

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**ACTION ITEM**

**Item No.** 5b  
**Date of Meeting** August 14, 2012

**DATE:** August 3, 2012  
**TO:** Tay Yoshitani, Chief Executive Officer  
**FROM:** Jane Kilburn, Director of Tourism Development  
**SUBJECT:** Service agreement for tourism consulting services in the United Kingdom  
**Amount of This Request:** \$ 600,000      **Source of Funds:** Operating  
**Est. State and Local Taxes:** (n/a international)      **Est. Jobs Created:** n/a  
**Est. Total Project Cost:** \$ 600,000

**ACTION REQUESTED:**

Request Commission authorization for the Chief Executive Officer to perform a competitive Category III procurement and execute a one-year service agreement for tourism consulting services in the United Kingdom, for a cost not to exceed \$600,000 and duration of up to three years. This contract will support and provide continuity for the Port's international tourism program, which began in the UK 27 years ago.

**SYNOPSIS:**

Commission authorization is requested in order to proceed with a competitive CPO Category III procurement of services from a tourism marketing and public relations firm conducting business in the United Kingdom. The UK is the second largest overseas tourism market for Seattle and Washington state (after Japan). Our destination is featured in 148 tour products in the UK, including many that feature niche itineraries (e.g., wine touring, camping, and fly/drive) and cruise. UK visitors usually spend two weeks on vacation. This firm will promote Seattle and Washington state in the United Kingdom with tourism industry representatives, such as tour operators, travel agents and consumer, travel, and 'new' media. The result of this representation is the inclusion of our area in travel trade promotional material, special promotions, and media coverage that keeps this destination visible to UK residents when they are planning their vacations. Additionally, tourism is Washington state's fourth largest industry and an important contributor to export growth in the region and state.

**BACKGROUND:**

The Port's international tourism program works in partnership with Seattle's Convention and Visitors Bureau to develop and oversee a strategy to bring international visitors to the region. The partnership also includes private sector companies committed to international tourism, such as hotels, restaurants, and attractions. The partnership's efforts focus on six overseas markets to

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

August 3, 2012

Page 2 of 3

which Seattle has direct air routes: the UK, France, Germany, Japan, China, and South Korea. Over the years, we have maintained a strong presence in the UK, and for 2013 this market will be a special focus of the Brand USA campaign to rebuild inbound tourism to the states. Our efforts will leverage upon the visibility the Brand USA campaign will build in the UK.

Brand USA was established by the Travel Promotion Act in 2010 to spearhead the nation's first global marketing effort to promote the United States as a premier travel destination. Brand USA works in close partnership with the travel industry to maximize the economic and social benefits of travel. Formed as the Corporation for Travel Promotion, the public-private entity began operations in May 2011 and does business as Brand USA. The first wave of advertising launched in-market May 1<sup>st</sup> in the United Kingdom. (*Source: DiscoverAmerica.com*)

### **PROJECT SCOPE OF WORK:**

The contracted firm will serve as the advisor, coordinator, and/or implementer of all travel trade public relations, marketing, and media services required to promote Seattle and Washington state as a travel destination to the United Kingdom. As such, the firm will develop (in consultation with the Port's tourism development department and partners) a comprehensive media and travel trade strategic plan, with detailed work plans. The firm will conduct media relations services, including representing the partnership to the travel/tourism media in the UK and gaining media coverage; conduct travel trade services, including regular contact with tour operators to encourage promotion of the destination and identifying cooperative marketing strategies; and maintain appropriate databases and contacts on behalf of the partnership.

### **STRATEGIC OBJECTIVES:**

Tourism is the state's fourth largest industry, generating revenue of \$16.4 billion in 2011. The Port is a founding member and significant sponsor of Washington Tourism Alliance, the organization dedicated to establishing a sustainable, long-term funding mechanism to promote the state as a tourist destination. The WTA was formed when the State's Department of Tourism was closed in 2011. The Department of Tourism had been the third partner in international tourism promotion with the Port and Seattle's Convention and Visitors Bureau. It is expected that within two years the Alliance will have adequate funding so that it can again contribute to the partnership's tourism efforts overseas.

International tourism development supports the Port's Century Agenda preliminary goal of adding 100,000 jobs to this region in the next 25 years. For every 35 international visitors, one job is created. The Century Agenda also calls out a key accomplishment: Advance this region as a leading tourism destination and business gateway. Our work in the UK will directly support this accomplishment. The international tourism program focuses on cities and countries where we have direct international flights, supporting the Century Agenda preliminary goal of doubling the number of international flights and destinations. Additionally, the UK is one of the strongest cruising countries, and our efforts through the Century Agenda to double the economic value of cruise traffic to Washington state will focus initially on this international market. Tourism also

## **COMMISSION AGENDA**

Tay Yoshitani, Chief Executive Officer

August 3, 2012

Page 3 of 3

contributes to U.S. export earnings. Seven percent of all U.S. exports in 2011 were tourism-related.

### **FINANCIAL IMPLICATIONS:**

This request is for up to \$200,000 for one year, with the option to renew for two additional years at the same amount, with the total not to exceed \$600,000. The one-year amount will be included in the 2013 Public Affairs budget and in subsequent budgets in 2014 and 2015.

### **OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

None.

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:**

None.