Visit Pittsburgh
2006 Annual Report

imagine what you can do here!
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In the words of Lanny Frattare, there was “no doubt about it.” Pittsburgh had a great year in 2006. The Steelers’ Super Bowl win, of course, along with Major League Baseball’s All-Star Game, were but two of many exciting highlights.

For VisitPittsburgh, we look back on 2006 as a year marked with great successes and we look ahead to new and exciting initiatives as we prepare for the Pittsburgh region’s 250th anniversary celebration in 2008.

Our lobbying initiatives have gained momentum with the retention of former State Representative Terry Van Horne performing legislative work in Harrisburg and the addition of former State Representative Dave Mayernik. Together, these skilled professionals are working to improve our relationships with both legislators and the administration in Harrisburg. They meet regularly with members of the Allegheny County delegation, key personnel within the Commonwealth’s administration and industry groups to keep everyone current on VisitPittsburgh-related business.

To further boost VisitPittsburgh’s governmental relationships, we have added representatives from both Allegheny County and the City of Pittsburgh to our board. We are proud to say that Mayor Luke Ravenstahl and County Executive Dan Onorato serve as honorary members of VisitPittsburgh’s board. Their representatives regularly attend board meetings and provide a valuable direct communication line to both city and county leadership. Thanks to the government leadership of both County Executive Onorato and Mayor Ravenstahl, doors are being opened for VisitPittsburgh to pursue even more business opportunities – and, we are most grateful for their efforts.

One of the key components of the 250th anniversary celebration of the Pittsburgh region is the “Bring It Home to Pittsburgh” campaign, which launched in April 2006. This initiative encourages corporations, institutions and families to bring their reunions to Pittsburgh in 2008. I’m delighted to serve as co-chair of the Reunions 2008 initiative, along with Esther Bush, president of the Urban League of Pittsburgh. Together, with the much-needed community cooperation, we hope to bring many reunions to the region.

This, in turn, will help grow the economy through overnight visitation and provide a direct impact on restaurants, hotels, transportation and numerous support services. Even more important, these reunions will return expatriates and introduce newcomers to our region, encouraging future tourism and investment in our region and helping to spread the message about Pittsburgh.

We’ll continue to build momentum for that big celebration in 2008 and look forward to all of the excitement that the Pittsburgh anniversary promises. We remain confident that the best years are still ahead!
It was a big year in every way imaginable. In a big move, we changed our name from the Greater Pittsburgh Convention & Visitors Bureau to the much simpler moniker, VisitPittsburgh. The primary reason for the change was to eliminate the historical confusion about who we are and what we do.

It worked. The favorable reception the new name received was astounding. In an editorial, the Pittsburgh Post-Gazette wrote: “That old stuffy name – hard to say and hard to figure out (so what do those people do exactly?) was traded in for a more hip and succinct moniker. VisitPittsburgh says it all.” And, that’s just what we intended it to do!

When it came to sports, there was no better place to be in 2006 than Pittsburgh. How proud we were to call Pittsburgh home during the Steelers run up to the Super Bowl. And, the city never looked better than it did during the festivities surrounding Major League Baseball’s All-Star Game. Perhaps Bill Mazeroski, Pittsburgh Pirates Hall of Famer No. 9, summed it up best: “Look at the city. Look at this ballpark. It’s great to be in Pittsburgh.”

Indeed. That’s what many of the meeting planners and travel writers said when they visited Pittsburgh. And, visit they did! Tourism & Cultural Heritage programs accounted for 283,000 leisure visitors to the Pittsburgh region in 2006. VisitPittsburgh also brought more than 250 convention planners to the city for FAMs and site visits. And, the Marketing & Communications Department hosted 80 members of the media – the most since the opening of the new David L. Lawrence Convention Center.

These writers are helping to solidify Pittsburgh’s place on the map as an environmentally friendly city. In fact, Pittsburgh was repeatedly ranked among the best cities to host “green meetings.” – a niche that we continue to aggressively pursue. Of course, it helps when Continental Airline’s in-flight magazine called Pittsburgh a “clean, green metropolis,” as it did in 2006.

Another big change in 2006 involved the transitioning of our Membership Department to a Partnership Development Department. This new model promises a higher level of customized programs and services that we’re happy to deliver.

