

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 16-20

For the purpose of approving the National Sales, Marketing and Convention Services Agreement for the Oregon Convention Center with Travel Portland.

WHEREAS, the Metropolitan Exposition Recreation Commission (MERC) oversees the operation of the Oregon Convention Center including its current agreement for National Sales, Marketing and Convention Services; and

WHEREAS, in order to maximize the economic impact of the Oregon Convention Center for the Tri-County Metropolitan Region, MERC issued the Request For Proposals 3110 for National Sales, Marketing and Convention Services for Oregon Convention Center (RFP); and

WHEREAS, Travel Portland was the only responsive proposer to the RFP; and

WHEREAS, MERC staff analyzed the proposal from Travel Portland and recommend that MERC approve the selection of Travel Portland as the contractor for National Sales, Marketing and Convention Services for the Oregon Convention Center.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:

1. Approves the selection of Travel Portland as the contractor for National Sales, Marketing and Convention Services.
2. Approves the Agreement in a form substantially similar to the Agreement attached as Exhibit A hereto and delegates the authority to the Metro General Manager of Visitor Venues to execute the attached Agreement and any extensions or amendments in accordance with the terms of the Agreement provided it is in the best interest of MERC.

Passed by the Commission on July 6, 2016.

Approved as to form:

Alison R. Kean, Metro Attorney

By:


Nathan A. S. Sykes, Deputy Metro Attorney


Chair


Secretary/Treasurer

**NATIONAL SALES, MARKETING AND CONVENTION SERVICES AGREEMENT
FOR THE OREGON CONVENTION CENTER**

This National Sales, Marketing And Convention Services Agreement For The Oregon Convention Center (hereinafter "Agreement") is entered into on this 6th day of July, 2016 by the Metropolitan Exposition Recreation Commission (hereinafter "MERC") an appointed Commission of Metro, a municipal corporation and Travel Portland (hereinafter "Contractor").

RECITALS

WHEREAS, MERC manages the Oregon Convention Center; and

WHEREAS, in order to maximize the economic impact of the Oregon Convention Center for the tri-county metropolitan region, it is critical that conventions, trade shows, and other national events take place at the Oregon Convention Center; and

WHEREAS, MERC has determined that it is desirable to enter into a contract with a sales, marketing, and convention services firm to secure aggressive and cost-effective national sales, marketing, and convention services for the purpose of attracting and securing national convention, trade show, and event business for the Oregon Convention Center; and

WHEREAS, the convention and trade show industry has become increasingly competitive, and MERC desires to retain the greatest degree of flexibility possible in order to respond appropriately to changing business and economic conditions, including retaining the right to require changes to the sales, marketing, and convention services provided during the term of this Agreement in accordance with the provisions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. EFFECTIVE DATE

The effective date of this Agreement is July 6, 2016.

2. TERM

The term of this Agreement shall be from July 6, 2016 until June 30, 2021, unless terminated sooner as provided herein.

MERC shall have the option to extend this Agreement for one additional five (5) year period at its sole discretion. At least sixty (60) days' written notice to the Contractor by MERC prior to the expiration of the Agreement shall be sufficient to exercise a renewal option.

3. DEFINITIONS

- A. **"Annual Approved Line-Item Budget"** means Contractor's annual line-item budget, approved by MERC, for work required by this Agreement.
- B. **"Annual Approved Program of Work"** means Contractor's annual sales plan, approved by MERC, for the sales services, marketing services, and convention services required by this Agreement.

- C. **"Booked Event"** means a convention or trade show that has confirmed, in writing, its intention to hold its event in Portland.
- D. **"Contract Year"** means the period from July 6, 2016 to June 30, 2017, and every July 1 to June 30 thereafter.
- E. **"Fixed Annual Payment"** means the annual fixed compensation MERC shall pay Contractor for services performed during a Contract Year as set forth in the Annual Approved Line-Item Budget.
- F. **"Monthly Progress Payment"** means the monthly disbursement of the Fixed Annual Payment to Contractor in equal monthly payments.

4. ANNUAL SALES PLAN AND ANNUAL LINE-ITEM BUDGET

Contractor's work under this Agreement shall be performed in accordance with an Annual Approved Program of Work and an Annual Approved Line-Item Budget, in accordance with the provisions of this paragraph 4.

A. Deadlines for Annual Program of Work and Annual Line-Item Budget

At least ninety (90) days before the first day of the Contract Year, Contractor shall submit to MERC a proposed annual program of work and a proposed annual line-item budget for marketing the Oregon Convention Center for the Contract Year.

B. Required Content For Annual Program of Work

Contractor's proposed annual program of work shall describe Contractor's proposed work for the applicable Contract Year, and shall include a detailed sales plan in each of the work areas listed in this subparagraph (4)(B). The proposed annual program of work shall list the specific personnel assigned to each work task and the number of hours each assigned person will devote to each work area. The proposed annual program of work shall include proposed quarterly qualitative and quantitative goals for each work area listed below. The sales plan shall include all the following work areas:

1. Convention Sales. The proposed annual program of work shall describe in detail the elements of the annual sales efforts, including, at a minimum:
 - a. Direct sales tasks to be undertaken by staff and for trade shows. Sales activities to be undertaken annually shall include attendance at trade shows, familiarization tours for conventions and trade shows, "sales blitzes" to the convention and trade show headquarter locations to generate leads, nationally, regionally and state-wide. The sales plan shall detail the sales approach for each activity as well as the minority market for each activity.
 - b. Number of sales managers and markets each will serve.
 - c. Number of sales managers dedicated to selling solely the Oregon

Convention Center, and the support staff proposed to be assigned to this sales effort.

- d. Number of national sales managers to generate leads, provide face-to-face sales and marketing.
- e. Identification of all markets on which Contractor proposes to focus the sales effort.
- f. The number and location(s) of sales offices.

2. Marketing.

- a. Direct Marketing Activities and Web Site Development. The proposed annual program of work shall describe in detail the proposed direct marketing activities and web site-related efforts that Contractor proposes to implement for the Contract Year.
- b. Multicultural Marketing Approach. The proposed annual program of work shall describe in detail the proposed marketing to multicultural communities, including but not limited to the African American, Hispanic or Latino, Asian, American Indian, and lesbian, gay, bisexual, transgender, and queer (LGBTQ) communities. This marketing shall focus on particular on multicultural and LGBTQ convention and tradeshow markets. This section of the proposed annual program of work shall include a description of proposed advertising, familiarization tours, trade show attendance, special promotions, subcontracting, and any other proposals to penetrate these markets.
- c. Market Research. The proposed annual program of work shall describe in detail the market research the Contractor proposes to undertake for the Contract Year, including how this research will be utilized to develop potential conventions and trade show lists and sales opportunities.
- d. Advertising. The proposed annual program of work shall describe in detail the process to be utilized, publications to be used, measurements of such advertising, and all proposed subcontracting.
- e. Communications & Public Relations. The proposed annual program of work shall describe in detail the specific elements of the communications and public relations campaign for the Contract Year, including the types of programs and publications that will be used.

- 3. Convention Services and Housing. The proposed annual program of work shall describe the work plan for convention services. The plan shall identify the staff that will provide customer service, on-site and local amenities, and special needs and services to support the scheduled conventions and trade shows for the

applicable Contract Year. The special services shall include housing, attendance building, special event coordination, transportation assistance, and any other services necessary to create a superior convention services operation.

4. Other Proposed Activities. The proposed annual program of work shall describe any additional activities that Contractor recommends as likely to increase the overall effectiveness of Contractor's efforts to attract, secure, and retain national convention and trade show business for the Oregon Convention Center. The proposed annual program of work shall also describe any additional activities that MERC requests be included in the program of work.

C. Required Content For Annual Line-Item Budget

The Contractor's proposed annual line-item budget shall contain a detailed breakdown of proposed expenditures for the Contract Year, including personnel costs (with a breakdown of cost for every staff person working on work tasks required by this Agreement), materials and services costs, sub-contractor costs, all other expenses directly attributable to the services required by this Agreement, and any additional information MERC may require.

