

PREPARED & MAILED TO
BOARD AUG 24, 2006

Dear Board of Trustees:

Board President Troy Ellerman has asked me to rectify a serious bylaw oversight in the make-up of our present executive committee. Prior to the previous meeting of the Board of Trustees on July 13, Troy formed a small committee of local board members to serve as a "special committee." The committee was comprised of Troy, Keith Martin, Ryer Hitchcock, Hal Littrell, Dale Knobbs, Harry Vold, and David Palenchar. Consequently, there are no provisions in the Hall of Fame bylaws for such a committee. During the previous trustee's meeting, the board unanimously voted to install these board members as the "Executive Committee," which our bylaws *do* provide for. The problem is that the bylaws state the committee must be comprised of only the president and *four* board members. More specifically, the four board members must be two each from the inside members, and two each from the independent members. Currently, we have five members from the independent committee and one from the inside committee. President Ellerman told me, in a telephone conversation on August 15, to correct the oversight, and put the board members in place who I thought would be most supportive of the Hall of Fame.

To correct this oversight, the *PRCA* Board of Directors must appoint the two inside members to the executive committee from the existing inside members on the board. The full Hall of Fame Board of Trustees must elect the two independent trustees to the Executive Committee. The *PRCA* Board may ratify the names I have submitted or appoint others as they wish. The Hall of Fame Board must hold a meeting of the full board and elect two members of the independent board to serve on the Executive Committee. A poll of the *PRCA* Board to see if they will ratify the below list, or wish to appoint (an)other member(s) to the committee should suffice. A full Board of Trustees meeting can be called for this purpose at the request of President Ellerman or any two board members at any time. Written notice must be delivered to the Board two days prior to the meeting. I would suggest we implement the necessary requirements as soon as possible so we have a completely legal Executive Committee to assist in operations of the Hall.

My recommendations for the Executive Committee from the inside trustees are:

Cotton Rosser. Cotton is an icon in the rodeo business. His background in promotions and production are legendary. Furthermore he is an inductee in the Hall of Fame. I believe that, with his knowledge and personal contacts in the rodeo world, he would bring a great deal to the table that would further the interests of the Hall. Cotton has recently expressed an interest in joining with Bob Thain, another Hall inductee, to create a fund-raising event for the Hall of Fame at the WNFR. By having Cotton serve on the executive committee we could further our goals of raising money to offset our budgetary issues.

Kelly Wardell. Kelly Wardell is currently employed by the *PRCA* as a public relations and promotions person. He is also a voting member of the *PRCA* Board of Directors. He holds clinics, works with High School rodeo, and travels around the

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country setting up displays at rodeo related trade shows to promote the PRCA. While performing these functions for the PRCA, he also promotes the Hall of Fame. He has recently started fundraising functions for the Hall at the trade shows and rodeos. Since we are constantly trying to inform the rodeo community of the positive aspects of the Hall of Fame (we are not closed or moving), Kelly could help inform the public on a national scale. Kelly would be in a great position to promote the Hall from a rodeo perspective since he is an accomplished bareback rider. Kelly would also create balance on the inside executive committee in that he is involved in the events side of rodeo, whereas Cotton Rosser is a stock contractor.

My recommendations for the Executive Committee from the independent board are:

Terry Sullivan. Terry Sullivan is the President and CEO of the Colorado Springs Convention and Visitors Bureau. As leader of the Experience Colorado Springs at Pikes Peak, which is a local member based organization, Terry is avidly involved in the promotion of Colorado Springs and the Pikes Peak region. He started with the organization as Executive Director in 1990. Under Terry's leadership, the organization has consistently been selected for several national awards, including the "Gold Service Award" presented by Meetings and Conventions magazine. He also received the Governor's 2005 Tourism Award for Outstanding Individual Contribution to Colorado Tourism. In 2006 he was elected to serve as the President of the Tourism Industry Association of Colorado, which is the voice of the Colorado tourism and travel industry. Based on Terry's background and connections with the local community, I believe he is in a prime position to help the Hall of Fame in our future endeavors in Colorado Springs and the Pikes Peak region. He has served on the Hall of Fame Board of Trustees for the past few years, and has always been a positive force in helping promote the Hall of Fame.

