

TO: City Council

FROM: James L. App, City Manager

SUBJECT: **Economic Strategy – Public Relations Services
Branding Services**

DATE: March 4, 2008

NEEDS: For the City Council to consider Promotions Coordinating Committee (PCC) recommendations for Public Relations and Branding Services.

FACTS:

1. The adopted Marketing Plan includes brand development and initiation of public relations effort.
2. Requests for Proposal were distributed and ten responses were received.
3. Interviews of the top four proposals were conducted on Wednesday, February 20, 2008 by PCC Members Norma Moye and Pam Lyon and City Staff.
4. The interview panel and PCC unanimously recommend entering into contract with the Wine Country Alliance to provide Public Relations Services in the amount of \$30,000.00 for the 07/08 fiscal year and Kraftwerk Design Company to provide Branding Services for \$40,000.00 for the 07/08 fiscal year.

ANALYSIS &

CONCLUSION: The Public Relations effort will include:

- Develop Key Messages – Working with the City of Paso Robles and the PCC to develop four to six key messages to create the platform the public relations campaign.
- Tier Media Contacts – Create a press list of key target media on a local, regional and national basis.
- Develop a News Bureau – To position Paso Robles as the primary resource for press visiting the areas. Create a monthly tool to send out a tiered media list talking about happenings in Paso Robles.
- Culinary Press Tour – (example - inviting 4 – 6 writers to Paso Robles featuring culinary tourism, walking tour of the downtown, highlighting history, Pioneer Museum lunch with local historians, spa treatments or golf, dinners, wine tasting and lunch in a vineyard).

The Branding will include:

- Create a Distinct Image for web and print application

POLICY

REFERENCE: 2003 General Plan; 2006 Economic Strategy; 2007 Marketing Plan; FY 2008-11 Budget/Financial Plan.

FISCAL

IMPACT: Approximately \$70,000 - included in the adopted FY 08-11 Budget/Financial Plan.

OPTIONS: A. **City Council Authorize:**

- **Entering into a contract with the Paso Robles Wine Country Alliance for Public Relations Services for the amount of \$30,000**
and
- **Entering into a contract with Kraftwerks for Branding Services in the amount of \$40,000.00.**

B. Amend, Modify or Reject the Option Above.

Exhibits: A – Marketing Plan
B – Wine Country Alliance RFP Response
C – Kraftwerk Design Company RFP Response

Paso Robles Tourism Mission:

The mission of tourism promotion is to realize the full economic potential of an integrated approach to brand Paso Robles as a premier Central Coast destination. Paso Robles can attract visitors by positioning the place, its assets and unique attractions.

Objectives:

- Strengthen name recognition and long-term visibility of the Paso Robles brand
- Position Paso Robles as a year around culinary tourism destination
- Build demand for week-long events/corporate retreats and seminars

Strategies:

- Create an image/logo for the Paso Robles destination and a tool for the audience to utilize
- Tell the story – speak with a unified voice between all tourism partners
- Showcase the unique attractions of the region
 - California’s fastest growing premium wine region
 - California’s premier place for equestrian activities
 - The Central Coast’s culinary tourism destination
 - Fine dining restaurants
 - World-class wine
 - Premium Olive Oils
 - Sustainable/Organic Farms/Farmer’s Markets
 - Local events/attractions that demonstrate the community spirit
- Bring gatekeepers to experience the unique attractions of Paso Robles and build acclaim through third-party endorsement
- Measure overall return on investment (ROI)

Audience:

- Media — travel writers, lifestyle writers, food writers, women’s publications, niche publications (equestrian, aviation, etc.)
 - Target regional travel newspaper writers
 - Target national travel and lifestyle publications
 - Target online travel sources, blogs, pod casts, etc.
- Meeting planners — corporate retreats, seminars, week-long events
 - Target corporate businesses in the South Bay Area and Southern California
 - Target organizers of week-long events
 - Target new markets
- Cultural event coordinators
 - Art associations
 - Equestrian groups
 - Music groups
 - Culinary groups
 - Film producers
 - Writers/journalist organizations

Goals – October - June 2008

- Create a look and feel/logo for the destination
- Increase transient occupancy tax from X to X
- Host 4-6 writers
- Host 4-6 meeting planners
- Secure 2-4 regional story placements
- Secure 1-2 corporate retreats, seminars, week-long events
- Activate a Paso Robles destination Web Site

Action Plan/Timeline

October 2007 – January 2008

Brand Development/Tool Kit/Advertising

- An image/logo as well as a look and feel of the Paso Robles destination needs to be developed to provide the audience a visual for the brand that is to be created. This design will be integrated throughout all branding tools developed (i.e., letterhead, business cards, Web site, brochures, press kit, etc.).
- Solicit a design contractor to assess the look and feel of all the unique attractions in Paso Robles and determine a brand image that can encompass them creating a unified brand for the Paso Robles destination. Keep in mind how tourism partners may utilize this brand and encourage them to use the tools to extend overall reach. (i.e., partners using image on web sites, brochures, etc.)
- Create a Paso Robles destination Web site that encompasses all unique attractions, tourism partners (i.e., hotels, transportation companies, restaurants, etc.) and is the information source for the audience visiting and learning more about Paso Robles.
Features to include:
 - Driving directions and flight options (map of the region)
 - Travel itineraries for 1-day; 3-days; 5-day stays
 - Paso Robles Wine Country
 - Paso Robles Downtown
 - Paso Robles Event Center
 - Community Calendar featuring all local events
 - Museums, recreation (i.e., golf, water slides), hot springs and retail
 - Itineraries for seniors and special packages
 - Paso Robles Blog for visitors to share their stories (monitored to maintain positive image)
 - Media Room
 - Section for all press releases
 - Downloadable images
 - Links to local resources (i.e., Main Street, Chamber, Wine Alliance, etc.)
- Tool Kit Deliverables:
 - Logo
 - Letterhead
 - Business Cards
 - Web site
 - Press kit
 - Image Advertisement