This terrific year was an example of great performances by each of VisitPittsburgh’s departments and the continuing collaboration with cultural, governmental and community organizations. As we continue to build relationships with partners, including the Pittsburgh and Its Countryside consortium, Pittsburgh Downtown Partnership, Allegheny Conference on Community Development, David L. Lawrence Convention Center, the Department of Community and Economic Development and you, our business partners, we will continue to showcase the Pittsburgh region to the world.

And, we remain committed to maintaining that high level of performance and look forward to 2008 and beyond!
2006 marked a banner year for VisitPittsburgh’s Convention Sales Department. For the third consecutive year, the sales team experienced growth in a number of key areas.

Last year, the Convention Sales team sold 260,386 future room nights for 2006 and beyond. In 2006, it contributed 252,489 rooms to the overall room night consumption of Allegheny County – the largest in VisitPittsburgh’s history. Smith Travel Research reports that hotel revenue in 2006 increased 9.7 percent over 2005 for the Pittsburgh area, higher than the national average.

In 2006, the Convention Sales team booked 441 meetings and conventions, comprising 198 usage days for the David L. Lawrence Convention Center. These bookings represent an anticipated direct spending of more than $189 million.

To secure these bookings, the Convention Sales staff conducted 33 sales trips resulting in 1,060 personal sales calls on meeting planners. The department also participated in 13 trade shows, which generated 161 leads – a 112 percent increase over 2005. A total of 251 meeting planners were brought to the city for FAMs and site visits throughout 2006.

Another noteworthy achievement involves future business. The team distributed 955 leads for future business opportunities, representing a potential of 928,672 room nights for 2006 and beyond.

The 2006 “Bring It Home” campaign, which encourages local leaders of national organizations to bring meetings to the Greater Pittsburgh area, resulted in 148 bookings that represent 70,000 anticipated attendees and 88,364 room nights for future years. Total “Bring It Home” events booked in 2006 represent $65.4 million in direct spending.

VisitPittsburgh strengthened its three-city partnership with Portland, Ore., and Milwaukee, Wis., by hosting 198 customers at a client event during the American Society of Association Executives’ annual meeting in Boston. The partnership also bid jointly on three conventions involving an East Coast/West Coast/Central U.S. rotations and received positive media attention as a result.

Industry trade publications continued to pay a great deal of attention to Pittsburgh as a “green meeting city” – thanks in large part to the environmentally friendly attributes of the David L. Lawrence Convention Center. In 2006, the city was mentioned in six environmentally friendly-based articles and ranked first, second or third for the “greenest” city for meetings.

At a glance...

- Contributed 252,489 rooms to the overall room night consumption of Allegheny County – the largest in VisitPittsburgh’s history.
- Sold 260,386 future room nights for 2006 and beyond.
- Distributed 955 leads for future business opportunities, accounting for 928,672 room nights – the largest in VisitPittsburgh’s history.
### Top 10 Groups Booked in 2006 (by number of room nights)

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<thead>
<tr>
<th>Group/Event</th>
<th>Room Nights</th>
<th>Year</th>
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<tbody>
<tr>
<td>Order of the Eastern Star Triennial Convention</td>
<td>17,000</td>
<td>2015</td>
</tr>
<tr>
<td>Presbyterian Church USA General Assembly</td>
<td>14,285</td>
<td>2012</td>
</tr>
<tr>
<td>US Air Force Environmental Training</td>
<td>8,815</td>
<td>2007</td>
</tr>
<tr>
<td>East Coast Volleyball Northeast Qualifier</td>
<td>7,360</td>
<td>2007</td>
</tr>
<tr>
<td>National Kidney Foundation Transplant Summer Games</td>
<td>7,080</td>
<td>2008</td>
</tr>
<tr>
<td>Specialty Coffee Association Annual Conference</td>
<td>6,500</td>
<td>2011</td>
</tr>
<tr>
<td>Nortel Networks Users Global Connect</td>
<td>6,115</td>
<td>2009</td>
</tr>
<tr>
<td>International Parking Institute Annual Conference</td>
<td>5,015</td>
<td>2011</td>
</tr>
<tr>
<td>American MENSA Annual Meeting</td>
<td>4,525</td>
<td>2009</td>
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### VisitPittsburgh-Generated Bookings at the David L. Lawrence Convention Center

