



VIRGINIA TOURISM AUTHORITY
D/B/A Virginia Tourism Corporation

OPERATING PLAN

FOR THE YEAR ENDING JUNE 30, 2012

Virginia *is for Lovers* 

**VIRGINIA TOURISM AUTHORITY
2011-2012 OPERATING PLAN**

TABLE OF CONTENTS

I. INTRODUCTION.....1

II. MISSION, VISION AND VALUES2

III. ORGANIZATIONAL STRUCTURE3

IV. STRATEGIC PLAN AND PERFORMANCE MEASURES4

V. FY2012 OPERATING FINANCIAL PLAN SUMMARY5

VI. ADMINISTRATION, REVENUE & CUSTOMER SERVICES.....6

VII. MARKETING8

VIII. VIRGINIA FILM OFFICE.....10

IX. PARTNERSHIP MARKETING11

X. PASS-THROUGH PAYMENTS13



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 16 members, including the Lieutenant Governor, 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 operates eleven 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: The Virginia Tourism Authority (VTA) is a creative and dynamic organization blazing new paths in marketing for the tourism and film industries in Virginia to bring more visitors and film producers to the Commonwealth; to get them staying longer; and to spend more money.

More People, Staying Longer, Spending More Money

VISION STATEMENT: To foster a spirit of partnership within Virginia's tourism and motion picture industries to develop and implement innovative and effective programs and initiatives that will grow the industries and increase economic impact and jobs, resulting in a greater tax base for localities and the state.

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

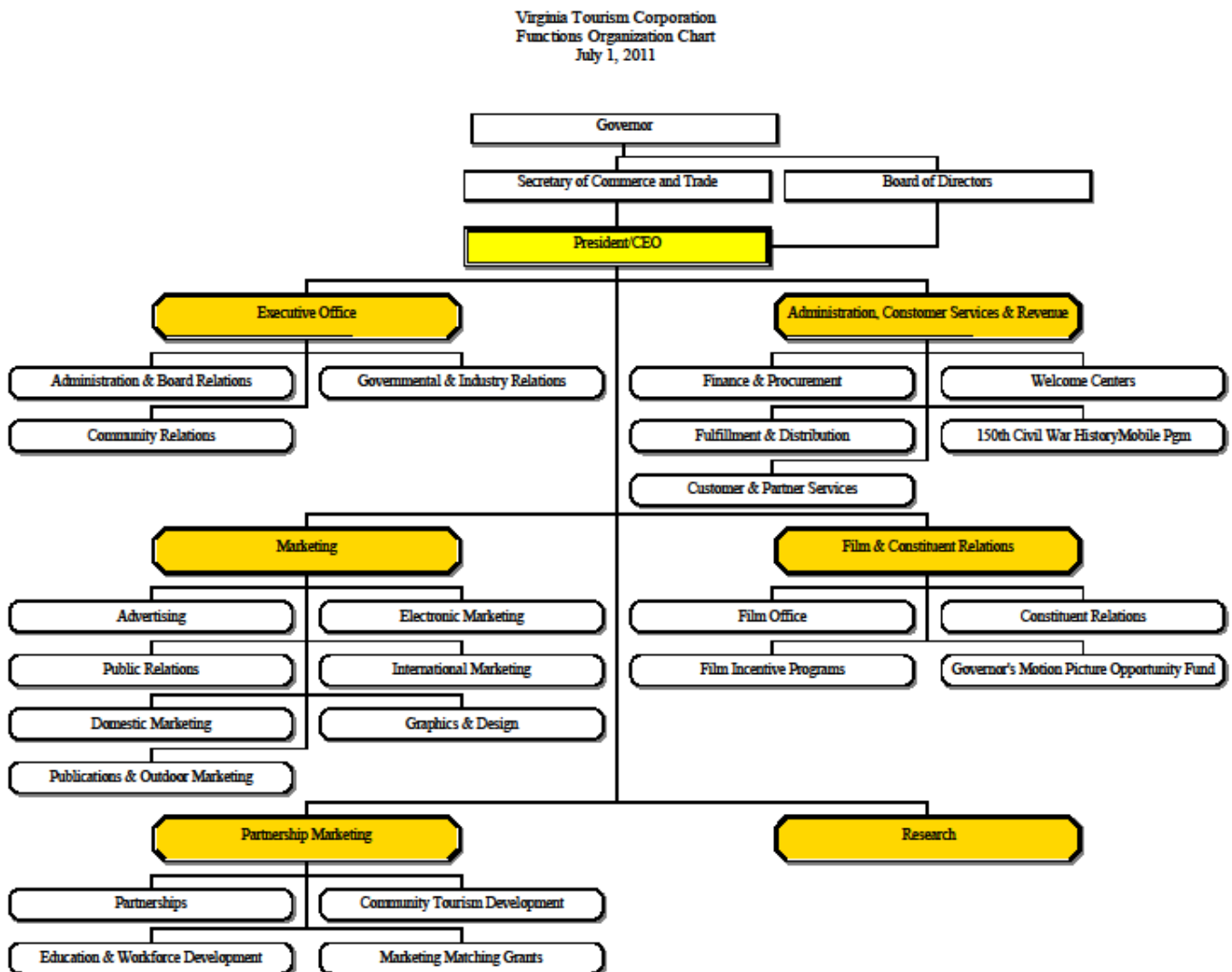
- Accountability
- Exceptional Service
- Innovative Ideas