Dale Knobbs. Dale Knobbs is another Colorado Springs business person who has a love of rodeo. He actively supports the Hall of Fame and all it stands for. He was elected to the Board of Trustees in May, but has been very supportive of the Hall since I have been working here. Dale has expressed a strong interest in serving on the Executive Committee. I believe he would add an energetic and positive presence to any function he fulfills for the Hall.

Please consider the above board members in your choice for bringing the Executive Committee into compliance with the bylaws. In my opinion, they would bring all the necessary components the Hall so desperately needs to carry on its mission.

To bring the Board up to date on what is taking place at the Hall of Fame, the financial picture is currently in dire straits. This does not come as a surprise to me. Allow me to refer you to a portion of a letter I sent to the PRCA Board of Directors the day they voted to move to Albuquerque, wherein I predicted the potential fate of the Hall of Fame. In the letter, I stated the following:

As you can see, the Hall of Fame has become a "waking giant" in the rodeo and cowboy world. All of the things that are taking place are having a "snowball effect." For each contact we make, and each opportunity that comes available, there are several more waiting in the wings. From my perspective, the "sky is the limit" with the Hall of Fame. That is as long as the Board of Directors and Commissioner Ellerman continue to support our efforts. Commissioner Ellerman has explained to the department heads of the PRCA and the Hall of Fame that the PRCA Board of Directors is considering a move to Albuquerque, New Mexico. While that move may offer some limited benefits to the PRCA, it would be a death knell for the Hall of Fame. Besides losing many valuable members of my staff, I would also lose the support we are gaining in the local and national arena. In Colorado Springs alone a groundswell of support is gaining every day. Relationships that were destroyed, such as the Pikes Peak Range Riders, have been rekindled and we are now attending each others events and working well together. On a national level, the Hall is in a very delicate position since the doors were closed last year. We have spent the past several months trying to show that the Hall is a viable entity that has stabilized in its present location, a location where it has stood since 1979. To even allow a rumor to circulate that we are moving the Hall would be devastating to all of the hard work and effort that we have put forth over the past several months. Colorado Springs is a great area for tourism for people from all over the world.

We have several thousands of dollars invested here in advertising and good will that we would lose by moving to New Mexico. I strongly believe that the Hall of Fame would founder and die in Albuquerque. It would take several years to gain support from the local community, and that community does not have anywhere near the appeal and tourism draw that we have in Colorado Springs.

In closing, I strongly urge the Board to keep the Hall of Fame where it is and always has been, Colorado Spring, Colorado. Thank you for your consideration.

I have attached a copy of the entire letter to explain all that was taking place as of that writing. I later learned that the Board of Directors did not receive copies of my letter until after they voted to accept New Mexico's offer to move the Hall of Fame and PRCA Headquarters. At least two of the board members told me they would have probably voted differently had they read the letter beforehand.

Once the board made their decision to move the Hall of Fame and PRCA Headquarters, I was left with the choice of moving ahead or stopping all forward progress. Since I had no board of trustees with which I could confer, I decided on the former. I had prepared a budget in January based on all the positive aspects taking place in the previous six months, I was faced, in February, with the dilemma of trying to promote the Hall without the financial support I had worked so hard to engender. One

could hardly expect any organization or individual to donate money to an organization that couldn't decide whether it was going to move or possibly close down again. Since my convictions were so strong about the devastating effects of moving the Hall, I decided to take steps to try to stop the move. I spent the next three months researching the bylaws and history of the Hall of Fame and contacting various individuals for support. I learned that we had a board of trustees in place, but, according to my research, former PRCA Commissioner Hatchell held few meetings, and did very little to communicate with the group. There were only seven remaining members of the 15 member board when I first started my research. From what I could tell, they had very little involvement in the operation of the Hall of Fame over the past few years. I found that Hal Littrell had the most involvement with the Hall, so I often conferred with him in my research. He was a very valuable resource and a strong ally in my quest to keep the Hall in Colorado Springs.

In researching the bylaws, I found that the first paragraph stated that only the Board of Trustees of the Hall of Fame could decide whether to move the Hall from its present location in Colorado Springs. At that point, I decided to solicit individuals to form a full board of trustees in order to help me keep the Hall in place. I had several meetings with potential board members, and eventually procured a board of 14 members, all in compliance with the bylaws. On May 15, as you all know, we held a meeting in which we installed Mike Ingram as our final board member for a full contingent of 15 members. I was officially appointed as executive director, and the board voted unanimously to turn down the offer from New Mexico. The next day, the PRCA board of directors followed suit.

