

SAN DIEGO CONVENTION CENTER 2011 FORECAST

SAN DIEGO CONVENTION CENTER CORPORATION

JANUARY 2011

Positive Outlook: 2-Year Growth Trend Continues into 2011

72 conventions generate \$1.4 billion in regional economic impact and \$20 million in tax revenues for the City of San Diego

Despite the lingering affects of the global and national recession, the San Diego Convention Center is predicting positive gains in key economic and business measures in 2011. Seventy-two conventions are forecast to generate \$1,392,778,284 in economic impact and \$20,028,015 in tax revenue for the City of San Diego; both metrics are higher than those posted in last year's forecast in the same categories. Local hotels will also pick up 737,820 hotel room nights as a result of the influx of convention business.

Attendance, another key business measure, will mark gains in the out-of-town visitors category with 584,175 attendees, the highest forecast of primary attendance in two years. As a result, direct attendee spending at local restaurants, retail stores, attractions and hotels will also rise. In sum, a total of 120 events are forecast to draw overall attendance of 813,295, the highest since CY08. These upward trends are good news, particularly the uptick in professional attendance, which convention industry experts widely agree is one of the leading signs of recovery following a recession.

Overall, the outlook for the national convention and meeting industry is one of cautious optimism as signs of economic recovery continue. Recent surveys* of show producers predicted a five percent increase in attendance next year, and venue managers forecasted approximately a 2.9 percent increase. While attendance alone is not the sole factor for recovery, it is a major component which pushes the overall recovery process forward.

A targeted marketing focus on medical meetings and San Diego's strong appeal as a destination has helped the San Diego Convention Center perform better during the recession than other facilities around the country. While no market is recession proof, the medical sector tends to remain strong and resilient in the toughest of economies and attendance is less affected. The events also attract attendees who have more disposable income and spend more; are frequently accompanied by friends and family; and often extend their visit to enjoy the host city's sites and attractions, thereby contributing even greater benefits.

(*Source: Red7Media Research and Consulting.)

2011 PROJECTED BENEFITS

Economic Impact	\$1.4 billion
Direct Attendee Spending	\$580.3 million
Tax Revenues	\$20.0 million
Hotel Room Nights	737,820
Number of Events (72 conventions)	120
Attendance (584,175 out-of-town visitors)	813,295

(These numbers represent forecasted business in CY11 as of Nov. 2010. Totals are expected to increase as additional events are booked going forward.)



ECONOMIC IMPACT

The Convention Center is forecasting **\$1.4 billion in economic impact** and **72 conventions**, eight more conventions than held in 2010. Leading the pack is San Diego International Comic-Con, San Diego's pop-culture mega-event, which has signed on to remain in our city through 2015. Three of the top economic generators next year are healthcare conventions including the largest medical convention of the year, the American Academy of Orthopaedic Surgeons. San Diego continues to be a dominant force in the healthcare market attracting many of the nation's most lucrative medical groups, which yield enormous economic benefits for host cities and remain resilient even in a down economy.

DIRECT ATTENDEE SPENDING

For local businesses, one of the most important long-term benefits of the Convention Center is the continual stream of convention attendees who spend money during their stay in our city. Next year conventioners will spend approximately **\$580,324,285** on dining, shopping, accommodations, entertainment and transportation. This includes meeting organizers and exhibitors who also purchase goods and services to produce a convention, infusing even more money into our local economy.

As expected, the economic downturn that started more than two years ago is still influencing spending levels and habits. Both meeting planners and attendees are watching their dollars more closely. But, there are signs that consumer confidence is returning. The forecast for 2011 is predicting an increase in direct delegate spending, the highest since CY08.

