

State Tourism Promotion

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Prepared by

Paul Ferguson

Wisconsin Legislative Fiscal Bureau
One East Main, Suite 301
Madison, WI 53703

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Introduction

The state has been involved in tourism promotion activities for almost 50 years. Chapter 403, Laws of 1959, directed the then-Department of Resource Development to survey the tourism industry, collect data on the scope of the industry and recommend ways and means of stimulating it. Over the past several decades, state-sponsored research of the tourism industry has continued and tourism promotion has expanded to include such activities as: (1) advertising the state's scenic, historic, cultural, recreational and other attractions through Internet, print, radio and television communication; (2) operating welcome centers along state highways; (3) providing toll-free tourist information by telephone; and (4) developing joint effort tourism marketing programs.

Until January 1, 1996, the Division of Tourism Development within the Department of Development (DOD) was responsible for the overall promotion of the state's tourism industry. However, on that date, a separate Department of Tourism, headed by a Secretary who is appointed by the Governor and subject to Senate confirmation, was statutorily created. The Department performs tourism-related functions similar to those previously carried out by the Division of Tourism Development. However, the Department also became partially responsible for the promotion of the state parks system, along with the Department of Natural Resources (DNR). In addition, the State Fair Park Board was attached to the Department of Tourism for limited administrative purposes. The Department also assumed certain administrative responsibilities for the Lower Wisconsin State Riverway Board from DNR, as well as the Kickapoo Reserve Management and Wisconsin Arts

Boards from the Department of Administration (DOA).

Council on Tourism. The Council on Tourism was created in 1987 to advise the state tourism agency. The Council's 21 members include 14 gubernatorial appointees, the Secretary of Tourism, the Executive Director of the Arts Board, the Director of the Historical Society (or designees), and four appointed state legislators, one from each party of both the Senate and Assembly. Nominations for appointments to the Council are sought from various associations, organizations and businesses related to tourism (including American Indian tourism), and appointments attempt to reflect the diversity of the tourism industry and achieve geographical balance throughout urban and rural areas of the state. All members, except ex officio members, are required to have experience in marketing and promotion strategy.

The Council advises the Secretary when formulating an annual statewide tourism marketing strategy. The Department then considers this plan for marketing and promoting facilities and attractions in the state for the ensuing year. Additional Council subcommittees focus on particular aspects of the state's tourism program. These subcommittees include Joint Effort Marketing (JEM) Grant Review, Marketing, Meetings and Conventions, and Sports Marketing.

Economic Impact of Travel

Since 1989, Tourism has contracted with the research firm Davidson-Peterson Associates, Inc., to conduct an annual study measuring the economic benefits derived from dollars spent by

travelers in Wisconsin. For purposes of the study, "travelers" include all those "traveling outside their normal routine" whether they are out-of-state or Wisconsin residents and whether they travel for leisure, recreation, business, or visiting family or friends.

The method of the annual study is to determine economic impact through data samples collected from interviews with travelers, lodging owners and state residents. For example, in 2007 face-to-face interviews were conducted with approximately 2,000 persons traveling "outside their normal routine" in all parts of the state and in all seasons of the year. These interviews attempted to determine how much is spent by an average traveler on an average trip. Additionally, Davidson-Peterson completed approximately 3,000 surveys throughout the year with lodging properties to determine the number of paid overnight stays during the year. Finally, approximately 1,000 interviews were conducted by phone with randomly selected Wisconsin households to determine the number of unpaid overnight stays with family or friends during the year.

Table 1 lists the amount of traveler expenditures and overnight visitors in Wisconsin. The overnight visitor count is measured in overnight person-visits, which Davidson-Peterson defines as one person staying one or more nights at one lodging accommodation. For example, a couple on a three-night stay at one hotel would count as two, whereas if they changed lodging each night, they would be counted as six "visitors." As indicated in the table, estimated traveler expenditures not adjusted for inflation generally increased each year up to 2007, as did the number of overnight visitors in the state.

In its 2007 study, Davidson-Peterson Associates, Inc. estimated that travel spending (where travel was defined as all movement outside of someone's normal routine) in the state had a total economic impact on resident income of approxi-

Table 1: Estimated Spending by Travelers

Calendar Year	Traveler Expenditures		Overnight Visitors	
	Amount (Billions)	Percent Change	Number (Millions)	Percent Change
1995	\$6.13	6.5%	26.7	1.5%
1996	6.70	9.2	30.5	14.2
1997	6.80	1.5	29.8	-2.0
1998	8.12	19.4	31.9	7.0
1999	9.08	11.8	32.2	0.9
2000	11.05	21.7	37.4	16.1
2001	11.45	3.7	36.9	-1.3
2002	11.56	1.0	38.0	3.0
2003	11.71	1.3	38.6	1.6
2004	11.78	0.6	39.1	1.3
2005	11.95	1.4	39.1	0.0
2006	12.83	7.3	40.5	3.4
2007	12.78	-0.4	38.3	-5.5

mately \$7.1 billion. That figure includes direct impacts, which are economic benefits for those who receive visitors' expenditures directly, as well as indirect impacts, which accrue from tax receipts and direct recipients' subsequent spending. Davidson-Peterson estimates that travel spending supported approximately 302,000 jobs in Wisconsin in 2007.