While it was rewarding to have averted what I felt to be a disaster for the Hall of Fame, namely the move to New Mexico, the publicity we received had the devastating effects I predicted in February. Everyone I talked to in my travels had nothing but negative comments to make about the move. I just told them we were going to be in Colorado Springs for at least 18 months. I told that we were conducting business as usual until then. After the Hall board and PRCA board voted against the move, the publicity about staying in Colorado Springs was nothing compared to the publicity we received about moving. As of this writing, most people I meet still think we are moving to New Mexico. Many people think we are still closed from the first of last year. In short, the Hall of Fame is still perceived as a very unstable entity by the rodeo community as well as the public at large. As you all can see by our events and travels throughout the county over the past 12 months, I have tried my best to correct that misconception. I spend most of my time telling people who come to our booth that we are active, stable, and a great attraction to see while they are in Colorado Springs.

Another unavoidable problem we dealt with this year was the construction project on I-25. As a result of the construction we completely lost southbound access to exit 147. Previously, we had large signs on the freeway for the ProRodeo Hall of Fame. The signs were posted just before our exits in both the southbound and northbound lanes. During the entire travel season, the signs were down in both directions. While northbound exit 147 was still open, it was still difficult for visitors to find the Hall without knowing

exactly how to get here. I received numerous complaints from people about how difficult it is to find our location. I am sure we lost a great deal of income due to people not being able to find the Hall. I even had complaints from people who have lived here all their lives.

In recent meetings with the "special committee," I have come under the gun for the current financial problems with the Hall of Fame. During the most recent meeting on August 11, 2006, Ryer Hitchcock presented a document prepared by Greg Rieber in March 2005. I have attached a copy for your review. Mr. Hitchcock asked if I ever read the document. I told him I read it when I first started working in the Hall. He asked if I followed it. I told him the plan was fairly generic and did not state specific solutions to the general ideas presented. I told him I sent out regular reports of my activities and plans for the Hall to the PRCA Board of Directors prior to every PRCA board meeting. I presented it to the PRCA board since I did not have a viable board of trustees in place until May of this year. I explained that the reports spelled out my business plan for the Hall, and most of the issues in Mr. Rieber's document were addressed in those letters. I have attached copies of all those letters. Please review them and compare them to Mr. Rieber's general plan.

If you read my letter to the PRCA Board of Directors, dated May 15, 2006, which I presented to every board member, I gave a detailed description of my plans for "Thunder at the Hall." The event was well under way when I wrote the letter. However, proceedings were not beyond the "point of no return." Since I provided this letter to all members of the board, I assumed everyone was supportive of the event. I have also attended meetings of the "special committee" where the topic was discussed. While everyone had concerns about the expenditures, no one offered any opposition to, or advice on helping to promote the event. Since I have four members on that committee who are prominent citizens of the Colorado Springs community, I had assumed they would have helped, or offered to help with the event. That was not the case. The only board members who reside in Colorado Springs who helped with the event were Terry Sullivan and Dale Knobbs. When I asked for Terry's help, he immediately requested advertising from Experience Pike's Peak at Colorado Springs, the Chamber of Commerce, and other local advertising media to help spread the word. I explained to him what we had completed so far in our advertising campaign. He said it sounded like we were right where we should be in getting the word out. We had distributed thousands of fliers and posters from Cheyenne to Pueblo, had a full-page ad in the Go section of the Colorado Springs Gazette, had ads in the PSN, had numerous radio spots on four Colorado Springs radio stations, television coverage on Channels 11, 5 and 30, sent email discounts to the Pikes Peak Range Riders, and Sonny Burgess announced it on several radio stations during his tour through Colorado and Wyoming. We also had it posted on our billboard on I-25. Dale Knobbs came to the event and assisted us in putting the event together.

What makes absolutely no sense was the paltry turnout at the event. The previous year, we held an event of one-tenth the magnitude, one-tenth the ad campaign, and had five times the attendance. At the August 5-6 event, we had less than 300 people each day.

