



WAM

2012-2013
Annual Report



A Journey ... Not A Destination

Richard Andersen, CFE

2012-2013 Chairman of IAVM

It has been an honor and privilege to serve as Chair of this great organization. IAVM has had many important impacts on our industry, but none are more important than the people we meet along the way. Some of my closest “lifetime” business relationships, learning experiences, friendships and advocates started in the lobbies and meeting rooms in and around IAVM. For that I am more than grateful.

Under the leadership of our simply amazing immediate Past Chair Randy Brown, CFE, I started my journey as Chair last July well prepared and focused. As an executive team we collaborated with HQ and our CEO Vicki Hawarden to arrive at a series of key initiatives.

There were four primary objectives:

- Continue to move from a management Board of Directors to a governance board
- Address opportunities to add value to existing members and grow our overall membership numbers
- Look for opportunities to positively impact our International brand (enhance the “I” in IAVM)
- Work collaboratively to build stronger allegiances and value with our Allied members

Through the diligence of Vicki, her staff and the dedicated efforts of our Executive Committee and Board of Directors, great progress has been made on all fronts.

The Governance Working Group composed of Randy Brown, CFE; John Bolton, CFE; Kim Bedier, CFE; Mark Mettes, Paul Davis, CFE; Dave Anderson, Kevin Duvall and myself spent the better part of four months preparing the Governance Policies for Board review. The entire board dedicated an extra day prior to the Mid-Year Meeting to review and revise the drafted Governance Policies, which they then adopted unanimously. This amazing commitment of time and effort was a critical step forward.

Our HQ team has also worked diligently to add value to and grow our membership numbers through several key strategic programs aimed at new members. iCommit, a member referral campaign, helped drive the addition of 295 net new members and 202 total stu-

dent members. The results are remarkable. Our retention numbers of 90% are some of the highest in the association’s industry. In addition, we saw a 7.75% increase in our overall membership this year. In raw numbers we have seen this base number grow from 3,808 members in 2012 to 4,103 members in 2013, just the beginning of great things to come.

On the International front, we are building on the highly successful Venue Management Association partnership model developed and implemented with our sister group in Australia/Pacific some years ago. Positive relationships have been developed and the future is bright for exciting and value added partnerships in both Europe and China

Our core Allied relationship has been strengthened through our commitment to enhance their overall membership experience. In doing so we have developed new opportunities, such as our partnership program, which allow our Allies to better engage our professional members with more creative opportunities through an annual year commitment.

In addition, the financial picture of our organization has significantly improved this year, evidenced by our increased net profits and reduced operating expenses.

All of these changes represent highly positive movement for IAVM and I believe our future is white hot. And to continue to make this a reality ... all of us must continue to work together for common good. The old adage of “none of us is as smart as all of us” was never truer.

I do want to thank Vicki Hawarden and our HQ staff for their dedication and efforts. They have all worked hard to help reshape our management team and keep a laser focus on goals resulting in many great outcomes. In addition, I thank Randy Brown, John Bolton and Kim Bedier for their tireless efforts as members of the Senior Leadership Team, Mark Mettes and Paul Davis for their guidance as members of the Executive Committee and of course our volunteer Board of Directors who gave above and beyond.

As I look back at 2012/13, I say a heartfelt thank you to everyone who helped us grow as an organization.



Budget & Finance

John Bolton, CFE

2013-2014 Chairman of IAVM

The Budget and Finance Committee – led by Steve Flamm, CFO and myself, IAVM First Vice Chair – with members Kim Bedier, CFE, Lori James, Kevin Mattingly, Kevin Molloy, Nina Simmons, and Randy Vogel, CFE – is pleased to report that for the year ended March 31, 2013, the association generated a net profit of \$126,780 on revenue of \$4.73 million compared to a budgeted profit of \$60,000 on revenue of \$5.03 million. The net profit improvement is a result of operating expenses running \$371,000 under budget, including labor costs savings of \$151,000.

In comparison to last year: Overall revenue was up 4%, and net profit improved by \$382,000.

