

Approved November 18, 2015

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting October 21, 2015

The Chapel Hill/Orange County Visitors Bureau met at
The Friday Center, Chapel Hill

Board Members Present: Anthony Carey, Libbie Hough, Lee Storrow, Debbie Hepp, Karen DeHart, Lee Pavao, Michelle Johnson, Mike Gering, Rosemary Waldorf, Mark Sherburne, Nitin Khanna, Penny Rich

Not Present: Jill McCullough, Aaron Bachenheimer, Meg McGurk, Annette Stone

Staff attendance: Laurie Paolicelli, Marlene Barbera, Tina Fuller, Allison Chambers

Also present: Robert Bruce, Director, The Friday Center; Stephanie Perri and Tom Hickey, Clean Design; Andrew Strickland, GM Residence Inn; and Shannon Campbell, Economic Development Planner for Town of Hillsborough.

Call to Order

Chairman Anthony Carey called the meeting to order at 8:15 am.

Introductions were given by all.

Approval of Minutes

Mr. Cary requested a motion to approve the September 16, 2015 minutes. Penny Rich so moved, Mike Gering seconded. With all members in favor, the minutes were approved as submitted.

Guest/host speakers

Chairman Carey recognized Robert Bruce, Director of the Friday Center. Mr. Bruce thanked Laurie Paolicelli and the board for inviting him to speak this morning. He called to the board's attention the group meeting in the lobby when we arrived to highlight the Friday Centers programs to promote global Education. He noted that the Friday Center is approaching its 25th Anniversary as an educational conference center which receives 80,000 visitors a year.

Over the next two to three years they will expand the Center into the outside space encompassing the open two acres to the east of the building to provide outdoor reception and meeting place. They are working with the NC Botanical Garden to include native plants from all over NC. They are also meeting with university architects to expand and make renovations to the center, possibly to accommodate as many as 700 to 800 people. He reminded the board that the Friday Center is self-sustaining and does not receive state money. Chairman Carey asked if the center's capital campaign is part of the university's and Mr. Bruce said that it is. Laurie Paolicelli stated that she and Mr. Bruce have been talking about partnering in the study to gauge level of meeting space being offered now with possible projects in the pipeline and what kind of market penetration we could expect with expansion of the Friday Center and elsewhere. She asked Mr. Bruce if this was a competition and is the Friday Center subject to the Umstead Act. He noted that the center is subject to the Umstead Act which limits them from engaging in unfair competition as a public entity. They are limited to activities related to education in purpose or intent. The study should take their limited competition status into consideration. The Chair recognized Mr. Nitin Khanna. He stated that his property has 16,000 ft. of flexible space and has seen a decrease in social events with a small increase in group meetings. He feels the decrease is due to the increase in venues over the past five years. Ms. Laurie Paolicelli suggested moving forward with the feasibility study recognizing that there might be concerns within the private sector.

She also stated that the compression they create, we would like to say those rooms stay in Orange County. She reminded the board that we do need to take a hard look at space and what impact new space in Durham will have.

Chairman Carey recognized Clean Design. Ms. Paolicelli introduced Tom Hickey and Stephanie Perri of Clean Design whom we have been working with for the past four years after an RFP was completed and we moved from Jennings. Ms. Perri passed a copy of Our State Magazine around the table that feature a Carolina Performances ad as an example of the creativity of partnering in our advertising. Ms. Perri stated they were receiving great feedback on the *Secret Ingredient* campaign. New ads are being added monthly. Tom Hickey offered an overview of the media plan. Looking at the media budget, geographically, it is primarily focused in the state of NC. Paolicelli stated that she wants the board to look at where we are not and how this relates to the fund balance discussion.

Mr. Hickey shared that more advertising dollars have been moved to Cvent, which is “a leading cloud-based enterprise event management platform”. Cvent offers software solutions to event planners for online event registration, venue selection, event management, mobile apps for events, e-mail marketing and web surveys”. Khanna stated that his property spent \$6,000 on a promotion with Cvent that resulted in \$120,000 in actualized leads generated.