In 1998, Tourism attempted to measure the economic impact of those travelers who could generally be considered tourists or leisure travelers, such as convention travelers or those who usually make two trips or less to the state in a given year. It is these travelers that are most likely to be influenced by the state's tourism promotions. Utilizing economic impact study, traveler profile and interest data, Tourism estimated that these convention and infrequent travelers in 1996 had an economic impact of approximately \$3.5 billion, or just over one-half of the \$6.7 billion in reported travel expenditures that year.

Since it is impossible to ascertain precise expenditures or the number of "tourists" from the broader category of "travelers," it is difficult to provide a reliable estimate of the economic impact of tourism on Wisconsin. However, it is certain that tourism is among the largest industries in the state.

Tourism Promotion Funding

In creating the Department of Tourism, 1995 Act 27 consolidated staff and funding from DNR, the UW-Extension Tourism Resource Center, the Division of Tourism Development in DOD, and portions of DOA related to the Kickapoo Valley Reserve. In 2008-09, the Department is provided \$3,578,500 in state general purpose revenues (GPR) and 38.4 GPR positions, and is authorized \$9,357,200 from program revenues (PR) and \$2,212,200 in segregated revenue (SEG), for a total of \$15,147,900 and 38.4 positions. In addition, \$139,600 PR and \$744,900 SEG with 3.0 SEG positions is authorized for the administration and maintenance of the Kickapoo Valley Reserve, which is administratively attached to Tourism.

As shown in Table 2, until 1999, tourism-related activities were primarily GPR funded. Since then,

the Department of Tourism has also received program revenue funding and position authority from tribal gaming revenue and the sponsorship of tourism related conferences. Further, transportation fund segregated revenues have been provided for tourism marketing since 2005. The conservation fund provides segregated funding relating to Tourism's state parks promotion functions.

The Department's tourism marketing funding changed in 2005 Act 25, the 2005-07 biennial budget. First, tribal gaming program revenue (PR) replaced Tourism's GPR marketing funding (\$5,186,400 annually). Second, a new biennial tourism marketing appropriation was created, with funding of \$1,600,000 SEG in 2005-06 and \$2,200,000 SEG beginning in 2006-07 provided by the transportation fund. These amounts were chosen to reflect the increased revenue deposited to the transportation fund expected to result from increasing the vehicle rental fee from 3% to 5% of the gross receipt of all vehicles rented within the

Table 2: Tourism Promotion Funding Levels

Fiscal Year	GPR Tourism Marketing	PR Tourism Marketing	SEG Tourism Marketing	Total Tourism Marketing	GPR Program Operations	PR Program Operations	SEG Program Operations	Other GPR	Other PR	Tourism Total
1989-90	\$6,864,600	\$0	\$0	\$6,864,600	\$1,641,800	\$0	\$0	\$227,000	\$27,400	\$8,760,800
1990-91	7,492,400	0	0	7,492,400	1,731,000	0	0	354,000	27,400	9,604,800
1991-92	7,092,400	0	0	7,092,400	1,978,100	0	0	347,000	27,400	9,444,900
1992-93	7,110,300	0	0	7,110,300	2,096,200	0	0	266,200	27,400	9,500,100
1993-94	7,110,300	0	0	7,110,300	2,205,200	0	0	153,900	85,500	9,554,900
1994-95	8,110,300	0	0	8,110,300	2,200,900	0	0	131,700	85,500	10,528,400
1995-96	7,750,000	0	0	7,750,000	3,019,000	0	26,400	131,700	162,100	11,089,200
1996-97	7,741,000	0	0	7,741,000	3,724,700	0	52,700	131,700	324,200	11,974,300
1997-98	7,741,000	0	0	7,741,000	3,673,900	0	42,500	134,200	127,900	11,719,500
1998-99	9,241,000	0	0	9,241,000	3,726,600	0	42,500	134,200	149,600	13,293,900
1999-00	7,691,000	3,976,500	0	11,667,500	3,926,900	23,500	46,400	185,400	106,200	15,955,900
2000-01	7,691,000	3,969,500	0	11,660,500	3,926,900	30,500	46,400	135,400	106,200	15,905,900
2001-02	6,434,300	3,969,500	0	10,403,800	3,988,000	126,500	49,100	41,900	106,200	14,715,500
2002-03	5,503,400	3,969,500	0	9,472,900	3,952,900	126,500	49,100	0	106,200	13,707,600
2003-04	5,186,400	3,969,500	0	9,155,900	3,562,200	129,700	54,600	0	106,200	13,008,600
2004-05	5,186,400	3,969,500	0	9,155,900	3,562,200	129,700	54,600	0	106,200	13,008,600
2005-06	0	9,115,700	1,600,000	10,715,700	3,354,100	189,500	12,200	0	106,200	14,377,700
2006-07	0	9,149,400	2,200,000	11,349,400	3,252,600	189,500	12,200	0	106,200	14,909,900
2007-08	0	9,149,400	2,200,000	11,349,400	3,573,100	101,600	12,200	0	106,200	15,142,500
2008-09	0	9,149,400	2,200,000	11,349,400	3,578,500	101,600	12,200	0	106,200	15,147,900

state effective October 1, 2005. As a biennial appropriation, all funds not expended within the biennium lapse back to the funding source, which, in this case, is the transportation fund. The same provision applies to the Department's tribal gaming PR, which is also a biennial appropriation.