TOP FIVE ECONOMIC GENERATORS

NAME	ECONOMIC IMPACT	DIRECT ATTENDEE SPENDING	TAX REVENUES	HOTEL ROOM NIGHTS	ATTENDANCE
San Diego Comic-Con	\$172,631,774	\$71,929,906	\$2,454,595	60,765	126,000
American Academy of Orthopaedic Surgeons	\$111,601,152	\$46,500,480	\$1,586,820	64,722	32,000
American Diabetes Association	\$69,784,800	\$29,077,000	\$992,248	49,170	20,000
American Society of Hematology	\$62,106,048	\$25,877,520	\$883,065	57,460	18,000
Environmental Systems Research Institute	\$60,916,704	\$25,381,960	\$866,154	22,605	14,500

Economic impact is the total value of an event on the local economy including direct and indirect spending and is calculated using an industry factor multiplied by direct attendee spending.

DIRECT SPENDING BREAKDOWN

ATTENDEES	
Lodging	\$199,760,894
Meals/Beverages	\$78,434,510
Retail Shopping	\$38,378,454
Admission (Attractions, museums, theaters, etc.)	\$21,872,744
Air Transportation (local direct impact)	\$44,575,036
Local Transportation (Taxi, parking, bus, excludes auto rental)	\$16,088,156
Auto Rental (within city)	\$8,262,109
Miscellaneous (convenience, groceries, etc.)	\$9,915,643
EVENT ORGANIZERS/EXHIBITORS	
Event space fee, equipment rental, advertising, vendor services and other costs associated with producing an event.	\$163,036,739
TOTAL	\$580,324,285

These results are based on information and research provided by Destination Marketing Association International and by San Diego based CIC Research, Inc.

HOTEL ROOM NIGHTS

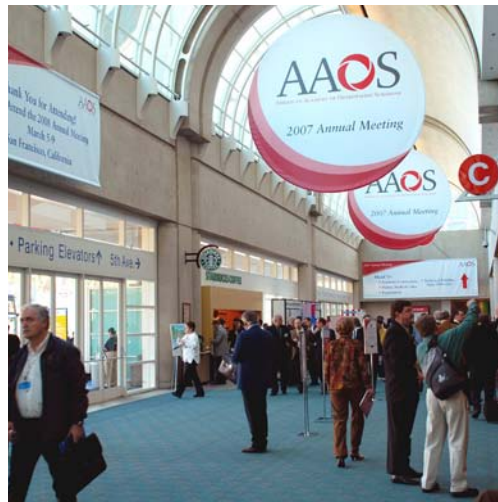
The destination can expect **737,820 hotel room nights** as a result of conventions, approximately a four percent increase over last year's forecast. This number, however, does not take into account hotel rooms attendees may have booked through the numerous internet or loyalty programs. Studies conducted by CIC Research indicate as many as 30 percent of attendees book their rooms directly and do not utilize the meeting organizer's pre-arranged room block, making it difficult to capture more accurate data. When the uncounted 30 percent is factored in, hotel room nights would actually surpass the one million mark.



MEDICAL CONVENTION SUMMARY

In 2011, three of our top five economic generators are medical conventions, and for good reason. We strategically target these lucrative events, which are highly prized throughout the industry for the significant economic benefits they generate and steady performance even during a tough economy. Last year, the Healthcare Convention and Exhibitors Association, published a list of the 50 largest medical conventions held in the U.S. The San Diego Convention Center has hosted, or holds future dates for more than half of those conventions.

Number of Medical Conventions	14
Economic Impact	\$435.7 M
Direct Attendee Spending	\$181.6 M
Tax Revenues	\$6.2 M
Hotel Room Nights	284,382
Attendance	124,200



The American Academy of Orthopaedic surgeons returns to San Diego in February 2011.



Comic-Con is forecast to have the highest attendance in 2011.

TAX REVENUES

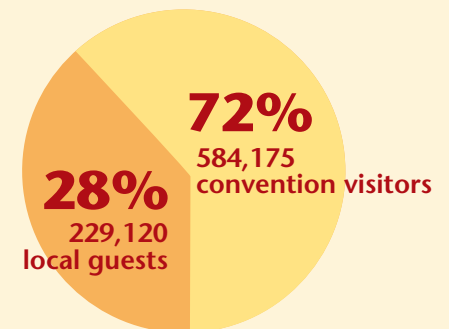
Convention visitors will generate about **\$20.0 million in tax revenue** helping to relieve the tax burden on local residents. These revenues pay for important services such as fire and police protection, beach and park maintenance, museums, libraries and other services that improve the quality of life for all San Diegans.