- Web site design
- Web site copy (most likely is a separate contractor)
- Advertising/promotions – The budget restricts the PCC from an aggressive advertising campaign, but there will be times that the Paso Robles destination needs to be part of a greater message. A small amount of advertising/promotional dollars should be used to promote the Paso Robles destination. This may be used through traditional advertising channels or through event marketing.
- Budget -- \$85,000
 - Brand Development Contractor - \$40,000 for tool kit deliverables
 - Printing – letterhead, business cards, press kit - \$10,000
 - Advertising/event marketing - \$35,000

October 2007 – June 2008

Public Relations

- Establishing a year around public relations campaign keeps a consistent flow of news proactively going out about the Paso Robles community and positions the PCC as the contact for all tourism related activities for press contacts. Proactively pitching unique stories about the Paso Robles area to media contacts will create interest among writers to visit the area. Hosting writers in Paso Robles is important to selling in story ideas. Generating media coverage for the region creates third-party credibility from trustworthy sources consumers rely upon.
- Solicit a public relations contractor to create a public relations campaign and serve as point for press contacts. Contractor will work with all tourism partners to fulfill priority items – key message development, news bureau, tiered media list, execute culinary press tour and ongoing media hosting.
- Key Message Development – All tourism partners should speak with a unified voice to tell the story of Paso Robles. Focusing on key messages ensures the audience has a clear understanding of the area and the focus for the region’s public relations campaign.
 - The Paso Robles destination is centrally located halfway between San Francisco and Los Angeles and is the conduit to the Pacific Ocean for the Central Valley.
 - Paso Robles is California’s fastest growing premium wine region with more than 170 wineries and 26,000 vineyard acres.
 - Paso Robles is the Central Coast’s culinary destination featuring sustainable grown olive oil, cheese, organic farms, grass fed beef and fine dining to compliment locally grown foods.
 - Paso Robles hosts many of the region’s top equestrian events at its quality Mid State Event Center facilities.
 - The community spirit of Paso Robles is its foundation embracing the quality of life families and individuals choose to live, work and play in this special place.

- Develop News Bureau – Create a monthly tool to send out to media audience about happenings in Paso Robles. This keeps the press aware of the multitude of activities and positions the PCC as the key contact for all things related to Paso Robles. The monthly communication tool should tie back to the community calendar on the Web site featuring new aspects of events. In addition, create news releases about national tourism trends that relate to Paso Robles. (i.e., culinary tourism, seasonal stories – harvest, etc.). Plan to distribute news releases through a wire service to broadcast regionally and nationally as well as target media audience (i.e., travel, lifestyle, food, women publications and niche media). All press releases should also be available on Web site.
- Tier Media Contacts – Create a press list of key target media. Tier media to determine top contacts to proactively pitch and host in Paso Robles versus those to be part of news bureau outreach. Focus top tier media on freelance writers with multiple outlets for story placement in regional and national publications.
- Spring Culinary Press Tour (April) – Invite 4-6 writers to a three-day tour of Paso Robles featuring all culinary tourism attributes of the region. Plan to pay for travel costs to bring writers to Paso Robles. Work with tourism partners to create a unique itinerary that positions Paso Robles as a year-around culinary destination. Activities may include – vineyard tours, organic farm tours, chef demonstrations, olive oil tasting, wine tastings, etc. Itinerary will include local personalities so writers meet the people who make Paso Robles a culinary destination. Showcasing all the unique aspects of the region in a three day press tour helps sell in regional and national stories for media contacts.
- Ongoing Media Hosting – Writers are on a busy schedule determined by deadlines and may not always be available to travel to the region when a scheduled tour is happening. At the same time publications are cutting travel budgets making it necessary to pay writers travel costs to visit a region. Working with writers on an individual basis to host them (pay travel costs) creates a year around approach to selling in regional and national stories. Each writer should be screened to ensure they have a story actually in the works or there is great potential to ensure a story results from a visit to the region.
- Budget - \$45,000
 - Public Relations Contractor - \$20,000
 - News Bureau - \$5,000
 - Spring Culinary Tour - \$15,000
 - Media Hosting - \$5,000

October 2007 – June 2008 **Meeting Planners**

- Positioning Paso Robles as a central location ideal for corporate retreats of 20-75 persons, week-long niche events and seminars up to 300 persons helps drive mid-week hotel business. Showcasing the growing infrastructure of hotels and meeting rooms associated with them, transportation companies, winery event facilities, restaurants and the many attractions of the region positions Paso Robles as a destination for corporate retreats, seminars and week-long niche events.