- **2004** – 25 bookings
- **2005** – 33 bookings
- **2006** – 38 bookings

### Top 10 Groups Hosted in 2006 (by direct spending)

<table>
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<tr>
<th>Group/Event</th>
<th>Amount</th>
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<tr>
<td>2006 All-Star Baseball Game &amp; Events</td>
<td>$52.3 million</td>
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<tr>
<td>National Society of Black Engineers</td>
<td>$13 million</td>
</tr>
<tr>
<td>Association of School Business Officials</td>
<td>$7.8 million</td>
</tr>
<tr>
<td>National High School Wrestling Championship</td>
<td>$6.1 million</td>
</tr>
<tr>
<td>National Association for College Admission Counsel</td>
<td>$5.8 million</td>
</tr>
<tr>
<td>National Trust for Historic Preservation</td>
<td>$3.2 million</td>
</tr>
<tr>
<td>Oncology Nursing Society</td>
<td>$3.1 million</td>
</tr>
<tr>
<td>U.S. Air Force Environmental Training Symposium</td>
<td>$3 million</td>
</tr>
<tr>
<td>Alexander Graham Bell Association for the Deaf</td>
<td>$2.9 million</td>
</tr>
<tr>
<td>American Wind Energy Association</td>
<td>$2.8 million</td>
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VisitPittsburgh’s Convention Sales team hosted 251 meeting planners through site visits and FAM tours in 2006. Here’s what they had to say about Pittsburgh:

- “Who would have thought that Pittsburgh would turn out to be the jewel it is! What a beautiful and modern city that has such a rich history. I would return in a heartbeat. What a clean, modern, vibrant city.”  
  – USA Badminton

- “I am excited to bring my meeting to Pittsburgh. It’s a great city for my attendees.”  
  – American Society for Histocompatibility & Immunogenetics

- “Fantastic! It’s a great city. The people were friendly and I liked the condensed aspect, the number of restaurants and theatre district. The convention center is outstanding.”  
  – Society for College and University Planning

- “Pittsburgh is a beautiful city!”  
  – Pension Management Co.
From airport pickups to site visits, and from welcome letters to welcome signs, the Convention Services Department aims to please. Providing a level of service that is both proactive as well as personalized for each and every meeting planner and group is what VisitPittsburgh’s Convention Services Department is all about.

In 2006, the award-winning department provided hands-on help to scores of meeting planners and tens of thousands of conventioneers. The high-level service provided by VisitPittsburgh to meeting planners and conventioneers resulted in repeat business for Pittsburgh. Witness the United States Air Force, which returns in 2007 with its Environmental Symposium, and the likelihood of future National Society of Black Engineers annual convention and ESPN Bassmaster tournament qualifying events. All of these entities were so satisfied with the level of service provided that they intend to return to Pittsburgh.

VisitPittsburgh’s Convention Services Department provided “Silver Platter Service” to in 2006 are:

- National Society of Black Engineers, the largest convention of the year, attracted 10,000 people over a five-day period. Because the conference proved so successful, organizers are looking at a return to Pittsburgh for future conferences.

- Worked with Major League Baseball and Pittsburgh Pirates to help coordinate the successful 2006 MLB All-Star Game.

- American Wind Energy Association drew more than 4,500 business and utility leaders, policy makers and renewable energy advocates to Pittsburgh for the association’s largest conference and trade show ever.

- National Trust for Historic Preservation drew 2,300 attendees – the Trust’s third-highest attendance ever.

VisitPittsburgh’s commitment to service is further exemplified by the many industry awards that it receives, including the prestigious Meetings & Conventions 2006 Gold Service Award. Through totally unaided recall, meeting planners voted for the top convention and visitors bureaus throughout the world and selected VisitPittsburgh as one of the best. VisitPittsburgh is also a multi-year winner in other trade publications, including Corporate & Incentive Travel, Successful Meetings and Facilities & Destinations.

VisitPittsburgh’s commitment to service is demonstrated with its new “Service on a Silver Platter” initiative. This new program alerts meeting planners to the high level of service they can expect from VisitPittsburgh.

