



BOARD OF LOS ANGELES DEPARTMENT OF CONVENTION AND TOURISM DEVELOPMENT COMMISSIONERS

Commissioners: Jon F. Vein, President; Ray Bidenost, Vice President;
Jeremy Bernard; Stella T. Maloyan; Otto Padron

Members of the public who wish to speak during the meeting must submit a "Request to Speak" form to the Board Secretary prior to the commencement of the public comments for each agenda item of interest. Comments by the public on matters not identified on the agenda, but within the subject matter jurisdiction of the Commission, will be heard only during the item designated as "Public Comment." Public speaking will be limited to two minutes per speaker, unless the presiding officer grants some other amount of time before the commencement of the public comment.

Regular Meeting
Wednesday, February 3, 2016
9:00 a.m. – 10:30 a.m.
Los Angeles Convention Center
1201 S. Figueroa Street, L.A., CA 90015
Executive Board Room

1. CALL TO ORDER / ROLL CALL

2. PUBLIC COMMENT

3. ACTION ITEMS:

- a. Approval of the meeting minutes from January 20, 2016

4. DISCUSSION ITEMS:

- a. AEG Monthly Update – December – Brad Gessner, AEG
 - i. Commercial filmed at LACC – Ellen Schwartz, AEG
- b. LATCB Monthly Update –December – Darren Green, LATCB
 - i. New LATCB Advertising Campaign – Don Skeoch, LATCB
- c. Expansion & Futurization Update – Bud Ovrom, CTD

5. ADJOURNMENT

AGENDA FORECAST / SPECIAL TOPICS:

- February 17, 2016 - CIP Update – Tom Fields, CTD
- Expansion & Futurization Update – Bud Ovrom, CTD

Materials related to an item on this agenda submitted to the Board of Los Angeles Convention and Tourism development after distribution of the agenda packet are available for public inspection in the Executive Office of the Los Angeles Convention Center, 1201 S. Figueroa Street, Los Angeles, CA 90015, during normal business hours.

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DRAFT
**BOARD OF LOS ANGELES CONVENTION
AND TOURISM DEVELOPMENT COMMISSION**

Regular Meeting Minutes
January 20, 2016
9:00 a.m.

The Board of Los Angeles Convention and Tourism Development Commission (Board) convened a special meeting on Wednesday, January 20, 2016 at 9:00 a.m. at the Los Angeles Convention Center (LACC), located at 1201 S. Figueroa Street, Los Angeles, CA 90015, in the Executive Board Room.

PRESENT:

President Jon F. Vein
Vice President Ray Bidenost
Commissioner Jeremy Bernard (arrived at 9:03 am)
Commissioner Stella T. Maloyan

ABSENT:

Commissioner Otto Padron

PRESENTERS:

Tom Fields, CTD
Brad Gessner, AEG
Samuel Hughes, EWDD
Bud Ovrom, CTD

Item 1. Call to Order / Roll Call

President Vein called the meeting to order at 9:00 am.

Item 2. Public Comment

None

Item 3a. Approval of Special Meeting Minutes from January 8, 2016

UNANIMOUSLY APPROVED

Item 3B. NBA 2018 – Board Report #16-001

Recommend that the Board adopt the proposed 2018 NBA All-Star Weekend discount request.

UNANIMOUSLY APPROVED

Item 4a. AEG November Employee of the Monthly

Mr. Brad Gessner announced Gilbert Arellano as the employee of the month for November.

Item 4bi. Expansion and Futurization Update - Overview

Mr. Bud Ovrom provided an update of the project, requesting a clarification of the dual path solution recommended by the CAO and the need for risk mitigation. Mr. Ovrom also recommended BOE as the lead agent for the EIR. Mr. Ovrom distributed an Activity/Milestone schedule. There was discussion of the proposed residential component as a concern due to noise, traffic, Air BNB, land locking of the center as well as other concerns.

Public Comment on item 4bi –

Terri Tonnies spoke to the impact on clients if the project is delayed, noting that a hotel is critical to show managers, and that surrounding space is needed for outdoor programming.

Taken Out Of Order

Item 4c. CIP Update

Mr. Tom Fields provided an update on the FY 2015-16 CIP Projects. Mr. Fields noted that the projects (with the exception of one) will not be affected by either proposed expansion plan.

Item 4bi. Expansion and Futurization Update – Hotel RFI Update

Mr. Samuel Hughes provided an update on the hotel RFI. Mr. Hughes noted that Strategic Advisory Group was selected to prepare the RFI and that on January 26, 2016 an Open House would be held at the Los Angeles Convention Center for interested developers. Information on the RFI is available on LABAVN and the EWDD website.

ADJOURNMENT

The meeting was adjourned at 9:45 a.m.

Los Angeles Convention Center Monthly Status Report December 2015

Brad Gessner



EMPLOYEE OF THE MONTH – December 2015



Jonathan Valladares
Security Supervisor

LEADER OF THE 4TH QUARTER 2015



Adrienne Hall
Event Manager

LACC DECEMBER 2015 EVENTS

<u>DATE</u>	<u>EVENT</u>	<u>ATTENDANCE</u>
Dec. 4 - 6	Ski Dazzle	9,000
Dec. 5 - 6	Sikh Study Circle	6,000
Dec. 11 - 12	International Drone Expo	7,000
Dec. 12 – 13	LA Pet Expo	3,000
Dec. 16	Naturalization	6,875
Dec. 19 – 21	L.A. Veterans Stand Down	7,500
Dec. 19	El Sembrador	2,000
Dec. 19 – 20	Aloja Spirit Productions	8,000
Dec. 30	Hawkey Huddle – University of Iowa	20,000
TOTAL:		69,375

