

THE WOODLANDS

CONVENTION & VISITORS BUREAU

visitthewoodlands.com

NOTICE OF OCTOBER 5, 2016 SPECIAL MEETING OF MEMBERS AND BOARD OF DIRECTORS

To: Board of Directors and Members

PURSUANT to the call of a majority of the Board of Directors named in the Certificate of Formation of the Corporation, NOTICE IS HEREBY GIVEN that the Board of Directors and the Members of The Woodlands Convention and Visitors Bureau, a Texas non-profit corporation (the "Corporation"), will meet at the principal office of the Corporation, at 2801 Technology Forest Boulevard, The Woodlands, Texas 77381, on the 5th day of October, 2016, at 11:30 a.m., for the purpose of:

1. Pledge of Allegiance;
2. Call to order and adoption of Agenda;
3. Public Comment;
4. Consider and approve Minutes from the September 21, 2016 Regular Board Meeting;
5. Receive, consider and act upon sponsorship request from Inspire Film Festival;
6. Recess to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; and to consult with the Corporation's attorney pursuant to §551.071, Texas Government Code;
7. Reconvene in public session;
8. President's Report;
9. Board Announcements;
10. Agenda items for next meeting;
11. Adjournment.

This notice is given in accordance with the Bylaws of the Corporation and the Texas Business Organization Code. In accordance with state law, notice of this meeting was posted at least 72 hours in advance. This posting occurs at the Montgomery County Courthouse, the Harris County Courthouse and inside the boundaries of the Township at its office building.

Dated at The Woodlands, Texas, the 29 day of September, 2016.



A handwritten signature in black ink, appearing to read "Mark J. Wolda". The signature is fluid and cursive, written on a light-colored background.

President of The Woodlands Convention & Visitors Bureau

CVB Special Board Meeting

4.

Meeting Date: 10/05/2016

SUBJECT MATTER:

Consider and approve Minutes from the September 21, 2016 Regular Board Meeting;

BACKGROUND:

See attached.

RECOMMENDATION

Approve minutes as presented.

Attachments

09-21-16 CVB Board of Directors Meeting Minutes

THE WOODLANDS

CONVENTION & VISITORS BUREAU

visitthewoodlands.com

September 21, 2016

11:30 a.m.

MINUTES OF MEETING

BOARD OF DIRECTORS MEETING

THE WOODLANDS CONVENTION & VISITORS BUREAU

The Board of Directors for The Woodlands Convention & Visitors Bureau (TWCVB) of Montgomery County, Texas held their Board Meeting on September 21, 2016 at The Woodlands Township located at 2801 Technology Forest Boulevard, The Woodlands, Montgomery County, Texas, 77381 at 11:30 a.m. The roll was called and those in attendance were:

Gordy Bunch, Chairman

Dr. Ann Snyder, Secretary/Treasurer

Don Norrell, Director

Greg Parsons, Director

Jeff Long, Vice Chairman

Fred Domenick, Director

J.J. Hollie, Director

Others in attendance were Nick Wolda, President; Bret Strong, TWCVB Legal Counsel; Emilie Harris, TWCVB Brand Development Manager; Alie Broussard, TWCVB Convention Development Manager; Molly Redus, TWCVB Marketing Specialist; Josie Lewis, Convention Development Specialist; Danielle Gatlin, TWCVB Administrative Assistant; Mariana Almanza, CVB Intern; Monique Sharp, Township Assistant General Manager for Finance & Administration; Steve Atkins, The Atkins Group; Jayme LeGros, The Atkins Group; Amy Spence, The Atkins Group; Shannon Wilson, The Cynthia Woods Mitchell Pavilion; Jane Minarovic, Inspire Film Festival; Rachel Henderson, Residence Inn Market Street/Fairfield; Kaley Barnard, Residence Inn Market Street/Residence Inn; Amy Everitt, Hyatt Centric The Woodlands; Tim Farel, Hyatt Centric The Woodlands; Jayson Garcia, The Woodlands Waterway Marriott; Julie Charros Betancor, The Woodlands Resort. The meeting was held in The Woodlands Township Board Chambers.

Agenda Item No. 1 Pledge of Allegiance; Vice Chairman Long led the Pledge of Allegiance to the United States flag and the Pledge to the Texas flag.

Agenda Item No. 2 Call to order and adoption of Agenda; Vice Chairman Long called the meeting to order at 11:37 a.m. and called for the adoption of the Agenda for this meeting that was developed and duly posted as required by law. Motion was made to

adopt the agenda by Secretary/Treasurer Snyder and was seconded by Director Hollie. Motion carried by unanimous vote. Agenda adopted.

