advertises in guide
 - Due to lower print quantities we'd rely heavily on online sources
 - Anticipated completion early-late summer

Action: Motion was made by Lori Fisher to approve the production of a coop visitor guide with the Chamber and Daily Inter Lake. Motion seconded by Arlinna Wolfe. Board approved unanimously.

Meeting was adjourned by Chris Walters at 3:45 pm

Respectfully Submitted: Diane Medler

For Further Information, Please Contact

Chris Walters, Board Chairman, chris.walters@hilton.com or 406-758-2570
Diane Medler, CVB Director, dianem@kalispellchamber.com or 406-758-2808

TBID Officers Meeting
February 23, 2010
Kalispell Chamber
3:00 pm

Present: Chris Walters, Gib Bissell, Joe Unterreiner, Diane Medler – Bryan Scott phoned in

Approved: Consent agenda and board packet materials for March 2nd board meeting:
Minutes
TBID financials

Discussion:

- Officer job descriptions – Bryan requested that the description of the three TBID officer positions be included as a discussion item for the next board meeting. He wants to assure that the board understands the duties of the officers as stated in the by-laws. If there are discrepancies as to what the officers are doing or not doing then that should be discussed and the by-laws amended.
- TBID budget – Diane will update the board on how the branding and marketing costs will be allocated now that the work has started with the agency. This will be included as a discussion item at the board meeting.
- Website – Diane discussed options for getting the website created. The TBID budget includes \$20,000 for a website. To expedite the process she suggested that the board approve moving forward with Partners Creative to build the website. They have indicated that it is work they are able to start immediately while they are working on the branding and marketing elements. The other option is to put out a RFP/bid request which provides us with more than one proposal to review but also slows the process by a couple months. This will be included as a discussion item at the board meeting.
- Sales manager – Diane discussed that when looking at a staff member to hire it is becoming clear that a sales manager is the appropriate position. Diane will continue to complete all the start-up marketing components and direct the marketing strategy for leisure and group. A sales manager can begin soliciting business for larger regional groups and sporting events that will fill a variety of TBID hotels. She is working on a cash-flow analysis that will give the board a clear indication of funds available for such a position. This will be included as a discussion item at the board meeting.

Kalispell Tourism Business Improvement District
Financial Variance Report
March 2, 2011

Profit and Loss Statement January 2011:

Website: Purchase of domain: Destination Kalispell

Consumer Marketing: Lethbridge Shopper Winter Wonderland quarter page ad; 500 leads from Glacier Country; e-marketing; airport display stocking fee.

Public Relations: Business Days at The Capitol; registration for Future of the Flathead.

Profit and Loss Versus Budget July – January 2011:

Reflects original approved budget, not the proposed revised budget approved by TBID board December 8th

Tourism Business Improvement District
Balance Sheet
As of January 31, 2011

	<u>Jan 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Checking	95,381.82
Total Checking/Savings	<u>95,381.82</u>
Total Current Assets	<u>95,381.82</u>
TOTAL ASSETS	<u>95,381.82</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	5,398.28
Total Accounts Payable	<u>5,398.28</u>
Total Current Liabilities	<u>5,398.28</u>
Total Liabilities	5,398.28
Equity	
Net Income	89,983.54
Total Equity	<u>89,983.54</u>
TOTAL LIABILITIES & EQUITY	<u>95,381.82</u>

Tourism Business Improvement District Profit & Loss January 2011

	Jan 11	Jul '10 - Jan 11
Income		
4000 · TBID Revenue	0.00	136,441.75
4100 · Interest Income	4.19	12.53
Total Income	4.19	136,454.28
Expense		
5000 · Staffing		
5010 · Wages	3,166.66	16,083.30
5020 · Benefits	997.82	3,497.63
Total 5000 · Staffing	4,164.48	19,580.93
5100 · Administrative		
5125 · Bookkeeping	175.00	715.00
5140 · Office Supplies	0.00	552.69
5150 · Postage & Copies	205.25	481.94
5160 · Rent	367.00	2,385.50
5180 · Telephone	139.97	817.10
5190 · Technology Support	0.00	425.00
5450 · Employee Search Exp	0.00	3,360.12
Total 5100 · Administrative	887.22	8,737.35
5200 · Web Site		
5210 · Development	12.17	1,599.69
Total 5200 · Web Site	12.17	1,599.69
5300 · Branding	0.00	4,463.44
5350 · City of Kalispell Admin Fee	0.00	3,411.01
5400 · Consumer Marketing	576.55	5,262.80
5550 · Group Marketing	0.00	52.92
5650 · Public Relations	238.92	1,099.75
5750 · Research	0.00	2,400.00
5800 · Trade Show Booth	0.00	-137.15
5850 · Travel	0.00	0.00
Total Expense	5,879.34	46,470.74
Net Income	-5,875.15	89,983.54

9:06 AM

02/18/11

Accrual Basis

Tourism Business Improvement District
Profit & Loss Budget vs. Actual
 July 2010 through January 2011

