

Rob Ocampo

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VENUES**today**

"The news behind the headlines"

Dear April,

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Welcome to your **Venues Today** weekly e-newsletter, full of the latest live entertainment industry news. Look for the VT Mid-Year Hot Tickets and Top Stops reports in our upcoming July magazine. And we are pleased to welcome Dave Brooks, staff writer, to the *Venues Today* fold. For a full calendar listing, to view archives or to subscribe to *Venues Today*, visit our Web site at **www.venuestoday.com**.

QUOTE OF THE WEEK

"In fact, it was so improved it was almost uncanny. At some point, we were thinking that perhaps people were coming later this year, but that ended up not happening. People actually came earlier." — *Ashley Capps, producer, on the disappearance of traffic jams at this year's rural Bonnaroo festival.*

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VENUE NEWS



Wang Wenchao, right, secretary of the Municipal Party Committee, and Cliff Wallace, chairman of the Hong Kong-Shanghai Venue Management (Zhengzhou) Limited at the ZZICEC signing ceremony. At right, Zhengzhou city and Zhengzhou (China) International Convention and Exhibition Centre.

HONG KONG MANAGEMENT COMPANY ENTERS MAINLAND CHINA CONVENTION BUSINESS

In the first of many contract management deals expected on mainland China in the future, the team that manages the Hong Kong Convention Centre, along with a joint venture partner, has now taken on the \$188 million, 2.4 million square-foot Zhengzhou International Convention and Exhibition Centre.

Cliff Wallace, managing director of the Hong Kong Convention and Exhibition Centre (Management) Ltd. (HML), said it has taken eight years to prospect, nurture and finalize this first management deal with partner INTEX Shanghai. He is committed to getting a

year under his belt in Zhengzhou before branching further into the mainland, but the ultimate goal is to manage several convention centers on the mainland.

The joint venture is Hong Kong-Shanghai Venue Management (Zhengzhou) Ltd. (VMZL). The partners are Hong Kong Exhibition and Convention Venue Management China Limited (KKVMCL), the majority shareholder, and INTEX Shanghai Company Limited (INTEX Shanghai). HKVMCL is a sister company to HML, which is owned by New World Development Co. Ltd.

New World wants its subsidiary companies to expand, especially into China, Wallace said of his parent company, which built and paid for the Hong Kong Convention & Exhibition Centre and gave it to the Hong Kong government in exchange for rights to build connecting hotels and apartments and office towers. New World Development has several service companies as offshoots of that development, including the convention center management.

"I've been a little slow to identify and nurture our first account," Wallace said. "The reason for that is I've had enough to do here and I've been very, very picky. The philosophy I decided to follow is to identify not major markets in China, but developing markets." The economic explosion in China has led to a central government commitment to key markets that will help stimulate an entire region's economy, Wallace explained.

"We've looked at 20 markets, probably. Zhengzhou is receiving a lot of attention now because of its logistical, geographical location. If you look at a recent map of China, you see the major highway and railway system goes through Zhengzhou." Wallace likened it to a little Leipzig, Germany — once a top exhibition city in Europe before being taken over by the Soviets, and is now looking toward a revival.

Wallace said the management contract is for a 15-year term between VMZL and Zhengzhou International Convention and Exhibition Company Ltd. (ZCL), a state-owned enterprise under the Municipal Bureau of Commerce. The deal is comparable to the original contract Facility Management Group (FMG) signed decades ago to manage the Louisiana Superdome in New Orleans, a building Wallace once helmed. "It has the same concepts and philosophies used in the Superdome agreement in 1976, because, initially, it will be a fairly sizeable deficit operation. It's a huge building in a developing market, so there will be an operating deficit. However, it has an opportunity to come out of its deficit in five to six years."

He predicted most of the business will be exhibitions. "Because of that, it will eventually be profitable," Wallace said. "We would like to see, within two years, 20 major exhibitions a year and an array of domestic, local banquet, meeting, conference, and annual meeting bookings."

VMZL will receive a base fee for reducing the deficit, and, eventually, a split in the profit with the owner. "We did not make an investment. I'm sure we will make an investment along the way. If we take over food and beverage, we will make the investment in the equipment. We haven't yet," Wallace said.

Wallace declined to reveal the financials of the deal, but published reports put the base fee at about \$625,000 annually (5 million Chinese yuan renminbi).

The operating budget the first year is \$3.8 million, he said. The project construction budget was \$275 million, though the hall itself was closer to \$188 million, Wallace said. The architect was a Japanese firm, Kisho Kurokawa, which also designed the ring of office buildings and residential towers around the convention center. The Centre's soft opening was in September of last year.

"We helped and consulted and advised," Wallace said. "They encouraged us to do more." But it wasn't until all the pieces fell into place, particularly a joint venture with INTEX Shanghai, a firm with the local contacts necessary to do business on the mainland, that a deal was struck.

Rentable space at the Zhengzhou Centre exceeds 750,000 square feet and includes two major exhibit halls that can be divided into six smaller halls. A five-star hotel connected to the property is to start construction in the next six months. A man-made lake in front of the center is a major attraction. Wallace said they present "one of the most phenomenal light and laser water shows you'll ever see" over the lake.