LACC DECEMBER 2015 FILMING AND PHOTO EVENTS

<u>Date</u>	<u>Name</u>	<u>Location</u>	<u>Amount</u>
Dec. 3 – 4	Target – Still Shoot	Various Exterior	\$8,100
Dec. 8 - 20	Honda	Halls G,H	\$68,905
Dec. 11	First Shot	Pico Drive	\$8,975
Dec. 15	Home VFX	Men’s Restroom	\$1,900
Dec. 14 – 15	Aero – Mambo	Kentia/Kentia Carpet	\$13,260
Dec. 15	Top Gear	Concourse Plaza/Hall K	\$9,630
Dec. 19	First Shot	Venice Garage	\$4,200

TOTAL FILMING: \$114,970

(December 2014 - \$50,295)

LACC DECEMBER 2015 FINANCIALS

Operating Deficit :

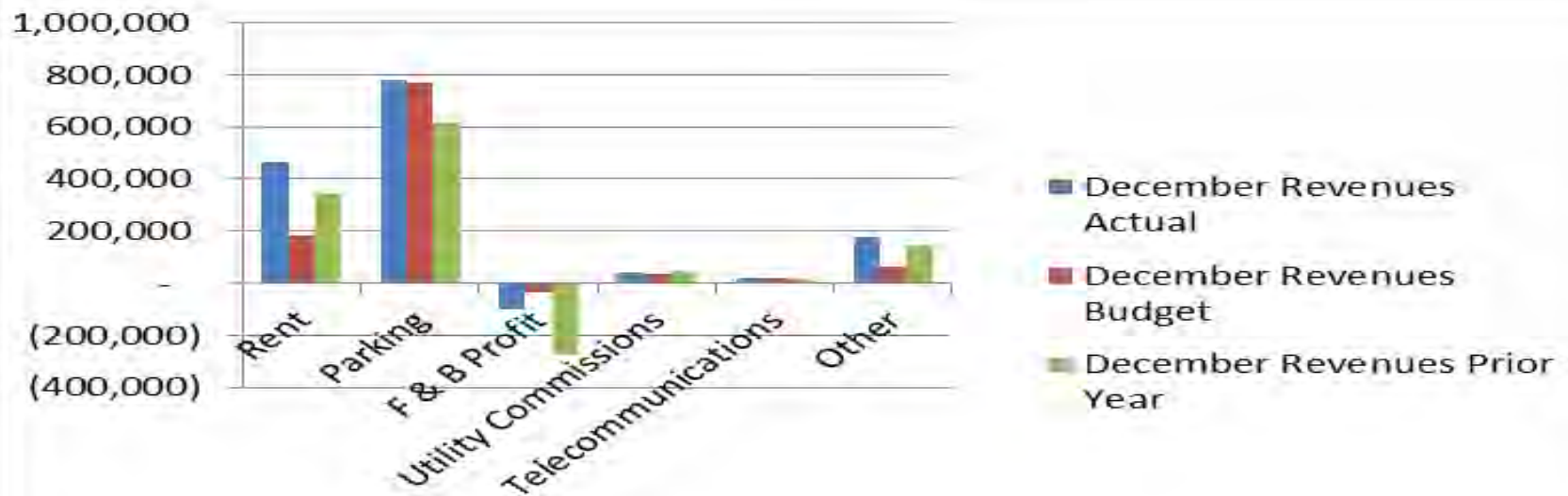
\$351K (before approved A & I and Capital Projects)

\$591K favorable to prior year and \$611K favorable to budget

Revenues:

\$1.4 Million

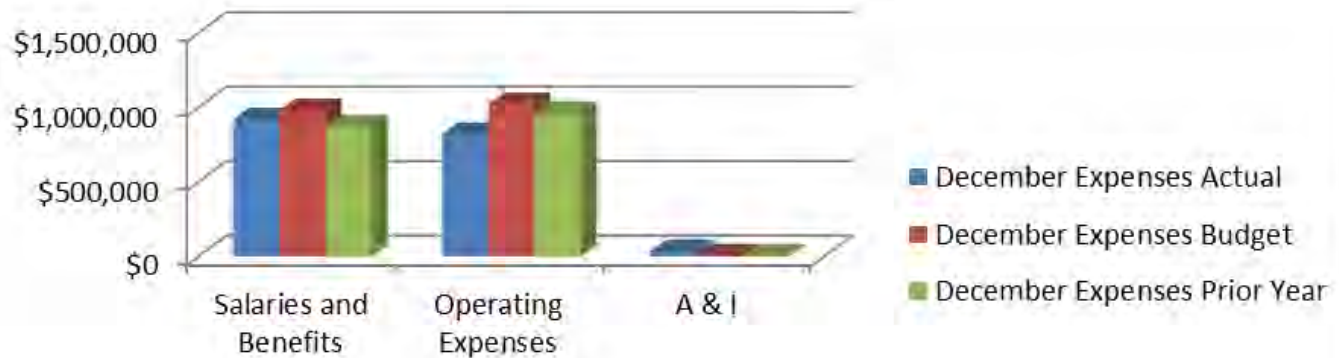
\$350K favorable to budget year and \$496K favorable to prior year



LACC DECEMBER 2015 FINANCIALS

Expenses:

\$1.7 Million for December (excluding A & I projects)
\$94K below prior year; \$262K below budget

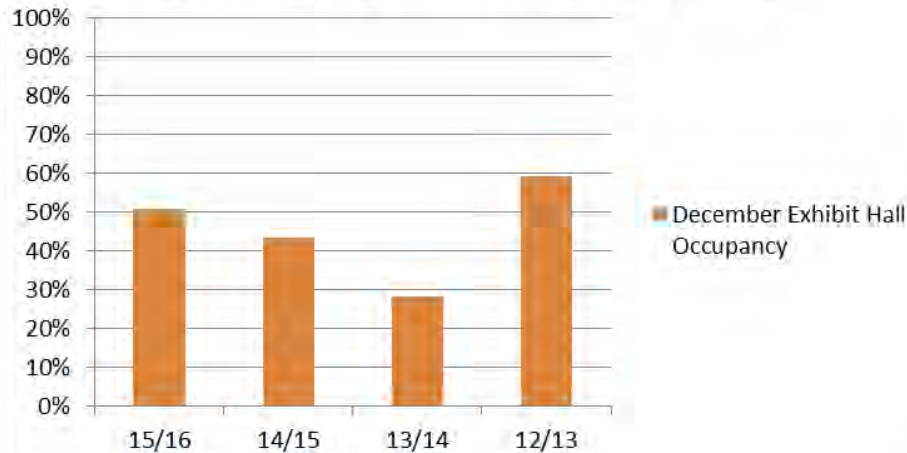


A & I projects and Capital:

