



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL AND CULTURAL RESOURCES
DIVISION OF PARKS AND RECREATION

172 Pembroke Road Concord, New Hampshire 03301
Phone: (603) 271-2411 Fax: (603) 271-3553 E-Mail: nhparks@nh.gov
Web: www.nhstateparks.org

June 8, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Natural and Cultural Resources, Division of Parks and Recreation, Cannon Mountain to enter into a **RETROACTIVE** membership with the NH Ski for Schools (VC #158025), Waterville Valley, NH in the amount of \$28,263 upon Governor and Executive Council approval for the period January 1, 2018 through June 30, 2018. **100% Agency Income**

Funding is available as follows:

03-35-35-351510-37030000

Cannon Mountain

026-500251-35CA0313 Organizational Dues

FY 2018

\$28,263

EXPLANATION

New Hampshire Ski for Schools (NHSS) is a partnership between two major ski resorts (utilizing seven high quality lodging property partners) within the White Mountains region of New Hampshire. Membership provides cooperative international advertising and marketing for Cannon Mountain, well beyond what we could achieve on an individual basis. NHSS markets to its members internationally through personal visitation, brochure distribution, travel shows, media placements, and direct mail. The new partnership was formed on January 1, 2018 after Loon Mountain Recreation Corporation (Resort), without notice or reason given, informed the other member resorts in October, 2017 of its intent to dissolve the partnership, effective December 31, 2017. Loon owned the NHSG name and partnership, thus the need for a new entity. Waterville Valley owns the NHSS name and runs operational logistics for the new partnership. This request is retroactive because the invoice from our partner was neither produced nor processed while said partner was setting up its State Vendor Code.

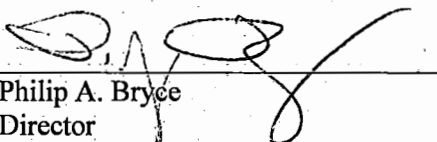
Listed below are the answers to the required questionnaire developed for organizational dues and membership requests:

- 1. How long has this organization been in existence and how long has this agency been a member of this organization?** The NHSS was established in January 2018, after the decision was made by the two remaining partners in October / November, 2017 to form a new partnership and continue to stimulate and generate this revenue, collectively valued at more than a half million dollars annually.
- 2. Is there any other organization which provides the same or similar benefits which your agency belongs to?** No.
- 3. How many other states belong to this organization, and is your agency the sole New Hampshire State agency that is a member?** NHSS is exclusive to New Hampshire, thus no other states are

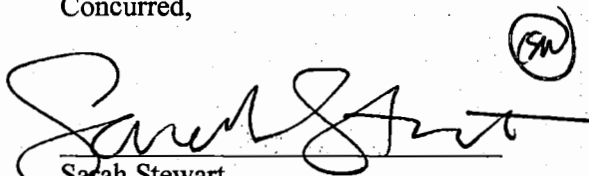
involved; Cannon Mountain is the only state agency involved. Waterville Valley is a private enterprise, as are other the local lodging properties involved.

4. **How is the dues structure established?** Fees are based upon 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 via the budget to determine the rate.
5. **What benefit does the state receive from participating in this membership?** All members are actively promoted as a winter sports destination on the international travel market, with particular emphasis in England, Scotland, Wales (collectively, the UK), and the Republic of Ireland. As a direct result of Cannon Mountain's membership, the ski area 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. Free Independent Travelers (FIT's) also visit Cannon Mountain to ski as a direct result of said marketing efforts.
6. **Are training or educational/ research materials included in the membership? If so, is the cost included?** The cost of membership includes inclusion in an annual promotional printed brochure distributed throughout the UK and Ireland, on the group's website, which is actively promoted in all marketing activity, in regular E-newsletters, and on a web log (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 Business to Business (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 it ski resorts members in tour operating programs. Cannon Mountain is also included in Tour operator Familiarization (FAM) and Press Trips 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?** 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.** Not in FY18 or FY19. We have a full time paid representative in the UK and Republic of Ireland. We may do some added on-site promotion in FY20 and beyond.
9. **Which state agency employees are directly involved with this organization? Indicate whether they are members, voting members, committee members, or officers of the organization.** Franconia Notch State Park / Cannon Mountain Aerial Tramway & Ski Area Sales Manager Julianne Boissoneault, Director of Sales & Marketing Greg Keeler, and General Manager John DeVivo. Collectively, Cannon Mountain and Waterville Valley each have a vote in our NHSS processes.
10. **Explain in detail any negative impact to the State if the Agency did not belong to this organization.** Cannon Mountain would no longer receive pro-active exposure, marketing, and promotion within this ripe international market to the level it currently enjoys – it would no longer be featured in printed and online marketing materials, 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 greatly diminishing.

Respectfully submitted,


Philip A. Bryce
Director

Concurred,


Sarah Stewart
Commissioner

