



The Research Bureau

Destination Worcester: What's the “Convention-al Wisdom?”

Report 06-01
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EXECUTIVE SUMMARY

At the request of the Chairman of the City Manager’s Task Force on Event and Convention Promotion, the Research Bureau conducted independent research to supplement the work of the Task Force. Based on a review of the process for promoting conventions and events in Worcester and thirteen other Convention and Visitors Bureaus (CVBs) nationwide, the Research Bureau makes the following recommendations:

- The Central Massachusetts Convention and Visitors Bureau (CMCVB)/Worcester County Convention and Visitors Bureau (WCCVB) Board of Directors should be restructured so that voting is based on population or funding contributions.
- The CMCVB/WCCVB Board of Directors should also include elected city officials and non-elected officials who can facilitate the promotion and implementation of events.
- If the WCCVB gives greater attention to promoting conventions and events in Worcester, then the City Manager and the City Council should consider increasing funding to the WCCVB.
- The City Manager and the City Council should establish new performance measures for the WCCVB that include number of room nights and conventions booked.
- The City Manager and the City Council should consider investing in research on the economic impact of tourism and conventions on the City of Worcester, and hiring a consultant to design a strategic plan for the WCCVB.
- Private and public sectors should consider establishing a public-private partnership similar to the Chattanooga Downtown Partnership (described on p. 10).
- The City Manager should consider hiring a Special Events Coordinator to coordinate activities with event planners and assist in streamlining the permitting process.

Introduction

The City Manager recently appointed the Task Force on Event and Convention Promotion to determine ways in which Worcester can attract more conventions, retain current ones, and generate more events, such as festivals, in Worcester. The Task Force is expected to present the City Manager with a report in late March that “looks at current efforts by the city to promote existing events and conventions, and to come up with a ‘specific action-oriented plan to improve on our current successes.’”¹ The Research Bureau was asked to assist the Task Force on Event and Convention Promotion by conducting independent research on convention promotion and event development in other cities. The function of this report is to explain the process in Worcester, identify how other Convention and Visitors Bureaus are structured, how

¹ “Panel to promote events in City – O’Brien names task force,” *Worcester Telegram & Gazette*, December 7, 2005, p. B1.

events are developed in other cities, and consider how Worcester can benefit from this information.

Part I of this report pinpoints and analyzes the various organizations that are currently involved either in attracting visitors to Worcester or encouraging local residents to participate in Worcester's cultural events. Part II examines the structure of 13 other Convention and Visitors Bureaus (CVBs). The Comparative Cities Chart (Appendix A) shows much of the data and information collected from these CVBs. Part III offers recommendations for bringing more conventions and events to Worcester.

I. WORCESTER

Massachusetts Office of Travel and Tourism

State funds for tourism and convention promotion are distributed by the Massachusetts Office of Travel and Tourism (MOTT) to 13 Regional Tourist Councils (RTCs). The General Laws of Massachusetts, Part I, Chapter 23A: Section 14, direct “the office of travel and tourism...to establish a program for financial assistance to those public or nonprofit agencies which promote or provide services for tourism, convention, travel and recreation in the Commonwealth.”² In FY05, RTCs were allocated \$6,929,000 through the state grant program.³ Qualifications for RTC funds are set forth in MOTT’s Regional Grant Formula; these include economic impact (50%), regional commitment (20%), and marketing plan quality (30%). Economic impact is measured by the regional share of traveler spending and the regional share of state room occupancy tax revenues. Regional commitment is measured by the amount of matching funds that the RTC collects from the private sector and how this compares to RTC private sector funds collected statewide. The marketing plan of each RTC is evaluated based upon whether it reflects an “effective use of tourism development resources.”⁴

The 13 RTCs in Massachusetts vary by region. In some regions, like Franklin County, the Chamber of Commerce does business as the RTC; in others, the Convention and Visitors Bureau (CVB) does business as the RTC. The agencies that receive funding from MOTT are designated by the state legislature and listed in the M.G.L. The Central Massachusetts Convention and Visitors Bureau (CMCVB), doing business as the Central Massachusetts Regional Tourist Council, receives state funds from MOTT. As part of its contract with the state, the CMCVB must present a detailed marketing plan annually and demonstrate sound financial performance. The CMCVB also issues annual reports to MOTT. The CMCVB is responsible for marketing and attracting visitors to Central Massachusetts.

Massachusetts Convention Center Authority

The Massachusetts Convention Center Authority (MCCA) currently oversees the Hynes Convention Center in Boston, the Boston Convention and Exhibition Center, and the MassMutual Center in Springfield. These convention centers are owned by the state of Massachusetts. The MCCA’s mission is to “generate significant regional economic activity by attracting conventions, tradeshows, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.”⁵ The MCCA contracts with the Greater Boston CVB and the Greater Springfield CVB to market the convention centers. It appropriates approximately \$400,000 a year to the Greater Springfield CVB. This funding is used to hire a staff person and to market the MassMutual Center. The CVBs are responsible for booking conventions 18 months ahead of

² M.G.L. Part I, Chapter 23A, Section 14.

³ Massachusetts Office of Travel and Tourism, *Regional Tourism Councils*, http://www.massvacation.com/jsp/static_in/about/rtc.jsp?cat=82 (March 2006).

⁴ “FY06 Regional Grant Program Performance-Based Formula,” Massachusetts Office of Travel and Tourism.

⁵ Massachusetts Convention Center Authority, *About the MCCA*, <http://www.mccahome.com/about.html> (March 2006).

time, while the convention centers book in the short-term. MCCA marketing dollars are reserved exclusively for marketing state-owned convention centers.

Worcester's CVB does not receive any funding from MCCA because the DCU Center is owned by the City of Worcester and not by the state. At the time Worcester's Convention Center was constructed, the City decided that state ownership would mean competing with the other state-owned convention centers for attention and marketing dollars. A municipally-owned facility enabled the City to hire private management that could develop a distinctive identity for Worcester's convention center.

Central Massachusetts Convention & Visitors Bureau (CMCVB) Worcester County Convention & Visitors Bureau (WCCVB)

The Central Massachusetts Convention and Visitors Bureau (CMCVB) is responsible for "marketing and promoting the Central Massachusetts and Worcester County region as a tourist, group tour and meetings and convention destination."⁶ State funding to the CMCVB for FY06 is \$637,000. Other budgeted bureau revenue for FY06, derived from memberships, grants, tourism events and sales promotions, is \$514,000. The total budget is \$1,151,000.⁷

Before 2000, the CMCVB was the Worcester County Conventions and Visitors Bureau and was housed in the Worcester Regional Chamber of Commerce. At that time, funds from MOTT and the City of Worcester were combined into one general operating budget for the WCCVB. When the CVB moved from the Chamber of Commerce, it officially split these funds into two different budgets—the CMCVB and the WCCVB budget. The CMCVB is funded by the state, grants, events, sales promotions, and members; the WCCVB is funded by the City of Worcester. The CMCVB does business as the Worcester County Convention & Visitors Bureau (WCCVB) when working under this arrangement.

The 2005 Convention Tourism Grant Agreement between the City and the WCCVB commits the City to allocate \$150,000 to the CVB to provide "promotional programs and projects exclusively for City of Worcester venues with emphasis on the DCU Center."⁸ As part of this agreement, the WCCVB must book 15 new events (5 major and 10 minor events), develop 150 requests for proposals, receive 25 physical site visits from event planners, visit 5 trade shows, and make a minimum of 6,000 sales solicitations. Request for proposals are submissions to CVBs by event planners, listing all the information about a proposed convention and the amount of hotel space needed. A physical site visit entails a visit by an event planner to preview the convention center to determine its suitability for a given event. To qualify as a major or minor event, a minimum of 250 or 100 hotel room nights must be booked, respectively.