Two restaurants in the building are not operational yet, but will be. There is a full kitchen set up. "I don't know if we'll operate internally or contract it out, but probably contract it out initially," Wallace said. Ninety percent of food served will be Chinese cuisine. The banquet business will be Chinese. One of the restaurants is western, he said.

The new management team started June 1 with Andrew Garcia in charge. Garcia is a U.S. citizen who has been living in China 20 years, is married to a Chinese national, speaks fluent Mandarin and has a background in hotel development and operation, Wallace said. "He knows the system of working with governmental authorities to get new projects going. Up until now the hotel business is where conferences and conventions and small trade shows and exhibitions have taken place in China." Banking and labor laws are particularly unique in China and require someone who knows how to navigate the system, Wallace added.

In the grand scheme of things, Wallace sees considerable private management opportunity on the mainland. "To those who remember LMI, I'm using the same philosophy," he said, referring to the Leisure Management International, a private management firm which was sold to SMG where he was once president. "Our company will establish the standard for private management in the mainland. Fortunately I'm under no pressure to do it unless I can do it right." — Linda Deckard

Interviewed for this story: Cliff Wallace, (852) 2582 7800



LIBRARIANS HEAD TO NEW ORLEANS' REVIVED CONVENTION CENTER

Nearly 20,000 delegates of the American Library Association descended on New Orleans last week for the first citywide convention since Hurricane Katrina devastated the town. It was not the biggest, but possibly the most important meeting ever held there.

"We're keenly aware it's probably the most important convention this city ever hosted. The eyes of the industry and the trade press will be all over this one," said George Lencie, Aramark general manager for the Ernest N. Morial Convention Center. Lencie and the center's general manager, Jimmie Fore, said they were pleased with the attention because they wanted to show the world how the facility has almost returned to normal operations. There have been a lot of misconceptions about New Orleans with many people still believing the devastation was citywide.

"Even as recently as three months ago, some of our customers thought New Orleans was still under water," Lencie said. Surveys show that up to 44 percent of those polled think there are flooded streets throughout the city, even though the water was pumped out within days of last August's storm.

In reality, most of the damage bypassed the tourist-dominant French Quarter. But it still took a massive effort for the center to return to almost normal operations, though it has been open and hosting groups on a limited basis since May.

Activity at the Morial Convention Center produced almost \$36 billion since opening in 1985, making it one of the state's most productive tax revenue generators, according to convention center statistics.

Both Lencie and Fore expect positive reports from its librarian convention.

The Morial Convention Center housed up to 25,000 people during the aftermath of Katrina (VT e-newsletter, Oct. 19, 2005). "This building accommodated the needs of the city. We housed a hospital in this building. We had 5,000 troops here to maintain control of the city," Fore said. Business was originally cancelled through March 31 of 2006.

"But then other events in the city started calling us. They had been displaced and couldn't find another place," Fore said.

The first group to meet after the hurricane in Halls E and F was the Helen Brett International Jewelry Fair and General Merchandise Show in late May. There were several hundred exhibitors and up to 20,000 buyers/merchants.

Other events such as the New Orleans Automobile Show were also held there. "We could accommodate groups that needed no meeting space — just a lobby and exhibit halls," Fore said.

One of the most obvious areas that needed immediate attention in the center was carpeting.

"We lost about 90,000 square yards of carpeting," Fore said, or about 80% of the total carpeting at the facility. The Convention Center has 1.1 million square feet of contiguous exhibit space in 12 separate but combinable exhibit halls. There's almost 233,000 square feet of meeting space and the total enclosed space is 3.1 million square feet.

Ordering that amount of carpet normally requires a large window of time because of government requirements mandating contracts be advertised and released to bidders. But the state's governor stepped in, issuing an executive order allowing the center to expedite the bid process.

Fore said the center asked three contractors to bid. With the expedited bid process, a deal was made in less than 30 days instead of the normal two to three-month process. "We sent out bids by phone and they would then e-mail quotes," Fore said.

The center hired three different installers so they could work together on sections of the carpeting to get the new floor in place faster than one company could.

Virtually all of the carpeting in the building with the exception of the administrative office has now been installed. The administrative office is due to have its carpet in July.

Another area of heavy damage were chairs. "We lost 28,000 meeting room chairs," Fore said.

Using the same expedited process for the chairs, the center ordered 18,000, which Fore said was enough to cover the Library convention. The remaining 10,000 replacement chairs are expected in the next month or so.

The cost of replacing chairs, carpet and other items was anywhere from \$12 million to \$15 million, Fore estimates.

The center's general counsel offered office space in Lafayette, about 100 miles away. Much of the center's management moved there temporarily. Before the storm, the center employed 400 people. It now has 275 employees.

"By the end of the year, we should be back at about 300. We'll add people based on the work load after that," Fore said.

Prior to the storm, ARAMARK had 350 employees. "The biggest problem we had initially was a lack of communications, not only for us but for the police, the government and others. That was documented in the national news reports," Lancia said.

Telephones initially were not working, but Lancia's management team tracked

employees who called other offices about pay checks or other matters. "Today, we know where 250 of those employees are," Lancia said.

For the librarians, Lancia said its present 200 employees were enough to take care of them.