	Jul '10 - Jan 11	Budget	\$ Over Budget	% of Budget
Income				
4000 · TBID Revenue	136,441.75	335,000.00	-198,558.25	40.7%
4100 · Interest Income	12.53			
Total Income	<u>136,454.28</u>	<u>335,000.00</u>	<u>-198,545.72</u>	<u>40.7%</u>
Expense				
5000 · Staffing	19,580.93	81,400.00	-61,819.07	24.1%
5100 · Administrative	8,737.35	7,250.00	1,487.35	120.5%
5200 · Web Site	1,599.69	8,000.00	-6,400.31	20.0%
5300 · Branding	4,463.44	10,000.00	-5,536.56	44.6%
5350 · City of Kalispell Admin Fee	3,411.01	6,800.00	-3,388.99	50.2%
5400 · Consumer Marketing	5,262.80	75,000.00	-69,737.20	7.0%
5500 · Event Sponsorship	0.00	5,000.00	-5,000.00	0.0%
5550 · Group Marketing	52.92	75,000.00	-74,947.08	0.1%
5600 · Opportunity	0.00	1,000.00	-1,000.00	0.0%
5650 · Public Relations	1,099.75	7,000.00	-5,900.25	15.7%
5700 · Publications	0.00	15,000.00	-15,000.00	0.0%
5750 · Research	2,400.00	4,600.00	-2,200.00	52.2%
5800 · Trade Show Booth	-137.15	2,000.00	-2,137.15	-6.9%
5850 · Travel	0.00	20,000.00	-20,000.00	0.0%
5900 · VIC Staff Funding	0.00	12,000.00	-12,000.00	0.0%
Total Expense	<u>46,470.74</u>	<u>330,050.00</u>	<u>-283,579.26</u>	<u>14.1%</u>
Net Income	<u><u>89,983.54</u></u>	<u><u>4,950.00</u></u>	<u><u>85,033.54</u></u>	<u><u>1,817.8%</u></u>

Article IV
Officers

- Section 4.1 Officers. There shall be a Chair, a Vice Chair, a Secretary/Treasurer and TBID Executive Director of the Board who shall be the officers of TBID. In the absence of the Chair the Vice Chair shall act as chairman. The Executive Director is a non-voting member of the Board.
- Section 4.2 Election of Officers. Officers shall be elected annually by the Board at the last regular meeting of the fiscal year. Any officer may sign all official documents on behalf of the organization upon approval by the Board, and shall have such other duties as the Board may direct.
- Section 4.3 Chair. The Chair shall preside at all meetings of the Board and at any other meetings of the TBID. The Chair shall appoint members to such committees and task forces as are created by the Board of Directors. The initial chair shall be appointed by the Mayor of the City of Kalispell, pursuant to §7-12-1122 M.C.A. The term of office of the Chair shall be for one year or until his/her successor is elected.
- Section 4.4 Vice Chair. The Vice Chair shall perform the duties and exercise the powers of the Chair in the absence or disability of the Chair and shall perform any other duties as prescribed by the Board of Directors.
- Section 4.5 Secretary/Treasurer. The secretary/treasurer shall keep a record of all proceedings, minutes of meetings, certificates, contracts and corporate acts of the Board and shall be responsible for oversight of the financial records of the organization. The Board may appoint an assistant secretary/treasurer who need not be a member of the Board.
- Section 4.6 Executive Director. An Executive Director of the TBID shall be appointed by the Board. The Executive Director must be the executive director of a nonprofit convention and visitor bureau, as defined in 15-65-101, M.C.A., if a nonprofit convention and visitors bureau is operating within the Governing Body's jurisdiction. The Executive Director shall be charged with the general supervision and management of the business affairs of the TBID. The Executive Director shall be the chief executive officer and shall be charged with initiating and implementing the marketing plan, budget and related projects, the general supervision over employees, including their duties and compensation in conformity with the policies approved by the Board. The Executive Director shall keep the minutes of the Board meetings, keep other records as the Board may direct, and perform such other duties as may be prescribed by the Board, these Bylaws, or by law. The Executive Director shall so manage the affairs of the TBID as to promote the objectives for which the TBID is organized.
- Section 4.7 Other Officer Duties. The Board may provide such additional duties for any officer, as it deems necessary.
- Section 4.8 Officer Vacancy. A vacancy in any office shall be filled by the Board at its next regular meeting for the remainder of the unexpired term.

March 2, 2011

TO: TBID Board

FROM: Diane Medler

RE: TBID Board Terms

The TBID board has one member term expiring April 30, 2011. According to the TBID By-Laws, a vacancy on the Board shall be filled by the Appointing Authority (Kalispell City Mayor), with the approval of the Governing Body (Kalispell City Council). Based on the selection and election process established by the TBID board (August 26, 2009 minutes), nominations will be sought from TBID members that fit the hotel category seat being vacated. TBID members then vote via ballot, the leading candidate is then approved by TBID board. That recommendation is sent to the City of Kalispell for their appointing approval.

TBID board is comprised of representation from three hotel categories:

- 3 directors from Large Hotels (106 rooms or more): Outlaw, Red Lion, Hilton Garden Inn, Motel 6, Hampton Inn, Holiday Inn Express
- 2 directors from Medium hotels (60 to 104 rooms): Blue & White Motel, Comfort Inn, Econo Lodge, Super 8, Travelodge
- 2 directors from Small Hotels (59 rooms and under): Glacier Peaks Inn, Hilltop Inn, Kalispell Grand, Glacier Ridge Suites, Aero Inn

<u>Board members</u>	<u>Term Expires</u>	<u>Hotel Category</u>
1 year term: David Ginepra	4/30/2011	medium hotel
2 year term: Lori Fisher	4/30/2012	large hotel
Arlinna Wolfe	4/30/2012	medium hotel
3 year term: Gib Bissell	4/30/2013	small hotel
Janet Clark	4/30/2013	small hotel
4 year term: Bryan Scott	4/30/2014	large hotel
Chris Walters	4/30/2014	large hotel

Nomination/Election Process:

