## 2005-2006 ATIA Board of Directors

### Executive Committee
- **Gary Odle**, Chair, Alaska Highway Cruises
- **Patti Mackey**, Vice Chair, Ketchikan Visitors Bureau
- **Brett Carlson**, Government Relations Chair, Northern Alaska Tour Company
- **Deb Hickok**, Marketing Chair, Fairbanks Convention & Visitors Bureau
- **Stan Stephens**, Secretary, Stan Stephens Wildlife & GlacierCruises
- **Ann Campbell**, Treasurer, Aurora Consulting
- **Ken Dole**, Past Chair, Waterfall Resort
- **Ron Peck**, Ex Officio, Alaska Travel Industry Association

### Board Members
- **Paul Allen**, Holland America Line
- **Charlie Ball**, Princess Tours
- **Roark Brown**, Homer Ocean Charters
- **Bruce Bustamante**, Anchorage CVB
- **Bob Dindinger**, Alaska Travel Adventures
- **Bob Engelbrecht**, NorthStar Trekking
- **Pam Foreman**, Kodiak Island CVB
- **Don Habeger**, Royal Caribbean Int’l & Celebrity Cruises
- **John S. Hall**, John Hall’s Alaska
- **Kirk Hoessle**, Alaska Wildland Adventures
- **Steve Mahay**, Mahay’s Riverboat Service
- **Bonnie Quill**, Mat-Su CVB
- **Scott Reisland**, Denali Grizzly Bear Resort
- **Suzanne Rust**, K2 Aviation
- **Jerry Scholand**, Alaska B & B Association
- **Brad Walker**, Alaska Airlines

## ATIA Staff

### Executive Department
- **Ron Peck**
  - President & COO
- **Mark Miller**
  - Tourism Planner
- **Leslie Bodley**
  - Executive Assistant

### Finance Department
- **Shirley Laird**
  - Director of Finance & Human Resources
- **Shelly Jones**
  - Accounting Clerk
- **Jenifer Sczepan**
  - Receptionist

### Travel Trade & International Department
- **Jillian Simpson**
  - Director of Travel Trade & International Marketing
- **Andrew Larsen**
  - Travel Trade & International Marketing Manager
- **Teri Hendricks**
  - Trade Coordinator

### Marketing Department
- **Kathy Dunn**
  - Director of Marketing
- **Charlene Spadafore Vassar**
  - Cooperative Marketing Manager
- **Jackie Englund**
  - Website Marketing Coordinator
- **Maria Benner**
  - Marketing & Research Coordinator

### Communications Department
- **Dave Worrell**
  - Director of Communications
- **N’Keisha Alleyne**
  - Communications Specialist
- **Scott Correy**
  - Internet Communications Coordinator

### Membership Department
- **David Lee**
  - Director of Membership Sales & Service
- **Richard Garvin**
  - Membership & Advertising Sales Manager
- **Jane Dial**
  - Membership Sales & Services Coordinator
This past year was exciting and productive for the Alaska Travel Industry Association and its membership of over 1,000 businesses. Fiscal year 2006 (July 1, 2005 through June 30, 2006) presented unique challenges and opportunities for our industry.

Your Board of Directors worked diligently on many different topics that are important to our industry:

We worked with the Murkowski administration and legislative leadership to continue the State’s matching contribution to our marketing program at the $5 million level. This means our core marketing budget for FY07 will be $10 million.

We also worked with the administration and legislature on capital and operating budget funding for a special marketing program targeted at the independent travel sector. This effort succeeded and we’ll have an additional $1.3 million for this effort in FY07.

We voiced concern over the Cruise ship head tax initiative and began our effort to inform our members of the negative consequences should it pass.

On the marketing side, we continued to focus on delivering a strong return on your investment.

An innovative project, centered around billboards erected in Los Angeles, Seattle and Minneapolis was a highlight. The billboards featured an Alaska vanity plate emblazoned with “B4UDIE” — a message that encouraged a visit to “Alaska Before You Die.” The campaign was a huge success; we saw unprecedented web traffic and generated thousands of requests for the vacation planner. Media exposure was valued at over $10 million, but more importantly, this unique campaign stopped Americans in their tracks and reminded them of their desire to experience Alaska.

Enhancing TravelAlaska.com continues as a priority. And, we are very proud of the traffic we’ve generated during the year. Unique visitors increased 26% and visitor sessions increased 30%. This translates into more than 2 million unique visitors and more than 12 million page views for the year. We believe TravelAlaska.com now has a higher number of site visitors than any other Alaskan tourism website.

