

MINUTES OF MEETING

Illinois Commission - New York World's Fair

June 24, 1964

The fifth meeting of the Illinois Commission - New York World's Fair was held in the Governor's Conference Room, State of Illinois Building, Chicago, on Wednesday, June 24, 1964 at 3:00 PM. Mr. Ralph Newman, Chairman of the Commission, presided at the meeting. Mr. Gene Graves, Secretary of the Commission, was secretary of the meeting.

Members of the Commission attending the meeting were:

Representative J. Horace Gardner	Chicago
Senator George E. Drach	Springfield
Senator Dwight P. Friedrich	Centralia
Mr. Robert Gaiswinkler	Belleville
Mr. Eldon Hazlet	Carlyle
Mr. Albert Myers, Jr.	Springfield
Judge James B. Parsons	Chicago (Parts of meeting)
Representative John G. Fary	Chicago (Checked in and counted present)

Staff:

Mr. James A. Cassin	Executive Director
Miss Irene Repa	Administrative Assistant

The meeting was called to order by Ralph Newman.

PROGRESS REPORT - Mr. Cassin reviewed the Illinois Pavilion's attendance, tourist promotion efforts, and comments received from visitors.

Attached to the minutes is a press release prepared by the Illinois Information Service that provides some of the basic statistics, along with excerpts from complimentary letters.

Up to the date of the Commission meeting, 600,000 visitors had passed through the turnstiles at the Pavilion. The average daily attendance is growing, and operation at theoretical capacity is soon expected.

The tourist information booth hands out approximately 2,500 pieces of literature a day and handles travel literature requests from 800 to 1,000 visitors each day. The literature requests are passed on to the individual regions for follow-through. Mr. Hazlet reported that his region (#8) has already had 5,000 requests as a result of the Illinois World's Fair effort.

Mr. Cassin reviewed the policy of using Illinois students as hosts and hostesses. Apparently there was a misunderstanding earlier that we had employed New York personnel, which was the case only during the first period when a few relief usherettes were needed to fill in during the scarcity of out-of-school Illinoisans. The number of compliments in letters from visitors about our courteous and friendly personnel is an indication of the importance of having an all-Illinois staff.

Mr. Cassin reported that the VIP attendance at the Illinois Pavilion continues at a very high level with a wide range of special guests--President Moses of the Fair with his 1909 Yale alumni group to Gina Lollobrigida. Mr. Graves stated that according to the opinions expressed at the recent Governors' Conference, "Illinois has the best of the state exhibits."

The final point in the progress report was that the World's Fair was mistaken that the area near the Federal Pavilion would be well trafficked. Not only is the United States Pavilion something less than a smashing success, but the entire sector lacks a fountain, a Unishpere, or a General Motors to serve as magnets. The fact is that the Illinois Pavilion is the principal draw in the area and is bringing traffic to its neighbors.

PRESS, RADIO, AND TELEVISION COVERAGE - The Commission's clipping services for Illinois and metropolitan New York have provided 2,500 newspaper clips. Less than 5% of the total number of clippings were completely negative.

The most important publicity received has been TIME magazine's rating of the exhibits, in which Illinois was included with 25 or 30 others out of the 200 features of the Fair, Disney's "Wonderful World of Color" television program, and HOLIDAY magazine's cynical review of the Fair mentioning the Pietà and Illinois in the "highly publicized" category.

NBC Chicago's television filming of the documentary "Illinois Gets its One Million Dollars' Worth" is expected to be another worthwhile and favorable coverage of the Commission's efforts.

Senator Drach suggested that a press release, which would include some of the facts presented in the meeting's progress report, be sent to all Illinois media. Senator Drach felt that since most of the criticism of the project in the beginning originated from Illinois, the Commission has a responsibility to report the facts of the Pavilion's success as they can now be documented. Representative Gardner suggested that we ought to release the report on the occasion of our one millionth visitor, about July 20. It was the consensus of the Commission that the staff proceed with that schedule.

In our original plans it was hoped that one of the continuing sources of press coverage would be the Special Events program in the Lincoln Theater. To date there have been five special events in the theater and only one case, columnist Cleveland Amory, generated press and radio coverage--his own column and broadcasts. Mr. Cassin reported that one of the most helpful events at the Pavilion was the Chicago Cubs Autograph Party which was not even a Lincoln Theater event. The visit of the Cubs was covered in the New York and Chicago sports pages and, as a matter of fact, caused quite a bit of attention at the Pavilion during the visit. A White Sox visit is scheduled for sometime in August.

The whole subject of addresses to Fair audiences must be reviewed since there are indications from the audiences that unlike community events, they are unhappy on occasion with even a ten-minute delay to hear an outstanding scholar, businessman, or public figure. It was the opinion of the Commission that further experimenting should be carried on to see whether a live audience is important to the Special Events program, or whether the program should be rescheduled at different hours of the day. Chairman Newman pointed out that there was a drop off in attendance after 8:00 PM and it might be worthwhile to invite not just special speakers, but an entire group to take over the Lincoln Theater for a program of their own. The group could be the Players Club, or the United Nations representatives hosted by Ambassador Stevenson, or any one of a number of possible ready-made audiences.

VIP TREATMENT - Because of the problems of large numbers of "VIP's", Mr. Cassin has had to explain just what VIP treatment is available and what could be expected for those persons who are guests of the Commission members or high state officials.

A copy of a sample letter used to inform officials who are sending guests to our attention is attached to the minutes.