Concourse Foyer Carpet installation (2016 approved CIP project)
Booster Pump Package (2016 approved CIP project)
Waterless Urinal upgrade (2015 approved A & I Project)

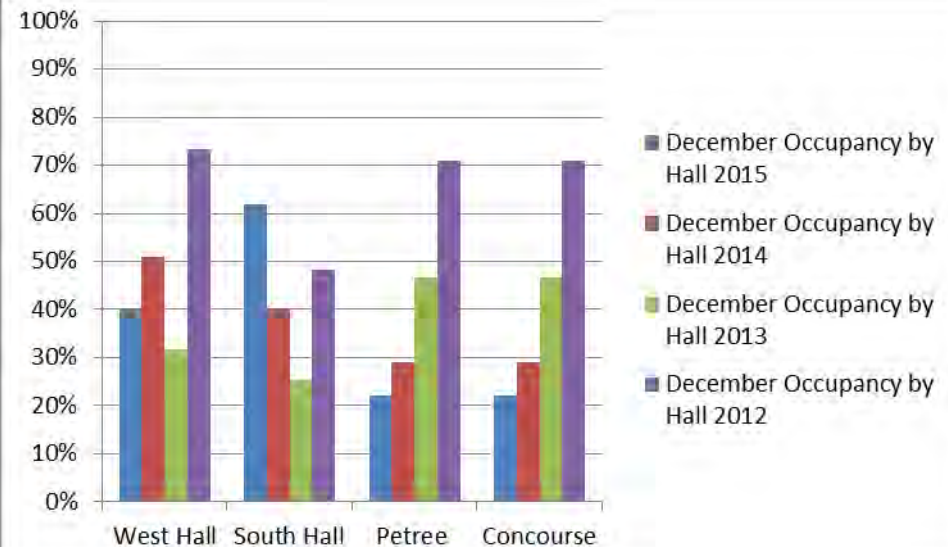
DECEMBER OCCUPANCY

December Exhibit Hall Occupancy

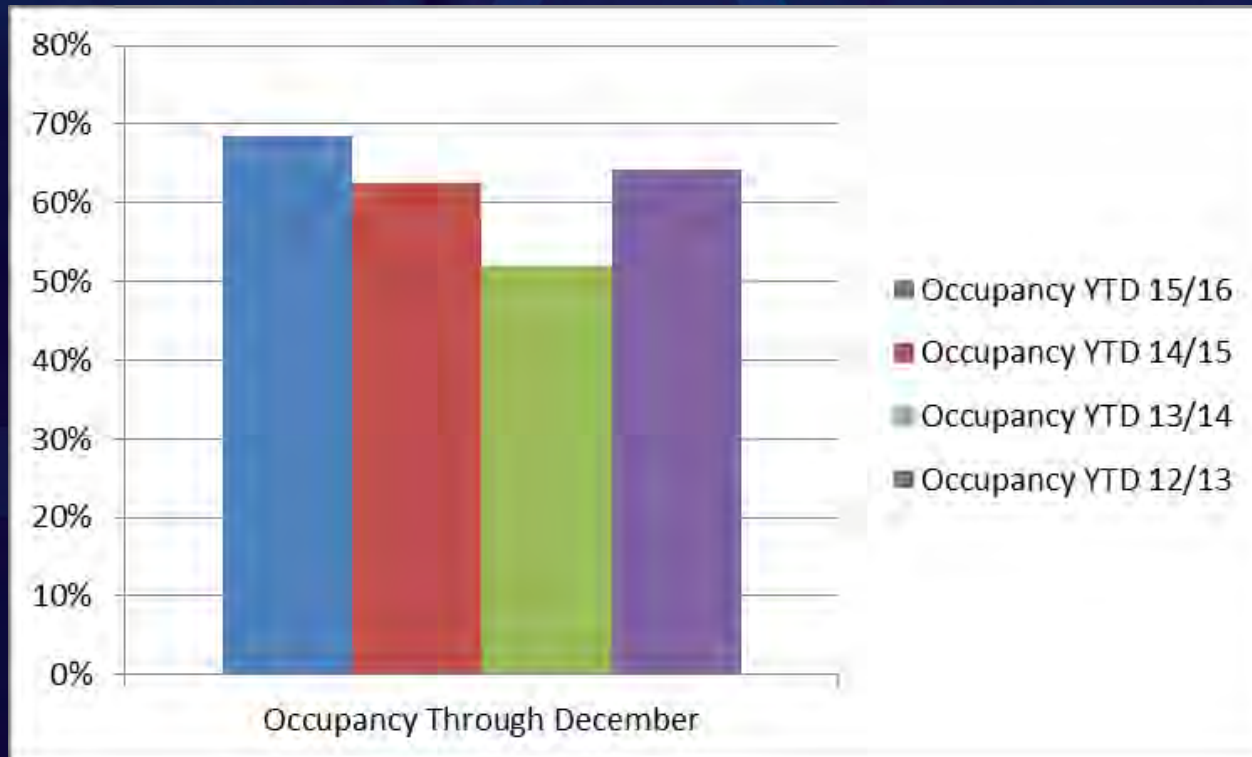


December Occupancy

2015 - 51%
 2014 - 44%
 2013 - 28%
 2012 - 59%



YTD OCCUPANCY



PricewaterhouseCoopers report on Convention Center occupancy states:

It has been recognized industry-wide that the “practical” maximum exhibit hall occupancy rate is approximately 70 percent and the “efficient” range is considered to be approximately 50 to 60 percent. Occupancy levels less than 50 percent generally suggest the existence of marketable opportunities or open dates, while an occupancy rate above 60 percent increases the potential for lost business or “turn-aways.”