A new section, designed specifically for the travel trade, on TravelAlaska.com includes photos to download for Alaska promotions as well as a bi-monthly newsletter and fam information. The highlight of the trade site is the free training program; Alaska Certified Expert (ACE). The course teaches how to craft itineraries, educates on tour options and assists selling Alaska so that graduates can earn larger commissions while helping customers plan a great Alaska trip.

Television advertising continues at sub-optimal levels due to financial constraints. However, through strategic negotiation and planning we were able to stretch our budget and run Alaska ads on the Travel and Weather channels, in addition to the Hallmark channel, Outdoor Life Network, Home & Garden TV and others.

A total of 589,082 requests for Alaska travel information were generated during the FY06 as a result of the consumer marketing program. Visitors were sent an Official State Vacation Planner or a Within Your Reach brochure based on their level of interest in visiting. Working with local industry and community representatives from throughout the state, descriptive copy for each of Alaska’s five regions was updated and additional focus was placed on areas within each region. The new Within Your Reach brochure was introduced. It was designed to entice potential visitors to visit Alaska and help communicate how much time and money is needed for an Alaska vacation.

North to Alaska is our primary highway program conducted in cooperation with Alberta, British Columbia and Yukon. It focuses on increasing travel through Canada and into Alaska via the AlCan. This year we had more requests for information than ever before. North to Alaska was a finalist in the Travel Industry Association’s NCDO Destiny Awards — and in August, we won this national competition!

Throughout the year, we continued to strengthen awareness of Alaska’s brand by integrating our brand logo and tagline into all marketing efforts. We also received our Certificate of Registration from the US Patent and Trademark Office — our brand is now an official trademark.

As part of a grant funded program with the National Park Service, we completed a variety of marketing efforts that increased interest and excitement about all of the wonderful National Parks in Alaska including Wrangell St. Elias, Kenai Fjords, and Katmai.

We hosted the fourth annual Alaska Media Road Show, bringing Alaska tour product, programs, and destinations before some of the most influential travel media. Once again, participants judged the road show a major success.

We also shifted our funding of the National Tour Association Convention to a special Alaska themed dinner. The new event was a huge success, highlighting Alaska as a destination and fostering relationships between Alaska suppliers and tour operators.

We also had a big research year. The annual Conversion Study evaluated media use. Its findings will be used for future media decisions. We also conducted Images of Alaska 2006 and a Segmentation Study to learn more about potential and actual visitors to Alaska. The internet as a trip-planning tool continues to grow, so we conducted research on TravelAlaska.com to determine what features and tools are most useful to consumers.

Also this year, several members were invited to participate on a workgroup established by the State to finalize the questionnaire for the Alaska Visitors Statistics Program (AVSP). This study is vitally important to Alaska’s visitor industry and we greatly appreciated the DCCED’s invitation to have our members involved in planning the study.

This annual report outlines our programs and demonstrates what can be accomplished when your board, staff and our federal and state government representatives work together. We hope you take pride in your association’s success and the role you played. In the coming year, we will continue to strengthen our cooperative marketing and planning efforts for you, our valued members.

Ron Peck, President & COO
Gary Odle, ATIA Board Chair

Alaska Travel Industry Association
MEMBERSHIP BENEFITS & OPPORTUNITIES

ATIA OFFERS MEMBERS

POWERFUL MARKETING TOOLS:
- A free listing in the Alaska State Vacation Planner, on Alaska’s official travel website, TravelAlaska.com, and the independent highway traveler website, NorthToAlaska.com
- Access to nearly 600,000 names and addresses of highly qualified potential visitors to Alaska
- Names and addresses of their fellow members available for purchase and in our Membership Directory
- Marketing and research materials that forecast trends and consumer habits

ATIA WORKS FOR ITS MEMBERS:
- Industry briefings and regular newsletter updates
- Legislative updates and tourism industry representation at visitor industry policy discussions in Juneau
- Our Government Relations program monitors industry specific legislation and presents the position of our membership at planning meetings and before policy makers

ATIA GIVES MEMBERS FORUMS TO NETWORK AND INCREASE THEIR KNOWLEDGE & SKILLS:
- Our annual Convention and Trade Show
- The member website, AlaskaTIA.org, which serves as a valuable forum for sharing information with our membership