To ensure successful events, the Convention Services Department worked with representatives from the City of Pittsburgh Mayor’s and County Executive’s offices, City Council and County Council to discuss issues of security, traffic, crime prevention, public relations and promotion. In addition, the team worked with the Ground Transportation Enhancement Group to ensure sufficient ground transportation for planned conventions. Meeting planners appreciated the level of customer service they received from the Pittsburgh community at large.
• Processed 6,446 room reservations for seven citywide conventions totaling 25,138 room nights.


• Placed more than 1,000 restaurant reservations and referrals for 21 major conventions.

“... particularly grateful for your responsiveness, attention to detail and willingness to adjust to the demands of this event. Your knowledge of the city, the facilities we used and recommendations for venues for various events was a huge help. Our meeting saw record attendance.”
– National Association for College Admission Counseling

“I would be delighted to recommend VisitPittsburgh’s services to fellow Pittsburghers who might be considering hosting a convention. It was a big job, but it was also an easier job just knowing that I had your staff’s expertise and advice on my side.”
– Pittsburgh Post-Gazette on behalf of the National Conference of Editorial Writers

“You made us feel welcome from Day 1 and were responsive to our requests and made sure our convention attendees were well taken care of. With your help, this year’s event on March 29-April 2 was undoubtedly one of our best ever.”
– National Society of Black Engineers
In 2006, the Tourism and Cultural Heritage Department (TCH) tracked 283,000 visitors to the region coming from markets in which department-generated advertising was placed. This accounts for more than $62.6 million in direct spending – a 15 percent increase over 2005.

The Pittsburgh and Its Countryside region also had the highest increase in revenue generated per available hotel room in all of Pennsylvania – a 9.3 percent increase over 2005.

By joining media-buying capabilities of both VisitPittsburgh and Pittsburgh and Its Countryside regional marketing consortium, $1 million was spent in combined departmental marketing and regional advertising campaigns to drive overnight tourism business.

By partnering with regional cooperative advertisers, VisitPittsburgh was able to better leverage combined marketing dollars on behalf of regional attractions. In 2006, the number of cooperative advertisers increased 42 percent over the previous year.

Tourism advertising in 2006 reached Buffalo, Cleveland, Columbus, State College, Johnstown, Erie, Youngstown, Altoona and Harrisburg. Thanks to a data mining system that enabled VisitPittsburgh to identify a demographic profile of “likely buyers” of Pittsburgh, TCH was also able to save significantly in direct mail marketing costs by communicating with 90 percent of buyers through 40 percent of the customer database. Zip code tracking of TCH marketing partners revealed that between 5 and 15 percent of the audiences at promoted events came from targeted VisitPittsburgh advertising markets.

Media selected to market to leisure travelers included an extensive direct mail campaign to more than 200,000 households in targeted markets, as well as Internet, newspaper and magazine advertising. In addition, three new billboards were created and placed along the Pennsylvania Turnpike.

The VisitPittsburgh message is clearly being heard. Altogether, more than 1.7 million requests came to VisitPittsburgh in 2006. The number of walk-in visitors at VisitPittsburgh Welcome Centers more than doubled, with 95,826 visitors stopping by in 2006.

Throughout the year, TCH collaborated with numerous tourism groups and entities to promote leisure travel. The department supported 90 different partner events, a five percent increase in events from 2005.

**Among the events promoted by TCH:**

- Super Bowl XL Celebration in Pittsburgh
- Major League Baseball’s All-Star Game and FanFest
- Pittsburgh Neighborhood Tours
- Pittsburgh International Children’s Festival
- Three Rivers Arts Festival
- Pittsburgh Irish Festival
- PNC Broadway Across America - Pittsburgh’s Spamalot
- Pittsburgh CLO’s Forbidden Broadway
Specifically, the department collaborated with Pittsburgh Roars to promote the region’s vast array of arts and cultural attractions and events. A special Pittsburgh Roars section on VisitPittsburgh's web site detailed events and discount offers and a Pittsburgh Roars overnight getaway included a variety of attractions.

TCH worked extensively with the Commonwealth’s Cultural Heritage Tourism office and the Pennsylvania Council on the Arts to promote a variety of regional festivals, with several enjoying the highest attendance in their histories.

