



VIRGINIA TOURISM AUTHORITY
D/B/A Virginia Tourism Corporation

OPERATING PLAN

FOR THE YEAR ENDING JUNE 30, 2008

Virginia is for Lovers 

**VIRGINIA TOURISM AUTHORITY
2007-2008 OPERATING PLAN**

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I. INTRODUCTION

The Virginia Tourism Authority is a political subdivision of the Commonwealth of Virginia, authorized to do business as the "Virginia Tourism Corporation" (VTC) and was created on July 1, 1999. The VTC has a Board of Directors comprised of 15 members, including the Secretary of Commerce and Trade, the Secretary of Finance, the Secretary of Natural Resources and twelve members appointed by the Governor and confirmed by the General Assembly. The Governor designates the Chairman of the Board and the Board elects one member as the Vice-Chairman. The Executive Director of the VTC is appointed by the Governor, and reports to the Board of Directors and serves as the Board's ex-officio secretary-treasurer.

The VTC is headquartered in Richmond. In addition, the VTC manages twelve state welcome centers located strategically around the state and the Capitol Bell Tower in Richmond to provide information to persons traveling in Virginia.

This operating plan provides basic information for understanding the priorities the VTC plans to accomplish, how it will achieve its objectives and the resources committed to those efforts.



II. MISSION, VISION AND VALUES

The Virginia Tourism Authority, doing business as the Virginia Tourism Corporation, serves the broader interests of the economy of Virginia by supporting, maintaining and expanding the Commonwealth's domestic and international travel market and motion picture production, thereby generating increased visitor expenditures, tax revenues and employment. The Corporation develops and implements programs beneficial to Virginia travel-related and motion picture production-related businesses and/or consumers that no industry component or organization would be expected to carry out on its own.

MISSION STATEMENT: To provide economic benefit to the Commonwealth through the support and stimulation of Virginia's tourism and motion picture industries.

More People, Staying Longer, Spending More Money

VISION STATEMENT: To foster a spirit of partnership within Virginia's tourism and motion picture industries towards the development and implementation of innovative and effective programs and initiatives that will grow the industry and increase economic impact and jobs, resulting in more business for localities, companies and attractions of all sizes.

VALUES STATEMENT: The VTC is a high-performing, independent entity composed of dedicated professionals committed to the following ideals:

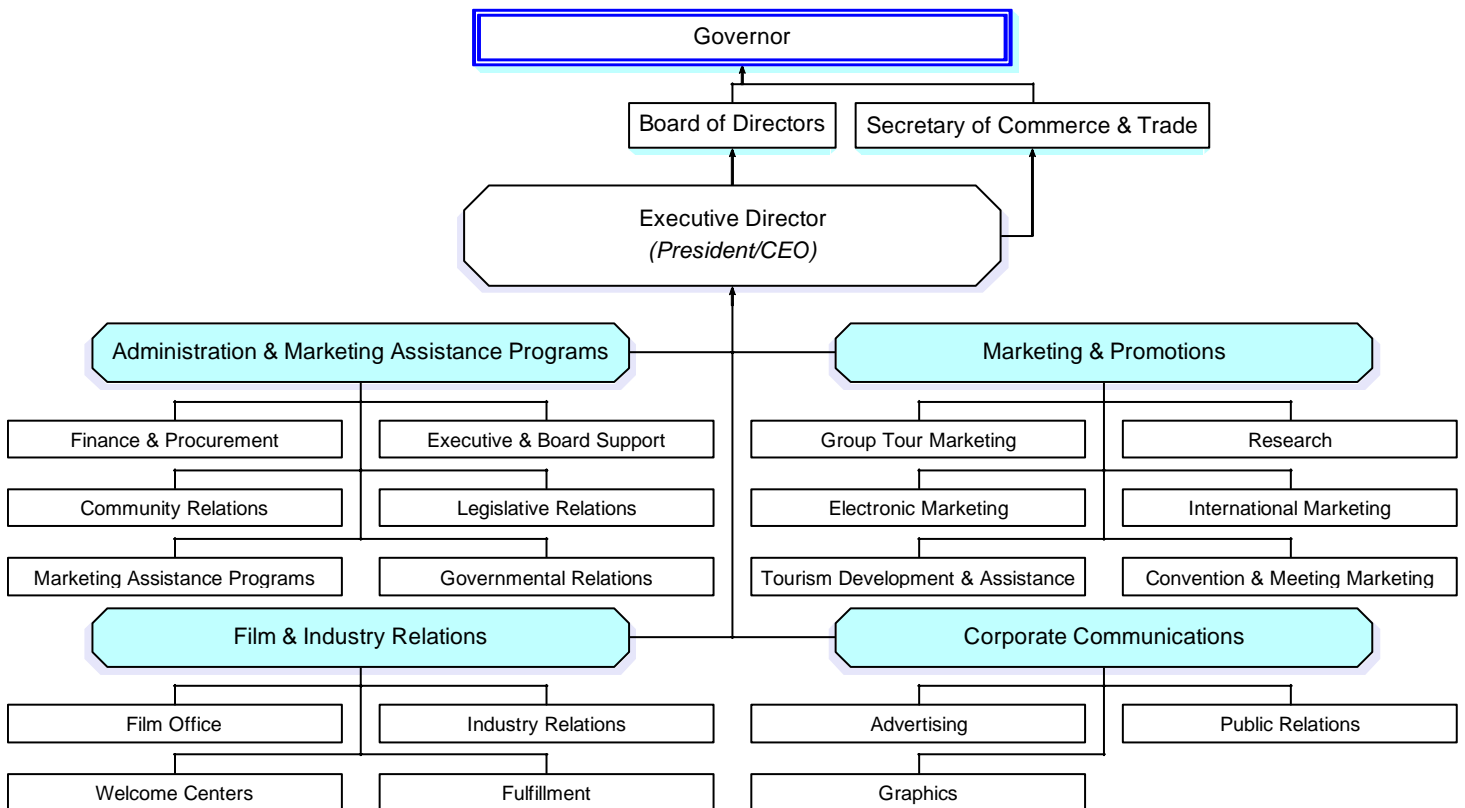
- Accountability
- Exceptional Service
- Innovative Ideas