ATIA HELPS MEMBERS SAVE TIME & MONEY:
- Cooperative domestic and international marketing programs that feature advertising opportunities in both our publications and websites as well as other media; consumer and trade shows; booth share and brochure distribution; industry FAM trips; and a public relations program featuring press trips, media assistance and the Alaska Media Road Show
- Member-only credit card program featuring discounted transaction fees
- Free use of hundreds of images for promotional purposes
- Free unlimited job postings on AlaskaTourismJobs.com
- Stay on top of issues that can effect your business and the industry by using our daily briefing on AlaskaTIA.org

ATIA CHAPTERS
All members receive a complimentary membership to one of seven local chapters throughout Alaska. The chapters focus on four main objectives: advocacy; community awareness; providing a link between communities and the statewide organization; and business networking. Chapters are located in Anchorage, Mat-Su, Fairbanks, Juneau, Ketchikan, Sitka and Skagway.

ATIA FOUNDATION SCHOLARSHIPS
As one of our efforts to support Alaska and its people, our foundation funds scholarships each year for students pursuing a career in the tourism industry. The program is designed to offer assistance to promising Alaskans who have expressed an interest in turning their tourism experience into a career. In 2006, we provided 14 scholarships totaling $25,500 to students pursuing careers in the visitor industry:

ATIA Two-year Scholarship
Megan Williamson, Anchorage

ATIA Anchorage Chapter Scholarship
Joel Sture, Anchorage

ATIA Continuing Education Scholarship
Kathryn Fisher, Anchorage

ATIA Rural Scholarship
Rachel Roy, Sitka

Kris Geldaker Memorial Scholarship
Ryan Seaver, Ketchikan

Bob Rocker Memorial Scholarship
Kory Eberhardt, Fairbanks

Princess Cruises & Tours Scholarship
Shauna Moore, Chugiak

Holland America Line Scholarship
Regina Cusak, Anchorage

Alaska Travel Adventures Scholarship
Michelle Shafer, Seward

Alaskan Vacations Scholarship
Alana Snider, Eagle River

Royal Caribbean Cruises Scholarship
Savanna Bradley, Homer

Chuck West Memorial Scholarship
Alex Worthen, Anchorage

ATIA One-year Scholarship
Sarah Levin, Anchorage

ATIA Continuing Education Award
Maria Benner, Anchorage
2005 Annual Convention & Trade Show
During October 2005, our Annual Convention and Trade Show was held in Girdwood with the theme, Partnering for Peak Performance. Over five hundred delegates participated in the event and had the opportunity to hear from national speakers including:
· Peter Yesawich on Emerging Trends in the Industry
· Roger Dow, TIA President on the “Power of Travel” and;
· Keith Bellows, Editor of National Geographic Traveler

The 2005 convention delegates were offered educational workshops on our cooperative marketing programs, Internet marketing, photography, research, retirement, and customer service. Delegates also provided input to help formulate our 2006 legislative and government relations initiatives.

ATIA Foundation Golf Tournament
Thank you to everyone who sponsored, attended, volunteered and donated to the ATIA Foundation Golf Tournament. We were able to net over $11,000 for the foundation this year and we wouldn’t have been able to do it without support from a wide variety of members – and friends of the industry.

Annual Visitor Industry Charity Walk
Volunteers from Anchorage participated in the Charity Walk and contributed over $52,000 to over 100 Alaska charities. The Charity Walk continues to be a venue for Alaska tourism to give back to Alaska on an annual basis. Volunteers and generous donations from the industry were combined to support numerous organizations while participants walked.

Healthy Visitors Initiative
This year, the “Bird Flu” was in the news - and a concern for our Board of Directors. The Executive Committee, staff and contractors met to do a “crisis plan” activation exercise to make sure we’re prepared in the event of a public health emergency.

20th Annual Travel Treasures Auction
The 20th Annual Travel Treasures Auction raised nearly $100,000 to support ATIA’s general operations. The “Tropical Carhartts” theme continued our partnership with Carhartt. The event was held on February 10, 2006 at the Anchorage Marriott Downtown.
DOMESTIC MARKETING

The role of our consumer marketing programs is to find potential visitors throughout North America, provide them with compelling information about our state and convert that interest into actual travel to Alaska. Our aggressive direct response programs allowed us to reach millions of potential visitors and resulted in nearly 600,000 well qualified requests for Alaska travel information.

