

Meeting Date: 2/25/14

AGENDA REPORT

Agenda Item # 7A-7

City of Santa Clara, California



Date: February 11, 2014

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 Second 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 Second 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 Second Quarter Financial Results (Results) of the Santa Clara Convention Center (SCCC) show year-to-date revenues at \$847,795 greater than budget. Revenues were favorable in the telecommunications, audio-visual and Space Rental categories, but below budget in the event revenue category. The Results also show year-to-date expenses at \$349,837 more than the budget. Of the \$349,837 variance, \$284,697 was attributable to labor related expenses and \$85,140 was attributable to operating expenses. The above revenue and expense variances combined for a year-to-date SCCC favorable budget variance of \$497,958 as of December 31, 2013.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

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

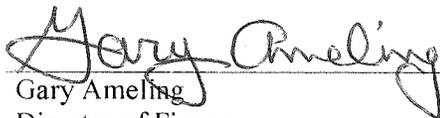
ECONOMIC/FISCAL IMPACT:

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 Second 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 Second Quarter

January 31, 2014

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, Second Quarter, Year-to-Date encompassing the months of October, November, and December.

SANTA CLARA CONVENTION CENTER				
Activity Summary for the Second Quarter				
TYPE	13/14	12/13	ATTENDEES	EVENTS HELD
Conventions	10	12	15,450	Zend Technologies, IDG Fall Demo, Localization World, Peninsula Pop Warner, Trinity Motivation, Printed Electronics, Faith Formation, Pacific Northwest Pop Warner, California Southern Baptist, and Yahoo Tech Pulse
Trade Shows	5	5	7,700	International Quilt Festival, Arm Techcon, CSU Counselor Conference, IMS and Aguilera and Associates
Public Shows	10	12	10,700	Sankara Eye Foundation (2 events), Santa Clara Ballet, Dance Academy USA, Mystique Events, Viet Music Club, Lokahi Polynesian Dance, H&E Entertainment, Immigrant Resettlement and Culture Center and Sterling Dance
Meetings	72	77	34,818	
Banquets	31	32	24,270	
Totals	128	138	92,938	

SANTA CLARA CONVENTION CENTER			
Revenue Summary for the Second Quarter, Year-to-Date			
13/14	12/13	Budget	Over (Under) Budget
\$3,458,381.07	\$2,901,168.81	\$2,610,585.94	\$847,795.13

Year-to-date catering revenue is above budget by \$396,348.56. Audio-visual revenues are above budget by \$78,668.00. Telecommunications is above budget by \$54,579.09, and Space Rental is above budget by \$347,071.42. Event Revenue is below budget by \$12,471.56.



SANTA CLARA CONVENTION CENTER			
Expenses Summary for the Second Quarter, Year-to-Date			
Labor Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$2,458,443.30	\$2,076,764.29	\$2,193,746.03	\$264,697.27
Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$737,375.20	\$687,344.09	\$652,235.20	\$85,140.00
Total Labor and Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$3,195,818.50	\$2,764,108.38	\$2,845,981.23	\$349,837.27
Net Income (Loss)			
13/14	12/13	Budget	Over (Under) Budget
\$262,562.57	\$137,060.43	(\$235,395.29)	\$497,957.86

Second Quarter, Year-to-Date revenues of \$3,458,381.07 and expenses of \$3,195,818.50 have produced a net profit of \$262,562.57 or \$497,957.86 better than the budgeted loss of \$235,395.29

Projects: Completed our mandated five year sprinkler and switchgear test. Completed repairs on all drop seals in the Grand Ballrooms which will help eliminate sound bleeding from one room to the next. Lighting retrofit for the Grand Ballrooms entrance doors was completed.

Fiscal Year 2013-14 Third Quarter Projections

TYPE	NUMBER	ATTENDEES	EVENTS SCHEDULED
Conventions	13	20,200	Hollywood Connection, Ruckus eBay, XRX Stitches, Spirit of the Flame, O'Scale, PTC, Usenix, Northern California Volleyball, Northern California Train Collectors, Sysopsys, IDC Directions and Open Networking Summit.
Trade Shows	8	12,800	The RTC Group, UBM/DesignCon, Pennwell Corporation, O'Reilly-Strata, National Nameless Luminaries West, Avaya, GT Sports Marketing and Pitco Foods
Public Shows	12	10,200	Home Show, Wedding Fair, Travel and Adventure Show, Dance Magic, VietET, Korean Culture Center, NUVO, Monsters of Hip Hop, Dance Masters of California, Center of Persian Language Preservation, Miss Vietnam USA and U-Jam Fitness
Meetings	53	22,235	
Banquets	7	3,600	
Total	93	69,035	



CONVENTION AND VISITOR'S BUREAU

Convention Sales/Marketing Department: In the second quarter, convention sales and marketing staff exhibited and/or attended: TEAMS Tradeshow in Salt Lake City, Arizona Super Bowl FAM, IAEE in Houston, TX, and CalSAE Spectacular Tradeshow and made 113 sales calls. The CVB conducted 19 site inspections of the City for future convention business.

	2nd Qtr 13-14	2nd Qtr 12-13	% Difference		2nd Qtr 13-14	2nd Qtr 12-13	% Difference
Leads	81	62	31%	Bookings	32	32	0%
Attendees	81,363	199,230**	-59%	Attendees	140,063	56,370	148%
Room Nights*	41,490	56,543	-27%	Room Nights*	22,820	17,613	30%

The information presented above is for the quarter only.

*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.

**Includes leads for Super Bowl 2016 and 2017 bid.

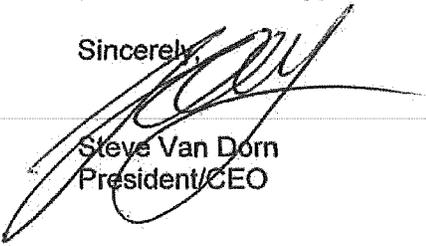
Convention Services Department: The Convention Services Department contacted and serviced 17 upcoming meetings representing 18,250 delegates. Compared to 3 meetings representing 7,250 delegates for the same quarter last year.

Visitor Marketing and Communications Department: The Visitor Marketing and Communications Department in the Second Quarter attended the eTourism Summit in San Francisco, met with reps from PBS television's Antique Roadshow regarding use of Convention Center, and hosted a Pacific Rim tour operator presentation/reception in Southern California. The department also previewed the new XPlorIT video and multi-media experience to the Chamber Board of Directors and to City Council. In addition, the dept. managed social media and assisted "2013 Travel Guide to California" in adding a new Silicon Valley region which includes one page on Santa Clara.

For the quarter, staff fulfilled nearly 300 visitor requests for information from Internet, mail, telephone and advertising inquiries. The department continued management of www.SantaClara.org, www.SiliconValleyMeetings.com, and www.SantaClaraSportsGroup.org. Web stats this quarter for SantaClara.org were 127,967 compared to 136,261 for same quarter last year. Mobile stats for SantaClara.mobi were 15,881 compared to 18,801 for the same quarter last year. *The loss of Global Winter Wonderland had a direct impact on fewer visitors to web and mobile in December, 2013.*

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

Sincerely,


Steve Van Dorn
President/CEO

