

SYNOPSIS OF 2008 LEGISLATIVE REPORT

The O'Malley-Brown transition report recommended Maryland revitalize its sports marketing and sales efforts to increase the quantity of regional, national and international sports events (amateur and professional) held in Maryland.

Building on a rich and storied tradition of champions, record breakers and trend setters, sports offer Marylanders the opportunity to rejoice in the accomplishments of our champions past and present; to celebrate our victories today and tomorrow at all levels; and to recognize that this all happens because we worked hard to get there, we played hard to be there, but most important, we united together to support them as one Maryland.

In November 2007, the Maryland Stadium Authority (MSA) partnered with the Department of Business and Economic Development (DBED) to develop a marketing strategy to attract, return and/or increase regional, national and international sports events to the state.

The Maryland State Legislature supported this initiative and approved:

.... that the [MSA] be allowed to expend up to \$150,000 in non-budgeted funds to prepare a report examining how sports facilities around the State of Maryland can be better utilized to attract events to the State, in conjunction with the [DBED]. The report shall include a complete inventory of all venues in the State of Maryland, which includes venues currently and able to host high school, collegiate, professional, semi-professional and amateur events. The report should also include a list of events currently held at any of the venues in Maryland. The report will present a preliminary strategic plan for sports marketing statewide that will include participation of the business community, colleges and universities, and other sports organizations. To assist in the preparation, the MSA may hire contractual employees.

Maryland taxpayers have invested billions of dollars to build and renovate sports facilities. The State is well positioned to maximize the enormous economic impact and publicity these assets represent through an aggressive, strategic marketing initiative. Maryland launched a sports marketing initiative to elevate its position in the sports marketplace.

In July 2008, a public-private panel selected Terry Hasseltine, formerly of the Kentucky Sports Authority and Greater Louisville Sports Commission, to serve as the inaugural Director of Sports Marketing. In six months, Hasseltine inventoried the state's sports

venues, compiled, identified events which Maryland could host, and developed a preliminary strategic plan.

BACKGROUND

Sports Travel is a \$182 billion dollar industry that continues to grow annually. It is a top ten business sector in the national economy, responsible for more than 47 million hotel rooms annually. Twenty-seven percent of all trips over 100-miles or more round-trip are sports related, which does not include recreational activities such as golf, tennis, hunting or fishing. Fifty-six percent of sports related travel occurs in parties of three or more, lasting for several days. In addition, sports travelers on average spend between 15%-25% more than the average tourist traveler. Sports related travel is a phenomenon that occurs year round. Perhaps more importantly, it is an industry that has proved to be largely recession-proof.

Maryland must claim its share of this marketplace at all levels, especially the youth marketplace of 13 and under (3.5 to 1 travel ratio) and the lucrative senior market 50+ (baby boomers hitting retirement with disposable income).

Fifteen years ago, there were less than a handful of city based sports commissions. Today, there are over 400 community based sports commission and/or CVBs with sport marketing umbrellas and in most recent years, at least 26 states marketing their venues to organized sporting events, rights holders and recreational activities.

Maryland's strong hospitality infrastructure and established convention trade includes a broad statewide network of hotels, restaurants and attractions that create an attractive destination for sports travelers. This structure is marketed through the Office of Tourism Development, local CVB's and their DMO's.

The report evaluates Maryland's existing facility infrastructure. It suggests how these assets can be assembled into a dynamic organization dedicated to promoting sports travel and proposes a network to engage small businesses and attractions which benefit from these industries.

The report contains a preliminary survey of all state venues, categorized according to location, ownership type and with basic description and amenities. It identifies and evaluates events that currently take place in Maryland which attract large audiences or media attention, including economic impact where information was available.

The report outlines a strategic plan for developing a dedicated, multi-faceted sports marketing team.

**Materials come from interviews and meetings, economic impact studies, information available on industry trends, and attendance at professional conferences.

FINDINGS AND RECOMMENDATIONS

Maryland taxpayers and Maryland business interests have invested billions of dollars to build and renovate sports facilities. Sports events provide immediate economic impact through the visitor industry ; their media coverage reaps incalculable residual benefits by promoting the state on multiple platforms. Visual images of Maryland are broadcast on networks, cable, and online whenever an event is held here.

The State can maximize use of these assets and reap the benefits they provide through an aggressive, strategic, marketing initiative in partnership with the private sector.

Hosting major sports events such as the 2007 NCAA lacrosse tournaments, 2007 Army-Navy game and 2006 Volvo Ocean Race stopover is a highly competitive process. It requires coordination with the hospitality industry, local governments, attractions and key stakeholders including franchise holders, licensees and the corporate sector. A dedicated marketing organization or funding mechanism did not exist. Consequently, Maryland has not realized the potential economic benefit and media exposure.

The partnership between MSA and DBED launched the Maryland Office of Sports Marketing in July 2008. This was a critical first step for the State to aggressively and strategically increase sports events in, and travel to, Maryland. Compiling a facility inventory and event calendar established a benchmark of existing and potential opportunities. Assembling this data in a dynamic website will provide and facilitate the outreach efforts with a 24/7 presence. This marketing platform will enable Maryland to grow existing events and increase exposure of our assets.

The Office of Sports Marketing fosters relationships with national and international amateur and professional sports event Rights Holders, facilitating efforts to bring more and better competitions to Maryland. This enhances the quality of life for Marylanders who enjoy attending them, generates significant revenue through taxes and fees, and enhances our presence in the travel industry and sports marketplace.

Although Maryland has entered the sports marketing industry late, we have a number of critical assets and crucial advantages, including:

- Compact geographic region located in a central population area with a temperate climate, two major metropolitan media markets, and excellent access by road, rail, and air. Maryland is a tank of gas state – from mountains to ocean; from New York to North Carolina. It is also a transportation hub for major carriers. Maryland is a four season state, with numerous activities and attractions year round.