JOBS

Conventions keep San Diegans employed. In fact, events held in our building next year will support **12,500 jobs countywide.**

ATTENDANCE

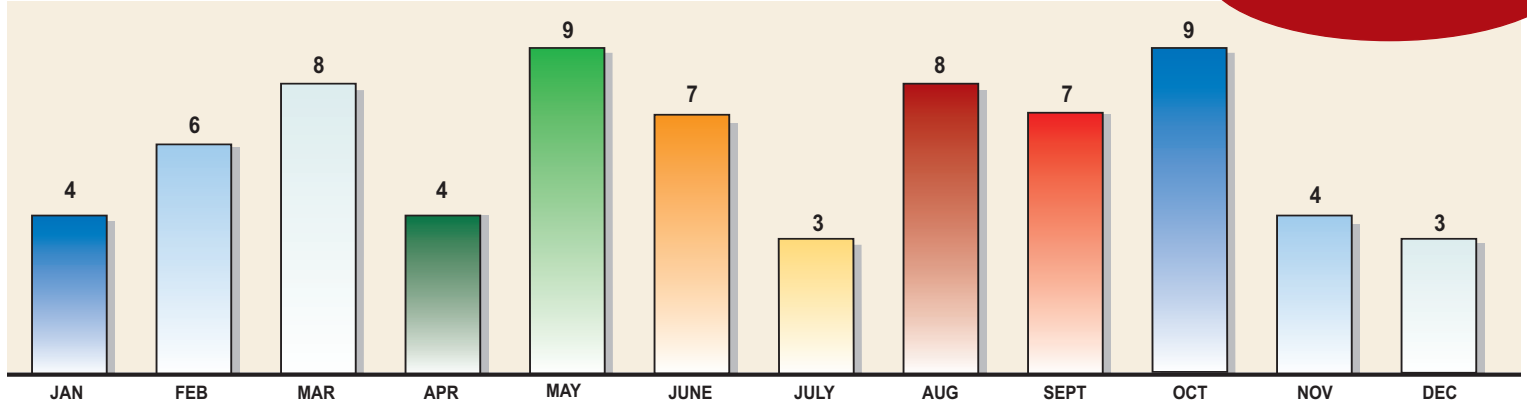
An estimated **813,295 attendees** are expected to attend Convention Center events.



2011 CONVENTIONS & ATTENDANCE BY MONTH

Below is a listing of the **72 conventions and trade shows** expected to bring **584,175 convention visitors** to San Diego in the coming year. The forecast is based on projections provided by the convention organizers. The Convention Center continues to aggressively pursue additional bookings, so overall numbers are expected to increase throughout the year. Consumer and community events will also attract **229,120 local and regional attendees**.

2011 Total Conventions = 72



JANUARY 2011		ATTENDEES
01/08 - 01/10	American Library Association	12,000
01/16 - 01/19	Society of Critical Care Medicine	5,100
01/25 - 01/27	West 2011 - AFCES & USNI	12,000
01/30 - 02/01	Society of Thoracic Surgeons	5,000
FEBRUARY 2011		ATTENDEES
02/01 - 02/03	Pennwell/Distributech	4,500
02/07 - 02/08	Training Magazine's Annual Conference	1,700
02/16 - 02/18	Orthopaedic Surgeons	32,000
02/27 - 03/03	Minerals, Metals & Materials Society	4,000
02/28 - 03/02	Corporate Event	1,500
02/28 - 03/02	Firehouse World Exposition	4,000
MARCH 2011		ATTENDEES
03/07 - 03/08	Corporate Event	3,000
03/07 - 03/09	California Charter Schools Conference	2,500
03/12 - 3/15	American Dental Education Association	1,800
03/13 - 03/16	Truckload Carriers Association	2,000
03/15 - 03/19	International Association for Dental Research	6,300
03/20 - 03/22	Independent Community Bankers Association	3,000
03/26 - 03/29	American Society of Cataract & Refractive Surgery	7,000
03/30 - 04/01	Health, Phys. Ed, Recreation & Dance	5,000
APRIL 2011		ATTENDEES
04/07 - 04/09	American College of Physicians	11,000
04/13 - 04/16	American Association of Clinical Endocrinologists	1,500
04/14 - 04/16	American Organization of Nurse Executives	2,000
04/26 - 04/29	National Wood Flooring Association	3,000
MAY 2011		ATTENDEES
05/01 - 05/04	National Postal Forum	6,500
05/10 - 05/11	Electronic Transaction Association	3,000

