

Bob Gilbert (00:08):

Welcome to Tourism Heads and Their Tales, a podcast series that invites travel and tourism leaders and influencers to share their take on key industry issues. My name is Bob Gilbert and I'm the general manager for the tourism and destination marketing practice at the award-winning strategic marketing agency, Eddy Alexander. My career spans over three decades in the travel and tourism industry where I've had the privilege of working with iconic brands and so many amazing colleagues who in their own ways are pushing the industry forward and using tourism to increase understanding, access, and quality of life. For those who work in travel, those that love to travel, and the communities that benefit from travel, I'll be bringing you into the conversation with top professionals who are shaping the industry, all with their unique tales and perspectives that they're ready to share with you.

Bob Gilbert (01:03):

Welcome to another freshly brewed edition of Tourism Heads and Their Tales. Today, I'm delighted to be joined by an acknowledged travel and tourism industry leader. Before I say who it is, let's see if you can guess. Now, our guest has been State Tourism Director of the year. He has been inducted into the US Travels Hall of Leaders and is chairman on the board of directors for the Corporation for Travel Promotion, otherwise known as Brand u s A. Wait. If you haven't guessed who he is right by now, he is of course, Todd Davidson, CEO for Travel, Oregon. So, welcome Todd.

Todd Davidson (01:44):

Thank you, Bob. It's so good to be able to be here with you today.

Bob Gilbert (01:46):

Well, thank you. So now I know you're approaching three decades, which is unbelievable with Travel Oregon, and somehow you look younger today than you did when you first started <laugh>. So, um, must be without fly fishing, but tell me, um, share a little bit of your background and your career journey so far.

Todd Davidson (02:07):

I'd love to. I'd love to. And, uh, well, you've done your homework if you know that it's fly fishing that's keeping me young bro. <laugh>.

Todd Davidson (02:14):

I mean, it's, I, uh, I cut my teeth on the travel and tourism industry here in Oregon back in 1988, working for the Destination Management organization in Albany, Oregon, the Albany Visitors Association. Carolyn and I had moved to Oregon in 85. I had taken a position, um, a marketing role, kind of an outside sales role that I'd held for a couple of years, and then the position opened in the community that we were living in at the time. And I thought, what a tremendous job to be able to promote a place that you love living, you know, and we loved everything that Albany had to offer. We loved the historic homes. We happened to be living in one of the old historic homes, a beautiful little 1909 arts and crafts bungalow. We loved the community we were living in, and it just seemed like a natural extension of that to become the, the director for their destination management organization.

Todd Davidson (03:09):

And so I applied for the position in 1988 and was hired and began that work in March of 88. So it's been 35 years for me in the travel and tourism industry. I was in Albany for six years, and then my dear friend, Joe Delasandro yep, hired me as his international marketing manager in 1994. And, uh, Joe and I had worked together when I was in Albany, and he was the state tourism director here in Oregon. And then after he hired me, we had the opportunity to work together for a couple of years, and then he became the c e O at Travel Portland. And at that time, I, uh, decided I'd like to apply for the position of tourism director here in Oregon, and I did and was hired. And that was, uh, June of 1996 and have been in that role ever since.

Todd Davidson (03:59):

But, you know, it's funny thinking it's been almost three decades, Bob, but of those three decades, 365 days a year for nearly 30 years, no day has ever been the same. Every day is different. Every day brings its own challenges and its own rewards and opportunities, and it's just been an absolute joy to do what I do. I often tell folks that I have a chance to live a trifecta That's very rare because I love what I do. I love where I get to do it, and I love who I get to do it with. And again, that's a trifecta. That's all too rare these days. And so I consider myself very blessed to be in the role I'm in.

Bob Gilbert (04:37):

I share that feeling as well. You know, we are blessed to be in an industry that really gives us that opportunity to, in our jobs and what we achieve to give back to our communities, whether that be a state or a smaller, uh, destination and enjoy what we do. At the same time, it, you know, we get outta bed in the morning, it's not, oh God, I got, you know, I gotta do this, I've gotta do that. You know, it is something that is so rewarding on so many levels.

Todd Davidson (05:06):

It's so true, Bob. I, you know, doesn't mean there aren't some days that are hard, aren't for us, right. But as, uh, my wife, who is my greatest cheerleader and greatest encourager and probably as good a critic as she is an encourager and a cheerleader, but she's really good for me. But she reminds me on those days that are hard and there are hard days to remember why I do what I do. And it's much like you said, Bob, I, you know, for me, if I really boil down the why, for me, I believe in the power of this industry to create good jobs for Oregonians and for Americans. And that by doing that, those folks are able to provide a better life for their children and for their families and others. And you know, when I take it down to that level, I get really excited. I can, I can draw that clear, bright line between what I'm doing in that moment and the opportunity it's going to create for another job to be created in Oregon where another Oregonian is going to be able to provide a little better life for themselves and for those that they love. Yeah. And that's, that's the kind of stuff that gets me out of bed everywhere.