III. ORGANIZATIONAL STRUCTURE

The VTC has three programmatic areas to manage the activities of the agency. The responsibilities for management of these areas are vested with three Vice-Presidents.

- 1) Administration and Marketing Assistance Programs
- 2) Marketing and Promotions
- 3) Film & Industry Relations
- 4) Corporate Communications





IV. STRATEGIC PLAN AND PERFORMANCE MEASURES

The VTC has developed a strategic plan that identifies the means by which it will achieve the stated mission and goals of the Authority. The strategic plan also identifies the objectives and strategies that will be used to achieve the stated goals. The *2006-2008 Biennium Strategic Plan* may be viewed on the VTC's Web site (www.vatc.org). Below are the stated goals presented within the Plan:

- (1) Strengthen awareness of the Virginia Brand.
- (2) Develop and execute collaborative statewide marketing programs.
- (3) Educate elected officials and key opinion leaders on the economic importance of tourism and encourage investment in the industry.
- (4) Advance the use of technology in tourism marketing.
- (5) Expand hospitality workforce training.
- (6) Improve infrastructure that supports tourism.
- (7) Support existing tourism products of all sizes and the development of new tourism product.
- (8) Promote Virginia's existing and expanding meeting and convention facilities.
- (9) Increase the economic impact of the film and video industry throughout the Commonwealth.
- (10) Provide leadership, management and direction for the VTC.

The VTC has also established quantifiable performance measures to assess the effectiveness of its programs in achieving the stated agency goals and objectives. The measures can also be found in the *2006-2008 Biennium Strategic Plan* which can be viewed at www.vatc.org.



V. FY2008 OPERATING FINANCIAL PLAN

VIRGINIA TOURISM AUTHORITY
D/B/A Virginia Tourism Corporation
Operating Financial Plan Summary
For The Year Ending June 30, 2008

	Funds	Employment
Funds Source		
COV General Funds	\$15,740,260	56
VDOT Transfers	1,100,000	20
V400 Jamestown 2007 Funding	1,000,000	
Interest on Deposits	181,000	
Brochure and Ad Panel Fees	361,000	
Other Revenues	99,470	
Total Funds Source	\$18,481,730	76
Program Expenditures		
Administration & Marketing Assistance Programs	\$ 1,740,817	6
Marketing, Promotions & Tourism Development and Assistance	4,687,501	21
Jamestown 2007	1,750,000	0
Customer Service & Industry Relations	3,824,312	31
Virginia Film Office	807,780	6
Corporate Communications	5,246,320	12
Pass-Through Payments	425,000	0
Total Expenditures	\$18,481,730	76

Note: The VTC also employs 39 part-time individuals, primarily at the Welcome Centers, not reflected in the above employment levels. The VTC also uses the services of interns averaging 16 per year contributing approximately 2,160 hours of service.



VI. ADMINISTRATION & MARKETING ASSISTANCE PROGRAMS

Administration & Marketing Assistance Programs provides oversight through the Board of Directors and the President/CEO. This area provides administrative support functions such as Board relations, governmental relations, financial reporting, budget development, accounting, procurement and human resources. This section also provides oversight for revenue generating activities in support of the limited resources of the VTC. Under the direction of the Executive Director, a marketing program exists to assist tourism venues to promote their products, activities or special tourism related promotional programs.

