

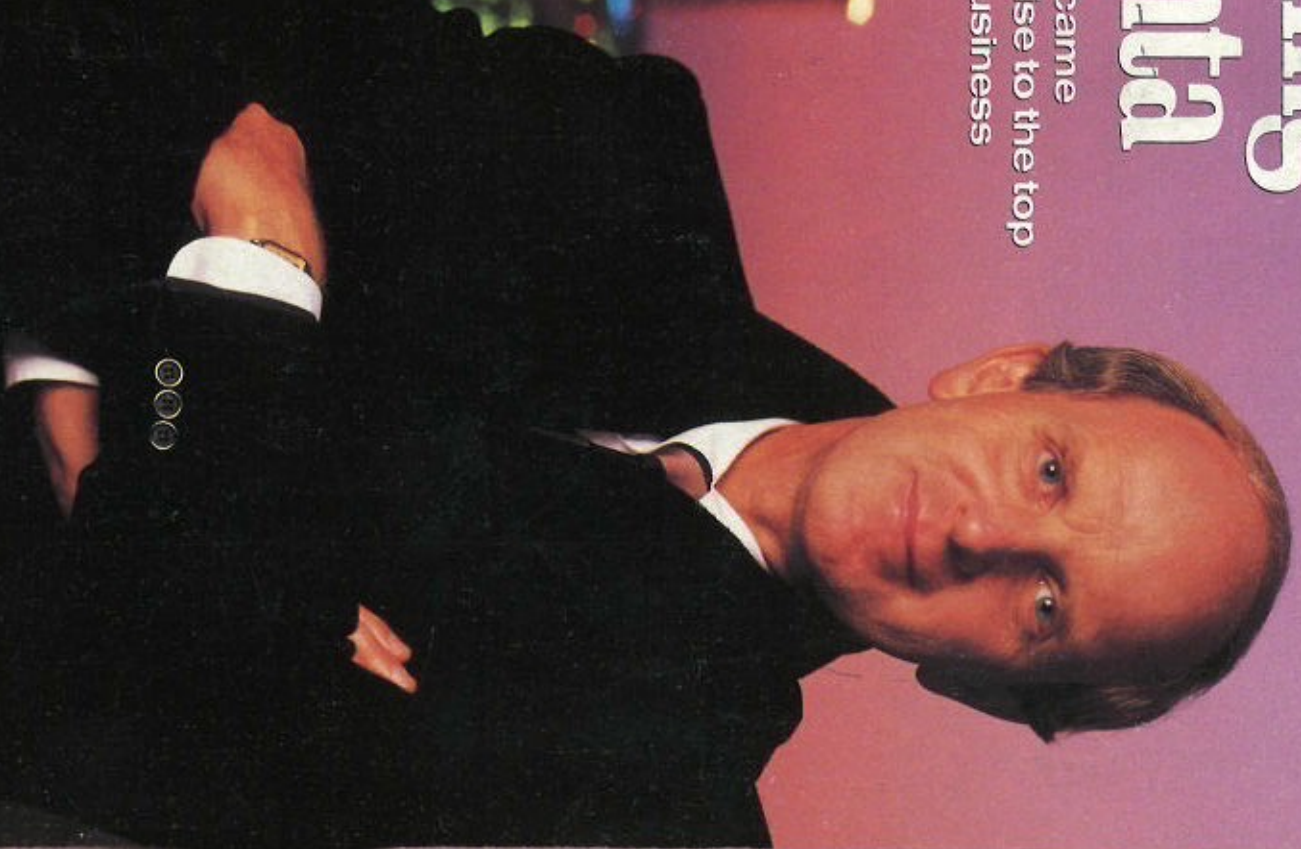
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Georgia Trend

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The Selling of Atlanta

How the city overcame
negative perceptions to rise to the top
of the convention business



Ted Sprague,
Atlanta convention chief

Underground Atlanta

Guide to Georgia Hotels



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Perceptions sell a city, says Ted Sprague.

