

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL CORRESPONDENCE
CONVENTION & VISITORS BUREAU**

TO: Mayor and City Council

FROM: Melvin Tennant, Director Convention & Visitors Bureau

THROUGH: Terry M. Brechtel, City Manager

COPIES: Roland A. Lozano, Assistant to the City Manager

SUBJECT: A – Session: Advertising Agency Selection

Date: August 5, 2004

SUMMARY AND RECOMMENDATION:

This ordinance authorizes the selection of Garcia 360 to assist the City of San Antonio Convention and Visitors Bureau in its advertising, marketing, and public relations programs for a three (3) year period with two (2) additional two (2) year terms at the sole discretion of City Council, and authorizes the City Manager and staff to negotiate a contract, consistent with the RFP and associated contract within the RFP, with the selected firm for said services.

BACKGROUND

The RFP sought qualified proposals from full service entities with advertising, marketing, strategic planning, public relations, and research expertise to assist the Convention and Visitors Bureau (CVB) in the development and implementation of its advertising, public relations and marketing programs as well as promoting San Antonio as a leading convention, domestic and international visitor destination.

During a City Council B Session on January 22, 2004, City Council approved the CVB 2004 Advertising Agency Services RFP process. This process overview included an outline of the overall schedule, process objectives, selection criteria, and evaluation committee.

The Evaluation Team included the following representatives:

- Henry Feldman – President, La Mansion Hospitality
- John Bloodsworth – Vice President External Affairs, Warm Springs Rehabilitation Center
- Jelynn Burley – Assistant City Manager
- Roland Lozano – Assistant to the City Manager
- Melvin Tennant – Director, Convention & Visitors Bureau
- Mike Abington – Director, Alamodome
- Mike Sawaya – Director, Convention Facilities
- Felix Padron – Director, Cultural Affairs
- Ramiro Cavazos – Director, Economic Development

Other staff members served in an advisory capacity from various departments including Asset Management, City Attorney's Office, Convention & Visitors Bureau, Economic Development and Finance. Consulting services (Wanamaker & Associates) were utilized to assist in ensuring the integration of industry best practices throughout the process.

Additionally, staff has updated and briefed City Councilmen Roger Flores and Ron Segovia, ex-officio members of the Convention and Visitors Commission at key points in the process.

The approved selection criteria is as follows:

Strategic Ability	25
Creative Design Ability/Production	20
Background & Qualifications	15
Fiscal Analysis	15
Responsiveness to RFP	5
SBEDA	<u>20</u>
Total	100

POLICY ANALYSIS:

The RFP was released on February 19, 2004 and closed on March 31, 2004. A pre-proposal conference was conducted on March 9, 2004 and attended by more than thirty (30) attendees representing sixteen (16) agencies. Upon the closing date, six (6) responses were received by the City: About Face Partners (San Antonio, Tx), Bromley Communications (San Antonio Tx), Creative Civilization (San Antonio Tx), Garcia 360 (San Antonio, Tx), New Media Worx (Oklahoma City, Ok), and Tocquigny (Austin, Tx).

On April 14, 2004, three (3) firms were short-listed based on the initial assessment of the Evaluation Team:

Bromley Communications
Creative Civilization
Garcia 360

Full team presentations and interviews were conducted on May 19, 2004. Presentations were one (1) hour and fifteen (15) minutes in length and consisted of presentations by agencies of responses to pre-supplied questions, demonstration of creative materials, and a question and answer period. Additionally, Chief Executive Officer (CEO) and/or Principal interviews were conducted on May 26 and 28, 2004.

Utilizing the Evaluation Criteria previously approved, the Evaluation Team concluded their assessment based on written proposals, formalized presentations/interviews, and CEO interviews. The Evaluation Team members scores were averaged and resulted in the following:

	Creative Civilization	Bromley Communications	Garcia 360
Strategic Ability 25 Points Max	16.8	17.1	20.2
Creative Design Ability/Production 20 Points Max	15.1	15.1	15.6
Background & Qualifications 15 Points Max	10.3	11.7	11.3
Fiscal Analysis 15 Points Max	9.6	11.8	11.7
Responsiveness to RFP 5 Points Max	3.9	4.2	4.0
Local Business Enterprise 10 Points Max	10.0	10.0	10.0
Historically Underutilized Enterprise 5 Points Max	5.0	2.1	5.0
Compliance w/SBEDA Policy 5 Points Max	5.0	4.0	5.0
TOTAL SCORE	75.8	76.1	82.8

