

**Minutes of the Board of Directors of the Humboldt Lodging Alliance meeting
Wednesday March 13, 2013
Red Lion, Eureka, California.**

Present: Gary Stone (chair), Raul Ainardi, Donna Hufford, Jeff Durham, John Porter, Alex Stillman, Diane Cutshall, Pritesh Patel, Mike Morgan, Jesse Waldon, Chris Ambrosini, Shailesh Patel.

Absent: Marc Rowley, Mike Caldwell, Emily Manfredonia, Bob Gafford, Jim Johnson.

Guests: Mark Astone, Lee Goddard, Marc Gendron, Michael Pitzer, Bob Warren, Cathy Kunkler, Pete Oringer, Emanuel Rose.

Staff: Richard Stenger (filling in Tony Smithers)

Stone convened the meeting at 2:15 PM and the minutes from the previous quarterly meeting were approved. A motion to postpone one of the agenda items, the Community Funding Program, until the next meeting was approved.

There then was a review of the February Financial Statement. Hufford said that there was an error in the report, on page 8 in the line items. She moved to have it sent back since it hadn't been corrected since the last executive meeting. John Porter made a motion to request the presence of a CPA with the accounting firm responsible for the financial statement, Cunningham, Malone & Morton, be present at the next board meeting. It was approved.

Stone then introduced the Catalyst group, a Fresno, CA-based marketing firm contracted by the CVB to conduct an extensive marketing study, in preparation for a major expansion of CVB/HLA marketing efforts in FY2014 and beyond. Catalyst CEO Mark Astone introduced his staff and began a PowerPoint presentation to show highlights of Catalyst's work and to initiate a marketing brainstorming session with those present. He noted that one goal was to identify the best potential guest so that "money and time were saved by not going after non-visitors."

In the study, they intend to gauge the awareness of Humboldt County among potential visitors, in particular in the Bay Area, to see why people come here or go somewhere else. Astone then asked the group to help identify Strengths, Weaknesses, Opportunities, and Threats. He first noted that "you don't own the brand. The consumer does." One can control the message before guests arrive, but not after they arrive, or the external conversations they have. "But we hope to influence what other people are saying about you."

Astone presented a brain teaser, treating brands as memories. He presented a series of well-known logos in his PowerPoint display, such as those for Nike and Apple, and asked for immediate reactions. Then he displayed the CVB's Redwood Coast logo. The responses included: beautiful, home, relaxing, redwoods, ocean, hiking, non-people, trees, nature's cathedral, awe inspiring, forest smell, serene, recharge, and fresh air.

Astone then offered another destination client of theirs with a similar challenge as Humboldt, the Kirkwood ski resort. They were faced with the problem of being a fun destination, but far away from populated areas. "We turned their negative into a positive," he said, indicating an advertising campaign that showcased the resort's lack of crowds.

He then asked who the shoulder season guests were. College parents, couples or seniors, fishermen, birders and leisure travelers were some of the answers. What do they do, Astone asked. Hiking, horseback riding and birding were some of the answers.

Stone said the vast majority of people are driving through, taking Hwy 101 as a scenic alternative to Hwy 5. Porter said a lot of his guests just want to read and relax. He thought there was need for more spring events. Hufford said her property sees many international travelers. Other types of guests discussed included fly-ins driving between San Francisco and Seattle, cyclists and motorcyclists.

What are your major events, Astone asked. Reggae on the River, the Kinetic Sculpture Race, the Redwood Coast Jazz Festival, the Arcata Oyster Fest, the Avenue of the Giants and Humboldt Redwoods marathons, the Humboldt State University graduation, Godwit Days, and the Auto Expo. Stone thought events were good to market because their success could be tracked. Good events done well can help, Astone said, but events done poorly can hurt.

Regarding destination strengths, some terms mentioned included natural beauty, the ocean, the redwoods, the World Heritage Site around Redwood National Park, crab, salmon, elk, good weather, scenic rivers, kayaking, architecture, uncrowded beaches, easy driving, scenic drives like the Avenue of the Giants, clean air and water, the state's oldest county fair, and one of the state's oldest certified organic farmers markets.

"It's also one of the ten safest places in case of a nuclear attack," Stone said, an indication of the area's excellent air quality in general due to weather patterns. Other strengths included organic farming and HumboldtMade products.

Weaknesses identified by the group included homelessness, driving distances, high air fares and limited flights, vagrancy, blighted sections of the Hwy 101 corridor in Eureka, a drug culture reputation, lack of a qualified work force, cool and foggy climate, gas prices, a lack of luxury structure, and a lack of a national park lodge.

Ambrosini and Stone mentioned limited vehicle access to natural assets. Hufford and Porter disagreed, citing the Newton Drury Parkway and the Avenue of the Giants. Diane Cutshall said she didn't want more cars, or people who like to shop at malls. She wanted people who like to hike.

Warren said niche marketing could be done to many groups. Porter said there was not enough marketing in the county. Stillman returned to the subject of strengths, calling Humboldt Bay one of the cleanest in the world.

Astone presented a PowerPoint slide indicating a general strategy, which starts with awareness, then preference, then a trial visit, then a repeat visit. "It creates a loop and feeds itself," he said. Stillman, again on strengths, mentioned arts and culture, including events like Open Studios.

Regarding the main brand item, the redwoods, Astone said to some people trees are very important, to others, a tree is just a tree. "We need to see who cares and why," he said.

The next topic was threats, which included gas prices, air fares, family budgets and the economy. Concerns about the economy and gas are down 30 percent from two years ago, said Astone, according to one study. He then talked about marketing an "authentic experience." People come to the Truckers

Christmas Parade in Eureka "because it's real," Stone said. Other liabilities mentioned included a lack of hospitality training.

Astone asked where the travelers were from. San Francisco, Sacramento, Redding, Medford, Portland and Eugene were the responses. Humboldt is unique in that it has beaches, mountains, redwoods, rivers, all in one spot, he said. Stone said that since 911 (in 2001), drive traffic had increased considerably. Porter said that his Los Angeles customer base had decreased 10 percent.

Astone asked the group about expectations. "What does success look like to you," he asked.

Durham said Humboldt was a large county, and that it needed a cohesive brand. Waldon said increased occupancy rates and increased repeat visits, something that showed a return on the money from the TBID (tourism business improvement district) assessment. Stone said 10 percent would be great, if we could attribute it to you, during the shoulder months.

Anardi asked about polling previous guests.

Astone added that Catalyst prided itself on its transparency, and made clear that should the CVB contract with it for marketing purposes, "you would own the creative," a reference to advertising and marketing materials.

When will we hear back, Stone asked. During April will be the research. Later in the year, there will be actionable items, Astone said. Oringer, Stenger and Astone then briefly discussed visitor surveys and which databases to use for them.

The meeting was adjourned shortly after 4 PM.

Respectfully submitted by Richard Stenger