- Develop Target List – Work with PCC, local hoteliers, Chamber and other resources to develop a target list of meeting planners in South Bay Area and Southern California to send monthly communication tool and target for a familiarization tour of the region.
- Meeting Planners Tour (February) – Invite 4-6 meeting planners to a three-day tour of Paso Robles to position the region as a central location ideal for corporate retreats, week-long events and seminars. Work with tourism partners to create a unique itinerary and generate the guest list for meeting planners’ tour. Showcase infrastructure, transportation companies, attractions, etc. Showcasing the central location and growing infrastructure helps sell Paso Robles as the place for corporate retreats, week-long events and seminars.
- Budget -- \$10,000

**Budget
 October 2007 – June 2008**

▪ Brand Development/Tool Kit/Advertising	\$85,000
▪ Public Relations	\$45,000
▪ Meeting Planners	\$10,000
▪ Tourism Coordinator	\$60,000

Total	\$200,000
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January 31, 2008

City of Paso Robles
Attn: Jim App/ Tourism Review Committee
1000 Spring Street
Paso Robles, CA 93446

Dear Mr. App and Tourism Review Committee,

Thank you for the opportunity to respond to the RFP for the Paso Robles Tourism Marketing Plan Public Relations component. The Paso Robles Wine Country Alliance (Alliance), although not a traditional public relations firm, is a 400 member based voluntary organization with a unified mission to *communicate, reinforce and enhance Paso Robles as a world-class wine region.*

Serving like a public relations agency to its members, the Alliance hosted more than 100 writers and generated more than a million dollars worth of publicity for Paso Robles in 2007 through its public relations efforts. Results were seen through various regional and national media outlets including *Sunset Magazine, Better Homes and Gardens, San Francisco Chronicle, Sacramento Bee, National Geographic, Nylon Magazine, Washington Post, Luxury Las Vegas, Forbes, and Food and Wine Magazine* just to name a few. In each of these articles your local wine industry was the focus, but attributes of Paso Robles from the charming downtown to special events to olive oil producers to luxury hotels and fine dining were highlighted rounding out the charm of the Paso Robles community. There is something special happening in Paso Robles and it's important that the City look at an integrated and coordinated effort to communicate the Paso Robles story.

The Wine Alliance has been successful in capturing headlines by following these strategies:

- Position the Alliance as the information source for media
- Communicate with a unified voice
- Showcase the unique attributes and trends of the wine community
- Develop a news bureau of timely information, trends and seasonal stories
- Host media in Paso Robles Wine Country
- Measure overall return on investment (ROI)

The Alliance strategies are similar to the City of Paso Robles tourism mission – *to realize the full economic potential of an integrated approach to brand Paso Robles as a premier Central Coast destination.* Working with the Alliance for the public relations component of tourism marketing coordinates outreach efforts with one of your largest area attractions, unifies the message to attract visitors and overall leverages current ongoing public relations outreach.

Working together we can strengthen the Paso Robles brand, avoid confusion among the press and integrate branding efforts for the community. The Alliance is a proven entity, which allows the City of Paso Robles to begin its public relations campaign immediately. I look forward to hearing from you.

Regards,

Stephanie
Executive Director

Enclosed:

- Public Relations Proposal
- Key Media Clips from 2007
- Media Tracking Grid
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PASO ROBLES WINE COUNTRY

PASO ROBLES WINE COUNTRY

RFP – Statement of Understanding of Scope

Understanding and Approach:

Objectives:

The City of Paso Robles is interested in establishing a public relations campaign that positions Paso Robles as a year around culinary tourism destination, strengthens the name recognition and long-term visibility of the Paso Robles brand and builds demand for week-long events/corporate retreats and seminars.

Strategies:

- Leverage media relations outreach and press contacts already in place with community partners
- Speak with a unified voice between all tourism partners
- Showcase Paso Robles unique attractions
 - Wine Country
 - Culinary Tourism
 - Equestrian Activities
- Host gatekeepers to create a Paso Robles experience and build acclaim through third party endorsement
- Measure overall return on investment (ROI)

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RFP – Statement of Understanding of Scope

Understanding and Approach:

Audience:

- Media- travel writers, lifestyle writers, food writers, women’s publications, niche publications
- Regional travel writers
- National travel and lifestyle publications
- Online travel Web sites – blogs, pod casts, etc.
- Meeting Planners – corporate retreats, seminars, week-long events
- Corporate business planners in South Bay and Southern California

Goals – March 1 – June 30, 2008

NOTE: These numbers may triple based on a focused year-around public relations campaign should the contract extend beyond June 30.

- Host 4-6 writers
- Secure 2-4 regional story placements
- Host 2-3 meeting planners



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RFP – Statement of Understanding of Scope

Understanding and Approach:

Action Plan (in sequential order):

- Develop Key Messages – Working with the City of Paso Robles and Promotions Coordinating Committee (PCC) agree to 4-6 overarching key messages to create the platform for the public relations campaign.
- Tier Media Contacts – Create a press list of key target media. The list will be tiered on a local, regional and national basis. Top tier media (30-40 contacts) will be pitched unique story angles that best fit their media outlets and may be invited to “experience” Paso Robles.
- Develop News Bureau – Position Paso Robles as the primary resource for press visiting the area. Create a monthly tool to send out to tiered media list talking about the happenings in Paso Robles. The monthly communication tool integrates with a community calendar to highlight the happenings in Paso Robles to keep the press informed. Create quarterly stories about trends that relate to Paso Robles (i.e. culinary tourism, seasonal stories – harvest, fair, etc.)

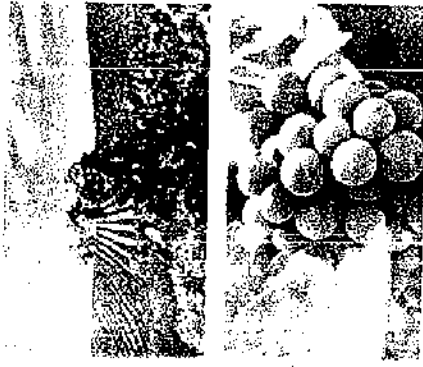
- Culinary Press Tour – Invite 4-6 writers to a three-day tour of Paso Robles featuring the culinary tourism attributes of the region. Leverage existing events like Wine Festival, Olive Festival, Zin Festival to create a timely hook to visit. Also look at seasonal timelines to consider. Showcase a variety of tourism partners.

