

## **RTO 12 Board Meeting Minutes: December 14, 2011**

**Location: 1182 Foreman Road, Port Carling, Ontario**

**Present:** Tony Armstrong, Lois Barron-Ralph, Shannon Bebamash, Michelle Berry, Daniel Feasby, Jerry Feltis (Vice Chair), Gary Froude (Chair) Jack Hay, Jamie Hopkins, Jackie Leung, Don MacKay (Secretary/Treasurer), Jim Murphy, Andrew Ryeland, Dave Stewart, Bob Stinson, Ken Turner

**Staff:** James Murphy, Kate Monk

**Guests:** Peter Coish (Cloud Ad Agents), John Finley (Town of Huntsville EDO), Phil Harding (TML, MTMA), Kelly Haywood (Huntsville Lake of Bays Chamber of Commerce), Laura Hernando (OMTCS), Michael Lawley (MTMA), Richard McKinnell, Assistant Deputy Minister – Tourism Policy and Development Division (Tourism, Culture and Sport - Tourism Policy and Development Division) Esa Paltanen (Delta Grandview), Neil Coburn, Manager – Regional Tourism Unit (Tourism, Culture and Sport - Tourism Policy and Development Division – Tourism Policy and Research Branch – Regional Tourism Unit).

### **Call to Order:**

Chair Gary Froude called the meeting to order at 10:00 a.m.

#### **1. Approval of Agenda – Wednesday, December 14, 2011**

**Motion:** moved by Don MacKay that the Agenda for Tuesday, December 14, 2011 Board of Directors meeting be approved

**Seconded** by Dan Feasby.

**Carried.**

#### **2. Approval of Minutes – Monday, October 24th, 2011**

**Motion:** moved by Dan Feasby that the Minutes for Monday, October 24<sup>th</sup> Board of Directors meeting be approved.

**Seconded:** Tony Armstrong

**Carried.**

#### **3. Financial Presentation**

Board Treasurer Don McKay reported on RTO12/Explorers' Edge financials. Money left has been allocated to be spent with the exception of digital signage as that RFP was re-issued and part of those funds have been reallocated to supplement the winter campaign's digital signage (OOH) advertising. The digital signage steering committee currently reviewing new proposals.

Dan Feasby asked if we can spend \$800 K in the next 4 months. James Murphy responded yes, and that the money has been allocated, in the client service payment agreements etc.

Dan Feasby asked to see the work back schedule to better understand the projects going on and the work involved.

**Motion:** moved by Don MacKay that the Financial Statement ending November 30<sup>th</sup> be adopted by the Board.

**Seconded:** Dan Feasby

**Carried.**

#### **4. Year 3 Operational Plan**

James Murphy spoke to the Board session conducted on December 11<sup>th</sup> that was facilitated by Laurel Reid. Ms. Reid will provide the Board with an outcomes document on December 15<sup>th</sup>.

Tony Armstrong spoke to the meeting, saying it was very helpful and gives the Board great impetus to move forward.

Dave Stewart reiterated the need to establish tracking deliverables to get results for what we are doing. Getting info from business in percentage way (HST) and hits from advertising etc. He is pleased that the tracking will start in January with the launch of the winter campaign, saying that although it will take some time to do, it will be good to get a baseline.

Don MacKay mentioned that five areas identified as priorities for the Board.

Andrew Ryeland asked emphasized the importance of now really engaging tourism operators and, after 2 years of building a solid foundation, now getting money into the pockets of tourism operators; he said he is confident RTO12 will now engage the operators to directly benefit them.

*As Assistant Deputy Minister Richard McKinnell had not arrived at this point, Chair Gary Froude moved the meeting to the 6<sup>th</sup> item on the Agenda.*

#### **6. Winter Marketing Campaign Presentation**

James Murphy presented the winter advertising campaign with Peter Coish of Cloud Ad Agents.

Andrew Ryeland asked if the radio spot could be used by operators on their sites. Peter Coish said he would have to inquire as the talent that recorded it may be entitled to royalties if that is done.

Andrew Ryeland asked to be put on record as saying doesn't support the use of print advertising as an effective medium.

*At this point in the meeting, the Assistant Deputy Minister Richard McKinnell arrived, was introduced by Chair Gary Froude, and was asked to say a few words.*

## **5. Introduction of and Remarks By ADM Mr. McKinnell**

Mr. McKinnell thanked the Board for welcoming him to the meeting and spoke to his background in the public service. He then spoke to a few issues of concern for the RTOs, including the issue of sustainable funding. He said the government knows the urgency of getting issue settled to move forward.

He noted that the Ministry of Tourism, Culture and Sport has been characterized as rotational, but that Minister Chan's return to the role after the election will afford some continuity. He mentioned that all ministries are focused on jobs and the economy, including being able to withstand what could come out of Europe in the next little while and continuing to rebound in Canada as well. He noted that tourism culture and sport are now recognized as economic drivers that attract investment, create jobs.

Mr. McKinnell opened up the floor to questions.

Don MacKay inquired about the Ministry's requirement that EE double tourism receipts and if there is any flexibility in that requirement.