TCH also joined with regional partners to promote Western Pennsylvania’s Underground Railroad history and with the Pittsburgh neighborhoods to promote a new state-funded tourism Web site, www.pittsburghneighborhoodtours.com.

TCH continued to focus on “Create-Your-Own” getaways that offered up to 50 percent off attraction tickets. The most successful getaway package sold was the popular “Baseball in the ‘Burgh” getaways with the Pittsburgh Pirates, which accounted for more than 14 percent of overnight getaway sales through VisitPittsburgh in 2006.

In order to increase sources of funding, the department hired its first corporate marketing director. This organization-wide initiative helps recruit new business, grows existing partnerships and funding streams and creates sponsorship/marketing opportunities to benefit VisitPittsburgh and partners. In 2006, TCH raised 23 percent of its total tourism income from grants, thanks to the generous support of three local foundations.

Reunion 2008 Launched in ’06

“Reunion 2008,” a key component of the 250th anniversary celebration of the Pittsburgh region, kicked off in April. Planning meetings throughout Pittsburgh and Its Countryside brought together more than 400 community leaders in an effort to bring corporate and family reunions to southwestern Pennsylvania in 2008.

The Reunion 2008 initiative is being organized by the Pittsburgh 250th Anniversary Commission, with support from the Allegheny Conference on Community Development, the Senator John Heinz Pittsburgh Regional History Center and VisitPittsburgh.

Co-chairs of Reunion 2008 are Esther Bush, president of the Urban League of Pittsburgh and Jeffrey W. Letwin, VisitPittsburgh chair and managing partner of the Pittsburgh office of Schnader Harrison Segal & Lewis LLP.
In 2006, TCH’s group tour operations realized a 20 percent increase in motorcoach room nights booked, as Pittsburgh and its Countryside welcomed 43,000 overnight guests and 108,000 day trippers. These visits resulted in a total of $39.3 million in direct spending from motorcoach groups coming to the region.

Staff from the group tour division met with 436 tour planners and operators at 18 trade and group leader shows. These activities resulted in 260 leads that were sent to VisitPittsburgh partners – a 15 percent increase from 2005 totals.

Ground was laid by the group tour staff to attract nearly 750 guests from north of the border to visit Pittsburgh through a sales effort spearheaded by Great Canadian Tours of Kitchener, Ontario. The “Mystery Tour” to the region was a complete success with visitors raving about the experiences they had in Pittsburgh.

International arrivals to Pittsburgh increased 26 percent in 2006, reflecting a nationwide trend in travel to the United States. International roomnights totaled nearly 104,000. The department attended state-sponsored international travel shows and held a special promotion together to celebrate the Pittsburgh Symphony Orchestra’s extensive European tour by hosting U.K. operators at a concert at Royal Albert Hall.

At a glance...

- Tourism and Cultural Heritage programs helped generate $62.6 million in spending from visitors to the Pittsburgh region.
- More than 1.7 million requests came to VisitPittsburgh in 2006 via Internet, phone calls, mail and walk-in visits to Welcome Centers, a 50 percent increase over 2005.
- The group tour business to Pittsburgh generated a 20 percent increase in room nights from motorcoach tours.
Super Bowl Fever

No question that Super Bowl XL brought enormous attention to the city of Pittsburgh from all over the world! And, VisitPittsburgh seized the moment in the run up to the Big Game convening a 50-person meeting to determine how the city could best capitalize from this opportunity.

VisitPittsburgh served as ‘Communications Central’ for all of the Steelers-related activities going on around town. And, there was plenty going on to promote! VisitPittsburgh championed a Biggest Steelers Fan Contest, created a Super Bowl Getaway Package and promoted Black and Gold Week across Steelers Nation. These activities resulted in considerable media exposure in local, regional and national press.

The VisitPittsburgh Web site scored big in the weeks leading up to the Super Bowl – with more than 5.2 million hits to www.visitpittsburgh.com. Nearly 20,000 people downloaded e-postcards and black and gold “permission slips.” Working with PNC Financial Services Inc., VisitPittsburgh also helped to produce and distribute 100,000 cheer cards to fans during the Steelers Victory Parade.