The WCCVB's marketing strategies, as described in its FY06 Marketing Plan, are to attend trade shows, staff hospitality tables at the DCU Center, provide banners to promote events, issue quarterly and year-end reports to the City about its activities, and distribute leads to hoteliers. A lead is a formal process by which the CVB sends a request to the hotels from a

⁶ Central Massachusetts Convention and Visitor's Bureau, "Mission Statement."

⁷ This does not include the \$150,000 from the City to the WCCVB.

⁸ Convention & Tourism Grant Agreement, July 1, 2005-June 30, 2006.

meeting planner to reserve a block of rooms on a specific set of dates.⁹ Of the \$150,000 paid to the WCCVB, \$116,250 is allocated to marketing staff and \$33,750 for direct marketing materials, attending trade shows, and trade association membership.¹⁰ Marketing expenses include convention fulfillment, membership to trade associations, and advertising. Convention fulfillment includes the cost of banners, gifts, and brochures.

The \$150,000 given to the WCCVB by the City is part of the revenue that the City collects yearly through the hotel room tax. Hotels in the Worcester area are taxed in three ways: by the state tax (5.7%), the local option hotel/motel tax (4%), and the Convention Center Financing Fee (2.75%) which is used to pay down the debt for construction of the facility.¹¹ The total taxation is then 12.45%. The City generated \$752,714 in hotel tax revenue in FY05 and \$684,369 in FY04. The hotel tax revenue not given to the WCCVB goes into the City's General Fund.

The CMCVB and the WCCVB have the same Board of Directors, which oversees and consults with the Bureau's staff concerning its activities. The Board has 25 members, including an 8-member Executive Committee. The president of the CMCVB sits on the Executive Committee, as do the CEO's of the Worcester Regional Chamber of Commerce, the North Central Massachusetts Chamber of Commerce and the Tri-Community Chamber of Commerce. As established in the by-laws, the membership of the Board must be representative of "the geographical regions of the service area of the Bureau as equally as possible."¹²

It is important to note that the CMCVB and the WCCVB are closely interrelated. The WCCVB has its own budget and a specific activity (convention promotion) but is housed at the same location as the CMCVB. While the WCCVB's \$150,000 covers the convention promotion staff and marketing, it is the CMCVB's budget that pays for overhead costs such as rent, utilities, phone, and business insurance for the CMCVB and the WCCVB.

The Convention Center

Worcester's Convention Center, the DCU Center, is owned by the City of Worcester but managed by SMG, a private corporation that manages convention centers nationwide. The company operates and manages all aspects of the convention center including bookings, fees, employees, contractors, and insurance. SMG submits detailed records and financial statements to the City monthly. As part of the agreement, Worcester pays for all repairs and replacements for the DCU Center, insurance coverage, code inspections, operating losses or deficits, real estate taxes, and all interest or principal payments on bonds issued for the construction of the center.

The only responsibility that SMG has in terms of marketing the convention center is to "cooperate with the Worcester Marketing Corporation, the Worcester County Convention and

⁹ International Association of Convention and Visitors Bureaus, *Convention Industry Definitions*, http://www.iacvb.org/iacvb/view_page.asp?mkey=&mid=22 (March 2006).

¹⁰ WCCVB FY06 Working Budget.

¹¹ Massachusetts Office of Travel and Tourism, *State and Local Taxes*, <http://www.massvacation.com/jsp/travel/welcome.jsp?&cat=70&level=3&g> (February 2006).

¹² By-Laws of the Central Massachusetts Tourist Council, dba Central Massachusetts Convention and Visitors Bureau dba Worcester County Convention and Visitors Bureau, Article III.

Visitors Bureau, the Worcester Regional Chamber of Commerce, and any other similar agency designated by Worcester.”¹³ As a way to entice meeting planners to book room nights, the DCU can offer discount rates for conventions that book more than 150, 200 or 250 room nights either during specific off-peak times or as a first-time event.

Worcester’s Sales Task Force

Two years ago and in an effort to improve convention sales for the City, the City requested that the DCU Center, Worcester hoteliers, and the WCCVB meet regularly to discuss main sales events and to coordinate activities. Meetings occur monthly and are attended by the City’s Cultural Development Officer and the City’s Event Planner. Participants in these meetings discuss planned events as well as possible opportunities for events. All members can present leads for future events. As part of its update, the WCCVB notifies members of leads and prospects, reviews pending sales bookings, and discusses media opportunities.

City Manager’s Appointed Task Force on Event and Convention Promotion

In December, 2005, City Manager O’Brien appointed a Task Force on Event and Convention Promotion. (See Appendix C for list of Task Force members.) The goal of the Task Force is to “increase the number of future bookings and to broaden the scope of current events and conventions held in the city.”¹⁴ The Task Force on Event and Convention Promotion includes representatives from businesses, hotels, a news station, the WCCVB, colleges, and cultural institutions. This group has been meeting regularly to discuss convention promotion and event development, and identify new ways to market Worcester. The City Manager is expecting a summary report by the end of March.¹⁵

Event Development

There are a variety of organizations involved in events and parades in the City of Worcester. (See Appendix E for listing of city-wide cultural events.) While these are important to the City for enhancing the quality of life for residents, these events do not necessarily bring out-of-town visitors or fill hotel rooms. Summer Nationals and US Rowing are good examples of Worcester events that attract overnight stays; Summer Nationals in 2004 attracted 150,000 people and filled 1,257 room nights.¹⁶ A zip code survey conducted last year showed that over 50% of respondents said they had driven over 60 miles to attend First Night. No data has been collected as to how many overnight stays events like First Night generate.

The Cultural Coalition is very active in organizing events in Worcester. However, while Worcester’s arts organizations have succeeded in generating and implementing events for Worcester-area residents, the potential for Worcester to become more of a cultural destination regionally requires exploration.

¹³ *Ibid.*

¹⁴ “Panel to promote events in City – O’Brien names task force,” *Worcester Telegram & Gazette*, December 7, 2005, p. B1.

¹⁵ *Ibid.*

¹⁶ “FY05 Third Quarter Report,” Worcester County Convention & Visitors Bureau, City Council Minutes, March 31, 2005.

Cultural Coalition

The Cultural Coalition was formed in 1999 to promote Worcester's artistic and cultural institutions and activities. The Coalition has 43 member organizations. One of the Cultural Coalition's goals is to "build a strong, diverse base of support for cultural economic development among community, political, cultural, educational and business leaders."¹⁷ Some accomplishments of the Cultural Coalition include Weekends in Worcester, Detours, and Discover! Worcester History Trail. Detours are cultural events in unexpected locations which occur all over Worcester. The Discover! Worcester History Trail tours are three walking trails that trace historical sites in Main South; the tours are self-guided through use of maps. Weekends in Worcester is a current year-round marketing campaign to promote cultural events happening in Worcester through the Internet, newspapers, radio stations, and television.

The Cultural Coalition is funded by grants and membership contributions. The Massachusetts Cultural Coalition, the Massachusetts Turnpike Authority, and the Greater Worcester Community Foundation are among the principal contributors. The budget for the Cultural Coalition has steadily increased since FY01, reaching \$271,362 in FY05. The total amount raised over the past five years is over \$1 million.