- Sample Itinerary – designed to “meet the producers”

- Day 1 – Vineyard tour with wine grape grower, winery tour lead by winemaker, wine tasting, olive oil tasting, cheese tasting, dinner at local restaurant; overnight at hotel partner
- Day 2 – Walking tour of downtown Paso Robles highlighting history, Pioneer Museum, lunch downtown with local historians, afternoon of spa treatments and/or golf, dinner in Paso Robles home; overnight at B&E
- Day 3 – Wine tasting and driving tour of wine country, lunch in the vineyard/winery, depart

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RFP – Statement of Understanding of Scope

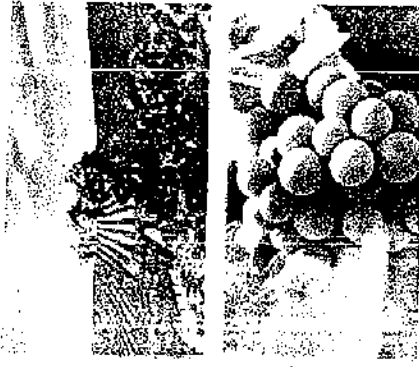
Understanding and Approach

Action Plan (in sequential order):

- Ongoing Media Hosting – Based on the tiered media list work with the 30-40 target writers to develop unique story angles and host them (pay travel and all costs) to create a Paso Robles “experience” which will result in third-party credibility. Selecting a diverse section of media helps target the various audience segments and keeps the pipeline full of story ideas to generate headlines.
- Photo Library – Media budgets are being cut creating more free lance writers and publications reducing expenses. Creating a wide selection of images strengthens Paso Robles as a resource for media. Hiring a photographer to create a bank of images is important to secure media placements.

NOTE: Ongoing media hosting and a photo library tactics in the action plan are not likely to happen within the budget and timeframe set forth in the RFP. If the contract is extended into the next fiscal year these areas will be exploited and become a key focus once the foundation for the public relations plan is in place.

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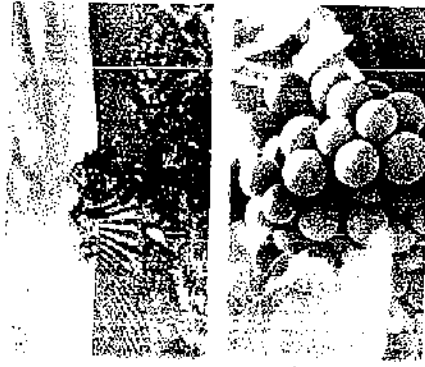
RFP – Assumptions

Assumptions:

Assumptions Upon Which This Proposal is Based:

- Tourism Coordinator – It is assumed that the public relations contractor will work with the tourism coordinator to help execute parts the public relations plan. Specific areas include:
 - New Bureau – the tourism coordinator will assist the public relations contractor in gathering the content for the monthly communications tool, which overlaps the concentrated effort to keep a community-wide calendar. Once edited and ready for distribution, the tourism coordinator will assist in the distribution of the media and ensuring its posted on the Web site.
 - Culinary Press Tour – the tourism coordinator will assist the public relations contractor in arranging travel plans and itinerary details for press tours
 - Media Source – the tourism coordinator will work with the public relations contractor to ensure media inquiries are either fulfilled or passed along to the public relations contractor for response
 - Meeting Planners – work with the tourism coordinator to identify 4-6 persons who plan corporate events for their clients. Provide them with information and plan a trip for them to “experience” Paso Robles.

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RFP – Schedule

Schedule:

Public relations often does not follow a specific schedule. The schedule is all based on the press, their availability and timelines. The key to effective public relations is establishing yourself as a resource and helpful entity for the media. Providing them information in a way they need establishes credibility and helps the press do their job. The initial steps of the public relations campaign will follow the outlined schedule.

March

1. Develop Key Messages
2. Tier Media Contacts

April

1. Develop News Bureau monthly calendar release
2. Invite/pitch writers to attend Culinary Press Trip

May

1. Monthly calendar release
2. Culinary Press Tour – hold in conjunction with the Wine Festival

June

1. Monthly calendar release
2. Follow-up with press contacts from culinary press tour – begin planning story publications



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RFP – Qualification and Project Team

Project Team:

The Alliance practices a team approach to accomplish its goals and service members. The team is equipped with a diverse skill set focusing on marketing, communications and events management. Projects at the Alliance get full thinking from the team. The core of the team and their backgrounds include:

Stacie Jacob, Executive Director

Jacob guides the organization to fully achieve its mission to brand and promote Paso Robles Wine Country. Working towards two key objectives – building demand for Paso Robles wines and enhancing the wine country experience - Jacob leads the branding efforts of this emerging California wine region to include marketing, promotions and public relations. Jacob takes the lead role as Executive Director for the Paso Robles Wine Country Alliance after serving nearly four years as the public relations director for the Washington Wine Commission. As Public Relations Director for the Washington Wine Commission, Jacob was instrumental in building the awareness of Washington State wines nationally and internationally. Prior to the Washington Wine Commission, Jacob spent four years in Kansas City, Mo., with Fleishman-Hillard, a global public relations agency where she focused on food and agriculture clients.

Gracie Rey, Promotions Manager

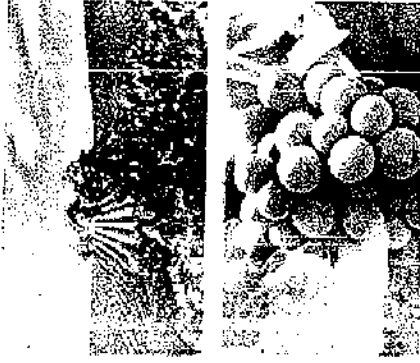
Rey manages the local festivals – Zin Festival, Wine Festival, Harvest Wine Tour – for the Alliance to ensure members receive marketing benefits from these key weekend events. Rey organizes, manages and executes these consumer based festivals attracting up to 6,000. With a background in event management during her tenure at Hospice, Rey's skill set is a valuable component to the Alliance team.

