

50 [Signature]



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

172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856
PHONE: (603) 271-3556 FAX: (603) 271-3553 E-MAIL: nhparks@dred.state.nh.us
WEB: www.nhstateparks.org

November 12, 2013

Her Excellency, Governor Margaret Wood Hassan
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 Ski Area to enter into memberships with the companies shown below for a total amount of \$42,498.32 for the 2013/14 ski season upon Governor and Executive Council approval through June 30, 2014. 100% Ski Area Fund

Company Name	Vendor Code	Amount
Loon Mountain d/b/a New Hampshire Ski Group of Lincoln, NH	155470	\$25,610.00
National Ski Areas Association of Lakewood, CO	164099	4,806.40
New England Ski Areas Council d/b/a SnoCountry of Lebanon, NH	177219	12,081.92
<i>Total:</i>		\$42,498.32

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

		<u>FY 2014</u>
03-35-35-351510-37030000-026-500251	Organizational Dues	\$33,073.32
03-35-35-351510-37030000-069-500567	Promotional / Marketing Expenses	9,425.00

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 we could achieve on an individual basis. New Hampshire Ski Group markets its member internationally through brochures, travel shows, media placements and direct mail.

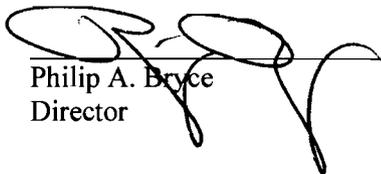
National Ski Areas Association (NSAA) promotes growth in the sport of skiing and snowboarding and ensures the overall health of the industry. NSAA's website is one of our most valuable tools for ordering catalog materials and registration for upcoming events. As a member of NSAA we have access to information and materials that help with training of our employees and staying abreast of the industry issues and statistics.

The New England Ski Areas Council (NESAC) is responsible for gathering and publishing daily ski condition reports in major newspapers and wire services throughout the northeast. NESAC dues are a prerequisite for participating in SnoCountry radio ski reports which are broadcast on key radio stations and the Weather Channel in several markets. The markets targeted for Cannon Mountain are Boston, Providence, and the North Central New England areas. Each daily report reaches a minimum of 12 million listeners. Cannon has been a long time member of NESAC as their services are an important part of our overall marketing strategy.



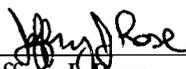
Completed questionnaires developed for organizational dues and membership requests are attached for each company, as well as, copies of their invoices.

Respectfully submitted,



Philip A. Bryce
Director

Concurred,



Jeffrey J. Rose
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 & Benefit"

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.

CANNON MOUNTAIN
Organizational Dues and Memberships

NSAA – National Ski Areas Association

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? Cannon Mountain has been a member since 1971. NSAA was established in 1962.
2. Is there any other organization which provides the same or similar benefits which your agency belongs to? No, NSAA provides the only national information for ski resorts. There are regional associations but we are the only national organization.
3. How many other states belonging to this organization and is your agency the sole New Hampshire state agency that is a member? NSAA has members in 39 states. Though membership is established by individual resorts rather than individual states.
4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc) The following formula is used to compute our dues payment: Total gross winter lift receipts (GWLR), including season pass sales, for the previous season (if below \$175,000, minimum dues are \$200) .114% (.00114) x GWLR up to \$5,000,000. Plus, .057% (.00057) x GWLR in excess of \$5,000,000
Membership dues as calculated.
5. What benefit does the state receive from participating in this membership? NSAA provides safety information, training modules and industry statics to resorts. Including but not limited to, OSHA regulation information, water rights info, resort employee education, public safety initiatives (helmet campaigns, lift safety, terrain park education), etc.
6. Are training or educational/ research materials included in the membership? If so, is the cost included? Explain in detail.
Training and education materials can be an added cost depending on what each resort is looking for. NSAA does send out a complimentary packet of safety info to every member resort for January's National Safety Awareness week. All other

materials for purchase can be found at our online store by logging into the NSAA website.

7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.
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.
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.
John DeVivo, General Manager; Greg Keeler, Marketing Director; Gareth Slattery, Operations Manager.
10. Explain in detail any negative impact to the State if the Agency did not belong to this organization. Cannon Mountain would not receive any of the benefits as explained in questions #5 & #6 which we feel are a necessary part of operating as an active and informed ski industry member.

NATIONAL
SKI AREAS
ASSOCIATION



Domestic Ski Area Dues Invoice

Company Name	Cannon mt / DRED
Street Address	260 Tramway Drive
City	Franconia NH 03580
Phone number	603-823-8800
Email Address	rhonda.gademsky@dred.state.nh.us
Contact Person	Rhonda Gademsky

Ski Area Membership dues for the year beginning July 1, 2013 and ending June 30, 2014.
Please use the following formula to compute your dues payment.