2013-14 Highlights & Accomplishments:

- Net profit of \$126,780 exceeded budget surplus by 111%
- Net profit improvement of \$382,000 from last year
- The days of Operating Expenses represented in the Cash & Investments balance increased for the third straight year
- Debt to Equity ratio below 1.0 for the first time ever. The ratio went down from 1.02 to 0.88 as of March 2013. The ratio was a high of 1.67 in the year 2000 when the building was purchased
- Mortgage loan balance was below \$2M for the first time ever. The loan was reduced by \$180,000 with a year ending balance of \$1.9M

Bank Covenants

The association is in compliance with both bank loan covenants as a result of the \$126,780 net profit.

Cash & Investments

A primary financial objective of the association is increasing the company's cash and investment balance to 90 days of operating expenses. As of March, the cash and investment balance totaled \$1,043,000 or 86 days of operating expenses. The 86 days is an improvement from March 2012 when the cash balance represented 81 days. The 4 day shortage as of March 2013 represents a cash shortage of approximately \$48,000.

Headquarters

As a result of a hail storm, the association was able to obtain a new roof for Headquarters with only a payment of the \$1,000 insurance deductible. Long-term this was a significant capital improvement need that can now be deferred.

Special Thanks

A big special thanks to the 2012-13 VenueConnect Program Planning Committee and our partners in Fort Lauderdale. Because of their generosity, the association was able to save significant expenses resulting in the positive financial result for the annual meeting which was a big contributor to the overall financial success of IAVM this past year. In addition, a big thanks to Vicki Hawarden and her staff for the savings in labor expenses, grant expenses, and other related operating expenses that contributed to the overall financial success.

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"You're Different Here" VenueConnect in New Orleans

Kim Bedier, CFE

2013-2014 First Vice Chair of IAVM

Following in the creative footsteps of John Bolton's program revisions of 2012 in Fort Lauderdale, the 2013 VenueConnect Program Committee set out to prove the truth of the New Orleans slogan: "You're Different Here."

The committee met via conference call through the winter, focusing on "What's different?" and designing the 2013 VenueConnect program to provide maximum RORI: return on registration investment. Key Topic Points were developed for every session that defined venue-ready and life-useful subject matter. Speakers Wendell Pierce of "The Wire" and "Treme" (set in his home town of New Orleans) and John O'Leary, who overcame nearly insurmountable odds, were selected to challenge attendees to be not only better managers but better people. Other professional speakers were invited to provide a customer service and sales focus, including Nancy Friedman, the "Telephone Doctor" who will have your customers swearing BY you, not at you. The second annual Women in Leadership session will be led by Hattie Hill, who will present, "Smart Choices that will Change Your Life" and how to focus on your brand. Gary Hernbroth's 60-Minute Training Camp will help you Become a Sales Champion.

Involvement by committee members, IAVM membership and partners was determined to be essential. Sessions facilitated by peers and partners include "Create Goal-Oriented Vendor Partnerships," and how to "Maximize the Mobile Movement". "Who You Gonna Call" before your next catastrophe? Russ Simons, of course. Small market? No problem, because "small is AWESOME" according to program committee members Tammy Koolbeck and Cora Haltaufderheid.

The Committee also focused on how we could harness our collective energy to leave a legacy in our host city. Thanks to the generous support of Populous, with whom we share the philosophy "drawing people and communities together" and by Yes Leisure-Sport-Entertainment (Yes LSE), on Saturday morning, July 27th, we will work

with keynote speaker Wendell Pierce's Pontchartrain Park Foundation to assist with neighborhood cleanup and support the high concentration of seniors who live there. Participation in this inaugural "Legacy Project" will allow attendees to experience a unique form of networking, enjoying the satisfaction and connection that comes from working alongside our peers to do some good.

Networking is key to a successful conference so to kick the connecting off right on Saturday night we worked with local host Bob

Johnson at the Ernest N. Morial Convention Center to provide a Mardi Gras parade to the trade show opening reception. The trade show floor will be where it all happens – new friends, supplier connections, innovative product solutions – and tarot card readings to determine your future in the venue industry. A new hosted buyer program, DirectConnect, will be introduced to spark customized business connections between qualified buyers and industry suppliers. To encourage attendance to the trade show floor, in addition to non-stop NOLA style entertainment, Hot Topic sessions were set up and seasoned Cajun style: The Nuts and Bolts of Event Settlements, the World of Tour Routing, Legal News Ripped From the Headlines, and the Affordable Care Act.