While state funding for tourism promotion and operation has generally increased over the last two decades, funding was reduced across most state agencies in Wisconsin due to budget difficulties from 2001-02 through 2004-05. However, tourism funding increased each year between 2005-06 and 2008-09.

Based on state budgets for fiscal year 2007-08, Wisconsin ranked twentieth among U.S. states in total tourism funding. Table 3 compares the total projected Wisconsin Department of Tourism budget with those of other states in the region and indicates the change in funding levels for each state over the last eighteen years. Most of these states' tourism budgets are financed from general fund taxes. One notable exception is Missouri, which links its tourism budget to tourism-based tax revenues.

Tourism Marketing Activities

The marketing component of the Department's budget directly affects the level of advertising and other activities that can be supported by Tourism. A total of \$11,349,400 is budgeted for marketing activities in 2008-09, with \$9,149,400 coming from tribal gaming PR and \$2,200,000 coming from transportation fund SEG. These marketing funds will account for approximately 75% of the Department's total budget in 2008-09, excluding budgetary authority associated with the Kickapoo Valley Reserve. Table 4 provides an expenditure breakdown for tourism marketing funds in 2007-08. As the table indicates, nearly half of the marketing expenditures were for advertising, with a significant amount also expended for Joint Effort Marketing grants.

Annual Statewide Marketing Strategy. The Department is statutorily required to annually formulate and publish a marketing strategy for Wisconsin attractions, which is to guide the decisions and expenditures made by the Department

Table 3: Comparative Tourism Budgets

State	<u>1987-88</u>		<u>2000-01</u>		<u>2007-08</u>		<u>Percent Increase (FY 88 to FY 08)</u>	
	Total (millions)	Per Capita	Total (millions)	Per Capita	Total (millions)	Per Capita	Total	Per Capita
Illinois	\$20.5	\$1.79	\$62.2	\$5.13	\$50.4	\$3.92	146%	119%
Indiana	2.1	0.38	4.5	0.76	6.8	1.06	224	179
Iowa	1.4	0.50	5.3	1.85	4.8	1.61	243	222
Michigan	10.6	1.14	15.9	1.61	12.0	1.19	13	4
Minnesota	5.9	1.35	11.4	2.39	10.9	2.11	85	56
Missouri	5.2	1.02	16.4	3.00	20.7	3.51	298	244
Ohio	6.4	0.59	7.9	0.71	8.2	0.72	28	22
Wisconsin	6.3	1.29	16.1	3.07	15.1	2.70	140	109
Combined Average	\$7.3	\$1.01	\$17.5	\$2.31	\$16.1	\$2.10	147%	119%

Table 4: Tourism Marketing Expenditures (2007-08)

Category	Amount	Percent of Total
Advertising	\$5,420,400	51.7%
Joint Effort Marketing Grants	1,139,900	10.7
Public Relations (press releases and tours, newsletters)	648,000	6.1
Minority Marketing Program	540,000	5.1
Rents/Leases	489,800	4.6
Other (professional services, association dues software, travel, etc.)	483,200	4.6
Technology Marketing (e-marketing)	471,500	4.5
Fulfilling requests/Telemarketing (ad inquiries, response mailings)	414,000	3.9
Printing (publications, other printed material)	340,000	3.2
Statutorily Required Promotional Spending	275,000	2.6
Research	165,000	1.6
International Promotion	150,000	1.4
Trade Shows (motor coach and sport shows, etc.)	50,000	0.5
Special Promotions (marketing outside advertising contract)	<u>10,000</u>	<u>0.1</u>
Total	\$10,596,700	100.0%

throughout the year. The Secretary forms the annual marketing strategy under consultation with five selected members of the Council on Tourism. The Department also reports that it forms the annual marketing strategy on the basis of a long-term plan created in recent years in consultation with tourism experts. In addition to guiding state-level tourism marketing, the Department is also directed to implement the marketing strategy in conjunction with the plans and programs of private tourism enterprises.

Advertising. The Department of Tourism manages the state's seasonal tourism marketing campaigns, which utilize television, radio, print and other forms of advertising to encourage travel in Wisconsin. For example, Tourism runs seasonal promotion advertising in newspapers and on travel Web sites. The Department reports that it focuses much of this advertising in large population centers such as Chicago, Minneapolis/St. Paul, and in-state areas such as Milwaukee, Madison, and the Fox Cities. Tourism also operates toll-free informational phone numbers by which prospec-

tive visitors can contact the Department for trip planning assistance. In 2007, Tourism received approximately 34,000 phone calls on its toll-free numbers. Further, Tourism's own Internet site, www.travelwisconsin.com, had 4.81 million user sessions in calendar year 2007, or an average of approximately 401,000 sessions per month.

Those who contact Tourism by phone, mail, e-mail or Internet can request to have informational packets sent to them. The Department sent approximately 79,000 such packets in 2007. Packets may also be sent as direct mail publications to prospective tourists.

The Department also offers opportunities through its Co-op Advertising Program under which the state buys a banner heading in a newspaper or magazine to place over a group of advertisements from Wisconsin tourism businesses and organizations to create a single advertisement. Tourism purchases large volumes of advertising under this program to leverage lower prices for cooperative participants. This program allows local destinations, attractions and tourism businesses to establish a presence in large markets. Advertising in such markets may otherwise be unaffordable for many businesses.