As Atlanta's crime rate tops the charts, the convention chief accentuates the positive.

By Ed Bean

One evening in Boston last summer, as the drinks flow freely, the head of a national medical group tells a story about Atlanta. "You know they had two doctors killed there a couple of years ago at an AMA convention," he says, as people in the group gathered around him nod. "The AMA said it would never go back to Atlanta."

The scene is a national convention of association executives, the people who plan and often decide where groups like the American Medical Association and the Shriners and the asphalt manufacturers will hold their annual meetings. For Atlanta and the dozens of other cities who sent salesmen here, the stakes are high.

The story of the Atlanta slayings has grown with the re-telling, however. A doctor was shot and killed outside a near-downtown restaurant but it wasn't during an AMA convention. And it wasn't several years ago; it was 1979.

But in the convention business, perceptions are reality. And on the heels of another national survey that ranked Atlanta near the top in crime statistics, about a third of the delegates who stop by the Atlanta exhibit in Boston will seek assurances that the city is safe.

And that's progress. "When I came here in 1982, everyone would have asked about crime," says Ted

Ted Sprague
got conventions
to come to the
desert in July.
Atlanta's crime
image was a
tougher test
of his sales
acumen.

Sprague. Sprague, 47, is president of the Atlanta Convention & Visitors Bureau. If you wonder why he'll make \$187,000 in 1989, consider that in spite of Atlanta's perennial top-10 position on every list of crime statistics, the convention business under Sprague in less than a decade has bloomed to become the city's biggest industry.

These days, Sprague has plenty of worries, but crime no longer tops the list. He has, in fact, been claiming a curious sort of victory in recent sales presentations. He's been handing out copies of a *Newsweek* survey that compares the perception of crime in major cities to actual crime. The chart shows that Atlanta has fallen to number seven in the perceived rate of crime while it is number one in the actual rate of crime.

"When I came here, the perception was probably worse than the reality. Now the reality is worse than the perception," says Sprague. The image makers have done their job.

A week after Sprague arrived in Atlanta in 1982, he went to a meeting of convention bureau executives from around the country. A comedian was on stage roasting various cities.

"In some cities you can't go out after dark," said the comic. "In Atlanta, you can't go out after noon." There were few laughs.

Wayne Williams had just been sent to prison after a trial that attracted journalists from around the world to Atlanta. "Everywhere I went, people just wanted to talk about the missing children and crime," says Sprague. Atlanta vied for the lead in virtually every category of national crime statistics. Underground was boarded up, a victim of sidewalk crime. Hotels were laying off employees, and conventions were canceling their plans to come to Atlanta.

Atlanta had a "perception problem." Sprague is the man who was hired to fix the problem.

What the city got was a former Southern Californian who had never spent more than a few days east of Denver. But he was a salesman who could lure conventions to the desert in

July. Maybe he could persuade convention planners to give Atlanta another chance.

Just seven years later, Atlanta is ranked somewhere between number three and number five behind New York and Chicago in the nation's convention derby, depending on who is counting what. Here are the numbers that matter:

More than 1.7 million conventioners came to Atlanta in 1988, up from 1 million in 1980. The Georgia World Congress Center is 90% booked through the year 2000. Convention delegates and other visitors spent \$1.7

convention dollars. What they needed were new hotels, sprawling meeting halls and a sales staff that could woo the site selection committees for associations of landfill operators and podiatrists.

Some cities, like Atlanta, caught on early. The World Congress Center was one of the first big exhibit halls when it opened in 1976. Other cities soon followed with their own versions, though few would risk the construction that Atlanta did. Suddenly, attracting conventions was a complex business. Those who thought that selling merely meant passing out more key chains were about to be left behind.