In FY06, we refined our target market profile to reflect changes being seen nationally: the population is aging, travel patterns have changed and consumer behavior has become more unpredictable. At the same time, marketing options continue to evolve and diversify based on technological changes. Due to the internet, the time it takes to obtain information has become compressed and unprecedented transparency exists. People have more travel choices to pick from and can easily compare prices by simply clicking a mouse.

Consumer marketing in FY06 capitalized on the top reasons people choose to visit Alaska – fulfillment of a dream and to visit friends and relatives. In addition, we worked to alleviate known barriers to travel, specifically those relating to time and money.

ALASKA’S BRAND
We continued to integrate Alaska’s brand into all marketing efforts and focused on the key lure elements (identified by our research) that differentiate Alaska from other destinations – mountains, glaciers and wildlife. Our overall goal was to connect with consumers and inspire them, to communicate the excitement of an Alaska vacation and to appeal to their sense of wonder via images and copy.

TV & PRINT ADVERTISING
We used television to elevate awareness of Alaska as a travel destination and to showcase the state’s scenic wonders. Our thirty-second spots feature visuals that connect with consumers on an emotional level and include an original music score. Although our budget for television placement was limited, the campaign delivered over 240 million gross impressions on national cable networks.

Although building image awareness for Alaska is key to increasing the number of visitors to the state, we also focused on connecting with potential visitors so we could send them additional trip-planning information. Magazine advertising helped build Alaska’s image and conveyed the beauty of Alaska’s mountains, glaciers and wildlife. We analyzed over 200 publications before making a decision on which magazines would be included in our campaign. The primary purpose of the magazine campaign was to generate requests for the State Vacation Planner and we were successful in generating more than 126,000 requests.

Again this year, we concentrated our effort on one large circulation magazine rather than advertising in many smaller magazines. We focused our effort on AARP’s “The Magazine” and tracked responses to the various age groups reading the magazine. At the end of the year, it was clear there was most interest in Alaska among the 50-59 and 60-69 age groups. This one magazine generated roughly 55 percent of the total magazine inquiries.

We also included several highway travel magazines in our media buy, along with general interest magazines such as Alaska Magazine and Good Housekeeping. We also promoted the Alaska and Yukon travel guides in AAA magazines, Trailer Life and others in order to increase interest in highway travel.

DIRECT MAIL
Direct mail continued to dominate our marketing program. More than 2.76 million people received a direct mail package that included a personalized letter from Governor Murkowski. Friendly and informative, this letter and accompanying pieces continued to be well received, with response rates as high as 29 percent. We carefully selected mailing lists targeting segments to ensure we were reaching only those most likely to have interest in Alaska. By working the lists extensively before mailing, we were able to minimize postage and printing costs, thereby maximizing results.

COOPERATIVE MARKETING PROGRAMS
With the legislative mandate to match public funds with private funds, we depend on the recruitment of new marketing partners and the development of marketing partnership programs to generate the private industry match. The challenge lies in offering quality programs that make marketing sense and provide good return to the membership.

To increase awareness of ATIA – and the programs businesses can participate in – our staff traveled extensively throughout the state to meet with businesses to explain...
DOMESTIC MARKETING

how they could get involved with our statewide marketing effort. Popular marketing programs were continued in FY06, including the cooperative magazine campaign, cooperative leads programs, consumer shows and the vacation planner. These programs are especially important because they allow members a cost-effective way to gain exposure before a national audience to sell their specific products or services.

COLLATERAL

The Official State Vacation Planner continues to evolve and grow to meet consumer needs and the needs of Alaska business. This year we added additional focus on special areas within each region of the state in an effort to create greater cohesiveness among member businesses and to facilitate the trip-planning and overall travel experience for visitors. We introduced the new Within Your Reach brochure this year to encourage potential visitors who were still undecided about visiting Alaska to make the decision to travel.

IN-STATE MARKETING

We launched an in-state marketing campaign in FY06 to encourage residents to explore their own state. Our television ads appeared for the first time on television channels statewide. In addition to the economic benefit of keeping Alaskan vacation dollars within the state, this campaign was effective in educating Alaskans about what their home state offers and will lead to a greater appreciation for Alaska’s tourism industry.

RESEARCH

We continue to base Alaska’s tourism marketing program on solid research so that state and industry funds are used judiciously and effectively. By tracking trends and testing new programs, we are able to anticipate changes and revise the marketing plan accordingly. We share this information with communities and member businesses to ensure marketing decisions throughout the state are being made from the same base of knowledge.