March 4	Notice of board vacancy and request for nomination by medium hotel owner or designee
March 11	Due date for submission of nominations
March 16	Ballots distributed to TBID members
March 28	Ballots returned
April 6	TBID Board approves nomination, recommendation forwarded to City of Kalispell
May	Appointment confirmed at City Council meeting

Fiscal Year 2011 (July 1, 2010 - June 30, 2011)

Approved Kalispell Tourism Marketing Budget June 1, 2010

Bed Tax projected revenue	\$ 83,554
TBID projected revenue	\$ 335,000
	<u>\$ 418,554</u>

Proposed TBID Budget December 1, 2010

TBID Revised Revenue	\$ 270,000
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Partners Creative Contract February, 2011

Program Description	BED TAX		TBID Original	Jul-Oct Expenditures	Committed	Anticipated	TBID Proposed	
Marketing Support								
Staffing	\$ 10,554	\$ 81,400		\$ 7,110	\$ 32,520	\$ 8,408	\$ 48,038	
Admin *rent now \$367 vs \$492	\$ 2,000	\$ 19,000		\$ 6,426	\$ 5,600	\$ 500	\$ 12,526	
		\$ 100,400		\$ 13,536	\$ 38,120	\$ 8,908	\$ 60,564	
Fulfillment - Contract Service	\$ 32,300	\$ -		n/a	n/a	n/a	\$ -	
Web Site	\$ -	\$ 8,000		61	\$ 3,778	\$ 20,000	\$ 23,839	
TAC/Gov Conf/Region CVB Mtgs (2 ppl)	\$ 2,700	\$ 1,000		n/a	n/a	n/a	\$ -	
Opportunity, Joint Ventures	\$ 2,000	\$ 10,000		-	-	\$ 1,000	\$ 1,000	
Branding - Strategic Plan, Marketing Plan	\$ 10,000	\$ 10,000		\$ 1,134	\$ 3,335	\$ 17,500	\$ 21,970	\$ 27,500
Event Sponsorship	\$ 5,000	\$ 5,000		-	-	\$ 10,000	\$ 10,000	\$ 25,000
Trade Show Booth	\$ 2,000	\$ 2,000		-	-	\$ 2,000	\$ 2,000	brand research/positioning
Kalispell Chamber VIC Staff Funding	\$ 12,000	\$ 12,000		-	-	\$ 4,000	\$ 4,000	brand creative & marketing strategy
Sales Calls (Travel, Lodging, Meals)	\$ 20,000	\$ 20,000		-	-	\$ 20,000	\$ 20,000	
Consumer/Leisure Marketing	\$ 5,000	\$ 75,000		(30)	\$ 3,600	\$ 32,500	\$ 36,070	
Group Marketing	\$ 5,000	\$ 75,000		53	-	\$ 33,500	\$ 33,553	
Public Relations (Printing & Production)	\$ 1,000	\$ 15,000		756	-	\$ 15,000	\$ 15,756	\$ 83,000
Public Relations	\$ 1,000	\$ 7,000		563	-	\$ 8,000	\$ 8,563	\$ 75,000
Research (STR Destination Reports)		\$ 4,600		2,400	\$ 2,400	-	\$ 4,800	external marketing
Pledge to Allegiant LA flight		\$ 335,000			2,000			creative, production and placement
Total	\$ 83,554	\$ 335,000		\$ 18,474	\$ 53,233	\$ 172,408	\$ 242,115	\$ 110,500

