Abstract: This Report reviews the marketing plans compiled for The Open 2007 and asks the Council to approve a number of specific proposals for action.

1 RECOMMENDATION

1.1 It is recommended that the Council approves implementation of the Open 2007 Carnoustie Country Marketing Plan and more specifically agrees to:

a) approve an increase in the Angus Council’s contribution to the East of Scotland Golf Alliance from £2,000 to £6,000 in 2006/07 and to £7,000 in 2007/08;

b) note that the production of the Carnoustie Country Golf Guide has already been commissioned and arrangements have been made to implement the distribution of the flyer for the guide;

c) approve the exemption from Financial Regulations granted by the Exemptions Co-ordinator under Section 16.3.2b of the Financial Regulations for the distribution of the Golf Guide flyer without the need to seek competitive tenders;

d) approve the arrangements already in hand for the Head of Economic Development and the Council’s Carnoustie Country Marketing Consultant to attend the Volvo China Open at Shanghai, Silport in April 2007 at an estimated cost of up to £5,000;

e) approve expenditure of an estimated £10,000 for the production of a short video/DVD publicising golf and tourism in Angus as outlined in this Report;

f) delegate responsibility for implementation of arrangements for the Carnoustie Country Pavilion (incorporating exhibition space and Corporate Hospitality) at The Open 2007 event to the Chief Executive in consultation with the Leader of the Council; and

g) note that the budget provision for implementation of the marketing plan of £46,707 in 2006/07 and £154,000 in 2007/08 can be met from the Economic Development Revenue budget.

2 INTRODUCTION

2.1 Tourism is a key sector with growth potential in Angus in a context, the county has experienced sectoral decline in traditional industries such as agriculture and manufacturing. Golf is one of Angus’ key niche tourism products and this is marketed by the Council under the Carnoustie Country brand.
2.2 The Open 1999 was held at Carnoustie after a 24-year absence and presented a major opportunity to raise the profile of Angus as a global destination and to develop the golf products. Following the success of The Open in 1999, Carnoustie was again selected to host The Open in 2007.

2.3 The Open attracts around 200,000 visitors and generates a total direct economic impact of approximately £20,000,000 in the immediate area and a similar sum in the wider Scottish economy. The return of The Open therefore represents a major boost to the economy of Angus, Dundee and surrounding areas, one which extends beyond the actual year of the event.

2.4 Given the global nature of The Open, it is not necessary for Angus Council to market the event but to use the coverage created by The Open to build on its reputation by raising awareness of Carnoustie Country and the attractions of Angus in general. Another aim is to extend the golf tourism season so that golfers attending The Open will extend their stay or visit Carnoustie Country at other times and at the same time increase the amount they spent in the area.

2.5 In order to capitalise on the tourism and economic benefits offered by The Open, a comprehensive marketing plan has been compiled and this is attached as Appendix 1. The various promotional activities proposed for the current Carnoustie Country campaign as well as The Open are listed with estimated costs and the Committee is asked to approve these and the actions proposed.

3 PROPOSED ACTIONS

3.1 While the various actions proposed and the budget for Carnoustie Country and The Open in 2006/07 and 2007/08 are generally described in the Marketing Plan, some further clarification is given below.

East of Scotland Golf Alliance

3.2 Angus Council is also a core funder of the East of Scotland Golf Alliance (EoSGA), a marketing campaign set up by Local Authorities, LECs and VisitScotland Area Offices from Angus to East Lothian. The Head of Economic Development is currently the chair of EoSGA and the EoSGA Project Officer will play a key part in supporting various actions in the marketing plan to support the Council’s marketing efforts e.g. attendance at the China Volvo Open (Shanghai) in April 2007.

3.3 Angus Council’s subscription to the East of Scotland Golf Alliance (EoSGA) is currently set at £2,000 pa. Perth & Kinross, Fife, Dundee and East Lothian Councils also make a contribution of £2,000; £2,000; £5,000 and £4,000 each respectively. The VisitScotland network is reducing funding in 2007/08 by £19,000 per annum. It is proposed to increase Angus Council’s subscription to £6,000 in 2006/07 and £7,000 in 2007/08 to ensure that the EoSGA is able to continue in its effort of promoting golf tourism in the area and to ensure that full support is made available specifically for The Open 2007 and subsequent marketing efforts. The other councils involved are also upwardly reviewing the level of their financial contributions.

