

**COMMENTS TO THE CHARGERS / STADIUM TASK FORCE
THURSDAY, DECEMBER 5, 2002
QUALCOMM STADIUM**

PRESENTED BY

**REINT REINDERS, PRESIDENT & CEO
SAN DIEGO CONVENTION & VISITORS BUREAU**

THANK YOU.

CHAIRMAN WATSON, VICE CHAIR CLAY AND MEMBERS OF THE TASK FORCE. I AM REINT REINDERS, PRESIDENT & CEO OF THE SAN DIEGO CONVENTION & VISITORS BUREAU. I APPRECIATE THE OPPORTUNITY TO ADDRESS YOU THIS EVENING AND I'D LIKE TO START BY COMMENDING YOU ON THE IMPORTANT WORK YOU ARE ALL DOING ON THIS ISSUE OF GREAT INTEREST TO SAN DIEGO. THE MANY, MANY HOURS YOU HAVE AND WILL CONTINUE TO DEDICATE TO THIS PROCESS OVER THE NEXT FEW MONTHS ARE NOT LOST ON US.

IN FACT, I GUESS YOU MIGHT SAY THAT NONE OF US ENVY YOUR TASK. WE DO, HOWEVER, GENUINLY VALUE YOUR TIRELESS DEDICATION TO THIS ENDEAVOR.

LET ME BEGIN MY PRESENTATION BY TELLING YOU BRIEFLY ABOUT WHAT WE DO AT CONVIS, SINCE NOT EVERYONE ON THE TASK FORCE MAY BE AWARE OF OUR CHARGE AT THE BUREAU.

(OVER)

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IT IS OUR MISSION AT CONVIS TO PROMOTE THE GREATER SAN DIEGO REGION AS A PREMIERE CONVENTION AND LEISURE TRAVEL DESTINATION. TO PUT IT VERY SIMPLY, YOU CAN THINK OF US AS A LARGE MARKETING AGENCY. WE HAVE ONE PRODUCT BRAND – SAN DIEGO. AND ONE AUDIENCE – THE WORLD.

OUR JOB IS TO STIMULATE INTEREST IN SAN DIEGO AMONG POTENTIAL VISITORS, BE THEY CONVENTION GROUPS, LEISURE TRAVELERS OR SPECIAL EVENT PROMOTERS. WE DO THIS IN A VARIETY OF WAYS THAT WOULD TAKE MUCH TO LONG TO ARTICULATE IN THE LIMITED TIME I HAVE BEEN GIVEN TO ADDRESS YOU TONIGHT. AGAIN, TO PUT IT VERY SIMPLY, WE UTILIZE TRADITIONAL ADVERTISING METHODS, INCLUDING TELEVISION COMMERCIALS, RADIO SPOTS, MAGAZINE AND NEWSPAPER ADVERTISING AND OUTDOOR BILLBOARDS TO REACH OUR LEISURE TRAVEL OR VACATION MARKET. ON THE CONVENTION AND SPECIAL EVENT SIDE, WE UTILIZE A TEAM OF SEASONED SALES PROFESSIONALS WHO VERY AGGRESSIVELY SELL SAN DIEGO AS A CONVENTION AND SPECIAL EVENT DESTINATION TO A KNOWN UNIVERSE OF MEETING PLANNERS, SITE SELECTION COMMITTEES AND EVENT PROMOTERS.

(MORE)

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NOW, BEFORE I GO ON, A COUPLE OF DISCLAIMERS: FIRST, THE LIONS SHARE OF THE BUREAU'S \$17 MILLION ANNUAL BUDGET IS PROVIDED BY THE CITY OF SAN DIEGO VIA THE TRANSIENT OCCUPANCY TAX, OTHERWISE KNOWN AFFECTIONATELY BY ITS MANY SUITORS AS THE TOT.

IN ADDITION, YOU SHOULD KNOW THAT CONVIS PLAYED A SIGNIFICANT ROLE IN THE BIDDING PROCESS FOR JANUARY'S SUPER BOWL IN SAN DIEGO – AS WE DID WITH THE 1988 AND 1998 SUPER BOWL EVENTS. AND THE BUREAU IS INTIMATELY INVOLVED IN VARIOUS PLANNING ACTIVITIES ASSOCIATED WITH JANUARY'S SUPER BOWL CELEBRATION.