Agenda Item No. 3 Public Comment; Steve Atkins, The Atkins Group, discussed the soft summer in Texas tourism. As an agency, The Atkins Group is very involved in 7 destinations throughout the state of Texas. The Atkins Group worked with Brad Smith in the Governor's office and found there were 130,000 jobs lost in the oil field. The outcome of this changed the normal average income from \$48,000 to \$75,000 creating more disposable income. With these jobs lost, disposable income dwindled. From a corporate standpoint, the oil and gas industry has pulled back substantially on spending in the areas of meetings, hospitality, events and pressured rates etc. The Mexico peso devaluation had a double effect on the state of Texas. The Mexican Nationals that would have traveled at the pace they were historically traveling and their high per cap spend have been reduced. Also the travel to Mexico has risen in cost two to one. P.K.F. projection reports show leisure spending was down 7% over the summer thus hurting the average daily room rate (ADR), occupancy and affecting RevPAR significantly.

Agenda Item No. 4 Consider and approve Minutes from the June 8, 2016 Regular Board Meeting; Motion to approve Minutes from June 8, 2016 Regular Board Meeting made by Secretary/Treasurer Snyder and seconded by Vice Chairman Long. Motion passed unanimously.

Agenda Item No. 5 Consider and receive CVB Financial Report through July 2016; Chairman Bunch called Monique Sharp to present the CVB Financial Report through July 2016. The revenue total year to date budget was \$1,521,000 with actual revenues for that period being \$1,078,000 resulting in an unfavorable revenue balance of \$443,000 mostly resulting from operating transfers which is \$272,300 unfavorable to bring the CVB back to whole. The 2% of the Hotel Supplemental Tax is \$173,000 unfavorable at the end of July. In terms of the CVB's total expenditures, year to date budget is \$1,755,000 with the actual expenditures being \$1,384,000 resulting in a favorable expenditure variance of \$370,000. Various components show favorable variances in categories, due to timing differences. Ending fund balance is \$1.6 million. Motion to approve CVB Financial Report through July 2016 was made by Director Parsons and seconded by Director Norrell. Motion passed unanimously.

Agenda Item No. 6 Receive, consider and act upon sponsorship from Inspire Film Festival; President Wolda called on Jane Minarovic to speak on a sponsorship request from Inspire Film Festival. Ms. Minarovic explained this is the inaugural Inspire Film Festival set for February 24-26, 2017. This Film Festival will be built around films that inspire audiences. This will be the only one of its kind in the world. There will be panel discussion after each film that will allow guests to interact with the film maker or donate to the cause addressed during the film via mobile app. There will be three or possibly four theaters in the Town Center. Audience members will have a badge to get into all theaters. They will all have listings of the movies playing. This year will be based on existing films and years to come will feature new films. President Wolda asked Jane to address future year's projections. Ms. Minarovic feels it will become a major cultural

event. Chairman Bunch asked Steve Atkins of The Atkins Group to speak on the possibility of the future of this Film Festival. Mr. Atkins feels this should be given more than one year to become a success before spending large marketing dollars. Chairman Bunch speaks on Ms. Minarovic looking for more sponsors. The venues are already in place. Secretary/Treasurer Snyder expressed concern about insurance and admission fee for the event. Secretary/Treasurer Snyder asked about the revenue being projected at \$190,000 and how was that determined. Secretary/Treasurer Snyder then asked about staff being hired at this point. Ms. Minarovic has hired an event consultant from Los Angeles who felt this is a very unique idea. Since this hire she has brought on a producer who is working on a detailed budget and a programmer. For marketing, Inspire is targeting churches, schools and parents because of the focus of this festival. Vice Chairman Long would like to know if there is a criterion to follow for this sponsorship. Chairman Bunch explained that this new event has potential to be very successful and feels this will show real gain in year three to five. Motion to approve sponsorship from Inspire Film Festival with contingency upon securing of insurance, implementation plan and staffing was made by Chairman Bunch and seconded by Secretary/Treasurer Snyder. Director Norrell asked when funds would be dispersed. Chairman Bunch explained that funding would not come until the contingencies have been met. Ms. Minarovic played a two minute video montage to the Film Festival. Motion passed unanimously.

Agenda Item No. 7 Receive, consider and act upon 2017 tradeshow participation;

Chairman Bunch calls on Nick Wolda who explained that tradeshow participation is in effort of positioning The Woodlands on a National and International level. In August, this was discussed with all of The Woodlands hotel properties and the CVB received great feedback from them. Mr. Wolda invited Alie Broussard, Convention Development Manager to begin speaking on IPW, which is produced by the U.S. Travel Association. Last year this conference was held in New Orleans with over 6,000 attendees from 73 countries around the world and nearly 500 media from the United States and abroad. This show focuses mainly on leisure travel with clients being travel agents and people who book group travel. In option one there is a double shared booth for \$8,725, these are estimates on pricing. Sending three staff members will be around \$23,158 not including airfare or meals. Option two would be a triple shared booth costing \$15,895. Chairman Bunch asks about who is going to be reached in these shows. President Wolda invited Julie Charros to speak on her experience with this event. Ms. Charros has attended the last 18 years. Every CVB and hotel in the United States attends this event. Every year Julie attends with Houston and feels it is important to attend as The Woodlands for branding purposes. When she attends under the Houston umbrella the selling is focused on Houston then trickles to The Woodlands. This event is three days of back to back appointments. She attended an estimate of 40 appointments a day with every country in the world being represented. Chairman Bunch explained that this is a good way to begin this outreach program and for The Woodlands to begin building its own destination marketing separate from Houston. Chairman Bunch feels this is going to require consistency over time and suggests sending multiple staff members to these events. Ms. Charros suggested the importance of the CVB Board to attend if possible to speak to the media the other three trade shows include: Meeting Planners International World Education Conference, Cvent Connect and Imex America. Motion to approve the

attendance and expenditures of the four tradeshows at the max level with staff making the decision based on what is appropriate per tradeshow was made by Director Norrell and seconded by Director Domenick. Motion passed unanimously.

