

# SAN DIEGO CONVENTION CENTER 2012 FORECAST

SAN DIEGO CONVENTION CENTER CORPORATION

JANUARY 2012

## POSITIVE OUTLOOK: 65 CONVENTIONS EXPECTED TO GENERATE \$1.6 BILLION IN ECONOMIC IMPACT

PCMA kicks-off New Year, nearly 4,000 attendees expected to bring hundreds of millions of dollars in potential future business

There is good news for San Diego as key performance measures used to gauge the Convention Center's success continue to trend upward in 2012. Conventions are forecast to generate \$1.6 billion in regional economic impact and \$22.6 million in tax revenues. Both of these categories mark solid increases above the 2010 and 2011 forecasts. Approximately 558,350 attendees are also forecast to attend 65 conventions and contribute \$654.3 million in direct attendee spending. The influx of convention visitors translates into approximately 763,000 contracted room nights for the destination. Additionally, Convention Center events will support 12,500 jobs throughout San Diego.

Kicking-off the New Year is one of the industry's most prestigious events, the Professional Convention Management Association's (PCMA) 2012 Convening Leaders, Jan. 8-11. The event is considered a golden marketing opportunity to showcase San Diego as a premier destination to thousands of association, corporate and independent meeting planners attending.

Initial attendance estimates from PCMA were 3,300, however, early registration has surpassed that goal and organizers say as many as 4,000 attendees may come to San Diego. The economic ripple effects of the group's meeting are usually felt for years in the host city because association members often return to the area for their own meetings. PCMA cities that host the event have the potential to generate hundreds of millions of dollars in future business. Based upon PCMA's initial attendance estimates, San Diego can expect an immediate \$11.8 million in economic impact, \$167,400 in tax revenue and 10,600 hotel room nights.

As the national convention and meeting industry gradually recovers from the recession that began in 2008, San Diego continues to rebound quickly. In addition to strong market demand, the Convention Center's resiliency is also largely due to strategically marketing the building to recession resistant sectors. This includes the healthcare convention market that has become the cornerstone of our success. In 2012, 18 medical conventions worth \$426.4 million in regional economic impact will be held.

### 2012 PROJECTED BENEFITS

|   |                 |
|---|-----------------|
| Economic Impact                               | \$1,570,274,095 |
| Direct Attendee Spending                      | \$654,280,874   |
| Tax Revenues                                  | \$22,644,616    |
| Hotel Room Nights                             | 762,979         |
| Number of Events<br>(65 conventions)          | 98              |
| Attendance (558,350 out<br>of-town attendees) | 668,710         |
| Jobs  | 12,500          |

*(These numbers represent forecasted business in CY12 as of Oct. 14, 2011. Totals are expected to increase as additional events are booked going forward.)*



 **Convening Leaders®**  
PCMA San Diego | January 8-11, 2012

## ECONOMIC IMPACT

Sixty-five conventions are forecast to generate **\$1.6 billion in economic impact** continuing a three-year upward trend in this category. Comic Con is once again our top economic generator, although healthcare conventions continue to be the cornerstone of our marketing strategy given the consistent economic benefits these events generate. Two major medical conventions are among our most lucrative events in 2012.

## TOP FIVE ECONOMIC GENERATORS

| NAME  | ECONOMIC IMPACT | DIRECT ATTENDEE SPENDING | TAX REVENUES | HOTEL ROOM NIGHTS | ATTENDANCE |
|---|-----------------|--------------------------|--------------|-------------------|------------|
| San Diego Comic Con 2012  | 179,999,218     | 74,999,674               | 2,561,454    | 60,765            | 126,000    |
| Digestive Disease Week  | 89,998,080      | 37,499,200               | 1,280,705    | 52,866            | 20,000     |
| International Association of Chiefs of Police Annual Conference | 78,358,440      | 32,649,350               | 1,115,069    | 32,820            | 17,000     |
| Environmental Systems Research Institute                        | 65,760,168      | 27,400,070               | 935,791      | 22,605            | 14,500     |
| American Academy of Dermatology Annual Meeting                  | 64,610,880      | 26,921,200               | 919,436      | 29,994            | 17,000     |

*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 ATTENDEE SPENDING

One of the major benefits the Convention Center brings to San Diego is out-of-town visitors who spend significant sums for accommodations, dining, entertainment, shopping and other needs. Event organizers also spend money for products and services to organize and produce their event. More than **\$654.3 million** is forecast to be spent creating a positive cycle of economic activity for local San Diego businesses. This category will surpass the \$650 million mark for the first time in four years indicating buyer confidence may have returned to pre-recession levels, at least for 2012.