In addition, Tourism created the Co-op E-mail Program in 2006, which allows businesses to purchase advertisement space in a monthly Department e-mail sent to subscribers who have chosen to receive these e-mails. The goal of the advertisements is to convince the viewer, listener or reader to visit the Department's Web site or call for travel information provided free of charge by Tourism. The Department focuses most advertising in Chicago, the Twin Cities, and the Grand Rapids area, as well as within the state (predominantly Milwaukee and the Green Bay/Appleton area).

The Department also operates a Co-op Direct Mail Program, under which tourism-related businesses and attractions can purchase mailing addresses from the Department for their own

targeted marketing campaigns. Addresses are available for persons who have previously used Tourism outlets such as the Web site or hotline to request information on destinations.

Joint Effort Marketing (JEM) Grants. In an effort to help non-profit tourism promotion organizations publicize innovative events and attractions in the state, the Department administers a Joint Effort Marketing Grant Program funded from the tourism marketing appropriations. Public agencies and private non-profit organizations, including any tribal government or not-for-profit tribal entity, may submit applications for grants to develop publicity and produce and place advertising.

Under the JEM program, Tourism in general may pay up to 75% of the total promotional (marketing) budget for the first year of a project, up to 50% for the second year of a project, and up to 25% for the third year of a project, although not all types of JEM grants are eligible for multiple years of funding. JEM grants must also not exceed 50% of a project's total annual costs. Along with these annual percentage caps, Tourism has set annual dollar limits for each project type. These limits are noted below in the description of each grant, and the Department may change these limits each year. JEM grants may be used to fund promotional costs related to the following items and media: (a) magazines; (b) newspapers; (c) radio; (d) television; (e) e-mail; (f) Internet; (g) direct mail; (h) media kits; and (i) billboards. Expenses ineligible for JEM grants include: (a) operational costs; (b) local advertising; (c) research; and (d) posters and brochures that are not direct mailed.

Department staff review JEM grant applications and make recommendations to a review committee of the Council on Tourism. The review committee then forwards their selections to the Tourism Secretary for final approval. In order to make a grant, the Department must determine that: (a) the applicant has developed an advertising plan and budget; (b) the project coordinates with the state-wide tourism marketing strategy; (c) the project has broad appeal and targets markets outside the

local area; (d) the project will generate a substantial increase in tourist visits and expenditures; (e) the applicant is able to pay its share of the project costs; and (f) if the project is a continuing event, it has the potential to be self-sufficient within three years. Section 41.17(5) of the statutes requires Tourism to expend at least \$1,130,000 annually on the JEM program. As shown in Table 4, Tourism spent \$1,139,900 for JEM grants in 2007-08. This figure represents actual cash reimbursements for previously awarded grants, and is broken down by individual grant in the Appendix of this paper.

The JEM grant program offers five different grant options: (1) destination marketing; (2) new event; (3) sales promotion; (4) existing event; and (5) one-time/one-of-a-kind event. Unless otherwise noted, administrative rules limit individual grant awards to no more than 7% of the JEM budget for that year. For example, that would equate to \$79,100 under the \$1.13 minimum allocation. However, Tourism has established current limits at a lower threshold as noted in the following descriptions.

Unlike other JEM grants, destination marketing grants offer funding for image-based marketing campaigns to promote traditionally slower seasons of tourism. Marketing projects must serve a regional interest, and projects must include at least three municipalities. Destination marketing grants may supply up to \$10,000 per municipality, with a maximum grant of \$40,000 per project. Projects are eligible for three years of grants, and the years may be nonconsecutive. In 2007-08, 16 destination marketing awards constituted \$294,400, or approximately 26% of the \$1.14 million awarded in JEM grants. Tourism administrative rules prohibit more than 50% of annual JEM awards going to destination marketing unless the secretary finds there is insufficient demand for other types of JEM grants.

New event JEM grants are for events that have not previously been held in a given community or area, but one that the applicant intends to repeat regularly. The current annual maximum award for a new event is \$39,550. Grants are available for a

project for three years, and those years may be nonconsecutive.

A sales promotion grant may be made to support what is typically a six- to eight-week effort that promotes discounted prices to encourage visits by persons from a targeted market. This type of grant has a maximum award of \$39,550. Funding is available for up to two years, and the years must be consecutive.

An existing event grant may be awarded for advertising that targets a new geographic area, demographic audience or medium. Existing event grants may receive up to \$39,550 each year. Existing events may receive grants for two years, but the years must be consecutive.

A one-time/one-of-a-kind event grant may only

be made to events that are so unique as to be unlikely to ever occur again and that have the potential to generate regional or national attention. These grants may be made for one year and may not exceed 75% of the promotional budget or 50% of the total project budget. Funding for each one-time event is also limited by administrative rule to no more than 5% of the JEM budget for that fiscal year, or \$56,500 under the minimum \$1.13 million allocation. However, the Department has currently set \$28,250 as the maximum grant for one-time/one-of-a-kind events.

Table 5 summarizes eligibility and maximum yearly amounts for each type of JEM grant. It also includes current maximum individual grant amounts, and the amount expanded by Tourism for each category in 2007-08.