Golf Guide

3.4 The Carnoustie Country Golf Guide is a joint venture with VisitScotland to produce a prestige guide to golfing and other tourist facilities in Angus, Dundee and parts of Perthshire and Fife. It is being published at no direct cost (with production costs
covered by advertising revenue) and will be distributed widely in 2007 and 2008. A total of 35,000 copies will be printed.

3.5 In order to generate demand for the Guide, it is proposed to print a flyer at an estimated cost of £3,000 which will be distributed in 140,000 copies of Golf World and Today’s Golfer at a cost of £6,000. A further sum of £5,000 has been budgeted for distribution of copies of the Guide in response to the flyer campaign. An application has been approved by the Exemption Co-ordinator under Section 16.3.2b of the Financial Regulations for exemption from the requirement to obtain competitive tenders for the insertion of the flyer in Golf World and Today’s Golfer.

The Volvo China Open 2007

3.6 This is being held once more at Shanghai Silport golf club, with which Angus Council and Carnoustie Golf Links have close ties. Shanghai Silport offered the use of an exhibition stand at cost price for the joint use of Angus Council and the Carnoustie Golf Links Management Committee. It is proposed to use this stand space to promote Carnoustie Country alongside representatives of Carnoustie Golf Links Management Committee and the East of Scotland Golf Alliance Project Officer. It is proposed that the Head of Economic Development and the Council’s Carnoustie Country Consultant attend this event as part of the delegation. The cost of this is estimated at £5,000 including travel and cost of participation (stand space etc).

Golf Video/DVD

3.7 It is proposed to commission a three minute ‘flash’ video/DVD of golf and tourism attractions in Angus for distribution to broadcasters and journalists in the run up to The Open. This will be of use in a variety of formats and will be of special interest to broadcasters as an introduction or ‘filler’ during television broadcasts. The overall aim will be to promote the attractions of Angus. The cost of this production has been estimated at up to £10,000.

Carnoustie Country Consultant

3.8 The Council is asked to note Platinum Event Management are the consultants currently retained to assist in marketing the Carnoustie Country campaign (Report 745/06 refers). The consultancy agreement covers the routine marketing duties. It is proposed to commission additional work generated by the return of The Open to Carnoustie for which an additional sum of £2,000 in 2006/07 and £3,000 in 2007/08 has been allocated.

Impact Evaluation

3.9 In order to gauge the economic impact of The Open in Carnoustie and Angus, it is proposed that an Economic Impact Assessment (EIA) of the event is carried out. Such an assessment was produced for The Open in 1999 and produced valuable information on spectator profiles and the impact on local businesses, contractors and suppliers. Since then, a standard format for these assessments has been developed by Scottish Enterprise and the R & A in conjunction with Comperio Research.

3.10 A full EIA which replicates the model used for The Open 2005 at St Andrews would be too costly at around £50,000. Discussions are being held with Comperio Research to see if a more limited survey can be carried out which would still provide comparable data, consistent with the previous EIA albeit with less detail.
FINANCIAL IMPLICATIONS

4.1 The estimated expenditure associated with the implementation of the marketing plan including the specific activities highlighted in this report of £46,707 in 2006/07 and £154,000 in 2007/08 can be contained in the respective years’ Economic Development Revenue Budget. The budget for 2007/08 includes an additional £74,000 on a one-off basis for The Open 2007 as agreed in Report 105/07 considered at the Special budget meetings.

HUMAN RIGHTS IMPLICATIONS

5.1 There are no Human Rights implications arising from this report.

CONSULTATION

6.1 The Chief Executive, Director of Corporate Services, Head of Law & Administration and Head of Finance have been consulted in the preparation of this report.

CONCLUSION

7.1 The return of the Open to Carnoustie offers a great opportunity to showcase Angus to the international golf market as well as non-golfing partners visiting the area before, during and after The Open. It is recommended that the Committee approve the Marketing Plan submitted in order to capitalise on this opportunity.

NOTE

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.