

Minutes
Chapel Hill/Orange County Visitors Bureau Board
May 21, 2008

The Chapel Hill/Orange County Visitor's Bureau Board met at the Aqueduct located at
1620 Mount Carmel Church Road in Chapel Hill at 8:00 a.m.
Host Joy Snyder, Sales Director

Board Members Present: Lee Pavao, Barry Jacobs, Rick Strunk, Bob Ward, Creston Woods, Mark Sherburne, Dave Gephart, Jon Wilner, Linda Convissor, and Mark Sherburne,

Members Absent: Frances Dancy, Jim Ward, Rachel Hawkins, Liz Parham

Other's Present: Guest speaker, John Pelletier of Equation Research, Bradley Broadwell, EDC Director; and Bruce Wlach, Jennings

Staff Present: Laurie Paolicelli, Patty Griffin, Linda Ekeland, and Tina Fuller

CALL TO ORDER

Mr. Lee Pavao, Chair, called the meeting to order at 8:05 a.m.

WELCOME

Chair Pavao welcomed and introduced guests John Pelletier and Bradley Broadwell. Mr. Broadwell at Pavao's request took the floor. Broadwell, the new EDC Director for Orange County, gave a brief overview of his previous experience and also his thoughts on the current economic issues of Orange County. Floor opened to questions.

APPROVAL OF MINUTES

Chair Pavao motioned to approve the April 16th, 2008 minutes. Mark Sherburne moved to accept as written, Rick Strunk seconded. With all board members in agreement the motion was carried unanimously.

Altering the agenda, Pavao then turned the floor over to Rick Strunk, Marketing Committee Chair as a lead into the guest speaker

Market Report

We are in the 2nd stage now of the summer campaign, which was placed in NC and Virginia drive markets and is designed to increase summer business. The Bureau is

hopeful for an increase in summer transient business between Memorial Day and Labor Day. Strunk indicated that since we had the original research study two years ago, the Bureau had put all mechanisms in place as suggested by the study, and based on the funds we had. These mechanisms include a new website, search engine optimization, changing the brand name to visit Chapel Hill.

GUEST SPEAKER

Chair Pavao welcomed John Pelletier of Equation Research. Mr. Pelletier gave a brief overview of the results from the last study the company did for the Visitors Bureau:

- ☼ People are unusually aware of our area (for our size)
- ☼ Our resources are what visitors are looking for
- ☼ UNC and Chapel Hill have joint appeal (which is extraordinary)
- ☼ We are running parallel with Ann Arbor based on a study he just completed for that city and he found new information that will help both college towns moving forward.
- ☼ The level of satisfaction after visiting here is high
- ☼ Our weakness is parking and traffic

Pelletier stated that now we need to ask - how do we keep ambassadors of our community? This will provide a platform, a guide for what we are doing and one that we will need to execute more precisely.

Pelletier informed the board members of what we should want from research: 1) confirm the first survey results, 2) satisfaction, 3) change in factors of destination selection and 4) learn what to expect and capitalize on it.

Pelletier informed that there is a change in patterns of destinations from two years ago and the #1 factor in this change pattern is fuel cost. Several years ago rising fuel costs were a shadow of reporting concern but now visitors are behaving on it. The number 2 factor is a decrease in disposable income. We need to market the justification of spending here. Number 3 factor is credit card debt. Number 5 is incentives, what is it going to take to bring the visitor, i.e. lower air fares, mileage bonuses, hotel discounts etc. and number 6 is competitive information, how are we matching up.

A discussion ensued about the Chamber's trip to Ann Arbor and what information can be obtained and useful.

Pelletier informed on the impact of the Internet and closing the gap between looking online and actually going to the destination.

The floor opened to questions

Laurie informed members that \$15,000 is budgeted for research and the time frame is June/July with data available in late August. A suggestion was made that once the data is in, Pelletier could return and make a presentation to county leaders.

Chair Pavao motioned to approve the research. Dave Gephart & Bob Ward so moved to approve as presented with Mark Sherburne seconding the motion. With all board members in agreement the motion was carried unanimously.

Budget & Finance

Bob Ward, Finance Committee Chair, gave the financial report reiterating that the tax receipts lag a month behind and we have three (3) months of revenue to go. Expenses are par, in the 80-90% range. Confirmation was made that any revenue not spent at the end of the budget year goes into the Visitor Bureaus Fund Balance account.

Pavao motioned to accept the finance report as given. Creston Woods so moved. John Wilner seconded. With all board members in agreement the motion was carried unanimously.

Executive Directors Report

Laurie briefly discussed the parking situation at the Bentley Building stating that the lack of parking spaces is becoming a big issue and presented to the board the question of whether relocating in five years would be in the VB's best interest. The consensus of the board was positive in looking at that possibility. She also asked for their thoughts on permitting and towing vehicles in the parking lot. The board concurred not to pursue towing vehicles at this time and continuation of this discussion should be on June's agenda.

Laurie went on to discuss new builders/bankers on new hotels that are coming in and her concern that the needs i.e. meeting spaces, hotels, etc. are not being met. Laurie presented the question of whether the Visitor Bureau should publicly stand on new hotel build-out. After brief discussion, the general consensus was to provide information but not advocate.

A brief discussion regarding disappointing numbers for UNC commencement and hotel occupancy ensued.

Sales Report

Linda Ekeland informed board members that the full service hotels are fairing better than non, group business is pulling them through. They are considering offering packages for groups and per person i.e., gas cards, lower rates to corporations, etc.

It was noted that Barry Jacobs—in a future community meeting with the new UNC Chancellor—would be open to the possibility of discussing how increased UNC business in Orange County hotels could positively impact the entire county.

John Wilner suggested local restaurants and hotels offer arts incentives (when theaters and facilities are light) to lure people and it was suggested that John Pelletier could present this idea to research focus group members to gauge their interest in the idea.

NEW BUSINESS

Dave Gephart gave a preview of Hog Day, dates, goals, merchandise.

An advisory/nominating committee was formed for the three new board positions opening January, which include an expired Chamber of Commerce seat (which opens the chairman of the board seat); two new positions, including an economic development seat and marketing seat at large. John Wilner, Mark Sherburne and Dave Gephart volunteered. Recommendations should be in by August.

OLD BUSINESS

No old business

ADJOURNMENT

Chair Pavao motioned to adjourn, Dave Gephart so moved to accept with Bob Ward seconding. With all business of the Board completed, Chair Pavao adjourned the meeting at 9:46 a.m.

Minutes Drafted by:
Laurie Paolicelli, Executive Director

Minutes Accepted by:
Lee Pavao, Chair

Date

Date