The part of the Cultural Coalition that is responsible for publicizing and advertising its events is the Promotion of Arts & Culture Committee (PAC). It is composed of organizational members from the Cultural Coalition. A representative from the CMCVB attends the PAC's meetings. Promotional activities include air time on Worcester and Boston radio stations and printed ads in newspapers. The Cultural Coalition maintains a cultural calendar on the City Manager's Executive Office of Economic Development website.

The City works in conjunction with the Cultural Coalition on various events throughout the year, such as the Festival of Lights in December. The City's Cultural Development Officer serves as Executive Director of the Cultural Coalition, assisting in the coordination of cultural events. The Festival of Lights includes tree lighting, a mini-parade, and numerous outdoor performances.

The CMCVB has helped coordinate events with the Cultural Coalition such as Wake Up to Worcester, a week in May 2005, which featured free entrance to the Worcester Art Museum, the Worcester Historical Museum, the Sprinkler Factory, the Worcester Center for Crafts, and the Higgins Armory Museum. A free shuttle bus service carried passengers between Union Station and the event sites.

Permit Process

One difficulty that event organizers encounter in Worcester is a complicated and arduous system for obtaining permits and licenses. Not only must planners contact multiple departments, but the process is also costly. Acquiring a permit for erecting a tent is \$65, food permits are \$45 per vendor, and an electrical permit is \$30. Additional permits include an entertainment license, park permit, noise permit, alcohol permit, and a parade permit. Some costs, like the cost of park permits, are revenue raisers for the city; other costs are equal to the cost to the city. Could this

¹⁷ Worcester Cultural Coalition, *Goals*, <http://www.worcestermass.org/culture/coalition/> (January 2006).

process be better coordinated to expedite event planning and implementation? How do these procedures compare with other cities?

The City's Role in Marketing and Tourism

In a partnership between the Worcester Regional Chamber of Commerce and the City of Worcester, the first Marketing Director was hired in 1998. The total marketing budget was \$508,000, \$300,000 of which was given to the WCCVB in 1998 and 1999. The balance funded the Marketing Director's position and some incidental expenses. The Worcester Regional Chamber of Commerce provided office space and support for the position in addition to the \$508,000 funded by the City. In subsequent years, annual funding to the WCCVB was reduced to \$150,000. The program intended to convey a positive image of Worcester to companies and business prospects. Following the Marketing Director's resignation in 2001, the position was eliminated.

Currently there are several city staff members who are involved in event planning and convention promotion. The City's Cultural Development Officer sits as Executive Director of the Cultural Coalition, coordinating cultural activities in Worcester. She also attends the Worcester Sales Task Force meetings along with the City's part-time Event Planner, who helps to coordinate events but is not responsible for generating or leading citywide events.

PART II: THIRTEEN-CITY COMPARISON

To better understand how Worcester might improve its tourist industry and convention sales, the organization of Convention and Visitors Bureaus in other cities was examined and is shown in the Comparative Cities Chart (Appendix A). The CVBs contacted for this study included: Albany County, NY; Charleston Area, SC; Charlotte, NC; Chattanooga Area, TN; Greater Hartford, CT; Greater Madison, WI; Greater Miami, FL; Greater Merrimack Valley, MA; Mobile Bay, AL; Norfolk, VA; Providence-Warwick, RI; Greater Springfield, MA; and St. Louis, MO. CVBs nationwide differ in organization, funding, performance measures, and service area population. The Convention and Visitors Bureaus in this study were selected for a variety of reasons. Miami and Memphis CVBs were recommended as good models by Marshall Murdaugh Marketing, a well-regarded private consulting firm that specializes in assisting convention and visitors bureaus. Others have received awards and have been nationally recognized for their service capabilities. These include Hartford, Mobile, Charleston and Greater Madison. The Albany County, Greater Merrimack Valley, Springfield, Norfolk, Charleston Area, and Chattanooga Area CVBs cover service areas of similar-size populations to the Central Massachusetts CVB. All CVBs contacted were asked similar questions concerning their service area: population, sources and amounts of funding, contract requirements, performance measures, hotel room capacity, and strategic plans. (See Appendix D for a list of questions.) The CVBs contacted were also asked how the success of their operations is measured. In most cases, the measures are annual increases in room nights booked, leads generated, and awards won.

Award Winners

A number of the CVBs contacted have won service, destination, and facility awards. Award winners are chosen by members of meetings magazines. The Pinnacle Award from *Successful Meetings Magazine* is voted on by corporate and association meeting planners. Winners of the Pinnacle Award in this report include the Chattanooga Area and Greater Hartford CVBs. Other awards include the Gold Service Award and the Top Destination Award. Winners of the Top Destination Award from *Facilities and Meeting Magazine* include St. Louis, Greater Madison, Greater Hartford, Charleston, and Mobile CVBs.

There are various reasons these CVBs received the awards. The St. Louis Convention and Visitors Commission was noted for its service capabilities. Its staff concentrates on managing the various tasks of planning a convention. Examples of good service include assistance in hotel and on-site inspections, transportation planning, and advice on local attractions and services. The Greater Hartford CVB has won the Top Destination Award five consecutive years in a row “in recognition of the exceptional job the Bureau does in promoting and servicing meetings, conventions, tradeshows and special events.”¹⁸

¹⁸ Greater Hartford Convention and Visitors Bureau, *Mission Statement*, <http://www.enjoyhartford.com/base/content.cfm?section=about&dir=about&page=index&sub1=&sub2=&sub3=> (January 2006).

Event Development

CVB and city involvement in event development varies. Most CVBs contacted maintained event calendars advertising current and upcoming events in their regions. In some cities, private organizations are responsible for generating and planning events. In others, the city hires Special Events Coordinators or establishes a Department of Special Events to facilitate event development.

Organizations

Norfolk Festevents is a non-profit, 24-year-old organization that manages and coordinates events in Norfolk, Virginia. The total operating budget for Festevents is \$3.2 million, \$1.3 million of which Festevents receives through a contract with the City of Norfolk for services, management, and administrative expenses. The rest of the \$3.2 million is raised through sponsorships, contributions, and event-related sales such as food, beverage, retail, and attendee admission sales. An average festival hosted by Festevents attracts 15,000-25,000 people. Festivals and events occur year-round; in fact, in 2006 events organized by Festevents will cover more than 80 days of the year.¹⁹ The performance of Festevents is measured by attendance, direct financial benefits to the City (via parking, taxes, and fees), community satisfaction ratings, and financial reliability. It has 11 full-time professional staff members.

The Chattanooga Downtown Partnership (CDP) also generates, organizes, and markets its own events. The CDP was founded in 1991 when the City of Chattanooga decided that an organization was needed to revitalize the downtown area, focusing on business retention and marketing, beautification, and enlivening public space. The Partnership “enhances the quality and viability of the downtown area by producing, coordinating, and/or encouraging events and activities designed to animate and enliven public spaces, and by providing the promotion and marketing necessary to attract people downtown.”²⁰ The CDP is funded by the City, Allied Arts, corporate sponsorships, grants, and concession revenues. Allied Arts is a private, nonprofit arts fund and arts council that “raises and distributes more than \$2 million each year to support a wide variety of arts organizations and arts in education programs.”²¹ The CDP’s operating budget is \$650,000, approximately \$130,000 of which comes from the city. It has five staff members who organize, coordinate, and publicize all events.