Garcia 360 Team rated highest consistent with RFP criteria and requirements. Additionally, Garcia 360 Team maintains a variety of destination marketing / travel & tourism experience:

Museum of Fine Arts Houston
Mexicana Airlines
Laredo SACVB
Fiesta Texas
Hummel Museum
La Mansion Hotel
Texas State Aquarium
Natural Bridge Caverns
La Posada Hotel
Flying L Guest Ranch

Tamaulipas, Mexico
SACVB
Hyatt Hill Country Resort
St. Anthony Hotel
Sea World of Texas
San Antonio Zoo
Natural Bridge Wildlife Ranch
American Airlines
Corpus Christi Greyhound Racetrack

Other characteristics of the rationale for Garcia 360: are their demonstration of strong creative experience coupled with demonstrated results; depth of applicable experience; result tracking for projects; research based decisions; supports advertising/media purchasing in-house; inside/out repositioning; and integration with CVB staff marketing initiatives.

Team members of Garcia 360 are outlined below:

- Garcia 360: Prime Contractor, Project Leader, Strategy, Account, Creative and Business Management
- Thompson Agency: Strategy, Research, Creative
- Media Rare Inc.: Media Planning, Media Buying, Media Analysis
- Kay Floyd & Assoc.: Public Relations, Event Marketing
- Richard Terrell: Consultant / Destination Marketing

Other primary accounts and/or projects managed by Garcia 360 Team include: Center for Disease Control (CDC), Home Depot, Argonaut Group, Audi and San Antonio Water Systems (SAWS)

An update on the RFP process, evaluation results, and Agency presentations were conducted during a B Session on July 22, 2004. It was recommended a continuation of that presentation be scheduled for the July 29, 2004 A Session.

Subsequently, a continuation of the update on the RFP process and evaluation results were conducted during A Session on July 29, 2004. A copy of the powerpoint presentation presented during the July 29, 2004 A Session is attached.

FISCAL ANALYSIS:

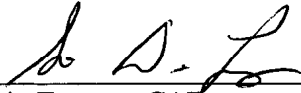
The proposed budget for this program entering FY 05 will be an estimated \$6.1 million annually. Additional funds may be expended through this agreement for other advertising related services such as fulfillment, collateral, and telemarketing. All funds are from the Community and Visitors Facility Fund and are derived from Hotel Occupancy Tax collections. There is no General Fund impact.


RECOMMENDATION:

It is the recommendation of the Convention & Visitors Bureau Advertising Agency Contract RFP Evaluation Committee and City Staff that Garcia 360 be awarded this professional services contract and that staff proceed with the negotiation of this contract. Upon completion of the negotiations of the contract with the selected contractor, staff will bring an item to City Council to approve the negotiated contract.

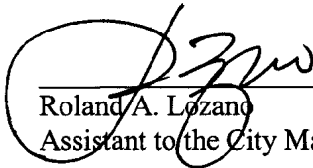
COORDINATION:

This process and presentation has been coordinated with a number of City departments including Asset Management, City Attorney's Office, Budget and Management, and Economic Development.




 Melvin Tennant, CAE
Director, Convention & Visitors Bureau

Approved:



Roland A. Lozano
Assistant to the City Manager



Terry M. Brechtel
City Manager

SACVB Advertising Agency Services Contract RFP Process & Review

**Agenda Item # 33
July 29, 2004**

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PRESENTATION OVERVIEW

- **Background**
- **CVB Sales & Marketing Overview**
- **CVB Marketing Reorganization**
- **Evaluation Results and Rationale**
 - **Process Objectives**
 - **Evaluation Criteria**
 - **Evaluation Team**
 - **Evaluation Results**
 - **Highest Rated Agency Overview**
- **Next Steps**

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BACKGROUND

- **RFP sought qualified proposals from full-service entities with advertising, marketing, strategic planning, public relations, and research expertise to assist the SACVB**
 - in the development and implementation of its advertising, public relations and marketing programs
 - in promoting San Antonio as a leading convention, domestic and international visitor destination

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BACKGROUND

- **Engaged services of consultant (Wanamaker & Associates) to ensure utilization of industry best practices**
 - Review RFP prior to finalization
 - Selection criteria / best practices
 - Presentation format / best practices
 - Provide technical assistance to Evaluation Team as required

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CVB SALES & MARKETING OVERVIEW

Our Mission

To promote and market San Antonio as a premier visitor and convention / meeting destination for the purpose of positively affecting the city's economy.