Sprague had stepped into that professional vacuum in 1967, after graduating from California State University at Los Angeles. He started out as a salesman for the Long Beach convention bureau, booking visitors onto the Queen Mary cruise liner. He didn't drink till the early morning hours like some of his contemporaries in the business or haul meeting planners off to the topless joints of Southern California. Mornings might find him at a prayer breakfast, as they occasionally do now.

Sprague's still a straight-arrow guy in a business that sells a good time. He doesn't drink, and in a city that is famous for its nude bars, Sprague has never seen the inside of one. "Never have, never will," he says.

He rose through the ranks in Denver and Oakland, piling up bookings for cities that weren't on anyone's list for a dream weekend. In 1975, he got the convention bureau president's job in Phoenix, where hotels traditionally took a long siesta in the summer, some of them closing their doors during the 100-plus degree days of June, July and August.

When Sprague told his board of directors he wanted to pitch the city to an International Lions convention that was to be held in July, they admonished him that he was wasting his time. They humored him by giving him a budget of \$500.

Early on, Sprague recognized you can buy down perceptions with money. After doing almost the unthinkable

**Sprague
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billion in 1988 at Atlanta's hotels and provided jobs for 35,000 people. Another 170,000 people have jobs that indirectly benefit from conventions — taxi drivers, waiters, airline baggage handlers, store clerks and police. Total economic impact: \$2.5 billion.

For years, it was thought that this sort of success just happened by itself. Convention bureau heads tended to be tired political hacks who needed a soft place to land or glad-handers whose forte was bending elbows with Shriner chieftans at a late night dive.

Then cities discovered they didn't have to have white sand beaches or Bourbon Street nightlife to bring in

at the time — bringing hotel managers together and getting them to work on something together — he went back to the Lions and offered them a savings of \$250,000. The site selection committee remarked about how cool the evenings are in the desert and the Lions came to Phoenix on a July day when the temperature hit 110 degrees. The convention world took note of Sprague.

When Sprague came to Atlanta, nobody was complaining about the weather. But there was this perception that if you came to Atlanta it might be your last trip.

And there was another problem. The city was, well, boring. No beaches, no Bourbon Street, not even an Underground. Just world-class shopping at Lenox Square and good television reception in the hotel rooms.

Sprague's solution was pretty straightforward. First, put the sales-people on commission. For years, the Atlanta bureau had been run like an extension of the city government. Soon it was a sales organization with quotas, commissions and deal makers. "If you don't sell much here, you won't get paid much," says Sprague.

Next, find new money. He got things rolling by successfully lobbying for a \$5 million grant from the Atlanta City Council. After that came a bigger hotel tax. The city, in turn, wanted to know what Sprague was going to do about the whites-only club atmosphere at the bureau. Without waiting for any ultimatum, Sprague began hiring one black for every white.

All that new city hall money, however, didn't leave enough for the advertising that Sprague wanted to do. He remembered another lesson he learned in Phoenix. Desperate for funds, he had gone to members and explained that he wanted to increase dues. "They explained to me that most of them had just a thousand dollars or so a year to pay dues in all the organizations they belonged to. But then one guy added that they had millions budgeted for advertising."

Thus the bureau began designing ad campaigns and then asking hotels, airlines and restaurants to share the tab. Sprague learned how to use other people's money.

In Atlanta, that concept has allowed

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the bureau to stretch its \$6 million of revenue to cover expenses of \$9 million, doing the sort of city advertising campaigns that are second only to those of Orlando and Disney World. Next year, for instance, Sprague is planning a \$2 million national television campaign on Cable News Network. He'll have lots to talk about—a groundbreaking for the new Georgia Dome, an expansion of the World

Congress Center, the opening of Inforum and Underground Atlanta. "There is no doubt we're on a roll," he says.

But in the midst of all this prosperity, on the heels of the Democratic National Convention and with an Olympic bid on the table, Sprague is also talking crisis. "One of my favorite movies was the *Poisedon Adventure*," he says. "The sun is out and these people are having a great time on the

beach. What they don't know is that there is this huge tidal wave a couple hundred miles out to sea that's headed straight for them."