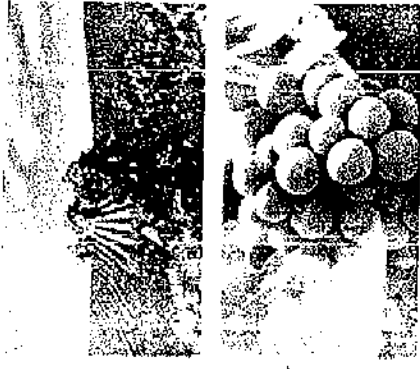
Chris Taranto, Communications Manager

Taranto manages the public relations efforts of the Alliance. He writes press releases, hosts writers, plans customized itineraries and measures the effectiveness of results generated. Bringing a strong tourism background to the team, Taranto understands the importance of the wine tourist and helps attract a diverse media base to visit and write about Paso Robles. His background in tourism, destination marketing is a key asset to the Alliance team.

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RFP – Cost Estimate

Budget:

Develop Key Messages and Tier Media Contacts

\$8,000

Develop News Bureau

\$10,000

Culinary Press Tour

\$10,000

Ongoing Media Hosting

\$2,000

Total Budget

\$30,000

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RFP – Examples

Examples of Public Relations Results:

Enclosed is a selection of regional and national press clips generated in 2007 as a result of the Alliance's concentrated focus on public relations. Also enclosed is an example of our media tracking grid on how we track writers and their results.

Newspaper Travel Sections/City Magazines:

- West Los Angeles Times Travel Issue April 2007
- San Francisco May 2007
- Sacramento Bee August 12, 2007
- Washington Post September 23, 2007
- Los Angeles Magazine September 2007

Niche Publications:

- Flying Adventures May 2007
- Modern Bride October 2007

Food and Beverage Publications:

- Wine News June/July 2007
- Cheers June 2007

Lifestyle Wine & Food Publications:

- Sunset March 2007
- Food & Wine Magazine - October 2007
- Better Homes and Gardens October 2007
- Saveur Jan/Feb 2008

Travel Publications

- National Geographic Traveler October 2007

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RFP – References

References:

Steve Lohr

VP of Planning and Development at J. Lohr Vineyards and Wines
Chairman of Wine Alliance

E-mail: slohr@jlohr.com

T: 408-288-5057

Thomas Reiss

Owner Kraftwerk Design

E-mail: thomas@kraftwerkdesign.com

T: 805-785-0589

Joeli Yaguda

Pasolivo Olive Oil

E-mail: Joeli@willowcreekoliveranch.com

T: (805) 227-0186

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PASO ROBLES
pasowine.com

RFP Contact

Paso Robles Wine Country Alliance

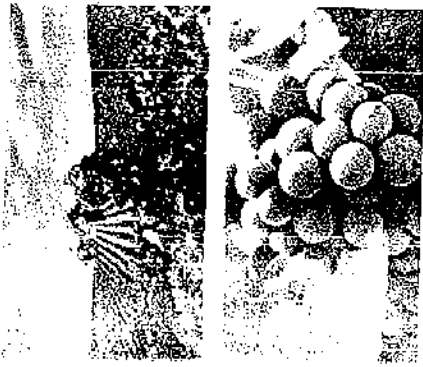
Attn: Stacie Jacob

530 10th Street

Paso Robles, CA 93446

www.pasowine.com

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KRAFTWERK DESIGN INC.

dear Cathy,

first of all, thank you for providing us with the opportunity to propose to become part of your team. I feel very comfortable being part of this project. Having been involved in so many creative projects in Paso Robles, I understand the Paso Robles region very well.

My company's approach is innovative and different from many local design firms, as our reputation and results show. Who we have completed branding related work for (see list of clients from the last 12 month) and the results of this work speaks for itself. One of the highlights is the branding effort led by Kraftwerk Design's creative direction for the Paso Robles Wine Country Alliance and the results seen. Another recent example of our creative branding efforts is the launch of all creative materials for Hotel Cheval.

If you are looking for a cookie cutter proposal and cookie cutter brand than this may not be the best proposal, if you are looking for the best creative result - then we should probably discuss your project more closely.

The project is perfect in scope of work and size for Kraftwerk Design. The only service we do not provide that you are looking for is the public relations and marketing aspect. However, we do work great in tandem with many public relations and marketing organizations i.e. the Wine Country Alliance, and the proof is in the making as for the results accomplished in promoting Paso Robles Wine Country.

As for printing - it is hard to put a number down at this point, due to too many variables, so it is not included in the quote. However, we are great in negotiating print deals with print vendors and after creative is paid we still have \$7,000.00 left in the budget, that should get us a good start. We may also need to consider getting a photography budget established. I have some great cost saving ideas that have worked well for the Paso Robles Wine Country Alliance as well.

Being local, having the experience needed and also possessing an established track record working with many businesses in the Paso Robles community, Kraftwerk Design would be a perfect match for your project. It would be beneficial to schedule a meeting to give you additional insight into Kraftwerk Design and discuss the project in more detail. Thanks for your time.

Cheers.

Thomas Reiss
KRAFTWERKDESIGN INC.



KRAFTWERKDESIGN Inc.

proposal **CITY OF EL PASO DE ROBLES 01.27.2008**
Brand and Tool Kit Development

the Company

Kraftwerk Design is a San Luis Obispo, California based design and branding agency for print and interactive media.

the Name

"Kraftwerk" is the German word for power house.