The Images of Alaska Study was updated this year so we could better understand the important and discriminating travel needs, motivators and attitudes of past and potential visitors. A Segmentation Study also helped us understand the “types” of visitors coming to Alaska and what motivates them to travel. The annual Conversion Study showed continual improvement in the effectiveness of the statewide marketing program.
INTERNET
The internet now ranks as the primary information source for trip-planning, and roughly 68 percent of travelers who use the web got destination information online. The primary goal of our internet marketing efforts was to generate traffic to TravelAlaska.com and generate requests for the vacation planner. In FY06, we continued to see an increasing number of consumers requesting information over the internet, even when they had the choice of sending in a printed reply card that was included in our direct mail packages or placed adjacent to our magazine ads. Another key goal for TravelAlaska.com was to link consumers to Alaska businesses so they could close the sale.

Enhancements made to the website this year are too numerous to list, but include expansion of the five regions of Alaska into sub-areas. By doing this, we were able to highlight 104 Alaska communities and 79 parks. E-mail links were also added to all business listings on the site, allowing site visitors to initiate contact with member businesses.

Our electronic newsletter for consumers, My Alaska News, continues to be an effective tool, reconnecting with potential visitors who have requested information on visiting Alaska. We provide practical trip-planning information to approximately 200,000 potential visitors each month, and supplement the messages with alluring photos that pique interest in visiting Alaska.

CONSUMER SHOWS
We continued our involvement in US consumer shows in an effort to elevate awareness of Alaska as a travel destination. The shows attracted more than 300,000 travelers and an estimated 22,000 pieces of Alaska literature were distributed, including vacation planners, reach brochures, Alaska maps, National Parks brochures and North to Alaska brochures.

NICHE MARKETING
Niche markets, including adventure travel and ecotourism, sportfishing, bed & breakfasts, highway and winter tourism were addressed as segments of the overall marketing program. We continued partnership programs with Yukon, Alberta and British Columbia to encourage consumers to travel through Canada and into Alaska via the highway.

NATIONAL PARKS & GLENN HIGHWAY
Through a federal grant, we conducted a campaign to raise awareness of Alaska’s National Parks. This multi-faceted campaign raised awareness of Alaska’s lesser-known parks in an effort to minimize crowding at the more popular parks.

We also assisted the Glenn Highway National Scenic Byway Board of Directors by developing a marketing plan and website that highlights cultural and historical aspects of the Glenn Highway and promotes the attractions, activities and scenery that can be seen along the highway.
DOMESTIC TRAVEL TRADE
Our domestic travel trade program is designed to generate agent and operator interest in Alaska and offer extensive education about our state. Since the state is so large, with different modes of transportation and attractions, selling Alaska poses some unique challenges. However, once we show the trade what Alaska has to offer, they become committed to learning about the destination and selling the state.

Education is the cornerstone of our outreach to the travel trade. For the 5th year in a row, we sponsored the Travel Institute’s Destination Specialist Alaska course. We also developed a special trade section on TravelAlaska.com to provide tools and information necessary to help them promote our destination. In addition, we began sending out a bi-monthly newsletter to members of the travel trade and media to keep them informed of new products and tours in Alaska. Several destination trainings for travel agents were conducted throughout the year. We attended 7 travel agent shows to obtain leads and booth share with members, including the Travel Institute’s National Forum, CLIA Cruise3 sixty, Cruise Holidays’ Annual Conference, ASTA World Congress, Luxury Travel Expo, Travel Trade’s Annual Cruise-a-Thon and the Vacation.com Annual Conference.

We also attend several tour operator marketplaces. We conduct one-on-one meetings with tour operators to help them create and sell Alaska itineraries and provide qualified leads to our members. We had a major sponsorship presence and special dinner at the National Tour Association and the American Bus Association to create image awareness for Alaska and to foster relationships between members and tour operators. We also produced a special directory of Alaska businesses that attend these marketplaces. Throughout the year, we also attended the annual marketplaces of the United States Tour Operator Association, Ontario Motorcoach Association and North American Journeys.

INTERNATIONAL HIGHLIGHTS
Our international marketing campaign works with international contractors to promote Alaska as a destination to trade, consumers and the media in key markets: German Speaking Europe (GSE), Japan, United Kingdom, Australia and Korea. In addition, we have been doing targeted promotions and exploratory missions in the Netherlands, Taiwan and mainland China. We provide image awareness, trip planning and product information to the highest potential international markets to promote travel to the state. The central focus is to educate tour operators and wholesalers on what Alaska has to offer, as well as bring our tour suppliers and buyers together to increase Alaska product lines. We achieve these goals through sales and media missions to each market, participation in the Travel Industry of America’s International POW WOW and through a variety of in-market trade shows.

