

Approved September 17, 2014

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting August 20, 2014

The Chapel Hill/Orange County Visitors Bureau met at
Sheraton Chapel Hill, One Europa Drive

Board Members Present: Anthony Carey, Dave Gephart, Lee Storrow, Debbie Hepp, Greg Overbeck, Mark Sherburne, Aaron Bachenheimer, Lee Pavao, Mike Gering, Penny Rich, Annette Stone, and Meg McGurk

Not Present: Jim Parker, Karen DeHart, and Michelle Johnson

Staff attendance: Laurie Paolicelli, Steve Brantley, Linda Ekeland, Martha Shannon and Tina Fuller

Also attended: Natalie Perkins, Clean Design; Michael Schinelli and Professor Nicholas Didow, UNC Kenan-Flagler Business School

Call to Order

Chairman Anthony Carey called the meeting to order at 8:11 a.m.

Welcome from the Sheraton Chapel Hill

Nitin Khanna, General Manager for the Sheraton Chapel Hill welcomed board members and guests. Mr. Khanna spoke briefly on hotel activity including current room occupancy with Carolina Students through Lux Apartments.

Budget Update

Penny Rich talked about the Board of County Commissioners agreement to drop the line item used to pay rent; she explained that those funds would be used for advertising in the 2014-15 budget. Ms. Rich noted that this year's \$1.5 million budget shows some increase in key areas; the Arts Commission is basically the same as last year with a slight increase in advertising and printing. She also noted that occupancy revenue is going up.

Mike Gering inquired about the fund balance. Paolicelli replied that there was a \$165,000 surplus this last fiscal year and \$192,000 has been appropriated into this budget year. Gering commented that the funds should be used for tourism. Ms. Rich agreed to meet with 3-4 people. Paolicelli replied there is already a finance committee in place.

Brand NC Project

Chairman Carey introduced Professor Nick Didow and Chief Marketing Officer, Michael Schinelli along with students Tori and Summer with the UNC-Chapel Hill Kenan-Flagler Business School to discuss the Brand NC project

Professor Didow gave a background of how the project came about— last October Tom Ross, President, UNC Systems, said Sharon Decker called about North Carolina not having a brand. UNC Agreed to help Commerce with branding and Tom called Didow. Working with group of 10-23 students on project, there is a statewide board of advisors, public and private. Challenge is to listen and capture, engage and represent the voice of current NC citizens and future NC citizens.

Purpose: create an authentic and credible brand. Project Strategy was conducted in three phases: Discovery, strategy and creative with the Discovery Phase just completed. The data found in the discovery phase will be implemented in the strategy phase, which is currently under way. A PowerPoint presentation followed with explanation on the quantitative and qualitative research conducted.

When asked of the 463 adults the “first three things that come to mind when they thought of NC”, 26% said they know nothing. “Tar Heels” was the 6th most frequent mention and “Chapel Hill” was the 22nd most frequent, just after “Warm Weather” and “Duke University”. Of the 326 adults that have, the top three things that came to mind were “Beaches”, “Mountains, and “Outer Banks”. “Tar Heels” was the 5th most frequent mention, “Chapel Hill” was not mentioned at all, Duke University” was mentioned 10 times, and “University of North Carolina” or “UNC” were mentioned 6 times.

Floor was opened to Q&A.

Paolicelli stated that it seemed to her that in the national interviews the Piedmont is not that widely known as the beaches and mountains, and we assume that the whole world is talking about us, everybody knows where we are and who we are. And the takeaway is maybe in our ads we need somewhat of a map creatively shows where we are and stop assuming everyone knows where we are.

Dave Gephart mentioned a case in point that received a 20% increase in business using a radius map. Annette Stone mentioned that she thought NC tourism (years ago) tried rebranding “The Piedmont” to “Central”. Gephart mentioned that South Carolina and North Carolina is sometimes branded as “Carolina”. Paolicelli noted that we are surprised at how many times North Carolina has been chided on a national level and wondered how that affected the study. Professor Didow found that Secretary of Commerce Sharon Decker insisted getting metrics on that, however did not bring it to the meeting. He did say what was found a surprisingly small amount of outside people are aware of the recent publicity of NC and about have consider it to be positive and half negative. All findings are on the website: www.BrandNC.org

Approval of Minutes

Mr. Carey requested a motion to approve the June 18, 2014 minutes. Dave Gephart so moved and Greg Overbeck seconded. With all members in favor, the minutes were approved as submitted.

