

Minutes
Chapel Hill/Orange County Visitors Bureau Board
April 16, 2008

The Chapel Hill/Orange County Visitor's Bureau Board met at the Courtyard By Marriott
on 100 Marriott Way in Chapel Hill at 8:00 a.m.

Board Members Present: Lee Pavao, Barry Jacobs, Rick Strunk, Frances Dancy, Bob Ward, Jim Ward, Rachel Hawkins, Creston Woods, Mark Sherburne, Dave Gephart, Jon Wilner, Linda Convissor, Liz Parham

Members Absent:

Other's Present: Willie Best, Asst. County Manager; Dr. George Fenich, guest speaker

Staff Present: Laurie Paolicelli, Linda Ekeland, Tina Fuller, Susan Rice

CALL TO ORDER

Mr. Lee Pavao, Chair, called the meeting to order at 8:10 a.m.

WELCOME

Chair Pavao introduced Amy Struble, Director of Sales for the Courtyard by Marriott. Ms. Struble gave a brief history of the Courtyard stating that in September of 2004 they opened with 146 rooms. In October 2007, 22 new rooms were added. The lobby has been expanded and a new bar has also been added. At the request of Laurie Paolicelli, Ms. Struble informed members that the forecast for June looks sluggish. Some segments are down such as AAA; the drive market – price of gas. April and May look good, however the 2nd quarter as a whole is down due to the possibility of less UNC visitors. September, October and November projections should prove to be on target. Struble mentioned the collaboration with the Visitors Bureau in the Charlotte Blitz to promote summer business.

Chair Pavao offered a special welcome to Barry Jacobs, Chair for the Board of County Commissioners, and is filling the seat of Moses Carey, Jr. for the remainder of that term.

Chair Pavao recognized and welcomed Willie Best, Asst. County Manager along with Susan Rice, newest staff member to join the Visitor's Bureau.

APPROVAL OF MINUTES

Chair Pavao motioned to approve the March 19, 2008 minutes. Dave Gephart moved to accept as written, Bob Ward seconded. With all board members in agreement the motion was carried unanimously.

GUEST SPEAKER

Laurie Paolicelli introduced Dr. George Fenich, Ph.D., Professor in the Department of Hospitality Management at ECU and multi-published author. Dr. Fenich referred board members to his handouts outlining trends. Fenich informed board members that the majority of metrics are up but supply and demand statewide is not happening. However nationwide, it is happening. Fenich explained that two issues are coming into play: 1) the Federal tax rebate which will be a minimum of \$600, has a history of being used for trips. Also the timing for the release of the rebate, May-August, is perfect. History shows that the regional market took shorter trips. Fenich recommended capitalizing on short-term marketing- family packages; weekend get-a-ways with extra day incentives. 2) the weak US dollar may stimulate more domestic travel and spending as items and travel outside the US are more expensive. It may also bring more foreign travelers here.

Floor opened to questions/comments.

REPORTS

Budget & Finance

Laurie Paolicelli in Moses Carey Jr.'s absence reminded board members that revenue always lags behind by a month. Spending is on target.

With Carey's resignation from the board and moving forward, Chair Pavao motioned to approve the nomination of Bob Ward as the new Finance Committee Chair. Mark Sherburne so moved with Jon Wilner seconding. With all board members in favor the position was granted..

Market Report

Rick Strunk informed board members on the launch of the new website, the publication of the 2008 Visitor's Guide and a campaign for drive in markets for May – August.

5th Quarter campaign plans are to brand extra activities around games to encourage visiting fans to stay here through game day guides, direct advertising, the web and mailer mediums. The Visitors Bureau is supporting by marketing 13 counties.

Research shows the Arts sector is not strong therefore the Visitors Bureau has allocated \$10,000 to assist Carolina Culture Zone in their endeavors for budget year 2008-2009.

Laurie explained that it is for a trial run and not to be considered a yearly donation. Expectations are more hotel stays, etc.

Chair Pavao reminded Laurie that we must be good stewards of the occupancy tax dollar and that our research showed that arts did not lure visitors here according to the last visitors profile study. Pavao asked that we keep very close measures on the campaign and pull it if it does produce the desired results, which is to increase visitors or generate interest in the arts.

Barry Jacobs suggested Dukes promotion of their football team/games may also be a potential marketing opportunity for us. It was noted that the Siena and other hotels in that area (between Duke and UNC) would probably benefit the most. Laurie noted that business comes more from the web than anywhere else.

Executive Directors Report

Laurie Paolicelli stated the current focus is on economic development, upping sales and occupancy taxes, etc. She also stated that with a near 10% jump in occupancy tax revenue, tourism is performing well even in our slow economy and UNC - initiated business not staying in Orange County. However the Visitors Bureau is still pushing to get new business and old business back in Orange County. The 2006 Black Alumni meeting was held in Durham (cheaper) but met in Orange County in 2007 and has pledged to meet here in 2008 for the next meeting. Linda Ekeland is focusing on this type of business. \$75,000 has been budgeted to promote an increase of hotel occupancy this summer. Laurie noted that an extra 12 occupied rooms a night would generate \$800,000 more in revenue. Funds are also budgeted for the 5th qtr, a top 10 for summer campers and a collaboration with the Alliance for Historic Hillsborough focusing on day-trippers.

Laurie introduced several lead topics for discussion: guided tours through MP3 and CD mediums, December basketball ticket incentives, what to do on Sundays in Hillsborough and hospital relations.

NEW BUSINESS

A presentation to the Chapel Hill Town Council requesting a \$50,000 increase in support from Chapel Hill is scheduled for this afternoon. Town Council does see a strong parallel in the Visitors Bureau and downtown Chapel Hill.

John Pelletier of Equation Research will be the guest speaker in May.

Willie Best informed board members that the EDC position is still in negotiations.

Jon Wilner informed members that Carrboro was named one of the top 100 arts communities in the country.

OLD BUSINESS

No old business

ADJOURNMENT

Chair Pavao motioned to adjourn, Bob Ward so moved to accept with Jon Wilner seconding. With all business of the Board completed, Chair Pavao adjourned the meeting at 9:16 a.m.

Minutes Drafted by:
Laurie Paolicelli, Executive Director

Minutes Accepted by:
Lee Pavao, Chair

Date

Date