## 2012 BREAKDOWN OF SPENDING FACTORS

| ATTENDEES   |                      |
|---|----------------------|
| Lodging   | \$225,921,845        |
| Meals/Beverages   | \$87,081,725         |
| Retail Shopping   | \$42,857,016         |
| Admission (Attractions, museums, theaters, etc.)  | \$23,659,900         |
| Air Transportation (local direct impact)  | \$53,132,754         |
| Local Transportation (Taxi, parking, bus, excludes auto rental)   | \$18,299,225         |
| Auto Rental (within city)   | \$10,728,016         |
| Miscellaneous (convenience, groceries, etc.)  | \$11,173,628         |
| EVENT ORGANIZERS/EXHIBITORS   |                      |
| Event space fee, equipment rental, advertising, vendor services and other costs associated with producing an event. | \$181,426,765        |
| <b>TOTAL</b>  | <b>\$654,280,874</b> |

*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 Convention Center is forecasting nearly **763,000 room nights** which are initially contracted within arranged hotel room blocks. However, it is important to note that depending on individual group dynamics, studies indicate 30 to 50 percent of attendees do not stay in the hotel room block arranged by the meeting planner. Instead, attendees book their own rooms directly through the internet and/or online loyalty programs making it difficult to track this activity without conducting a comprehensive study each year. Nonetheless, if these unaccounted rooms were factored in, total room nights could reach the 1,000,000 mark.



## MEDICAL CONVENTION SUMMARY

This market sector is highly competitive as these conventions typically have larger budgets, perform well in economic downturns and attendees often extend their stay to enjoy all the host city has to offer. San Diego continues to dominate the healthcare market as one of the top three convention destinations in the nation. Recently, the Healthcare Convention and Exhibitors Association published their list of the 2010 Top 50 Largest U.S. Medical Meetings. More than half the conventions on the list have held a convention in our building, or hold future dates for a convention in our building.

|                          |           |
|--------------------------|-----------|
| Number of Conventions    | 18        |
| Economic Impact          | \$426.4 M |
| Direct Attendee Spending | \$177.6 M |
| Tax Revenue              | \$6.1 M   |
| Hotel Room Nights        | 252,294   |
| Attendance               | 112,800   |



American Academy of Orthopaedic Surgeons, 2011.



Comic-Con International, 2011.

## TAX REVENUES

Nearly **\$22.7 million in tax revenues** will be generated by events in 2012, the highest forecast since 2009. Convention attendees fuel hotel room tax and sales tax revenues that in turn, help to reduce the tax burden on local taxpayers. It also helps the city to pay for services like police and fire protection, libraries and parks, and beach and street maintenance.

