

Denyse

Metropolitan Exposition Recreation Commission

Resolution No. 01-06

Authorizing the Oregon Convention Center Director to execute an addendum to the Portland Oregon Visitors Association ("POVA") Marketing Agreement.

The Metropolitan Exposition Recreation Commission finds:

1. That in June of 1996, the Metropolitan Exposition Recreation Commission entered into a contract with the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center.
2. That the Metro Auditor, in its report on the POVA Contract Audit, recommended that MERC take the lead in developing elements that would convert the current POVA/MERC Marketing Contract to a performance based service contract for annual evaluations.
3. That POVA and OCC staff have met and agreed to jointly establish business goals and measurements for fiscal years 2000-01 and 2001-02.
4. That the MERC Commission has approved the POVA/MERC contract budgeted amounts of \$2,303,248 for FY 2000-01 and of \$2,462,160 for 2001-02.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission approves the addendum attached as Exhibit 1, to the POVA/MERC Marketing Agreement and authorizes the Oregon Convention Center Director to execute this Addendum.

Passed by the Commission on February 21, 2001.




Chair



Secretary/Treasurer

Approved as to Form:
Daniel B. Cooper, General Counsel

By: 

Senior Assistant Counsel

MERC Staff Report

Agenda Item/Issue: Authorize the Oregon Convention Center Director to execute an addendum to the Portland Oregon Visitors Association (POVA) Marketing Agreement.

Resolution No.: 01-06

Presented By: Jeffrey A. Blosser

Date: February 21, 2001

Background and Analysis: In June of 1996, MERC entered into a contract with the Portland Oregon Visitors Association to provide national marketing of the Oregon Convention Center. The initial contract term was three years with two three-year extensions.

The Metro Auditor, in its recent report on the POVA Contract Audit, recommended that MERC take the lead in developing elements that would convert the current POVA/MERC Marketing Contract to a performance based service contract for annual evaluations. The MERC Commission agreed with the Auditor and directed staff to create performance measurements and evaluation processes for the POVA Contract.

POVA and OCC staff have met and agreed to jointly establish business goals and measurements for fiscal years 2000-01 and 2001-02.

Additionally, the MERC Commission approved POVA/MERC contract budgeted amounts for FY 00-01 at \$2,303,248 and FY 2001-02 at \$2,462,160.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission approves the addendum, attached as Exhibit 1, to the POVA/MERC Marketing Agreement and authorizes the Oregon Convention Center Director to execute this Addendum.

**ADDENDUM TO MARKETING SERVICES AGREEMENT (the "Agreement")
BETWEEN
THE PORTLAND OREGON VISITORS ASSOCIATION ("POVA")
AND THE
METROPOLITAN EXPOSITION-RECREATION COMMISSION
("MERC" or "MERC Commission"), (collectively, the "Parties")
Originally dated July 1, 1996**

This Addendum to the Agreement is agreed by and between the Metropolitan Exposition-Recreation Commission and POVA effective the 21 day of February, 2001.

RECITALS

1. POVA and MERC are parties to a Marketing Services Agreement dated July 1, 1996, and ending June 30, 2002.
2. The Parties mutually desire to amend the agreement to include business goals and measurements for each contract year.

ADDENDUM

Now, therefore, in consideration of the mutual covenants of the Parties hereto, and upon the express terms and conditions hereinafter set forth, IT IS AGREED by and between them as follows:

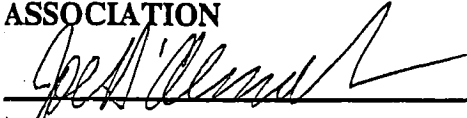
1. Both parties shall cooperate to establish business goals and measurements for each contract year.
2. Goals and measurements were jointly developed by POVA and OCC for fiscal years 2000-01 and 2001-02, and are attached as Exhibit A to this Addendum.
3. Measurements and review of accomplishments will take place at least twice per year with a final written report on POVA performance to be given to the MERC Commission.
4. New goals and measurements will be developed every year following fiscal year 2001-02 for the length of the POVA/MERC Marketing Agreement.
5. Fiscal year 2001-02 will be measured based on the entire fiscal year with a review and report in July of 2001.
6. All other provisions of the original Agreement shall remain in effect through the term of this Addendum, unless sooner terminated by the mutual agreement of the Parties.

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7. This Addendum, together with the Agreement and the Extension effective July 1, 1999, constitutes the entire agreement and understanding between the Commission and Contractor. No provision of this Agreement may be changed or eliminated unless mutually agreed to in writing by the Commission and Contractor.

