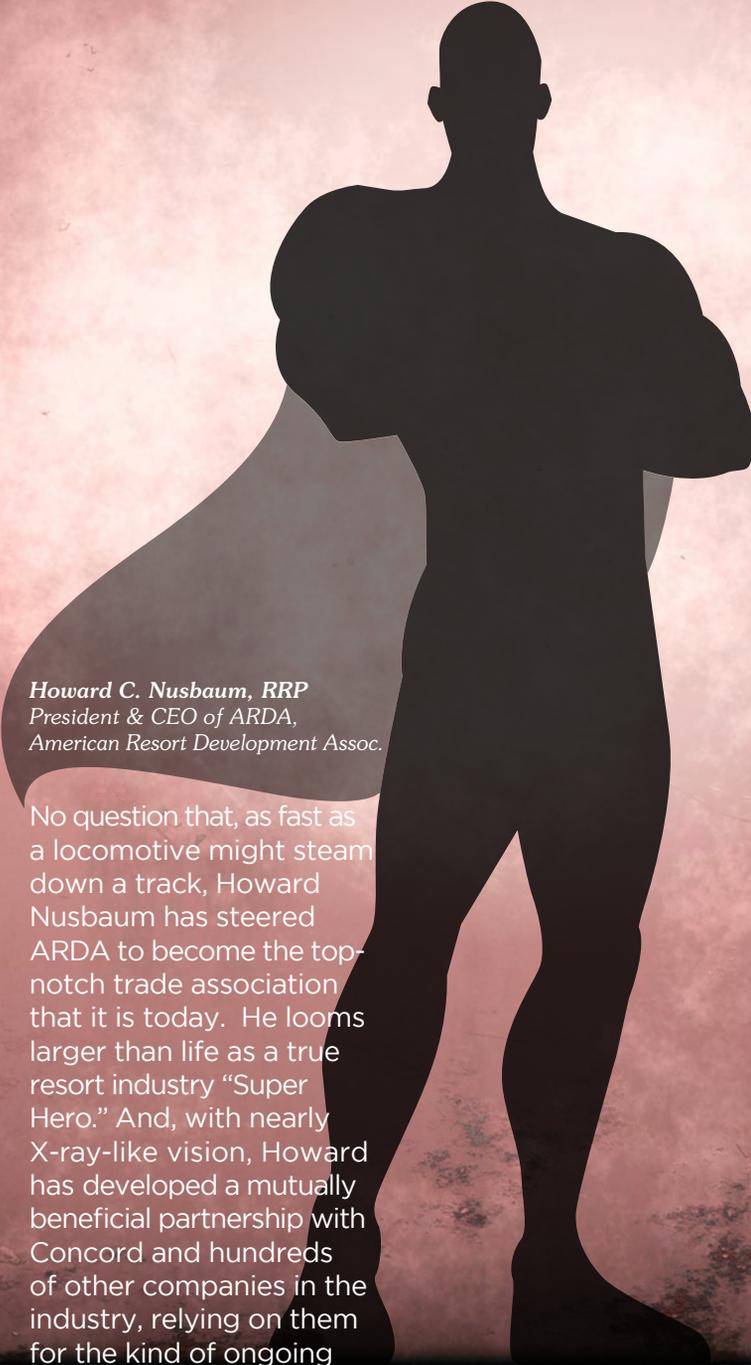


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Making Successful Board Presentations: Tips from the Experts

BY MARGE LENNON

There are nearly 1,000 corporate members of ARDA, with 70% representing developers and 30% vendors. Some vendor-supplier members have had good traction with several resorts; others keep trying but haven't had much luck making Board presentations or winning contracts. So what is the secret to winning a bid and becoming a respected vendor to a timeshare developer, resort management firm, or self-managed HOA resort manager?

To answer that question, we reached out to representatives from Hilton Grand Vacations (HGV), Starwood Vacation Ownership (SVO), and SPM Resorts (SPM), who generously shared details about how their companies work with Boards and the steps they may go through before awarding a contract to a vendor. Collectively, these three executives work with over 147 HOAs and timeshare resort Boards of directors—clearly, these are the people to ask how it's done.

Expert List

Neil Hutchinson serves as vice president of Association Management Services for HGV, guiding 39 resort HOAs in seven states. He has been with Hilton for six-plus years and has more than two decades of resort experience.

William R. Young is president & CEO of SPM, where he has served for 14 years. He has also managed several upscale branded hotels. SPM manages 37 associations in six states, as well as the U.S. Virgin Islands.

Tye Deyo is associate director of Board Relations for SVO; Starwood manages 36 resorts and residential properties, comprising 71 separate associations in 16 states and foreign jurisdictions. Deyo has been a community association attorney for over 13 years and has been with Starwood for over five years.

All participants agree that various professional backgrounds of Board members can bring great strength to the table and help each Board make good decisions for their resorts. When a member has a specific area

of expertise—such as accounting or interior design—part of their duty is to share this expertise with fellow members.

In continuing the search for understanding the best presentations, we asked our panel of experts to walk us through procedures used at their companies.

What systems/procedures are in place for helping an association or Board make purchasing decisions for their resorts? Do you have any influence over these decisions?

HGV: The global strength and size of Hilton Worldwide offers our Boards valuable advantages when it comes to vendor relationships and pricing. Vendors recognized as Hilton-preferred vendors have completed a rigorous application process. As a result, the due diligence is significantly streamlined when preferred vendors submit bids for Board consideration. Our Boards also benefit from pricing available through global

agreements with Hilton Worldwide. Reserves expenditures are often approved individually by project. As the management company, we follow a specific RFP process. Our influence is significant when reserve replacement projects are involved, and we leverage the value of our global parent company.