Had a thousand attended each day, I would have felt that it was unbelievable to have had so small a number for what we were offering for the price. All of the artists who performed were amazed at how well the event was put together and the lack of attendance. My feeling was that the people in Colorado Springs were so vocal in their opposition when they thought we were moving. I had hoped they would support the event by their attendance.

I will not say the event was a complete failure because it was conducted very professionally. My staff put their hearts and souls into making it a great event. Everyone I talked to thought it was one of the most entertaining and well planned event they had attended, including Carol Boyles, who came there in the morning planning to spend a few hours and did not leave until 11 p.m. Everyone I spoke to thought the entertainment was outstanding. We did all we could to promote it through every media outlet. Most people with whom I have discussed the event feel that we should try again next year. While we did not come close to meeting our financial goals, we did gain a great deal of promotional value from the word-of-mouth praise that will spread through the community.

In looking at the immediate future of the Hall of Fame, I have some ideas on how to raise the necessary capital to turn the budget around. The first of these ideas is to develop a fund-raising program with our rodeo committees. Keith Martin has voiced his support of such a program. While I have not ironed out the fine details, I envision setting aside an area of the Hall to honor our committees. I would offer each of the 600 plus committees the opportunity to join our PRCA Associate Membership program at the \$1,000.00 level. Not only will they receive the benefits of the membership, they will also be recognized with a plaque in the Committee section of the Hall. If a committee chooses to donate more, say \$2,000.00 per year, we will honor them with a flag hung inside the Hall. At the \$5,000.00 level they will receive signage in our new arena (I will discuss the arena in detail below). The committee program could easily be implemented in the very near future. To implement the program would only require postage for solicitation letters and fliers. Similar programs can also be implemented with other rodeo organizations such as College and High School Rodeo groups.

Another fund-raising plan I have discussed in the past is not a new one. Greg Rieber also presented it when he was executive director. That is implementing a "brick program." At the start of the year, I had planned to start this type program along with requesting donations for the "Wall of Fame." Since we did not know if we were staying or leaving, I could not implement the program until we knew for sure. Now that we know, this is another program that could net the Hall revenue in a short time. Advertising could be accomplished through our website and by mailing fliers to our Associate Members and others on our mailing lists.

As part of our capital expenditures this year, we purchased a 40x75 foot tent. In the next week or two, Priefert Ranch Equipment will install a new arena at the Hall. The donation of the arena is part of their sponsorship program with the PRCA. The arena will be an exact replica of the arena they are installing at the Thomas and Mack Center in Las Vegas for WNFR. The only difference, our arena will be larger. We have rented the Hall

of Fame out several times to Destinations Services wherein they hold corporate events. In July this year, we rented the Hall to Destinations for \$3,000. They also paid us \$6,000.00 to put on a convention rodeo. Tony Cachurras of the Range Riders produced the rodeo for less than \$3,000.00. The rodeo was held in the old arena at the Hall and was a very professional presentation, in spite of the rain. We netted \$6,000.00 on that event. Destinations Services has scheduled another event for September where they will rent our tent for \$2,000.00, pay \$3,000.00 for the Hall, and for \$6,000.00 for a rodeo in the new arena. After paying for the rodeo production, we will net over \$8,000.00 on the event.

Sammi Snow, our events coordinator is putting together new brochures for renting the Hall, arena, and tent to corporate organizations to hold events here. In doing so, we can cut out the middle person for holding these event. She is also escalating her marketing of rental of the Hall and the Hal Littrell Pavilion. With the holiday season approaching, we will have fliers and brochures in place as key locations. This should increase revenue significantly with very little expense.

Once we have our Executive Committee in place and in compliance with the bylaws, I hope to have the knowledge and positive input necessary to devise other plans to generate much needed money for the Hall.

Please understand that I am still ready and willing to do whatever it takes to move the Hall of Fame forward, regardless of the adversity I have encountered over the past year. However, I will need all the positive support I can get from this board. While hindsight is always 20/20, it takes a different type vision altogether to push forward in uncharted territory. With the synergistic potential of this board, I ask that each of you please offer your advice and assistance in a positive and creative way. With your support, and not criticism of past events, I am sure we can bring the Hall of Fame back in line with the vision I described in my past correspondence. Thank you for your anticipated help and guidance.


Larry McCormack
Executive Director