III. ORGANIZATIONAL STRUCTURE

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

- 1) Administration, Customer Services & Revenue
- 2) Marketing
- 3) Film & Constituent Relations
- 4) Partnership Marketing
- 5) Research





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 *Strategic Plan* may be seen on the VTC's Web site (www.vatc.org) or on the Commonwealth's "Virginia Performs" website (<http://vaperforms.virginia.gov>). 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 *Strategic Plan*.



V. FY2012 OPERATING FINANCIAL PLAN SUMMARY

**Operating Financial Plan Summary
For The Year Ending June 30, 2012**

	Funds	Employment
Funds Source		
COV General Funds	\$19,658,135	52
VDOT Transfers	1,200,000	22
Interest on Deposits	12,000	
Brochure and Ad Panel Fees	400,000	
Other Revenues	300,744	
Total Funds Source	\$21,570,879	74
Program Expenditures		
Administration, Customer Services & Revenue	\$ 2,159,762	9
Customer Services	3,539,003	28
Marketing	10,351,345	21
Partnership Marketing	3,286,324	10
Virginia Film Office	1,089,445	6
Pass-Through Payments	1,145,000	
Total Expenditures	\$21,570,879	74

Note: The VTC employs 40 part-time individuals not reflected in the above employment levels. The VTC also uses the services of interns averaging 21 per year contributing approximately 2,600 hours of service annually.



VI. ADMINISTRATION, REVENUE & CUSTOMER SERVICES

Administration & Revenue

This section 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.

Administration & Revenue Operating Financial Plan

	Funds	Employment
Funds Source		
COV General Funds	\$ 1,955,861	7
Interest on Deposits	12,000	
Other Revenues	191,901	2
Total Funds Source	\$2,159,762	9
Expenditures		
Salaries, Benefits and Taxes	\$ 732,666	9
Wages and Taxes	21,000	
Advertising and Promotion	431,886	
Missions, Shows and Events	11,048	
Travel	122,816	
Services	477,545	
Supplies and Materials	48,050	
Fixed Asset Payments	134,571	
Other Expenditures	180,180	
Total Expenditures	\$2,159,762	9

Note: The 150th HistoryMobile program is funded through the Virginia Sesquicentennial Commission reflected in Other Revenues. The HistoryMobile employs two full-time Tour Managers for the program.



Customer Services

This unit of Administration establishes overall strategies for sound customer and visitor relations and information distribution systems. It manages programs aimed at providing superior customer service, evaluating and improving customer fulfillment programs and cultivating community outreach. This section works cooperatively with VDOT in the operations of the state's Welcome Centers to promote and encourage the traveler to visit Virginia.

CUSTOMER SERVICES Operating Financial Plan

	Funds	Employment
Funds Source		
COV General Funds	\$1,910,370	6
VDOT Transfer	1,200,000	22
Brochure and Ad Panel Fees	400,000	
Other Revenue	28,633	
Total Funds Source	\$3,539,003	28
Expenditures		
Salaries, Benefits and Taxes	\$1,639,201	28
Wages and Taxes	505,972	
Advertising and Promotion	900	
Missions, Shows, and Events	9,500	
Travel	48,475	
Services	1,075,450	
Supplies and Materials	196,808	
Fixed Asset Payments	50,079	
Other Expenditures	12,618	
Total Expenditures	\$3,539,003	28

Note: Customer Services also employs 38 part-time travel counselors at the eleven state Welcome Centers and the Capitol Bell Tower.