The Venue Industry Awards needed some New Orleans jazz so award-winning Chef John Folse will literally stir things up, taking us from the swamp floor to the table. This year's lucky award winners will join Chef Folse in the on-stage kitchen where he will cook up and dish up traditional

Cajun and Creole delights.

From the IAVM Foundation's traditional Friday golf tournament and new Cajun Cooking School, to the closing night festivities at Mardi Gras World – where you can see where Mardi Gras is made – VenueConnect 2013 was designed to offer every opportunity to be different, there – and to prepare attendees to make a difference everywhere else.

We'll experience a unique form of networking, enjoying the satisfaction and connection that comes from working alongside our peers to do some good and leave a legacy in our host city.



My Four Years ... How Time Flies

Randy Brown, CFE
Past Chairman of IAVM

It is incredible to think that my four year adventure we call IAVM senior leadership is coming to an end. The close of *VenueConnect* will mark the first time in the last eight years that I will no longer be serving on the Board of Directors. I will miss representing our membership in this constantly changing industry. But what a great experience it has been, and the best part has been meeting so many wonderful people and visiting your astonishing venues.

Along the way we accomplished some tremendous things:

- Changed the name of the association to IAVM
- Signed an affiliation agreement with the *Collegiate Event & Facility Management Association (CEFMA)* adding nearly 300 new members
- Launched *VenueDataSource* with the financial support of the Foundation.
- Hired Vicki Hawarden, CMP as our President and CEO
- Changed from a management board to a governance board
- Increased membership to over 4,100 people
- Returned IAVM to profitability!

I have been fortunate to have worked with some amazing Board Chairs: Robyn Williams, CFE; Shura Garnett, CFE; John Siehl, CFE; and Richard Andersen, CFE. They have demonstrated great passion and commitment to IAVM and they have truly been my inspiration. Thinking back to when I came on board as Second Vice Chair, Robyn, Shura, John and I came together and committed to changing the leadership process. We agreed that gone were the days when the Chairman would set out a platform that could vary widely from Chairman to Chairman.

We implemented a long-term strategic approach that focused on the ongoing needs of the membership and our association with a seamless transition from leader to leader.

On December 10, 2011 the IAVM Board of Directors unanimously voted to move from a management board to a governance board. Our new governance model is in the early stages of its rollout. There are a number of steps yet to come but I honestly believe that we have IAVM pointed in the right direction. As I look down the road, I see an association that is positioned to respond to the needs of the membership and our industry in an efficient and nimble manner. IAVM is the acknowledged leader of the venue industry. We have a reach that is North America focused with relationships that stretch world-wide. I can see a time in the not too distant future when we will serve 6,000 members.

My guiding principle is to make sure that you leave something in better condition than when you found it. I hope that with IAVM I can say that I have done that. I am proud of my 30 year involvement with the association. I have learned so much along the way. But the time has come for new people with new ideas to take over. To our young members my advice to you is to get involved. Before you know it, you too may be moving up the senior leadership chairs of IAVM. It has been a great experience and I would not change a minute of it. Thank you for giving me this opportunity.

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Looking Forward

Vicki Hawarden, CMP

President and CEO, IAVM

Thanks to the many efforts of our volunteer leaders, partners and staff, we had some great successes this year. But as we look forward, I see even more exciting things on the horizon.

Our major focus in this coming year is to ensure our **governance model** continues to thoughtfully evolve so we can **empower the volunteer leaders and staff** to accomplish the goals set by our board. Also, we must **grow our revenue** to ensure our sustainability and achieve future goals, as well as **update our technology** so we get better results from our limited resources. If we can accomplish these goals, we can progress to a laser focus on our on-going top priorities: **increasing member value** and **enhancing our brand**.

So what does the coming year hold in store for members? First and foremost we expect to increase our educational value. We will continue building our popular Online Learning Center with at least 24 webinars and 50 pieces of digital content from our live events. We are already actively engaged with our program committees to continue elevating the quality and usefulness of our conference content. And we will be publishing a new venue management textbook and accompanying ebooks, with instructor materials in the works for the following year.