Power house:

1. A place where electrical power is generated.
2. A forceful, energetic person.

A native of Germany, Thomas Reiss, Kraftwerk Design's creative director, grew up in the heart of the Rheinland Pfalz wine country in southern Germany. This is a mere 15 minutes away from Elsass/ France, another famous wine region.

From this heritage came the idea of having a German word as the company name.

the Team

Thomas Reiss	<i>creative director</i>
Bryan Bremer	<i>senior designer</i>
Johnny Hanshew	<i>senior designer interactive</i>
Quincy Lousen	<i>designer</i>
Priscilla Wilson	<i>designer</i>
Anthony Pessagno	<i>designer interactive</i>
Ed Marshal	<i>intern designer</i>

the Technology

Kraftwerk Design is working in Apple OS 10.5 Leopard using the most current versions of all the major design applications. We use Apple G5 Power Macs and 20" flat screen Apple Cinema Displays.

We make a daily back up to an external hard drive (we use two of these) and swap the external hard drives once a week. We keep one outside the office in a safe place as an emergency back up in case of fire or theft. When a project is completed we back up onto a DVD (with a duplicate DVD to be kept in a safe place off premisses) before deleting the data from our file server.

The Creative Director

Thomas Reiss is regarded as one of the California wine industry's leading graphic designers. As the founder of San Luis Obispo-based [KRAFTWERK]DESIGN, he has developed progressive marketing and packaging designs for more than 40 wineries and wine related clients.

Reiss's connection to wine dates back to his childhood in Germany's Rheinland Pfalz region, where his father worked in a winery. He recalls helping his father scrub barrels and helping his mother pick grapes. Wine always graced his family's daily dinner table. During those early years, wine became part of Reiss's personal lore, a touchstone of fond memories that would later inspire his design work.

After studying pre-press management and production at Berufsschule Neustadt from 1989 through 1991, Reiss joined Publishing Partner, a print production company, where he managed more than 100 individual design firms projects. Reiss then established his own design and advertising agency with a specialty in magazine publishing—an enterprise that ignited his talent and passion for innovative design.

In 1997, Reiss left Landau, Germany for California's Central Coast—a move made to marry his wife Valerie. After arriving in San Luis Obispo, he began performing freelance design work, ultimately resulting in Kraftwerk Design. It now has seven employees and occupies a contemporary 2,500-square-foot office.

While Reiss was launching Kraftwerk Design, California's Central Coast was emerging as one of the world's most dynamic wine growing regions. Surrounded by the vineyards and wineries of San Luis Obispo County, Reiss found his interest in wine reawakened. He immersed himself in the industry, and wine soon became a focus of his firm. He has since used his intuitive familiarity with wine to create some of the freshest design and branding work in the wine industry.

Kraftwerk Design's wine-related work has been recognized by Neenah Paper, which included the firm's Design4Wine portfolio brochure as one of only six pieces featured in its 20,000-unit text and cover paper promotion folder. Kraftwerk Design was also recognized by Wine Enthusiast, a leading national consumer wine magazine. They published a feature on Reiss that explored the art and strategy of wine label design.

An ad campaign designed by Kraftwerk Design to brand Paso Robles Wine Country was included into the "USAdReview Book, The Best American Advertisements" in 2006.

In Summer of 2007, Weyerhaeuser Papers, one of the largest premium paper manufactures in the world, chose to reprint 25,000 copies of the Justin Winery image brochure designed by Kraftwerk Design. It will be used as a commercial print sample to showcase the use of innovative design on their Cougar Premium paper and distributed to their North American customers.

Most recently, Thomas Reiss was named, as one of the 8 most influential people that have made an impact on the Central Coast wine region, by Central Coast Magazine. He was chosen for raising the bar when it comes to design of brand image for central coast wineries.

Kraftwerk Design's clients range from small boutique wineries to large corporate wine producers. Please contact us for a full list of clients.

Reiss lives in San Luis Obispo with his wife, Valerie, their four-year-old son, Dylan and two-year-old son, Luke.

the Clients

This is a partial list of clients we have helped with brand and communications materials in the last 12 months. This list is only clients that would be applicable to your project, meaning local to Paso Robles trying to attract visitors to Paso Robles. Projects ranged from Brand development through all aspects of marketing communications materials, i.e. Labels, Brochures, Advertisements, Direct Mail, Newsletter, etc. to interactive needs like Website and interactive marketing (e-mail blasts, e-mail newsletters etc.)

Anglim
 Bodegas M
 Cass Winery
 Central Coast Boutique Wines
 Chumeia Vineyards
 Derby Wine Estates
 Doce Robles
 Eberle Winery
 Hotel Cheval
 J. Lohr
 Justin
 Kukkuila
 Meridian Vineyards
 Niner Wine Estates
 Oso Libre Ranch
 Paso Robles Wine Country Alliance
 Rotta
 Summerwood Winery and Inn
 Tablas Creek Vineyard
 Treana
 Vina Robles
 Vivant Fine Chees
 Vineyard Management Inc.
 Zoller Wine Styling

Please visit our web site for work samples and additional client examples.

www.kraftwerkdesign.com

the Project

The City of El Paso de Robles is looking for a design partner to help build a comprehensive branding identity. The key piece will be to develop a brand logo that conveys all the "good stuff" about visiting Paso Robles. The project will also include a complete stationery set as well as a brand standards manual to make sure the brands integrity will be protected in the future, a Press Kit Folder with inserts and a concept to be used in an upcoming advertising campaign.

Kraftwerk Design will develop concepts and designs that meet all the criteria required to make this a success for the City of El Paso de Robles.