Table 5: Joint Effort Marketing (JEM) Grants Summary

Type	Description	Maximum Annual Project Amount	Years of Eligibility for Funding	2007-08 Expenditures
New Event	Projects promoting an inaugural event that is planned to continue in subsequent years.	\$39,550	Three*	\$494,300
Existing Event	Projects promoting an existing event but which target new geographic areas, new demographic audiences or use new media.	\$39,550	Two**	\$130,400
Sales Promotion	Projects that encourage visits from targeted markets by publicizing discounts or incentives.	\$39,550	Two**	\$70,600
One-Time/ One-of-a-Kind Event	Projects marketing unique events which are unlikely to return to an area but will generate regional or national media attention.	\$28,250	One	\$150,200
Destination Marketing	Projects involving three or more municipalities and appearing during low-traffic periods. Projects comport with the statewide marketing strategy and either attracts regional and extended regional visitors or convention and motorcoach business.	\$10,000 per municipality \$40,000 per project	Three*	\$294,400

* Funding may be awarded in nonconsecutive years.

** Funding must occur in consecutive years.

NOTE: JEM grants are also limited to: 50% of a project's total costs in any year, 75% of a project's promotional costs in the first year, 50% of a project's promotional costs in the second year (if eligible for two years of grants) and 25% of promotional costs in the third year (if eligible for three years of grants).

America's Black Holocaust Museum. The statutes require Tourism to allocate \$50,000 to America's Black Holocaust Museum in Milwaukee in each biennium. Tourism has traditionally made two \$25,000 grants (one per fiscal year) and awarded these grants after receiving the museum's marketing plan for use of the money. In 2007-08, the museum used funding for: (a) a direct mailing to encourage visits from schools and churches; (b) a supplemental outreach program targeted to schools in the Milwaukee, Racine, Kenosha and Chicago areas during Black History Month in February; and (c) a radio campaign leading up to Juneteenth and encouraging listeners to visit the Museum's Web site. In July, 2008, the Museum announced its indefinite closure.

Milwaukee Public Museum. Section 41.11(6)(d) requires the Department to allocate \$200,000 each biennium for grants to the Milwaukee Public Museum for Native American exhibits and activities. In previous biennia, the museum used Tourism funding to maintain Native American exhibits as well as to market the exhibits and Native American programming to school groups, summer camps and other prospective museum visitors. However, in the 2007-09 biennium, the Department indicates state funding helped the Museum: (a) host the internationally traveling Body Worlds exhibit; (b) create a multi-faceted media relations strategy; and (c) market in areas including Madison, Green Bay, La Crosse, the Fox Cities, Sheboygan and Wausau.

Milwaukee Symphony Radio Show. The statutes also require that the Department of Tourism allocate \$25,000 annually for Milwaukee Symphony radio advertising. This funding is designated for advertising and sponsorship of Milwaukee Symphony radio show broadcasts.

Sports Marketing. The Department of Tourism is required by the statutes to expend at least \$125,000 annually from its tourism marketing appropriation to conduct or contract for marketing activities related to sporting activities and events.

In 2007-08 and 2008-09, the Department is contracting with the Wisconsin Sports Development Corporation (WSDC) to: (a) promote the Ironman Wisconsin Triathlon; (b) promote the Badger State Games; (c) in association with Tourism and the Wisconsin Association of Convention and Visitors Bureaus (WACVB), facilitate the Ready, Set, Go! grant program; and (d) enhance the Corporation's Web site. The Wisconsin Sports Development Corporation is an independent nonprofit organization that promotes sporting events in Wisconsin.

The Ready, Set, Go! grant program is administered by the WSDC, the WACVB, and Tourism, with approximately \$200,000 provided by Tourism in the 2007-09 biennium. The program provides matching grants to assist destinations in securing competition-related events expected to generate an economic impact for the area, and that require an upfront financial commitment. Under the program, a grant may be up to 50% of eligible costs, with a maximum of \$20,000. Program funds may be used for bid fees, up-front financial commitments paid directly to the event holder, and financial commitments needed to secure a venue for an event. In addition, should the event be profitable, the grantee is required to repay either 50% of the grant or 50% of the profit, whichever is less.

Other Marketing Activities. The Department of Tourism markets Wisconsin as a vacation destination in various other ways. It produces several informational publications that are sent in response to state tourism advertisements and distributed at state welcome centers (see description below). The Department also arranges customized familiarization tours to various parts of the state each year for travel writers. Further, the Department uses its Web site, call center, e-mail newsletters, direct mail newsletters, press releases, interviews and public service announcements to alert the public and the media of ski and snowmobile trail conditions, fall colors and upcoming events.

Other marketing efforts of the Department in-

clude: (a) exhibiting and distributing literature at several sport/travel shows each year; (b) conducting international tourism marketing promotions and advertising in conjunction with other area states; and (c) promoting motor coach travel to Wisconsin. The Department has partnered with a motorcoach marketing organization, Circle Wisconsin (CW), to support public relations and direct marketing efforts to tour operators who may be interested in bringing visitors to Wisconsin.

Other Tourism Promotion Activities

Film Promotion. From 1987-88 through 1990-91, \$150,000 to \$165,000 GPR was appropriated each year specifically for film promotion-related activities. After 1991, general program operations monies funded the film office. Beginning in 1995-96, the Department allocated 1.0 GPR position from general program operations to promote Wisconsin as a location for film and television production activities. In 2001-02, Tourism merged the Film Office staff (which had increased to 3.0) into the Bureau of Marketing, removing the office from the Department's organizational structure.

