



THE WOODLANDS

CONVENTION & VISITORS BUREAU

January 6, 2010

11:30 a.m.

MINUTES OF MEETING

BOARD OF DIRECTORS

THE WOODLANDS CONVENTION & VISITORS BUREAU

The Board of Directors for The Woodlands Convention & Visitors Bureau (TWCVB) of Montgomery County, Texas held their Meeting on January 6, 2010 in The Woodlands Township Board Room at 10001 Woodloch Forest Drive, Suite 600, The Woodlands, Montgomery County, Texas. The roll was called and those in attendance were:

Nelda Blair, Chairman

Peggy Hausman, Vice Chair

Lloyd Matthews, Treasurer

Claude Hunter, Secretary

Nick Wolda, TWCVB President

Karen Hoylman, Director

Don Norrell, Director

Fred Domenick, Director

Kent Johnson, Director

Also in attendance were Bret Strong, Legal Counsel for the TWCVB, The Strong Firm; Monique Sharp, Assistant General Manager of Finance and Administration, The Woodlands Township; Mary Connell, Community Relations Manager; Casey Snyder, TWCVB General Manager; Kelly Overbeck, TWCVB Business Development Specialist; Julie DeGuerre, TWCVB Event Specialist; Sharon Swaim, TWCVB Administrative Assistant.

Agenda Item No. 1 Adoption of Agenda: Chairman Blair called the meeting to order at 11:30 a.m. and called for the Adoption of the Agenda for this meeting that was developed and duly posted as required by law. A motion was made by Director Hunter to adopt the Agenda and seconded by Director Domenick and carried by unanimous vote.

Agenda Item No. 2 Public Comment: There was no public comment.

Next Agenda Item No. 3 Consider and approve minutes from the November 10, 2009 meeting: Motion was made by Director Hunter to accept the minutes from the November 10, 2009 meeting and seconded by Director Hoylman. Discussion followed.

Discussion of the November 10, 2009 minutes: Director Matthews asked for clarification of the first paragraph on Page 7 of the Minutes regarding the sponsorships for the 2010 Economic Outlook Conference. It was clarified that The Woodlands Township would be a sponsor at a level of \$2,750 and TWCVB would be a separate sponsor at a level of \$2,500. Motion to accept the Minutes was then voted on and carried by unanimous vote and the November 10, 2009 minutes were approved.

Next Agenda Item No. 4 Consider and receive Financial Report for November 2009: President Wolda offered that the December 2009 Financial Report was not available on the date of this meeting due to the financial books for 2009 were still being closed. Will only need to approve the November 2009 Financial Report. President Wolda offered discussion and presentation of the Financial Report for November 2009.

Discussion: President Wolda offered that there would be an 18% to 20% savings in overall expenditures for the year 2009. The final savings should be known within a couple of weeks. President Wolda offered that he will be presenting a quarterly report to The Woodlands Township Board of Directors on January 27, 2010 with the year-end savings. The savings were in the area of attractions and events and the fact that TWCVB exceeded the sponsorship sales goals for 2009. Also, the Ice Rink is doing better than anticipated and the additional \$1 added to admissions on weekends has benefited in this area.

After discussion, a Motion was made by Director Matthews to accept the Financial Report for November 2009 as presented. The Motion was seconded by Director Hunter and passed by unanimous vote.

Next Agenda Item No. 5 Consider and act upon approval of the 2010 Service Agreement between The Woodlands Convention & Visitors Bureau and The Woodlands Township: President Wolda offered that with the transfer of funds from The Woodlands Township to TWCVB, a Service Agreement is needed. The Service Agreement was approved by The Woodlands Township Board of Directors in November 2009.

A motion was made to approve the 2010 Service Agreement between TWCVB and The Woodlands Township authorizing the TWCVB President to sign the Service Agreement by Director Hoylman and seconded by Director Matthews and passed by unanimous vote.