CDP events, which occur year-round, include Winter Days & Lights, the Nightfall Concert Series, and the Tale Spin Festival. As part of Winter Days & Lights, the CDP does a “Grand Illumination” stage show and a lighted boat parade. The Grand Illumination on the River and the July 3rd symphony orchestra concert attract anywhere from 15,000 to 30,000 people. The Tale Spin Festival is held on Mother’s Day weekend and features professional and local storytellers. Its aim is to “connect generations and cultures and to convey history, traditions, and lessons for living.”²² The Nightfall Concert Series consists of concert performances every Friday

¹⁹ Festevents, *Did You Know?* <http://www.festeventsva.org/> (March 2006).

²⁰ Chattanooga Downtown Partnership, *Get To Know*, http://www.downtownchattanooga.org/html/21_gettoknow.asp (February 2006).

²¹ Allied Arts, *About Us*, http://www.alliedartschattanooga.org/about_us.html (February 2006).

²² Chattanooga Downtown Partnership, *Tale Spin Festival*, http://www.downtownchattanooga.org/html/18_B_folklife.asp (February 2006).

evening from Memorial Day Weekend to the end of September. Both the Nightfall Series and Winter Days & Lights attract local, regional, and out-of-state visitors. These events are all free and open to the public. Besides organizing events, the CDP also hangs banners downtown and arranges for downtown businesses to put up decorative lights during the winter holiday season.

The Charlotte Center City Partners was created in 1979 to facilitate the growth of Charlotte's business district through promotion of business, cultural, retail, and residential initiatives.²³ It was awarded the International Downtown Association Award six times for its accomplishments. Accomplishments include Charlotte Shout, Shuttles of Gold, and Vision on Track. Vision on Track consists of vintage trolleys that run daily between the Center City and the Historic SouthEnd. Shuttles of Gold is the name of the free shuttle-bus system that the Charlotte Center City Partners created. Shuttles of Gold is now run by the city transit department; City Partners still raises funds for the program. "Charlotte Shout" is a "celebration of art, cultural and entertainment opportunities in Charlotte" that occurs annually in September.²⁴ Events include theatrical and musical performances, outdoor film showings, and day festivals. It is produced by Charlotte ArtsFest but run by City Partners. Charlotte Center City Partners is funded by a Business Improvement District tax on properties inside the designated tax district (approximately 2 sq. miles). They have a 35-member Board of Directors; the City Council and the County Commission each have a seat. The organization's budget is \$2.2 million.

In some cities, private organizations plan and raise money to put on annual festivals. The Riverbend Festival in Chattanooga, run by the Friends of the Festival nonprofit organization, is a nine-day music festival that is ranked in the top 10% of festivals in the country. It is funded by sponsors, concession revenues, and ticket sales. It receives no funding from the City of Chattanooga. The Riverbend Festival has grown from attracting only 1,000 people in 1981 to 650,000 in 2005. WaterFire Providence, established as a nonprofit organization in 1997, oversees and directs bonfires on the rivers of downtown Providence. Today WaterFire Providence receives funds from corporations, governmental bodies (the city and the state), and private individuals. Its annual operating budget is \$1.5 million.

City Departments & Event Coordinators

Lowell's Event Coordinator is responsible for generating and organizing events. Events that the Events Coordinator manages and plans include WinterFest and the Folk Festival. Lowell's WinterFest is a two-day festival in mid-February that features interactive children's activities, music performances, a fireworks display, and the National Human Dog Sled Competition. Approximately 110,000 people attended WinterFest this year. The Lowell Folk Festival is "three days of traditional music, dance, craft demonstrations, street parades, dance parties, and delicious ethnic foods, presented on six outdoor stages throughout the city of Lowell, Massachusetts."²⁵ Attendance for the Folk Festival can reach 400,000. All events that the Event Coordinator organizes are privately funded. The WinterFest and the Folk Festival budgets are \$310,000 and \$800,000, respectively. Any event in Lowell that requires the use of public space, such as the closing of a street, must be approved by the Events Coordinator, who acquires all the

²³ Charlotte Center City Partners, *About Us*, <http://www.charlottecentercity.org/nav.cfm?cat=22&subcat=117&subsub=39> (February 2006).

²⁴ *Ibid.*

²⁵ Lowell Folk Festival, <http://www.lowellfolkfestival.org/> (February 2006).

necessary permits for a specific event, contacts the appropriate departments, and then issues a Special Events Permit to the event organizer.

The City of Albany, New York, has a Department of Special Events and Volunteer Services. The department has been in existence for over 20 years. It has 10 regular office staff and 12 seasonal staff. The City provides funding for the staff and also allocates money for the events the department organizes. In order to receive funds for events, the department needs to raise matching funds from private sources. Funding for each event is allocated separately; total proposed funding for FY06 is \$638,000. The Department of Special Events' Tulip Festival lasts three days in May and is a celebration of Albany's Dutch heritage. Entertainment includes musical performances, a fine arts show, and a Tulip Ball. Attendance to the Tulip Festival can reach 80,000. The Department of Special Events website incorporates information about its events as well as other events organized by private organizations. The department also assists event planners in acquiring the necessary permits for events that are citywide.

The Mobile Special Events Department of the City of Mobile, Alabama, was established in 1991. The city services that the department coordinates for events include providing trash cans, tables, stages, and electrical assistance. No permits are necessary for using park space and there is no charge. Mobile Special Events also co-produces BayFest with BayFest Inc. Bayfest is a three-day music festival that attracts 200,000 people and has an estimated \$15 million economic impact on the City of Mobile.²⁶ The City of Mobile provides funding for the 6 full-time staff and contributes an additional \$1 million a year to various citywide events.

Funding

As indicated in the Comparative Cities Chart, Convention and Visitors Bureaus in other states are funded differently from those in Massachusetts. (See Funding Source column in the Comparative Cities Chart.) The Hartford CVB receives its funding from a state agency, the Capital City Economic Development Authority (CCEDA). The CCEDA was created in 1998 by Connecticut's General Assembly to manage economic development in the Hartford area. The Providence-Warwick CVB receives funding through cooperative agreements with the Providence Tourism Council and the Rhode Island Convention Center Authority. In addition, it is funded by a statewide hotel tax. The Providence-Warwick CVB receives 23% of the hotel tax collected in Providence and Warwick, and 7% of the hotel tax collected in outlying areas; this tax supplied 56% of the PWCVB's \$2.8 million budget in FY05.

Many other CVBs—including those in Albany, Charlotte, Charleston, Chattanooga, Miami, Mobile, Providence/Warwick, and St. Louis—receive funding from city and county hotel taxes. (See Comparative Cities Chart for Formulas for Funding for all CVBs contacted.) In the cases of Greater Madison, Lowell, and Norfolk, CVBs receive funding from their city or county that is unrelated to hotel tax revenue. Recently the Norfolk City Council voted to add a flat tax of \$1 on all hotel room stays, on top of the already existing 8% hotel tax. All revenue from the flat tax will be used by the Norfolk CVB for tourism and convention promotion. Cities such as Providence and Hartford that are state capitals naturally attract a higher degree of state attention and funds. In Mobile, 2% of the county's total 14% hotel tax is allocated to a marketing fund

²⁶ Bay Fest, *About Bay Fest*, <http://www.bayfest.com/about.php> (February 2006).

that is reserved for event development expenses. The Mobile CVB can only access this fund for certain events based on amount of attendees, (if the event is yearly), revenue return on the event, and the projected number of room nights the event will fill. All of the CVBs contacted receive monies from their members.