## JOBS

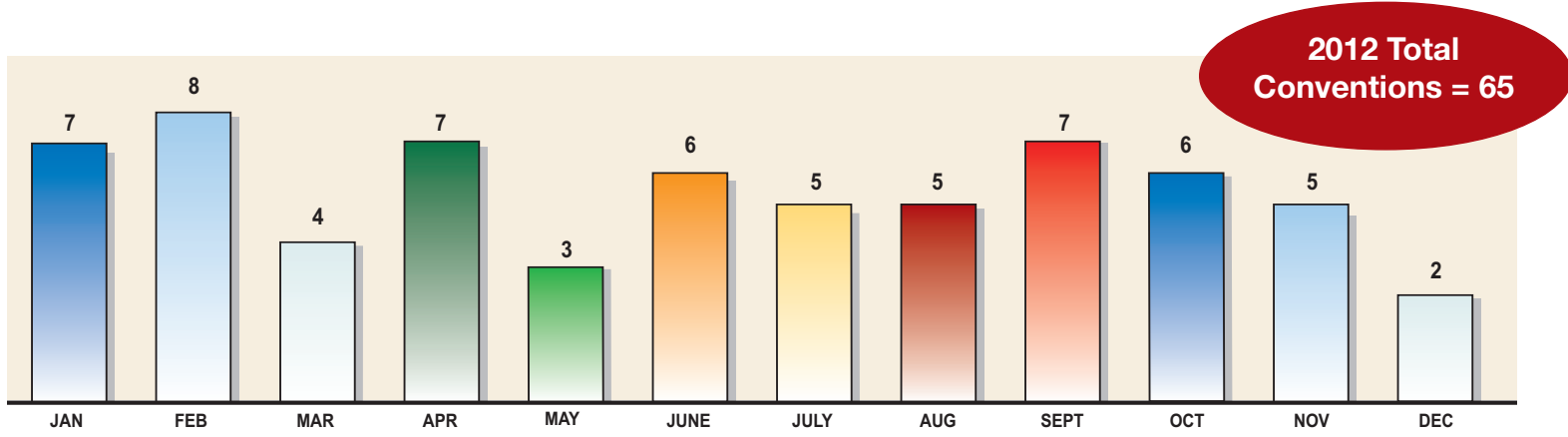
The direct spending associated with conventions and meetings rolls into all areas of the local economy and creates an ecosystem of jobs in San Diego. There are **12,500 jobs** throughout the entire San Diego region directly connected to, or indirectly supported, by conventions held in our building.

## ATTENDANCE

Approximately **668,710 guests** are forecast to attend events. This includes 558,350 overnight visitors attending conventions, and 110,360 locals attending community, consumer and other San Diego-based events.

# 2012 CONVENTIONS & ATTENDANCE BY MONTH

Below is a listing of the 65 conventions and trade shows expected to bring **558,350 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 110,360 local and regional attendees.



| JANUARY 2012 |  | ATTENDEES |
|--------------|--|-----------|
| 01/07-01/11  | PCMA Convening Leaders                             | 3,300     |
| 01/12-01/14  | Corporate Event                                    | 1,500     |
| 01/16-01/17  | National Business Aviation Association             | 2,000     |
| 01/18-01/21  | Corporate Event                                    | 3,000     |
| 01/24-01/26  | West 2012 - AFCEA & USNI                           | 12,000    |
| 01/27-01/28  | Society for Personality & Social Psychology        | 3,200     |
| 01/29-01/31  | International Meeting for Simulation in Healthcare | 1,600     |

| FEBRUARY 2012 |   | ATTENDEES |
|---------------|---|-----------|
| 02/06-02/07   | Society for Laboratory Automation & Screening       | 5,000     |
| 02/06-02/08   | National Security Technology Expo 2012              | 2,500     |
| 02/11-02/12   | CADEM 2012 / California Democratic Party Convention | 4,500     |
| 02/13-02/15   | Corporate Event                                     | 4,500     |
| 02/18-02/23   | Firehouse World Exposition & Conference             | 4,000     |
| 02/21-02/23   | 2012 Annual NTP Dealer Conference                   | 750       |
| 02/26-02/29   | Biophysical Society                                 | 5,000     |
| 02/29-03/02   | IPC - Apex Expo                                     | 6,500     |

| MARCH 2012  |   | ATTENDEES |
|-------------|---|-----------|
| 03/05-03/08 | National Rural Electric Cooperative Association | 9,000     |
| 03/08-03/10 | Society of American Gastro Endoscopic Surgeons  | 2,500     |
| 03/17-03/20 | American Academy of Dermatology                 | 17,000    |
| 03/25-03/28 | American Chemical Society                       | 15,000    |

| APRIL 2012  |  | ATTENDEES |
|-------------|--|-----------|
| 04/02-04/03 | Society of Hospital Medicine                             | 2,000     |
| 04/02-04/03 | The ASI Show   | 1,200     |
| 04/03-04/04 | National Indian Gaming Association                       | 3,000     |
| 04/11-04/12 | California Association of School Business Officials 2012 | 3,000     |