Discussion: Director Hausman wanted clarification on the amount on Page 3 of the Service Agreement. Clarification was offered that the payment amount of \$2,045,737.00

for services to be rendered for the entire calendar year 2010 was only *not to exceed* amount. Legal Counsel Bret Strong confirmed this amount was *not to exceed* amount only.

Next Agenda Item No. 6 Consider and act upon approval of the Service Agreement with The Strong Firm to provide 2010 legal counsel to TWCVB: President Wolda offered The Strong Firm in The Woodlands brings vast experience with various corporate and commercial matters, and extensive knowledge of the local corporate and business community, including representation of 501 (c) (6) organizations and has provided professional service to TWCVB over the past 3 years. It is recommended that The Strong Firm continue this business relationship with TWCVB with all of its legal documents and contracts, state and federal filings and general counsel. The Strong firm provides a service and not a product, therefore, it is not required to be bid out.

President Wolda offered the following reasons to continue the relationship with The Strong Firm:

- Long-term relationship and familiarity with contracts and structure
- Offers a reduced rate – The Strong Firm has agreed to provide a reduced rate of \$225/hour (in excess of a 25% discount over their standard billing rate)
- Location, familiarity and support of community

A Motion was made by Director Hunter to approve the 2010 Service Agreement with The Strong Firm to provide legal counsel to TWCVB and authorizing the TWCVB President to sign the Agreement. Motion seconded by Director Domenick and passed by unanimous vote.

Next Agenda Item No. 7 Consider and act upon approval for the 2010 Public Relations contract with Kaplan Public Relations: President Wolda offered that Kaplan Public Relations has been the Public Relations agency since TWCVB and The Woodlands Township began Destination Marketing efforts in 2004. Kaplan won the bid in 2007 and TWCVB is recommending renewal in 2010. Kaplan Public Relations has done an outstanding job for TWCVB. Kaplan Public Relations specializes in the travel and tourism business, having represented more than 20 hotels, resorts and conference centers throughout the southwest United States.

In the past three years, TWCVB has worked with Kaplan Public Relations and has successfully placed more than \$1 million in earned media coverage of The Woodlands promoting it as a leisure destination. Kaplan has strong relationships with the Greater Houston CVB and that provides TWCVB opportunities to host writers coming to Houston. As a result of its experiences, the agency has developed ongoing relationships

with key travel writers on local, regional and national levels. President Wolda offered it is the recommendation to continue the services with Kaplan Public Relations in 2010.

Discussion: Director Johnson asked for clarification between the Manlove Advertising Agency and Kaplan Public Relations as to the type of work they each do. President Wolda offered that Manlove is an advertising agency. Kaplan only does public relations. Kaplan handles travel writers and works with editors. Kaplan does not do graphic design, place advertising or buy media. Kaplan specializes in public relations. Manlove specializes in graphic design, website design and ad campaigns. This was bid out for a public relations agency that specializes in travel and public relations. A separate bid was for a firm that specializes in advertising, graphic design and media buys. Director Domenick suggested that when it is time to bid again, do a bid that is conclusive of the two services and see if there is a company that specializes in both.

Director Hausman asked about the policy for seeking a bid? Director Norrell responded that the typical time for going out to bid might be every three years for some items and some items may be five. After discussion, Chairman Blair offered that a bidding policy could be placed as an agenda item for discussion at the next CVB Board meeting.

A Motion was made by Director Hoylman to approve the 2010 contract with Kaplan Public Relations authorizing TWCVB President to sign the contract. Motion seconded by Director Hunter and Motion carried with one opposed vote by Director Hausman.

Next Agenda Item No. 8 Consider and act upon approval for the Contract between Manlove Marketing & Communications and TWCVB for 2010 Destination Marketing Services: Chairman Blair called for a Motion due to discussion held during Agenda Item No. 7 regarding Manlove Marketing & Communications. A Motion was made to approve the Contract between Manlove Marketing & Communications and TWCVB authorizing the President of TWCVB to sign the Contract by Director Matthews and seconded by Director Hoylman.