"We're going to hire another 45 people and more if we need them in the future," he said.

To ease commuting for those who live some distance away, and for those who had to move after their homes were damaged, Lancia established car pools and provided bus service.

For the food service provider, some of the biggest damage was in equipment such as culinary items designed to prepare and serve food. "We lost a lot of pots and pans, cups and saucers. We had some walk-in refrigerators that had to be replaced," he said.

Lancia declined to give a cost figure on replacing the various items.

"We now have our two major production kitchens and three satellite kitchens. We have three restaurants and 17 concession stands," Lancia said. Those include the Jazz City Café, the Lagniappe Food Court and the Atrium restaurant, all of which were remodeled.

He said much of the new equipment involves upgrades. Table top induction burners have been added, for example.

"We could always do Bananas Foster, but now we can do it with the chef in front of you at your table," Lancia said. Lancia said 80 percent of the dining, catering and preparation locations needed to be completely restored.

When the convention center hosted the jewelry and car shows, Aramark used smaller prep kitchens in areas that were not impacted by the storm.

Lancia said about 750,000 square feet of the center's 1.1 million square-foot meeting space is back to normal, with the rest expected to be completed by the end of the year.

A major advantage the center had overall in re-opening was that it is self-insured. That meant that money became available for repairs much faster than funds designated by the slower-moving government agencies.

Looking back, Fore also said the center's self-insurance was a key to its restoration. "That helped us dramatically because we were not looking for anybody else to help us. And the insurance company did a magnificent job for us," he said.

The hurricane was also a reminder for Fore and his team about the role of a public assembly facility during a disaster.

"I think something that you learn is that the building management needs to be heavily involved with the entities that deal with disasters. Everyone needs to know whom to communicate with," he said. The center had prepared for disaster, with full fuel tanks and emergency power generators.

Another suggestion Fore has for other managers facing disasters is to pay attention to computer systems.

The center had an advantage for the rebuild in that architects and contractors were already looking at expansion plans. "So we had people very familiar with the building and they were able to come in immediately and start doing temporary repairs," Fore said.

The plan was to add another 520,000 square feet of exhibit space, a 60,000 square-foot ballroom and about 100,000 square feet of meeting space.

"It may have slowed a little bit, but the expansion is still going forward," Fore said. — David Wilkening.

Interviewed for this story: George Lencie, (215) 238-5933, and Jimmie Fore, (504) 582-3001.



House of Blues Chief Operating Officer Dolf Berle, left; Orange County singer/songwriter Jennifer Corday, performing at the afterparty.

EMPLOYEE RETENTION A HOT TOPIC AT IAAM SAN DIEGO CHAPTER MEET

SAN DIEGO — It's difficult enough to hire good people, but it's a whole new challenge trying to keep them.

Retaining quality temporary employees is an increasingly difficult task for venue managers, especially with transportation costs up and a recent flood of unskilled jobs available to today's workforce. With fast food restaurants and retail paying employees \$9 to \$10 per hour for entry-level positions, venues have to rethink their strategies for retaining employees to work long, irregular shifts while retaining a high level of customer service.

"I can honestly say your key employees will work an odd schedule if your management sets an example and acts as the leader," Marina Hoffman, Human Resources manager for the iPayone Center here, said during the June 20 International Association of Assembly Managers (IAAM) District 7 San Diego Chapter Meeting at the House of Blues downtown. The gathering was attended by about 30 people.

Dolf Berle, Chief Operating Officer for House of Blues Entertainment, Inc., was the

keynote speaker at the meeting, which included a lengthy group discussion on methods for retaining temporary employees.

Berle agreed that employees were more likely to return for temporary work if they had developed a relationship with their direct managers.

"Employees want to know, 'Does my manager care about me? Does he help me when I have a problem?'" Berle said. "People aren't loyal to companies, or buildings. People are loyal to other people."

Berle said he tries to call all of his managers — 500 in total — each Thanksgiving week, and leave a message thanking them for their service. The entire exercise takes about three days to complete, but Berle said the effort isn't lost on his employees. It's those interpersonal connections, Berle said, that make an employee not want to disappoint their managers by quitting too soon or skipping out on work.

Financial incentives can also be a strong way to keep good employees on board. Lou Atchick of Aramark said he regularly gives his employees gift certificates, free dinners at restaurants and passes to sporting events and concerts as part of the company's "Focus on the Stars" program. But employee rewards programs are only successful, Hoffman said, when someone takes a proactive role to administer the program and encourage employees to buy into the system.

"Management needs to be on track and keep on top of it," she said. The program at iPayone Center is based on attendance, with employees earning credits for most days worked, consecutive shifts and focus on customer service. Once an employee accumulates a certain amount of points, they can collect their prize or bonus.

Venues have also found success offering their skilled employees occupational education like fall training, advanced lighting work or rigger skills. Whatever the employer decides to offer, Berle said it's important that employees believe the incentives have good value.

"People are driven by 'What's in it for me?'" he said. "The programs are fine, but the people have to really buy into it."

For those simply looking to hire new people, Berle recommended talking to other venue managers and sharing information about new hires and employee down time. If the venue is going through a black period and doesn't have any events booked, managers should research whether others venues need temporarily labor. Employees will appreciate the effort.