ECONOMIC IMPACT EXAMPLE

Economic impact is composed of the summation of three types of spending:

1. Spending Outside the Venue: The spending in the community by event attendees. Does not include attendee spending inside the venue. This spending is broken into two categories:

- **High impact spender:** Event attendees that stay in a hotel
- **Low impact spender:** Event attendees that are day trippers

2. Spending Inside the Venue: The venue's total direct revenue that is attributed to an event. (Information reported in monthly Financial results)

3. Indirect and Induced spending: Spending by the destinations' venue, travel industry businesses on goods and services from local suppliers on behalf of a given event.

ECONOMIC IMPACT EXAMPLE

Consumer event hosted at LACC has attendance of 6,000. 5% are high impact spenders and 95% are low impact spenders. The event generated \$275K in revenue for the venue in ticket sales, parking, food purchases, electrical, and A /V.

Direct Spending outside the venue: High Impact attendees $(6,000 * 5% * \$350) = \$105K$

Direct Spending outside the venue: Low impact attendees $(6,000 * 95% * \$45) = \$256,500$

Total Direct Spending outside the venue: \$361,000

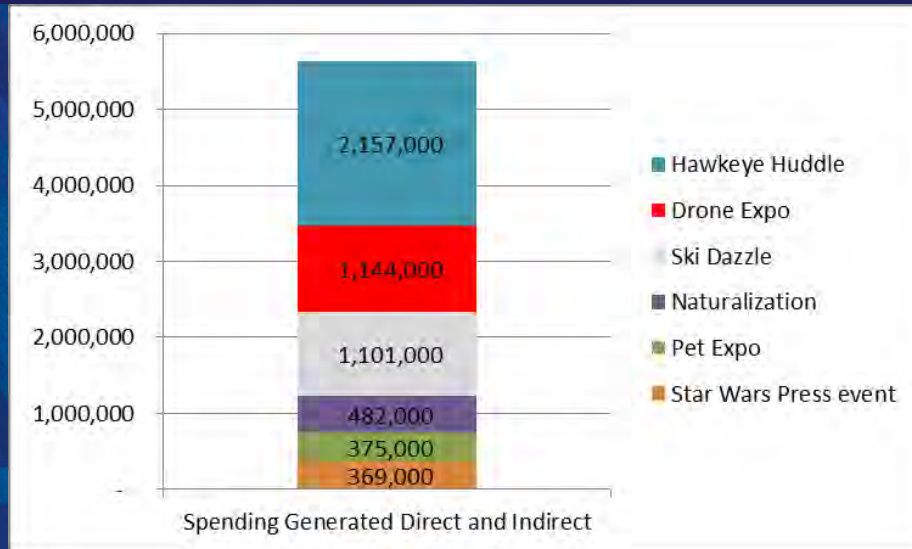
Total Direct Spending inside the venue: \$275,000

Total Direct Spending: \$636,000

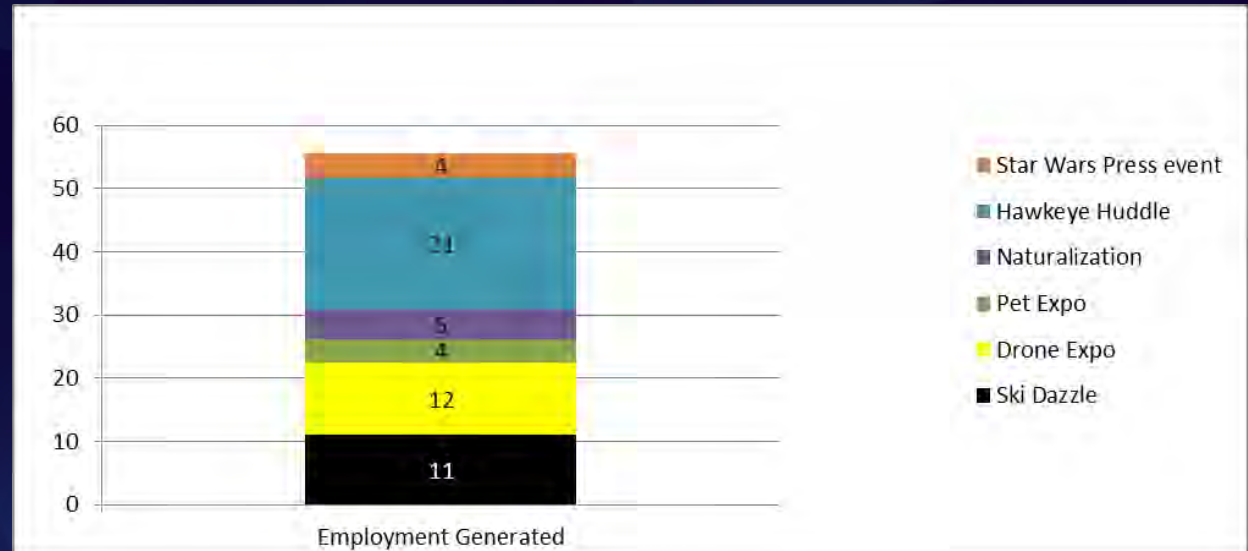
Total Spend(economic Impact) : Direct Spending
* Spending Multiplier of 1.7
 $636,000 * 1.7 = 1,081,200$