Winning a unique Super Bowl wager with Seattle Convention & Visitors Bureau also helped VisitPittsburgh’s efforts. As a result of the “Destination Challenge,” the Seattle CVB had to promote Pittsburgh in numerous ways, including answering their telephones for a week by saying “...Get to know another great city – Pittsburgh,” as well as a link on their home page to www.visitpittsburgh.com and an advertisement in an industry trade magazine congratulating the Pittsburgh Steelers.
A new name, a new look, strategic marketing and pro-active public relations took VisitPittsburgh to a heightened level of success locally, nationally and internationally in 2006. The Marketing & Communications Department continued its aggressive pursuit of opportunities to promote the Pittsburgh region as an extremely desirable convention and leisure destination. Simultaneously, the Department was successfully able to build awareness of VisitPittsburgh’s role in marketing the region to the world.

From increasing the number of press tours to expanding the advertising campaign – made possible by combining the VisitPittsburgh and Pittsburgh and Its Countryside budgets – and from securing new sources of funding to designing a program that continues to build a new level of awareness in the local community, 2006 saw new initiatives, expanded visibility and measurable cost savings.

The department hosted 80 international and domestic writers in 2006. A total of 1,240 positive articles generated an ad value of over $4 million as a result of the pro-active media relations campaign. The Department was successful in placing stories in such prestigious publications as The Washington Post, Cincinnati Enquirer, US Airways Magazine, Cleveland Magazine, Seattle Post-Intelligencer, The Baltimore Sun, Frommer’s Budget Travel, and industry publications, including Convene, Successful Meetings, Meetings & Conventions and The Meeting Professional.

Strategies to brand the organization’s new name in the local media resulted in extensive coverage.

The Local Awareness Campaign moved into high gear with the writing, production and airing of a 15-second television spot on KDKA TV. The spot was designed to enlighten viewers as to the valuable contributions to the region made by VisitPittsburgh. Production and air time were generously provided by KDKA. A radio campaign included 15-second spots that aired on KQV and WDUQ Radio.

Other notable articles and broadcast interviews focused around VisitPittsburgh’s Annual Meeting, National Society of Black Engineers’ conference, Super Bowl XL and Major League Baseballs’ All-Star Game.

The Marketing & Communications Department continued in its role as manager for all publications and projects produced by VisitPittsburgh. The department directed the creative development, wrote copy, bid and negotiated rates, and secured discounts and value-added opportunities.

The department works in conjunction with all departments to meet their marketing needs. The following publications were produced in 2006: 2005 Annual Report (Merit Winner, Public Relations Society’s 2006 Renaissance Award), Official Visitors Guide, Convention Services Guide, EventSource and Reunion 2008 Planning Kit. In addition, the department created 15 unique direct mail pieces (winner of the Public Relations Society’s 2006 Renaissance Award), 28 newspaper consumer and convention sales ads, and more than a dozen advertorials for convention industry and consumer publications.

By serving as VisitPittsburgh’s in-house advertising agency, the department saved over $200,000 in retainer fees and an additional 15 percent savings in commissions was realized on advertising and print insertions.
In addition, the Department successfully secured two grants, including $50,000 from the Heinz Endowments for the Public/Private Art Tour and the production and print of PLACENOTES, a collection of Pittsburgh-themed postcards to be distributed in museum gift shops throughout the country. (The PLACENOTES are slated for 2007.) A $57,000 grant from Equitable Resources Foundation will be used for a “prototype” commercial as a component of the 2007 Local Awareness Campaign.

The department also designed and executed a new, modern, technologically advanced Visitor Information Booth for the David L. Lawrence Convention Center, which will premiere at the Restaurant Association Trade Show in 2007.

The department introduced its first-ever photo contest – VisitPittsburgh Online Photo Contest. Besides generating publicity, the contest, which continues in 2007, resulted in the acquisition of hundreds of photos.

The Internet also continues to grow in importance to VisitPittsburgh’s overall marketing and communications efforts. Consider this: Web visits to www.visitpittsburgh.com grew from about 800,000 in 2005 to a whopping 1.6 million in 2006 – a 50 percent increase. And, nearly 200 new pages of content were developed as well.