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CVB SALES & MARKETING OVERVIEW

What is at stake?

- **Contributes \$7.2 Billion Annually to Local Economy**
- **Hosts 20 Million Total Visitors Annually**
- **Employs 86,000**
- **Is San Antonio's Second Largest Industry**
- **Texas' Number 1 Destination**
- **State's Highest Occupancy**

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CVB SALES & MARKETING OVERVIEW

Influencing Buying Decisions

- **Direct Sales**
- **Tradeshows**
- **Advertising**
- **Collateral Materials**
- **Promotions / Special Events**
- **Client Site Inspections / Buyer Tours**
- **Public Relations**

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CVB MARKETING REORGANIZATION

Organizational Analysis

- *Staff Surveys & Interviews*
- *COSA/Strategic Advisory Group
Organizational Review*
- *Staff Work Retreats*
- *Observations and Experience*

Organizational Analysis Findings

- *Experienced and Dedicated Staff*
- *Unclear Objectives*
- *Duplication of Efforts*
- *Internal Communication Lacking*
- *Changing Competitive Marketplace*

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CVB MARKETING REORGANIZATION

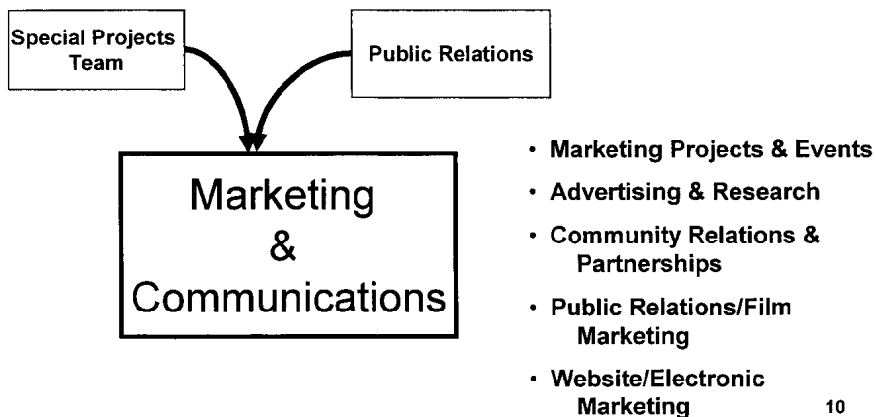
Making Us a Better Organization

- *Sales and Services Reorganization*
- *Creation of Special Projects Team*
- *Staff Retreats/Input*
- *Policies and Procedures Documentation*
- *Broader Involvement in Marketing Plan Development*
- *Expansion and Consolidation of Marketing Efforts*

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CVB MARKETING REORGANIZATION

Marketing & Communications Evolution



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EVALUATION RESULTS & RATIONALE PROCESS OBJECTIVES SUMMARY

Current contract with Bromley

Communications expires Sept. 30, 2004

- Council approved a two-year contract beginning on October 1, 2000, with a renewal option for an additional two-year period
- Council exercised the renewal option in September 2002 approving a contract through September 2004

EVALUATION RESULTS & RATIONALE PROCESS OBJECTIVES SUMMARY

- **Select Full Service Entity:**
 - That best markets San Antonio through effective advertising and marketing
 - That maximizes the effectiveness of the overall marketing efforts of the CVB
 - Preferred Agency qualifications:
 - Focused and targeted messaging
 - Strong accountability and ROI measures
 - Continuity of Agency staff
 - Strong integration with CVB resources
- **Establish longer term relationship**
- **Provide for an open and equitable opportunity for all interested parties**

EVALUATION RESULTS & RATIONALE EVALUATION CRITERIA SUMMARY

• Strategic Ability	25
• Creative Design Ability/Production	20
• Background & Qualifications	15
• Fiscal Analysis	15
• Responsiveness to RFP	5
• SBEDA	<u>20</u>
Total Points	100