And remember to talk to your employees. Good people usually run in packs and associate with like-minded individuals who aren't afraid of hard work or providing a positive customer experience, according to participants.

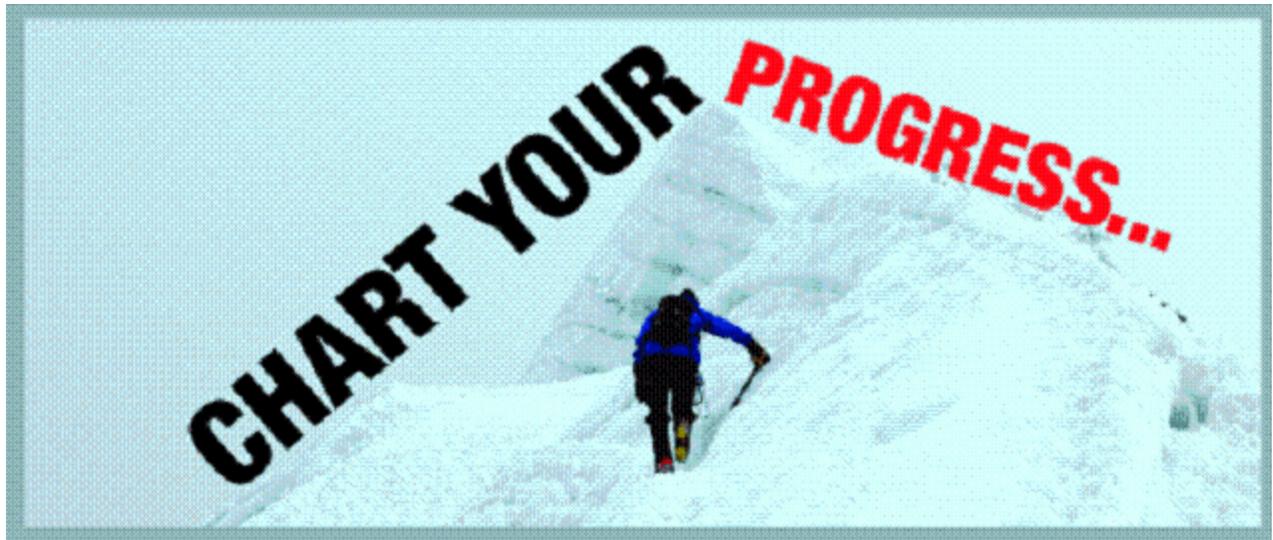
"If you have a good culture, there is an incentive to work for you and seek out others," Cory Meredith of Staff Pro said. His company routinely pays workers finder fees for attracting friends and family to come work for him. In the long run, the payouts are worthwhile, considering the time and money it takes to train new employees.

A common mistake, Berle said, is to focus too much on recruiting, and stray away from retaining good help. As soon as new workers come on board, it's important to identify quality employees and communicate to them the growth potential within the organization.

"If you just refine your recruiting practices, that's only half the solution," Berle said. —

Dave Brooks

Interviewed for this story: Marina Hoffman, (619) 224-4171; Dolf Berle, (323) 769-4600; Lou Atchick, (619) 671-2902; Cory Meredith, (714) 230-7200



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Our much anticipated **MIDYEAR** issue is back in **July**, with more information than ever on what you want to know: gross revenues, trends, ideas and news throughout the industry. Included in this issue are our popular **MIDYEAR Hot Tickets and Top Stops Charts**. July is also our third INTIX QUARTERLY. Use this edition to promote your venue ranking and to broadcast your message to the industry leaders. **ADVERTISEtoday.**

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BOOKINGS



HOTtickets

FESTIVALS RULE, VARIETY REIGNS THIS WEEK

HOT TICKETS is a weekly summary of the top acts and ticket sales as reported to **Venues Today** e-newsletter. Following are the top 20 concerts and events, the top 5 in each seating capacity category, which took place since May 30, 2006. To submit reports, e-mail HotTickets@venuestoday.com or fax to (714) 378-0040.

The **Hot Tickets** this week as reported to **Venues Today**:

15,001 or More Seats

1) *Gross Sales:* \$15,807,963; *Event:* Bonnaroo; *Venue:* **Bonnaroo Festival Site, Manchester, Tenn.**; *Attendance:* 80,681; *Ticket Range:* \$184.50-\$169.50; *Promoter:* A.C. Entertainment, Superfly Productions; *Dates:* June 16-18; *No. of Shows:* 3

2) *Gross Sales:* \$2,006,748; *Event:* Pearl Jam; *Venue:* **Continental Airlines Arena, East Rutherford, N.J.**; *Attendance:* 40,647; *Ticket Range:* \$51; *Promoter:* Live Nation; *Dates:* June 1 & 3; *No. of Shows:* 2

3) *Gross Sales:* \$1,859,765; *Event:* Dave Matthews Band; *Venue:* **Verizon Wireless Music Center, Indianapolis**; *Attendance:* 45,929; *Ticket Range:* \$55-\$35.50; *Promoter:* Live Nation; *Dates:* June 3; *No. of Shows:* 1