VII. MARKETING

The marketing program plans and implements advertising, public relations, Internet marketing and domestic and international marketing activities. It accomplishes this through five primary service areas having targeted purposes and objectives to promote Virginia as a travel destination.

Domestic and International Marketing: VTA'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.

Advertising: The 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 program 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.

Electronic Marketing: The Electronic Marketing program manages VTC's two primary 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.

Research: The research program 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 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.



MARKETING (CONT'D)		
Operating Financial Plan		
	Funds	Employment
Funds Source		
COV General Funds	\$10,271,135	21
Other Revenues	80,210	
Total Funds Source	\$10,351,345	21
Expenditures		
Salaries, Benefits and Taxes	\$ 1,727,257	21
Wages and Taxes	10,000	
Advertising and Promotion	4,999,331	
Missions, Shows & Events	213,449	
Electronic Marketing	1,175,501	
Travel	135,540	
Services	1,206,125	
Supplies and Materials	59,624	
Marketing Assistance and Pass Through *	748,210	
Fixed Asset Payments	12,150	
Other Expenditures	64,158	
Total Expenditures	\$10,351,345	21

* Includes special appropriations for:

- “See Virginia First” program associated with the Virginia Association of Broadcasters (\$477,245) and Outdoor Advertisers Association (\$70,965).
- Special appropriations for the “See Virginia Parks” (\$100,000) and “See Virginia Wineries” (\$100,000) programs associated with the Virginia Association of Broadcasters.

Note: Research shares the services of one part-time employee with Partnership Marketing and Graphics employs one part-time employee. Public Relations uses the services of interns contributing approximately 700 hours annually.



VIII. 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.

VIRGINIA FILM OFFICE Operating Financial Plan

	Funds	Employment
Funds Source		
COV General Funds	\$1,089,445	6
Total Funds Source	\$1,089,445	6
Expenditures		
Salaries, Benefits and Taxes	\$ 538,665	6
Advertising and Promotion	177,630	
Missions, Shows & Events	13,800	
Travel	40,500	
Services	88,200	
Supplies and Materials	20,700	
Marketing Assistance and Pass-Through Payments	200,000	
Fixed Assets Payments	650	
Other Expenditures	9,300	
Total Expenditures	\$1,089,445	6

Note: The Film Office uses the services of interns contributing approximately 1,700 hours of service annually.



IX. PARTNERSHIP MARKETING

The Partnership Marketing division works closely with communities throughout Virginia to listen, support and get work accomplished through marketing, education and product development. It accomplishes this through four primary programmatic areas.

Tourism Development: This program 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.

Education & Workforce Development: This program seeks to identify tourism workforce training and educational opportunities through the Virginia education system and provides customer service training for the tourism industry sector.

Grants Program: The VTC is a resource for the industry to seek and secure grants to supplement marketing and product development programs. It works closely with Virginia's counties, cities, municipalities and attractions to identify grant opportunities and ways of extending limited resources to market the Commonwealth's tourism product.



**PARTNERSHIP MARKETING
Operating Financial Plan**

	Funds	Employment
Funds Source		
COV General Funds	\$3,286,324	10
Total Funds Source	\$3,286,324	10
Expenditures		
Salaries, Benefits and Taxes	\$875,101	10
Advertising and Promotion	337,298	
Missions, Shows & Events	4,700	
Electronic Marketing	300,000	
Travel	62,300	
Services	173,065	
Supplies and Materials	80,800	
Marketing Assistance and Pass-Through Payments (Marketing Grants Program)	1,425,000	
Fixed Assets Payments	6,700	
Other Expenditures	21,360	
Total Expenditures	\$3,286,324	10

Note: Partnership Marketing shares the cost of one part-time employee with Research for research services. They also employ the services of interns contributing approximately 200 hours of service annually.



X. PASS-THROUGH PAYMENTS

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

	Funds
Funds Source	
COV General Funds	\$ 1,145,000
Expenditures	
International Tourism Event in 2012	\$1,000,000
Daniel Boone Visitor Center	100,000
Coalfield Tourism Authority	45,000
Total Expenditures	\$ 1,145,000