Operating Financial Plan For The Year Ending June 30, 2008

	Funds	Employment
Funds Source		
COV General Funds	\$1,648,267	6
Interest on Deposits	92,550	
Total Funds Source	\$1,740,817	6
Expenditures		
Salaries, Benefits and Taxes	\$ 593,770	6
Advertising and Promotion	613,327	
Missions, Shows and Events	69,600	
Travel	91,150	
Services	67,575	
Supplies and Materials	26,587	
Fixed Asset Payments	100,083	
Other Expenditures	178,725	
Total Expenditures	\$1,740,817	6

Summary of positions supporting this division:

- 1 President/CEO (Executive Director)
- 1 Executive Administrative Assistant
- 1 Special Assistant to the President
- 1 Vice-President of Administration & Finance
- 1 Contracts Officer
- 1 Procurement & Accounts Receivable Specialist



VII. MARKETING & PROMOTIONS

The marketing and promotions section is responsible for planning, implementing and evaluating VTC's research, group tour marketing, convention and meeting marketing, international marketing and electronic marketing activities. Tourism product planning and assistance for communities and destinations is also provided by this section.

Sales: VTC's direct sales efforts, including trade shows, sales missions and site inspection tours, are designed to increase visitation and economic impact from domestic and selected international markets. Key buyer segments targeted through the sales effort include tour operators, travel agents and meeting planners.

Research: The research section of the division provides a wide range of tourism-related data analysis and data gathering, including domestic and international visitor profiles, domestic and international market share, the economic impact of tourism on the state and localities, and the VTC's advertising and marketing campaigns. The research program provides detailed and timely information for those in the Commonwealth who are interested in the area of tourism development and for the VTC to assess internally the return on investment of its programs.

Electronic Marketing: This section manages VTC's two websites, targeting consumers and Virginia's travel industry. It manages VTC's internet communication technologies and develops web-based business initiatives and partnerships. Electronic Marketing regularly educates the industry on the use of internet technology and the benefits of full participation within VTC's consumer website.

Tourism Development: This section provides communities and tourism entrepreneurs with tourism planning expertise and assistance. It assists those areas with strategic planning, product planning and identifying capital and operational funding resources to achieve the planning goals and grow the Commonwealth's tourism product.

Summary of positions supporting this division:

1 Vice-President of Strategy & Marketing	1 Director of Electronic Marketing
1 Marketing Analyst	1 Electronic Marketing Specialist
1 Senior Marketing Assistant	1 Electronic Events Coordinator
1 International Marketing Manager	1 Electronic Marketing Assistant
1 Director of Research	1 Electronic Marketing Strategist & Programmer
1 Research Manager	1 Multi-Media Specialist
1 Director of Sales	1 Tourism Development Senior Specialist
1 North America Marketing Manager	1 Tourism Development Program Assistant
1 Meetings & Conventions Manager	3 Tourism Development Specialists
1 Public Relations Coordinator	



MARKETING & PROMOTIONS
Operating Financial Plan
For The Year Ending June 30, 2008

	Funds	Employment
Funds Source		
COV General Funds	\$5,342,531	21
V400 Jamestown 2007 Funds *	1,000,000	
Other Revenues	94,970	
Total Funds Source	\$6,437,501	21
Expenditures		
Salaries, Benefits and Taxes	\$1,584,304	21
Advertising and Promotion **	2,220,529	
Missions, Shows & Events	223,477	
Travel	104,216	
Services	1,304,007	
Supplies and Materials	27,200	
Marketing Assistance Payments	925,000	
Fixed Asset Payments	5,801	
Other Expenditures	42,967	
Total Expenditures	\$6,437,501	21

* Includes special Appropriation of V400 Jamestown 2007 license plate fees of approximately \$1,000,000 as defined in the Appropriations Act.

** Includes funds for the marketing and promotion of 400th Anniversary of Jamestown in 2007 totaling \$1,750,000. The source of these funds which will expire after the FY08 year are: General Funds \$750,000 and V400 Funds \$1,000,000.



VIII. CUSTOMER SERVICE & INDUSTRY RELATIONS

This unit establishes overall strategies for sound industry relations, expansion of professional development opportunities and superior customer service, thus maximizing tourist expenditures through consistent improvement of the tourism infrastructure, distribution systems and industry communications. This unit manages programs aimed at providing superior customer service, establishing continuing education opportunities for the industry, evaluating and improving customer fulfillment programs, cultivating community outreach, and assisting the industry in business development and expansion with a goal of repeat visitation.

This section works cooperatively with VDOT in the operations of the state's Welcome Centers and Rest Areas to promote and encourage the traveler to visit Virginia.

