



MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager

DATE: February 24, 2011

SUBJECT: **DISCUSSION REGARDING THE MISS USA® PAGEANT**

This item was referred to a special Finance/Citywide Projects Committee for discussion.

BACKGROUND

At the beginning of December 2011, ACT Productions and the Green Agency approached the City, the Greater Miami Convention and Visitors Bureau (GMCVB) and Miami Beach Visitor and Convention Authority (VCA) about the opportunity of the City hosting the MISS USA® pageant in Miami Beach in 2012. In an effort to understand what this would entail, representatives of all three (3) organizations met with representatives of MISS USA®; Tammy Green from the Green Agency; Bruce Orosz from ACT Productions; and representatives from the City of Miami Beach, about the opportunity. The following information provides background information on the MISS USA® pageant and the requirements for hosting this event.

MISS USA®

The MISS USA® pageant was conceived in 1950 and the first MISS USA® and MISS UNIVERSE® pageants were held concurrently in Long Beach, California in 1952. Historically, the winner of the MISS USA® title has represented the United States in its sister MISS UNIVERSE® pageant.

The Miss Universe Organization produces the internationally-recognized MISS UNIVERSE®, MISS USA® and MISS TEEN USA® competitions. The MISS UNIVERSE® and MISS USA® competitions air as live specials and consistently rank among the most-watched television programming in the world. Miss Universe Organization L.P., LLLP is a Donald J. Trump and NBC Universal joint venture. NBC Universal broadcasts the MISS USA® and MISS UNIVERSE® competitions live during prime time in the United States. NBC Universal distributes the shows to international markets (approximately 170 countries). The three events are packaged together for international distribution.

Event Locations

In the first eight years of competition (1952–1959) the MISS USA® pageant was held in Long Beach, California. The competition moved to Miami Beach, Florida in 1960 and stayed in Miami Beach, with the exception of 1962, until 1971. In 1972 the pageant was held in Puerto Rico, the only time the pageant has been held outside the continental United States. From 1972 onwards the pageant has been held in various locations, generally being held in each location for two to three years. Since 2008, the pageant has been held in Las Vegas and has been hosted by a number of other American cities including:

- * Las Vegas, Nevada (2008 - 2010)
- * Baltimore, Maryland (2005 - 2006)
- * San Antonio, Texas (2003)
- * Branson, Missouri (1999, 2000)
- * South Padre Island, Texas (1994 - 1996)
- * Mobile, Alabama (1989)
- * Albuquerque, New Mexico (1987)
- * Lakeland, Florida (1984, 1985)
- * Mississippi Gulf Coast (1979 - 1982)
- * Niagara Falls, New York (1974 - 1976)
- * Los Angeles, California (2007)
- * Los Angeles, California (2004)
- * Gary, Indiana (2002, 2001)
- * Shreveport - Bossier, Louisiana (1997 - 1998)
- * Wichita, Kansas (1990 - 1993)
- * El Paso, Texas (1988)
- * Miami, Florida (1986)
- * Knoxville, Tennessee (1983)
- * Charleston, South Carolina (1977 - 1978)
- * New York, New York (1973)

Television Distribution and Media Exposure

The pageant aired on CBS from 1963 until 2002, and for many years was known for having a CBS game show host as pageant host. The show's highest ratings were in the early 1980s, when it regularly topped the Nielsen ratings. Viewership dropped sharply from the 1990s to the 2000s, from an estimated viewership of 20 million to an average of 7 million from 2000–2001. In 2002, owner Donald Trump brokered a new deal with NBC, giving them half-ownership of the MISS USA®, MISS UNIVERSE® and MISS TEEN USA® and moving them to NBC on an initial five year contract. The pageants were first shown on NBC in 2003.

NBCUniversal promotes the live telecast prior to the air date, which provides exposure to the host destination. The pageant is also distributed to over 90 countries and territories worldwide. MISS USA® was watched by 1 in 17 Americans in 2011 and had higher rating than ABC and CBS during the same time slot. MISS USA® also has a large internet presence that generates millions of impressions.

HOST SPONSORSHIP OPPORTUNITY

In order to host the MISS USA® Pageant in Miami Beach, the host organization is required to raise cash and/or in-kind support to cover the production expenses for the event. It is expected that the host organization will seek third party sponsorships in order to help meet the cash/in-kind needs necessary to successfully host the pageant; these sponsorships cannot conflict with any current pageant sponsorships. The original cash and in-kind requirement discussed with the MISS USA® representatives totaled approximately \$3,000,000. This total requirement included costs for the pageant venue; hotel rooms and meals (contestants and staff); security; community events; staging; production; local transportation; and airfare, among others. In exchange for this commitment, the Host Organization is considered the "Official Sponsor" of the pageant, receives approximately eight (8) minutes of destination primetime television exposure and audio mentions during the broadcast on NBC and in pre and post pageant coverage, receives a local economic tourism impact for three (3) weeks leading up to the pageant, as well as other promotional opportunities.

The 2012 pageant will be televised on June 3, 2012. Pre-pageant events would lead up to the show, and could include events both in the City and outside of the City. In order to accommodate the necessary production needs, the pageant would need to be produced in the Miami Beach Convention Center, which impacts production costs as compared to the use of an established theater or performing arts facility; the Fillmore Miami Beach at the Jackie Gleason is not large enough for this event.

CURRENT STATUS

Following the Commission meeting, staff met again with ACT Productions. ACT has further discussed with MISS USA® the host requirements, including the costs and expected cash/in-kind commitment. ACT Productions reported to staff that the cash and in-kind requirement could potentially be reduced to \$1,000,000, pending further discussions/negotiations. The City, along with the GMCVB, VCA and other sponsors would be responsible for the final negotiated terms, including any required cash, as well as services and products (e.g. hotel rooms, airfare, transportation, meals, etc.).

Staff also discussed the logistical requirements of such an endeavor, as this would require significant resources we do not have available at the City in terms of the identification and securing of potential sponsors; the identification of potential events, the coordination of production requirements, etc.