Vice Chairman Long excuses himself from the Board Meeting at 12:15 p.m.

Agenda Item No. 8 Receive, consider and act upon a Marketing Partnership with The Cvent Supplier Network; Chairman Bunch called on Nick Wolda, who called on Alie Broussard to present. Ms. Broussard explained that Cvent is an online portal that meeting planners around the world use to send out RFP's to hotels and destinations with 70,000+ customers in their database. As a DMO, the CVB is allowed to market The Woodlands through their supplier network. They provided three options to choose from, the top option allows the CVB to have a higher search listing. This would give the CVB access to the adding an article in their newsletter and blog. Cvent has created a destination guide for meeting planners which would allow The Woodlands to add an ad to other city's pages. Option one is \$44,000, then option two and three would trickle down the access that Cvent would give to the CVB. Director Domenick commented that he has taken this information provided to his sales organization and explained that their organization is very active in using Cvent. They recommend starting with the lower level option. In many cases the CVB will already be sourced on some of these leads. Motion to approve Marketing Partnership with The Cvent Supplier at the level of option three was made by Director Domenick and seconded by Director Hollie. Motion passed unanimously.

Agenda Item No. 9 Receive, consider and act upon an Incentive Funds Request from The Universities Space Research Association; Chairman Bunch calls on Nick Wolda who explained that this is a group that has been coming to The Woodlands. For years they have been looking at other areas and the CVB feels it is important to keep them coming to The Woodlands. They have put in a request in a range of \$10 - \$15,000 to support transportation. In the past they have generated 2,000 attendees and 1,800 sleeping room nights. President Wolda asked Directors Domenick and Parsons for their hotel perspective on this Association. Director Domenick expressed that they have had a long relationship with Lunar Planetarium; they are truly a Woodlands wide convention and probably the only one that uses all of the hotels in The Woodlands when they come. That room night estimate is probably on the low side. They are great partners and are outgrowing the area. Secretary/Treasurer Snyder asked if the group could use the trolley system to help with transportation. Director Norrell explained that this can become problematic under the federal grant. Director Norrell suggested augmenting the service that weekend but explained that it would remain on the same route and not reach all hotels. Chairman Bunch asked about contracting a dormant trolley and having the CVB pay the fee at 100%. Director Norrell offered to look into the ability to do this with the federal grant in place. Director Parsons asked if the criterion that is used by the CVB to come to an amount was used in this request. Chairman Bunch explained that the amount is still below that criterion. Motion to approve an Incentive Funds Request from The Universities Space Research Association at the level of \$15,000 was made by Director Parsons and seconded by Secretary/Treasurer Snyder. Motion passed unanimously.

Secretary/Treasurer Snyder asked to look into accessing the trolley system to aid in this endeavor but not to supersede the Incentive Fund Request in any way.

Agenda Item No. 10 Receive, consider and act upon the 2017 Service Agreement with The Woodlands Township; Chairman Bunch called on Nick Wolda, who explained that this item is standard. This agreement is basically the same as the year before with updates for the new dollar amounts for 2017. This will have to go before the Township Board meeting in October. Motion to approve the 2017 Service Agreement with The Woodlands Township was made by Director Parsons and seconded by Director Hollie. Motion passed with one abstention by Director Norrell.

Agenda Item No. 11 Receive, consider and act upon 2017 Marketing Committee roster; Chairman Bunch called on Nick Wolda who explained that there have been a few changes in the hotel properties. This committee meets every other month when the Board does not meet. This is a meeting that provides input by hotel properties to staff. Chairman Bunch asked if this committee is something that has to be approved by the Board. President Wolda explained that it has always been approved by the Board. Director Norrell suggested that this could be something that the Chairman could appoint. Chairman Bunch asked if any of the Board members would like to be on this committee. No directors volunteered. Motion to approve the 2017 Marketing Committee roster was made by Director Domenick and seconded by Director Parsons. Motion passed unanimously. Chairman Bunch thanks all of the Marketing Committee that came to attend the CVB Board meeting.