Total gross winter lift receipts (GWLR), including season pass sales, for the 2012/2013 season (if below \$175,000, minimum dues are \$200)	4216144.55
.114% (.00114) x GWLR up to \$5,000,000	<u>4806.40</u>
Plus, .057% (.00057) x GWLR in excess of \$5,000,000	_____
Membership dues as calculated	<u>\$ 4806.40</u>

NSAA accepts CHECKS and CREDIT CARDS for dues payments. However, for any dues payment over \$10,000, please submit via CHECK.

To pay by check Remit dues in U.S. Funds to:
National Ski Areas Association 133 South Van Gordon Street, Suite 300 Lakewood, CO 80228 (303) 987-1111 Fax (303) 986-2345

To pay by credit card (VISA, MC, or AMEX), complete below:	
Credit Card Number	
Card Expiration Date	
Full Name on Card	
Signature of Card holder	
Date	

NSAA's Tax ID. # 13-1973926. Contributions or gifts to the National Ski Areas Association (NSAA) are not tax deductible as charitable contributions for income tax purposes. However, they may be tax deductible as ordinary and necessary business expenses subject to restriction imposed as a result of association lobbying activities. The NSAA estimates that the non-deductible portion of your fiscal year 2013/2014 dues allocable to lobbying is 2.81%. Annual membership dues include \$25 for each 1-year subscription to the NSAA Journal sent to your company.

**Organizational Dues and Memberships
Cannon Mountain & SnoCountry Ski Areas Association**

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?
SnoCountry Ski Areas Association has been in existence since 1968. Cannon Mountain has been a part of that every year.
2. Is there any other organization which provides the same or similar benefits which your agency belongs to?
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?
NY State owned ski areas are members.
4. How is the dues structure established? (Standard fee for all states, based on population, based on other criteria, etc)
Dues are determined by LLL, linear lift-line length of all ski area lifts.
5. What benefit does the state receive from participating in this membership?
Cannon Mountain receives Radio, TV, newspaper, news wire, and internet coverage, with thousands of media outlets as part of this organization.
6. Are training or educational/ research materials included in the membership? If so, is the cost included? Explain in detail.
N/A
7. Is the membership required to receive any federal grants or required in order to receive or participate in licensing or certification exams? Explain.
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.
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.)

Greg Keeler, Cannon's director of marketing, is the main contact for SnoCountry. Cannon itself is the member, and he is not a voting/committee member or an officer of the organization.

10. Explain in detail any negative impact to the State if the Agency did not belong to this organization.

If Cannon did not belong to this organization, the mountain would not receive all the marketing and promotional benefits that every other ski area in New England receives by being part of SnoCountry.

'13-14 Member Agreement & Insertion Order



RESORT: Cannon Mountain, NH

SnoCountry has reserved the following Radio Regional Coverage Areas/Rotations, SnapShot TV, SnoNews or web ads for your resort based upon participation last winter, see "resort selection" columns below. To modify your selection, either mark out the selection and/or enter your desired rotation/selection. After completion, please total the columns, enter a POW (if applicable) on page 6, sign the second page and return both pages to: SNOCOUNTRY, Attention: ROB CHANDLER, FAX: 603-443-8838, or scan and email to: rob.chandler@snocountry.org

On-Air Radio

Resort	Package A ~50-60% Rotation	Package B ~25% Rotation	Resort Selection
Boston North	\$3,650	\$1,825	\$3,650.00
Boston South	\$3,650	\$1,825	\$1,825.00
New Hampshire Sea to Ski	\$1,850	\$1,075	\$1,850.00
Vermont	\$1,850	\$1,075	
Connecticut	\$1,275	\$650	
Western Mass	\$875	\$450	
Maine	\$875	\$400	
North Country	\$675	\$300	\$675.00
New York City & Long Island	\$3,950	\$1,825	
Hudson Valley	\$1,850	\$1,075	
Philly	\$1,650	\$695	
Northern NJ	\$875	\$575	
Region	~80% Rotation		Resort Selection
Upstate New York	\$675	n/a	
Keystone	\$975	n/a	
Southeast	\$975	n/a	
Chesapeake	\$975	n/a	
XM Satellite	\$850	n/a	
On-Demand	n/a	\$325	
A. TOTAL:			\$8,000

SnapShot TV

Region	Price	Resort Selection
Boston	\$975	\$975.00
Hartford / Springfield	\$975	
Burlington	\$450	
Portland	\$650	
New York City	\$975	
Albany New York	\$975	
Philly	\$975	
Syr., Roch. New York	\$650	
Pittsburgh	\$975	
DC/Balt./VA	\$975	
Chicago	\$750	
SUBTOTAL:		\$975
Multi-Region Discount	3-4 Regions Save 5%	
	5-6 Regions Save 10%	-
	7+ Regions Save 12%	-
Shoot Dates:		
Dec. 2 through March 10	\$1,500	
March 17	\$900	
Requested Shoot Date		
B. TOTAL:		\$975