Tourism's film promotion efforts aimed to increase awareness of Wisconsin as a film and production location and to position Wisconsin as a filming location. Tourism staff maintained an information clearinghouse of local Wisconsin crew, equipment and logistical services. Tourism also utilized a Web site, a film promotion hot line, production guides, regular e-mail newsletters, trade shows, publications, newsletters, film company surveys, and sponsorship of movie festivals to promote local talent and promote the state as a movie and production destination.

Funding for the film promotion office and staff was eliminated as part of 2005 Act 25. The reduction consisted of \$125,800 GPR annually and 2.0 positions. With the closure of the film office, and the elimination of staff specifically devoted to film

promotion, Tourism has ceased most of the above film promotion efforts. However, the Department's Communications Bureau still assists persons looking for information about producing films, television and commercials in Wisconsin by sharing site location information and referring interested parties to Film Wisconsin, a private group that formed in response to the closure of Tourism's film office in order to assist the film industry in Wisconsin.

Although not administered by Tourism, provisions of 2005 Wisconsin Act 483 created both a film production services tax credit and a film production investment tax credit under the state individual and corporate income and franchise taxes, for tax years beginning after December 31, 2007.

A more detailed description of the film production credits is provided in the Legislative Fiscal Bureau's informational paper entitled, "Corporate Income/ Franchise Tax."

Heritage Tourism. The Heritage Tourism program was authorized in 1989 to permit Tourism to participate in a three-year pilot program offered by the National Trust for Historic Preservation. The program was designed to increase visits to sites of historic or cultural value as well as preserve these areas. The program was extended until its deletion under 2001 Act 109. Between 1989 and 2001, 12 heritage tourism sites were named. Heritage tourism areas may continue to seek funding through Tourism JEM grants. The Department also reports it works with the Wisconsin Historical Society to promote travel to historic sites throughout the state.

Travel Green Wisconsin. Travel Green Wisconsin began statewide in 2007 as program to recognize and certify tourism-related businesses that voluntarily minimize their waste, energy use and overall environmental footprint.

As of January 1, 2009, Travel Green Wisconsin included 198 participants operating in 44 counties. As a benefit of certification, participants may use the Travel Green Wisconsin logo in their promo-

tional and marketing materials. Tourism also lists participants on the Travel Green Wisconsin program Web site, www.travelgreenwisconsin.com.

Tourism works in cooperation with the Wisconsin Environmental Initiative (WEI), a Madison-based non-profit organization, in operating the program. WEI handles tasks related to businesses' initial certification. Tourism and WEI both investigate complaints from consumers, who are the primary monitors of participating businesses. WEI offers compliance assistance to organizations found to be deficient in meeting their environmental commitments. Tourism and WEI can revoke certification of businesses that consistently fail to meet commitments. Tourism provided funding of \$113,800 to Travel Green Wisconsin in 2007-08, which came from GPR and PR appropriations.

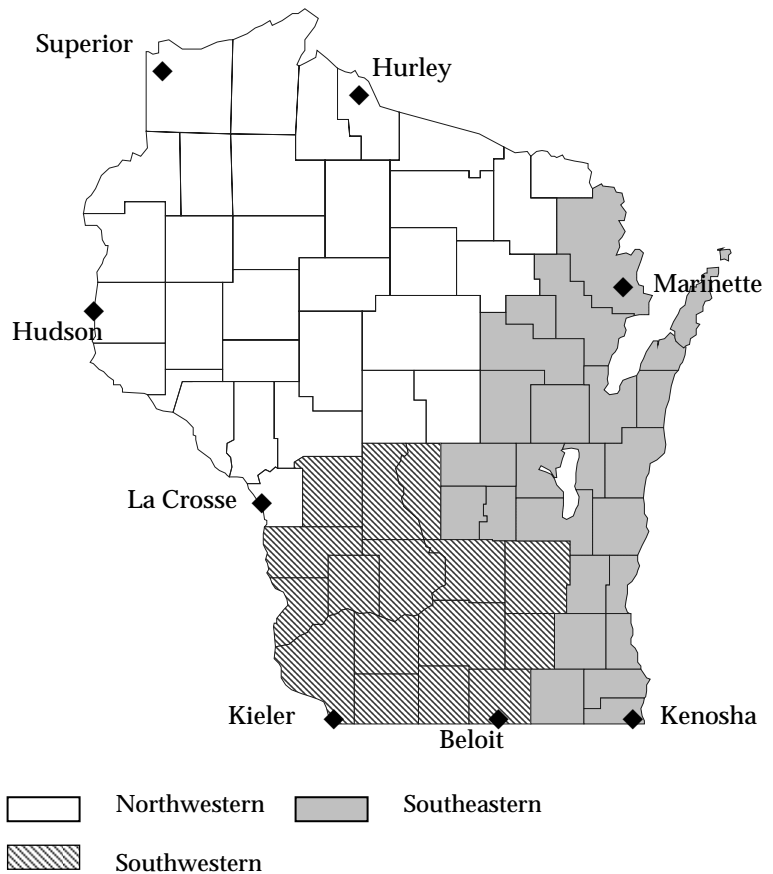
Wisconsin Welcome Centers. The Department operates eight Wisconsin Welcome Centers (WWCs). WWCs are intended to offer highway and urban travelers a convenient source of information concerning Wisconsin tourism. The eight WWCs are located on major state highways at entry points to the state near Kenosha, Beloit, Kieler (Grant County), La Crosse, Hudson, Superior, Hurley and Marinette. The Department closed welcome centers in Genoa City and Prairie du Chien in 2007. Two other centers, which had been located in Chicago and Madison, were closed by Tourism in 2003. Another center in the Mall of America in Bloomington, MN, was opened in June 2000, and closed November 30, 2001. Figure 1 portrays currently operating WWC locations.