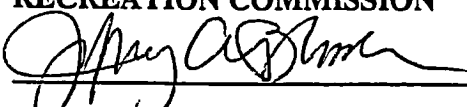
**PORTLAND OREGON VISITORS
ASSOCIATION**



Title: President - CEO

Date: 3/3/01

**METROPOLITAN EXPOSITION-
RECREATION COMMISSION**



Title: DIRECTOR

Date: 2/27/01

APPROVED AS TO FORM
Daniel B. Cooper, MERC General Counsel

By: _____
Kathleen A. Pool, Senior Assistant Counsel

POVA Business Goals and Measurements for The MERC/OCC Contract FYS 2000-02

Goal #1 Book 12 New Convention Groups for FYS 2000-02

This would consist of POVA booking 6 new groups per fiscal year who meet the following preferred OCC booking guidelines:

Years	Gross Sq. Ft. Exhibit Space	Peak Night Rooms
5+	120,000	800
3-5	90,000	600
18 months - 3	60,000	500
0-18 months	OCC controls space	

In coordination with OCC staff, POVA may also book convention groups which do not meet the above specific guidelines but which are extremely important to the economic health of the OCC and Portland. Due credit will be given for this business.

Ratings

Excellence = POVA books more than 6 new groups in a fiscal year

Meets = POVA books 5-6 new groups in a fiscal year

Needs Improvement = POVA books less than 5 new groups in a fiscal year

Goal #2 Sales & Marketing Goals

- POVA plays a role in retaining annual repeat groups. In coordination with OCC staff, such groups will be identified and future status tracked. Any lost business will be identified and the reason for loss determined.

Ratings

Excellence = 90+% retention of identified groups

Meets = 80-89% retention of identified groups

Needs Improvement = Less than 80% retention of identified groups

- Economic impact for OCC business for FY 2000-02 to be \$60 million
- Generate return on investment for MERC contract expenditure to a rate of \$47 to \$1
- Book 135,000 definite room nights, per fiscal year, of future OCC business during FY 2000-02
- Develop qualified leads representing 1.3 million tentative room nights and 250,000 definite room nights, per fiscal year of future business.
- Conduct a minimum of two executive airlifts with a minimum of 8 highly qualified OCC pieces of business each, per fiscal year. Attend at least 18 industry trade shows and conventions to promote Portland and OCC, per fiscal year.

Ratings

Excellence = POVA must exceed all goal numbers

Meets = POVA will generate between 90-100% of the goal numbers.

Needs Improvement = POVA will generate less than 90% of these goal numbers.

Goal #3 Minority Marketing

POVA's role in successful minority marketing management would include management of the annual budget and assistance in producing 50,000 tentative minority group nights and 13,000 definite room nights per year. OCVSN will provide at least two industry educational and training of local groups on minority issues and conduct a minimum of one executive airlift with a minimum of two qualified OCC pieces of business.

Ratings

Excellent = OCVSN will exceed all goal numbers and conduct the one airlift.

Meets = OCVSN will generate 90-100% of these goals.

Needs Improvement = OCVSN will generate less than 90% of these goals
[The airlift would be conducted under all circumstances]

Goal #4 Budget Development and Reporting

- POVA will give MERC a draft copy of its proposed budgetary needs with work plan by November of the year prior to next budget year.
- POVA will submit all quarterly invoice expenditure detail no later than 45 days after the quarter ends.
- All invoices and reconciliation of receipts and monies spent will be give to MERC no later than 45 days after the fiscal year closes June 30.

Ratings

Excellent = POVA will complete all necessary work prior to the deadlines.

Meets = POVA will comply with the due dates for all necessary work.

Needs Improvement = POVA will complete the necessary work after the stated deadlines.

Goal #5 Promotion and Public Relations and Advertising

- Develop and implement two direct mail campaigns sent to 1,000 targeted and qualified meeting planners and association executives, per fiscal year.
- Generate \$125,000 worth of convention center related editorial placements in trade media per fiscal year.
- Raise awareness locally of what the center does and support the need locally for expansion - \$7,000 in local publications, per fiscal year.
- Develop annually a marketing and advertising plan to promote the "branding strategies" as well as advertising to association executives and meeting planners in targeted publications. Plan is to accompany budget request.

Ratings

Excellent = POVA will exceed all numbers and prepare plan ahead of schedule

Meets = POVA will accomplish the stated goal levels and meet the deadlines.

Needs Improvement = POVA will not meet the stated goals and marketing plan is submitted after the budget process.

Goal #6 Convention Services

- POVA will conduct exit surveys with meeting planners and delegates after their meeting in Portland to gauge customer satisfaction. Conduct a minimum of two surveys per year and publish results in POVA Quarterly Reports and give to MERC.
- Conduct a minimum of 2 customer service focus groups per year with national meeting planners and associations to judge Portland's product and service capabilities and publish results in POVA Quarterly Report and give to MERC.
- Services' personnel will double its number of site visits or sales trips to 30 per year.
- Provide assistance to 20 major conventions groups with the goal of building convention attendance and delegate extended stay programs.
- Distribute 50,000 promotional pieces on behalf of meeting planners.
- Provide housing assistance, if requested by meeting planner, to 100% of OCC convention groups.

Ratings

Excellent = POVA will exceed all numbers stated.

Meets = POVA will meet goal numbers within 95% of stated goals

Needs Improvements = POVA's goals' numbers are below 95% of stated goals.

The Oregon Convention Center staff will meet a minimum of twice per year to evaluate progress in these areas in a review format. Final documentation and scoring will be completed at the end of the fiscal year with a score in each goal area and overall score as to how POVA performed and achieved their goals. A final report will be given to MERC.