Summary of positions supporting this division:

- 1 Director of Customer Service & Industry Relations
- 1 Administrative Staff Assistant
- 1 Advertising Program Coordinator
- 2 Customer Service & Industry Relations Manager
- 2 Mail & Distribution Support Positions
- 12 Welcome Center & Bell Tower Visitor Services Managers
- 12 Tourism Counselors at Welcome Centers & Bell Tower

Note: This division also employs 39 part-time travel counselors at the twelve state Welcome Centers and the Capitol Bell Tower.



CUSTOMER SERVICE & INDUSTRY RELATIONS
Operating Financial Plan
For The Year Ending June 30, 2008

	Funds	Employment
Funds Source		
COV General Funds	\$2,270,362	11
VDOT Transfer	1,100,000	20
Brochure and Ad Panel Fees	361,000	0
Interest on Deposits	88,450	0
Other Revenue	4,500	0
Total Funds Source	\$3,824,312	31
Expenditures		
Salaries, Benefits and Taxes	\$1,758,257	31
Wages and Taxes	538,216	
Advertising and Promotion	27,000	
Missions, Shows, and Events	6,840	
Travel	33,326	
Services	1,024,056	
Supplies and Materials	161,363	
Fixed Asset Payments	266,626	
Other Expenditures	8,628	
Total Expenditures	\$3,824,312	31



IX. VIRGINIA FILM OFFICE

The Virginia Film Office is committed to attracting film and video production to Virginia and supporting the indigenous production industry, with an ultimate goal of bringing economic and employment benefits to the Commonwealth. Film, video and multi-media production is a growth industry worldwide and in Virginia, and the economic benefits to the state have grown significantly. The Virginia Film Office pursues its goals through the creation and implementation of aggressive marketing and development programs.

Summary of positions supporting this division:

- 1 Vice-President of Film & Industry Relations
- 1 Assistant Director
- 1 Administrative Staff Assistant
- 2 Film Promotions Managers
- 1 Locations & Digital Imaging Specialist

Note: This section uses the services of interns contributing approximately 1,680 hours of service annually.



**VIRGINIA FILM OFFICE
Operating Financial Plan
For The Year Ending June 30, 2008**

	Funds	Employment
Funds Source		
COV General Funds	\$ 807,780	6
Expenditures		
Salaries, Benefits and Taxes	\$ 483,011	6
Advertising and Promotion	139,000	
Missions, Shows & Events	35,984	
Travel	34,850	
Services	97,700	
Supplies and Materials	9,000	
Fixed Assets Payments	235	
Other Expenditures	8,000	
Total Expenditures	\$807,780	6



X. CORPORATE COMMUNICATIONS

The Corporate Communications section is responsible for planning, implementing and evaluating VTC's advertising, graphics, public relations activities.

Advertising: The multi-million dollar advertising program develops and promotes the Virginia brand through the use of media including print, broadcast and outdoor and web-based venues. The media plan targets frequent travelers within markets that provide the highest potential number of visitors to Virginia.

Public Relations: Public relations efforts stimulate Virginia's economy by creating promotional communications tools and editorial coverage designed to motivate travelers to visit, stay longer and see more of Virginia's travel appeals. Public relations also provide the VTC with visibility in niche publications to promote special and unique product to Virginia.

Graphics: The graphics section provides graphic development and production services for VTC and the Virginia Economic Development Partnership. The VTC's library of photography, film, videography and electronic graphic files is managed by the Graphics section.

Summary of positions supporting this division:

1 Vice-President of Corporate Communications	1 Director of Public Relations
1 Advertising Marketing Manager	1 Director of International Public Relations
1 Cooperative Marketing Manager	1 National Public Relations Manager
1 Editorial, Publications & Media Library Manager	1 National Media Assistant Manager
1 Graphic Design Manager	1 Administrative Staff Assistant
2 Graphic Designers	

Note: This section uses the services of interns contributing approximately 400 hours of service annually.



CORPORATE COMMUNICATIONS
Operating Financial Plan
For The Year Ending June 30, 2008

	Funds	Employment
Funds Source		
COV General Funds	\$5,246,320	12
Expenditures		
Salaries, Benefits and Taxes	\$ 932,502	12
Advertising and Promotion *	3,896,888	
Missions, Shows & Events	62,700	
Travel	18,960	
Services	292,652	
Supplies and Materials	31,093	
Other Expenditures	11,525	
Total Expenditures	\$5,246,320	12

* Includes special appropriations for the "See Virginia First" program associated with the Virginia Association of Broadcasters (\$250,000) and Outdoor Advertisers Association (\$110,000).



XI. PASS-THROUGH PAYMENTS

Below is a list of legislated pass-through funding included within the financial plan of the Virginia Tourism Authority.

	Funds
Funds Source	
COV General Funds	\$ 425,000
Expenditures	
African American Heritage Trails-VFH	\$ 100,000
Tredegar National Civil War Center	225,000
Coalfield Tourism Authority	100,000
Total Expenditures	\$425,000