Discussion: President Wolda offered that an extensive Request for Qualifications was conducted in 2008 and Manlove Marketing & Communications was awarded TWCVB's advertising contract for 2009 with a right for two, one (1) year extension into 2010. TWCVB bids out these services every three years and will do so again in the summer of 2011. A 2009 Destination Marketing wrap-up report from Manlove Marketing & Communications was included in the Board Book. A vote was called for on the above Motion and it was passed unanimously.

Next Agenda Item No. 9 Consider and act upon approval for the 2010 Destination Marketing campaign theme and media placement schedule: Discussion offered by

President Wolda explaining this agenda item has two parts. One is to approve a campaign marketing theme. The second part is to approve media placement.

Manlove Marketing & Communications developed several new concepts for TWCVB to review and select one to use in the 2010 Destination Marketing program. Casey Snyder, General Manager for TWCVB, presented a Power Point to compare the three different themes. (Copy of the Power Point is available on file.)

President Wolda offered the new ideas Manlove presented were shared with all the hotels in The Woodlands and TWCVB Marketing Committee at separate meetings in December 2009. After review and discussion and changes, TWCVB marketing team is recommending to use the campaign theme “*Ordinary Weekend, Extraordinary Weekend*” and to utilize the marketing media placement for 2010 as presented in the Board Book.

A motion was made to accept the Destination Marketing campaign theme and media placement for 2010 by Director Matthews and seconded by Director Hunter. The Motion carried by unanimous vote.

Next Agenda Item No. 10 Consider and act upon approval for the 2010 Services Agreement with the South Montgomery County Woodlands Chamber of Commerce for The Woodlands CVB Visitor Services: President Wolda offered that in 2007 TWCVB entered into an agreement with the South Montgomery County Woodlands Chamber of Commerce to provide visitor services at Market Street, The Woodlands Mall and the Woodlands Chamber office.

This program has proven to be very successful as more than 150,000 visitors have been through the Visitor Services since the program’s inception. The Visitor Services also assists TWCVB with conducting surveys at major events like The Woodlands Waterway Arts Festival, Lighting of the Doves, iWOW, and The Ice Rink. A copy of the updated report of Visitor Services provided by The Chamber is available on file. The level of participation recommended for 2010 is \$55,500; which is the same as in 2009.

A Motion was made to approve the 2010 Service Agreement with the South Montgomery County Woodlands Chamber of Commerce for TWCVB Visitor Services Program authorizing the President of TWCVB to sign by Director Domenick and seconded by Director Norrell. The Motion passed with one abstention by Director Hoylman.

Next Agenda Item No. 11 Consider and act upon approval of the 2010 Waterway Square Programming costs: President Wolda offered that in 2009 TWCVB and The Community

Associations of The Woodlands Parks and Recreation Department, produced a series of events at Waterway Square. These including Live at Five, Live at Lunch, Summer Nights Waterway Lights, the 2009 Red, Hot & Blue Festival, and a number of other programs.

As a result of these programs, TWCVB saw a new trend of residents and guests visiting Waterway Square on weekdays and weekends without scheduled programs. Visitors came for a number of reasons: to enjoy a picnic, work out, relax and simply visit with friends.

Waterway Square event stats:

- The 2009 Spring Live at Five and Live at Lunch concert series generated 6,500 estimated attendees.
- The Fall 2009 Live at Five and Live at Lunch concert series generated 3,050 estimated attendees.
- The 2009 Summer Nights Waterway Lights series generated 5,300 estimated attendees.

TWCVB has budgeted production costs of \$51,000 in the 2010 budget under the line item "Waterway Events." This line item is allocated for year round programming for The Waterway, Waterway Square, and Town Green Park. TWCVB's marketing team and The Community Associations of The Woodlands Parks and Recreation Department have been working together to plan a year-long schedule of regular programming at Waterway Square for 2010.