TOTAL - Bed Tax & TBID budget for branding and marketing \$ 110,500

RFP budget (\$20K for branding + \$83K) \$ 100,000

Statement of Cash Flow												
TBID FY 2011												
	Estimate	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Cash on Hand												
TBID Quarterly Collections		\$ 16,064.85	\$ 15.00	\$ 268.61	\$ (5,465.66)	\$ 101,046.54	\$ 91,922.64	\$ 86,047.49	\$ 123,811.91	\$ 100,919.91	\$ 84,227.91	\$ 111,292.91
Interest Income		\$ 0.26	\$ 0.51	\$ 0.30	\$ 2.61	\$ 4.66	\$ 4.19	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Receipts		\$ 16,065.11	\$ 15.51	\$ 0.30	\$ 119,952.61	\$ 4.66	\$ 4.19	\$ 47,915.42	\$ -	\$ -	\$ -	\$ -
Total Cash Available		\$ 16,065.11	\$ 7,758.93	\$ 268.91	\$ 114,486.95	\$ 101,051.20	\$ 91,926.83	\$ 133,982.91	\$ 123,811.91	\$ 100,919.91	\$ 134,227.91	\$ 111,292.91
Staffing		\$ 3,303.00	\$ 3,560.41	\$ 3,549.74	\$ 3,567.57	\$ 4,738.73	\$ 4,164.48	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00
Sales Manager (\$35,000)												
Bookkeeping		\$ 30.00	\$ 217.50	\$ 112.50	\$ 90.00	\$ 90.00	\$ 175.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 125.00	\$ 125.00
Rent		\$ 550.50	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00	\$ 367.00
Office Supplies		\$ 313.37	\$ 226.84	\$ 5.66	\$ -	\$ 6.82	\$ -	\$ -	\$ -	\$ -	\$ 200.00	\$ 50.00
Technology support		\$ 300.00	\$ 125.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200.00	\$ 200.00
Postage & Copies		\$ -	\$ 36.44	\$ 75.00	\$ 67.51	\$ 97.74	\$ 205.25	\$ 125.00	\$ 125.00	\$ 125.00	\$ 225.00	\$ 225.00
Telephone		\$ -	\$ 195.25	\$ 144.16	\$ 172.94	\$ 164.78	\$ 139.97	\$ 150.00	\$ 150.00	\$ 150.00	\$ 250.00	\$ 250.00
Employee Search		\$ 3,360.12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200.00	\$ 200.00	\$ -	\$ -
City of KallsPELL Admin Fee		\$ 411.90	\$ 0.37	\$ 61.02	\$ 2,998.74	\$ -	\$ 12.17	\$ 1,228.60	\$ 5,000.00	\$ 5,000.00	\$ 1,250.00	\$ 5,000.00
Website		\$ -	\$ -	\$ 84.00	\$ 1,526.50	\$ -	\$ -	\$ 2,188.85	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Opportunity Joint Venture		\$ -	\$ -	\$ -	\$ 84.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Branding/Strategic/Mktng Plan		\$ -	\$ -	\$ 1,134.25	\$ 95.00	\$ 3,234.19	\$ -	\$ -	\$ 6,250.00	\$ 6,250.00	\$ 6,250.00	\$ 6,250.00
Event Sponsorship		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trade Show Booth		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COC VIC staff funding		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Calls		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consumer Leisure Mktng		\$ -	\$ -	\$ -	\$ 4,471.25	\$ 200.00	\$ 576.55	\$ 591.55	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00
Group Marketing		\$ -	\$ -	\$ 52.92	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Relations		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,800.00	\$ -	\$ -	\$ -
Public Relations		\$ -	\$ 52.80	\$ 308.59	\$ 201.24	\$ 83.90	\$ 229.30	\$ 1,200.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Research		\$ -	\$ -	\$ 2,400.00	\$ -	\$ -	\$ -	\$ -	\$ 2,400.00	\$ -	\$ -	\$ -
Sub-total		\$ 8,321.69	\$ 7,490.32	\$ 5,734.57	\$ 13,440.41	\$ 9,128.56	\$ 5,879.34	\$ 10,151.00	\$ 22,892.00	\$ 16,692.00	\$ 22,935.00	\$ 21,335.00
Total Cash Paid Out		\$ 8,321.69	\$ 7,490.32	\$ 5,734.57	\$ 13,440.41	\$ 9,128.56	\$ 5,879.34	\$ 10,151.00	\$ 22,892.00	\$ 16,692.00	\$ 22,935.00	\$ 21,335.00
Cash Position		\$ -	\$ 7,743.42	\$ 268.61	\$ (5,465.66)	\$ 101,046.54	\$ 91,922.64	\$ 86,047.49	\$ 123,811.91	\$ 100,919.91	\$ 84,227.91	\$ 89,957.91

Statement of Cash Flow													0	
TBID FY 2012														
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	Total
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12		
Cash on Hand	\$ 89,957.91	\$ 80,822.91	\$ 118,772.91	\$ 108,947.91	\$ 99,122.91	\$ 206,297.91	\$ 196,472.91	\$ 186,647.91	\$ 224,597.91	\$ 214,772.91	\$ 204,947.91	\$ 242,897.91	\$ 267,000.00	\$ 233,072.91
TBID Quarterly Collections	\$ -	\$ 49,000.00	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ 49,000.00	\$ -	\$ -	\$ -	\$ 49,000.00	\$ 267,000.00	\$ -
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Receipts	\$ -	\$ 49,000.00	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ 49,000.00	\$ -	\$ -	\$ -	\$ 49,000.00	\$ 267,000.00	\$ -
Total Cash Available	\$ 89,957.91	\$ 129,822.91	\$ 118,772.91	\$ 108,947.91	\$ 219,122.91	\$ 206,297.91	\$ 196,472.91	\$ 235,647.91	\$ 224,597.91	\$ 214,772.91	\$ 204,947.91	\$ 242,897.91	\$ 267,000.00	\$ 233,072.91
Staffing	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 4,200.00	\$ 50,400.00	\$ -
Sales Manager	\$ 3,360.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 4,050.00	\$ 47,910.00	\$ -
Bookkeeping	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 1,500.00	\$ -
Rent	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 575.00	\$ 6,900.00	\$ -
Office Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Technology support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Copies	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 225.00	\$ 2,700.00	\$ -
Telephone	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00	\$ -
Other Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Kallispell Admin Fee	\$ -	\$ 1,225.00	\$ -	\$ -	\$ 3,000.00	\$ -	\$ -	\$ 1,225.00	\$ -	\$ -	\$ -	\$ 1,225.00	\$ 6,675.00	\$ -
Website	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Opportunity Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Branding/Strategic/Mktg Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Event Sponsorship	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trade Show Booth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COOC VIC staff funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Calls	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consumer Leisure Mktg	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Publications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 4,800.00	\$ -
Sub-total	\$ 9,135.00	\$ 11,050.00	\$ 9,825.00	\$ 9,825.00	\$ 12,825.00	\$ 9,825.00	\$ 9,825.00	\$ 9,825.00	\$ 11,050.00	\$ 9,825.00	\$ 9,825.00	\$ 9,825.00	\$ 123,885.00	\$ -
Total Cash Paid Out	\$ 9,135.00	\$ 11,050.00	\$ 9,825.00	\$ 9,825.00	\$ 12,825.00	\$ 9,825.00	\$ 9,825.00	\$ 9,825.00	\$ 11,050.00	\$ 9,825.00	\$ 9,825.00	\$ 9,825.00	\$ 123,885.00	\$ -
Cash Position	\$ 80,822.91	\$ 118,772.91	\$ 108,947.91	\$ 99,122.91	\$ 206,297.91	\$ 196,472.91	\$ 186,647.91	\$ 224,597.91	\$ 214,772.91	\$ 204,947.91	\$ 242,897.91	\$ 233,072.91	\$ 233,072.91	\$ -