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EVALUATION RESULTS & RATIONALE EVALUATION TEAM

- COSA Staff
 - Jelynn Burley - Assistant City Manager
 - Roland Lozano – Assistant to the City Manager
 - Melvin Tennant – Director, Convention & Visitors Bureau
 - Michael Abington – Director, Alamodome
 - Michael Sawaya – Director, Convention Facilities
 - Felix Padron – Director, Office of Cultural Affairs
 - Ramiro Cavazos – Director, Economic Development
- Convention & Visitors Commission (CVC)
 - Henry Feldman – President, La Mansion
 - John Bloodsworth – VP External Affairs, Warm Springs Rehabilitation
- Other Team members serving in an advisory capacity

Asset Management	City Attorney's Office
Convention & Visitors Bureau	Economic Development
Finance	Consultant (Wanamaker Associates)
- CVC ex-officio members updated at key points in the process
 - Councilman Roger Flores
 - Councilman Ron Segovia

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EVALUATION RESULTS & RATIONALE

	Creative Civilization	Bromley Communications	Garcia 360 Communications
Strategic Ability 25 Points Max	16.8	17.1	20.2
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TOTAL SCORE	75.8	76.1	82.8

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-Based on the average 9 scoring members

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HIGHEST RATED AGENCY OVERVIEW

- **Evaluation Team Rationale - Garcia 360 Team**
 - Highest rated / scored agency consistent with RFP requirements
 - Team members:
 - Garcia 360
 - (Prime Contractor, Project Leader, Strategy, Account, Creative and Business Management)
 - Thompson Agency
 - (Strategy, Research, Creative)
 - Media Rare Inc
 - (Media Planning, Media Buying, Media Analysis)
 - Kay Floyd & Assoc
 - (Public Relations, Event Marketing)
 - Richard Terrell
 - (Consultant / Destination Marketing)
 - Other accounts / projects
 - Center for Disease Control (CDC)
 - Home Depot
 - Argonaut Group
 - Audi
 - SAWS

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HIGHEST RATED AGENCY OVERVIEW

- **Evaluation Team Rationale - Garcia 360 Team (cont.)**
 - Destination marketing / travel & tourism experience
 - Mexico – State of Tamaulipas
 - Fiesta Texas
 - Hyatt Hill Country Resort
 - St. Anthony Hotel
 - Demonstrated strong creative experience
 - Depth of applicable experience
 - Result tracking for projects
 - Research based decisions
 - Supports advertising/media purchasing in-house
 - Inside/out repositioning
 - Integration with SACVB staff marketing initiatives

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HIGHEST RATED AGENCY OVERVIEW

Garcia 360 Profile

- **Background of principal - Luis Garcia (CEO)**
 - Created Garcia 360 six and half years ago
 - 15 year veteran of advertising business
 - Worked on accounts such as Coca Cola, Continental Airlines, Levi Strauss, Proctor & Gamble
- **Company Background**
 - mid-size by design (consistent senior level involvement)
 - multicultural agency
 - Progressive & selective hiring practices

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HIGHEST RATED AGENCY OVERVIEW

Garcia 360
Team
Creative

Home Depot
Website Ad



Audi
Newspaper
Insert

Hyatt Regency
SA
HP Consumer
Ad, Direct Mktg



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HIGHEST RATED AGENCY OVERVIEW

Garcia 360
Team
Creative

VERB Campaign
Television, FP
Consumer Ad,
Website



SAWS
Television,
Billboard

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HIGHEST RATED AGENCY OVERVIEW

**Garcia 360
Team
Creative**

SA Zoo
Newspaper,
Radio

**Museum of Fine Arts
– Houston**

**Direct Marketing,
Collateral**



**State of
Tamaulipas
Mexico**
**Branding
Awareness**

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TRANSITION PLAN

- **Current media / ads purchased through December 2004**
- **Joint marketing retreat**
- **Finalize scope of work**
- **Enhance performance and evaluation measures**

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NEXT STEPS

**Proceed to the August 5 “A”
Session to select agency and
authorize staff to enter
negotiations with selected agency**

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SACVB Advertising Agency Services Contract RFP Process & Review

**B Session
July 22, 2004**

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