- A thriving (and growing) hospitality infrastructure (accommodations, restaurants, attractions) to support travel and supplement events
- An enthusiastic volunteer base with a proven track record of success.
- A wealth of existing sports and recreations venues.
- An existing statewide multi-jurisdictional tourism marketing network.
- Excellent track record for hosting previous events and activities of all sizes and a reputation as a sports/recreation loving state. Maryland's rich and storied sports history includes champions on land and sea, courts, fields, tracks, ice, courses, and (most recently) pools.

To ensure Maryland's presence is recognized and to leverage all its assets, data was collected to identify key areas where Maryland should focus efforts

- Sports Facility Database: Close to 400 facilities and venues have been collected in a preliminary sports facility database. These facilities have the capability (and, in many case, history) of accommodating quality sports events of all sizes and types. The Phase II objective is to compile further detail on existing facility data, and obtain information on high school facilities, golf courses and other facilities not identified in the initial survey. .
- Event Opportunities: With a concerted effort in the sports event industry, Maryland could host many more – and varied --events than it does currently. Maryland has already hosted top tier events such as the Army-Navy Game, NCAA Men's and Women's Lacrosse National Championships, Dew Action Sports Tour and storied collegiate and professional home events. The report identified events the state could attract once the Maryland Sports Commission is created .
- Key Stakeholders: It is vitally important to engage strategic partnerships in the development of a successful Maryland Sports Commission. Key stakeholders have been contacted; others are being identified. .

To realize Maryland's potential in the industry of sports travel, the report recommends establishing the Maryland of Sports Marketing within DBED/MSA to coordinate statewide efforts, and develop a public-private Maryland Sports Commission consisting of representative stakeholders throughout the state to attract and support sports and recreation events.

STRATEGIC PLAN

A. Outreach, Collaboration, and Networking

Goal 1: To position Maryland as a leader in the sports event and travel industry:

Objectives:

- Develop a Team Maryland Initiative: A multi-jurisdictional collaborative marketing and advertising effort with tourism based partners.
- Market and promote Maryland as a whole as a sports travel destination.
- Create a communication plan that aides our community efforts with event rights holders.
- Create an identity in the industry that promotes cross selling opportunities.

Goal 2: To develop team/group sales initiatives and opportunities:

Objectives:

- Create a statewide presence at selected industry tradeshow.
- Ensure Maryland garners its share and identity within the industry marketplace.
- Target and develop bids, coordinate volunteer efforts, and develop sponsorship and promotional opportunities for new and existing sporting events.

Goal 3: To develop strategic public and private partnerships:

Objectives:

- Ensure a cross section of Maryland based corporate and public sector parties are engaged in the sports marketplace.
- Obtain diversified funding base and long-term support, partnerships and financial commitments.

Goal 4: To target key National Governing Bodies (NGB) and International Federations (IF):

Objectives:

- Encourage the establishment of headquarters or satellite offices in Maryland.
- Bring sports events and other related opportunities to Maryland.

B. Market Potential, Brand Position and Communication Platforms:

Goal 1: To create a brand conveying Maryland's quality and readiness:

Objectives:

- Develop identity in the sports event and travel industry.
- Establish reputation for industry standard of excellence

Goal 2: To create a state of the art web presence:

Objectives:

- Develop an attractive website that positions Maryland as a leader in the industry.
- Make information (facilities, venues and events) accessible and updated regularly.
- Promote sports awareness and opportunities to the citizens of Maryland and the industry.
- Ensure data is searchable via multiple criteria.
- Launch web site in April 2009 .

Goal 3: To cross-promote sports based partnerships:

Objectives:

- Create and cross-promote community based sports identities and partnerships from county to county.
- Drive web traffic to the state site, community and facility partners.

Goal 4: To create a comprehensive communication medium:

Objectives:

- Create regular newsletter that highlights accomplishments and identifies trends.
- Ensure TEAM Maryland partners are apprised of current bid opportunities and developments.
- Ensure that information is consistent, pertinent and shared in real time.
- Maximize attendance and coverage of all Maryland sports events, facilities, and activities.

Goal 5: To develop a marketing campaign that promotes Maryland's efforts and opportunities in the sports event and travel industry:

Objectives:

- Ensure Maryland is marketed and promoted as a sports travel destination to the entire sports travel industry.
- Aid our TEAM Maryland partners in an effort to gain more segments of the sports marketplace.
- Drive visitation to the web site and to the state.

C. Develop Partnership Opportunities:

Goal 1: To engage a multi-faceted core group of sports leaders

Objectives:

- Harness long-term partnerships and leadership
- Ensure long-term buy-in and support

Goal 2: To identify strategic corporate public-private partnerships

Objectives:

- Develop support mechanisms that facilitate successful bid, marketing, volunteering and promotional opportunities
- Identify and secure funding in support of bid efforts, marketing strategies and operational needs associated with a sports based initiative

D. Create Effective Operating Organization

Goal 1: To establish the Maryland Office of Sports Marketing within DBED/MSA:

Objectives:

- Develop a public/private Maryland Sports Commission consisting of key sports public and private representative stakeholders.
- Expand the sports operation via staffing, resources and other tools needed for long-term success.
- Attract and support sports and recreation events to Maryland.

Goal 2: To identify and propose long term funding models:

Objectives:

- Identify through industry best practice models for funding a statewide sports commission.
- Identify strategic partners in the private and public sector.
- Identify long-term funding resources for event recruitment and retention.

Goal 3: To develop a long term event recruitment and retention strategy:

Objective:

- Ensure state funds are invested effectively, with measurable objectives and end goals defined.