

Meeting Date: 11/19/13

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 6A-7



Date: November 19, 2013

To: City Manager for Council Action

From: Director of Finance

Subject: Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2013-14 First Quarter as Submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau

EXECUTIVE SUMMARY:

Submitted for City Council review and acceptance in a combined format is the SCCC-CVB Activity Report for Fiscal Year 2013-14 First Quarter as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau. Submission of the report is required under the management agreement for the operation of the Santa Clara Convention Center and the agreement for convention and visitor services.

As mentioned in the attached report, the First Quarter Financial Results (Results) of the Santa Clara Convention Center (SCCC) show first quarter revenues at \$266,863 greater than budget. Revenues were favorable in the catering, telecommunications, audio-visual and Space Rental categories, but below budget in the event revenue category. The Results also show first quarter expenses at \$82,157 more than the budget. Of the \$82,157 variance, \$33,631 was attributable to labor related expenses and \$48,526 was attributable to operating expenses. The above revenue and expense variances combined for a first quarter SCCC favorable budget variance of \$184,737 as of September 30, 2013.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The SCCC-CVB Activity Report for Fiscal Year 2013-14 First Quarter provides current information on the business activities of the Santa Clara Convention Center and Convention-Visitor's Bureau.

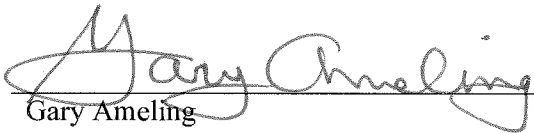
ECONOMIC/FISCAL IMPACT:

Acceptance of this report will have no fiscal impact to the City other than administrative staff time and expense.

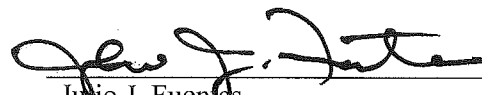
RECOMMENDATION:

That the Council accept the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2013-14 First Quarter as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau.

APPROVED:



Gary Ameling
Director of Finance



Julio J. Fuentes
City Manager

Documents Related to this Report:

1) *SCCC-CVB Activity Report for Fiscal Year 2013-14 First Quarter*



CHAMBER OF COMMERCE & CONVENTION – VISITORS BUREAU

October 31, 2013

The Honorable Mayor and City Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Dear Mayor and Council:

The following is the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2013-14 First Quarter, encompassing the months of July, August and September.

SANTA CLARA CONVENTION CENTER				
Activity Summary for the First Quarter				
TYPE	13/14	12/13	ATTENDEES	EVENTS HELD
Conventions	16	14	42,160	SecureWorld, State Bar of California, Christian Congregation of Jehovah's Witnesses (5 events), California Extreme, American Contract Bridge, Bay Area Christian Church, Japan Expo, Bricks by the Bay, Serial ATA International Organization, Federation of Chinese Medicine, Big Sky Technology and Apostolic
Trade Shows	1	4	1,000	Northern California Facilities Expo
Public Shows	7	9	7,500	Scrapbook Expo, Portsmouth, DH Music, Premiere Productions, Jensen Performing Arts, Home Show and Korea Ginseng Center
Meetings	76	76	28,195	
Banquets	5	6	2,075	
Totals	105	109	80,930	

SANTA CLARA CONVENTION CENTER			
Revenue Summary for the First Quarter			
13/14	12/13	Budget	Over (Under) Budget
\$880,774.32	\$780,918.37	\$613,880.95	\$266,893.37

Year-to-date catering revenue is above budget by \$15,005.08, telecommunications is above budget by \$10,875.41, audio-visual revenue is above budget by \$8,208.11 and Space Rental is above budget by \$260,849.23. Event revenue is below budget by \$22,963.02.