Kalispell Convention & Visitor Bureau Mid-Year Report - February, 2011

Priorities	Projects	Status
Leisure Travel	<ol style="list-style-type: none"> 1. Trade Show 2. Increase qualified leads 3. Airport display 4. Targeted advertising 5. Updates to Kalispell Chamber website 6. Social media 	<ol style="list-style-type: none"> 1. Attended 50+ Living Show in Calgary, Nov. 2010, 3,332 attendees <ul style="list-style-type: none"> • Collected 200 leads • Collateral distributed and one-on-one conversations increased awareness of Kalispell vs. Great Falls as Montana destination 2. 760 leisure travel leads collected from target markets; and ongoing Sled The Rockies leads from Office of Tourism 3. Negotiated with WCVB & FCVB to obtain 1/3rd of the existing visitor display at Glacier Intl. Airport 4. Print advertising: <ul style="list-style-type: none"> • Delta/Sky Magazine, Montana special section • 2011 Glacier Country travel guide • Lethbridge Shopper, Winter Wonderland travel section Electronic marketing: <ul style="list-style-type: none"> • E-newsletter to leisure database promoting winter activities & events and Kalispell hotels – obtained 22% open rate and 17.5% click through rate 5. TBID hotel directory created accessed through “Visit Kalispell, Where To Stay” button and links; Toll free visitor information number added to header and footer of website 6. Discover Kalispell launched on Facebook. Utilized as interactive and current source for area information and events.
Groups/Meetings	<ol style="list-style-type: none"> 1. Increase awareness of Kalispell as meeting/convention destination 2. Create Meeting Planner Guide 3. Increase qualified group leads 4. Book groups/meetings 	<ol style="list-style-type: none"> 1. Inclusion of Kalispell in group meeting directories; Meeting/Convention information added to Kalispell Chamber (DiscoverKalispell.com) website 2. Guide & area information brochure completed and submitted to 6 potential groups to date 3. Obtained Glacier Country NTA and ABA leads – 60 total 4. On the books: <ul style="list-style-type: none"> • MACE – October 2011, 35 rooms, 1 night • La Hacienda RV Park Reunion – July/August 2012, 75 rooms, 4 nights In the works: <ul style="list-style-type: none"> • Fall 2011, @ 170 rooms • Spring 2013, @ 200 attendees • 7 leads solicited through presentations held in February

Priorities	Projects	Status
Branding/Marketing	<ol style="list-style-type: none"> Strategic planning session and action plan Define brand and messaging Create targeted marketing strategies Create marketing materials 	<ol style="list-style-type: none"> Planning session held October 28, 2010 – 23 participants in pre-session questionnaire and planning session. Strategic action plan created. Completed RFP process, selecting Partners Creative as agency of record; development of brand materials in process Target markets defined through Strategic Plan; marketing efforts in place directed to Canadian travelers, short drive and direct fly markets; ongoing strategy in development by agency Website: <ul style="list-style-type: none"> DiscoverKalispell.com URL purchased and promoted in all marketing materials, PR and advertising Upgrades to KalispellChamber.com – accessed by DiscoverKalispell In bidding process for creation of new website <p>Collateral for Visitor Information Centers, Call Center and trade show:</p> <ul style="list-style-type: none"> Flathead Valley/Kalispell city tear off map Activity brochures rebranded to KCVB TBID hotel brochure Activity/event brochure Visitor Guide – coop guide in process, completion by end of April
Events	<ol style="list-style-type: none"> Increase number of effective events during shoulder seasons 	<ol style="list-style-type: none"> Working closely with KDA and KBID to create event around Victoria Day (May holiday) and increase out of area participation to the September Run Through History Met with coordinator of Glacier Jazz Stampede to increase impact on Kalispell hotels for this annual event Met with Mark Johnson, Manager of Fairgrounds - investigating event opportunities for spring and fall
Increase Awareness of Kalispell as Travel Destination to the Regional Market	<ol style="list-style-type: none"> Public Relations 	<ol style="list-style-type: none"> Connect with other Destination Marketing Organizations within Montana and Washington Press releases and presentations to increase awareness of TBID and CVB within Northwest Montana and across the state Meetings with individuals and organizations in travel industry
Infrastructure	<ol style="list-style-type: none"> Bed Tax TBID CVB 	<ol style="list-style-type: none"> Quarterly reporting; application monitoring and approval; required meetings; monitor legislative issues TBID monthly board meetings; budget and marketing plan monitoring; state-wide TBID meetings; monitor legislative issues Develop photo library

VALLEY

Arts center idea still has local interest

CONCEPT/From A5

and resulted in a feasibility study by ArtsMarket Inc., a Bozeman firm. The study called for creation of a 1,500- to 1,700-person facility along with a versatile 150- to 250-person hall for theatrical and other events.

Jason Peters is the president of the Glacier Performing Arts Center committee. The group had pledges totaling \$5.2 million, he said. The nonprofit committee has between \$25,000 and \$30,000 remaining. That dormant project spent some \$200,000 to \$250,000 on architectural designs for a 1,120-person performing arts facility.

The committee started raising money toward a \$16 million project before the economy "dropped out" in 2008, he said.

Peters said there still is some interest in building a performing arts center. The committee previously was offered a location near Glacier High School. "The city airport's not a bad idea," he added, referring to Kalispell's general aviation airport.

Peters wondered about using shoulder seasons for events. "I don't know you would want to showcase this place in April or November. I don't know that you'll get anyone [to come] back. May or October might be O.K."