|             |                              |        |
|-------------|------------------------------|--------|
| 04/17-04/19 | Corporate Event              | 4,000  |
| 04/22-04/25 | Experimental Biology         | 15,000 |
| 04/30-05/01 | Corenet Global Spring Summit | 3,500  |

| MAY 2012    |   | ATTENDEES |
|-------------|---|-----------|
| 05/07-05/09 | American College of Obstetricians & Gynecologists | 9,500     |
| 05/19-05/22 | Digestive Disease Week                            | 20,000    |
| 05/25-05/27 | American Academy of Pediatric Dentistry 2012      | 3,500     |

| JUNE 2012   |   | ATTENDEES |
|-------------|---|-----------|
| 06/01-06/02 | Rock 'N' Roll Marathon Health & Fitness Expo      | 60,000    |
| 06/03-06/05 | Insurance Accounting Systems                      | 3,500     |
| 06/11-06/14 | Corporate Event                                   | 14,000    |
| 06/17-06/19 | Corporate Event                                   | 1,100     |
| 06/18-06/20 | American Society of Bariatric Surgery             | 2,500     |
| 06/25-06/27 | International Society for Technology In Education | 18,000    |

| JULY 2012   |  | ATTENDEES |
|-------------|--|-----------|
| 07/06-07/08 | World Fitness IDEA                       | 5,000     |
| 07/12-07/15 | San Diego Comic Con 2012                 | 126,000   |
| 07/21-07/26 | Environmental Systems Research Institute | 14,500    |
| 07/29-08/02 | American Statistical Association         | 5,500     |
| 07/30-08/01 | Association of Government Accounts       | 2,000     |

| AUGUST 2012 |   | ATTENDEES |
|-------------|---|-----------|
| 08/04-08/07 | American Veterinary Medical Association | 9,500     |
| 08/11-08/13 | Beyond Esthetics Elite Spa Tradeshow    | 5,000     |
| 08/12-08/14 | Buffini & Company Mastermind Summit     | 2,500     |
| 08/14-08/16 | SPIE                                    | 5,000     |
| 08/20-08/22 | Corporate Event                         | 4,000     |

| SEPTEMBER 2012 |                             | ATTENDEES |
|----------------|-----------------------------|-----------|
| 09/06-09/07    | League of California Cities | 3,000     |

|             |   |        |
|-------------|---|--------|
| 09/12-09/15 | Emergency Nurses Association                          | 5,200  |
| 09/13-09/15 | American Association of Oral & Maxillofacial Surgeons | 4,000  |
| 09/19-09/20 | Medevice Forum San Diego                              | 1,000  |
| 09/19-09/20 | WCA 31st Annual Convention & Tradeshow                | 1,800  |
| 09/19-09/21 | International Council of Shopping Centers             | 5,000  |
| 09/29-10/02 | International Association of Chiefs of Police         | 17,000 |

| OCTOBER 2012 |  | ATTENDEES |
|--------------|--|-----------|
| 10/07-10/09  | American Osteopathic Association           | 8,000     |
| 10/09-10/11  | CTIA Enterprise and Applications           | 15,000    |
| 10/13-10/16  | National Community Pharmacists Association | 1,500     |
| 10/18-10/20  | Infectious Diseases Society of America     | 8,000     |
| 10/21-10/24  | American Society of Reproductive Medicine  | 6,000     |
| 10/29-10/31  | APHA - Joint forces Pharmacy Seminar       | 1,200     |

| NOVEMBER 2012 |  | ATTENDEES |
|---------------|--|-----------|
| 11/01-11/03   | American Society of Nephrology                     | 9,000     |
| 11/08-11/10   | Psychiatric & Mental Health Congress               | 2,500     |
| 11/11-11/13   | International Foundation of Employee Benefit Plans | 11,000    |
| 11/14-11/17   | The Gerontological Society of America              | 4,000     |
| 11/18-11/20   | American Physical Society/ Fluid Dynamics 2012     | 2,000     |

| DECEMBER 2012 |  | ATTENDEES |
|---------------|--|-----------|
| 12/02-12/04   | American Epilepsy Society                | 3,500     |
| 12/04-12/06   | PRIM&R / Advancing Ethical Research 2012 | 4,000     |