D. MERC's Right to Approve the Annual Program of Work and Annual Line-Item Budget

1. Process for Review. MERC shall review the Contractor's proposed annual program of work (including the proposed qualitative and quantitative goals) and the proposed annual line-item budget. If the proposed annual program of work and/or proposed annual line-item budget is not acceptable to MERC, in its sole discretion, MERC shall request revisions. Contractor shall submit to MERC a revised program of work and line-item budget within ten calendar days of MERC's request for revisions. This process shall continue until Contractor has submitted a proposed program of work (including proposed qualitative and quantitative goals) and budget that is approved by MERC (hereinafter "Annual Approved Program of Work" and "Annual Approved Line-Item Budget"). Each Contract Year, the Annual Approved Program of Work and the Annual Approved Line-Item Budget shall be attached to this Agreement and incorporated herein.
2. Timelines. This Agreement is contingent on MERC approving on or before July 6, 2016, an Annual Approved Program of Work and an Annual Approved Line-Item Budget for the July 6, 2016 to June 30, 2017 Contract Year. For the second and all subsequent Contract Years, if MERC does not approve an Annual Approved Program of Work and an Annual Approved Line-Item Budget at least forty-five (45) days before the first day of the applicable Contract Year, this Agreement shall terminate in accordance with Paragraph 9(A)(3) of this Agreement, unless the parties agree to an extension of the deadline.

E. MERC's Right To Remove Work From Annual Approved Program of Work

With at least thirty (30) days' written notice to Contractor, MERC may remove work tasks from the Annual Approved Program of Work. The written notice shall identify the specific work tasks to be removed and the corresponding funding reduction. Removal of work tasks shall result in a corresponding reduction in the Annual Approved Line-Item Budget, as provided in paragraph 7(F) of this Agreement. MERC may reassign such work tasks to MERC employees or another MERC contractor or contractors.

5. CONTRACTOR'S PERFORMANCE

A. Performance

Contractor shall perform all work in the Annual Approved Program of Work and all tasks requested by MERC in an efficient and professional manner. Contractor shall at all times use its best efforts to identify, attract, and secure national convention and trade show business for the Oregon Convention Center. Contractor shall perform all work within the limitations of the Annual Approved Line-Item Budget.

B. Separate Accounts

Contractor shall keep accurate records and accounts of funds paid to it by MERC pursuant to this Agreement, and shall keep such accounts and records separate and identifiable from all other accounts.

C. Trade Associations

Contractor shall join any trade associations requested by MERC. Any cost for joining any such associations shall be included in the Annual Approved Line-Item Budget.

D. Cooperation

Contractor shall at all times cooperate in good faith with MERC and with the Oregon Convention Center's in-house staff. Contractor shall attend any meetings requested by MERC related to the work required by this Agreement. Contractor shall not commit any act, the nature of which would tend to bring discredit or embarrassment to MERC or its operations.

E. Compliance With MERC Policies

Contractor shall comply with all MERC and Metro policies, resolutions, rules, and regulations, as they apply to the work being performed by Contractor under this Agreement.

6. REPORTING

A. Progress Reports

1. The Contractor shall submit quarterly reports to MERC detailing its progress in meeting the objectives and goals set forth in the then current Annual Approved Program of Work. These quarterly reports shall include all information identified below:

a. EXECUTIVE SUMMARY

- 1.) ACCOMPLISHMENTS SUMMARY
- 2.) TRENDS, SUCCESSES, OBSTACLES

b. RETURN ON INVESTMENT

1.) RETURN ON INVESTMENT

- i. Convention Center Revenue generated by Travel Portland Convention Sales Function ¹

Measurement: 3 year average of Convention Center revenue ²
Current year Annual Travel Portland Contract ³

- ii. Convention Center Revenue generated by Travel Portland Convention Sales Function - Chicago

Measurement: Convention Center revenue generated by Travel Portland Chicago
Chicago's direct operating costs

- iii. Convention Center Revenue generated by Travel Portland Convention Sales Function -Multicultural Subcontractor

Measurement: Convention Center revenue generated by Travel Portland Multicultural Subcontractor
Multicultural Subcontractor's direct operating costs

- iv. Convention Center Revenue generated by Travel Portland Convention Sales Function - Washington DC

Measurement: Convention Center revenue generated by Travel Portland Washington DC
Washington DC's direct operating costs

¹ Convention Center Revenues means actual revenue recorded for the period per MERC accounting records for conventions at OCC. Excludes hotel/motel transient lodging tax.

² 3 year average means the current fiscal year and the two most recent fiscal years.

³ Annual Travel Portland Contract means the Marketing Contract, including the VDI Enhanced Marketing paid to Contractor as part of the Marketing Contract.

c. PROJECTED FUTURE REVENUE

i. REPORTS

- Future Convention Center Revenue generated by Travel Portland Convention Sales Function

Measurement: Estimated future Convention Center revenue generated by Travel Portland
Annual Travel Portland Contract

Note: 2012 – 13 is the benchmark year to establish return on investment based on future revenue.

- New OCC bookings during the quarter and year to date
- Repeat OCC bookings during the quarter and year to date
- Total OCC bookings during the quarter and year to date
- Room Nights from OCC bookings during the quarter and year to date
- Total Room Nights during the quarter and year to date (includes OCC and single hotel)
- Minority Subcontractor Reports
 - New OCC bookings during the quarter and year to date
 - Repeat OCC bookings during the quarter and year to date
 - Total OCC bookings during the quarter and year to date
 - Room Nights from OCC bookings during the quarter and year to date
- OCC Revenue from OCC bookings for the quarter and year to date

d. LEAD CONVERSION

i. REPORTS

- Lead Conversion of Qualified Convention Leads

Measurement: Leads converted to bookings for the period
OCC leads as of prior fiscal year end less lost leads due to OCC space or hotel package

Note: 2012 –13 is the benchmark year to establish conversion rate for subsequent years.

- OCC leads during the quarter and year to date
- Lost OCC Leads Due to space & availability during the quarter and year to date
- Lost OCC Leads Due to hotel package & availability during the quarter and year to date
- Chicago Reports

- OCC leads during the quarter and year to date
- Lost OCC Leads Due to space & availability during the quarter and year to date
- Lost OCC Leads Due to hotel package & availability during the quarter and year to date
- Multicultural Subcontractor Reports
 - OCC leads during the quarter and year to date
 - Lost OCC Leads Due to space & availability during the quarter and year to date
 - Lost OCC Leads Due to hotel package & availability during the quarter and year to date
- Washington DC Reports
 - OCC leads during the quarter and year to date
 - Lost OCC Leads Due to space & availability during the quarter and year to date
 - Lost OCC Leads Due to hotel package & availability during the quarter and year to date

e. CONVENTION SERVICES

i. REPORTS

- Narrative of performance survey results for the quarter including the name of the group and the performance ratings.
- Number of active OCC clients
- Site Visits during the quarter and year to date
- Pre-Convention activities during the quarter -list activities
- Number of attendance building material provided during the quarter and year to date
- Room Nights booked by convention housing during the quarter and year to date

f. PUBLIC RELATIONS

i. MEDIA PLACEMENT

ii. REPORTS

- Media Placement
Measurement: Media Placement Value
Direct Cost
- Media Placement - Multicultural Subcontractor
Measurement: Media Placement Value by Multicultural Subcontractor
Minority Subcontractor Direct Cost
- List of Media Placement s for the quarter

- List of Media Placements for the quarter -Minority Subcontractor

g. ECONOMIC IMPACT

ECONOMIC IMPACT REPORTS

- Economic Impact to the Community

Measurement: Economic Impact of bookings recorded during the year⁴
Annual Travel Portland Contract Amount

- Economic Impact to the Community - Multicultural Subcontractor

Measurement: Economic Impact of bookings recorded during the year⁵
Minority Subcontractor Direct Cost

- Narrative of economic impact results for the quarter including the name of the group and the methodology.
- Narrative of economic impact results for minority subcontractor for the quarter including the name of the group and the methodology.

h. FINANCIAL REPORTS

REPORTS

- Oregon Convention Center actual revenue recorded for the period per MERC accounting records. (to be provided by MERC)
 - Travel Portland Quarterly Financial Statements
 - COBID Quarterly Expenditures including percentage of total expenditures
 - FOTA Semiannual Report - six months ended December and June
 - Travel Portland Annual Financial Statements -no later than August Commission meeting
 - Travel Portland Annual Audit -no later than December Commission meeting
2. The Contractor shall provide the current status of all planned sales events, including the names of Contractor's sales representatives who are planning to attend such sales events, for the fifteen (15) month period beginning with the date of the report.