Date:	Price:	Resort Selection
June 13	\$300	
June 27	\$300	
July 11	\$300	
July 25	\$300	
August 8	\$300	
August 22	\$300	
September 5	\$300	
September 19	\$300	
October 3	\$450	
October 17	\$450	
October 31	\$450	
November 7	\$450	
November 14	\$450	
November 21	\$450	
November 28	\$450	
December 5	\$450	
December 12	\$450	
December 19	\$450	
December 26	\$450	\$450
January 2	\$450	
January 9	\$450	
January 16	\$450	
January 23	\$450	
January 30	\$450	
February 6	\$450	
February 13	\$450	
February 20	\$450	
February 29	\$450	
March 6	\$450	
March 13	\$450	
March 20	\$450	
March 29	\$450	
April 3	\$350	
April 17	\$350	
C. TOTAL:		\$450

Web Ads

*Flight(s) / Date(s)	Total Impressions	ROS or Geo-target	Pre-purchase \$10 (CPM)	TOTALS:
Flight 1:				\$
Flight 2:				\$
Flight 3:				\$
D. TOTAL:				\$

*This represents a pre-order only. A separate Insertion Order will be generated for SnoCountry.com listing specific dates, impressions, targeting, ad specs, etc.

RESORT: Cannon Mountain, NH



Membership Fees: Cannon Mountain ("Resort") applies to receive the benefits associated with membership in NESAC, Inc. d/b/a SnoCountry Ski Areas Association ("SnoCountry") through September 30, 2014 upon payment of membership fees and receipt of ski product:

- ♦ **ANNUAL FEES:** 14¢ per linear foot of total Lift Line Length (LLL). Resort current total LLL is: **18,978 feet. Please verify.**
- ♦ **SKI PRODUCT:** = 59 lift tickets valid for the 2013-14 season and RESORT will ship tickets to SnoCountry by November 1, 2013.

1. Resort agrees to honor SnoCountry invoices for membership and services within the designated time limits. **Options (check one):**

- 3% Discount for Full Payment Received by August 15, 2013
- Full Payment Due November 1, 2013.

Interest will be charged on all past due accounts at 1% monthly, 12% annually on unpaid balance. Services will be discontinued due to non-payment. Prior season past due balances must be paid in full before any 2013-14 services will be rendered. SnoCountry will not make refunds if a resort is unable to operate at any time during the contract period.

2. Return contract to SnoCountry by August 15, 2013, to insure Resort's preferences as purchased in 2012-13. After that date, participation will be open on a first-come, first-served basis and may be limited.

3. In return for full payment of membership dues and ski product, the Resort: a) expects that SnoCountry will make every effort to include them in daily transmissions of snow conditions and special events reports to media partners, b) is entitled to participate in the SnoCountry Mountain Reports radio network, and "SnoCountry SnapShot" television reports, and c) is entitled to participate in SnoNews, SnoCountry.com and special promotions and programs associated with corporate sponsors.

4. Resort agrees to provide: a) complete snow conditions information in accordance with Reporting Standards as published by SnoCountry, b) an updated Resort Profile for use by SnoCountry and its media partners, and c) name of the primary snow reporter(s).

5. SnoCountry will not be responsible for any damages suffered by RESORT. SnoCountry's service is provided on an "as is, as available" basis. SnoCountry gives no warranty, expressed or implied, for the SnoCountry's services, including any warranty of merchantability or fitness for a particular purpose. Any damages incurred by RESORT due to disruption in service by SnoCountry or its affiliates shall be expressly limited to fees paid by RESORT to SnoCountry and shall under no circumstances include reimbursement for losses of income or other consequential damages claimed by RESORT. RESORT agrees that it shall defend, indemnify, save and hold SnoCountry harmless from, and against, any and all demands, liabilities, losses, costs and claims, including reasonable attorney's fees asserted against SnoCountry, its agents, customers, officers, and employees, that may arise or result from any service provided or performed, or agreed to be performed or any product sold by customer, its agents, employees or assigns.

6. Resort agrees to honor the SnoCountry Gold Card issued annually to SnoCountry staff, VIPs, and to the General Manager and Marketing Director of each member ski area. The Gold Card will be sent in December to member resorts in good standing.

Please Initial _____

SnoCountry Totals:	PO#
A: On-Air Radio	\$ 8000.00
B: SnapShot Weekly TV	\$ 975.00
C: SnoNews e-Letter	\$ 450.00
D: Web Ads	\$
SUBTOTAL:	\$ 9425.00
-3% Discount when paid in full by August 15, 2013	\$
2013-14 Membership Fees: Based on 18,978 LLL	\$2,656.92
TOTAL:	\$ 12,081.92

I have read and understand the terms of this agreement.

Agreed to for:

Cannon Mountain, NH

Signature:

Greg A. Keeler

Email:

greg.keeler@dred.state.nh.us

Title:

Marketing Director

Date:

10/17/13

Return to:

SnoCountry Ski Areas Association

Attention: Rob Chandler

FAX: 603.443.8838

rob.chandler@SnoCountry.org