NOW I KNOW YOU'VE INVITED ME HERE TO PROVIDE THE VISITOR INDUSTRY'S PERSPECTIVE ON THIS IMPORTANT ISSUE BEFORE YOU, BUT FIRST LET ME GIVE YOU MY PERSPECTIVE AS A MEMBER OF THE GENERAL BUSINESS SECTOR AND A PROUD CITIZEN OF THIS COMMUNITY.

I FIRMLY BELIEVE THAT THE CHARGERS, LIKE ANY PROFESSIONAL SPORTS FRANCHISE, ARE AN ASSET TO THE COMMUNITY. THERE IS NO DOUBT IN MY MIND THAT PROFESSIONAL SPORTS TEAMS CONTRIBUTE SIGNIFICANTLY TO THEIR HOST CITIES IN THE WAY OF COMMUNITY PRIDE, COMMUNITY SPIRIT AND COMMUNITY IMAGE.

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FOR THESE REASONS ALONE, IT IS MY SINCERE HOPE THAT THIS TASK FORCE, THE CITY AND THE CHARGERS WILL WORK TIRELESSLY TO FIND A MUTUALLY BENEFICIAL SOLUTION TO THE CHALLENGE BEFORE YOU -- A SOLUTION THAT WILL KEEP THE CHARGERS IN SAN DIEGO FOR MANY YEARS. I TRUST WE MAY HEAR ABOUT SOME OPTIONS YOU MAY CONSIDER IN DEVELOPING SUCH SOLUTIONS FROM BOTH THE SPORTS COUNCIL AND CHAMBER LATER THIS EVENING.

NOW, FROM A TOURISM PERSPECTIVE, I BELIEVE THERE ARE SUBSTANTIVE BENEFITS TO THE CITY, ALTHOUGH **NOT EASILY QUANTIFIABLE**, FROM THE PRESENCE OF PROFESSIONAL SPORTS TEAMS, SUCH AS THE CHARGERS.

WHILE WE DO NOT CONSIDER OUR PROFESSIONAL SPORTS FRANCHISES AS PRIMARY OR EVEN SECONDARY TOURIST DRAWS LIKE THE TOURISM ICONS OF OUR DESTINATION, SUCH AS OUR MAJOR ATTRACTIONS – THE ZOO, SEAWORLD, OUR REGION'S INCOMPARABLE CLIMATE AND BEACHES – WE DO BELIEVE OUR SPORTS TEAMS HELP US RAISE AWARENESS OF THE SAN DIEGO BRAND IN OTHER DESTINATIONS.

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LET ME GIVE YOU SOME EXAMPLES OF HOW THE CHARGERS, IN PARTICULAR, CONTRIBUTE TO THIS EFFORT.

YOU HAVE ALL SEEN, PARTICULARLY IN RECENT WEEKS, TELEVISION BROADCASTS OF CHARGERS HOME GAMES. NO DOUBT, YOU'VE SEEN THE INCREDIBLE AERIAL SHOTS AND PANORAMAS DEPICTING SAN DIEGO'S BREATHTAKING SKYLINE, WATERFRONT AND EVEN MAJOR PUBLIC ATTRACTIONS SUCH AS BALBOA PARK, SEAPORT VILLAGE, AND SO ON. THESE IMAGES, ACCOMPANIED BY SAN DIEGO'S CLEAR BLUE SKY'S, ARE PROJECTED TO OTHER MARKETS AROUND THE COUNTRY, INCLUDING MARKETS WITH COLD WEATHER CLIMATES. THE IMAGES ARE OFTEN ACCOMPANIED BY GLOWING, UNSOLICITED COMMENTARY BY THE BROADCAST CREWS REGARDING SAN DIEGO'S UNMATCHED BEAUTY, DESIRABILITY AND POPULARITY.

WHILE THE VALUE OF THESE IMAGES AND THIS COMMENTARY ARE EXTREMELY DIFFICULT TO QUANTIFY, THEY ASSIST US IN OUR EFFORTS TO CREATE AND REINFORCE TOP OF MIND AWARENESS ABOUT SAN DIEGO. THIS ADDED EXPOSURE IS INVALUABLE TO US AND IS AN INTANGIBLE WE COULD NEVER EVEN BEGIN TO DREAM ABOUT PAYING FOR IF WE HAD TO PURCHASE THE SPACE AND TIME.