We have set a goal to continue expanding our community by growing from our current record of 4,100 members, to 4,350 members. We expect to continue solidifying our future by going from a 250k loss just two years ago, to a goal of 144k in the upcoming fiscal year, with a lot of help from our Allied partners. Along the way, we plan to build our reserves to 90 days of operations, protecting us from financial downturns.

We also hope to keep serving you better. Toward that end, we will conduct on-going customer service training for the team, continue development of internal processes and quality control measures, and move to a new database powered by Ungerboeck, so we can more efficiently and effectively engage with our members.

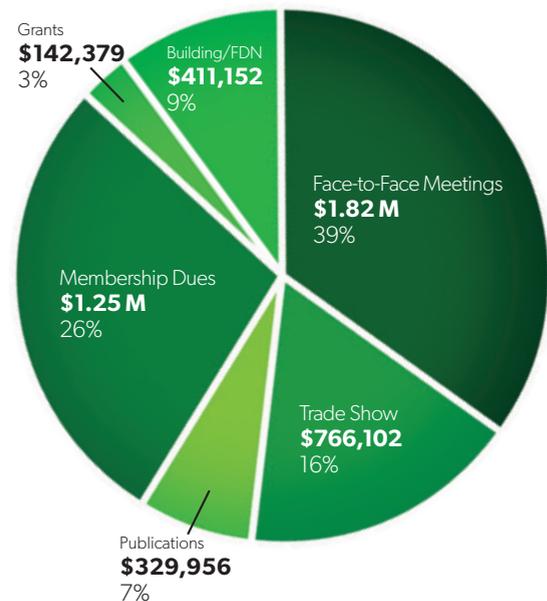
And what about our brand? We've been working hard to ensure every communication from IAVM reflects who we are, and who we want to become. You'll be seeing more of the I Am Venue Management campaign, with personal stories about what IAVM means to you. Perhaps most exciting, we will complete a long-overdue website

update with improved organization and design. Finally, we'll also be adding some great new features to VenueNet, to better connect you to the people and ideas you need to grow your career.

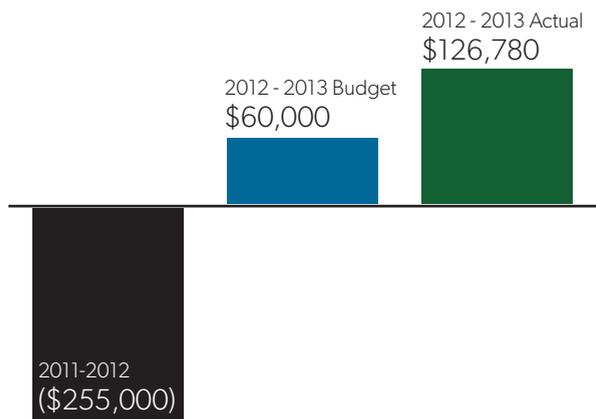
It won't all happen overnight. But as someone very smart once told me, direction is better than speed. I'm encouraged that we are going in the right direction by the fact that twice as many people stepped up for volunteer leadership positions this year than ever before. If you haven't already, I hope you'll consider stepping up in the future, and being part of our success.

2012-2013 Key Accomplishments

Revenue Sources

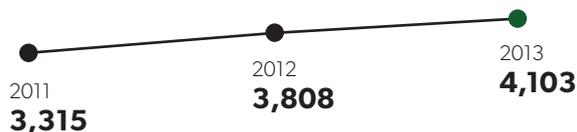


1: Achieve the Operating Budget Surplus



- Increased net profit by \$382,000 over prior year
- Increased cash reserves to 86 days of operating expenses, a 5% increase
- Brought in membership revenue of \$1,252,000, an 11% increase over the prior year, and compared to a goal of \$1,159,000
- Sold \$445,000 in sponsorships, compared to \$328,000 the prior year, an increase of 36%
- Captured over \$250,000 of in-kind sponsorships
- Added one new global partner, for three total
- Developed a new partnership program to more strategically engage allied members