Individual communities and attractions may provide promotional literature to one or more WWCs for distribution, with Tourism approval. The centers also distribute information produced by the Department such as calendars of events

and general promotional brochures. Computer terminals with Internet links are also available. Excluding motor coach and school group visitors, the eight WWCs reported approximately 985,800 visitors in the 2007-08 fiscal year.

Two travel centers (Kieler and Marinette) are open on a seasonal basis from April through October, while the other six centers are open year-round. Each of the eight centers is operated by between 0.65 and 2.0 full-time staff members, and many centers depend on limited-term employee (LTE) staff to serve as support during peak seasons. In 2007-08, staff salaries, fringe benefits, miscellaneous supplies and LTE expenditures associated with WWCs were approximately \$896,000 GPR.

Figure 1: Wisconsin Welcome Centers



The Department has an agreement with the Department of Transportation for space at seven centers. The City of Marinette owns its facility, though it is staffed by the Department. In 2007-08, the Department expended \$464,100 on maintenance and facility costs for the eight WWCs. Total operations cost of the WWCs was approximately \$1.36 million in 2007-08.

Tourism Development Consultants. The Department of Tourism uses three tourism development consultants to promote Wisconsin as a tourist destination. The consultants provide tourism advice and assistance to business executives and managers, the Department's management staff, and local economic, community and tourism development leaders. The consultants also encourage tourism businesses to expand or develop new facilities in the state and assist local officials, local groups and statewide organizations in developing and promoting tourism sites, attractions and events. The consultants also have written a tourism development manual to help communities develop their tourism businesses. The manual includes guidance for conducting tourism assessments and for writing marketing plans. Offices in Mercer (Northwestern Wisconsin) and Neenah (Southeastern Wisconsin) each have one full-time specialist to conduct activities in those regions. A specialist stationed in Madison serves as the consultant for activities in Southwestern Wisconsin, in addition to other job duties. Figure 1 illustrates the areas of the state covered by each tourism development consultant.

Tourism Brand Manager. Tourism reallocated a position in 2008-09 to manage a Wisconsin branding initiative. This position follows the formation of a brand platform, which was drafted by a committee of brand experts convened by the Department beginning in 2007. The platform created by the committee generally emphasizes originality in Wisconsin. Among other responsibilities, the brand manager will: (a) integrate and manage the brand across economic sectors; (b) make the brand a focus of Tourism marketing; and (c) assist other state

agencies, partners and organizations with incorporating the brand platform in their communications.

Wisconsin Governor's Conference on Tourism. The Governor's Conference on Tourism (WIGCOT) is an annual event arranged to bring national experts on tourism to Wisconsin to educate in-state tourism businesses and organizations. The event is generally several days long and structured as multiple seminars and workshops for participants.

Other Departmental Responsibilities

In 1996, the Department of Tourism was given responsibilities for certain state parks promotion as well as program responsibilities related to the Kickapoo Valley Reserve and other state boards.

State Park and Natural Resources Promotions. In 1996, 19.5 DNR positions (18.5 GPR and 1.0 SEG) were transferred to Tourism. The transfer included three positions to conduct state parks-related promotion and activities. The staff also provides administrative support to Tourism. The SEG position was eliminated as part of the 2005-07 biennial budget act. However, \$12,200 annually for supplies and services remains in this appropriation, funded from the parks account of the conservation fund.

Kickapoo Reserve Management Board. Tourism has administered the Kickapoo Valley Reserve since 1996. The Kickapoo Valley Reserve comprises approximately 8,600 acres of land north of La Farge in Vernon County. The property was the site of a U.S. Army Corps of Engineers dam and reservoir project on the Kickapoo River that was abandoned in approximately 1975. The Corps transferred ownership of approximately 7,400 acres to the State of Wisconsin in December, 2000. Additionally, 1,200 acres were transferred to the Bureau of Indian Affairs in trust for sites sacred to the Ho-Chunk tribe. However, a 1997 MOU

between the state and the Ho-Chunk nation stipulates the entire acreage will be managed as one property.

Conservation fund (forestry account) appropriations to Tourism support administrative functions for the Kickapoo Reserve Management Board. The Board is responsible for: (a) managing the land in the Kickapoo River valley to preserve and enhance its unique environmental, cultural and scenic features; (b) providing facilities for the use and enjoyment of visitors to the Reserve; and (c) promoting the Reserve as a destination for vacationing and recreation. The Department of Tourism is responsible for determining the boundaries of the Reserve and providing personnel, payroll, budget, fiscal and accounting services to the Board. The Board is appropriated \$744,900 and 3.0 positions in 2008-09 from the forestry account of the conservation fund. In addition, the Board is appropriated \$32,300 from tribal gaming revenues for law enforcement services, and it has authorized expenditures of \$107,300 PR from revenues generated by the Reserve, which the Board uses primarily for maintenance and park improvement expenditures. Sources of this program revenue include use and camping fees, event and permit fees, agricultural lease revenue, timber harvest revenue and other miscellaneous revenues. Due to the federal transfer

of the property to Wisconsin, annual aids in lieu of property taxes are made to the local taxing jurisdictions on the state acreage from a sum sufficient forestry account segregated appropriation. A payment of approximately \$364,200 is expected in January, 2009, which is included in the total amount of forestry account dollars mentioned above. Also included in the payment are increased aids for the Kickapoo Valley Reserve due to a visitor center completed in 2004 in the town of Stark in Vernon County. The 2007-09 budget (2007 Act 20) estimated increased aids of \$36,600 in 2007-08 and \$39,800 in 2008-09 to reflect the increased payment as conferred by the value of the visitor center. However, the Department of Revenue (DOR) interpreted the higher payments as beginning with property valuations made in 2008, which are paid in 2009.