Some events being planned are:

- Live at Night
- February Movie Night
- Movie Series
- Waterway Nights
- Trick or Treat Trail
- Caroling on the Square

President Wolda offered the total for all events listed above is an estimated \$43,100 of the \$51,000 total budgeted. TWCVB is requesting the remaining \$7,900 be used as an overall Waterway Square Programming contingency. Any event listed above could use this fund if needed.

A Motion was made to approve the 2010 Waterway Square Programming costs and authorizing the President of TWCVB to sign the contracts for each event by Director Hoylman and seconded by Director Hunter. The Motion carried by unanimous vote.

Next Agenda Item No. 12 Consider and receive a report on the Group Sales initiative: President Wolda offered TWCVB is implementing a destination sales initiative in 2010 that will coordinate with hotel properties and other organizations to bring groups such as bus tours, sporting events, weddings, reunions, trade shows, convention groups, to shop, dine, stay and be entertained in The Woodlands.

General Manager of TWCVB, Casey Snyder, offered that the marketing and advertising efforts would consist of print advertising, launching a meeting planner website, development of a meeting planner brochure, participation in co-op marketing events, and foster relationships in organizations that are geared towards meeting planners. Kaplan Public Relations will handle public relations efforts. There will be regular meetings with the hotels in The Woodlands, The Woodlands Township's Parks and Recreation Department, Legends Sports Complex and the City of Shenandoah.

No Board action needed.

Next Agenda Item No. 13 Give update on Holiday Events in The Woodlands: Event Specialist, Julie DeGuerre, presented a Power Point including survey results from the holiday events and a comparison of the 2008 and 2009 Lighting of the Doves and iWOW survey results. The Ice Rink report was also presented by Julie DeGuerre for the weeks of 1 through 8. A copy of the full report is available on file.

No Board action needed.

Next Agenda Item No. 14 Update on merchandising of The Woodlands: President Wolda offered that this is an item that has been discussed and presented previously to TWCVB Board and TWCVB Marketing Committee. This merchandising program would provide the opportunity for visitors to purchase merchandise displaying the name, *The Woodlands*. That is a name that TWCVB does not own but a name that it uses. It is a trademarked name that is owned by a private company, The Woodlands Development Company. A private company, Corporate Incentives, owns the rights to produce merchandise with *The Woodlands* name on it. Corporate Incentives has expressed an interest to participate in a merchandising program.

Chairman Blair offered that the agenda states there is no Board action needed because it is not something that TWCVB would actually be doing. Corporate Incentives has the exclusive right to produce the merchandise. Corporate Incentives would secure retailers who would be willing to sell the merchandise. Corporate Incentives would produce the merchandise, deliver the merchandise to retailer, set the price, and pay the percentage to The Woodlands Development Company for the usage rights. The participating retailer would collect the money and sales tax at the point of sale.

TWCVB's participation in the program would be to advertise to promote the program. President Wolda offered it would be on TWCVB website and it could be promoted at the Visitor Services locations.

Director Hausman commented that TWCVB should not be in the business of marketing for an exclusive company. Chairman Blair offered Corporate Incentives holds the rights to use *The Woodlands* name so going out for bid is not an option. TWCVB would receive a benefit from using the name, *The Woodlands*. This would bring recognition to The Woodlands and increase the number of visitors coming to shop, dine, stay and be entertainment.

No Board action needed.

President's Report

1. Distributed a copy of TWCVB 2010 Board meeting schedule.
2. TWCVB has received feedback from The Woodlands Film Commission. A proposal will be present at TWCVB March meeting.
3. Financial policies are changing within The Woodlands Township. Would like to suggest TWCVB Board consider using the same policies.
4. Market Street has added several new retailers: Charming Charlies, LMD Boutique, All About Feet, Langford Market, Stadia Sports Grill & Bar.
5. AVIA Hotel has opened.

Board Announcements: None.

Agenda items for next meeting:

1. Policy for RFP and RFQ.
2. Proposal from The Film Commission.

Chairman Blair called for Adjournment. Motion to adjourn made by Director Hunter and seconded by Director Domenick and carried by unanimous vote. Meeting adjourned at 1:05 p.m.