

Summary of CVB Policy Changes and/or Responses Related to Issues Raised by ISIS Hospitality

May 25, 2011 Meeting Issues/Requests for Information:

1. **Total number of RFPs and bids that were sent to all BID properties:**
Between April 1, 2010 and March 31, 2011 – 183 leads
2. **Total number of leads submitted to ISIS properties:**

4/1/2010-3/31/2011	Total # Leads Sent	# Leads Responded to	Availability	No Availability
Total Leads Sent	183			
AmericInn Lodge & Suites	90	10/11%	2/20%	8/80%
Country Inn & Suites	97	66/68%	30/45%	36/55%
Fairfield Inn & Suites	108	105/97%	63/60%	42/40%
Hotel Alex Johnson	150	143/95%	112/78%	31/22%

3. **What was the rate of the winning proposal?**

It has always been the Rapid City CVB's policy to not disclose the rate of the winning proposal. To endorse the Rapid City CVB's current policy, a question was sent to DMAI June 2, 2011 inquiring if other CVBs share rates among hotels. To further clarify the matter, the question was refined in August, specifying whether or not the **winning** rate is shared. (DMAI is the CVB's umbrella organization, Destination Marketing International.)

All CVBs that responded, as well as DMAI, indicated the winning rate is never disclosed as it is confidential and propriety information that is not for the CVB to disclose. The specific responses received from various CVBs are available for review.

4. **Provide the reason the meeting planner chose one hotel over another.**

An update in INFOTrac was made so that when a hotel is selected and a sales forecast is changed to Definite, a prompt appears asking the sales representative to indicate the reason why a specific hotel was chosen.

The screenshot shows the 'Sales Forecast' window with the following details:

- Forecast:** Cycle gaps, Cycle, Spec, Notes, Tourlead, CVBLeads
- Steps:** Potential value: \$267,500
- Rep:** LINDSEY
- Reason:** Pending (highlighted in a red circle)
- Change/dec. date:** 7/18/2011
- Meeting dates:** 4/21/2012 to 4/27/2012
- Attendances:** 300
- Exhibit space:** 0
- Rating:** NEW (New Properties)
- Opportunity type:** MLPR (Multiple Properties)
- Room Info:** Meeting dates: 21-Apr-2012 to 27-Apr-2012; Attend: 300; Rate(s): 294; Peak: 105; Edb: [blank]
- Entered by:** LINDSEY 09-Jun-2011
- Changed by:** 3009 10-Jun-2011

5. What training is conducted for employees?

A spreadsheet was provided that reflected all training and continuing education classes that CVB staff have participated in.

6. Can the hotels contact the meeting or tour planner?

A section has been added to the sales and tour lead sheets that indicates whether the planner has given their okay for a hotel to contact them directly.

7. What is the gift acceptance policy for employees?

The following policy was implemented in June 2011:

The Chamber/CVB discourages employees from accepting gifts from individuals and/or organizations that have business relationships with the Chamber/CVB. Employees may not solicit, accept, or agree to accept, anything of value when doing so could reasonably be expected to influence the manner in which the employee performs work or makes decisions. Anything received with an accumulative value of over \$250 needs to be disclosed, indicating from which source the Chamber/CVB obtained the goods or services, and authorized by the President of the Chamber and/or the Executive Director of the CVB.

8. What is the policy for sending leads for Familiarization (FAM) tours?

The CVB sends out the criteria/needs regarding a FAM to all properties that meet the criteria. All responses are gathered by the CVB and forwarded to the planner who chooses the property.

9. Indicate which hotel bids the CVB is forwarding to the meeting planner.

While the Hotel Summary sheet that is sent to all planners summarizes which hotels have submitted a bid, this issue was again discussed during the September 9 meeting and will be addressed as outlined later in this document.

September 9, 2011 ISIS Hospitality Meeting Follow-up:

In Attendance:

Gary Jensen	Carissa Alloway
Lisa Modrick	Joel Landeen
Jennifer Trucano	Laurie Sankey
Paul Bradsky	Donnie Patton
Rich Bradsky	Lisa Storms
Tom Bradsky	Michelle Thomson
Michelle Lamphere	Linda Rabe
Harry Christianson	Michelle Lintz

As a result of the meeting, the following will be presented to the Convention and Visitor's Board for approval:

1. The CVB will continue assisting each planner for the benefit of all businesses in Rapid City, South Dakota.

2. Each hotel will work with the CVB in good faith to assist the CVB in providing valuable assistance to each planner.
3. The CVB and each hotel will maintain open lines of communication with the other. Face-to-face meetings are encouraged to address issues and answer questions.
4. Going forward, all leads generated by the CVB will be sent to all Rapid City BID hotels and Rapid City Chamber member hotels that collect the BBB tax. It is the responsibility of each hotel to respond either "yes" to each lead and submit its proposal by the stated deadline or "no" if the hotel will not be submitting a proposal. Hotels answering "no" will receive no further communication from the CVB on that particular lead.
5. The CVB will request the programmer to create a new hotel summary report that will reflect only those Rapid City BID hotels and Rapid City Chamber member hotels that bid "yes" and provide a proposal or a "no" if they have no availability. This report will be sent to planner along with the original proposals.
6. The CVB will undertake reasonable efforts to determine the reason(s) a hotel proposal was selected and identify that reason in a generic fashion (such as meeting room space, room rates) in CVBLeads.com or other record of the CVB. Specific information such as room rates will not be disclosed.
7. At no time will any part of a proposal from a hotel be disclosed, including the terms of the winning proposal.
8. The RFPs of the CVB remain open to the hotels and may be reviewed with CVB upon reasonable request, except for proposals submitted by other hotels.
9. Each hotel and the CVB pledge their continuing cooperation with each other towards the goal of promoting the visitor industry in Rapid City, South Dakota, including assisting planners. Any issues or concerns that arise going forward will be addressed by direct communication with each other.
10. The procedures set out above along with those previously agreed to by the CVB in response to requests from ISIS Hospitality as set out in the Memorandum following the May 25, 2011, meeting with ISIS Hospitality, completely address the issues raised by ISIS Hospitality.