⁴ Booking recorded for the year means all OCC convention business estimated for future years.

⁵ Booking recorded for the year means all OCC convention business estimated for future years that was developed by the multicultural subcontractor.

B. Oral Reports to the Metropolitan Exposition Recreation Commission

At least quarterly, or more frequently if requested by MERC, Contractor shall present the following oral reports to the Metropolitan Exposition Recreation Commission at a properly noticed public meeting of the Commission:

1. Contractor shall report on Contractor's progress in meeting the objectives and goals in the Annual Approved Program of Work.
2. Any subcontractor(s) retained by Contractor to market the Oregon Convention Center to multicultural and LGBTQ communities and groups shall report on the progress and results of such marketing. If Contractor has no subcontractor(s) performing such marketing, Contractor shall present this report.

C. Financial Reports

1. Quarterly Financial Report. On or before the 20th day after the end of each quarter, the Contractor shall submit to MERC a quarterly comprehensive financial statement that details the Contractor's use of the funds provided by MERC during the preceding quarter. The quarterly financial statement shall show, at a minimum, actual expenditures by category, expenditures as a percentage of the Annual Approved Line-Item Budget, and actual expenditures compared to actual expenditures in the preceding Contract Year.
2. Audited Financial Statement. The Contractor shall provide MERC with a copy of its annual audited financial statement when the Contractor receives the audited financial statement from its auditors.

D. Other Reports

Contractor shall submit such other reports as MERC may request in writing.

7. BASIS AND METHOD OF PAYMENT

A. Total Annual Cost Of Services

1. Contractor's Compensation for Services Performed. The total annual cost of Contractor's services for a Contract Year shall be the total annual cost agreed to by MERC in the Annual Approved Line-Item Budget. The total annual cost may consist of one or both of the two components identified in subparagraphs 7(A)(2) and 7(A)(3), below.
2. Fixed Annual Payment. The Annual Approved Line-Item Budget shall identify a fixed annual payment (hereinafter "Fixed Annual Payment") for services performed by Contractor.
3. Visitor Development Initiative Funding. In addition to the Fixed Annual Payment, MERC, at its sole option, may approve in the Annual Approved

Line-Item Budget an allocation of a stated percentage of the funding paid to Metro (and transferred to MERC) by Multnomah County from the Visitor Facilities Trust Account (such allocation hereinafter referred to as "Allocation of VDI funds dedicated for Enhanced OCC Marketing "). (As an example only: MERC may approve in an Annual Approved Line-Item Budget (a) the Fixed Annual Payment of a specified dollar amount, and (b) one hundred percent (100%) of the VDI Funding actually received by MERC.)

B. Disbursement of Fixed Annual Payment

MERC shall pay Contractor the Fixed Annual Payment identified in the Annual Approved Line-Item Budget in equal monthly disbursements (hereinafter "Monthly Progress Payments").

C. Disbursement of VDI Funding

In the event that the Annual Approved Line-Item Budget includes as a portion of Contractor's compensation a specified percentage of VDI Funding, MERC shall pay Contractor the specified percentage of the VDI Funding actually received by MERC no later than thirty (30) days after MERC actually receives the funds.

D. Funding Reductions

Funding reductions occurring at any time during a Contract Year may affect the amount of the Fixed Annual Payment and the VDI Funding (if any is included in the Annual Approved Line-Item Budget). In the event of any funding reductions, the parties shall negotiate in good faith to determine the allocation of the funding reductions among the Fixed Annual Payment. If the parties are unable to agree, the allocation of the funding reductions shall be determined by MERC in its sole discretion.

E. MERC's Removal Of Work Tasks From The Annual Approved Program of Work

1. Effect on Annual Approved Line-Item Budget. In the event that MERC removes work tasks from the Annual Approved Program of Work pursuant to paragraph 4(E) of this Agreement, MERC shall reduce the amount of the Fixed Annual Payment and/or the VDI Funding (if any is included in the Annual Approved Line-Item Budget), to reflect the reduced work required by this Agreement. MERC shall determine, in its sole discretion, the amount of such reduction.
2. Contractor's Commitments to Third Parties. In the event that Contractor has made legally binding commitments to third parties to purchase goods or services related to the work tasks removed from the Annual Approved Program of Work, MERC shall not remove from the Annual Approved Line-Item Budget those funds required to reimburse Contractor for expenses incurred or to be incurred by Contractor related to such legally binding commitments. Contractor shall be entitled to reimbursement only for

purchases of goods or services directly related to marketing or selling the Oregon Convention Center. Within ten (10) business days of the date of the notice required by paragraph 4(E), Contractor shall give MERC a list of all legally binding commitments for which Contractor requests reimbursement.

F. Return of Unused Funds

At the end of each Contract Year, and at the expiration or termination of this Agreement, if any portion of the Annual Approved Program of Work has not been completed, Contractor shall refund to MERC within thirty (30) days unused funds allocated to such services in the Annual Approved Program of Work, provided that Contractor has not used funds to pay for products or services. For purposes of this subparagraph 7(F), funds are used if the Contractor has made a legally binding commitment to pay for goods or services based on agreements or contracts that have been entered into but have not yet been performed.

8. AUDITS

A. Audits

MERC may conduct a performance review of Contractor's performance and/or a review of Contractor's records, books, and accounts related to matters covered by this Agreement, in accordance with the procedures described in this paragraph. In the event that MERC wishes to conduct such a review, MERC shall give Contractor reasonable written notice, identifying the reasons MERC wishes to conduct the proposed review. Contractor shall permit MERC to inspect all records, books, and accounts that are relevant to the reasons identified by MERC in the written notice, and shall provide MERC with a written response to the reasons identified in MERC's notice. If MERC determines in its reasonable discretion that the review should proceed, the review shall be conducted by a firm selected by MERC. The cost of such a review will be deducted from the Fixed Annual Payment.

B. Contractor's Cooperation

Contractor shall cooperate in good faith with MERC and with any outside firm retained by MERC in any matter related to an audit or review permitted by this paragraph 8. Contractor shall provide any books, records, or other information requested in writing as soon as possible but no longer than three (3) days after any request.

9. TERMINATION

A. Termination

This Agreement may be terminated by the mutual consent of the parties. In addition, MERC may terminate this Agreement as follows:

1. Material Breach. In the event that Contractor shall default in the material obligations or conditions set forth in this Agreement, or shall commit any act

the nature of which would tend to bring discredit or embarrassment to MERC or its operations, and such default continues unremedied for ten (10) business days after written notice of said material default to Contractor, thereupon, at MERC's option, this Agreement may be terminated immediately after the cure period.

2. Notice. MERC may terminate this Agreement by giving Contractor one hundred twenty (120) days' written notice of intent to terminate, without waiving any claims or remedies it may have against Contractor. Termination shall not excuse payment for expenses or legally binding commitments properly incurred in accordance with the Annual Approved Line-Item Budget, prior to notice of termination, but neither party shall be liable for indirect or consequential damages arising from termination under this section.
3. No Annual Approved Program of Work Or Annual Approved Line-Item Budget. In the event that MERC does not approve an annual program of work and/or an annual line-item budget at least forty-five (45) days before the first day of the next Contract Year, this Agreement shall terminate automatically on the last day of the current Contract Year unless the parties agree otherwise.
4. Non-Appropriation. The continuation of this Agreement is contingent on the appropriation of funds to fund this Agreement. In the event that MERC's budget does not contain funds to pay for the services provided by Contractor in accordance with this Agreement, this Agreement shall terminate automatically on the last day of the fiscal year for which funds are appropriated.

B. Termination Accounting

1. Return of Unused Funds. No later than forty-five (45) days after the last day of this Agreement, Contractor shall return to MERC any unused funds, as required by Paragraph 7(F) of this Agreement. No later than forty-five (45) days after the last day of this Agreement, Contractor shall account to MERC for all funds paid to Contractor for that Contract Year.
2. Costs Incurred by Contractor. No later than forty-five (45) days after the last day of this Agreement, Contractor shall submit documentation to MERC of any out-of-pocket costs (such as booth fees or registration fees) incurred by Contractor in order to enable MERC and/or MERC's marketing contractor to attend trade shows or industry events on behalf of MERC after the last day of the Agreement. MERC shall reimburse Contractor for any such documented out-of-pocket costs actually incurred by Contractor.