Dave Handy of Lakeside said he previously was involved with a performing arts center in Wisconsin. Those involved "were perpetually in fundraising mode because theater doesn't pay enough, even though it sells out."

Alan Satterlee of the Glacier Symphony said that group has trouble

filling a 700-seat facility. He said the symphony is currently using Flathead High School's auditorium, but getting dates can be a problem due to other scheduled events.

The Glacier Center project "got way too big and too expensive for donors," he said. "We don't have a big enough population base to support huge concerts."

Howington noted that the Flathead County Fairgrounds is the biggest place available locally for trade shows.

Mark Campbell, the new manager at Flathead County Fairgrounds, encouraged those interested to "be bold with your thoughts."

Local resident Carl Feig said he's been advocating an auditorium since 1985. "Think big," he said. "Build it. They are coming."

Pam Carbonari, coordinator of the Kalispell Business Improvement District and former mayor, said the area is "sorely lacking a facility" for acoustics. "We have spent a lot of money and done a lot of research," she said, referring to the Glacier Center project.

She said the performing arts community suffered a "significant loss" of two downtown theaters (Strand and Liberty) that are now being used by the Fresh Life and Skull churches.

Fisher asked anyone interested in sitting on the steering committee to e-mail her at tfisher@kalispell.com.

Reporter Caleb Soptelean may be reached at 758-4483 or by e-mail at csoptelean@dailyinterlake.com.

Concept of local civic center takes inaugural step

By CALEB SOPTELEAN
The Daily Inter Lake

A steering committee is being formed to look at the potential of bringing a performing arts or civic center to the Flathead Valley.

Kalispell Mayor Tammi Fisher is requesting volunteers to serve on the committee, she said at the end of a scoping session Friday afternoon at Kalispell City Hall.

The consensus from the meeting seemed to be that the valley will have a hard time attracting major conventions due to limited transportation — there need to be additional flights or more seating on existing flights at Glacier Park International Airport.

A performing arts center apparently is needed. A convention exists, however, because conventions typically are what pay for the lion's share of such a building's costs. Concerts and other musical venues, while

lion budget. "It was hard to get into [for scheduling]," he said.

The debt was retired faster than expected because "it was way busier than they thought it would be," Spring said.

The building was 300,000 square feet. The project was started in the 1980s and finished in the early 1990s, including three additions, he said.

One of the additions was an arena, with its naming rights sold to a local bank.

Hot Springs is near a national park and had other attractions such as horse racing and a lake nearby. These are similar to Flathead County's situation, he said.

Spring said he got interested in building such a facility in Flathead County after he had to drive to Billings for a hospital convention.

"We have challenges having enough airline service," he said. He believes such a project here "needs to be a valleywide effort. I think it should be

downtown [Kalispell]," he said.

Jan Metzmaker of the Whitefish Convention and Visitors Bureau said the Flathead Valley is a "cul-de-sac for transportation. We would have to charter planes for conventions," she said.

Chris Walters, general manager of Hilton Garden Inn, said the local transportation situation is "unbearable." There are not enough seats on existing flights at Glacier Park International Airport. "They only give you 15 percent of the plane for groups," a woman said.

Kalispell Chamber of Commerce President Joe Unterreiner said Glacier Park International Airport Manager Chind Martin is working on an "air bank" to more aggressively lobby airlines to bring additional flights to the area.

Kalispell City Manager Jane Howington noted that a civic/performing arts center effort in Flathead County would not be run by a local government. "Government does help in initiating, provoking and promot-

ing," she added. Unterreiner said local government couldn't use bonding because that would have to be approved by the state Legislature. Local governments could use tax increment financing.

Federal "brownfields" grant funds might be available for revitalizing blighted areas near the city's core, Howington said.

"New market" tax credits for projects more than \$5 million or \$10 million also might be used.

A performing arts or civic center in Flathead County should seat around 1,300 people at a cost of \$8 million to \$12 million, Howington said. Such a project would need at least 3.5 acres, not including parking.

She suggested that a local nonprofit group could run the facility, which would take at least two years to build.

Unterreiner spoke about the Glacier Performing Arts Center project that was started in 2000

See CONCEPT on Page A7

Missoulian

Flathead looks to tourism for economic boost; wood products down

By **TRISTAN SCOTT** of the Missoulian | Posted: Friday, February 11, 2011 9:30 pm

KALISPELL - Financial experts predicted growth in cities across Montana at an economic outlook seminar Friday, while local business leaders here singled out tourism as the Flathead Valley's biggest boon.

Last year, nonresident travelers, or "geo-travelers," accounted for 20 percent of basic labor income in Flathead County, said Diane Medler, director of the Kalispell Convention and Visitor Bureau.

In 2010, nonresident travelers spent \$232 million while visiting Flathead County, a figure that was no doubt augmented by the unprecedented visitation records set at Glacier National Park, which welcomed 2.2 million visitors through its gates.

The figures also mirror the growth of Montana's economy, which has improved as the state and nation move out of the worst economic downturn in more than two decades, said Pat Barkey, an economist and director of the Bureau of Business and Economic Research at the University of Montana.

As the recession slowly fades from the state's collective memory, residents have begun to feel emboldened to spend more, Barkey said.

"The climate for growth has improved significantly in the past eight months, especially for energy and agriculture," he said. "Two years have elapsed since the recession's lowest point, and families and businesses are starting to adjust and both are now positioned to spend more."

The half-day seminar, called "Paying for the Recession - Rebalancing Montana's Economy," drew researchers and experts from throughout the Montana University System who provided outlooks for Montana's important industries: nonresident travel, housing, health care, agriculture, manufacturing and forest products.