Agenda Item No. 12 Receive, consider and act upon the development of a CVB mobile app; Chairman Bunch called on Nick Wolda, who explained that this topic has been discussed but that the decision was to wait until the website was up and running before deciding how to move forward. Mr. Wolda invited Emilie Harris to present on this topic. Ms. Harris explained the options moving forward. Ms. Harris showed a flow of resources to explain how the app would fall under the website financial umbrella. The goals for the app are to pull information and communication from the website and connect to the CRM. The app would allow for push notifications and be managed by staff. The app would require downloading to iOS and Android devices. In past discussion the purpose would be to serve visitors information and special offers, serve meeting delegates with agendas, sessions and speaker bios. Connecting to The Woodlands 311 app has been ruled out due to the nature of the app not having the capabilities to add on the branch that the CVB would need. The Woodlands 311 app does currently push visitors to the CVB website, so there is a presence on an app platform. Augmenting and leveraging the mobile version of the website should be a consideration. Industry trends regarding apps cite statistics that show the average user downloads per month is zero. Additionally, 80-90% of apps are downloaded, used once and deleted. The option presented earlier this year to go into a contract with a 3rd party to develop an app is also a consideration. This would lock us into a contract for two to three years. Another option presented would be a custom platform app that can be created with the agency, but would require the Board to discuss what the goals of this app would be. A third option is to utilize the CVB's fully functioning and new website. Customizing the mobile version of

the website to reflect what an app would be able to do would allow the CVB to harness the 41% of mobile visitors that we already have a presence. These are all considerations for your discussion. Chairman Bunch asked that if Ms. Harris recommends leveraging the mobile website because that will give the CVB dual purpose and at this point this will be the best use of time and effort. Ms. Harris explained that her feelings are that this is a strong website, and she feels confident that the CVB can utilize and leverage the mobile website to stand on its own and save the CVB resources and time. Jayme LeGros from The Atkins Group approached the podium to speak on the app world and how it is changing. Over the next few months it will change quicker than the app that the CVB would be developing. No action was taken on this agenda item.

Agenda Item No. 13 Receive, consider and act upon The Atkins Group's creative concepts for TWCVB's 2017 advertising campaign; Chairman Bunch invited Steve Atkins with The Atkins Group to present. Mr. Atkins is setting up a more interactive exercise to see the hard copy of the campaign options. There are four distinctive campaigns that play off of the same central brand that The Atkins Group and staff developed. President Wolda explained that this is the result of the comprehensive study that the CVB conducted with meeting planners and leisure travelers. The Atkins Group has created all campaigns with stock photography. The first campaign takes the sense of The Woodlands being exactly what it is, a forest with extraordinary lifestyle experiences. This defines The Woodlands romance to develop a product line. This campaign is surreal, with a mystical feel to it. In the second campaign, the agency is developing a brand positioning statement that comes from quantitative and qualitative research. Ms. LeGros read the statement to the Board. There are two taglines that are being considered. The first is "The Woodlands, TX: Get in, Venture out" and the second is "The Woodlands, TX: Come Alive" in both of these taglines the agency is trying to express the walkability in The Woodlands. In the first campaign, destination photos of The Woodlands are at the forefront. This next campaign used the tagline "Come Alive" so it is very people oriented. The third campaign is a balance of all things The Woodlands. The Waterway, the people, the events, the forest etc. are all included in this advertising campaign. The last campaign is a combination of the third campaign while incorporating the iconograph techniques, little visual cues. Secretary/Treasurer Snyder feels diversity is important in the campaign. Secretary/Treasurer Snyder asked about the George Mitchel Preserve and if that makes The Woodlands stand out at all. Mr. Atkins expressed that the research shows that it is an incredibly unique environment in The Woodlands, instead of a campground, you are entering a "glamp"ground with culinary opportunities, events, etc. In answer to her question Chairman Bunch expressed that the George Mitchel Preserve is an underutilized venue because of accessibility. Director Domenick feels the surreal version is too staged and doesn't properly represent The Woodlands. Director Norrell agrees with Director Domenick that campaign three is the best fit. The Board agrees that the tagline Come Alive is the best fit for The Woodlands. They have removed two campaigns and discuss the remaining two campaigns. Motion to approve The Atkins Group's creative concepts for TWCVB's 2017 advertising campaign with Come Alive as the tagline and Concept B, the third campaign, to represent the community was made by Chairman Bunch and seconded by Secretary/Treasurer Snyder. Motion passed unanimously.

Agenda Item No. 14 Recess to Executive Session to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; and to consult with the Corporation's attorney pursuant to §551.071, Texas Government Code; No Board action necessary.

Agenda Item No. 15 Reconvene in public session; The Board agreed to defer the Executive Session to the October 5, 2016 CVB Board meeting.