Hickey went on to introduce some test initiatives in Boone and Wilmington focusing on content marketing or paid content such as advertorials, ads within your feed. Facebook is still dominant, but a good balance is needed across other platforms. What’s in the news is concern over ad blockers and there effect on the free internet and the escalation of fraud in digital space.

Sales Report

Marlene Barbera reported that she attended a Small Market Meetings conference in Littlerock, Arkansas. She had twenty-three one on one appointments. She was able to meet with planners from different segments and got one RFP while at the conference. The Visitors Bureau hiring a contract Sales Specialist who will begin in December.

Budget Update

Penny Rich, Finance Chair, reported that we are on target but watching the revenues closely. She spoke to the fact that last year our revenue numbers were higher due to the delayed opening of the LUX. She reported that available fund balance, after 15% reserves, is approximately \$400,000 and that we will wait until after the 2015 audit is complete to make decisions about spending part of that money on advertising, a possible space study and some county-wide initiatives.

Executive Directors Report

Laurie Paolicelli reminded the board of the campaign initiated by former manager Frank Clifton, *Fifty Reasons to Love Orange County*, which ran in the Herald Sun. It really called attention to everything great about Orange County so she is talking to the Manager about some possibilities going in that marketing direction, nothing certain as we are waiting for the audit. She will bring it back to the board. On a different note, Ms. Paolicelli shared with the board the interest by some of the County Commissioners to sponsor a contest to rename an interstate sign in Orange County that currently reads, “You’ll Be a Fan for Life.” Lee Pavao stated that it had been two months since Ms. Paolicelli had been appointed to her new position as Director of Community Relations and Tourism by the county manager. While he is very pleased that this now makes the Visitors Bureau a direct report to the County Manager he asked if this took her time away from the bureau. She answered no, and thanked him for the question. She explained that she spent a couple of months on the diagnostics of the new job to see what is needed and now is in the implementation stage. She does not feel the

position is taking away from the time she devotes to the Bureau. Mr. Pavao asked her to deliver a quarterly report on how much time she has spent on the Manager's business and how much on the Bureau's business.

New Business/Roundtable

Chairman Carey acknowledged all for updates in their respective fields:

Mark Sherburne talked about how the medical consulting firm, Huron, is positively impacting our numbers and he fears a drop in occupancy when their contract is done, advising us to look to fill those holes.

Nitin Khanna reported that Advance Auto Parts is moving its headquarters to Raleigh.

Chairman Carey recognized Libbie Hough to update the board on what is happening in Hillsborough. She offered two websites, www.visithillsboroughnc.com and www.hillsboroughchamber.com for a full list of holiday activities in Hillsborough. She asked Mike Gering to speak about what is happening with the Colonial Inn. He shared that after 14 years of decline leading to condemnation and finally evacuation for emergency and safety problems the town decided they had reached a point where they had to take action. On October 12, 2015 they announced their intent to acquire the property by eminent domain. The process could take up to one year. Their intent is to preserve the Inn and form a public private partnership to take over the preservation.

Continuing the round table, Michelle Johnson reported that there is some concern, mostly among business owners in downtown Carrboro, that the IFC is considering moving their dining space to their food pantry location in Carrboro. She stated that people are confusing the homeless with the hungry.

Chair Carey recognized Debbie Hepp who shared that the County Manager has asked the Arts Council to program exhibit space in the Whitted Building now that it has become a more public facility. The manager also extended an invitation to each Arts Council member to meet with her individually to discuss their interest in the arts and answer any questions she may have.

Chair Carey introduced Karen DeHart's report by mentioning that there was a great turnout at the High School Athletic Day on Saturday, October 17. It was nice to see the stadium full.

With no other discussion or business, Chairman Carey adjourned the meeting at 9:30 am.

Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Anthony Carey, Chairman

Date