Executive Director Report

Laurie Paolicelli reported that the Department of Commerce released their 2013 travel impact study, which showed Orange County having a 4% increase overall. The most significant increases were in local taxes and overall spending, which she credited to new and refurbished rooms as well as the ad campaign. Paolicelli reported that the Bureau’s current advertising budget is 500, 000 and to Michael’s point we need to be very strategic in allocations while trying not to be all things to all people. Paolicelli stated with the rent waiver, there will be more focus on VA. Current advertising spend is targeted towards North Carolina and the Atlantic Coast.

A few other mentions by Paolicelli: The MIP mayor’s convention, pursued by Mayor Kleinschmidt, will bring in 75-125 mayors from across the country. Had a meeting with folks from Marriott’s AC hotel brand and OTO Development who will present their concept for a new hotel on Rosemary Street to the Chapel Hill Town Council in October. Meg McGurk mentioned the developers hosted a meeting with Empowerment Inc., the Northside community and Jackson Center where it was ell attended with lots of good Q&A on issues and concerns. OTO will continue to meet with community partners. Penny inquired if any 140 West people attended, Meg replied they had not. Paolicelli stated that the plans would include recommendations for congestion issues at 140 West.

Sales Report

Linda Ekeland reported that Lux Apartments booked 5600 room nights at various hotels for UNC Students due to construction of student apartments not completed by the move in dates. That number may increase depending on construction progress. Hotels had 100% attrition stated in contracts. She stated that July metrics would not be used as a standard for future comparisons. Greg Overbeck inquired if the hotels received full rate. Ekeland replied they had not however still received a good rate.

New Business

Annette Stone spoke on a campaign ‘think local first’ that is in the works and would help build the Carrboro brand. She mentioned that approximately 2500 people turned out for the Merge Records event, many from out of town. She also made mention of several annual festivals; Film Fest, Music Fest, that are coming up and mentioned Bella, a new restaurant located near the Hampton Inn. Ms. Stone informed board members of Carrboro’s new website to launch September 1st.

Meg McGurk reported that MIP is very big deal for our community. The mayors will go on a tour of downtown that will include incubators and future development. Ms. McGurk mentioned that one of the projects that she has been working on for the last several months stemmed from her boards interest in creating a cleaner better design and really address the infrastructure of downtown particularly the 100 East block. They did a walking audit and from their findings Roger Stancil appointed two staff people along with herself to be a project management team to implement changes for a more friendly community which then concluded to having a pedestrian community with wayfinding signs. McGurk also reported that they have partnered with a department at UNC to research healthy activities and how they can affect people. She informed that Tar Heel Downtown is scheduled during the GA Tech Oct 18th game. Downtown Imagined draft plan is now posted online on the town’s website.

Dave Gephart spoke on Hillsborough’s Riverwalk which opened July 4th. WRAL did a piece on the opening. Colonial Inn was a topic of discussion with the Historic District Commission; about 200 people attended – consensus was not to tear it down. Mike Gering stated that Colonial Inn has statewide historic significance which allows for a 365-day limit. The owner has 30 days to appeal. Gephart mentioned Moorefield’s fundraiser Bluegrass Festival Sept 6th - \$20 tickets.

Debb Hepp informed members that the next Artists Salon is August 22nd, and will be focused on *marketing your art*. She also mentioned Festifall is October 5th.

Steve Brantley reported that the concrete walls should be erected soon for Morinaga’s HI Chew plant. Four Japanese families associated with the plant, have arrived. After they finish with Phase I, Phase II should begin, in about 1 year. Mr. Brantley mentioned a new proposed project on Hwy 85, Strata Solar. He also reported that Orange County’s EDC and manager recommend dissolving the defunct Research Triangle Region partnership at a membership cost of \$40,000 and use those funds towards collaboration with the State’s private partnership.

Penny Rich mentioned an Orange County sponsored race to benefit the Senior Center would be held on August 25th beginning at the Bell Tower on UNC Campus.

Other Business:

With no other business Chairman Carey adjourned the meeting at 9:37 am.

Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Anthony Carey, Chairman

Date