As shown in the Comparative Cities Chart, the CMCVB is one of the few to receive funds from the state in contrast with the others which are funded by their city and county hotel tax. Moreover, the money directed to the CMCVB is utilized for attracting tourists to the entire Central Massachusetts region, not just to Worcester. Other CVBs, however, are focused primarily on attracting tourists and meetings to their destination cities. Most importantly their cities host the region's convention center, hotels, and sites, thereby generating the most revenue for the region. Worcester's convention center also positively affects outlying cities; large events in Worcester that fill up hotel rooms lead to more hotel occupancy in neighboring cities. The DCU Center's impact on the whole region should be taken into account in addition to impact of the DCU Center on Worcester. The difference between the CMCVB and the other CVBs is most evident when comparing the names of the CVBs. As the Organization column of the Comparative Cities Chart shows, all of the CVBs contacted except those in Massachusetts are named after their largest city.

The Operating Budget column of the Comparative Cities Chart indicates that the funding amount for the WCCVB is significantly less than what other CVBs receive. In FY05 the WCCVB received only 20% of the local hotel tax revenue collected (\$150,000). This is partly a result of the fact that many of these other cities generate more money in hotel tax and therefore have more money to contribute to their CVBs. The Hotel Tax Revenue Collected column of the Comparative Cities Chart demonstrates that other cities collected millions of dollars in hotel tax in FY05.

Performance Measures/Rate of Return

The performance measures that Convention and Visitors Bureaus must meet vary according to their contracts and agreements with their respective cities, counties, or states. The most common performance standards identified were the number of room nights booked and qualified leads.

After examining CVBs nationwide and internationally, the International Association of Convention and Visitors Bureaus (IACVB) recently issued a Performance Measurement report, "Standard CVB Performance Reporting: A Handbook for CVBs." The report emphasizes the importance of evaluating the rate of return on CVB activities. Tracking performance measures requires keeping detailed records on all bookings in the city. A CVB should have confirmation and written communication of all details of an event—the date, the space required, and the estimated room block. In the case of lost opportunities, the reason for lost leads should be recorded. As part of its economic impact report, the WCCVB keeps count of the number of rooms booked; this reported number should reflect the actual pick-up, that is, actual rooms used, not just the amount reserved.

The WCCVB has kept detailed records that demonstrate the rate of return for many of its activities. The WCCVB has found that trade shows are its most lucrative activity for bringing in

leads and attracting conventions to Worcester. It keeps records of all trade shows attended and identifies shows at which specific leads were acquired; this aids the WCCVB in choosing which trade shows to attend in the future. Additionally, the WCCVB calculates the economic impact of conventions that it helped book for the DCU Center. The equation for economic impact is based on general IACVB standards that factor in room nights stayed, meals in Worcester, and transportation and tourist expenses. The WCCVB knows how many room nights each convention books because it is in close contact with the meeting planners and with the hotels. The equation for the rate of return equals the calculated economic impact divided by the amount of money spent by the WCCVB to acquire the lead. For example: if the WCCVB pays \$5,000 to attend a trade show (for the booth and for transportation expenses) and books a convention that yields \$200,000 in economic impact for the city, the rate of return would be \$200,000 divided by \$5,000. This means that for every \$1 that the City spent on the trade show, it received \$40 for “new” business booked. Other rates of return can be calculated as well. For example, the total economic impact generated by the activities of the WCCVB in one year could be totaled and divided by \$150,000 (the yearly amount the City pays the WCCVB). In FY05 the WCCVB successfully booked conventions that generated \$34.3 million in economic impact on the City; the estimated rate of return would be approximately \$230 per dollar spent by the City.

The WCCVB also keeps records of the reasons why certain conventions were not booked. Reasons typically include a lack of hotel rooms, cost, and lack of amenities (such as shuttle buses). In one case, a sports representative claimed that the City of Worcester was too difficult to deal with because it did not make decisions quickly enough or aid in accessing the use of public facilities. The WCCVB is limited in the types of conventions it can book because its airport has minimal commercial air service. Without an active airport, Worcester is limited to attracting visitors within driving distance which is considered to be a 300-mile radius. Even then, competition is fierce with Providence, Hartford, and Springfield nearby, all of which have busy commercial airports. Ability to attract only those who drive means that visitors are less likely to stay overnight and spend money in the City.

Relationships

Convention and Visitors Bureaus nationwide have diverse and unique relationships with the convention center and city within their service area, and with other CVBs. In North Carolina, the Charlotte CVB covers all of Mecklenburg County. Counties and cities neighboring Mecklenburg County have major attractions, such as the motor speedway located in Concord, NC, which draw more visitors than they can accommodate. These outlying CVBs then work closely with the Charlotte CVB in order to arrange hotel room availability. The Providence/Warwick CVB has cooperative agreements for funding with the Rhode Island Convention Center Authority (RICCA) and the Providence Tourism Council. The RICCA provides funding to the PWCVB to market the Convention Center for meetings and conferences.

In order to attract conventions and sporting events, the Greater Merrimack Valley CVB and the City Manager of Lowell coordinate efforts. When the GMVCVB and the City decided they wanted to place a bid for the Curling World Championships, the City Manager and the GMVCVB traveled and presented together. According to the GMVCVB, its partnership with the City has been a vital aspect of its success.

In Hartford, many key organizations have come together to market the city. Formed in 2000, The Hartford Image Project (HIP) is an organization that markets and promotes the city's assets and image. The HIP has 12 Project Partners which support its activities, including the Connecticut Convention Center, the Greater Hartford Convention and Visitors Bureau, the Office of the Governor, the Office of the Mayor, and the Greater Hartford Arts Council. The HIP is funded by the Hartford Foundation for Public Giving, corporations, businesses, and the Hartford Image Project Partners; yearly funding is \$400,000. Through coordination of organizations citywide, HIP has successfully branded the city with the new logo "Hartford, New England's Rising Star." HIP strives to promote this logo nationwide. As part of its awareness campaign, the HIP measures local perceptions of the city. The HIP reports that "each year since the 'Rising Star' campaign began, an increasing [number of people] report that they were visiting Hartford more often, and an increasing share say they're likely to visit even more often in the year ahead."²⁷

Board of Directors

It is common among CVBs for the President of the CVB to sit on the CVB's Board of Directors and the Executive Committee; this is true for the CMCVB as well. In some cases, a member from the city government also sits on the CVB Board of Directors as in Greater Merrimack Valley, Chattanooga, and Charleston. In other cases, city officials appoint the members of the Board; this is the case for the St. Louis, Miami, and Charlotte CVBs. The City Manager and the Mayor of Miami each appoint a member to the Greater Miami Board of Directors. The entire Board of Directors for the St. Louis CVB is appointed by local government officials: the Chairman is appointed by the governor, 6 are appointed by the mayor, and 6 by the County Executive.

The most striking example of government involvement in CVB activity is in Charleston. Two years ago, when the Charleston Area CVB rewrote its by-laws, it required that all municipal governments in its service area be represented on the Board—either by the mayor or a City Council member. Of the 25 members of the Board of Directors, 10 are elected officials. The Charleston CVB contends that this representation is important in order to keep the municipalities and the City informed and involved in its activities.

²⁷ Hartford Image Project, *Hartford Image Project: Awareness and Perception Tracking Study 2005*, www.hartford.com (January 2006).