Indirect Spending: Total Spend – Direct Spend = 445,200

PROJECTED DECEMBER ECONOMIC IMPACT

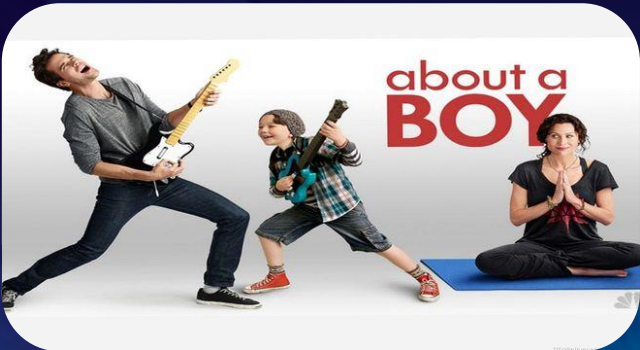


\$5.5 million projected Spending Generated by LACC Events



Calculations based on formulas provided by IAVM (International Association of Venue Management)

FILMING'S AT LACC – Popular TV Shows Filmed at LACC



FILMING'S AT LACC – Popular Movies Filmed at LACC



Star Wars – Global Press Conference (Concourse Hall)



Capital One Commercial – Harsh Reality (2014)



CTD Board of Commissioners Meeting

February 3, 2016

Los Angeles
TOURISM & CONVENTION BOARD





Citywide Convention Sales Update

Darren K. Green
Senior Vice President, Sales



Citywide Convention Sales

FY 15/16 (July 1, 2015 to January 28, 2016) Booking Production

LOI Production	LOIs Actual
FY 15/16 Goal	38
FY 15/16 YTD	19
FY 14/15 Goal	38
FY 14/15 STLY	20

Booked Room Nights Produced	RNs Actual
FY 15/16 Goal	351,000
FY 15/16 YTD	288,763
FY 14/15 Goal	351,000
FY 14/15 STLY	193,911

Citywide Convention Sales

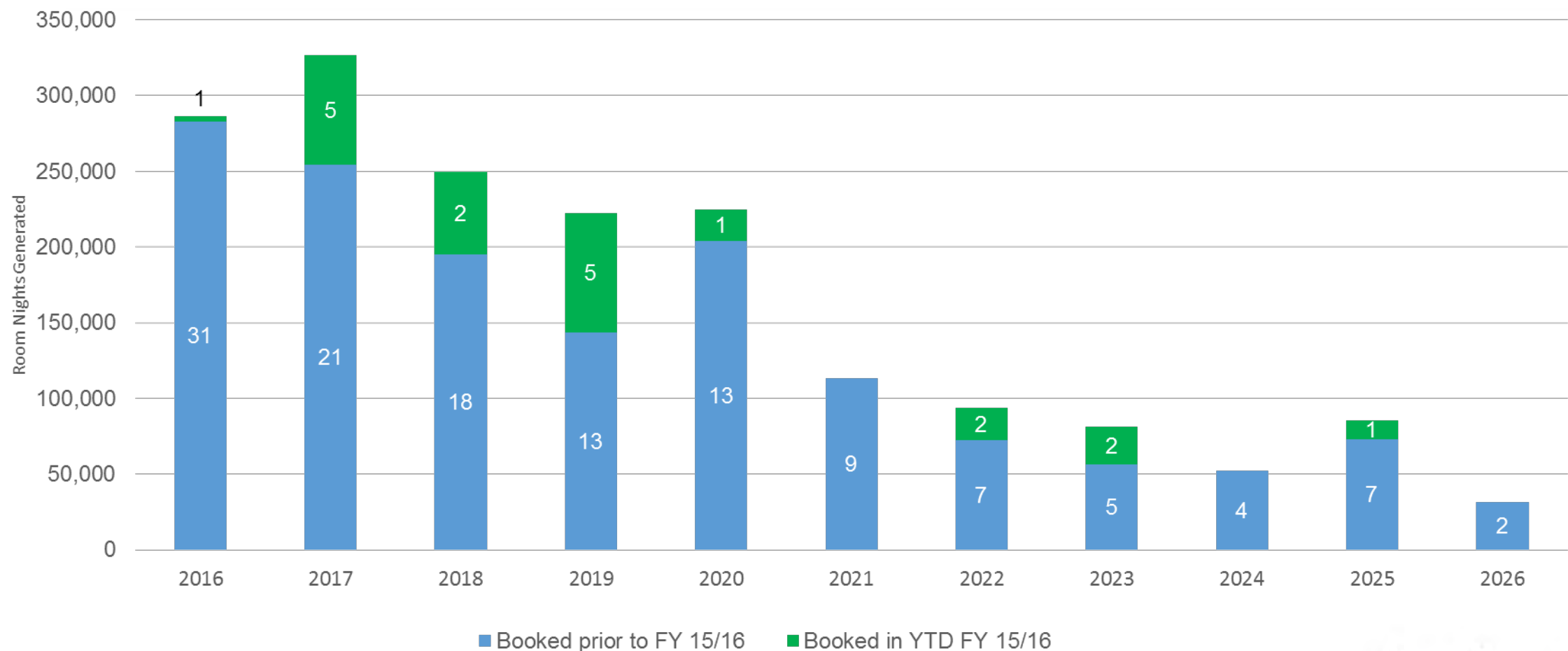
FY 15/16 (July 1, 2015 to January 28, 2016) Lead Production

Lead Production	Leads Actual
FY 15/16 Goal	220
FY 15/16 YTD	125
FY 14/15 Goal	210
FY 14/15 STLY	123

Sales Pipeline- Future Years

- FY 15/16 YTD **130 Leads**,
representing **1,658,287 room nights**
- FY 14/15 YTD **148 Leads**,
representing **1,856,529 room nights**

Citywide Convention Sales Booked Room Nights 2016 to 2026 Calendar Year Arrival Date