Kraftwerk Design will handle services through all aspects of design: from initial concepts to layout and up to final print ready files. We will assist and consult on printing issues and manage printing for the City of El Paso de Robles (printing fees to be billed directly to the City of El Paso de Robles), as well as photography and advertisement placement.

Services included

- creative input**
- concept development**
- design from initial idea to final layouts**
- all Photoshop work**
- typesetting**
- working printouts**
- data transfer**
- data storage for future projects**

If Kraftwerk Design is selected as the City of El Paso de Robles design partner we will together develop a timeline for delivery of specific materials with set dates for completion.

the Fees

Brand Development Concept (Logo/Mark)

conceptualize and develop logo for combined use or separate use, with and without possible tag line, to function over a wide variety of media (print, web etc.) includes ca. 10 logo ideas, multiple rounds of revisions, printouts, related meetings etc.

\$10,000.00

Print Media

Stationery Package

conceptualize and develop letterhead, business card and envelope. Includes 3-5 concepts, multiple rounds of revisions, printouts, related meetings layout of 5 business cards. Printing not included.

\$4,000.00

Press Kit Folder

conceptualize and develop custom pocket folder. Includes 3 folder concept ideas, multiple rounds of revisions, printouts, related meetings etc. Also included, 3 concept ideas for folder inserts, with layout of template and 5 inserts. Printing not included.

\$6,000.00

Brand Standards Manual

conceptualize and develop brand standards manual incl. rules on proper use of logo, permitted uses, color palette, related font selections etc. incl. 5 hard copies of manual with cd incl. logos in variety of file formats, pdf manuals.

\$3,000.00

Print Advertisement

conceptualize and develop Print Advertisement (Fullpage, half page and quarter page). Includes 5 concept ideas, multiple rounds of revisions, printouts, related meetings etc. Not included: Production layouts of advertisements, advertisement placement cost, advertisement plan.

\$10,000.00

Design fees for all the above listed deliverables:

(does not include applicable sales tax)

\$33,000.00

Kraftwerk Design transfers to City of El Paso de Robles the following exclusive usage rights for the above projects on receipt of final payment.

Geographic Area Worldwide
Time Period Unlimited

For questions about this proposal please contact:

Thomas Reiss, Creative Director - Thomas@kraftwerkdesign.com - 805.785.0589

*Our References***Paso Robles Wine Country Alliance (www.pasowine.com)**

Stacie Jacob, Executive Director - sjacob@pasowine.com - 805.239.8453 ext. 202

The Paso Robles Wine Country Alliance, formerly the Paso Robles Vintners & Growers Association, is a cooperative marketing alliance made up of Paso Robles Wine Country wineries, vineyards and related businesses. The Paso Robles Wine Country Alliance is operated under the guidance of a nine-member board of directors. The Paso Robles Wine Country Alliance communicates, reinforces and enhances their status as a world-class wine region.

Kraftwerk Design has been on a annual retainer contract with the PRWCA since 1999. The organization went through a major re-branding (including a new name) in 2005. Kraftwerk Design, as their creative partner and design agency, was in charge of the new brand, including a new logo, brand standards manual, national ad campaign, all new media communications package with new stationery, folders and all connected materials. The new image tied into a new website, new logos for all event brochures and a new look for the "Paso Robles Wine Country" brochure that is widely distributed throughout the nation. Kraftwerk Design currently handles all design needs small or large for "Paso Robles Wine Country".

The initial new ad campaign to brand Paso Robles Wine Country was included in the "USAdReview Book, The Best American Advertisements" in 2006, published by Visual Reference Publications, Inc. in New York.

Hotel Cheval (www.hotelcheval.com)

Robert Gilson - robert@hotelcheval.com - 805.226.9995

Hotel Cheval is a sophisticated and stylish 16 room luxury Inn located in downtown Paso Robles, California. Situated in California's prized food and wine region, the intimate Hotel Cheval offers well-traveled guests an experience unlike any other in the area. Hotel Cheval features exceptional personalized service amidst thoughtfully designed and refined accommodations. Kraftwerk Design has been the design agency of choice for Hotel Cheval since the beginning of planning. It started with creating a brand logo and image with color palette. It was followed by a marketing communications package including business cards, letterhead, envelopes, brochures, and a media folder with inserts. Another big part of the project has been the creation and maintenance of a website. Kraftwerk Design is also involved in other projects (i.e. advertisements, direct mail pieces, postcards, etc.) that may come up on occasion.

Justin Vineyards and Winery

Justin Baldwin, Proprietor - justin@justinwine.com - 805.238.6932 ext. 101

Justin Vineyards and Winery, one of the most recognized wineries on the central coast and producers of the highly acclaimed Isosceles Bordeaux blend, came to Kraftwerk Design in fall of 2005 to discuss a major overhaul of the Justin brand. Kraftwerk Design, as the chosen design agency, was in charge of creating brand standards and multiple logos for all of the individual components of Justin (i.e. The Inn, The Restaurant, all Wine Clubs etc.). A new stationery set was created as well as a new image brochure and all other related winery brochures, from touring brochure to wine club. Kraftwerk Design also created two new labels and several direct mail pieces, newsletters etc. as well as the Justin website.

Most recently Weyerhaeuser Papers, one of the largest premium paper manufactures in the world, chose to reprint 25,000 copies of the Justin Winery image brochure to be used as a commercial print sample to showcase the use of innovative design on their Cougar Premium paper and distributed to their North American customers.