Todd Morgan reported a decline in the wood products industry for the fifth year in a row, while total employment in the forest products industry is down 9 percent from 2009, due in large part to closures at Smurfit-Stone Container Corp. and several Plum Creek Timber Co. mills.

Continued decline in the timber manufacturing is grim news for Flathead County, and to make up for the revenue loss Medler said the CVB will focus its efforts and resources on an initiative to attract more nonresident travelers. The bureau is investing \$2.5 million in advertising, social media and other means to promote the Flathead Valley.

"We are going to be working to create sustainable, year-round initiatives to position Kalispell as a travel destination," Medler said. "Travelers will not come here if we don't promote it. We can't just sit back and assume they are going to find Kalispell."

Medler said every dollar spent on advertising yields \$104 in visitor spending in Montana, and for every bed tax dollar invested, \$4.53 is returned to the state general fund.

Kalispell hoteliers reported a 4.2 percent increase in rooms last year, and Canadian visitors contributed heavily to hotel stays. Medler said the CVB will continue to target markets in Calgary and Lethbridge, Alberta, promoting Kalispell as the "launch point" of the Montana experience.

"When people mention Kalispell, what is the first thing that comes to mind?" Medler asked, showing slides of Glacier National Park and Flathead Lake. "We are the center of the Glacier National Park and Flathead Lake experience."

Reporter Tristan Scott can be reached at (406) 260-4197 or at tscott@missoulian.com.

BUSINESS

Tourism spells revenue, plenty of jobs in Montana, Flathead Valley

By SHELLEY RIDENOUR
The Daily Inter Lake

Tourism is big business in Montana, and a big chunk of the state's tourism business occurs in Flathead County and Kalispell, according to speakers at two recent meetings in Kalispell.

Statewide, tourism is a \$2.3 billion industry. Norma Nickerson of the University of Montana's Institute of Tourism and Recreation Research, told people at a Feb. 11 economic forum.

In 2010, some 10.5 million visitors traveled to Montana, a 4 percent increase from 10 million visitors to the state in 2009.

Visitor spending generated \$153 million in state and local tax revenue in 2009, the most recent year for which information is available.

Tourists spend money in many segments, with most of their spending — 32 percent or about \$711 million in 2009 — paying for gasoline and oil, according to data from the Montana Office of Tourism.

Visitors spent about \$498 million in restaurants and bars in Montana in 2009, representing 22 percent of their spending in the state. They bought \$192 million worth of groceries and snacks, which represented 8 percent of their spending. Retail sales spending totaled about \$358 million or 16 percent of tourists' spending.

ANOTHER 11 percent of their money was spent on hotels or other lodging facilities, about \$240 million. That 11 percent doesn't include campgrounds or RV parks, which received 2 percent of visitor spending, about \$39 million.

Tourists spent 1 percent of their travel dollars to gamble in Montana, about \$17 million.

Tourism was credited for creating 25,500 jobs in 2009 in Montana and provides \$661 million in worker salaries. On average, every dollar spent by nonresident travelers in the state generates 30 cents in wage and salary income for Montana residents, according to the tourism office.

Last year, tourists spent \$232 million in Flathead County, according to Diane Medler,



Nate Chute file photo/Daily Inter Lake

A TOURIST SNAPS a photo of a mountain goat crossing the trail to Hidden Lake near Logan Pass in Glacier National Park. Tourism is a \$2.3 billion industry in Montana, with Glacier one of the prime attractions.

director of the Kalispell Convention and Visitor Bureau.

Much of last year's tourism success can be tied to the centennial celebration in Glacier National Park, she said. About 2.2 million people visited Glacier in 2010.

Surveys show that 67 percent of first-time visitors to Montana in any given year come to visit either Glacier or Yellowstone park, Katy Peterson, consumer marketing manager with the Montana Office of Tourism, said at last week's Kalispell Chamber of Commerce lunch meeting. Of those people, 86 percent return to Montana, usually to a different place than they first visited.

PEOPLE WHO VISIT

Montana in the summer are attracted to the two national parks — Glacier and Yellowstone — and other outdoor attractions including mountains and forests and the activities they can engage in when visiting those places. Two-thirds of overnight vacations are spent in the Glacier Country or Yellowstone Country travel regions.

Winter visitors to Montana come to ski or snowboard. More of them arrive by plane than do people who visit the state in the summer, data show.

Surveys show the attributes that are

Tourism was credited for creating 25,500 jobs in 2009 in Montana and provides \$661 million in worker salaries. On average, every dollar spent by nonresident travelers in the state generates 30 cents in wage and salary income for Montana residents, according to the state tourism office.

important to visitors who come from other states are mostly related to the outdoors. Those travelers want to find clean waterways and clean air when they get to Montana, Nickerson said. They're also looking for opportunities to view wildlife, see scenic vistas and view the night sky.

They also want to be able to access public lands and waterways and use walking and bike paths, she said.

Once they get to Montana, they tell tourism officials they are happy with those outdoor opportunities, Nickerson said.

"THEY'RE HAPPY with open space, so we have to be careful with what we change," she said.

State tourism officials are focusing on a new segment of tourism. Nickerson said — geotourism.

It incorporates the concept of sustainable tourism, that destinations should remain unspoiled for future gen-

They also are not happy with rest areas, road conditions and the low level of environmental practices by lodging facilities.

They want more than just a hotel that offers to let them use a towel for more than one day, Nickerson said.

Overall visitation to Montana is expected to increase by 2 percent this year, compared to 2010, Nickerson said, based on surveys of business owners in the tourism industry.