Because the international marketing program budget is not large enough to conduct consumer advertising, we generate interest in travel to Alaska through foreign language websites, public relations efforts and by partnering with members of the travel trade to actively promote their Alaska programs.

We rely heavily on media coverage of Alaska in order to generate interest in Alaska within the key international markets. We work closely with travel writers, television crews and airline partners to gain maximum exposure for Alaska. In FY06, we translated our Alaska and National Parks press kits into Japanese and German for easier promotion in those markets.

Staff and contractors attended a variety of media marketplaces in order to pitch stories to international journalists including: International POW WOW, Visit USA Japan, Visit USA UK, and See America London. We also assisted with media fams for 11 international journalists and film crews.

We also conduct a variety of familiarization tours (fams) to Alaska each year to educate the trade and foster product development. Central to this program are the Alaska TravelFams which are held three times a year featuring different regions and seasons of the state. We hold meetings and receptions in each community so that local members have the opportunity to introduce their product to international tour operators. As part of our grant from the National Park Service, we also conducted familiarization tours to Wrangell St. Elias and Glacier Bay National Parks to help tour operators learn how to package those areas.
**DIRECT FLIGHTS**

**Germany**
The Condor charter flights continue to be a success. In the peak summer season, 4 flights were operated to Alaska every week. This included the addition of another direct flight which increased the number of visitors from Europe. Due to the success, the schedule will be expanded to include the shoulder season next year.

**Japan**
Japan has emerged as a very important year-round market with the success of direct flights. Not only did Japan Airlines successfully operate 11 non-stop flights in the summer season, they also operated 6 non-stop charter flights between Narita and Fairbanks in December and February which was double the amount from last year.

**Korea**
Although Korean Airlines discontinued regularly scheduled service from Seoul to New York via Anchorage, they did have 3 charter flights per week to Anchorage for one month in the summer of 2005.

We were successful in implementing the Alaska Explorers Visa Program (AEVP) for Korea through a partnership with the Office of the Governor and the Ted Stevens Anchorage International Airport. AEVP eases the process of obtaining a US visa for Koreans, if they are traveling direct to Alaska and book their tour through an approved Korean tour operator. The US Embassy has only approved programs like this to Alaska and Hawaii. This should result in more Koreans having access to an Alaskan vacation in 2006 and beyond.

**Taiwan**
China Air continues to provide direct service year-round to Anchorage for flights bound to New York from Taipei. We have supported the travel trade in Taiwan with Alaska training and fam tours. This has helped yield a modest increase in year-round, independent and land-based travel to Alaska.
The goal of our Public Relations program is to proactively generate stories of interest to both national and international travel media outlets in order to enhance consumer interest in Alaska as a premier visitor destination. We work with the media to create a positive, visitor-friendly image for the state. We focus a significant portion of our PR effort on responding to inquiries from travel media. In order to provide broad exposure for Alaska’s travel opportunities and statewide destinations, we assist with itinerary planning and provide travel assistance to top quality travel journalists who come to Alaska, either individually or as part of sponsored press trips.

Our communications effort encompasses both our membership and Alaskans in general. We also participate in the policy arena through our Government Relations program.

**Public Relations**

**Alaska Media Road Show**

The Alaska Media Road Show has become our flagship Public Relations event. This event is all about sharing Alaska’s stories with the best and brightest representatives of the travel media. Forty-two journalists, including Steve Lorton, northwest bureau chief of *Sunset Magazine*, and 37 ATIA members met in Whistler, BC for the fourth annual road show. “Meet the Editors” panels were conducted that featured Jim Poris from *Food Arts*, Susan Haynes from *Coastal Living*, and Paul Frichtl with *Alaska Airlines Magazine*. The event was once again a huge success.

The Alaska Media Road Show is well on its way to being an institution and we will continue to work on making future Road Show events even better for our members and the media.

**Media Outreach & Assistance**

In addition to providing support materials, we provide story ideas and reference materials to ensure all areas of the state, modes of travel and a wide variety of activities and attractions are featured throughout the year. We provide itinerary planning, b-roll duplication, fact checking, image fulfillment and editorial suggestions to over 450 domestic journalists and over 100 international media outlets ranging from *Bon Appetite* to the *London Daily Mirror*. We also worked closely with the scouting crew from *American Idol* and were on the short list of cities chosen for auditions.