19 Events booked during YTD FY 15/16 (July 1, 2015 – January 28, 2016) will generate 288,763 TRNs



Recent Booking

Tableau Software - North American Customer Conference 2019



Las Vegas 2015 Keynote - Neil Degrasse Tyson



Company HQ: Seattle, WA

September 9-13, 2019

Attendance: 15,000

Peak Rooms: 9,000

Total Rooms: 40,650



Upcoming Guest Speakers from Los Angeles Tourism & Convention Board

March

Wendy Kheel
Vice President, Tourism Insights



April

Jamie Foley
Vice President, Global Communications



May

Barbara Kirklighter
Vice President, Revenue Strategy



June

Erika Swenson
Director, Membership





Marketing Update

Don Skeoch
Chief Marketing Officer

John Boudouvas
Vice President, Marketing





Brand Marketing

John Boudouvas

VP, Marketing

Los Angeles Tourism &
Convention Board

ADVERTISING & PROMOTIONS

- FY 16 Media Overview
- FY 16 360° Creative Approach



Media Plan Strategies 360° Approach

1. Invest over 50% of the budget into digital media
2. Budget split 84/16 long-haul vs. short-haul markets
3. Concentrate 62% of the paid media investment during the first four weeks to drive hotel bookings
4. Focus 50% of broadcast placements on highly rated Primetime/Sports/Specials
5. Target neighborhood outdoor advertising placements
6. Align growing online video with broadcast - Hulu / YouTube, a CPCV/engagement models
7. Extend the “Shazamable” video to Online Radio with BORNS/”Electric Love”
8. Align paid social media investment with other paid media, ex. Twitter & Broadcast and Instagram & OOH
9. Maintain overall online travel agent investment to drive towards overnight room night goals

Audience & Target Markets

Target “Upper Millennials” (25 – 44)

\$75,000+ HH Income & intent to travel

Maximize by targeting the most efficient ROI markets

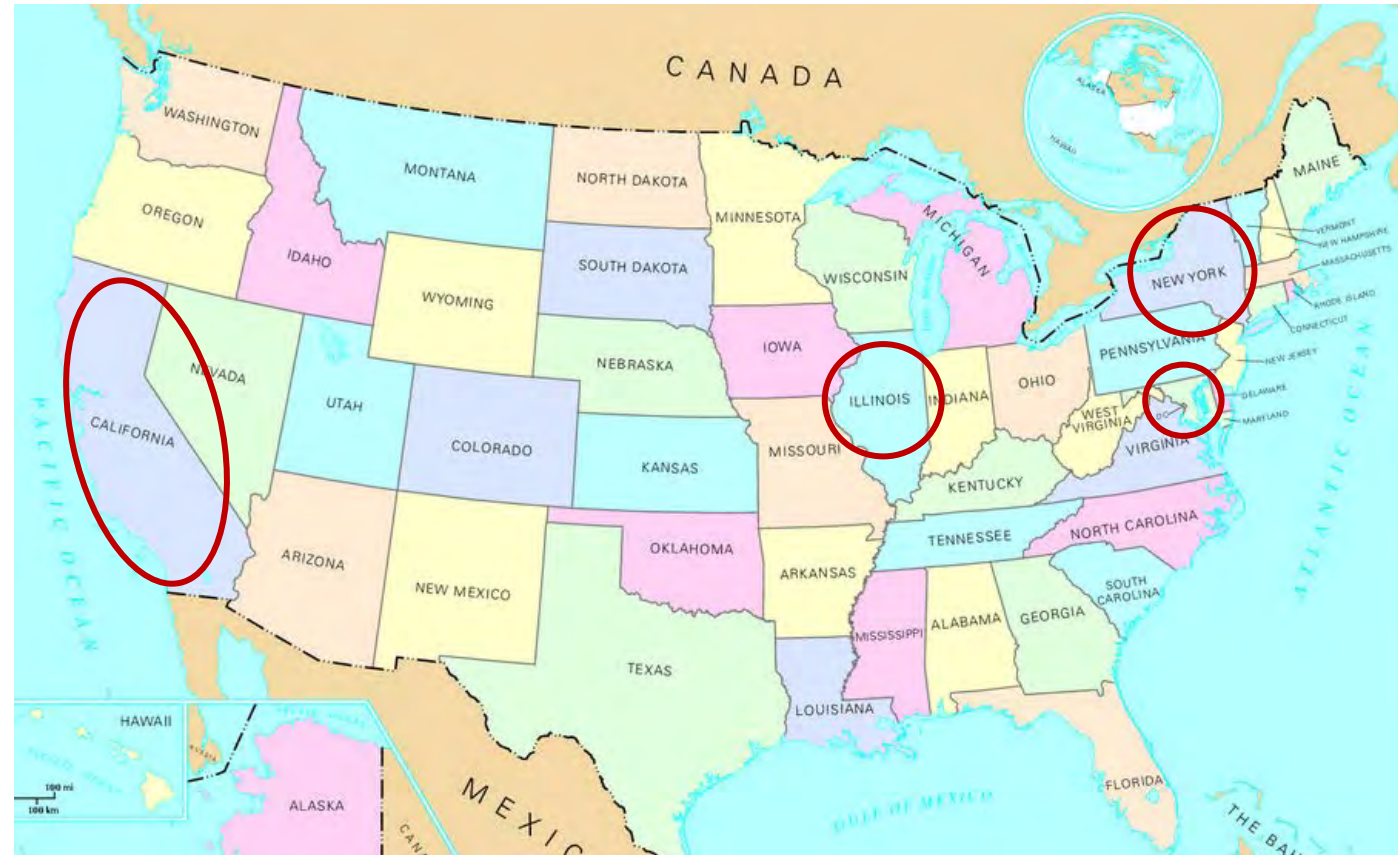
Long-Haul Markets (% of Overall LATCB domestic visitation):

- New York (7.7%)
- Chicago (3.6%)
- Washington DC (2.7%)

Short-Haul Markets (% of Overall LATCB domestic visitation):