SPM: We operate within the budget set by the Board. Any items not in the budget are reviewed and approved by the Board. We look for vendors that are reliable, have a proven track record, solid experience, are easy to work with, and are trustworthy. We also review vendor's references, resume, client list, recent jobs, Better Business Bureau rating, and their current workload. Operating expenses are all pre-determined by the Board and managed by SPM Resorts. We present three bids when possible, but all decision-making power lies with the Board. When requested, we may provide our professional recommendation.

SVO: We start with the basics—detailed replacement reserve plans that are appropriately funded. We have specific brand standards for some items, which help guide purchase decisions. Our Facilities team is dedicated to the resort and its upkeep. They spend a great deal of time onsite to develop and update each reserve plan and facilitate the competitive bidding process. We maintain open communications with our Boards and guide them through these complex decisions.

How important is the actual Board presentation? Can you offer any tips for providing successful presentations? Do most Boards need to touch actual samples?

HGV: The presenter must be prepared to answer questions the Board may pose, especially concerning cost and product explanations. It is essential that the vendor is able to commit to a specific window of time for project completion. Beyond committing to deadlines, a savvy vendor will articulate previous projects completed on schedule. Along with *being on budget*, *being on time ranks equally high*. On every Board member's mind is the knowledge

that a supplier must be capable of selecting, ordering, receiving, and installing products within a very small window of available time—often just days. To win a contract, the supplier must be able to commit to the timeframe and respect the fact that our guests are owners who monitor projects as thoughtfully as we do. Vendors who deliver on target are critical to our successful operations and owner satisfaction.

SPM: This is the vendor's opportunity to showcase their best work, present the facts, share samples, and build relationships with Board members. Presenters should think of their presentation as an interview. Be professional. Wearing flip-flops and a t-shirt may not be the best outfit of choice. Be prepared and be clear. Forgetting the name of the resort will not impress the Board members. Use layman's terms when possible, unless prompted for more details. Follow up after the presentation to determine if additional information is needed to help them make their decision.

SVO: When dealing with multi-million-dollar projects, Boards want to ensure the resort receives the best products and services available and their expectations are exceeded. Work with the management team prior to a presentation to focus on the Board's expectations. During your presentation, understand that changes will be made on the fly, so be flexible and willing to incorporate the Board's vision into your plan.

All participants suggest that it is helpful to provide samples since seeing the final

product will alleviate any confusion later. Also, viewing samples in person has far more impact than seeing them on a computer screen where the color may appear different from the actual sample. Displaying samples can help show that proposed fabrics are a commercial instead of residential grade, with certain coatings to add durability.

Does the least expensive bid always win? Must you always have three quotes?

All participants agree that bids are not always chosen solely on price. Other factors may include quality, warranties, product longevity, and a company's guarantee/replacement clauses. Significantly lower bids may not capture the full scope of the project, be able to meet deadlines, or have errors such as incorrect quantities, resulting in expensive change orders. Best business practice suggests at least three bids and multiple bids are even a legal requirement in some jurisdictions. This is often determined by many factors, mainly the dollar amount.

How can a new bidder compete with a much larger company or a firm with many years of service to that resort? How important are referrals?

HGV: Often, a Board repeatedly selects a vendor because of their track record and their proven ability to complete a job within budget and on time. When a new vendor is competing with a proven vendor, they must be able to convince the Board that they, too, can



William Young
President & CEO
SPM Resorts



Tye Deyo
Associate Director, Board Relations
Starwood Vacation Ownership



Neil Hutchinson,
Vice President, Association Mgmt Services
Hilton Grand Vacations

complete a project in a similar manner. Design firms must show fresh, innovative designs with a positive impact. Credible firms that show high quality design—with a track record of completing jobs within budget and on time—have a good chance of winning a bid, even when competing against larger proven vendors. It helps to provide a list of referrals and highlights of similar past projects. If a vendor meets all of our business requirements and provides the best bid package, the size of their organization is not a negative factor.

SPM: When a project is out for bid, we review all proposals and present the facts to the Board with our professional recommendation. The Board hires the company that best fits the project, and that can certainly be a new company or a smaller one. Referrals convey a true depiction of the vendor's working relationships with similar resorts and give the Board a comfort level that the vendor has experience with a similar property.

SVO: Although there is a comfort level with vendors who have provided years of excellent service, there is no room for complacency. The competitive bidding process keeps everyone playing their best game. Don't be shy to trump your successes with similar projects; this adds credibility to your proposal. Show the Board you can meet strict time deadlines, you use quality products, and you understand the full scope of the project. Show them you can compete at that high level and you definitely have a shot. Networking is important, and ARDA is a great resource for that.

Governing Choices

While the vendors make presentations, it is up to the Boards to make the final decision—with or without guidance from a management company. Most Board members understand the seriousness of their position and deserve praise and respect for their continuous service. They know that they are under considerable pressure to make the right decision, since it

impacts all of their fellow owners. They also recognize that it is nearly impossible to please everyone with every decision made, and they are not always unanimous in their decisions.

Everyone interviewed for this article agrees that a vendor making a Board presentation must thoroughly understand the timeshare product and the logistics and timing involved in serving a resort. While a vendor selection is not always based on the lowest price, a company's reputation, history and experience can be major factors in the selection process. There is still a chance that the smaller or little-known company can win a contract. They should come equipped with solid references, show past experience, provide good numbers, and offer an exceptional presentation.

Those are the inside tips! ■



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