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STATE OF NEW HAMPSHIRE  
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT  
DIVISION of PARKS and RECREATION

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October 19, 2012

His Excellency, Governor John H. Lynch  
and the Honorable Executive Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Resources and Economic Development, Division of Parks and Recreation, Cannon Mountain to enter into a membership with the Loon Mountain d/b/a New Hampshire Ski Group (VC #155470), Lincoln, NH in the amount of \$16,006 for the 2012-2013 ski season upon Governor and Executive Council approval through June 30, 2013. 100% Ski Area Funds

Funding is available in account titled, Cannon Mountain, as follows:

	<b><u>FY 2013</u></b>
03-35-35-351510-37030002-026-5000251 Organizational Dues	\$11,006
03-35-35-351510-37040003-026-5000251 Organizational Dues	\$5,000

**EXPLANATION**

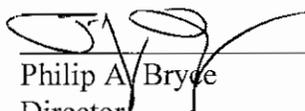
The New Hampshire Ski Group is a partnership of six major ski resorts and 21 quality lodging properties in the White Mountains region. Membership provides cooperative international advertising and marketing for Cannon Mountain well beyond what could be achieved on an individual basis.

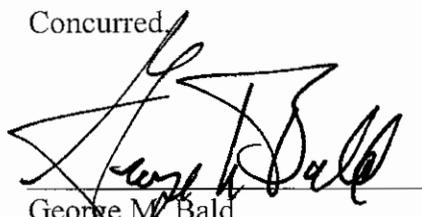
The New Hampshire Ski Group markets its members internationally through brochures, travel shows, media placements and direct mail.

The required questionnaire developed for organizational dues and membership requests is attached for your information.

Respectfully submitted,

Concurred

  
Philip A. Bryce  
Director

  
George M. Bald  
Commissioner

**CANNON MOUNTAIN  
New Hampshire Ski Group**

**Organizational Dues and Memberships**

The Governor and Executive Council is concerned with the number of organizations and cost to the State for Agency participation in professional organizations. A series of questions have been developed which should answer the majority of Governor and Executive Councilors concerns related to the value of each membership. Requests by State Agencies to enter into memberships with National, Regional, Professional or Other type of organizations must address the ten questions below in the Governor and Executive Council request letter.

The following questions, along with an associated response, must be included in the "Explanation" section of your request, along with a brief narrative explanation as provided in the past. (Please include the lead in sentence along with the questions and responses.)

Listed below are answers to standard questions required for Governor and Council organization dues and membership approval submissions:

1. How long has this organization been in existence and how long has this agency been a member of this organization?  
A. The New Hampshire Ski Group, USA was established in July 2006. Cannon has been a member from the inception.
2. Is there any other organization which provides the same or similar benefits which your agency belongs to?  
A. NO
3. How many other state's belonging to this organization and is your agency the sole New Hampshire state agency that is a member?  
A. NHSG USA is exclusive to NH so no other states are involved; Cannon Mountain is the only state agency involved (- other partners are private enterprises and are other ski resorts and local lodging properties)
4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc).  
A. Fees are based by the percentage of skier visits of each area compared to the sum of all international skier visits of the participating resorts. That percentage is assigned to the budget to determine the rate.
5. What benefit does the state receive from participating in this membership?  
A. All members are actively promoted as a wintersports destination on the international travel market, with particular emphasis in the UK and Republic of Ireland. As a direct result of Cannon Mountain's membership, the resort receives significant revenue from international student groups who come for multi-day ski trips every winter, purchasing lift tickets, equipment rental and ski lessons and consuming food and beverage in the base lodge. Adult FIT travellers also visit Cannon Mountain to ski as a direct result of the marketing efforts of the NHSG USA which includes active promotion of Cannon Mountain.

Details of the marketing activity and benefits provided by membership and participation are summarized on the attached pdf "NHSG USA Membership - Marketing Activity & Benefits 2012"

6. Are training or educational/ research materials included in the membership? If so, is the cost included? Explain in detail.  
A. The cost of membership includes inclusion in an annual promotional printed brochure distributed in the UK & Ireland, on the group's web-site which is actively promoted in all marketing activity, in regular E-newsletters, and on a blog. The group also exhibits at major consumer ski shows in the UK and an annual travel show in Ireland, and is represented at international B2B travel shows in the UK, Europe and North America. The group also develops and maintains relationships with Tour Operators in both the school travel and FIT markets, encouraging equal exposure of all its ski resorts members in tour operating programs. Cannon Mountain is also included in Tour operator fam and Press Trips which are regularly organized by the group. Only group members are included in such trips.
7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.  
A. NO
8. Is there any travel included with this membership fee? Explain in detail any travel to include the number of employees involved, the number of trips, destination if known and purposes of membership supported trips.  
A. NO
9. Which state agency employees are directly involved with this organization? (Indicate if they are members, voting members, committee members, and/or officers of the organization).  
A. Sales Manager: Julianne Ireland, Marketing Director: Greg Keeler, Managing Director: John DeVivo.
10. Explain in detail any negative impact to the State if the Agency did not belong to this organization.  
A. Cannon Mountain would no longer receive pro-active exposure, marketing and promotion on the international market to the level it currently enjoys – it would no longer feature in printed and online marketing material, direct promotion to tour operators would cease and the ultimate end result would be that school travel groups and FIT traveler numbers would fall away, with those revenue streams disappearing.