2: Grow our Professional Membership



3: Increase Member Value

- VenueConnect attendance held steady; VMS increased 3%; SES by 9%; Sector meetings increased 3.8%, and Life Safety & Security Conferences increased an average of 7.8%
- VenueConnect and the sector conferences maintained their “very good to excellent” program satisfaction rating from the prior year
- Offered 62.5 hours of content in the On-line Learning Center, compared to 9 hours the prior year, a 594% increase
- Produced 15 webinars, compared to 6 in 2012
- Received a total of 7,021 page views, 2,473 visits and 1,916 unique visitors at the On-line Learning Center
- Received 3,147 completed surveys for VenueDataSource, compared to 1,984 at the end of the prior fiscal year, a 59% increase
- Redesigned Facility Manager Magazine content and graphics around member feedback
- Held the first virtual Stadiums Conference, with 7 host sites

4: Expand and Improve the IAVM Brand

- Redesigned emails and newsletters, resulting in an 80% fewer unsubscribes and 20% more opens on average
- Provided free conference apps for IAVM conferences
- Increased Facebook “likes” from 524 to 834, Twitter followers from 1,027 to 1,479 and LinkedIn connections from 2,546 to 3,706
- Increased our VenueNet profiles from 757 to 971 and our connections between members from 4,491 to 5,231
- Put a sustainable International Growth Strategy in place, and achieved agreed-upon targets
- Developed a new alliance with the International Association of Exhibitions and Events
- Joined a government relations alliance with the National Association of Concessionaires, the National Association of Theater Owners, the National Automatic Merchandising Association and the National Confectioners Association
- Joined the “Meetings Mean Business” coalition led by the US Travel Association
- Spoke on behalf of the industry by testifying at a Texas state legislative hearing

Your IAVM Team



Vicki Hawarden, CMP
President & CEO

Leads the IAVM staff to accomplish the goals and strategic plans of the organization, as determined by the IAVM Board of Directors.



Sarah Rogers
Director of Development

Responsible for all operations and fundraising for the IAVM Foundation, and for supporting the IAVM Foundation Board of Trustees.



Kelly McDowell
Client Solutions Manager

Oversees the trade show logistics and supports sponsorship strategy and fulfillment.



Steve Flamm
CFO/COO

Oversees the organization's financial and internal operational activities.



Jason Judy
Director of Marketing & Creative Services

Oversees the marketing and production that supports all of IAVM's events, products and services.



R.V. Baugus
Editor - Facility Manager

Responsible for all content in the Facility Manager magazine and IAVM News newsletter as well as other products as needed.



Dr. Rodney Williams
Vice President of Education

Oversees all aspects of education programs and services through multiple delivery channels such as live events, publications, and the website.



Rosanne Duke
Director of Governance & Operations

Manages all governance processes and provides support to IAVM's Board of Directors and Certification Board.



Summer Beday
Member Care Manager

Provides support in achieving member acquisition and renewal goals by managing communications efforts and membership campaigns.



Christy Jacobs
Director of Marketplace Sales

Oversees all aspects of sales and Allied partnerships, including trade show, sponsorships, and advertising.



Ramesh Vodoor
Director of IT

Manages the IT infrastructure, including servers, software, core applications, end user support, database and website maintenance.



Maria Selgado
Accounting Specialist

Provides support for all accounting activities.



Margot Angles
Director of Meetings

Oversees planning and execution of all meetings, from site selection and contract negotiation to post-show reconciliation.



Greg Wolfe
Professional Development Manager

Supports the education initiatives of IAVM, including schools, meetings, conferences and online resources.



Angie Turner, CMP
Meetings Manager

Provides meeting management for all IAVM meetings, including food & beverage, audio/visual, transportation, housing, and registration.



Gina Brydson
Director of Membership

Responsible for growing membership and ensuring excellent customer service to all members.



Susan Ferraro
Marketing Communications Manager

Oversees the marketing plans that support IAVM products and services as well as all PR efforts for the organization.



Frank Ingolia
Research Manager

Manages all research, including VenueDataSource. Ensures research is effectively distributed through sales and education initiatives.



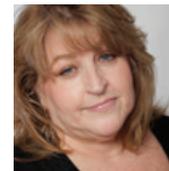
Harold Hansen
Director of Life Safety & Security

Oversees all IAVM Life Safety & Security programs and products.



Lauren Kubicki
Interactive Marketing Manager

Oversees the online, digital, and social experiences at IAVM, including communications, apps and IAVM.org



Lori Wehmer
Database Manager

Responsible for management and analysis of the IAVM database.