Bob Gilbert (06:14):

Right? No, of course. And you know, as you said, you know, we are painting a picture here that sounds like a Chamber of Commerce day, but it isn't, you know, that sunny day every day as we've witnessed over the past few years. So let, let's talk a little bit about how that has impacted, you know, the pandemic, how it impacted a couple of things. Number one, on your strategy. And if you could talk a little bit about, I think you have two strategic elements in place. One is a longer vision, I guess the 10 year strategic plan, and the other is your two year strategic plan. So as you are funded by room tax, there was nobody traveling during the pandemic, so nobody was traveling. There was no income, at

least from travel Oregon's perspective. But how did you overcome that challenge with that lack of income from travel, and how are you recovering? What is the state of play at this moment in time?

Todd Davidson (07:16):

You know, Bob, you just, you just put your finger on what is probably the hardest of those hard days that you and I were just talking about when folks quit traveling in spring of 2020, and we were forecasting out what it was going to mean for us in that current fiscal year, because we still had three months of FY 20 to navigate. And our budget, as you noted, was literally going to fall off a cliff because we are funded through a statewide lodging tax mm-hmm. <affirmative>, and it's 95, 90 6% of our revenue in any given year is derived from a statewide lodging tax. So as a semi-independent state agency, we need to respond to those situations on our own. And so we went to the commission and we developed a plan where we were going to need to cut expenses very, very quickly, which included having to lay off roughly 30% of our staff were either laid off or furloughed.

Todd Davidson (08:14):

Uh, we cut salaries on all remaining staff, anywhere from 5% to 25%, and kind of put a moratorium on new spending while we quickly retrenched and rebuilt what we called our short term recovery plan to help us navigate the next six to 12 to 18 months. We kind of did it in six month increments, looking at, you know, kind of a response and, you know, kind of here's crisis mode and then what's going to be our recovery mode, and then how, what's our rebuild mode going to look like? So that, that was the first thing we did. And those were hard days for sure. And as I said, we, we immediately went to work on revision to our strategic plan. We weren't doing any marketing at that time, however, we were still in the marketplace. You know, a lot of folks think that if you're not advertising, what is a D M O doing?

Todd Davidson (09:08):

Well, I assure you, we were still messaging, our messaging changed though, because at that time, you may, many folks may not recall that while covid was a thing, it was such a new thing that folks weren't quite sure, can I still travel? What is that going to look like? There were no mask requirements. Initially, there was more concern about washing our hands and washing our food and who we came in contact with, et cetera. But masks were not a as big a thing immediately. So navigating all that, helping people know what was still open and what wasn't, could they get outdoors and if so, where could they go? So we were doing a tremendous amount of messaging. We were doing a lot of work with the communities and such to make that happen. That was our initial response to Covid. But we knew that there was going to be a recovery, and we started to see it even six months in.

Todd Davidson (09:56):

We started to see little glimmers of hope in terms of some of the lodging tax returning, you know, folks had put certain cleanliness standards in place. Folks were traveling and traveling, uh, safely. We had some folks that were using vacation homes as work sites and also taking their kids because the kids were studying were going to school remotely. You know, we often talk about business and leisure vacations. Well, this was family-oriented, business, leisure education, et cetera, kinds of, and it was happening across the country. It wasn't just unique to Oregon for sure, but we were seeing some glimmers of hope in terms of our budget. And so we were able to begin restoring some of those salary cuts within about six months or so. But we also went to work right away on what's going to be our vision for the travel and tourism industry coming out of this.

Todd Davidson (10:42):

And that became our 10 year strategic vision that the commission adopted last June. We put two years of work into that. We surveyed our stakeholders, uh, we surveyed all the members of the commission. We surveyed our staff, we did a number of focus groups, many of them over Zoom, because we had no alternatives because of covid. Yep. In fact, at one point we'd scheduled in-person listening sessions, and there was a new wave of Covid that came out. And so we had to mothball that whole idea and do them all virtually. But we, we did a tremendous amount of ground truthing with, with our industry and with our staff team here and with the residents of Oregon, and came out with a 10 year vision. That to me, is redefining travel and tourism, not only here in Oregon, but I, I think it has the opportunity to really be a model for others as well.

