

Agency Purpose

The mission of Explore Minnesota Tourism (EMT) is to promote and facilitate increased travel to and within the state of Minnesota by increasing nonresident travel, stimulating travel in-state by Minnesota residents and sustaining and growing travel related sales. EMT markets Minnesota in North America and internationally as a travel destination to consumers, tour operators, group tours and travel agents, promotes coverage of Minnesota by domestic and international travel media, and initiates, develops, and coordinates activity with travel industry buyers and sellers.

EMT leverages its resources by generating over \$12 million in cash and in-kind partnerships. The match includes corporate marketing partnerships, publishing partnerships, advertising revenue, marketing program fees and partnership grant matches.

EMT works closely in conjunction with the Explore Minnesota Tourism Council, which was created in 2004. Council members are appointed by the Governor and represent various sectors of the tourism industry. Statutory authority for EMT resides at M.S. 116U.05.

At A Glance

- ◆ Leisure and hospitality in Minnesota generates over \$10 billion in gross sales annually.
- ◆ State sales tax revenue from tourism totals \$650 million: dollars that can be used for education, health care, roads and the environment
- ◆ The leisure and hospitality industry provides over 244,000 jobs throughout the state of Minnesota, with a \$3.7 billion payroll. It is expected to grow by 17.5% from 2004 through 2014.
- ◆ Every dollar invested in tourism marketing provides a return of investment of \$4.60 in new state and local taxes, \$20.40 in wages, and \$53.00 in gross sales.
- ◆ Each year Minnesota hosts more than 41 million travelers across all regions of the state.

Core Functions

To fulfill its mission and achieve its strategic objectives, EMT is organized into four areas: Communications, Industry Relations, Marketing and Research, and Operations and Consumer Services.

Communications: Media relations and publications are both key to Explore Minnesota Tourism marketing. Media relations programs generate positive media coverage of Minnesota travel opportunities and of the state's tourism industry. A large photo library provides the media with visual images of the state. A series of publications, many developed through publishing partnerships, promote Minnesota destinations and activities. This unit is also responsible for the comprehensive exploreminnesota.com website and offers consumers a series of email newsletters.

Marketing and Research: This area includes advertising and promotions directed to potential travelers, using print media, television and radio, direct mail and electronic marketing and special promotions. Marketing partnerships extend the reach of Explore Minnesota advertising. The primary markets in the U.S. are in the North Central region. International markets include Canada, Japan, United Kingdom, Germany and Scandinavia. In the upcoming year, the international unit is also exploring specific opportunities in Korea, China, Latin and South American markets. This unit also markets Minnesota to group tour operators and has a packaged travel program. Research conducted in-house or provided by other sources, guides the development of marketing programs.

Industry Relations: This program area is responsible for facilitating two-way communication between EMT and the state's tourism industry. Regional staff located in Brainerd, Duluth, Mankato and Thief River Falls as well as St. Paul provide community based marketing assistance. This unit facilitates interagency partnerships, develops educational programs and monitors public policy issues that may affect tourism in Minnesota. Grants are awarded to non-profit tourism organizations which maximize both state and local resources. All grants and marketing partnerships must meet established criteria and include matching fund requirements and performance measures.

Operations and Consumer Services: This unit is responsible for management of administrative systems and financial and personnel functions office wide. It also provides travel information to travelers and prospective travelers. It handles customer inquiries via the phone, fax and internet in response to consumer advertising programs. Travel information is delivered person-to-person to visitors at highway Travel Information Centers located throughout the state; four of these are operated by local tourism organizations in partnership with EMT.

An extensive database maintained by this unit includes detailed information on approximately 2,300 accommodations, 2,300 attractions and tourism organizations, and 2,800 events. The database is available to consumers through exploreminnesota.com and through Journey, the customized travel planning service.

Key Goal

To promote and facilitate travel to and within the state of Minnesota.

Key Measures





Budget

Explore Minnesota Tourism has a general fund budget of over \$11 million in FY2009. Annual special revenue funds total approximately \$1.0 million.

Contact

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Dollars in Thousands

	Current		Forecast Base		Biennium 2010-11
	FY2008	FY2009	FY2010	FY2011	
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	11,828	11,779	11,779	11,779	23,558
Forecast Base	11,828	11,779	11,101	11,101	22,202
Change		0	(678)	(678)	(1,356)
% Biennial Change from 2008-09					-6%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	12,203	13,018	11,101	11,101	22,202
Statutory Appropriations					
Miscellaneous Special Revenue	1,126	2,089	1,911	1,911	3,822
Federal	57	155	72	72	144
Total	13,386	15,262	13,084	13,084	26,168
<u>Expenditures by Category</u>					
Total Compensation	3,404	3,689	3,686	3,784	7,470
Other Operating Expenses	7,197	8,445	7,425	7,327	14,752
Local Assistance	2,785	3,128	1,973	1,973	3,946
Total	13,386	15,262	13,084	13,084	26,168
<u>Expenditures by Program</u>					
Explore Minnesota Tourism	13,386	15,262	13,084	13,084	26,168
Total	13,386	15,262	13,084	13,084	26,168
Full-Time Equivalents (FTE)	50.9	50.9	50.9	50.9	

EXPLORE MINNESOTA TOURISM

Agency Revenue Summary

Dollars in Thousands

	Actual FY2008	Budgeted FY2009	Current Law		Biennium 2010-11
			FY2010	FY2011	
<i>Non Dedicated Revenue:</i>					
Total Non-Dedicated Receipts	0	0	0	0	0
<i>Dedicated Receipts:</i>					
Departmental Earnings:					
Miscellaneous Special Revenue	1,200	1,125	1,128	1,128	2,256
Grants:					
Federal	57	142	72	72	144
Other Revenues:					
Miscellaneous Special Revenue	43	32	32	32	64
Other Sources:					
Miscellaneous Special Revenue	0	0	751	751	1,502
Total Dedicated Receipts	1,300	1,299	1,983	1,983	3,966
Agency Total Revenue	1,300	1,299	1,983	1,983	3,966