“‘It’s just kind of quirky, funky and real, more organic, built by Europeans and other immigrants. The only other American cities that I find as geographically interesting are maybe San Francisco and Asheville, N.C.’”
– The New York Times

At a glance...

• A total of 1,240 positive articles generated an ad value of over $4 million as a result of the pro-active media relations campaign.

• Hosted 80 domestic and international writers.

• By serving as VisitPittsburgh’s in-house advertising agency, the department saved over $200,000 in retainer fees and an additional 15 percent savings in commissions.
2006 marked a year of dramatic change for VisitPittsburgh. The change from a membership model to a partnership model is reflected in today’s competitive business climate. Businesses no longer look to join organizations solely for goodwill, community participation or social networking. Instead, they look for business and marketing opportunities that will provide a clear and measurable return on investment.

In response to this emerging trend, the newly named “Partnership Development” Department successfully launched the new business model and began rolling out customized packages in the fourth quarter.

This new model packages products and programs based on specific values, versus a business-category or tiered partnership schedule. Simply put: The new model will allow supporters to pay for and receive the exact services they want.

During 2006, 105 businesses became active partners in destination marketing. These new partners, along with long-term partners, brought the partnership base to 798 partners valued at $466,999 in dues – up from 2005 dues revenue. In addition, the department generated $309,241 in advertising sales, $73,670 in non-dues revenue and $45,000 in corporate sponsorship revenue. All told, the department’s efforts generated a total of $864,544 in income and sales during 2006.

In addition, a newly established hybrid sales and service team was created, with representatives joining from both the Partnership Development and Tourism and Cultural Heritage departments. This joint effort creates new opportunities to provide customized marketing assistance and product development to VisitPittsburgh partners.

In addition to its ongoing efforts linking partners with visiting customers, the Partnership Department hosts regular educational opportunities and networking events. The department hosted 22 events during the year, providing a dynamic environment for B2B marketing and attracting 1,200 representatives from partner organizations. In an effort to provide partners with dynamic networking opportunities, the Partnership Department established a new bi-monthly event called “First Tuesday,” a new theme for events used for breakfast meetings, luncheons and networking events. This theme will be continued during 2007.

The Partnership Department developed a new e-mail newsletter, called Partner Pieces, to promote “call to action” items to partners, promote events and increase communication.

At a glance...

- Successfully launched a new business model for “partnership” and began rolling out customized packages in fourth quarter.
- Recruited 105 new partners.
- Generated $864,544 in total partnership sales.
All-Star – All the time

It was All-Star all the time as Pittsburgh celebrated a great week with Major League Baseball. More than 200,000 people took advantage of the tremendous amount of activity around the All-Star Game. And, Pittsburgh’s participation in All-Star FanFest ranked among the top five!

Just look at the numbers:

• 106,000 people had great fun at FanFest
• 40,000+ attended the sold-out Home Run Derby
• 40,000+ attended the sold-out All-Star Game
• 40,000+ lined the streets during the Red Carpet Parade
• Over 31 million watched the broadcast worldwide!

And, Pittsburgh never looked better! Fox Network broadcast great images of the city, showcasing our uniquely beautiful skyline.

In addition to participating in the All-Star Community Committee that worked to make the All-Star week a tremendous success, VisitPittsburgh established an “ambassador” hospitality training program for front-line staff in the hospitality industry to ensure a first-class event.

Thanks to all of our partners and to all of Pittsburgh for their help in making the city shine!
Foundation funding of VisitPittsburgh projects was strong in 2006 with numerous foundations renewing grant funding for Cultural Tourism projects and several new grants awarded. (While some private foundations indicated that 2006 would be their last year of funding of the operations of Cultural Tourism, they did give an indication that they would be interested in funding specific projects of the initiative.)

Hotel tax income during 2006 was $647,582 over budget projections. The credit of this healthy line item is attributed to the overwhelmingly successful MLB All-Star week, the success of the Steelers 2005-06 post season and increased convention business. Co-operative advertising showed an increase in 2006.

The department continued to make improvements in VisitPittsburgh’s financial reporting systems. In 2006, this involved a number of upgrades to the Financial Edge accounting software and developing several new reports to manage the budgeting and financial reporting process. In addition, the department focused on a number of issues centered on increasing and maintaining the security of system data. An outside audit of VisitPittsburgh’s network system security revealed that our system hardware and software is safe from most attacks and loss.