AIRLINE TRAVEL in Montana increased by 2 percent in 2010 compared to 2009 and is predicted to increase by 1 percent this year.

The number of hotel rooms sold in 2010 increased 5.6 percent from 2009 and is expected to increase another 1.5 percent in 2011. In Kalispell, there was a 4.3 percent increase in rooms sold.

Skier visits were up 2.3 percent for the 2009-10 season and are expected to increase by another 2 percent this year.

Although travelers aren't spending at the levels they did in 2007, "we expect it to continue rising," Nickerson said.

Reporter Shelley Ridenour may be reached at 758-4439 or by e-mail at sridenour@dailyinterlake.com.

If you don't promote it, visitors won't come here

By SHELLEY RIDENOUR
The Daily Inter Lake

Tourism marketing is crucial, tourism experts told groups at two recent meetings in Kalispell. If Montana and Kalispell aren't promoted, people won't visit.

People who see an ad promoting visitation to Montana are three times more likely to visit the state, the tourism officials said.

As Diane Medler oversees Kalispell's new marketing plan, she knows the community faces competition from other communities with similar offerings. Medler is director of the Kalispell Convention and Visitor Bureau.

THE VISITORS bureau recently signed a contract with Partners Creative of Missoula to implement its marketing plan and "create the resources a traveler uses," she said.

Access to the experiences a visitor wants determines where people stay, Medler said. That's a plus for Kalispell because of its location central to popular attractions, including Glacier Park and Flathead Lake, she said. And Kalispell has more lodging and dining options than other nearby communities, as well as what she called a vibrant downtown and places where people can learn about local history.

Medler wants to lengthen the stays of visitors and have them visit more often.

"Travelers have a lot of choices, we have to market to them," she said.

TWO SPECIFIC efforts on which she will focus to help visitors once they arrive in Kalispell is to improve ground transportation so people can use public transportation to get to the airport or to ski areas, for example.

She also plans to provide information to front-line employees at local businesses so they can answer questions posed by tourists.

Katy Peterson, consumer marketing manager with the Montana Office of Tourism, explained the difference between branding and advertising to the audience at Tuesday's Kalispell Chamber of Commerce lunch.

She said brands date back to medieval times when a brand on a product was a signal to con-

See VISITORS on Page A11

no room for compromise. A few dozen police officers stood between supporters of Republican Gov. Scott Walker on the muddy east lawn of the Capitol and the much larger group of pro-labor demonstrators who surrounded them. The protest was peaceful as both

like that, try you're fired" on the other. The Wisconsin governor, elected in November's GOP wave that also gave control of the state Assembly and Senate to Republicans, set off the protests earlier this week by pushing ahead with a measure that would

tion and Scott Walker won," said Deborah Arndt, 53, of Sheboygan Falls. "I think our governor will stand strong. I have faith in him." Nearly two dozen cabs blocked a major intersection near the Capitol. The driver of the lead cab leaned out of the window and played a trumpet, while

allow them to bargain collectively," said John McNamara, the marketing director of Union Cab. Senate Majority Leader Scott Fitzgerald reaffirmed Saturday that Republicans have not been swayed by the pro-labor protesters who since Tuesday have filled the Capitol with chanting,

the state on Thursday remain in hiding to the Statehouse. missing Democrat threatened to stay for weeks and remain more resolved than to stay away "as long as it takes" until Walker agrees to negotiate. Democratic Sen. Jon Erstad said Saturday.

Advertising targets people in Chicago, Minneapolis, Seattle

VISITORS/From A10

sumers that distinguished it from its competitors. Brands are road maps for advertising, she said. "A brand isn't advertising." Nor is a brand a slogan or a tagline, hard to understand or a play on words. All of those can be used to market a brand, however.

A brand shouldn't change, she said, although messages to convey that brand change all of the time.

The way the tourism office markets Montana has changed in the last five years, Peterson said.

The office previously had two advertising agencies, one marketing the state's warm seasons and the other handling winter marketing.

"We were casting a wide net to a national audience," Peterson said. "It was hard to see what the message was."

State officials embarked on a process to discover

Montana's brand. While everyone at the table had a different idea, Peterson said all the ideas touched on the outdoors.

So, the brand was identified as Montana offering visitors spectacular and unspoiled nature, vibrant and charming small towns that serve as gateways to the state's natural wonders and a breathtaking experience.

Peterson said a lot of towns in the state "think they are the destination." But research shows that's not the case. Instead, people come for the outdoor attraction that is near any given town.

Today, the state has one ad agency and is directing its advertising to three cities: Chicago, Minneapolis and Seattle.

That targeted marketing approach has resulted in 37 percent of the people in those cities professing awareness of Montana.

Statistics show that once people learn about the

possibility of vacationing in Montana, they are three times more likely to visit the state, Peterson said.

"Our job is to bring nonresident dollars into the state," Peterson said. "We want to increase people's intent to travel and increase revenue to Montana businesses."

The state Office of Tourism reports that every \$1 spent on advertising yields \$104 in visitor spending in the state. Every bed tax dollar invested in advertising returns \$4.53 to the state's general fund.

Reporter Shelley Ridenour may be reached at 758-4439 or by e-mail at sridenour@dailyinterlake.com.

WHERE'S YOUR FAVORITE TO HEAR LOCAL STORIES TALL TALES?



WEST YELLOWSTONE WINTER WEEKEND

- + March 11-13 - World Snowmobile Expo
- + Snocross Racing, Freestyle Aerials
- + Yellowstone Snowmobile Tours