SANTA CLARA CONVENTION CENTER			
Expenses Summary for the First Quarter			
Labor Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$1,143,073.17	\$1,044,201.52	\$1,109,442.41	\$33,630.76
Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$411,098.13	\$360,431.15	\$361,572.21	\$48,525.92
Total Labor and Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$1,554,171.30	\$1,404,632.67	\$1,472,014.62	\$82,156.68
Net Income (Loss)			
13/14	12/13	Budget	Over (Under) Budget
(\$673,396.98)	(\$623,714.30)	(\$858,133.67)	\$184,736.69

First Quarter, Year-to-Date revenues of \$880,774.32 and expenses of \$1,554,171.30 have produced a net loss of \$673,396.98 or \$184,736.69 less than the budgeted loss of \$858,133.67.

Projects: Installing seven security cameras across the back loading docks and Great America wing to replace broken and worn out cameras. Removed soda fountain systems in concession stands B&C to prepare for new stainless steel counter tops. Repaired air wall tracks in Ballrooms G-H.

Fiscal Year 2013-14 Second Quarter Projections

TYPE	NUMBER	ATTENDEES	EVENTS SCHEDULED
Conventions	10	15,450	California Southern Baptist, Zend Technologies, IDG Fall Demo, Localization World, Peninsula Pop Warner, Trinity Motivation, Printed Electronics, Faith Formation, Pacific Northwest Pop Warner and Yahoo tech Pulse
Trade Shows	4	7,200	Pacific International Quilt Festival, Arm Techcon, CSU Counselor Conference and IMS
Public Shows	9	10,300	Sankara Eye Foundation (2 events), Dance Academy USA, Mystique Events, Viet Music Club, Lokahi Polynesian Dance, H&E Entertainment, Sterling dance and Immigrant Resettlement and Cultural Center
Meetings	55	25,167	
Banquets	20	16,280	
Total	98	74,397	



CONVENTION AND VISITORS BUREAU

Convention Sales/Marketing Department: In the first quarter, the Convention Sales and Marketing staff made approximately 60 sales calls and conducted 24 site inspections of the City for meeting planners considering Santa Clara as a future site for their convention/meeting.

	1st Qtr 13/14	1st Qtr 12/13	% Difference		1st Qtr 13/14	1st Qtr 12/13	% Difference
Leads	117	61	92%	Bookings	42	28	50%
Attendees	174,493	45,716	282%	Attendees	39,118	30,146	30%
Room Nights*	86,674	32,046	171%	Room Nights*	18,030	10,375	74%

The information presented above is for the quarter only.

Bookings and leads have increased significantly over the past year's quarters. Our online advertising and direct sales programs are making a positive impact on our results.

*Hotel room nights represent only those hotel rooms that are "blocked" and no projections are made of room nights that come in after the block is cut off by hotels or for those delegates or exhibitors who utilize hotels not included in the blocks.

Convention Services Department: The Convention Services Department serviced 17 groups with 48,800 delegates for the quarter.

Marketing and Communications Department: For the quarter, V.P. of Marketing and Communications David Andre attended the Student and Youth Travel Association (SYTA) annual convention in Los Angeles. Andre also coordinated XPIorIT Interactive Video's production schedule and shoot for the TID funded Santa Clara destination video, and later distributed a media release via PR Newswire publicizing the new video. The department also hosted the U.S. Travel and California Travel Association Bay Area Travel and Tourism Roundtable featuring Congressman Mike Honda and Bay Area travel industry leaders.

The department assisted in the Levi's Stadium bid process for WrestleMania 31 and College Football National Championship. In addition, staff managed *Visit Santa Clara, Santa Clara Convention Center*, and other social media on Facebook, LinkedIn, Pinterest, Trip Advisor, Twitter, and YouTube. The department also updated and managed SantaClara.org, SantaClaraSportsGroup.org, and SiliconValleyMeetings.com websites. Web stats for the quarter were 140,163 total unique users and an additional 20,477 mobile users. For the quarter, staff also fulfilled nearly 1,600 visitor requests for information from Internet, mail, telephone and advertising inquiries.

This concludes our Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2013-14 First Quarter. Thank you for your continued support of our activities.

Sincerely,


Steve Van Dorn
President/CEO