05/11 - 05/12	US General Services Administration	9,000
05/16 - 05/17	VHA, Inc. Leadership Conference	3,000
05/18 - 05/19	Crawford Contractor Connection 2011	1,900
05/19 - 05/20	The ASI Show	1,500
05/22 - 05/24	Acord Loma Insurance Systems Forum	3,000
05/22 - 05/24	World at Work National Conference & Expo	3,000
05/31 - 06/03	Corporate Event	1,300
JUNE 2011		ATTENDEES
06/03 - 06/04	Rock 'N' Roll Marathon	40,000
06/03 - 06/05	Coffee Fest San Diego	5,000
06/06 - 06/09	Design Automation Conference	7,000
06/07 - 06/09	Government Fleet Expo	600
06/13 - 06/16	Association of Certified Fraud Examiners	2,100
06/14 - 06/17	Internet Retailers Conference & Expo	6,500
06/25 - 06/27	American Diabetes Association	20,000
JULY 2011		ATTENDEES
07/11 - 07/15	ESRI	14,500
07/21 - 07/24	San Diego Comic Con 2011	126,000
07/28 - 07/31	Academy of General Dentistry 2011	4,000
AUGUST 2011		ATTENDEES
08/01 - 08/03	American Institute of Aeronautics & Astronautics	1,200
08/05 - 08/06	Blogger 2011 Convention & Tradeshow	3,000
08/07 - 08/09	Buffini & Company Mastermind Summit	2,500
08/08 - 08/10	Hosting Con 2011	1,500
08/14 - 08/16	Isagenix International	4,000
08/23 - 08/25	SPIE	6,000
08/28 - 08/30	Expo Comida Latina	3,500
08/28 - 08/30	Western Foodservice & Hospitality Expo	8,000

SEPTEMBER 2011		ATTENDEES
09/01 - 09/03	Narcotics Anonymous	25,000
09/07 - 09/09	International Council of Shopping Centers	5,200
09/07 - 09/10	World Molecular Imaging Congress	2,000
09/13 - 09/14	Corporate Event	875
09/16 - 09/18	Financial Planning Association	3,600
09/16 - 09/19	American Society for Bone & Mineral Research	4,500
09/25 - 09/27	Food & Nutrition Conference & Exhibition	8,000
OCTOBER 2011		ATTENDEES
10/02 - 10/06	American Association for Lab Animal Science	4,200
10/03 - 10/05	The Teradata Users Group	4,200
10/11 - 10/13	CTIA Enterprise and Applications	15,000
10/16 - 10/18	Airports Council International	2,000
10/16 - 10/19	WCA Convention & Tradeshow	1,500
10/22 - 10/25	American Association of Blood Banks	6,000
10/23 - 10/25	National Electrical Contractor Association	7,000
10/28 - 10/31	CVC In San Diego	3,600
10/30 - 11/01	2011 Asla Annual Meeting & Expo	7,000
NOVEMBER 2011		ATTENDEES
11/06 - 11/08	Irrigation Show & Exposition	6,000
11/07 - 11/09	Deloitte Partner/Director Meeting	5,000
11/17 - 11/19	American Speech Language Hearing Association	13,000
11/25 - 11/27	Assembly of God Youth Conference	6,000
DECEMBER 2011		ATTENDEES
12/01 - 12/03	California School Boards Association	4,000
12/02 - 12/04	Corporate Event	15,000
12/10 - 12/13	American Society of Hematology	18,000