4) *Gross Sales:* \$1,354,623; *Event:* Jimmy Buffet; *Venue:* **Verizon Wireless Amphitheatre, Charlotte, N.C.**; *Attendance:* 18,752; *Ticket Range:* \$122.50-\$32.50; *Promoter:* Live Nation; *Dates:* June 4; *No. of Shows:* 1

5) *Gross Sales:* \$923,778; *Event:* Pearl Jam; *Venue:* **Verizon Center, Washington, D.C.**; *Attendance:* 17,508; *Ticket Range:* \$54; *Promoter:* IMP; *Dates:* May 30; *No. of Shows:* 1

10,001 - 15,000 Seats

1) *Gross Sales:* \$1,937,545; *Event:* Andrea Bocelli; *Venue:* **Atlantic City (N.J.) Boardwalk Hall**; *Attendance:* 13,858; *Ticket Range:* \$275-\$75; *Promoter:* Classic Enterprises, Trump Entertainment & Resorts; *Dates:* June 17; *No. of Shows:* 1

2) *Gross Sales:* \$365,150; *Event:* Daniel O'Donnell; *Venue:* **Wachovia Arena at Casey Plaza, Wilkes-Barre, Pa.**; *Attendance:* 6,348; *Ticket Range:* \$77.50-\$47.50; *Promoter:* Atilla Glatz Productions; *Dates:* June 9; *No. of Shows:* 1

3) *Gross Sales:* \$321,685; *Event:* Classical Spectacular; *Venue:* **Brisbane (Australia) Entertainment Centre**; *Attendance:* 5,051; *Ticket Range:* \$94.98-\$58.17; *Promoter:* Ogden Facility Management; *Dates:* June 17; *No. of Shows:* 2

4) *Gross Sales:* \$180,217; *Event:* WWE Smackdown; *Venue:* **Sovereign Bank Arena, Trenton, N.J.**; *Attendance:* 5,037; *Ticket Range:* \$41-\$21; *Promoter:* WWE; *Dates:* June 13; *No. of Shows:* 1

5) *Gross Sales:* \$106,882; *Event:* Professional Bull Riders; *Venue:* **Dunkin Donuts Center, Providence, R.I.**; *Attendance:* 4,658; *Ticket Range:* \$35.50-\$12.50; *Promoter:* Clear Channel Radio, Live Nation, In-house; *Dates:* June 3; *No. of Shows:* 1

5,001 - 10,000 Seats

1) *Gross Sales:* \$201,300; *Event:* Solo Para Mujeres; *Venue:* **Gibson Amphitheatre**

at Universal Citywalk, Universal City, Calif.; Attendance: 3,577; Ticket Range: \$50.90; Promoter: House of Blues Concerts, Sonia de Leon; Dates: June 3; No. of Shows: 1

2) Gross Sales: \$177,071; Event: Dora The Explorer-Dora's Pirate Adventure; Venue: **Everett (Wash.) Events Center**; Attendance: 9,055; Ticket Range: \$10.25; Promoter: In-house; Dates: June 10-11; No. of Shows: 4

3) Gross Sales: \$175,501; Event: moe.; Venue: **Red Rocks Amphitheatre, Denver**; Attendance: 5,141; Ticket Range: \$39.50-\$35.50; Promoter: Kroenke Sports Enterprises, Live Nation; Dates: June 3; No. of Shows: 1

4) Gross Sales: \$142,736; Event: Sheryl Crow; Venue: **U.S. Cellular Center, Cedar Rapids, Iowa**; Attendance: 2,457; Ticket Range: \$59.50-\$38.50; Promoter: Rose Presents; Dates: June 17; No. of Shows: 1

5) Gross Sales: \$135,980; Event: Human Nature; Venue: **Newcastle (Australia) Entertainment Centre**; Attendance: 3,015; Ticket Range: \$51.91; Promoter: Michael Coppel; Dates: June 8; No. of Shows: 1

5,000 or Fewer Seats

1) Gross Sales: \$401,923; Event: Radiohead; Venue: **Bank Of America Pavilion, Boston**; Attendance: 10,273; Ticket Range: \$41; Promoter: Live Nation; Dates: June 4-5; No. of Shows: 2

2) Gross Sales: \$156,197; Event: The New Cars New Tour 2006; Venue: **Bank of America Pavilion, Boston**; Attendance: 2,769; Ticket Range: \$75-\$35; Promoter: Live Nation; Dates: June 7; No. of Shows: 1

3) Gross Sales: \$146,825; Event: Linda Ronstadt; Venue: **Beacon Theatre, New York**; Attendance: 2,381; Ticket Range: \$125; Promoter: Live Nation; Dates: June 2; No. of Shows: 1

4) Gross Sales: \$146,254; Event: Hall & Oates; Venue: **Paramount Theatre, Seattle**; Attendance: 2,531; Ticket Range: \$67-\$37; Promoter: House of Blues; Dates: June 9; No. of Shows: 1

5) Gross Sales: \$145,094; Event: Kevin James; Venue: **Chevrolet Theatre, Wallingford, Conn.**; Attendance: 3,655; Ticket Range: \$43-\$33; Promoter: Live Nation; Dates: June 4; No. of Shows: 1

Compiled by Rob Ocampo, HotTickets@venuestoday.com

An aerial shot of the 2005 Bonnaroo Festival in rural Coffee County, Tennessee



BONNAROO ENJOYS SMOOTH SAILING IN FIFTH YEAR

At some point, any big festival reaches a tipping point where it either gets too big for its original intent or veers too far away from its founding musical vibe,

causing the original fans to cry "sell out!" This was supposed to be that year for Tennessee's Bonnaroo festival. The jam band friendly destination event that has taken over a 700-acre farm in rural Coffee County every summer since 2002 came under some criticism from longtime fans this year for booking such mainstream rock acts as Tom Petty and Radiohead.