Agenda Item No. 16 Staff Initiative Reports; Chairman Bunch calls on Emilie Harris to present. Kristen Finan from Austin American Statesman wrote an article on The Woodlands that went live earlier this month. Additionally, DFW Child Magazine is coming to stay in The Woodlands at the end of September. The CVB is setting them up with Children's Museum tickets, Current is hosting them for meals and their stay is brought by The Westin. The CVB had a Labor Day Social Media campaign with 13,000 views and over 34,500 people reached. The CVB will have more of these videos, more frequently. The Woodlands is part of the Houston and Beyond campaign. The CVB participated in a conference call with them regarding Geocaching which is expected to launch in May 2017. This would focus on families or individuals that are already part of that community. Co-op advertising campaign launched the first insert in the Wall Street Journal June 18, 2016. The USA Today digital inserts have been running and the second insert will run September 27th. That will wrap up the Cooperative Advertising Campaign and the CVB will be able to bring back impression numbers for the Board at the next meeting. Additionally, the CVB presented a drone video to the TACVB Annual Conference bid presentation. Thank you to the Marriott for sending Van with Emilie to give the presentation. This video is on the CVB's YouTube channel. Lastly, phase one of the website has been launched the week of August 15, 2016. Thank you to the Board for all of your feedback. There are 16,323 users since the launch, which are about 78.9% new visitors to the website. Ms. Alie Broussard approached the podium to present Convention Development. Ms. Broussard introduced Josie Lewis the new Convention Development Specialist. Ms. Lewis explained that she graduated from University of Houston last December with a bachelor's degree in restaurant and hotel management. Ms. Lewis has experience in front office operations and hotel sales. Chairman Bunch welcomed Josie aboard. Ms. Broussard showed a few ads that the CVB has for the Convention Development site Trip Info.com in the Lodging Section and also Convention South in the September issue. Copa Rayados Internacional Soccer Tournament is coming in November. There will be a landing page with the itineraries for the group and where the local merchants will put on promotions. All of the sleeping room blocks are going through the Visit Houston Pass Key Program so that they can track all room nights. The CVB is working with The Woodlands merchants to put together a badge for the guests to use for promotions as an added incentive for them coming to The Woodlands. President Wolda expressed that bookings are slow on this but Copa Rayados is not worried about that. Ms. Broussard recently traveled to Texas Society of Association Executives Conference in San Antonio, TX. There were about 500 attendees with the CVB

sponsoring a bonus bag giveaway that Ms. Broussard was able to hand out to attendees. This conference was mainly a networking opportunity. Ms. Broussard also attended the Connect Marketplace Conference in Grapevine, TX. This was a one on one meeting planner appointment, having 30 appointments throughout the two days. Upcoming opportunities include a Dallas planner meeting one day event and then Smart Meetings later in November and also Connect Texas in Galveston. No motion is necessary for this item.

Agenda No. 19 President's Report; President Wolda presented a few items. The first item being that the NFL Alumni is putting on a golf tournament in The Woodlands, this was just recently announced. The CVB is participating in the Texas Travel Industry Association as a sponsor in Houston from October 10th -12th. The entire team will attend and invite the Board to attend as well.

Agenda No. 20 Board announcements; Director Domenick announced that Marriott received official approval to acquire the Starwood Hotels and this will occur on Friday, September 23, 2016. This is a \$12.2 billion dollar transaction. Chairman Bunch has found a convention inside of his industry to come to The Woodlands.

Agenda No. 21 Consideration of agenda items for next meeting; No items at this time but announced that there will be a Special Board Meeting on October 5, 2016.

Agenda No. 22 Adjournment; Secretary/ Treasurer Snyder motioned to adjourn and Director Parsons seconded. Motion passed unanimously. Adjourned at 1:31 p.m.

CVB Special Board Meeting

5.

Meeting Date: 10/05/2016

SUBJECT MATTER:

Receive, consider and act upon sponsorship request from Inspire Film Festival;

BACKGROUND:

At the September 21, 2016 Board of Directors meeting, the Board received and considered an application for sponsorship from Inspire Film Festival in the amount of \$10,000. The application is attached including financials.

The Board approved this request upon contingencies that Inspire Film Festival acquire several items, including insurance and staffing plan among other items to be developed. A proposed Agreement is attached to this Executive Summary regarding the items needed from Inspire to fulfill this partnership.

A question has been raised about Inspire's tax status, whether it's a private venture or a not for profit. Provided that the mission and purpose of the CVB as a non-profit corporation and a 501(c)(6) organization for federal tax purposes are met through funding of such an event, the CVB has not historically discerned between entities being for profit or not for profit, and therefore, does not currently have a policy regarding its partnerships discerning between the two. We do believe it is important to take reasonable steps toward receiving assurances that the funds provided to a partner do in fact go toward putting on an event meeting the mission and purpose, but otherwise it would be at the Board's discretion as to whether or not non-profit status should be a factor in deciding to support a potential partnership.

As further background, The Woodlands CVB's 2017 approved budget includes a \$40,000 allocation in the "Other Festivals and Events" line item for event sponsorship opportunities the board may consider and decide to act upon. This line item of the budget has historically been used for other community events and festivals that come up throughout the year that The Woodlands CVB considers as adding destination appeal through the use of hotel rooms and/or branding of The Woodlands name as a great place to visit, hold conventions and meetings, or meet for reunions, weddings, sports tournaments, arts events and more.

It is the staff's belief, based upon the information presented to the CVB to date and meeting the conditions discussed in the September Board meeting, that the Inspire Film Festival, which is currently scheduled for the last weekend in February 2017, has a great opportunity to become a nationally-recognized festival, given the high quality environment presented by The Woodlands through its outdoor and indoor venues and related accommodations.