10. MERC'S DUTIES

A. Cooperation

1. MERC shall cooperate in good faith with Contractor and Contractor's staff. MERC shall attend meetings reasonably requested by Contractor related to the services required by this Agreement, provided that Contractor provides sufficient advance notice to MERC so that MERC has a reasonable opportunity to arrange attendance.
2. MERC shall act in good faith to assist Contractor in showcasing the Oregon Convention Center, facilitating executive airlifts (also known as Familiarization Trips), and responding to requests from potential clients.
3. MERC shall work cooperatively and in good faith with Contractor to negotiate facility charges with potential clients, provided, however, that Contractor understands and agrees that MERC has the final right to determine all facility charges.

B. Notification of MERC Policies

MERC shall provide Contractor with updates of policies, resolutions, rules and regulations that are necessary for Contractor's compliance with the requirements of this Agreement.

C. MERC Reporting

MERC shall provide Contractor with information related to the services required by this Agreement in a timely and complete manner, so as not to delay Contractor's performance of reporting requirements that may be dependent on such information.

11. FIRST OPPORTUNITY TARGET AREA PROGRAM

Contractor shall comply with MERC's First Opportunity Target Area ("FOTA") Program, as it may be amended from time to time. Contractor shall submit to MERC semiannual written reports that detail Contractor's FOTA compliance efforts.

12. METRO GENERAL MANAGER OF VISITOR VENUES

The Metro General Manager of Visitor Venues, or his or her designee, shall have the authority to administer all aspects of this Agreement, including but not limited to approving the Annual Approved Program of Work, and the Annual Approved Line-Item Budget.

13. INSURANCE

A. Contractor shall purchase and maintain at the Contractor's expense, the following types of insurance, covering the Contractor, its employees, and agents:

1. Broad form comprehensive general liability insurance covering bodily injury and property damage, with automatic coverage for premises, operations, and product

liability. The policy must be endorsed with contractual liability coverage; and

2. Automobile bodily injury and property damage liability insurance.
- B.** Insurance coverage shall be a minimum of \$1,000,000 per occurrence.
 - C.** MERC and Metro, and their elected and appointed officials, departments, employees, and agents shall be named as ADDITIONAL INSURED. Notice of any material change or policy cancellation shall be provided to MERC 30 days prior to the change or cancellation.
 - D.** Contractor, its subcontractors, if any, and all employers working under this Agreement that are subject employers under the Oregon Workers' Compensation Law shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Contractor shall provide MERC with certification of Workers' Compensation insurance including employer's liability.
 - E.** Contractor shall provide MERC with a certificate of insurance complying with this article and naming MERC and Metro as additional insured under its liability policies within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.

14. INDEMNIFICATION

Contractor shall indemnify and hold MERC and Metro its agents, employees, and appointed officials harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, or with any patent infringement or copyright claims arising out of the use of Contractor's designs or other materials by MERC and for any claims or disputes involving subcontractors.

15. MAINTENANCE OF RECORDS

Contractor shall maintain all of its records relating to this Agreement on a generally accepted accounting basis and allow MERC the opportunity to inspect and/or copy such records at a convenient place during normal business hours. All required records shall be maintained by Contractor for three years after MERC makes final payment and all other pending matters are closed.

16. OWNERSHIP OF DOCUMENTS

All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by Contractor for the purpose of marketing and selling the Oregon Convention Center are the property of MERC, and it is agreed by the parties that such documents are works made for hire. Contractor hereby conveys, transfers, and grants to MERC all rights of reproduction and the copyright to all such documents.

17. INDEPENDENT CONTRACTOR STATUS

Contractor shall be an independent Contractor for all purposes and shall be entitled only to the compensation provided for in this Agreement. Under no circumstances shall Contractor be considered an employee of MERC. Contractor shall provide all tools or equipment necessary to carry out this Agreement, and shall exercise complete control in achieving the results specified in this Agreement. Contractor is solely responsible for its performance under this Agreement, the quality of its work, for obtaining and maintaining all licenses and certifications necessary to carry out this Agreement, for payment of any fees, taxes, royalties, or other expenses necessary to complete the work except as otherwise specified in this Agreement, and for meeting all other requirements of law in carrying out this Agreement. Contractor shall identify and certify tax status and identification number through execution of IRS form W-9 prior to submitting to MERC any request for payment.

18. RIGHT TO WITHHOLD PAYMENTS

In the event that Contractor fails to perform an obligation required by this Agreement, and such failure continues unremedied for ten (10) business days after written notice to Contractor of such failure to perform, MERC shall have the right to withhold from payments due to Contractor such sums as necessary, in MERC's sole opinion, to protect MERC against any loss, damage, or claim which may result from Contractor's performance or failure to perform under this Agreement or the failure of Contractor to make proper payment to any suppliers or subcontractors.

19. FORCE MAJEURE

If the Oregon Convention Center is destroyed or damaged by fire or any other cause, or if any other casualty or unforeseen occurrence outside the control of Contractor (including any act of terrorism in the United States if it actually disrupts travel to or from Portland) renders the performance of the services required by the Annual Approved Program of Work impossible, then MERC and Contractor shall confer in good faith to discuss revisions to the Annual Approved Program of Work (including the quarterly qualitative and quantitative goals) and the Annual Approved Line-Item Budget. Notwithstanding the foregoing, MERC shall have the final right to determine whether to revise the Annual Approved Program of Work, the quarterly qualitative and quantitative goals, and/or the Annual Approved Line-Item Budget or terminate this Agreement.

20. STATE AND FEDERAL LAW CONSTRAINTS

Both parties shall comply with the public contracting provisions of ORS chapters 279A and 279B, to the extent those provisions apply to this Agreement. All such provisions required to be included in this Agreement are incorporated herein by reference. Contractor shall comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations including those of the Americans with Disabilities Act.

21. COMPLIANCE

Contractor shall comply with federal, state, and local laws, statutes and ordinances relative to the execution of the work. Contractor agrees not to discriminate against any person or persons because of age, creed, ancestry, sexual orientation, gender identity, disability, color, sex, marital status, familial status, source of income, religion, or national origin.

22. SEVERABILITY

The parties agree that any provision of this Agreement that is held to be illegal, invalid, or unenforceable under present or future laws shall be fully severable. The parties further agree that this Agreement shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of them and the remaining provisions of the Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, a provision as similar to the illegal, invalid, or unenforceable provision as is possible and legal, valid and enforceable shall be automatically added to this Agreement in lieu of the illegal, invalid, or unenforceable provision. Any failure by MERC to enforce a provision of the Contract is not to be construed as a waiver by MERC of this right do do so.

23. SITUS

The situs of this Agreement is Portland, Oregon. Any litigation over this Agreement shall be governed by the laws of the State of Oregon and shall be conducted in the Circuit Court of the state of Oregon for Multnomah County, or, if jurisdiction is proper, in the U.S. District Court for the District of Oregon.

24. ASSIGNMENT

This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by either party without mutual written consent by both parties.

25. NO WAIVER OF CLAIMS

The failure to enforce any provision of this Agreement shall not constitute a waiver by either party of that or any other provision.

26. MODIFICATION

Notwithstanding and succeeding any and all prior agreement(s) or practice(s), this Agreement constitutes the entire Agreement between the parties, and may only be expressly modified in writing(s), signed by both parties.

27. DELIVERY OF NOTICES

Any notice, request, demand, instruction, or any other communications to be given to any party hereunder shall be in writing, sent by registered, certified mail, by courier, or via email as follow:

To: MERC Scott Cruickshank, Executive Director
Oregon Convention Center
777 NE MLK Jr Blvd
Portland, Oregon 97232
scottc@oregoncc.org

To: Contractor _____
Travel Portland

TRAVEL PORTLAND

By: _____

Title: _____

Date: _____

**METROPOLITAN EXPOSITION
RECREATION COMMISSION**

By: _____

Title: _____

Date: _____

MERC Staff Report

Agenda Item/Issue:

For the purpose of approving the National Sales, Marketing and Convention Services Agreement for the Oregon Convention Center with Travel Portland.