But after an exhausting weekend from June 16-18 that critics praised as one of the best, most eclectic concerts in the series, co-founder Ashley Capps, president and event producer for A.C. Entertainment, said he thinks Bonnaroo had its best year in 2006.

"It was a great weekend," said a tired-sounding Capps of the three-day party featuring 100 bands on nine stages, 30 comedians and the highest grosses in the history of the event. "We completely sold out of 80,681 tickets and people really seemed to enjoy themselves." Gross ticket sales topped out at \$15,807,963, a record, due to a combination of strong sales and higher prices, between \$169.50 and \$184.50. The event did not completely sell out in 2005, but the real news this year was that all the tickets for the 2006 edition were sold through the festival's official website in advance of the show. Capps said organizers do not give out any per caps on food and beverage or merchandise, but said sales were strong.

Capps said one of the biggest differences this year was the continuity in the behind-the-scenes crew helping to coordinate the massive event. "We've had a great team from the first year and many of those people have been here since 2002, and all the key staff this year have been working on the festival for at least two or three years," he said. "I think the team has really come together and they know how to work with one another and they know the event. From an organizational standpoint, last year was a watershed year. We got the site layout and plan right, so things functioned well. We built on that this year, which didn't really require any major changes in terms of how things were laid out."

Though the early years of the festival were plagued by massive traffic jams, Capps said this year that issue was dramatically improved. "In fact, it was so improved it was almost uncanny," he said. "At some point, we were thinking that perhaps people were coming later this year, but that ended up not happening. People actually came earlier." Capps said the traffic situation was so improved that waits that ranged up to three hours in the past were reduced to 30 minutes or less. He attributed the improvement to better planning, better weather and the unintended side effects of higher fuel prices.

"I think fans were playing a proactive role this year," Capps speculated. "There was more carpooling by people who were probably trying to save money on gas, but also last year we really organized the entrances to the sites and our traffic systems in a pretty efficient way. This year we just tweaked that, but didn't really look for any new solutions."

While Capps said initial indications are that arrests and police action was down nearly 50% from 2005, the festival was marred by the death of Joshua Overall, a 21-year-old Hamilton, Ohio man. Overall was killed on the first night of Bonnaroo when he stepped out onto nearby Interstate 24 and was struck by a tour bus carrying bluegrass artist Ricky Skaggs. The incident happened outside of the jurisdiction of the festival.

Economic impact studies for 2006 won't be available for a while, but the 2005 study commissioned by Bonnaroo organizers found that the 2005 event had an estimated \$20 million impact on Coffee County, a figure that is likely to be met or exceeded by the 2006 concert.

The organizational meetings for the 2007 edition of the festival — which has become a

365-day-a-year project for A.C. Entertainment and New York-based co-producer Superfly Productions — aren't expected to start until next week. But the camps are already gearing up for this October's spin-off fest in Las Vegas, Vegoose, and Capps said they are still flying high from the good vibes of this year's 'Roo. "Everyone just feels very good about how the festival worked this year. It was definitely the most mellow festival yet," Capps said. "The camping was incredibly mellow and it had a great atmosphere."

One of the improvements held over from 2005 that was ramped up this year was the "pod" system in the camping grounds. The pods, scattered across the festival grounds and through the camp sites, served as community centers that gave a human face to the festival. Attendees were encouraged to approach the employees manning the pods to share or get information, or to participate in the pod-centric art projects. "The people who staff the pods live there and we got some local artists to work on these sculptures that would emerge over the weekend as fans got involved and helped build them," Capps said. "That atmosphere in the campground is one of the special things about Bonnaroo. It creates a real sense of community."

In addition to the multiple stages of music, there were roving circus performers, sound and sculpture installations, a "silent disco" where dancers wore headphones, a masquerade ball and movie and comedy tents that Capps said were packed all weekend.

One of this year's key sponsors was SBC/AT&T, which webcast much of the action and who are on board as sponsors for Vegoose as well. Capps said it was too early to tell if SBC/AT&T would be on as a sponsor for the 2007 Bonnaroo, but "we're looking for sponsors who help to enhance the event and they certainly bring a lot to the table." — Gil Kaufman

Interviewed for this story: Ashley Capps, 825-523-2665

MARKETING

DISCOVER CARD INKS FLOOR-SPACE DEAL WITH WNBA

Discover Card has inked a deal with the Women's National Basketball Association (WNBA), allowing the credit card company to be the first group to paste its logo on the gym court during basketball games.

