

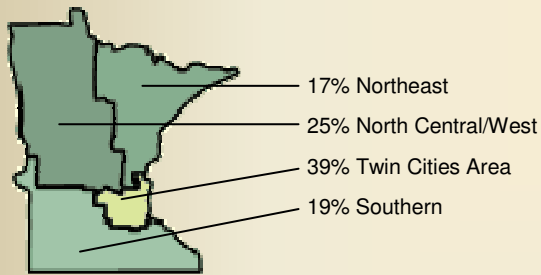


STRONG PRIVATE SECTOR INVESTMENT

- Private and non-profit tourism organizations are investing millions each year to market their properties and attractions
- Of the nearly **\$602 million** in state taxes generated annually from the tourism industry, only about **\$9 million (1.5%)** is re-invested in marketing
- State tourism marketing serves as a catalyst to generate increased private sector investment that otherwise would not have occurred
- Increased funding is dependent on private sector share

TOURISM IS STATEWIDE

Tourism Regions Visited



Every county benefits from tourism spending.

FOR MORE INFORMATION

- Go to the website for more information (www.mntourism.org). If you wish to contact us directly, go to the bottom of the home page and click on "Contact Us".

Tourism Is Minnesota's Engine



**EXPLORE MINNESOTA
TOURISM COUNCIL**



TOURISM IS VITAL TO MINNESOTA

Tourism contributes to Minnesota's economy by creating jobs, keeping taxes low and improving residents' quality of life

- Tourism brings almost **29 million visitors** and more than **\$10 billion** to the state annually
- Tourism produces **\$602 million in state sales taxes**
- Tourism is one of the state's largest industries, supporting **236,000 leisure & hospitality jobs**
 - The Employment Projections for Minnesota Industries, 2002-2012, shows leisure & hospitality to increase by 19.2%
- Tourism positively affects all 87 Minnesota counties

TOURISM WORKS FOR MINNESOTA

- \$1 in state tourism marketing =
 - \$4.60 in new state and local taxes**
 - \$20.40 in wages**
 - \$53 in gross sales**
- Funds generated for tourism benefit Minnesota's overall economy, state & local governments and the citizens of the state

THERE IS A CRITICAL NEED FOR MORE INVESTMENT IN MINNESOTA TOURISM

- Minnesota tourism has slipped from 25th to 29th in overall US state tourism budgets
- Within our region, we are being severely outspent by many of our competitors, which gives the competition a critical advantage

State	Total budget	Rank
Illinois	\$47.8 million	2
Michigan	\$15.8 million	14
Wisconsin	\$14.5 million	16
Missouri	\$13.2 million	20
Minnesota	\$9.5 million	29 *
South Dakota	\$8.8 million	31

Minnesota compared to states within region

*Includes federal funding

Source: Travel Industry Association of America

THE GOAL OF INCREASED INVESTMENT

- Generation of **\$421 million in new sales**
- To grow **4,800 new jobs**
- To **increase state and local tax revenue by \$37 million**

Does not factor in inflation

Assuming the full investment goal is achieved, this estimate is based on investment analysis of past EMT advertising

TOURISM INVESTMENT PLAN

A partnership of public and private industry investment

- Total \$20 million budget
- General fund investment of \$12 million base (currently \$8.7 million)
- Incentive fund investment of \$8 million from the general fund. The private sector must match this dollar for dollar.

(The tourism industry must generate a one-to-one match (cash or in-kind) for each incentive dollar to be available to Explore Minnesota Tourism.)

USE OF THE INVESTMENT

- Results-driven marketing efforts to drive travelers to and within Minnesota
 - Advertising & electronic marketing - \$12 million (55% non-resident; 45% resident)
 - Community-based marketing grants - \$2 million
 - International & group travel - \$1.4 million
 - Public/media relations - \$1.4 million
 - Consumer services, operations & industry relations - \$3.2 million