Resolution No.: 16-20

Presented By: Teri Dresler and Scott Cruickshank

Date: July 6, 2016

Background and Analysis: Travel Portland (formerly Portland Oregon Visitor Association or POVA) has managed marketing for the OCC since its beginning in 1988. The current contract with Travel Portland expires July 31, 2016. On February 24, 2016, RFP 3110 was issued for national sales, marketing, and convention services for the Oregon Convention Center with the primary goal of these services being to increase the number of national conventions and trade shows at the Oregon Convention Center. The request for proposals described specific criteria by which the proposals would be evaluated including: Proposed Annual Program of Work, Proposed Line-Item Budget, Organization and Staffing, Diversity in Employment and Contracting, and Sustainable Business Practices. Travel Portland issued the only submittal to the request for proposals and has agreed to meet all of the requirements identified in the request for proposals.

As the exclusive marketing arm of OCC, Travel Portland has met or exceeded the goals and benchmarks established in the annual program of work since 1988. Travel Portland has a unique understanding of OCC's business model that has allowed new and more targeted goals to be developed as the business has changed over time. It is clear from the proposal that in partnership with the OCC sales team and the local hotel community, Travel Portland will leverage the existing sales, marketing and public relations program to take advantage of the positive change in Portland's convention hotel package as the 600-room Convention Center Hyatt comes on board.

Travel Portland proposes to enhance our baseline investment of \$3.5 to \$4 million by committing an additional \$750,000 in Tourism Improvement District (TID) and City Transient Lodging Tax (TLT) funds annually as long as these remain stable funding sources. And, looking forward to the Convention Center Hyatt Hotel coming on line, Travel Portland will allocate additional TID funds in the amounts of \$250,000 in FY 2016-17 and \$200,000 in FY 2017-18 to enhance awareness of the hotel. Beyond these investments, Travel Portland's program of work in branding, leisure marketing, international tourism and public relations will also be leveraged to the benefit of the OCC.

Of special interest to OCC and MERC is Travel Portland's Multi-Cultural and Diverse Lifestyle Marketing program. The proposed annual program of work to secure multicultural and LGBTQ meetings and conventions is a sales-led approach. Travel Portland will contract with firms to provide marketing and public relations support. To share Portland's multicultural story to planners and delegates in an authentic, community driven way, Travel Portland will partner with local newspapers and content providers: El Hispanic News, The Asian Reporter, The Portland Chinese Times, Flossin Media (an African-American lifestyle magazine), PQ Monthly (an LGBTQ publication) and Native American writer Jacqueline Keeler (citizen of Navajo and Yankton Dakota Sioux). These content providers are trusted, authoritative voices within their respective communities.

Travel Portland includes diverse faces throughout its advertising, social media and collateral material. To ensure these materials reflect Portland's diversity, Travel Portland will benchmark and track the quantity- and content of social posts, digital articles and print publications. For example, 45% of photos with human subjects posted on TravelPortland.com from June-December 2015 included people of color.

The Travel Portland and OCC teams are committed to excellence. This strong conviction has helped Portland attract more business than we might normally expect, and has earned consistent acknowledgement from trade publications: *Successful Meetings* (Pinnacle Award, 18 years in a row), *Meetings & Conventions* (Gold Service Award, 15 years in a row) and *Smart Meetings* (Platinum Choice Award, 2015).

Upon contract execution, an annual program of work for FY 16/17 will be submitted by Travel Portland for review and approval by the General Manager of Visitor Venues and the Oregon Convention Center Executive Director.

Attached to this staff report are the following documents for the first contract year (August 1, 2016 to June 30, 2017).

1. The proposed Work Plan;
2. The proposed line-item budget.

Fiscal Impact: For the fiscal year July 1, 2016 through June 30, 2017, OCC has budgeted \$3,600,000 toward the National Sales, Marketing and Convention Services Agreement. In addition, the Visitor Development Initiative (VDI) enhanced marketing funds will be administered through this contract. The VDI enhanced marketing funds for fiscal year 2016-17 are presently estimated to be \$486,118. MERC will remit these funds to the contractor when MERC actually receives the funds.

The total disbursement to Travel Portland for OCC national sales, marketing, and convention services for fiscal year 2017 will be \$4,086,118

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission approve the National Sales, Marketing and Convention Services Agreement with the Travel Portland for such services to the Oregon Convention Center and authorize the General Manager to execute the agreement.

B. APPROACH/PROJECT WORK PLAN

Sales

Travel Portland's convention sales program of work will be comprised of a number of interrelated, simultaneous elements, the combination of which will result in a solid level of booked convention business for OCC.

Direct sales tasks to be undertaken by staff and for trade shows.

- a) Market research: Identifying convention groups that meet the "Portland profile" – the correct size (convention center space, hotel usage, number of attendees); history of meeting on the West coast; time of year; arrival patterns; rate history; and need periods identified by our Trends Analysis Projections (TAP) reports – will be crucial to Travel Portland's sales efforts, and significant resources will be put toward this important research. This will ensure that solicited organizations are pre-qualified and have definite potential to meet in Portland.

Travel Portland is a certified member of Destination Marketing Association International (DMAI), which represents 600 destination marketing organizations in over 15 countries. As a member, Travel Portland has access to DMAI's meetings database (MINT), one of the visitor industry's most powerful research tools. Each DMAI destination member submits information on meetings that have occurred in their city. This information is compiled in an electronic database that member CVBs can access based on specific criteria (size, time of meeting, market, etc.) to create very targeted client solicitation lists. Travel Portland, as a DMAI member, is the *only* Portland-based organization that can access MINT information.

Utilizing MINT and a variety of other resources (*Encyclopedia of Associations, National Trade and Professional Associations, Runzheimer Meal/Lodging Index, etc.*) all Travel Portland sales staff will conduct ongoing client research as an integral part of their position requirements. Travel Portland's commitment to research is reflected in the 2013 creation of a full-time research position (Convention Business Development Manager). Using all available tools, this manager actively researches business opportunities for the OCC and Portland on an ongoing basis. As needed, we will engage with professional research organizations to provide project-specific data.

Once organizations that fit the "Portland profile" are identified, Travel Portland sales staff will then begin the process of qualification and solicitation.

- b) Sales calls and solicitation: Meeting face-to-face with clients is the most important aspect of any sales program, and Travel Portland sales managers will do so at every opportunity in order to gather qualifying information that will lead to a definite booking. This is especially true of Travel Portland's regional sales staff, based in Washington, D.C., and Chicago, who on a daily basis will meet with clients in their respective territories. These staff members are very familiar with Portland and the OCC and are dedicated exclusively to selling the OCC and Portland. Should members of the OCC sales team travel to Washington, D.C., or Chicago, Travel Portland's regional sales staff will assist them in scheduling client appointments and, as

appropriate, conduct joint sales calls. Portland-based sales staff will primarily utilize telephone and electronic solicitation on a daily basis to gather information and establish rapport with their client base.

We work with Oregon Convention & Visitor Services Network to solicit and engage with multicultural groups such as National Organization of Black County Officials, National Organization of Black Law Enforcement Executives, Travel Professionals of Color and the Congressional Black Caucus.

In addition, Travel Portland attends a number of trade shows each year with a focus on minority business — including National Coalition of Black Meeting Planners, Congressional Black Caucus, Connect Diversity, International Association of Hispanic Meeting Professionals — and support organizations such as Just Because, the Connect Sports LGBTQ Task Force and the Network of Latino Meeting Professionals.

- c) Sales trips and bid trips: Travel Portland sales staff will schedule regular convention sales trips, with emphasis on the Chicago and Washington, D.C., markets, Portland's key national target areas. "Road Shows" to additional cities, as opportunities are identified and qualified, will be included. Each OCC-focused Portland national sales manager will schedule and participate in a minimum of two week-long sales trips per year, during which the sales manager will make approximately four client calls per day, and conduct breakfast, lunch and/or dinner client functions. As part of the competitive process involved with booking OCC groups, bid trips will also be conducted as needed and as often as the opportunity presents itself.
- d) Industry trade shows and events: Annually, Travel Portland sales staff will attend approximately 30 qualified industry trade shows and events. These programs will provide the opportunity to make new contacts, strengthen relationships with existing clients, and promote the OCC to a large number of people in a short amount of time. Attendance at each program will be carefully evaluated in terms of markets, client base attending and potential return on investment (leads generated, potential room nights, type of business, booking ratio, etc.). It is important to note that, in coordination with the OCC, programs may be added or deleted as budget and market conditions dictate.