In addition, the department took on the task of consolidating the 401(k) and pension plans. The new consolidated plan includes all of the benefit of the two old plans, along with a number of reporting and educational improvements – while reducing overall plan expenses. The consolidated plan was well received by the staff.

During 2006, VisitPittsburgh successfully executed benchmarked human resource strategies and initiatives. This ensures that we continue our successful recruitment and retention strategy while maximizing employee satisfaction and performance.

VisitPittsburgh had a voluntary turnover rate of 7 percent – an outstanding indicator that our workforce is stable and morale high. In addition, our succession policy and talent development program were fine tuned.

For the third consecutive year, VisitPittsburgh successfully performed multiple service initiatives to honor the legacy of Dr. Martin Luther King Jr. These included a blood drive, service opportunities on the Dr. King holiday and a food drive to benefit the Greater Pittsburgh Community Food Bank. The food drive collected a record 2,190 lbs. of food.

VisitPittsburgh successfully recruited a volunteer team for its 6th annual United Way “Day of Caring” in October at the Homestead Charter School. This kicked off an enormously successful 2006 United Way campaign, collecting an impressive $8,476 – a 50 percent increase over 2005 contributions.

**At a glance...**

- Held the voluntary turnover rate to just 7 percent, an outstanding benchmark and indicator of employee satisfaction.
- Hotel tax income was over projections.
- Audit of network system security revealed that system hardware and software is safe.
## Financial Highlights

### Sources of Funding

<table>
<thead>
<tr>
<th>Source of Funding</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership Investment</td>
<td>$482,010</td>
<td>450,163</td>
</tr>
<tr>
<td>Allegheny County Hotel Room Tax Revenue</td>
<td>5,767,938</td>
<td>5,106,290</td>
</tr>
<tr>
<td>Commonwealth of Pennsylvania Tourism Promotion Grant</td>
<td>1,044,387</td>
<td>1,000,062</td>
</tr>
<tr>
<td>Commonwealth of Pennsylvania Regional Marketing Initiative Grant</td>
<td>1,347,859</td>
<td>1,300,000</td>
</tr>
<tr>
<td>Restricted Grants and Revenues*</td>
<td>1,167,200</td>
<td>340,000</td>
</tr>
<tr>
<td>Advertising and Sponsorships</td>
<td>471,570</td>
<td>397,773</td>
</tr>
<tr>
<td>Contributions In Kind</td>
<td>187,167</td>
<td>190,826</td>
</tr>
<tr>
<td>Participation Fees</td>
<td>219,049</td>
<td>220,125</td>
</tr>
<tr>
<td>Merchandising Income</td>
<td>131,880</td>
<td>189,068</td>
</tr>
<tr>
<td>Contract Services</td>
<td>72,066</td>
<td>120,471</td>
</tr>
<tr>
<td>Interest Income</td>
<td>36,259</td>
<td>19,165</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>22,116</td>
<td>23,743</td>
</tr>
<tr>
<td><strong>Total Support and Revenue</strong></td>
<td>$10,949,501</td>
<td>9,357,686</td>
</tr>
</tbody>
</table>

*Restricted Grants and Revenues include $665,228 given to the GPCVB Educational Foundation to fund specific projects which will take place in 2007 and beyond.

### Expenses

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convention Initiatives:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convention Sales</td>
<td>$3,613,090</td>
<td>3,613,556</td>
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<tr>
<td>Convention Services</td>
<td>908,953</td>
<td>874,116</td>
</tr>
<tr>
<td>Tourism Initiatives:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourism and Cultural Heritage</td>
<td>3,136,998</td>
<td>3,444,573</td>
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<tr>
<td>Website</td>
<td>206,579</td>
<td></td>
</tr>
<tr>
<td>Marketing &amp; Communications</td>
<td>366,374</td>
<td>328,053</td>
</tr>
<tr>
<td>Partnership Development/Services</td>
<td>650,328</td>
<td>684,420</td>
</tr>
<tr>
<td>Management/Operating</td>
<td>588,266</td>
<td>504,104</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$9,470,588</td>
<td>9,448,822</td>
</tr>
</tbody>
</table>
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