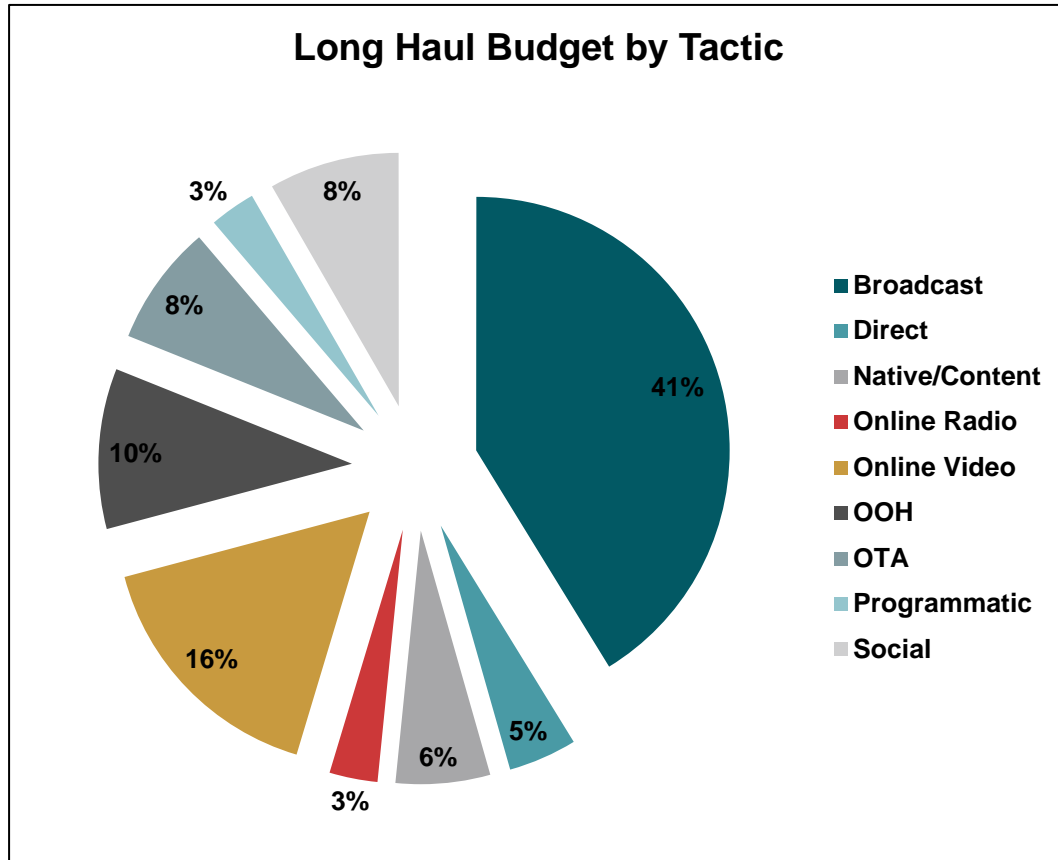
- San Francisco (12%)
- San Diego (7.2%)
- Sacramento (4%)
- Fresno (3.2%)

Markets represent 40% of overall domestic visitation



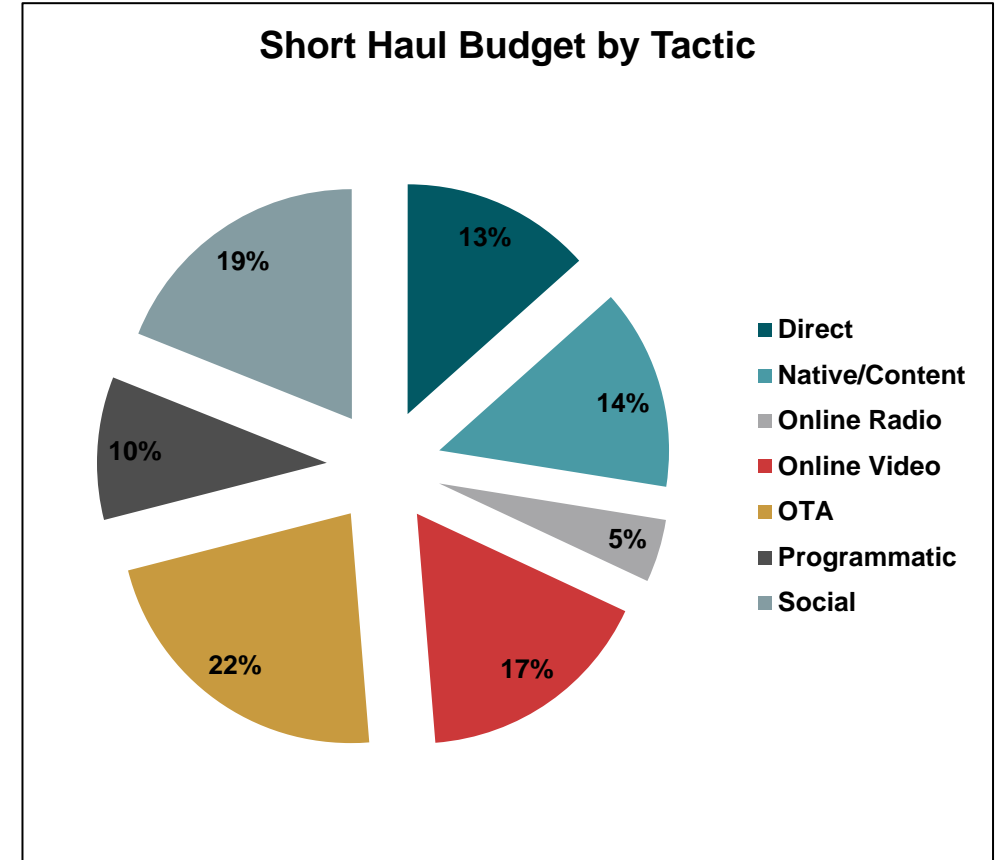
Media Mix

Long Haul Budget by Tactic



Overall Budget: \$4,208,088

Short Haul Budget by Tactic



Overall Budget: \$791,912

Media Mix

Long-Haul

Tactic	2/29	3/7	3/14	3/21	3/28	4/4	4/11	4/18	Budget
Broadcast									\$1,735,000
OOH									\$430,000
OTA									\$323,529
Hulu									\$482,647
YouTube									\$199,058
Online Radio									\$129,118
Native/Content									\$253,324
Direct Buys									\$182,706
Programmatic									\$122,706
Social									\$350,000
							Total		\$4,208,088