Company officials wouldn't release the terms of the agreement; only saying the deal was a multiyear contract that included television-commercial rights and arena signage. The deal also gives Discover Card the distinction of being the first company in the WNBA's 10-year history to have its mark appear on the court during regular season games televised on ESPN2 and ABC.

"We're more than just an advertiser, we're part of the experience because our logo is on the floor," said Mark Hosbein, Discover Financial's senior vice president of Brand Management and Advertising. Three WNBA venues — the Mohegan Sun Arena in Uncasville, Conn., KeyArena in Seattle and the U.S. Airways Arena in Phoenix — already have promotional agreements with credit cards, barring Discover from utilizing on-court signage. Hosbein said his company would request additional television advertising for those three arenas.

Discover chose the WNBA because of the league's loyal fan base and intimate setting,

Hosbein said. Since the WNBA is smaller than other sports leagues, fans have more opportunities to interact with players. Hosbein said the Discover deal gives the credit card company a chance to further those interactions during special promotions.

Under the deal, Discover Card holders will be given access to a new customer activation called the "Discover Fan Lounge" at all 14 WNBA arenas. After the game, Discover Card holders will be invited into a private area to meet players and talk about the game. Discover is planning about 40 Fan Lounge events throughout the WNBA season, including the All-Star Game and the playoffs. While Discover will set guidelines for the event, arena management will be charged with coordinating their individual fan lounge events.

"We don't want to handcuff venue owners who know how to make the fan experience the most fun," he said.

Unlike most team promotions, the Discover Card deal is a league-wide agreement that also allows fans to meet players from visiting teams, said Danette Leighton, Sacramento Monarchs vice president of Business Development.

"In most cases, we usually only get to utilize our own team," Leighton said. "Since this is a national deal, the fans will get to interact with the opposing teams as well. Most of the time, you're just implementing things with your own athletes in your own market."

Compared to other sports leagues, the WNBA has fans with a broader interest in the entire league, especially as it grows and develops into a professional sporting league. "Most fans are very supportive of the league as a whole," she said.

Leighton plans to hold the Fan Lounge events in Arco Arena's banquet area unless a bigger space is needed.

The final term of the deal includes the creation of 14 team-affiliated credit cards, which will be unveiled at the July 12 All-Star game. Discover card-holders will also be given discounts on WNBA tickets and merchandise. — Dave Brooks

Interviewed for this story: Mark Hosbein, (224) 405 0900; Danette Leighton, (916) 928 3610

CONCESSIONS

Hurricanes fans tailgate outside the RBC Center, Raleigh, N.C.



STANLEY CUP TAILGATING STIMULATES THE APPETITE AT RBC CENTER IN RALEIGH

Contrary to logical thinking, pre-game tailgating doesn't necessarily mean food and drink per caps inside the facility will be down.

At the RBC Center, Raleigh, N.C., scene of four National Hockey League Stanley

Cup final games, tailgaters were invited into a tent right in front of the door and per caps were up 30 percent over regular season game spending, according to Davin Olsen,

venue general manager.

Three hours before facility officials opened the doors to hockey fans, the parking lot was full of tailgaters. Management further encouraged the tailgaters by providing a band, barbecue and beer in the tent. Tailgating is a common element to Hurricanes games, but the tent was special for the playoffs, he added.

While the Carolina Hurricanes beat the Edmonton Oilers on the ice for the Cup, facility food operations also produced winning results. The playoffs ran the full seven games. The teams met in Raleigh June 5, 7, 14 and 19. The Hurricanes won the series at home.

"Logic would tell you that this wouldn't happen," said Olsen of the increased per caps. "We had thousands come out to tailgate. But, we are still doing incredible per caps."

Food operations ran smoothly for the Stanley Cup playoffs, said Olson, and Michael Bekolay, concessions manager. The games had been sold out at 18,300 fans per game.

Bekolay said management "took a lot of notes" when the Hurricanes were in the Stanley Cup playoffs four years ago. One of the most difficult and challenging aspects of handling the playoffs was making sure they had enough staff.

"Sometimes it is short notice," Bekolay said. "Then, we have to deal with our part-timers with spring break, Memorial Day and Mothers Day. It's just the magnitude of the scheduling. Most importantly, however, we did have better notice about when the games would be this time around."

On top of the list of "most popular" foods is the facility's barbecue. Bekolay said they installed two barbecue pits last fall, pits that have been kept very busy since. They have sold one load per pit per night. In other words, each pit cooks 700 pounds of barbecue. So, each night of the playoffs, almost 1,500 pounds of barbecue have been consumed.

"Since we installed the pits last fall, we have sold about 55,000 pounds of barbecue," Bekolay said.

The barbecue is offered under the tent during the tailgating activities, then brought inside. It is offered in sandwiches only and is available at the concession stands and in the suites. Bekolay said they make their own sauce.

"We don't put sauce on the barbecue, however," Bekolay said. "We let our customers do it from the condiment table. We make two types of sauces. The eastern side of North Carolina uses a vinegar based barbecue sauce. The western side uses vinegar but also uses a lot more tomato. Since we are in Raleigh, in the center of the state, we felt we needed something for both sides of the state. So, we make both kinds."