Standard Terms and Conditions

[KRAFTWERK] agrees to perform graphic art design, implementation and related services ("Services") to Client as specified in the Proposal to which this is attached on the following terms and conditions:

1. **Consideration.** [KRAFTWERK] shall provide those Services at the cost specified in the Proposal. All payments shall be in U.S. dollars, unless agreed otherwise, with applicable sales tax and those charges excluded from the Services. Unless set forth in the Proposal, all payments are billed on the first day of each month and are due and payable net 30-days. [KRAFTWERK] shall bill any work for Client not included in the scope of Services by separate invoice at its standard hourly rate, payable net 30-days, subject to all other terms and conditions of this Agreement.
2. **Modifications.** Design modifications are included within the scope of Services, unless such changes are substantially different in concept or intent from those listed in the Proposal. In the event of substantial differences, [KRAFTWERK] shall provide Client with an estimate of any additional costs. Client's approval of the additional costs or acceptance of Services with such changes after discussion shall be conclusive as to Client's agreement to any additional charges.
3. **Approvals.** No advertising, publicity, or printed materials shall be placed or printed without Client's prior review and approval of final copy. For purposes of approval, Client's primary contact with [KRAFTWERK] shall be deemed to have full approval authority unless Client otherwise informs [KRAFTWERK] in writing that only designated individuals shall have review and approval authority for the Client. Approval of "key copy" shall constitute approval of advertising, publicity, and printing. If no disapproval is received by [KRAFTWERK] within 7 days of each submission, the design shall be deemed approved. Client may modify or terminate any advertisement, commercial, publicity, or printing initiated after approval; however, Client shall be responsible for all costs and additional service charges, expense, and work due to post approval changes.
4. **Expenses.** [KRAFTWERK] is responsible for all expenses required to provide the Services, unless such Services are separately quoted or are fees charged by third party vendors hired on behalf of Client. Third party services include, without limitation, scans, photography, film, color proofs, printing, advertising cost, copy writing services, Web site programming, mailing and shipping cost or tax, and any expense incurred by any person(s) or entity [KRAFTWERK] might hire or use in performing the Services under this Agreement.
5. **Independent Contractor.** [KRAFTWERK] is an independent contractor and responsible for its and its employees' federal and state income tax withholding, Social Security taxes, and unemployment insurance. [KRAFTWERK] shall not be entitled to participate in health or disability insurance, nor will it be covered by Client's workers' compensation insurance, retirement benefits, or other welfare or pension benefits (if any) to which employees of Client may be entitled. The terms of this Agreement are not a contract or assurance regarding compensation, employment or benefit of any kind to any of [KRAFTWERK]'s personnel or to any who might be assigned Client's work. No such personnel, or any beneficiary thereof, shall be a third-party beneficiary under or pursuant to the terms of this Agreement.
6. **Services Not Work for Hire.** Because [KRAFTWERK] is an independent contractor and not an employee of Client, this Agreement does not create a "work made for hire" relationship between Client and [KRAFTWERK]. "Work made for hire" is used herein as defined in 17 U.S.C. §101 (1976).
7. **Assignment of Copyright.** Notwithstanding the provisions of Section 6, above, upon Client's final payment hereunder (and provided Client has otherwise complied with its obligations under this Agreement), all work and images including, without limitation, all graphics, code, layout and design authored by [KRAFTWERK] for Client will vest in Client without further act by Client or [KRAFTWERK]. For purposes of this Section, unless [KRAFTWERK] provides written notice to Client of Client's violation of the Agreement within 5 days of receipt of Client's payment for all or any part of the work delivered, Client shall be deemed in compliance with the Agreement. All rights transferred hereunder shall in no event include any part of the work produced for Client that incorporates preexisting work or materials owned by third parties pursuant to Section 9 hereof.
8. **Use in Portfolio.** Regardless of whether sold or otherwise transferred to Client, [KRAFTWERK] shall retain a perpetual, world-wide, nonexclusive license to include the original graphics, layout and design in [KRAFTWERK]'s portfolio for marketing purposes. Further, Client agrees to allow an author/copyright statement and/or link to [KRAFTWERK] in a credit line on publications or any Web site distributed by Client which contains [KRAFTWERK]'s work.
9. **Preexisting Materials Used by [KRAFTWERK].** [KRAFTWERK] may include in the work produced for Client preexisting work or materials owned by or licensed without restriction to [KRAFTWERK]. Client may provide preexisting materials to [KRAFTWERK] if they are owned or licensed without restriction to Client. To the extent that preexisting work or materials owned by or licensed to [KRAFTWERK] is to be included in the work produced for Client, [KRAFTWERK] shall identify any such work or materials prior to inclusion, and upon inclusion hereby grant to Client an irrevocable, nonexclusive, worldwide, royalty-free right and license to use, execute, reproduce, display, perform, and distribute (internally and externally) copies of such preexisting work and materials and the right to authorize others to do so. With regard to Client Materials provided to [KRAFTWERK] by Client, Client grants to [KRAFTWERK] an irrevocable, nonexclusive, worldwide, royalty-free right and license to use, execute, reproduce, display, perform, and distribute (internally and externally) copies of such preexisting work and materials and the right to authorize others to do so.
10. **Intellectual Property Warranties.**
 - 10.1 [KRAFTWERK]'s Indemnity. [KRAFTWERK] represents, warrants and covenants that, (i) [KRAFTWERK] has full authority to enter into this Agreement; (ii) all of the Services, whether performed by [KRAFTWERK] or any of its subcontractors, will be rendered using sound, professional practices and in a competent and professional manner by knowledgeable, trained and qualified personnel; (iii) to the best of [KRAFTWERK]'s knowledge, designs, artwork, stock elements, and any other materials used or created by [KRAFTWERK] in fulfilling its obligations under this Agreement (except Client Materials provided by Client) shall not in any time infringe upon any copyright, trade secret, contract right or other third party right; (iv) to the best of [KRAFTWERK]'s knowledge, the