**On-Line Media Center**

In the digital arena, we continue to keep the media pages on TravelAlaska.com fresh with new story ideas and continue to update the content of our press kits to keep information current. The media press kits are available as electronic (PDF) files in the on-line media center for quicker, less expensive distribution. Niche PDF press kits specifically focus on winter, adventure, sportfishing, highway/marine highway and cultural opportunities. As part of the National Park Service cooperative venture, we also completed a comprehensive new press kit focusing on all Alaska’s National Park lands.

**Alaska Travel News Bulletin**

We provide story ideas to the media through e-mail bulletins that reference all areas of the state, modes of travel and a wide variety of activities and attractions throughout the year. We send the Alaska Travel News Bulletin to over 850 national and international travel writers.

**Press Trips**

We hosted a winter press trip to Fairbanks and Bettles to enjoy all the activities winter has to offer in Alaska. Participants were treated to a warm reception from both communities. Journalists included Leslie Forsberg with *Go World Travel*; Lisa Anderson Mann with *Family Circle*; Alison Wright with *National Geographic Adventure*; Karen Berger with Away.com and Minnie Burton, a freelancer from the UK.

With the National Park Service, we hosted a press trip in May 2006. Four journalists visited Glacier Bay and Wrangell St. Elias National Parks. Throughout the trip, journalists enjoyed a variety of activities. The journalists included: Lynn Ferrin who writes for *Via* magazine and several newspapers; Diana Lambdin and Bruce Meyer who write for *Travel America, American Forests, Home and Away, Midwest Traveler, Log Home Living and several newspapers*; and Stuart Hickox who writes for *Maclean’s, Reader’s Digest* and several Canadian newspapers.

**In-State PR**

We also worked closely with KTUU Channel 2 in Anchorage to promote in-state travel among residents. We coordinated live uplinks from the communities of McCarthy, Copper Center, and Valdez. The show won rave reviews and encouraged Alaskans to play in their own backyard.
COMMUNICATIONS

Member Newsletter
Our Member Newsletter has become the indispensable tool for communicating with our members. We rely on it to cost-effectively announce events, recruit participation and provide the membership with valuable information.

AlaskaTIA.org
This year we continued our efforts to improve the association’s member website; AlaskaTIA.org. We believe that the functionality we’ve incorporated will make it a valuable tool for our members. Now they can update their own contact information; register online for events; post jobs on AlaskaTourismJobs.com; locate pictures for use in marketing from our on-line image library and access a comprehensive archive of essential association documents and information. We’ve also added a “blog” where we post information important to the industry: www.alaskatia.org/brief.asp

GOVERNMENT RELATIONS

2006 Legislative Priorities - FY07 State Operating Budget:
I Maintain Department of Commerce, Community & Economic Development QTA grant line at $5,000,000 to fund Alaska’s core Tourism Marketing program.

II Create a sustainable Independent Travel Marketing Campaign. We respectfully requested that the revenue generated from the vehicle rental tax be deposited into a special vehicle rental account in the General Fund and be appropriated to fund an ATIA-administered destination marketing campaign aimed exclusively at increasing the number of independent travelers visiting Alaska.

III Opposed taxes targeted at the travel & tourism industry or sectors of the industry. We continue to oppose targeted visitor industry taxes; specifically when used to fund general government services.

2006 Legislative Priorities - FY07 State Capital Budget:
I $1 million - Enhanced Independent & In-State Marketing Program - The independent travel market (e.g. long-haul highway & fly-drives) has not rebounded as strongly as some other Alaska travel segments. This project was proposed to strengthen the independent travel market as well as promote Alaska resident in-state and Visiting Friends & Relatives (VFR) travel. This will have a positive impact on rural, small community and independently owned tourism businesses statewide. If every Alaskan switched just $100 a year from outside travel, $65 million would be added to our state’s economy.

II $250,000 - Enhanced International Marketing Program - International travel to the US has not returned to its pre-September 11 level. In order to capitalize on the growing number of international visitors to the United States and Alaska, we proposed strengthening Alaska’s position as a destination of choice for international travelers.

III $250,000 - Long Range Tourism Planning: Access to Public Lands, Infrastructure Development, and Rural Tourism Enhancement

This year we had Governor Murkowski’s support for some of our legislative priorities through the Administration’s proposed budget. The Administration supported the $5 million match in the Operating Budget and all three of our Capital Budget requests - totaling an additional $1.5 million.