The number of outlets on the concourse were augmented to serve the sold-out event. For regular Hurricanes games, there are about 200 points of sale. For the playoffs, that was increased to 250 points of sale. The menu remained the same.

"It just didn't seem like the best time" to add products, Bekolay said. "We ran the same fare we normally do."

One Stanley Cup-only offer was to have a local company carve a cocktail bar out of a block of ice for each playoff game. The block melted during the event.

Bekolay said they got a good six hours of use with the ice bar. "We wanted something special for our fans," he said. "Ours wasn't that complicated, however, so it cost us a couple of hundred dollars for each carving."

The ice bar was eight feet long and two feet deep. There was a place in the middle of the bar to hold the bottles. The rest was smooth.

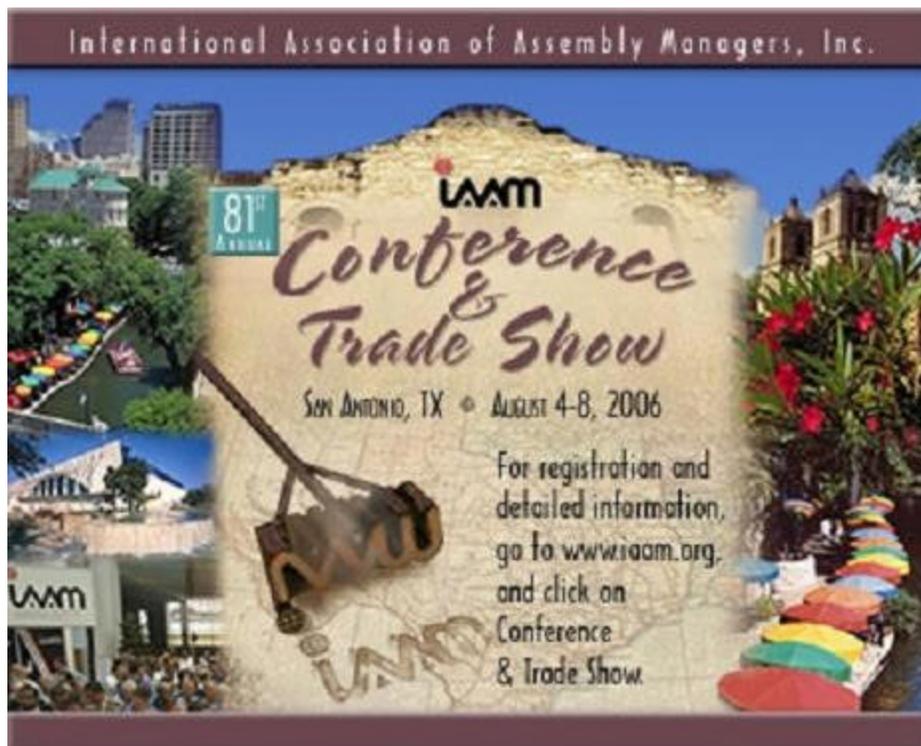
"People didn't really rest there; they got their drink and left," he said. The bar sat on a draining box which also contained lighting so the ice was lit from underneath. "It's just fun," he said.

The Hurricanes hosted a parade and celebration in the parking areas the day after the Hurricanes won the Stanley Cup on June 19 with 30,000 fans. It was all outside so they had to "move our operations outside."

"We basically didn't go to sleep Monday night," he said. "But, it's exciting. It's all part of it."

— Pam Sherborne

Interviewed for the story: Michael Bekolay, (919) 861-5427, Dave Olsen, (919) 861-6173



SHORT TAKES

FIVE MORE YEARS FOR COMPASS AT SWIFTEL

Compass Facility management has secured a five-year extension on its contract to

manage the Swiftel Center in Brookings, S.D. The Brookings City Council approved the deal on June 13. Since 2001, Compass has managed the 70,000 square-foot facility, used for area conventions, exhibitions and the town's annual "Uncle Sam Jam."
Contact: Jenny Hammrich, (605) 692 7539

WASSERMAN LEADS SEARCH TO NAME NEW MEADOWLANDS

Wasserman Media Group has been selected to lead the naming right process for the New Meadowlands Stadium, East Rutherford, N.J. home to the Jets and Giants NFL teams. The new 82,500-seat stadium is scheduled to be completed for the 2010 football season and is being 100 percent privately financed by two joint venture partners.

Contact: Melissa Zukerman, (323) 658 1555

FRANK BLACK TOURS WITH FOO FIGHTERS

Frank Black has announced plans to tour with the Foo Fighters for a series of acoustic shows, mixed in with a handful of his own headline club dates. The tour will kick off in Salt Lake City at the Urban Lounge on Aug. 9 and go through Aug. 31, ending at Harlow's Night Club in Sacramento. Black said his wife and two children will attend the tour with him.

Contact: Heidi Ellen Robinson Fitzgerald, (805) 375 5915

ART BUDGET FOR TUSLA ARENA RISES

A city ordinance has boosted the budget of Tulsa, Okla.'s new downtown arena. The law requires that one percent of construction costs go toward public art. The original budget for public art was \$1.2 million, but construction overruns of \$32 million have boosted the art budget up 25 percent to \$1.5 million.

Contact: Jim Coles, (918) 596 2600

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