

GRAND JUNCTION VISITOR & CONVENTION BUREAU
MINUTES OF THE
BOARD OF DIRECTORS MEETING
MAY 13, 2003

CORRECTED

PRESIDING: Alan Friedman, Chair

MEMBERS PRESENT: Michael Somma, Steve Meyer, Kevin Reimer, Peggy Page, Lynne Sorlye

MEMBERS ABSENT: Jane Fine Foster, Jill Eckardt, Linda Smith

STAFF PRESENT: Debbie Kovalik, Irene Carlow, Barbara Bowman, Layne Whyman

GUESTS: Linda Hill, Anna Maria Ray

The meeting was called to order at 3:07 pm.

VOLUNTEER RECOGNITION: The Chair recognized five Visitor Center volunteers for their service to the VCB and the community. Doris Blake, Jane Craig and Pat Green have all reached the 2,000 hour milestone, and Les Davis has given 1,000 hours of his time to the Center. Ella Bigelow, who was unable to attend this meeting, has also attained the 2,000 hour mark. The Chair expressed the Board's thanks to the volunteers for their dedication to our community and the exceptional service they provide to our visitors.

MINUTES OF MARCH 11, 2003: Michael Somma moved the minutes be approved as written, Lynne Sorlye seconded; approved unanimously.

BOARD BUSINESS: 1st Annual Spring Barrel Tasting Michael Somma reported that the event went very well; the tours were educational and there was great interaction between visitors and winemakers. The wineries recognize the VCB's involvement in promoting this first-time event was key to its success. The VCB hosted a freelance journalist/photographer team from Denver; they were very impressed as they discovered each winery's "personality". The Director stated that a high percentage of attendees learned of the event from a Denver Post article published in mid-April. (The article resulted from the efforts of the VCB's public relations firm.)

Logo Use From time to time, the VCB receives requests from individuals who want to use the VCB logo for a variety of purposes. Most recently a local businessman requested permission to include the VCB logo in all his company's advertising as a way to help promote Grand Junction. The Board noted that events receiving Special Event funds are required to use the VCB logo on promotional materials, but that is to acknowledge sponsorship and is different than random usage that the VCB would not be aware of until after the fact. The Board expressed a number of additional concerns: how Grand Junction is being represented; the context/appropriateness;

VCB's inability to control the image being presented. A trade name affidavit was filed when the current logo was adopted and has since been renewed; the Board wishes to maintain any and all protections or rights under that affidavit. Steve Meyer moved that the VCB not allow use of the trade-named logo without a written request and prior approval of the Board; Michael Somma seconded; passed unanimously.

Special Events No reports.

Special Promotions and Events The Director discussed the monthly statistical reports; all indicators are down through the end of April. Year to date declines are as follows:

Lodging tax	7.2%
Advertising responses	51%
Telephone inquiries	33%
Visitor Center	41%

The City's retail sales tax collections were also down for the 1st quarter. The Visitor Center was down nearly 20% for the month of April which is an indication that lodging tax collections will also show a decline in May.

Tourism partners throughout the state report extremely short booking times. Consumers are looking for short term opportunities and are making decisions on just a few days' notice.

HILL & COMPANY: The average daily rate for the 1st quarter is up \$2; however, occupancy declined from 53% to 45%. The decrease in advertising responses is at least partly attributed to a shift in the media plan. In previous years our heaviest media months were February, March and April. This year the heaviest months will be May through August; the shift in ad timing is in response to travelers' shorter booking times.

Research conducted in February by Peter Yesawich indicated that the then-approaching war was definitely affecting both leisure and business travel plans. Leisure travel would be with family and stay relatively close to home. Corporate travel was being curtailed because businesses did not want to put employees at risk. The research indicated that if the war were short-lived and there were no major incidents within 30 days, people would start traveling again.

The Director presented a budget projection showing the affect of a 5% decrease in lodging tax for the year 2003, with no adjustments to expenses. We can continue spending the existing allocation in the 2003 Marketing Plan and still have a fund balance that is \$62,000 in excess of the minimum working capital. At the July Board meeting – when June revenues are reported – staff will be in a better position to project year-end revenues and the Board will be able to determine if programs need to be cut and/or adjusted. Operational expenses would be considered first, marketing programs would be the last to be cut. The Board was reminded that Vendor's Fee receipts are affected if City sales tax revenues decline. This summer all City departments will begin working on the 2004-2005 budgets. Budget development usually takes place during July-August, with all figures finalized in early September.

Barb Bowman talked with 7 different properties about their booking pace. April business was down with declines ranging from 12% to 22%; May was even or up slightly. All properties reported extremely short bookings, even for meetings. Projected business for June-July at the 7 hotels broke out as follows:

- 4 – business looks good
- 1 – even with last year
- 2 – not good

Two of the 7 talked about the difficulty of maintaining rate integrity. Business is shifting from one property to another and groups are very rate sensitive, asking for complimentary breakfast and other incentives.

The Chair asked if we should advertise our summer events approximately 10 days out? Would that be money well spent? The Director responded that that is the type of “quick hit” ads we are considering.

A golf fam for Denver-area sports journalists is scheduled June 8-9-10. Participants include representatives of The Rocky Mountain News, Ft. Collins Coloradoan, KOA and The Fan radio station. Journalists will arrive the afternoon of Sunday, June 8. They will play Redlands Mesa June 9 and Tiara Rado June 10. The June 10 Board meeting will be held at the Pinon Grill at Tiara Rado.

Special Event Funds The Special Events account balance is \$15,900 after all awards were made for this year. The Board previously approved using \$3,000 from that account to promote the Spring Barrel Tasting (\$2,000 was spent on media and \$1,000 on the website). The Director requested that \$4,000 of the remaining funds be used for a radio promotion with The Fan (950 AM) surrounding 3 golf tournaments: The US Open (June 9-16), The International (August 4-11) and the PGA (August 11-18). A local course would partner with the VCB to split the cost of this promotion. Peggy Page moved that \$4,000 in the Special Events account be used for the Denver radio golf promotion, Lynne Sorlye seconded, passed with 5 in favor; Michael Somma abstained.

The Director discussed possible uses for the remaining \$8,900 in unallocated Special Events funds and how those funds might be incorporated in the type of “quick fix” marketing that has been discussed at this meeting. Opportunities for special promotions usually require a quick response time, which may not coincide with getting Board approval at a regular monthly meeting. The consensus of the Board is that, if such an opportunity arises before a regular meeting, the Director should contact the Board with the details and members will respond within 24 hours.

(Michael Somma left the meeting.)

STAFF REPORTS: Layne Whyman reported that the Travel Expo saw an increased number of exhibitors and attendees. In response to feedback after the first Expo, the format was changed and the day shortened. New exhibitors this year included Harley Davidson, Gibson’s RV and Empire Theater. Support for the event is not strong among local tourism partners as only two wineries and five hotels had booth space. Staff made numerous sales calls to encourage local

attractions to participate; the sales effort had mixed success as many of those who exhibited did so in shared booths. Comments from attendees are positive and hosting the event has improved the VCB's relationships with regional agencies and tourism entities. Staff will tabulate comments from exhibitors' surveys and VCB volunteers and present those findings at the June Board meeting.

The Director and Director of Sales nominated Layne Whyman as the City's Employee of the Month in recognition of Layne's tremendous effort in organizing and managing the Expo.

The meeting was adjourned at 4:52 pm.

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