With support from the Administration and key members of the Legislature, we were able to keep the state’s match at $5 million. The legislature also approved a combination of funding from both the operating and capital budgets to create an enhanced marketing campaign targeted toward independent travelers totaling $1.3 million.

Finally, we made it clear that our association remains firmly against narrow taxes, targeted at individual tourism sectors unless industry driven and designed to enhance Alaska’s visitor industry.

O3-CTAX - the Ballot Measure 2 in the August ’06 Primary Election was an important issue for many of our members. The Board of Directors voted unanimously to oppose the measure and we spent considerable time and effort informing the membership at large of the potential impact and anti-business “add-ons” in the measure. Unfortunately, Alaskans ultimately passed it by a small margin. None-the-less, a positive result of our effort was a new sense of community within the industry and the realization that we must continue to work together to prevent similar taxes and anti-business measures targeted at our industry.

Alaska Travel Industry Association
## FY06 Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Contract</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Cooperative Marketing Partnership Programs</td>
<td>$3,301,395</td>
</tr>
<tr>
<td>Voluntary Cruise Line Contributions</td>
<td>$1,846,183</td>
</tr>
<tr>
<td>Domestic Marketing Organizations (CVB/DMO)</td>
<td>$560,282</td>
</tr>
<tr>
<td>Membership Dues, Events &amp; Miscellaneous</td>
<td>$1,147,499</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$11,855,359</strong></td>
</tr>
</tbody>
</table>

**Distribution**

- **State Contract**: 41%
- **Cooperative Marketing**: 28%
- **Voluntary Cruise Line Contributions**: 16%
- **Destination Marketing Organizations (CVB/DMO)**: 5%
- **Association Funding**: 10% (Membership Dues, Events & Miscellaneous)
## FY06 Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management &amp; General Fund</td>
<td>$354,221</td>
</tr>
<tr>
<td>Fund Raising</td>
<td>$333,697</td>
</tr>
<tr>
<td>Association Programs</td>
<td>$262,107</td>
</tr>
<tr>
<td>Contract Marketing</td>
<td>$10,628,426</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$11,578,451</strong></td>
</tr>
</tbody>
</table>

### Pie Chart

- Contract Marketing: 92%
- Management & General Fund: 3%
- Fund Raising: 3%
- Association Programs: 2%

---

Alaska Travel Industry Association
TOURISM’S IMPACT ON ALASKA

TOURISM BUILDS ALASKA’S ECONOMY
• Total visitor arrivals fall 2005 - summer 2006: estimated 1.85 million
• Tourism’s economic contribution: $1.5 billion
• Average in-state visitor expenditure: $1,260
• Generates over $150 million in state and local taxes and fees each year

TOURISM PROVIDES JOBS
• Tourism is a leading industry in Southcentral, Southeast and Interior Alaska
• Provides 1 in 8 private sector jobs
• Tourism is responsible for over 31,000 full-time equivalent jobs annually
• 14 of Alaska’s top 100 Employers are directly involved in the travel industry

ATIA IS A MEMBERSHIP ORGANIZATION THAT REPRESENTS OVER 1,000 TOURISM INDUSTRY BUSINESSES IN ALASKA

OUR VISION:
The Alaska Travel Industry Association will be the leading industry organization promoting Alaska as a top visitor destination, communicating and promoting the Alaskan tourism industry as one of the state’s major economic forces, and will be the respected voice of the industry for the growth of the industry, while remaining attentive to care for the environment, recognition of cultures and Alaska’s unique quality of life.

OUR MISSION:
As we strive to attain our vision for the Alaska visitor industry, ATIA will undertake the following:
• Promote and facilitate travel to and throughout the state of Alaska.
• Provide a broad-based association of individuals and companies with an interest in the visitor industry in Alaska.
• Encourage the increase and improvement of quality visitor facilities, services and attractions throughout Alaska.
• Plan and execute a statewide marketing campaign promoting Alaska as a visitor destination.
• Increase awareness of the economic importance of the visitor industry.
• Develop and implement programs beneficial to the travel supplier and consumer, which no other single industry component or organization would be expected to carry out on its own.
• Initiate and cooperate with local, state and federal entities in developing and implementing programs, policies and legislation that are responsive to the needs of the industry and to intervene in those issues and initiatives that would directly affect the facilitation and promotion of travel to and within Alaska.
• Work cooperatively with the state on tourism development and long-range planning.