Too much scrutiny from an inquiring press, new big bucks competition from Florida, the need for still more money and crime, the perception problem that goes into remission but never completely goes away—those are the off-shore storms stirring up that tidal wave that the convention bureau chief worries about. Sometimes, says Sprague, he feels like one of the characters in the movie, who runs around trying to warn people about the impending tidal wave when there's not a cloud in the sky.

For months, Sprague has been waging a legal battle with the *Atlanta Journal and Constitution*, which wants the bureau to open up its records. The court decision will turn on whether or not the bureau is a public agency. The newspaper argues that with half or more of the bureau's budget coming from taxes, it should open up its records for the same kind of scrutiny any department of city government would get. Sprague counters that the bureau is a private agency that happens to get some government revenue.

The real issue is that Sprague doesn't want the newspaper to reveal the names of the companies giving money to the bureau. "It's very simple," he says. "Our biggest contributors have told us that if we have to give out their names, they'll stop giving. Let's say you're Ron Allen of Delta. Roberto Goizueta phones you and says, 'Ron, I'm chairman of the arts community fund drive and I'm quite impressed with the money you're giving the convention bureau. Can you do the same for us?'"

Sprague fears that in no time his well-oiled convention sales machine will lose much of the private support that fuels its advertising. The bureau's 1990 budget is \$11 million, with \$6 million of that coming from business contributions.

There are other money problems. Last year, after months of resistance, Sprague and the bureau's board reluctantly agreed to give up part of the hotel tax to partially fund construction of the Georgia Dome. The Atlanta City Council, which demanded the contri-

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bution from the bureau, thought that was a fair arrangement since hotels will reap much of the direct benefit of the huge conventions and exhibits the dome will draw when it isn't hosting pro football's Atlanta Falcons. Fair or not, Sprague just saw his budget being slashed by about \$600,000 a year.

All this comes at a time when Miami and Orlando are waving fistfuls of cash and openly boasting that they want to dethrone Atlanta as the convention capital of the region. Why should a city whose main downtown attraction is a subterranean shopping mall own the Southeast's convention business?

George Kirkland, the new \$500,000-a-year president of the Miami convention bureau is upfront about his intentions. "We think we can take business away from Atlanta," he says. "They've had the Southeast to themselves for a long time."

Taking a page from Sprague's book, Miami is now using its \$14 million budget to offer discounts to convention groups. Already, at least one big convention has canceled plans to come to Atlanta in order to take advantage of sale days in Miami.

Like Atlanta, Miami will also have to deal with the perception and reality of crime in its city. In that, too, they might study what Sprague did in Atlanta.

Sprague didn't just recite his own version of crime statistics. He worked with police to make sure that for at least a few blocks of downtown, the city was indeed safer. One of Atlanta's five police precincts or zones has its office inside CNN Center and closely coordinates its downtown patrols with the times it knows delegates will be on the street. If convention planners need to be reassured, Public Safety Commissioner George Napper is available to meet with them. The police even send out officers disguised as convention delegates in an effort to catch purse snatchers and other sidewalk thugs.

There are those in the neighborhoods south of the World Congress Center, Sprague concedes, who gripe that the city devotes a disproportionate amount of its resources to making downtown streets safe for visitors while virtually turning over the neighborhoods to drug dealers and leaving the homeless to fend for themselves.

"That's the criticism you hear in the communities," says Sprague. "That's what they say."

"My answer to that is that we're a marketing organization, not a political action group. Our job is to interject an honest positive. From a personal standpoint, I don't know anybody in this city who looks at it with rose-colored glasses. I mean, Andy Young has gone out on the street and slept with

the homeless. His wife works in a soup kitchen. I'm co-chairman of an anti-drug group.

"What I'm saying is that it's good for a city to hype itself because the negatives will always be there. You don't want to be totally in despair all the time because life is still a mix of the negatives and the positives.

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