PART III: OBSERVATIONS AND RECOMMENDATIONS

- **The CMCVB/WCCVB Board of Directors should be restructured so that voting is based on population or funding contributions.**

Currently the members of the CMCVB/WCCVB Board of Directors represent the geographical areas of the Central Massachusetts region. The financial contributions and population of these areas should be taken into account when decisions are made or CVB objectives are established. Two regional boards that have weighted voting based upon financial contributions are the Worcester Regional Transit Authority (WRTA) and the Massachusetts Bay Transit Authority (MBTA). Worcester pays for 39% of total WRTA services; board member votes are then weighted according to the percentage of assessments paid. Because of its financial contribution, Worcester has the greatest power on the WRTA Board. Voting on the Board of Directors of the Central Massachusetts Regional Planning Commission (CMRPC) is determined by population. The number of delegates designated to each of the CMRPC's 40 communities and towns is determined by its population.

Currently Worcester is the only city in the Central Massachusetts region that contributes its own funds to the CVB. If voting were weighted according to financial contribution, more cities and towns might be motivated to contribute to gain more votes. The City of Worcester should receive attention from the CVB according to the extent of its financial contribution.

The Executive Committee should also be restructured. Currently the CVB by-laws guarantee a position and vote for each of the CEOs of the three Chambers of Commerce. This voting situation was established over 25 years ago and does not reflect the changes or growth in areas like the Blackstone Valley and Corridor Nine. Executive Committee positions should be designated by the new Board of Directors.

In order to make changes to the by-laws and the composition of the Board of Directors, the current Board of Directors needs to vote to make the appropriate changes. The by-laws state that they "may be amended, altered or repealed by a majority vote at any regular or special meeting of the Board of Directors of the Bureau."²⁸

- **The CMCVB/WCCVB Board should include elected city officials and non-elected officials who can facilitate the promotion and implementation of events.**

As part of the WCCVB's Board, City representatives would be involved in the development of the WCCVB's strategic plan and in advancing the City's goals. It is beneficial for the City to be more aware of the needs and accomplishments of the WCCVB; active involvement by the City via the CVB's Board of Directors facilitates a closer relationship between the WCCVB and the City. The City representative should be an elected official, either the Mayor or a City Council member. Other City representatives on the Board of Directors

²⁸ By-Laws of the Central Massachusetts Tourist Council, dba Central Massachusetts Convention and Visitors Bureau and dba Worcester County Convention and Visitors Bureau, Article X.

should include a member of the City's Department of Public Works and Parks, Code Enforcement, and a Special Events Coordinator. This would enable the City and the WCCVB to better coordinate their efforts in facilitating the permitting process and arranging for upcoming events.

- **If the CMCVB/WCCVB Board of Directors cannot be restructured, the City Manager and City Council should consider establishing the Worcester County CVB as a separate entity known as the Worcester Area CVB, that can apply for and receive money on its own.**

CVBs in other states are focused primarily on promoting their major city and its surrounding area as a destination. While the Central Massachusetts CVB is involved in marketing Worcester, its primary mission is to promote the region as a whole. Regional attractions such as Old Sturbridge Village and the Johnny Appleseed Trail bring many tourists to the area, particularly families. If the current Board cannot be restructured to provide greater focus on promoting conventions in Worcester, then a separate entity should be formed. A separate entity, the Worcester Area CVB could apply for grants and funding which would be dedicated to marketing Worcester. Performance measures would have to be established to determine whether this entity is successful. In order to be eligible for funding from MOTT, this new entity would have to request status as a Regional Tourist Council from the state legislature. It would also have to meet certain qualifications to receive state funds, including contributing to regional economic impact, acquiring private matching funds, and presenting a satisfactory marketing plan.

- **If the WCCVB gives greater attention to promoting conventions and events in Worcester, then the City Manager and the City Council should consider increasing funding to the WCCVB.**

The WCCVB's current budget of \$150,000 is 20% of local room tax revenue. Chattanooga contributes 64% of its lodging tax revenue to the CVB. The City Manager and the City Council should consider whether Worcester would benefit from a similar investment. A commitment of a certain percentage of room tax revenue offers an incentive for the CVB to increase room nights booked in the City. Currently \$116,250 of the WCCVB budget is spent on administrative and payroll expenses and \$33,750 on marketing, which includes direct marketing materials, attending trade shows, and trade association membership. Because of the limited money available for attending trade shows, CVB marketing staff often share a booth with other members of the New England Society of CVBs—some of which are in direct competition with Worcester's DCU center. The increased funding from the City should be allocated for specific CVB activities: trade shows, placing bids, offering packages, memberships to meeting planner organizations, and providing amenities for larger conventions. Amenities include providing shuttle buses for attendees and hanging banners in the streets. One possibility is the creation of an "Amenities Fund" similar to Mobile's marketing fund. Like the Mobile marketing fund, Worcester's "Amenities Fund" would be accessible only to the WCCVB for conventions that book a specified number of room nights in the City. The WCCVB should also consider putting together convention packages that include not only convention and hotel facilities but special

tours of cultural and educational institutions that would enhance Worcester's attractiveness as a destination.

- **The City Manager and the City Council should establish new performance measures for the WCCVB that include number of room nights and conventions booked.**

The performance measures currently in the contract—sales solicitations and RFPs—are important but do not measure the economic impact of conventions brought in by the WCCVB. Performance measures instead should include number of room nights and conventions booked. The WCCVB already keeps records of this information. In order to facilitate the WCCVB's documentation of the rate of return, it is important that the WCCVB identify why each meeting planner chose to book its conference in Worcester. At present the WCCVB only has information concerning those conventions that are booked through the WCCVB. The WCCVB should be notified of all cases; the meeting planner might have been led to the DCU Center by an ad placed by the WCCVB and the WCCVB would benefit from knowing that this ad placement was successful.

Currently the DCU Center maintains a substantial level of yearly business. However, the conventions the DCU Center focuses on booking are those that pay well and book on short notice (a few months ahead instead of years ahead) but do not necessarily fill hotel rooms. Some convention centers and CVBs have a contracted agreement dictating that the CVB is responsible for booking the long-term events (18 months ahead of time) while the convention center is responsible for booking more immediate events. Currently SMG and the CVB can book in the short-term and the long-term; however, the WCCVB should be directed in its contract to attract conventions to Worcester that result in more room nights and therefore more money spent in the City.

- **The City Manager and the City Council should consider investing in research on the economic impact of tourism and conventions on the City of Worcester, and hiring a consultant to design a strategic plan for the new WCCVB.**

Monitoring the economic impact that conventions, tourists, and festivals have on the City of Worcester would be worthwhile for finding out what events/attractions are best for the City financially and fill the most hotel rooms. The WCCVB calculates the economic impact of the conventions it books and the DCU Center records room night stays for conventions and arena events. The economic impact of Worcester's convention center could also be compared with its regional competitors to determine its level of success in the convention industry. The City government could pay an initial sum for this research to be acquired; a smaller amount would be needed in later years to update this information. The City could also hire a private consultant to provide the newly structured WCCVB with a marketing plan. Both developing a research program and seeking recommendations by a private consultant would provide the WCCVB with a strong foundation for attracting future conventions.