Short-Haul

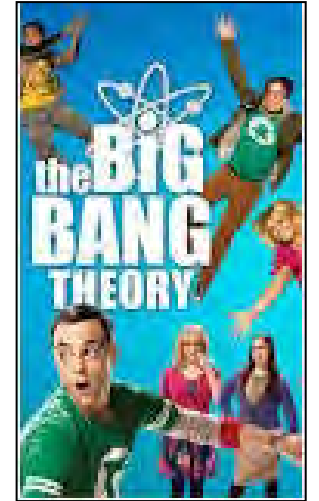
Tactic	2/29	3/7	3/14	3/21	3/28	4/4	4/11	4/18	Budget
OTA									\$176,471
YouTube									\$132,706
Online Radio									\$35,000
Native/Content									\$111,970
Direct Buys									\$106,118
Programmatic									\$79,647
Social									\$150,000
							Total		\$791,912

Creative Agency & Team

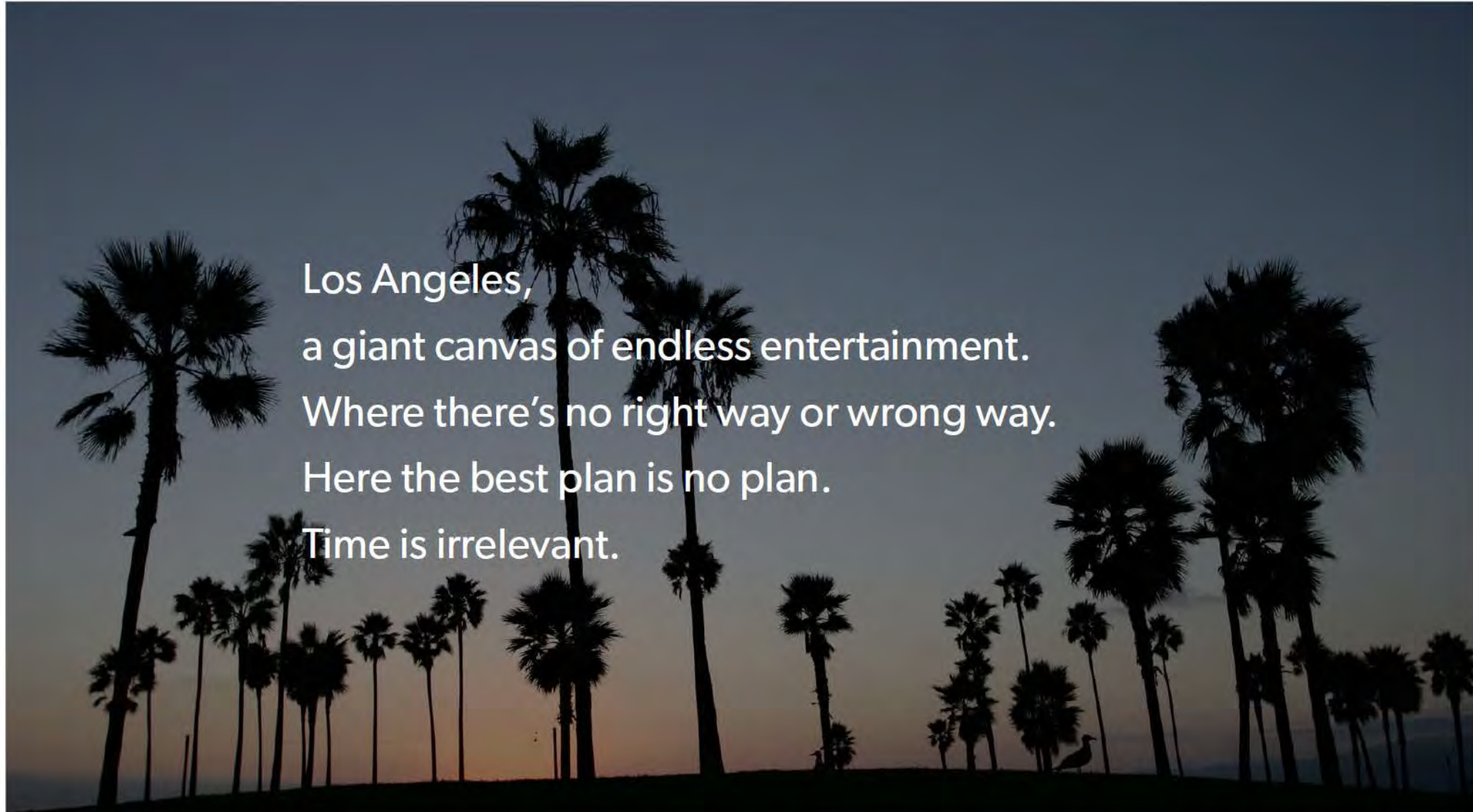


360° Creative Overview

- **Advertising drops: Feb. 29**
 - Shazamable TV (Broadcast & Digital)
 - Epic Sweepstakes to L.A. with private BØRNS concert
 - Spontaneous Trip Giveaways on TV
 - Social Media push
- **Media Event kickoff: March 2**
 - Top 50 NYC media outlets
 - Top L.A. chef and overview of campaign



CREATIVE MESSAGING



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



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ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



ADVERTISING & PROMOTIONS



Out of Home Creative

Reinforce Neighborhoods





THANK YOU!

John Boudouvas

VP, Marketing

Los Angeles Tourism &
Convention Board

Thank you



Los Angeles
TOURISM & CONVENTION BOARD