Mr. McKinnell noted that that figure came out of the Sorbara report but has never been stated formally. More importantly it is an aspirational goal needs a lot more working and exploration. He noted that it is important for EE to establish what a meaningful indicator for the region should be to monitor EE's progress.

Don MacKay mentioned that the HST may be a good measure as it's definable. He then inquired of Mr. McKinnell if the Ministry of Finance could provide that benchmark. Mr. McKinnell responded that this would be worth exploring.

Andrew Ryeland repeated to Mr. McKinnell that the government also needs to give us measurement capabilities and cannot hold the Board or region accountable for everything otherwise. He requested that the Ministry provide base marks for the Board and RTOs. He indicated we need real measurements to move forward and succeed, and just like any other industry, tourism is in crisis, therefore we need definitive numbers, much like other industries receive, such as the automotive industry.

Andrew Ryeland expressed his concern that sport has been added to the Ministry portfolio, as he sees disposable income being spent on sports as a competitive spend.

Michael Lawley of Muskoka Tourism (guest), Kelly Haywood of the Huntsville Lake of Bays Chamber of Commerce (guest) and John Finley of the Town of Huntsville (guest) applauded the addition of sport to the ministry portfolio and expressed a need to support sport tourism in the region.

Jim Murphy asked if the Ministry could do a better job of investing in Research. Mr. McKinnell stated that the ministry is working towards doing a better job of streamlining research.

Tony Armstrong noted that Ministry workers might be better served to come and visit the region to better understand the realities of being an operator in a rural region.

Esa Paltanen (guest) suggested to Mr. McKinnell that Fam Tours might work to give government officials a better understanding of the region. Mr. McKinnell said this is a good idea worth pursuing.

Don MacKay told Mr. McKinnell that RTO12 would like the research to be more current, that the Board feels like it is driving this business through the rear view mirror. Would like it more up to date on what the consumer is thinking. Household debt is becoming a huge problem. That kind of research is helpful. TAMs info can be a year old or more.

Andrew Ryeland also mentioned the need to support product development and to support attractions in particular. He also mentioned that the limitations on funding from the RTO to DMO's has caused friction, and the DMOs are living off bread crumbs; inequities need to be resolved.

Dave Stewart mentioned that East Parry Sound has been divided off and seen their funding ended, which has caused confusion.

Phil Harding (guest) mentioned the need to support local businesses by incentivizing to help them do so.

Michael Lawley (guest) mentioned he would like more communications between the DMO and the RTO.

Mr. McKinnell responded by asking what the opportunities are for the two organizations to interface. He indicated that communication is the next big thing to tackle, in particular who is doing what and the sharing of creative ideas.

Gary Froude responded to Michael Lawley's and Mr. McKinnell's comments by saying the Board of RTO/EE has reached out to other agencies in the region many times and that communication has to be a two way street. He noted that, from the EE Board's point of view, it has reached out more time than he can count. He indicated he wished he had a magic pill to make everyone cooperate but that it works both ways.

## **BREAK**

*When the meeting resume Executive Director James Murphy and Peter Coish of Cloud Ad Agents continued the presentation of the Winter Marketing Campaign.*

Tony Armstrong thought the billboard creative for OOH in Toronto would be stronger if the names were removed.

Andrew Ryeland and Jackie Leung requested that the last week of March not be spent on advertising winter – and suggested that EE should by then be marketing Spring in EE.

Michelle Berry inquired if the iPhone that was developed is available for other platforms. James Murphy indicated that this was not budgeted for but he will review the budget and try to find funds to do this. Andrew Ryeland concurred with Michelle Berry and said that finding the funds in the budget to do so is important.

Jamie Hopkins would like to be certain we can track each medium of the Winter Campaign to see where they saw us/heard us, etc. For the spring, summer and winter – moving forward – he suggested any radio campaigns we do allow operators to “piggy back” on the spots to make both EE’s and the operator’s messaging more impacting, and to perhaps cut costs to operators and EE with the collective media buys (e.g. buy 60 second spots and give 30 seconds to an operator, 30 seconds to EE).

Peter Coish agreed this is a great idea moving forward.

Andrew Ryeland mentioned that Facebook (FB) has become his business’s #1 referrer, but said it is not possible to track how they arrived at his FB page. Peter Coish said he would look into this. He noted that anything EE puts on FB (a campaign or tab) is built as an app, and is therefore more trackable.

Dave Stewart inquired about how the campaign will be tracked. Peter indicated that 3<sup>rd</sup> party tracking will be done for print ads and website; they will use Google analytics as well.

James Murphy referred to an extensive list of how everything will be tracked in his presentation.

## **7. Round Table/Other Business**

**Motion:** moved by Tony Armstrong that in an effort to get timely info and to get optimal benefits of timely research the Explorers’ Edge with-draw our commitment to OTMPC research and ask for the return of the \$50,000 investment made in OTMPC research in TPA Year 1.