- **Private and public sectors should consider establishing a public-private partnership similar to the Chattanooga Downtown Partnership.**

As shown in the Comparative Cities Chart, Chattanooga's population is comparable to Worcester's: the city population is 154,887 and the regional population is 480,000. Convention centers in both cities have similar exhibit space. While the Chattanooga Convention Center has more meeting rooms, the DCU Center has a spacious ballroom. Chattanooga has invested time and money in making Chattanooga a destination city. The establishment and continued funding of the Chattanooga Downtown Partnership (\$130,000) is one example of the commitment that Chattanooga has made to revitalizing its City. In addition, Chattanooga contributes 64% of its lodging and sales taxes to the CVB. The total Chattanooga CVB budget is about \$3.8 million. Perhaps the most important difference between the two cities is that Chattanooga is accessible by airport and can attract conventions from across the country. The free electric shuttle bus in downtown Chattanooga transports convention attendees and tourists to attractions, sites, restaurants, and hotels.

Organizations like the Chattanooga Downtown Partnership and Charlotte City Partners actively work to attract residents and visitors to Chattanooga and Charlotte, respectively. Multi-day festivals encourage overnight stays and more spending in the city. Establishing a signature, multi-day event in downtown Worcester might attract large numbers of visitors and increase the City's appeal. Choose Worcester, the new public-private partnership established to attract and retain businesses in Worcester should consider incorporating events development into its mission. (See Appendix B on Business Development for more information on Choose Worcester.)

- **The City Manager should consider hiring a Special Events Coordinator to coordinate activities with event planners, assist in streamlining the permitting process, and work with Choose Worcester, Inc. on event development.**

As mentioned in Part I, one of the drawbacks of event development in Worcester is the difficulty involved in acquiring permits and reserving space. In order to simplify this process, the City should train someone to be a point person for facilitating the permitting process. In addition to permit responsibilities, this person needs the decision-making ability necessary for reserving public space for event use. The Special Events Coordinator could also arrange the use of multiple fields for sporting events. This City liaison would attend the Worcester Sales Task Force meetings and the WCCVB's meetings in order to stay well-informed concerning upcoming events. The City official would also be responsible for working with the City's Cultural Development Officer to aid the cultural organizations with their activities and to better coordinate these events with approaching conventions. The City of Lowell's Special Events Coordinator manages the permitting process as well as organizes events for the City of Lowell that are funded by private sources. The City Manager and the City Council should consider whether the City of Worcester would benefit from a Special Events Coordinator committed to organizing events.

Appendix A: Comparative Cities Chart

Organization	Geographic Area	Regional Population	City Population ¹	Funding Source	Operating Budget ²	Contract With	Contracted Performance Measures
Albany County CVB, New York	Albany County	225,000	94,000	County, City, Airport	\$1.5 Million	County	None
Charlotte CVB, North Carolina	Mecklenburg County	1.6 Million	584,658	County	\$6 Million	City & County	Room nights booked, occupancy, visitor inquiries fulfilled
Charleston Area CVB, South Carolina	Charleston Area	350,000	101,024	County Hotel Tax	\$5 Million	Agreement with County, Municipalities	Amount of money generated through accomodations tax
Chattanooga Area CVB, Tennessee	Chattanooga Area	480,000	154,887	County Hotel Tax	\$3.8 Million	County	None
Greater Hartford CVB, Connecticut	Greater Hartford	800,000	124,387	State: Capital City Economic Development Authority	\$2.4 Million	Capital City Economic Development Authority	Room nights booked, Revenue and leads generated, square footage booked
Greater Madison CVB, Wisconsin	Greater Madison	N/A	218,432	City & County	N/A	City & County	N/A
Greater Miami CVB, Florida	Greater Miami	2.5 Million	376,815	County Hotel Tax	\$14 Million	City & County	Conventions booked, rooms generated, leads for meetings
Greater Merrimack Valley CVB, Mass.	Greater Merrimack Valley	N/A	104,351 (Lowell)	State, City	\$1.1 Million	City & State	Financial performance, marketing plan, matching funding program
Greater Springfield CVB, Mass.	Pioneer Valley: Hampshire & Hampden County	615,738	152,157	State & Mass. Convention Center Authority	\$1.8 Million	State & Mass. Convention Center Authority	Financial performance, marketing plan, matching funding program
Mobile Bay CVB, Alabama	Mobile Bay	400,000	193,464	City & County	N/A	City & County	Room nights booked, tax revenue generated, publicity
Norfolk CVB, Virginia	Norfolk	350,000	241,727	City	\$3.2 Million	City	Room nights booked, media impressions, Annual Reports, trackable measures
Providence Warwick CVB, Rhode Island	Providence, Warwick	989,700	263,730	State Hotel Tax, Cooperative Agreements	\$2.8 Million	State, Cooperative Agreements	None
St. Louis CVC, Missouri	St. Louis County and City	2.7 Million	332,223	County Hotel Tax	\$11 Million	Chartered by State	None
Worcester CVB, Mass.	Worcester		175,703	City	\$150,000	City	Events booked, sales solicited, trade shows attended
Central Mass CVB, Mass.	Central Mass.	780,000	175,703	State	\$1.1 Million	State	Financial performance, marketing plan, matching funding program

¹City population as dictated by Census Bureau QuickFacts (2003 estimate), <http://quickfacts.census.gov/qfd/>

²Operating budget includes money from funding sources, members, and grants

³Hotel revenue collected is revenue collected by city/county in FY05

Appendix A: Comparative Cities Chart

Staff #	Strategic Plan	Meeting Space (sq ft)	Exhibit Space (sq ft)	Ballroom Size (sq ft)	# of Hotel Rooms	Hotel Tax Revenue Collected ³	Formula for Funding
13	Targets meeting/association market, sport, religious, consumer advertisements	7 Meeting Rooms	80,000	30,000	Area: 6,200	County: \$2.7 Million	Of 5% county hotel tax, 1% earmarked for CVB; runs visitor & airport info center
40	Close partnership with outlying CVBs, promotion of city, relationship with hotels	46 Meeting Rooms	280,000	35,000	City: 20,012 Area: 30,143	County: \$18 Million	Receives portion of 6% hotel occupancy tax revenue
40	Trade shows, sales blitzes, targeted print and tv campaigns, strong PR effort with travel media	20 Meeting Rooms	135,000	25,000	City: 3,600 Area: 13,405	County: \$7.6 Million	30% of county accommodations tax revenue, 10% of local accommodations tax
20	Promotes extensive hotel availability, trade shows, magazine ads, expos	21 Meeting Rooms	100,800	None	City: 2,000 Area: 7,000	City: \$2.5 M County: \$3.7 Million	64% of lodging tax
13	Direct sales, trade shows, sales calls	16 Meeting Rooms	140,000	40,000	City: 2,085 Area: 6,000	No city/county hotel tax per room stay	CVB proposes budget, Capital City Economic Development Authority approves it
24	N/A	37 Meeting Rooms	100,000 + 40,000	14,000	N/A	\$6.7 Million	N/A
32	Targets specific cities attracted to Miami, trips, conduct hotel surveys	70 Meeting Rooms	502,000	28,000	Area: 48,464	County: \$60.1 Million	60% of revenue from 2% county hotel tax
5	Integrated plan: consumers, sports, meeting planners; community spirit, involvement	3,000 Seat Auditorium	30,000	None	City: 500 Area: 4,000	N/A	Economic impact (50%), regional commitment (20%), & marketing plan (30%); Lowell general revenue
7	Trade shows, print advertising, record attendance at attractions	5 Meeting Rooms	40,000	14,880	City: 800 Area: 3,000	\$694,000	Economic impact (50%), regional commitment (20%), & marketing plan (30%)
25	Marketing new 4-star hotels, focus on tourism, publicity and marketing the new convention center	16 Meeting Rooms	100,000	15,000	City: 1,000 Area: 5,000	County: \$1.3 Million	Of 14% county hotel tax, 2.5% earmarked for CVB & 2% to County Marketing Fund
26	Specific markets, trade shows, sales missions to cities	20 Meeting Rooms	60,000	28,671 Total	Area: 5,218	\$6.56 Million	Norfolk general revenue, \$1 flat tax
19	Sales calls, trade shows, direct mail, promotional sales, field inquiries	23 Meeting Rooms	100,000	20,000	Providence: 1,767 Warwick: 2,072	No city/county hotel tax per room stay	23% of hotel tax collection, cooperative agreements
65	Sales calls, promotional events, trade shows, print ads, TV spots, direct mail	83 Meeting Rooms	502,000	28,000	City: 8,500 Area: 35,600	\$12.7 Million	38% of overall 7.25% county hotel tax revenue
2	Trade shows, print advertising, banners	11 Meeting Rooms	100,310	12,144	City: 925	\$752,714	Worcester general revenue
8	Print advertising, direct mail, web campaigns, weekend getaway promotions	11 Meeting Rooms	100,310	12,144	City: 925 Area: 4,784	\$752,714	Economic impact (50%), regional commitment (20%), & marketing plan (30%)