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IN THE SAME VEIN, THE NATIONAL AND INTERNATIONAL TELEVISION BROADCAST OF THE SUPER BOWL HAS THE SAME AFFECT, HOWEVER MAGNIFIED MANY TIMES OVER, GIVEN THE VERY LARGE WORLWIDE AUDIENCE THAT TUNES IN FOR THE GAME. I WILL NOT REVIEW THE SPECIFICS OF THIS COVERAGE AS IT HAS BEEN CITED FOR YOU IN PREVIOUS TESTIMONY RELATIVE TO THE ECONOMIC IMPACT REPORT PRODUCED BY PRICEWATERHOUSECOOPERS FOR THE 1998 SUPER BOWL IN SAN DIEGO.

RELATIVE TO THE FINDINGS OF THE PRICEWATERHOUSECOOPERS ASSESSMENT OF THE 1998 SUPER BOWL, I THOUGHT YOU MIGHT BE INTERESTED IN HOW WE FAIRED IN JANUARY OF THAT YEAR VS. THE NON-SUPER BOWL YEARS OF 1997, THE PREVIOUS YEAR, AND 1999, THE YEAR FOLLOWING THE SUPER BOWL.

<u>Benchmark</u>	1997	1998 (Super Bowl)	1999
Hotel Occupancy	61.3%	66.2%	62.8%
Room Nights	859,145	927,820	889,337
Average Daily Rate	\$81.80	\$103.09	\$96.48
Visitor Spending	\$329.3M	\$433.1M	\$385.8M

AS YOU CAN SEE THE IMPACT WAS SIGNIFICANT.

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IN CLOSING, I'D LIKE TO ATTEMPT A RESPONSE TO QUESTION #1 IN THE SERIES OF QUESTIONS PRESENTED BY THE TASK FORCE TO THIS EVENING'S PRESENTING ORGANIZATIONS. AND THEN I'D BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.

FOR THE BENEFIT OF THOSE IN THE AUDIENCE, QUESTION 1 ASKS:

WHAT PUBLIC PROJECTS, PROPOSED OR ENVISIONED, WOULD BE SUPPORTED BY CONVIS IN REGARD TO TOURISM IN SAN DIEGO? WHAT WOULD BE THE PRIORITIZED ORDER OF THESE PROJECTS?

AS YOU MAY KNOW, CONVIS, A NON-PROFIT MEMBERSHIP ORGANIZATION, IS COMPRISED OF MORE THAN 1600 INDEPENDENT BUSINESS ENTERPRISES REPRESENTING A WIDE VARIETY OF TOURISM AND NON-TOURISM RELATED PRODUCTS AND SERVICES. IN ADDITION, THE BUREAU'S BOARD OF DIRECTORS INCLUDES BUSINESS LEADERS AND PROFESSIONALS REPRESENTING A DIVERSE GROUP OF BOTH INDUSTRY AND NON-INDUSTRY INTERESTS. THE BUREAU'S MEMBERS HAVE AND WILL CONTINUE TO SUPPORT NUMEROUS PUBLIC PROJECTS THAT IMPROVE THE QUALITY OF LIFE FOR OUR FELLOW SAN DIEGANS AS WELL AS PROJECTS THAT ENHANCE THE EXPERIENCE OF OUR VISITORS.

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THESE PROJECTS OR ACTIVITIES MAY INCLUDE, FOR EXAMPLE, INFRASTRUCTURE PROJECTS RANGING FROM INITIATIVES DESIGNED TO REDUCE TRAFFIC CONGESTION AND STEPPED UP EFFORTS TO PROTECT OUR BEACHES FROM SEWER SPILLS, TO CONTINUED DIALOGUE CONCERNING THE SIGHTING AND DEVELOPMENT OF A NEW INTERNATIONAL AIRPORT. CONVIS SUPPORTS THESE PROJECTS BECAUSE THEY DIRECTLY AND INDIRECTLY IMPACT THE VISITOR EXPERIENCE IN OUR REGION.

IN THE SAME VEIN, THE BUREAU HAS AND WILL CONTINUE TO SUPPORT A WIDE VARIETY OF PROJECTS WHICH DIRECTLY IMPACT SAN DIEGO'S APPEAL AS A PREMIERE VISITOR DESTINATION. THESE WOULD RANGE FROM THE IMPROVEMENT OF OUR WORLD RENOWNED MAJOR ATTRACTIONS SUCH AS THE ZOO AND SEA WORLD, TO THE EXPANSION OF THE AWARD WINNING SAN DIEGO CONVENTION CENTER, TO THE ENHANCEMENT OF OUR CHERISHED BALBOA AND MISSION BAY PARKS, WHICH ARE ENJOYED GRATIS BY RESIDENTS AND VISITORS ALIKE 365 DAYS A YEAR.

NOW, I'D BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY HAVE.