See below for the trade shows and events that Travel Portland typically attends:

American Society of Association Executives (ASAE) (2 shows)
Event Service Professionals Association (ESPA)
Convention Sales Professionals International (CSPI)
Association Forum of Chicagoland *Holiday Showcase*
Council of Engineering and Scientific Society Executives (CESSE) (2 shows)
Greater Washington Society of Association Executives *Springtime*
Destination Marketing Association International (DMAI) *Destinations Showcase D.C.*
International Association of Hispanic Meeting Professionals (IAHMP)
Meeting Professionals International (MPI)
National Coalition of Black Meeting Planners (NCBMP)
Oregon Society of Association Management (OSAM)
Professional Convention Management Association (PCMA) (2 shows)
Religious Conference Managers Association (RCMA)
Society of Government Meeting Planners (SGMP) (2 shows)

Attachment 1 to Resolution 16-20

Collinson Publications *Connect* (6 shows)
Nursing Organizations Alliance (NOA)
IEEE Panel of Conference Organizers
Kellen Management Annual Partners Meeting
HPN Global Annual Partners Meeting
Congressional Black Caucus
CMP Conclave
IMEX America
American Express Inter[**ACTION**]
CGMP Congress
ConferenceDirect Annual Partners Meeting
Experient Envision
Meet New York
National Association of Sports Commissions
HelmsBriscoe Annual Partners Meeting
Cvent Annual Meeting

Left to right: OCC's Julie DeWeese, Travel Portland's Tracey Chapman and clients at a 2016 PCMA event in Vancouver, B.C.



- e) Site inspections: Once a convention client is interested in Portland, Travel Portland sales staff will arrange for them to visit Portland to conduct a site inspection. These inspections will provide individual clients the opportunity to experience the OCC, as well as Portland's hotels, restaurants, attractions and transportation systems, firsthand. Travel Portland, a partner-based organization, will call upon its members (hotels, airlines, attractions, facilities and restaurants) to facilitate this process by offering services and tours free of charge.
- f) Familiarization tours: Travel Portland will plan and conduct two annual three-day familiarization tours, typically in May and December. As the opportunity arises, additional smaller niche group familiarization tours will be conducted (e.g. HelmsBriscoe, Experient, etc.) – these meeting management firms represent a multitude of groups that utilize convention centers. Familiarization tours are exceptionally powerful convention sales tools, enabling the OCC and the Portland hospitality community as a whole to showcase its convention product to a group of highly qualified meeting planners with similar backgrounds and/or needs in a relatively short amount of time.

- g) Sales missions: During the course of the year, Travel Portland's regional sales staff will be responsible for planning and coordinating at least one major "Portland Event" in their respective city. This will create the opportunity for OCC sales staff as well as additional members of the Portland hospitality community to plan a sales trip to the city, tying in sales calls with participation.

Travel Portland will coordinate all aspects of each client event (budget, funding opportunities, theme, venue, client invitations, gifts, transportation, etc.) and, as appropriate, work with the Portland community for cooperative opportunities, thus expanding each event's budgetary base. Travel Portland will coordinate with OCC sales staff and attending Portland partners to schedule individual or joint client sales calls, as appropriate.

- h) Industry cooperation and partnerships: Travel Portland will maintain outstanding relationships with local and international industry peers— hotels, convention centers and convention bureaus. These relationships will enable us to procure information from our peers regarding groups: leads, history, opportunities, etc. Travel Portland's unique position as a hospitality membership-based organization allows us to draw upon the expertise and goodwill of our 850-strong partner base, something no other organization can do. This enables us to create cost-effective cooperative programs, thus stretching budgets and enhancing sales opportunities.

Travel Portland enjoys a unique and productive convention sales and marketing relationship with Pittsburgh and Milwaukee – cities with convention products and client bases similar to Portland's – that includes lead sharing, cooperative trade show promotions and joint client events. The location of the three cities (East Coast, Central and West Coast) fits the rotational pattern that many large conventions require. Thus we have the ability to fulfill planners' needs and, in turn, enhance our opportunities to get the groups to meet in Portland. This relationship also enables the cities to significantly leverage our respective convention budgets and provides additional visibility in the national convention market. Portland and Pittsburgh, marketed as the greenest U.S. cities, participate in a number of joint "green" client events annually.

Number of sales managers and markets each will serve. Identification of all markets to focus the sales effort.

Travel Portland's convention sales team consists of six (6) Portland-based managers and four (4) regional staff, all of whom are supervised by the director of convention sales and the vice president of sales. All Portland-based staff, including supervisors, will be assigned specific market segment responsibilities; three regional staff will cover all market segments within their assigned geographic areas (Washington, D.C./East coast, and Chicago/Midwest). One regional position, based in Kansas City, will provide research across all markets.

General market categories for solicitation will include:

- a) National/regional/state associations
- b) Corporate groups
- c) National/regional trade shows
- d) Annual or repeat state/regional conventions and trade shows
- e) Multi-cultural and diverse lifestyle markets

Each market category will be broken down by business type as defined by the *Encyclopedia of Associations*, the convention industry's leading association reference publication. Each sales manager will be assigned solicitation responsibilities for a number of specific market segments, with emphasis on those segments that have historically produced well for the Portland market or which have been identified as having strong potential. The markets will be handled on a vertical basis, meaning that the sales manager will be responsible for the entirety of that market segment's business, from top (largest group) to bottom (smallest group).

Number of sales managers devoted to selling the Oregon Convention Center, and support staff to be assigned to the sales effort.

Four (4) Portland-based sales managers, the director of convention sales and the vice president of sales will be specifically devoted to selling the OCC. Four (4) convention sales support staff will support them. Three (3) coordinators will be responsible for working with multiple managers, while one (1) database manager will support the director of convention and the vice president of sales.

Travel Portland regional sales staff located in Washington, D.C., (two sales managers) and Chicago (one sales manager) will be directly responsible for solicitation of OCC business. As required, Travel Portland management staff (president, executive vice presidents) will provide active sales support, as will members of Travel Portland's board of directors and other partners.

Number of national sales managers to generate leads, provide face-to-face sales and marketing. The number and location(s) of sales offices.

In addition to its Portland office, Travel Portland maintains three (3) regional offices (Washington, D.C., Chicago, and Kansas City, MO).

The Portland office will house a total of six (6) sales managers and two supervisors, all of whom will participate in face-to-face sales and marketing programs and activities.

Travel Portland's regional convention sales staff will include three (3) regional directors of sales, two located in Washington, D.C., and one located in Chicago. Staff will work from home offices in their respective cities and rely on Portland-based administrative staff when support is required. Each regional sales director will team with Portland-based sales staff on a market-by-market basis to develop leads and convert tentative business to definite. These regional directors of sales will be focused on selling the OCC and Portland as a meeting destination.

Regional sales staff will be responsible for daily face-to-face contact with qualified clients, leading to development of sales leads appropriate to the OCC. Additionally, each staff member will be responsible for identifying and participating in promotional opportunities in their respective cities beneficial to the Portland market and for creating annual "Portland Events" to which area clients and Portland hospitality partners will be invited. Regional staff will be available to assist Portland-based Travel Portland sales staff and other Portland-based hospitality partners in planning and conducting sales trips to their cities or regions.

Travel Portland's regional staff also includes the Convention Business Development Manager position. This research manager will work from a home office in Kansas City, MO.

Marketing

Direct Marketing Activities, Social Media Strategy and Website Development

In Fiscal Year 2016–17, Travel Portland’s direct marketing activities will maximize the impact of the new OCC hotel package while continuing to position Portland as a destination that provides excellent value, transportation options and evening activities, a prime West Coast location, and an industry-leading, sustainable, state-of-the-art convention center.

As outlined below, we will deploy these messages via a strategic mix of direct mail, trade show presence, website development, social and digital content, collateral material, research-driven lead-generation, advertising and public relations.