APPENDIX B: Business Development

Worcester Marketing Corporation

In 1995 the City of Worcester and the Worcester Regional Chamber of Commerce established the Worcester Marketing Corporation (WMC). Housed as the Chamber of Commerce, the WMC was originally funded jointly by the City and the Chamber with an operating budget of \$300,000.

The goal of the Worcester Marketing Corp is to market Worcester in order to attract new businesses to the area and further develop existing businesses. In its early years, it focused its efforts on marketing the convention center and the airport. WMC's efforts ceased between FY99 and FY01 because the City chose to hire a City Marketing Director to advertise and coordinate efforts for attracting businesses to the City.

In late 2001, the WMC reactivated its marketing efforts by hiring two marketing consultants (the City's Marketing Director had resigned in September 2001). Working with the Board of the WMC, they were responsible for developing a new marketing plan for the Worcester region. They proposed three strategies to the City Council in June 2002 with varying costs from \$750,000 to \$1.3million. The Council voted to appropriate \$165,000 to begin the program, but only managed to pay the first \$55,000 installment and a portion of the next.¹ The campaign had "three objectives: Attract new businesses to Greater Worcester, retain existing companies, particularly those in the growth mode, and highlight the quality of life in the community."² The marketing campaign labeled Worcester "Idea Central, Where Big Ideas Grow Fast" and advertised this message through print media, radio ads and a brochure. By emphasizing Worcester's assets and advantages, the marketing campaign aimed to brand Worcester as Idea Central.

The marketing campaign lasted six months.³ Because of insufficient funds, only Phase I of the marketing campaign was completed. Later phases of the Marketing Plan, which included a direct response campaign to interested industries, a continued branding campaign, an ambassador sales team to meet with potential new businesses, and strong media advertising, were never executed. The Worcester Marketing Corporation has been moribund since 2004.

Choose Worcester, Inc

Choose Worcester, Inc (CWI) is a recently-formed organization dedicated to economic development in Worcester. The goal of CWI is to attract and retain businesses in Worcester and to "create job and wage growth in a city that has lagged its peers."⁴ Currently the CWI Board of Directors is searching for a founding Chief Executive Officer to run the organization.

¹ "A compelling story to market Worcester: Group's new strategy is glossy portfolio," *Worcester Telegram and Gazette*, November 9, 2003, A1.

² "City's marketing drive switches to high gear," *Worcester Telegram & Gazette* November 10, 2002, C2.

³ *Ibid.*

⁴ "Agency to guide city's economy – New corporation to be created," *Worcester Telegram & Gazette*, September 15, 2005, p. E1.

APPENDIX C. Members of Task Force on Event and Convention Promotion

- Sandy Dunn, General Manager, DCU Center
- Joyce Kressler, Executive Director, First Night
- Michael C. Perotto, City Councilor
- Dolly Vazquez, Program Director, Institute of Latino Arts and Culture at Centro Las Americas
- Mark Waxler, VP and General Manager, Beechwood Hotel
- Kate McEvoy-Zdonczyk, Director of Community Relations and Development, Fallon Community Health Plan
- Mike Marcy, Director of local programming for WCTR, Channel 13 and Worcester News Tonight
- Michael Buckley, VP, Corporate Communications, Hanover Insurance Co.
- Mark Bilotta, Exec Assistant to the President, Assumption College
- Donna McCabe, President, Worcester County Convention and Visitors Bureau and Central Massachusetts Convention and Visitors Bureau
- Matt DiSalvo, Senior VP and General Manager, Special Event Rentals
- Daniel Walsh, VP and Managing Director, Monarch Enterprises

APPENDIX D. Questions for CVBs

- 1) What geographical area do you cover?
What is the population of this area? Of the city?
- 2) How are you funded? By city, county, or state? What is the funding formula?
What is the percentage hotel/motel tax?
- 3) What is your operating budget?
- 4) With whom is your contract? By what standards is your performance measured?
- 5) What does your marketing plan entail? Your strategic plan?
- 6) What is the makeup of your Board of Directors? How is this determined?
Does any CVB staff sit on the Board? Do any city officials?
- 7) Have you been successful and how do you measure this success?
- 8) Do you do event development of citywide events? Do you plan, generate, or coordinate citywide events like festivals? Is your city involved in event development?
- 9) How many staff members do you have?
- 10) How many hotel rooms do you have in your city/service area?

For those cities that received the Top Destination Award, or Pinnacle Award, or Gold Service Award: When did you receive this award? What are the qualifications for receipt of this award? What about your marketing plan or CVB would you describe as unique?

APPENDIX E. City-Wide Cultural Events¹

Summer Nationals
US Rowing Masters
July 4th Fireworks
Jazz at Sunset – EcoTarium
Concerts at Elm Park
Summer Concert Series at Institute Park
Brown Bag Concerts at Mechanics Hall
Movies in the Park
Spirit of America
Red Feather Theatre at Greenhill Park
Latin American Summer Festival
Latino Film Festival
MassBay Film Fest
African American Festival
Martin Luther King Celebration
Higgins Faire
St. Patrick’s Day Parade
Festival of Ale at Higgins
African Cultural Festival
stART on the Street
World Smile Day
EcoTarium Pumpkin Fest
Worcester Center for Crafts Fairs
Holiday Pops Concerts
Nutcracker – PASOW
Boarshead Festival – Master Singers
Special Olympics (March)
Flora in Winter at WAM
Festival of Lights
First Night Worcester

ONGOING:

DCU Center
Tornadoes (Minor League baseball)
Music Worcester – Concert Series
Worcester Art Museum
Foothills Theatre
Colleges (speakers, sports, theater, galleries)
Performing Arts Center –2007
ARTSWorcester: bi-monthly art exhibits
Sharks (Hockey, Fall 2006)

¹ Not a comprehensive list, subject to change. Information provided by the Worcester Cultural Coalition.

Mission Statement:

The Research Bureau serves the public interest of the Greater Worcester region by conducting independent, non-partisan research and analysis of public-policy issues to promote informed public debate and decision-making.



The Research Bureau

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