RECOMMENDATION

To be determined by the Board.

Attachments

Sponsor Agreement Inspire Film Festival

Sponsorship Agreement

This Sponsorship Agreement (“Agreement”) made and entered into this ____ day _____ of _____, 2017 (Effective Date) by and between _____, a Texas non-profit _____ (hereinafter “IFF”) with offices located at _____, and The Woodlands Convention and Visitors Bureau, a Texas non-profit corporation and a 501(c)(6) organization for federal income tax purposes, located at 2801 Technology Forest Blvd., The Woodlands, TX 77381 (hereinafter “Sponsor”).

WHEREAS, the Sponsor is an organization with the mission of positioning The Woodlands, Texas as a regionally, nationally and internationally recognized destination by developing quality marketing programs and sales outreach to attract visitors, conventions and stimulate economic development and growth;

WHEREAS, _____ IFF _____ was _____ formed _____ to _____;

WHEREAS, IFF and Sponsor desire to enter into a mutually beneficial arrangement for sponsorship and marketing of the Inspire Film Festival to take place on the dates provided below within The Woodlands, Texas (the “Festival”); and

WHEREAS, Sponsor desires to be and IFF desires that Sponsor be the official “Destination Partner of the Inspire Film Festival” during the Term (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, Sponsor and IFF agree as follows:

I. IFF OBLIGATIONS

IFF agrees to perform the following during the Term:

- A. Conduct the Festival at locations to be designated within Market Street and Waterway area in The Woodlands, Texas (IFF to separately procure the rights and permitting in order to operate at such locations) each day from February ____, 2017 to February ____, 2017 between the hours of ____ a.m. to ____ p.m. (the “Festival”). IFF shall, at IFF sole cost and expense, schedule and provide for sufficient staff, independent contracts, security, law enforcement and/or volunteers at all times during the Festival in order to ensure the safe, smooth and orderly operation of the Festival and all ancillary activities provided by or by agreement with IFF and in order to operate in accordance with all covenants, laws and regulations applicable to such an operation.
- B. Have Sponsor’s logo placed on the official sponsors ribbon on the IFF website main page and in any communication associated with the Festival.
- C. Have Sponsor’s logo and phrase “Visit The Woodlands” included on any lodgings

page, section or information distributed with regard to the Festival and on IFF's website as "Official Destination Partner of the Inspire Film Festival" with link through to Sponsor's website and/or a specific page of Sponsor's choice.

- D. Promote Sponsor and "Visit The Woodlands" on no less than four (4) IFF email blasts to all registered and prospective participants/sponsors/volunteers with click through link to website and/or specific page of Sponsor's choice.
- E. Provide no less than one (1) social media promotion to Facebook, Twitter and Instagram per week promoting Sponsor as "Official Destination Partner of the Inspire Film Festival" with link through to Sponsor's website and/or a specific page of Sponsor's choice during the months of _____ thru February ("Festival Promotional Season").
- F. Include Sponsor as Official Destination Partner of the Inspire Film Festival in all broadcast, print, and digital advertising in any manner associated with the Festival.
- G. Create media release announcing Sponsor as "Official Destination Partner of the Inspire Festival" subject to Sponsor's prior review and consent and consultation with regard to publication and distribution of the release.
- H. Place one full page ad for Sponsor in Festival's programs, itineraries, sponsor packages or similar publication.
- I. Include Sponsor logo on banners, signs, posters, programs, publications or wherever else sponsor logos of sponsor's providing equal or greater amounts are placed with proper placement and sizing in proportion to sponsorship consideration.
- J. Provide Sponsor with no less than (i) _____ any day passes, (ii) _____ opening day passes, and (iii) _____ VIP passes for the Festival.
- K. Provide any other items and consideration provided to other sponsors of the Festival providing equal or lesser consideration.

II. SPONSOR OBLIGATION AND AUTHORIZATIONS

- A. Sponsor agrees to pay to IFF a sponsorship fee in the amount of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) ("Sponsorship Fee"). The Sponsorship Fee is payable on or before the later of thirty (30) days from the date of invoice or thirty (30) days after the beginning of the Festival Promotional Season. Notwithstanding anything to the contrary contained herein, if IFF has not provided evidence of having received at least \$_____ in sponsorships received and paid in cash prior to the beginning of the Festival Promotional Season, Sponsor shall have the right to terminate this Agreement by written notice to IFF and shall have no obligation to pay the Sponsor Fee or deliver any other consideration to IFF irrespective of whether or not IFF has delivered any portion of the consideration provided for in Section I above.