In FY 16-17, we will execute two separate direct mail campaigns:

- The first, which will target groups that have shown interest in Portland in the past but decided against Portland due to our lack of a convention hotel, will utilize virtual reality to allow planners to explore the under-development hotel, as well as Portland at large.
- The second direct mail program will nurture our relationship with existing, high-yield customers via a “Makers Day” box that celebrates Portland’s unique culture and its appeal to planners and delegates – while also reinforcing the news about the new OCC hotel package.

We will also have an expanded booth presence at a key trade show – IMEX America – and will invest in a larger program with another high-profile meeting, Professional Convention Management Association (PCMA).

Redevelopment of our dedicated website for meeting planners, meetings.travelportland.com, will run in tandem with these efforts. See the “Web site” section below for details.

Social media will further augment our efforts. We will continue to provide inspirational content (a mix of imagery, facts and events) on our consumer- and delegate-facing Facebook, Instagram and Twitter channels, positioning Portland as a place bustling with options and year-round activity. We’ll also push engaging, relevant content to our expanding LinkedIn channel, where we will target and cultivate our meeting planner audience. Lastly, we will continue to welcome OCC-based conventions to Portland via their Twitter hashtags, provide direct support to delegates via our actively monitored Twitter channel, and strategically amplify/share OCC’s social content.

Multi-Cultural and Diverse Lifestyle Marketing Approach

Our annual program of work to secure multicultural and LGBTQ meetings and conventions is a sales-led approach. To support these efforts, the marketing department sharing community-created content and marketing materials specific to minority groups.

For these efforts, we work with firms such as Su Publico and Oregon Convention & Visitor Services Network to provide marketing and public relations support.

And to tell Portland’s multicultural story to planners and delegates in an authentic, community-driven way, Travel Portland will continue to partner with local newspapers and content providers: El Hispanic News, The Asian Reporter, The Portland Chinese Times, Flossin Media (an African-

American lifestyle magazine), PQ Monthly (an LGBTQ publication) and Native American writer Jacqueline Keeler (citizen of Navajo and Yankton Dakota Sioux). These content providers — trusted, authoritative voices within their respective communities — provide regular audits and updates to Travel Portland’s website; assemble the insider insights that fuel our community-specific sales pieces (see work sample #5 in the Appendix); and appear in a series of planner- and delegate-facing videos: TravelPortland.com/thatsmyPDX.

Whether we’re marketing leisure travel or meetings and conventions, Travel Portland includes diverse faces throughout its advertising, social media and collateral material. And to ensure that we reflect Portland’s diversity, we will continue to benchmark and track the quantity — and content — of our social posts, digital articles and print publications. For example, 45% of photos with human subjects posted on TravelPortland.com from June–December 2015 included people of color.

Market Research

Travel Portland utilizes market research to identify and qualify new leads, potential conventions, trade show lists and sales opportunities.

In addition to the Convention Business Development Manager — whose lead-development and list-maximizing efforts were outlined in the Sales portion of Section B — Travel Portland will continue its subscriptions with Smith Travel Research (STR), Trends Analysis Projections (TAP) and Runzheimer International to receive hotel occupancy information, convention business booking pace and comparative city data, respectively. This information allows us to adjust and tailor our marketing and sales activities in response to changes and developments in-market (for example, our recent sales and marketing efforts to capture 2018 bookings).

Our Customer Advisory Board, which includes more than 20 key clients and industry influencers, will continue to provide Travel Portland, OCC and the Portland hospitality community with unvarnished insights and wise counsel.

Web site that provides information to meeting planners about Portland and the OCC

In FY 16-17, we will continue to build on the success of our dedicated website for meeting planners, meetings.travelportland.com, with a significant overhaul guided by current best practices in web design, feedback from our Customer Advisory Board and consultation with our partners at OCC, whose digital presence we will complement.

In particular, we will re-evaluate our content and simplify navigation to more swiftly connect planners with the information they need, across devices, whether they are considering Portland for the first time or they’ve already booked and require assistance with planning. We will also further improve the usability of our popular Venue Finder tool, which planners use to locate meeting space and hotel rooms across the city, and which prominently displays OCC within its search results.

Advertising

Our FY 16-17 advertising plan, created in conjunction with our partners at OCC, will include:

- Online ads — behavioral, contextual and location-based targeting, as well as pay-per-click and keyword match advertising — that generate new interest in OCC and the destination. Our re-targeting efforts then work to encourage further exploration of meetings.travelportland.com. By measuring ad performance (our goal is to exceed the industry benchmark of 0.7% click-through rate) and making in-campaign adjustments, we drive greater traffic, engagement and RFPs on meetings.travelportland.com.
- Print and online advertising with select meeting planner publications to complement the PR team's editorial pitches — and help keep Portland and OCC top-of-mind. *See the Public Relations section below for a list of media targets.*
- Advertising on CVENT, a popular online platform for meeting planners, which is a proven RFP generator for OCC and Travel Portland.

Public Relations

To position Portland as a first-tier meetings destination and secure positive media coverage of the OCC hotel project, Travel Portland will:

- Partner with Metro and Hyatt to finalize and implement a strategic PR plan for the convention center hotel.
- Create a list of priority media pitch topics and areas of focus for the upcoming years, developed in conjunction with the Travel Portland and OCC sales teams.
- Proactively target and host meetings media (see media target list below).
- Maintain and, as needed, create new media-facing content and fact sheets.
- Continue to build on the list of meeting planners who are willing to speak on behalf of Portland as a quality meetings destination.

Top-tier media targets include: Association Conventions & Facilities; Association News; Associations Now; Collinson Media (Collaborate, Connect, Rejuvenate); Convene; Corporate & Incentive Travel; International Meetings Review; The Meeting Professional; Meetings & Conventions; Meetings Focus; Meetings Focus West; Meetings Net; Northwest Meetings + Events; PCMA; Prevue Meetings; Smart Meetings; Successful Meetings; Trade Show Executive; Trade Show Expo; USAE.

Secondary media targets include: BizBash; Corporate Meetings & Incentives ; Destination Marketing News; Elite Meetings Magazine; Exhibit City News; Fair Dealer; Fairs & Expos; Hospitality Upgrade; Incentive Magazine; Insurance & Financial Meetings Management; Newsworthy; Small Market Meetings; SMERF Meetings Journal; Special Events Galore; Travel Weekly.

Convention Services

Travel Portland's Convention Services Department, which is an extension of an aggressive sales and marketing program, provides excellent convention service that consistently exceeds meeting planners' expectations by ensuring easy convention implementation, excellent attendance and high levels of delegate satisfaction.

The staffing in the Convention Service Department is comprised of three (3) convention services managers, one (1) convention services coordinator, one (1) housing and reservations manager and one (1) housing and reservations agent who are all supervised by the vice president of services.

Because the convention services managers assist with the sales process, their relationship with Portland-bound meeting planners begins early, thus maximizing our ability to provide industry-leading levels of service. Awarded *Meetings & Conventions Magazine* Gold Service Award for 15 consecutive years, Travel Portland's services include:

- **On-site and local amenities:** Once a convention is on-site in Portland, we work with the meeting planner to ensure that all aspects of the meeting are being fulfilled. The convention services managers assist with VIP transportation; coordinate delegate welcomes; assist with local vendors for unique services; provide and staff information booths at OCC and contracted hotels to assist attendees with recommendations for local restaurants and attractions; distribute promotional material; alert downtown and Lloyd District businesses of the convention's arrival so that convention attendees can be welcomed to the city; and serve as the liaison to city entities and local businesses in order to provide a hassle-free and successful convention.
- **Transportation assistance:** Travel Portland convention services managers also coordinate a unique service by working with Portland's public transportation provider, TriMet, to obtaining and delivering to the meeting planner complimentary MAX light rail passes for their convention attendees to use during their entire conference. This program alleviates most, if not all, transportation costs for the group.
- **Pre-convention sales trips and site visits:** Depending on the size of the convention, the meeting planner and/or convention planning committee will make one or several site visits to Portland to meet with the OCC staff and hotels; select off-site venues; secure necessary services and vendors; meet with the local planning committee; and see to any other details necessary for a successful convention. Travel Portland's convention services managers strive to exceed the expectations of the meeting planner and/or planning committee members during the site visit by coordinating and setting appointments for the site inspection; and securing complimentary or discounted hotel rooms, transportation, meals and entertainment.
- **Pre-convention attendance building services and promotional materials:** A key component to a successful convention for both the meeting planner and the OCC is great attendance. Travel Portland works with meeting planners and OCC to provide attendance-building services to all OCC convention groups. These services include: staffing a promotion booth at the convention the year prior to the event in Portland; providing promotional material (i.e., brochures, maps, TriMet light rail/bus information), photography, videos, and

other content; and generating conference-specific e-newsletters and/or microsites. And as mentioned in the Marketing section, we also provide social media assistance and resources to help meeting planners enhance groups' attendance and on-the-ground experience.

