

State of California

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MEMORANDUM

Date: February 19, 2019

To: Board of Directors
California Exposition & State Fair

Via: Rick K. Pickering,
Chief Executive Officer

From: Margaret Mohr,
Deputy General Manager Business Development & Marketing

Subject: California State Fair Marketing Report

OVERALL

Planning and programming started earlier than usual this year and that has allowed all of us to think innovatively and think big. Getting out ahead of the year is more important than ever because of the budget cuts.

New this year: A Drone Light Show choreographed to music – played grounds wide with our new sound system. The Light Show will be every Friday, Saturday and Sunday night at 10 pm.

Food Festival Competition and Food Festival Pass. Our food vendors were invited in December to sign up for the Food Festival Competition to be acknowledged as the Best Cultural, Best New item, Best Healthy item, Best California Fresh etc. All food festival participants will be a part of the Food Festival pass that allows anyone to purchase 5 items for \$25 and these items are a \$35 dollar value or more.

Marketing started out the year with a change in personnel. Our Facilities Marketing employee, Maricela Ramirez moved to another State Agency. Due to the hiring freeze, we searched internally and moved Alison Wells into the Facilities Marketing position so that marketing has at least two positions filled in the department. Alison comes to the department with broadcast experience and will continue to coordinate the Appreciation Days, Out at the Fair and SMUD Cares Giving Monday as well as take on the facilities marketing duties.

In January, we hired a company to upgrade our two websites to be ADA compliant by July 1, 2019 as the State mandated. It was not possible to update the site internally. Uptown Studios was awarded the bid and is working on updating calexpo.com and CAStateFair.org prior to April 1st.

Marketing wanted to get out ahead with the dates of the 2019 State Fair as one of our largest shows, International Sportsmen's Expo was here in January. We produced new "Save the Date" banners for our Main and Blue Gate to take advantage of the large crowds

coming to Cal Expo.

This year for the California State Fair, we are creating a bold new campaign for 2019 that showcases “new” events and programs and highlights what is always a favorite at the California State Fair – Food. This year’s theme is the California State Fair and Food Festival.

Marketing Campaign:

Un/common is working on the new marketing campaign based on the direction given at the Board Retreat and the Food Festival idea.



The following outlines the key goals of the Marketing Team for the 2019 CA State Fair:

1. Increase attendance
2. Highlight what is new and exciting
3. Build on the Food Festival image
4. Prepare for “hot” weather
5. Increase sponsorship sales

During the board retreat, Un/Common outlined the following budget strategy, tied to the 20% reduction in funding for the marketing campaign.

In Media, eliminate the following

- March Flight (focus investment on summer and attendance)
- All Print Mediums (a vastly declining medium among consumers)
- All Transit (bus shelters)
- Stockton Radio
- Digital Radio
- Digital Native

In Media, reduce spend on the following

- Radio activity, from six to five weeks
- TV activity, from five to four weeks

In Creative Production

- Reduce quantity of radio spots by 20%
- No extensions on billboards
- Lose high-quality TV & print shoot (use more pedestrian cameras and crew)
- Reduce stock photography by ~80%

Sponsorship Update:

The sponsorship team is presently talking with many new and existing sponsors. They are receiving some very positive feedback on the new events and exhibits. The sponsorship team is working hard to present what is new and that there is a whole lot of value in the current attendance and that the new programming will draw more attendance.

Here is where we presently are in sponsorship revenue for the 2019 Fair.

Current

- Cash - **\$1,453,907.81**
- Budget Relieving Trade - **\$82,195**

We are in conversations with the following groups:

- Rabobank
- Dodge Ram – Ride & Drive and display
- SMUD
- Vitalant (Formerly BloodSource)
- Ford
- Sprint
- Verizon
- Wienerschnitzel
- California Parks (mobile tour)
- Golden 1 Credit Union
- Save Mart (Wine Garden)
- Kaiser Permanente
- IKEA
- T-Mobile
- Xfinity
- Blue Diamond Almonds
- AARP
- U.S. Army (Mobile Tour and Larger presence during this year's fair)
- And many more

Other:

Read to Ride expanded last year to include book report forms translated into Vietnamese. Univision became a major partner to help distribute them to our Spanish audience. This year, the Russian Media is a partner and has translated the book report form into Russian. We have also expanded our distribution to include 8 new counties to which we will distribute the book report forms to the new counties digitally. We will continue to distribute in paper form to Sacramento and Elk Grove School Districts. Plans are already in the works to distribute before spring break this year.

Concert line-up promotions will begin the week of April 11th, prior to Spring Break. We will not have an advanced paid ad campaign but, we will do a PR push and social media for the line-up. This will impact advance sales for all concerts and discounts tickets.

Plans are underway to continue with Groupon and Costco ticket packages and we will continue to work with the new E-Tix system to take advantage of the new marketing outreach programs.

Lastly, we are moving our two websites to a new hosting platform, Media Temple based in LA. Our prior hosting system, Servint, was sold to a company in the Netherlands and it has become impossible to get customer service help on hosting issues. This will require some time on the platform to ensure that everything is migrated properly prior to the concert PR launch in April. Our deadline for that is April 1st.