Attached Boards. The Arts Board, Lower Wisconsin State Riverway Board, and State Fair Park Board are attached to the Department of Tourism for administrative purposes. Administrative attachment includes attending to personnel and payroll services as is the case of the Arts Board or reviewing and forwarding, without change unless concurred in by the Board, personnel and biennial budget requests for the State Fair Park Board.

APPENDIX

Joint Effort Marketing Program (2007-08 Expenditures)

Counties	Type	Event	Grant Amount
Ashland	Sales Promotion	Ashland Fishing Promotion	\$9,760
Ashland and Bayfield	New Event	Chequamegon Birding Festival	16,800
Ashland, Bayfield, Douglas and Iron	Destination Marketing - Year 1	Northern Wisconsin Heritage Tourism Map	8,400
Brown	One-of-a-Kind	Art & the Animal	33,000
Brown	One-of-a-Kind	Pullman Porters	31,000
Crawford	New Event	Kickapoo BRAVE Ride	14,766
Dane	Existing Event	Mad City Model Railroad Show	5,490
Dane	New Event	Madison Ballet's Holiday Market	46,107
Dane	New Event	MMoCA Design	25,021
Dodge	Destination Marketing - Year 1	Healing Marsh	26,000
Door	New Event	Groovin Sisterhood Weekend	13,020
Dunn, Chippewa and Eau Claire	Destination Marketing - Year 2	Unexpected Meeting Space	22,408
Eau Claire	Existing Event	Chippewa Valley Air Show	33,000
Grant	New Event	Art by the Stream	1,882
Grant	New Event	Railroad Days	1,200
Green	Destination Marketing - Year 2	Bike Green County	9,762
Jackson and Clark	Destination Marketing - Year 2	Jackson & Clark County ATV	25,600
Kenosha	Destination Marketing - Year 3	One Great Lake	13,555
Lincoln, Oneida and Vilas	Sales Promotion	Northwoods Golf Promotion	15,500
Marquette	Destination Marketing - Year 2	Marquette County	22,194
Milwaukee	New Event	Bill Pickett Rodeo	34,550
Milwaukee	One-of-a-Kind	Gilbert & George Exhibit	38,191
Milwaukee	New Event	It Came From Lake Michigan	20,795
Oneida	Sales Promotion	Oneida County Sales Promotion	29,800
Oneida	Sales Promotion	Rhineland Winter Promotion	15,500
Oneida and Vilas	Destination Marketing - Year 2	Northwoods Geocaching	15,000
Outagamie	New Event	Fox Cities Book Festival	31,605
Outagamie	New Event	Kimberly Fastpitch	21,175
Outagamie and Winnebago	Destination Marketing - Year 3	Wisconsin Shopping Place	13,012
Ozaukee	Existing Event	Port Washington Maritime Festival	25,059

APPENDIX (continued)

Joint Effort Marketing Program (2007-08 Expenditures)

Counties	Type	Event	Grant Amount
Pierce	Destination Marketing - Year 2	Autumn Bounty	\$8,000
Pierce, Pepin, Buffalo, Trempealeau, La Crosse, Vernon, Crawford and Grant	Destination Marketing - Year 2	Wisconsin Great River Road	28,650
Portage, Wood and Marathon	Existing Event	Central Wisconsin Prairie Chicken Festival	33,052
Price, Oneida and Vilas	Destination Marketing - Year 1	Northwoods Art Tour	27,800
Rock	New Event	Beloit International Film Festival	39,449
Rock, Dane, Columbia, Marquette, Waushara, Portage, Marathon, Lincoln, Oneida, Vilas and Iron	Destination Marketing - Year 2	Highway 51	25,515
Rusk and Barron	Destination Marketing - Year 2	Head for the Blue Hills	17,950
Sauk	New Event	River Arts Festival	37,224
Sawyer	Destination Marketing - Year 2	Hayward Meetings	9,300
Sheboygan	Existing Event	Lake Street ArtFest	18,613
Sheboygan	New Event	Sipping on Sheboygan's Shore	22,525
Sheboygan	One-of-a-Kind	Stuff of Life Exhibit	20,000
St. Croix	New Event	Spirit of the St. Croix Days	28,250
Vernon	New Event	Kickapoo Valley Culture	5,768
Walworth	New Event	Lake Geneva Wine Festival	30,000
Walworth	Destination Marketing - Year 2	Walworth County	21,245
Washington	New Event	West Bend Cash Bash	15,680
Waukesha	New Event	Menomonee Falls BBQ	30,000
Winnebago	New Event	Paine Nutcracker Castle	58,540
Winnebago	One-of-a-Kind	President & the Tsar	27,990
Wood	Existing Event	Nekoosa Giant Pumpkin Fest	<u>15,219</u>
Total			\$1,139,922