**Seconded** by Don MacKay

### **Discussion of the Motion:**

Jerry Feltis asked what the repercussions are of asking for the money back. Don MacKay said they could refuse to refund the money, but that it is important for the EE Board needs to make a strong point that we want timely info.

Laura Hernando suggested that the Board first review the agreement and find out what timelines OTMPC agreed to. She expressed a concern that the money was spent in Year 1 so it would not be refundable. She also expressed concern that EE would miss out on great information.

Andrew Ryeland stated that he is in favour of the motion because it sends a loud signal to government we are not a DMO; that we want to be faster in working and delivering. He noted that \$50,000 would go a long way to supporting other tactics that would bring direct results to

operator pockets. He stated that as an operator he would never put up with any supplier behaving this way.

Tony Armstrong agreed with Andrew and suggested more conversation is not what is needed but that we should send a firm message to OTMPC.

James Murphy said he would get a copy of the contract for the Board to review.

Dave Stewart from the Research Committee said that he does not think the information they provide is up to scratch anyway.

Jim Murphy from the Research Committee said there is some value of having knowledge of provincial research and that OTMPC has this. He said he does understand and agree that a signed contract should have been delivered, so the Board should be firm in its reply to OTMPC. But the info is still valuable to us so we should not negate that. He would like to keep the money with OTMPC for now, saying OTMPC will be a partner in some shape or form, and an investment in research may be worthwhile.

Don MacKay questioned whether this was just a political move.

Jim responded that in some ways yes in some ways, but OTMPC has also added value to EE and Algonquin Park. He recognized that the nature of research is changing – we need results and info today to be effective in our businesses, and can't wait 12 months.

James Murphy stated client services agreement is not being fulfilled, that we paid for something and are not getting it in a timely fashion. He stated that there will always be opportunities to work with OTMPC and that they add value in many areas, but accountability on this issue is important.

Jamie Hopkins said before the motion is passed the Board should know the details of the contract in order to craft any communications.

Dan Feasby stated that he would like the Board to first review the contract to see where we stand with them so we understand where we are legally. Find out from the government if they are outside of their obligations and if we can show that determine if we can get the money back.

***The motion by Tony Armstrong to ask OTMPC to refund the EE investment in research was TABLED until the next Board meeting so that the Board can review the contract with OTMPC to consider the motion further.***

#### **ROUND TABLE:**

Tony Armstrong approves of the new winter campaign and is looking forward to serving as Chair of the Governance Committee, which will commence its work in January.

Andrew Ryleand stated that he is very happy with how things are going at EE.

Jackie Leung stated that at the Board operational planning off-site she did not think defining terms of reference for the Communications Committee was a priority, but after the Board meeting today and in particular after witnessing the participation of guests from the gallery, she stated she would like to see the terms of reference for the Communications Committee be a priority to sort that committee out immediately. She said she is very excited about the winter campaign and that the projects are starting to roll out.

Michelle Berry is very excited about the Winter Campaign. She said the operation planning session was invigorating. She requested that next December there not be so many meetings planned closed to the holidays.

Bob Stinson stated that he loves the direction EE is heading and that it is important to now get the messages out to all the operators that we are doing great work.

Shannon Bebamash stated that the winter campaign is fantastic. She noted that the government is holding EE accountable for numbers, and requested that EE make the government be accountable for identifying benchmarks. She stated that 2011 was the worst year in years and 2012 is not looking good.

Jamie Hopkins likes the winter campaign and moving forward would like to see more ways for operators to participate directly. He reiterated the need to track everything.

Dave Stewart wished the Board a Merry Christmas and concurred with Jamie Hopkins about tracking.

Lois Barron-Ralph is very impressed with winter campaign and noted that she is not in the targeted demographic but the artwork resonates with her. She would like to see EE get more operators involved in 2012. She noted that to be able to see one of our members have success from an EE program that will show others that what we are doing is working. She stated she is willing to approach operators in the Parry Sound area to help get them on board.

Jerry Feltis wants to see EE think outside the box when it comes to getting value/dollars coming in for operators. Would like to see Jaunt researched more and perhaps tax credits for people who are tourists in their own backyards.

Jim Murphy said he is inspired by winter ad campaign, and that it transcends all the different target audiences and the iconic artwork is great. He especially likes the radio.

Ken Turner is pleased with the campaign and is glad we are helping operators. He noted his dog sled adventures are listed first on Google.

**Tony Armstrong is very excited about where EE is going but stated we need to start producing results for operators. He stated that dragging our feet and communicating with naysayers takes up too much time. He is very excited about winter campaign and about introducing paintball biathlon to be a part of it.**

Jim Hay said is very pleased about the Winter Campaign and thanked the team for the presentations. He also stated he is please Tony Armstrong's motion was tabled until members of the Board can get more understanding of the contract with OTMPC.

Gary Froude is very excited about the campaign and noted that hard work is paying off as effective strategies and in place and the Board/team are working well together.

**8. Motion: Motion to Adjourn made by Don MacKay**

**Seconded: Dan Feasby**

**Carried.**

**Next Meeting**

***January 8<sup>th</sup>, 2012 at Delta Grandview Resort in Huntsville***