Todd Davidson (11:35):

And for us, we're taking a destination stewardship approach to all of our work. We're applying three lenses to everything that we do. First and foremost, a prosperity lens. We are an economic development agency. We wanna make sure that we're creating those good jobs for Oregonians, that the economic impact is being felt across the state in every corner of the state. And we wanna make sure that that economic prosperity is being realized by all communities, including those that have been underrepresented and underserved historically. That's a challenge for us. That's a change for us. The second lens is a lens of racial equity. Again, we wanna make sure that we as an agency are operating in a racially equitable manner. We wanna make sure that our state feels welcoming to all, that all visitors feel valued and safe and cherished as they, as they travel here. And we wanna make sure that all businesses, all residents feel that they have that opportunity to participate in the economic vitality that the travel tourism industry brings.

Todd Davidson (12:38):

And then the third lens is the lens of regenerative travel. Been a lot of talk over the years. Bob, you and I are very familiar with it about some of the great initiatives that have been out there about, you know, leave nothing but footprints. Right. Take nothing but photographs. Yeah. Great initiatives that have had a real impact on many of our, our public lands, our natural spaces and the like. And for us, the regenerative initiative is really about not just not having a negative impact. It's having a positive impact. In other words, you can leave it better. And so we've run a couple of pilot programs, for example, where we have a, we're working with a tour operator who's providing packages to visitors to travel in Oregon. And for example, there's a, there's one that was, uh, piloted down on the Mackenzie River, and they mountain biked the McKenzie River Trail, and they whitewater rafted the McKenzie River itself.

Todd Davidson (13:30):

And they also were spending half days while they were here, replanting an area that had been devastated by a wildfire a couple of years earlier. And so they were actually participating in giving back to the community and paying for the privilege to do that. So they were leaving a legacy in these new forests that were going to be there for generations to come, while also making sure that they were experiencing the leisure activities and the beauty and the grandeur of the Mackenzie River Valley here in Oregon. Mm-hmm. <affirmative>. So those three lenses are really driving that 10 year strategic vision, and it become the foundation for what is now our two year strategic plan that is, um, currently under review and hopefully will be adopted at our commission meeting this coming June.

Bob Gilbert (14:13):

So I love the regenerative piece, and there are so many different definitions, but I think what you have said is a great example of what regenerative tourism should be. And that isn't being carbon neutral. You are leaving it better than what you found. And I think you are blessed with the natural elements of Oregon that, you know, whether it's wineries, you know, the breweries, the, all of the different pieces that make up the diversity of offerings that, you know, it, it makes it, I won't say easy, but it makes it a little easier to fuel that regenerative program or programs. You know, I, I really learned about it a couple of years ago through a W T T World Travel and Tourism Council that in different parts of the world, it really does have different impacts. I think maybe as a result of covid, it's what more and more travelers are looking for because the experiences they're, they're looking at have changed and they're looking for more authenticity, more natural real experiences. And, you know, you, you are blessed with everything from ocean to wineries and breweries. And, you know, you, we spoke about fly fishing, skiing, vibrant cities, you know, you have it all. So how do you manage a state with so much diversity from an attractions perspective? Where do you focus? Is it seasonal? How do you work with the RMOs, your regional destination management organizations? What's the history there? How are they funded? Now I've given you about 10 questions, <laugh> in about 10 seconds,

Todd Davidson (15:57):

<laugh>.

Bob Gilbert (15:58):

So let's start with the RMOs. Um, what is the history there and how, how are they funded?

Todd Davidson (16:05):

Yeah. We have seven amazing partners in our regional destination management organizations. Those tourism regions are defined by the Oregon Tourism Commission. I'll tell you quite candidly. They were in place, essentially the way they are now. There have been some modifications to some of the borders, but for the most part, they've generally been consistently in place since the, to my knowledge, the early eighties. These have been seen as kind of the seven tourism regions of Oregon, and they really do manifest the diversity of the state. So you have Eastern Oregon and the, the rugged expands the Alwa Mountains and, and the John Day River territory and, and French Glen and the Oahe Canyon lands and, and such. And then you have Central Oregon and the high desert country. Uh, you have southern Oregon, cradle Lake National Park, the Oregon coast. All 363 miles are entirely public because Oregonians just think that's the right way to run a coastline, that it oughta be available to everybody anytime the entire coastline should be public Portland and the, the greater Portland region, the Ver Willamette Valley.