- B. Sponsor and all hotels designated by Sponsor in writing to IFF (“Participating Hotels”) are hereby authorized, but not required, to display and/or promote IFF’s logo, dates, and website link in website promotions during Festival Promotional Season.
- C. Sponsor and Participating Hotels are hereby authorized, but not required, to promote the Festival in appropriate social media, email, and public relations messaging during Festival Promotional Season.
- D. Sponsor and Participating Hotels are hereby authorized, but not required, to place IFF posters, brochures and other collateral materials in appropriate prominent display areas, including visitor centers, where appropriate, during Festival Promotional Season.
- E. Sponsor is hereby authorized, but not required, to include IFF promotion in any electronic sign or outdoor display messaging procured by Sponsor related to the Festival.

III. TERM

The term of this Agreement shall be from its Effective Date through February 28, 2017 (the “Term”).

IV. ADDITIONAL TERMS

- A. IFF hereby grants to Sponsor and waives and releases all full and unrestricted rights, title, and interest at no cost to Sponsor to all Festival photographs, sound records, and video footage recorded by Sponsor and/or its assigns, including all raw footage, outtake, and “B” roll footage (collectively, the “Footage”) according to the terms stated hereunder:
 - i. The rights granted herein to Sponsor shall extend to its successors, legal representatives, licensees and assigns and shall be considered paid-in-full, irrevocable and perpetual without any further or additional claim for consideration by IFF;
 - ii. All Footage is and shall remain the sole and exclusive property of Sponsor. IFF shall not receive or retain any rights or licenses to, receive or retain possession of, or in any way use the Footage whatsoever, without the express written consent of Sponsor;
 - iii. The rights granted herein to Sponsor shall permit Sponsor to use and reuse, in any manner at all, said Footage, in whole or in part, modified or altered, either by itself or in conjunction with other film footage, in any medium or form of distribution, and for any purposes whatsoever, including, without limitation, all promotional and advertising uses, and other trade purposes, and Sponsor shall have the right to copyright said Footage in its name or in any other name

that it may select; and

- iv. Notwithstanding the foregoing, IFF shall have a non-exclusive right to record its own media records during the Festival, and the rights to Footage granted hereunder to Sponsor shall not include any media records recorded or otherwise created by IFF.
- B. **To the fullest extent permitted by law, IFF WILL INDEMNIFY, PROTECT, DEFEND AND HOLD HARMLESS THE SPONSOR AND ITS DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS, VOLUNTEERS, REPRESENTATIVES, AGENTS AND ASSIGNES (“SPONSOR MEMBER”), FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, LOSSES, DAMAGES, INJURIES, DEMANDS, ACTIONS, CAUSES OF ACTION, SUITS, PROCEEDINGS, JUDGMENTS, AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEYS’ FEES, COURT COSTS, AND OTHER LEGAL EXPENSES (TOGETHER, “CLAIMS”) THAT SPONSOR SHALL INCUR, ARISING OUT OF, DIRECTLY OR INDIRECTLY, OR IN CONNECTION WITH: (I) ANY BREACH OR ALLEGED BREACH OF ANY PROVISION OF THIS AGREEMENT BY IFF; (II) ANY ACT OR OMISSION TO ACT BY IFF, OR ANY OF ITS EMPLOYEES, SERVANTS, OR AGENTS; AND (III) ANY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO ANY PROPERTY ARISING OUT OF OR RELATED TO THE FESTIVAL, INCLUDING, BUT NOT LIMITED TO, THOSE CLAIMS ARISING OUT OF OR RELATED TO THE SOLE OR CONCURRENT NEGLIGENCE OF ANY SPONSOR MEMBER. THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT REGARDLESS OF THE REASON FOR TERMINATION.**
- C. **THE PARTIES AGREE THAT AS TO ANY CLAIM BETWEEN EACH OTHER (OTHER THAN A CLAIM FOR INDEMNITY ARISING OUT OF A THIRD-PARTY CLAIM) WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO LICENSES OR ANY OTHER RIGHTS GRANTED BY THIS AGREEMENT), UNDER ANY THEORY OF RECOVERY, WHETHER ARISING IN CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY (I) INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, (II) LOST PROFITS, LOST BUSINESS OR LOST SAVINGS, (III) INTERRUPTION OF BUSINESS, OR (IV) LOSS OF GOODWILL. THE FOREGOING LIMITATION APPLIES REGARDLESS OF WHETHER THE REMEDIES PROVIDED FOR IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE AND EVEN IF ANY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OR PROBABILITY OF ANY SUCH DAMAGES. THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT REGARDLESS OF THE REASON FOR TERMINATION.**
- D. IFF shall, throughout the Term, obtain and maintain its own comprehensive general

liability insurance for the Festival from a reputable insurance company licensed to transact business in the State of Texas for, without limitation, any and all claims of bodily injury, death, property damage, and advertising liability, and any and all litigation, arbitration and settlement costs, related to any claims for or by any Festival participants, volunteers, spectators, sponsors, and staff with a minimum combined single limit equal to, but not less than, one million U.S. dollars (\$1,000,000.00) per occurrence. IFF's policy shall contain an endorsement for contractual liability coverage, including IFF's indemnity obligations in this Agreement, and such insurance will be primary and noncontributory to any insurance maintained by Sponsor. IFF shall cause its insurer to: 1) name Sponsor as an additional insured; 2) waive their rights of subrogation against Sponsor in connection with the Festival; 3) include a provision whereby the insurance carrier is required to provide thirty (30) days advance written notice to Sponsor before termination, change, or cancellation takes effect of any coverage under such policies evidenced on such certificate, regardless of whether cancelled by IFF or the insurance carrier; and 4) provide certificates evidencing the foregoing required insurance.