- **Coordination of convention housing:** Travel Portland will continue to provide centralized hotel reservation service for organizations planning on meeting at the OCC. Basic services will be provided on a complimentary basis to these organizations. Because Portland's hotel package usually includes multiple hotels, this housing service is critical in easing the meeting planner's worries and hassles.
- **Special event coordination and servicing needs:** Although the convention services managers work with the meeting planners and the OCC to maximize the utilization of OCC services, facilities and food and beverage, there are times when the meeting planner will need additional services and/or off-site venues to ensure a well-rounded, enticing convention experience for their attendees. The convention services managers work with the meeting planners to provide access to the best and most qualified local vendors and services in Portland. We do this by serving as a broker for goods and services, either connecting the planner directly with businesses or soliciting requests on their behalf. Upon request, Travel Portland also provides access to local bonded registration, cashier and computer personnel.
- **Exit surveys:** To assess customer satisfaction, Travel Portland surveys meeting planners upon completion of their meetings or conventions at OCC.

Other Proposed Activities

As we look to the future of our destination, one additional activity that we will remain invested in is Visitor Development Fund (VDF), which has served OCC and the hospitality community very well over the years, helping fund concessions and buy-downs that helped get decision-makers to the "finish line."

When the VDF was created, it was a one-of-a-kind offering. Since then, other destinations have followed suit and created similar incentive programs. Given this competition – and with the OCC hotel project and additional room inventory coming into the Portland market – the VDF remains critical to our future success.

Annual Goals

The aforementioned program of work will position Travel Portland to continue to meet the agreed-upon annual goals. We look forward to developing these goals in tandem with OCC. More than just reflecting previous results, these new goals will also reflect the ever-changing market conditions.

E. COST/BUDGET

What follows is a budget proposal for \$4 million, inclusive of the Visitor Facility Trust Account contribution, as Metro outlined on Page 8 of its original RFP.

MERC Resources and Marketing Budget				
Description	FY 2016-17	FY 2015-16	Difference	% Chg
Resources				
National Marketing Contract	3,517,763	3,350,000	167,763	5.01%
Enhanced Marketing VDI	482,237	472,781	9,456	2.00%
Total Resources	\$ 4,000,000	\$ 3,822,781	177,219	4.64%
Expenses				
Direct Sales:				
Portland office:				
Personnel Costs	1,045,054	1,070,992	(25,938)	-2.42%
Direct expenses	122,714	117,995	4,720	4.00%
Total Portland office	1,167,768	1,188,987	(21,218)	-1.78%
Washington DC office:				
Personnel Costs	248,000	246,480	1,520	0.62%
DC client events	13,000	13,000	-	-
Direct expenses	60,725	58,388	2,337	4.00%
Total DC office	321,725	317,868	3,857	1.21%
Chicago office:				
Personnel Costs	120,000	118,400	1,600	1.35%
Chicago client events	12,000	12,000	-	-
Direct expenses	19,857	19,093	764	4.00%
Total Chicago expenses	151,857	149,493	2,364	1.58%
Fail & Spring Farm	113,000	93,000	20,000	21.51%
Site Visits	72,500	72,500	-	-
Bid/Sales Trips	44,800	30,000	14,800	49.33%
Local Promotions	9,000	6,000	3,000	50.00%
Tradeshows	307,233	287,233	20,000	6.96%
Road Shows/Client Events-Chicago & Washington DC	95,000	65,000	30,000	46.15%
Research/Lead Generation	47,840	39,000	8,840	22.67%
Three City Alliance	60,000	55,000	5,000	9.09%
Advisory Council	80,000	50,000	30,000	60.00%
Minority Sales	55,450	50,450	5,000	9.91%
Sub-Total	884,823	748,183	136,640	18.27%
Total Direct Sales	2,508,173	2,404,531	103,642	4.23%
Marketing:				
Personnel Costs	129,144	118,444	10,700	9.03%
Website, E-Marketing, Photography, Content	150,249	150,249	-	-
Convention Marketing & Direct Mail	405,500	325,000	80,500	24.77%
Minority Marketing	49,500	49,500	-	-
Total Marketing	734,393	643,193	91,200	14.18%
Public Relations				
Personnel Costs	19,249	24,439	(5,190)	-21.24%
PR Agency	50,000	50,000	-	-
Media Outreach, Writer/Editor	44,411	44,411	-	-
Minority PR	60,000	60,000	-	-
Total PR	173,660	178,850	(5,190)	-2.90%
Convention Services:				
Personnel Costs, including Conv Housing	321,069	277,779	43,290	15.58%
Pre-Con Site Visits	24,775	23,847	928	3.89%
Attendance Building trips	10,875	10,875	-	-
Convention Housing	49,500	49,500	-	-
Total Convention Services	406,219	362,000	44,219	12.21%
Contract Administration:				
Personnel Costs	179,557	234,207	(54,651)	-23.33%
Total Contract Admin	179,557	234,207	(54,651)	-23.33%
Total Budget	\$ 4,000,000	\$ 3,822,781	\$ 177,219	4.64%

Travel Portland Marketing Contract for FY 2016-17

Anticipated Hours for Professional Services:	Hours	Rate	Amount	Total
Direct Sales: (Portland)				
President & CEO*	75	182.00	13,652	
EVP for Convention & Tourism Sales	1,300	140.00	182,001	
VP Convention Sales	1,300	106.00	137,800	
Citywide Revenue Manager	-	90.00	-	
Sales Managers - Portland Office	10,000	57.00	570,000	
Meeting & Events Manager	600	41.00	24,600	
Sales Assistants	3,900	30.00	117,001	1,045,054
Direct Sales: Washington DC				
Regional Director of Sales--DC Office	3,100	80.00	248,000	248,000
Direct Sales: Chicago				
Regional Director of Sales--Chicago	1,600	75.00	120,000	120,000
Marketing:				
President & CEO*	25	182.00	4,545	
EVP for Convention & Tourism Sales	100	140.00	14,001	
EVP for Marketing and Public Relations	250	140.00	34,998	
VP Convention Sales	50	106.00	5,300	
Marketing/Web Coordinator	800	30.00	24,000	
Director of Online Strategy	300	56.00	16,800	
Editor & Content Strategist	300	56.00	16,800	
Marketing Director	200	56.00	11,200	
Sales Assistants	50	30.00	1,500	129,144
PR & Communication:				
EVP for Marketing and Public Relations	40	140.00	5,597	
VP Convention Sales	-	106.00	-	
VP of Communications & PR	100	75.00	7,502	
Communications & PR Managers	150	41.00	6,151	19,249
Convention Services:				
President & CEO*	5	182.00	910	
EVP for Convention & Tourism Sales	100	140.00	14,006	
VP Convention Sales	100	106.00	10,600	
VP Services	1,300	75.00	97,502	
Convention Services Account Managers	1,750	41.00	71,751	
Convention Housing Manager	1,800	41.00	73,801	
Services Assistant	1,750	30.00	52,500	321,069
Contract Administration:				
President & CEO*	450	182.00	81,900	
EVP for Convention & Tourism Sales	75	140.00	10,507	
EVP for Finance & Operations	250	140.00	35,001	
VP Convention Sales	200	106.00	21,200	
VP Services	100	75.00	7,499	
Director of Community & Cultural Relations	50	75.00	3,749	
Finance Mgr. & Senior Finance Mgr.	200	46.00	9,200	
Executive Assistant	300	35.00	10,500	179,556
Total Professional Services Costs				2,062,072