Todd Davidson (17:14):

Uh, and so many of, as you said, the the wineries and other amenities that you referenced earlier that are available there. And the Hood Gorge with Mount Hood being our tallest mountain here in Oregon and the Columbia River Gorge being the largest national scenic area that Congress has ever designated. So yeah, this incredible diversity of natural beauty and natural land forms and the people and the cultures and the stories that arise from these landscapes. Some of these stories, going back to time, I memorial. So it's really a privilege to be in a position like we are here in Oregon, to be able to tell the stories of these places and these people and these products that make Oregon, Oregon. And we do much of that work in partnership with these regional destination management organizations that are set up to help manage and grow the tourism industry within their respective regions.

Todd Davidson (18:13):

Their funding may come from a variety of sources. One of the direct lines of funding from us to them is, it's actually in our statutes that 20% of the revenue that we receive, so roughly one out of every \$5 that we receive through the transient lodging tax goes out to each of these regions on a prorata basis. So in other words, as that transient lodging tax is generated with each region, it goes back to them, but for one region it could be 25% of that total. Another region, it could be 10%, just to give you an example. And we then work with them on the programs that they wanna put in place to utilize those dollars, which can include hiring staff, doing destination development work, destination stewardship work, as well as doing some marketing, some industry advocacy, some training, some regenerative tourism programs, community development and business development.

Todd Davidson (19:03):

We just require that everything, they deal with those dollars from us or in 100% alignment with our strategic vision that we talked about earlier, and the subsequent strategic plans for each biium that are really take downs from, from the, uh, 10 year strategic vision. So that's our primary requirement of them, but we have a very strong ongoing collaborative relationship with each of them. We're, we're meeting together regularly so that they're able to, you know, ground truth, some of the programs that we're wanting to implement. And at the same time, we're keeping them apprised of what we're seeing, what we're hearing, what our research is telling us, so we can find ways to really make sure that we're leveraging and aligning our resources. You know, Bob, a quick story. You know, travel Oregon used to be funded through lottery funds here in Oregon, and our budget used to be about 3 million a year, and that ranked us 47th in the country out of all 50 states in terms of budget sites.

Todd Davidson (20:00):

And there were some folks in Oregon's travel and tourism industry that thought that was kind of embarrassing for the, the, the embarrassing wealth of riches that we have here in terms of the natural diversity and the, the breweries and the wineries and the, the other produce and the outdoor amenities and recreation. Folks thought that, you know, being 47th, that anything was a little embarrassing. And so the industry approached the legislature and asked them to implement a statewide lodging tax to fund us. And the legislature agreed, the governor agreed the bill was passed. We have been funded through a statewide lodging tax since 2003. So as the industry grows and is healthy and we contribute to that health and vibrancy, we also then would benefit from that since we're funded through a statewide lodging tax. Mm-hmm. <affirmative>, my point in all this is that the year after that bill passed in 2003, I took it as a personal charge to travel the state and say, you know something folks, the worst thing we can do now is get complacent.

Todd Davidson (21:00):

We worked hard to get ourselves to this place where we now have a dedicated, stable funding source that is tied to the health of the travel and tourism industry. The worst thing that could happen is we suddenly think we no longer need to be collaboratively. We no longer need to partner with one another. We no longer need to share our ideas and our visions and our hopes and our budgets with one another, and instead would go back to our respective communities, counties, or regions, and carry out our own work in a silo. Because as much as that bill benefited the state's tourism efforts through the creation of a statewide lodging tax, there is probably seven or eight times as much money collected at the local level in local lodging taxes at the city and county level. How much more powerful could we be if we leverage and align our efforts, you know, our messages in the marketplace, our destination stewardship

efforts than creation of regenerative tourism products, community development, business development work, et cetera.

Todd Davidson ([22:01](#)):

You know, if we bring leverage and alignment to that work. And so we're very committed to that. We see ourselves as being in service to the service industry in Oregon. We are servant leaders in terms of there are certain places we need to lead. We need to make sure we've got cutting edge advertising and research and development chops. And at the same time, we do all that so that we can best serve the regional dmo, the local dmo and those businesses, those tens of thousands of businesses, many of them sole proprietorships, mom and pop organizations, businesses, helping them thrive. That's the way we've approached it. And to date, I will tell you quite humbly, it's worked very, very well, and I think Oregon has benefited from that.

Bob Gilbert ([22:43](#)):

Thanks for listening to part one of this episode. Tune in next time for part two. Please light subscribe and leave a review. You can also visit eddyalexander.com to learn more about our tourism, marketing, and destination management services, and read some of our recent case studies.