E. IFF represents and warrants to Sponsor:

- i. All IFF Obligations furnished under this Agreement will be provided in accordance with generally acceptable industry standards;
- ii. All IFF Obligations furnished under this Agreement will be free from infringement or other violation of third party intellectual property rights, and IFF has all appropriate licenses and necessary rights to provide (a) the IFF Obligations in connection with the Festival and (b) authorizations and rights (including, without limitation rights to Footage) granted under this Agreement;
- iii. All IFF Obligations furnished under this Agreement will comply with all applicable federal, state and local laws, executive orders, rules and regulations;
- iv. IFF's execution, delivery of, and performance under this Agreement will not conflict with, result in a breach of, constitute a default under, or require the consent of any third party that IFF has not obtained prior to execution;
- v. IFF is in good standing and duly authorized to conduct business within the State of Texas; and
- vi. The person executing this Agreement for IFF's has the appropriate authority and has been duly authorized to enter into this Agreement.

F. Sponsor represents and warrants to IFF:

- i. Sponsor has all appropriate licenses and necessary rights over Sponsor Marks necessary to provide the authorizations granted under this Agreement;

- ii. Sponsor is in good standing and duly authorized to conduct its operations within the State of Texas; and
 - iii. The person executing this Agreement on behalf of Sponsor has the appropriate authority and has been duly authorized to enter into this Agreement.
- G. All uses of Sponsor's name, trademarks, service marks, copyrights and other intellectual property associated with its products and any advertising materials ("Sponsor Marks") by IFF are subject to Sponsor's approval. IFF agrees that this Agreement does not provide it with any continuing license, ownerships or rights in Sponsor's Marks beyond the Term of this Agreement, and IFF agrees to return or destroy (at Sponsor's election) all Sponsor Marks provided in connection with this Agreement upon Sponsor's written request.

V. CONDITIONS PRECEDENT

IFF agrees that IFF's obligations under Article II.(A) and IV(D) of this Agreement are **conditions precedent to Sponsor's obligations and/or duties** under this Agreement and may not be waived by any action or inaction of Sponsor other than an executed writing expressly setting forth such waiver.

VI. MISCELLANEOUS

All notices pursuant to this Agreement shall be sent in writing and shall be deemed as duly given when either (i) received via hand delivery or (ii) transmitted with proper postage/payment and addressed to the party's last known address or addresses provided above, whether sent via US Postal Services, Federal Express, UPS or other established parcel delivery services.

This Agreement constitutes the final and complete understanding of the parties regarding their respective responsibilities. It may not be amended except with a written addendum bearing the signatures of both parties and their agents.

The failure of either party to insist, in any instance, upon the strict performance of any provision of this Agreement shall not be construed as a waiver or relinquishment of the provision in question.

Nothing contained herein shall be construed to create a partnership, joint venture, or joint undertaking by the parties, and Sponsor shall have no obligation to IFF, or the employees thereof, or the participants therein or the patrons therein, except as expressly stated in this Agreement.

Notwithstanding the place where this Agreement may be executed by any party, this Agreement and any claim, controversy, dispute or other matter arising hereunder or related hereto (whether by contract, tort, or otherwise) shall be governed in accordance with the laws of the State of Texas without regard to any conflict-of-laws or choice-of-law provisions thereof that would result in the application of the laws of any other jurisdiction.

In any litigation arising out of or relating to this Agreement, the parties agree that venue shall be solely in either the United States District Court, Southern District of Texas, or a Texas state court located in Montgomery County, Texas.

In the event any party is prevented from performing any of the obligations or duties required under this Agreement by reason of any event outside of such party's control, including, without limitation, fire, weather, volcano, explosion, flood, epidemic, acts of God, war or other hostilities, strike, civil commotion, domestic or foreign governmental acts, orders or regulations ("Force Majeure Event"), then the obligations or duties of such party during the period of such Force Majeure Event, and for a reasonable time thereafter shall be suspended.

This Agreement shall be construed and interpreted under the laws of the State of Texas, and shall remain in force through the Term unless sooner terminated pursuant to the terms hereof.

Should a party default under a provision of this Agreement, the non-defaulting party may terminate this Agreement if such defaulting party does not cure the default within fifteen (15) of receiving written notice of default. Further, Sponsor may immediately terminate this Agreement in its entirety upon the failure of a Condition Precedent, as set forth in Article V above, and upon such termination, IFF agrees that it will fully refund the Sponsorship Fee.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective as of the date first written above.

The Woodlands Convention and Visitors Bureau

Authorized Representative

Printed Name

Title

Date

THE INSPIRE FILM FESTIVAL

Jane Minarovic, Executive Director

Date