CONCESSION - Several members of the Commission asked for a report on the Pavilion's concessionaire and his sales record. Mr. Newman reported that Independence Hall Association's souvenir, book and gift shops were now operating efficiently after a very poor start. Mr. Cassin elaborated on the reasons for the poor start, including the delayed opening, poor design and construction quality sales counters and kiosks supplied by Gardner Displays, and the gradual build-up of good visitor attendance at the Pavilion. One of the most important restrictions on the concessionaire is the requirement that he handle only Lincoln- and Illinois-related items. The concessionaire's daily sales are now just over \$1,000, which is pitifully low by World's Fair standards. Mr. Cassin described one ten-foot counter on the Fairgrounds grossing more than \$3,000 a day with all World's Fair-related "junk jewelry" and other distasteful merchandise.

IHA is maintaining a very high standard of merchandise and is, in fact, an asset to the total operation of the Pavilion. The concessionaire's fee of \$50,000 for two years is in line with competitive fees charged around the Fairgrounds. Unfortunately, by maintaining high standards of merchandise and resisting the temptation of the high mark-up novelties, the concessionaire will return less revenue to the Commission than originally expected. The budget reflected a total percentage of annual sales to the Commission of \$25,000. It is not likely that the Commission will in fact receive \$15,000 from the concessionaire's operation in 1964.

Mr. Newman explained the case of one visitor who took exception to the Confederate souvenir hats being sold alongside the Union hats. The Chairman replied to the visitor that the Pavilion is depicting a period of Lincoln's life and it is the feeling of the Commission that both hats were in order. It will be left to the concessionaire's discretion whether he withdraws the Confederate hats after the supply is depleted.

Mr. Newman reported that while the concessionaire has lost money to date, the operation should at least break even in the very near future. Because of the fine spirit of cooperation, Mr. Newman asked the Commission to thank Independence Hall Association for their role in the project. The Commission agreed unanimously with the proposal and Mr. Newman was asked to prepare such a letter.

FINANCIAL STATEMENTS - The memorandum to the Executive Committee reviewing the Commission's financial condition was presented to the entire Commission. In summary the Commission was informed that the Operations category of the budget would be adequate, that the Exhibits and displays category, with certain definitions of exactly what an exhibit is, would be adequate, but that the Construction budget showed a serious deficit.

The Commission reviewed the three stages of the construction budget and found that even with the additional revenues from private sponsors, the construction costs were somewhere close to \$100,000 over funds available. Attached are the financial statements through May 31.

In response to Senator Drach's question, Mr. Cassin indicated that construction work, except for some installation corrections, was concluded, but that there were one or two outstanding bills not yet included in the tabulation. Mr. Cassin further explained that the architect's contract with the Commission sets their fee at 10% of construction costs, which would, in turn, increase the deficit through the increased fee due to Skidmore, Owings, and Merrill.

Senator Friedrich asked whether the revenue from the concessionaire is reflected in the private money available for construction costs. Mr. Cassin explained that the \$50,000 two-year rent from the concessionaire was included (\$25,000 of which is not due until April 21, 1965), but the percentage of sales revenue was not included. It was suggested that the percentage of sales revenue be held as the only contingency available in the project. One major breakdown in any of the mechanical or electronic operations could quickly use up any reasonable contingency.

Mr. Newman reviewed the previous discussions with the Division of Tourism regarding the possibility of having tourism matching funds available for the World's Fair Pavilion. Mr. Graves reported that, after further investigation with the regional councils who had not formally committed their monies and with the Attorney General's office, he was informed that the funds were neither available nor could they be applied within the direction of the Legislation.

Senator Drach inquired whether there would be any other contingency funds within the State government for this sort of deficiency. None of the Commission members present could suggest such an alternate source of funds. Senator Drach stated the only alternative is that of seeking a supplemental appropriation from the State Legislature. Senator Friedrich pointed out that the earliest additional funds would be available is March 1, 1965, assuming an emergency or deficiency appropriation requiring two-thirds vote could be passed promptly.

After a good deal of discussion it was the concensus of the Commission that the amount of the deficiency was not unjustified in light of the high cost at the World's Fair, and the obvious success and value to the state's promotion efforts.

Mr. Gaiswinkler made the point that the Commission's architect, Skidmore, Owings & Merrill, must share responsibility for the overcharge since the partner in charge of the project, Bruce Graham, had been quite definite in an earlier meeting when he assured the Commission the building would be completed within the budget. Senator Friedrich and Mr. Myers recalled similar experiences in other private business construction projects and pointed out that it was not unusual to have the sort of deficit that the Commission now faces. The Executive Director was asked to prepare a study of other state exhibitors and their experiences with their budgets and actual costs. Mr. Cassin stated that the easiest exhibit to document in that regard would be the State of New York which, according to information available, was appropriated \$3 million and now has a total project which cost more than \$14 million.

The subject of charging an admission to the Illinois Pavilion was discussed in some detail. Although it is impossible to predict how much of a reduction in attendance an admission charge would cause, it was suggested that somewhere between 5,000 and 10,000 persons could be expected on a daily basis. The attendance charge would have to be brought up to a level where the World's Fair Corporation would receive an adequate amount in repayment of their subsidy and still leave the Commission with enough income to justify the move. A further possibility of Disney asking for participation in the revenue, because of his additional costs, was considered.

Senator Drach stated that the subject of admission charges or an additional State appropriation should be offered to the Committee on Appropriation for their consideration. A complete report should be prepared for the Legislature outlining the effectiveness of the Pavilion, along with a summary of the publicity and tourist results obtained.

The concensus of the Commission was that even if the revenue from an admission charge system was adequate, it would be a serious mistake to commercialize the Illinois Pavilion. Mr. Hazlet felt that the real objective of the Pavilion--promoting good will and tourism to Illinois--would be substantially impaired with an admission charge. Mr. Myers explained his feeling that the George A. Fuller Company would simply have to wait for payment rather than introduce an admission charge.

The final decision of the Commission was to approach the George A. Fuller Company to work out the details of an estimated time for payment of the balance due in construction costs. It was agreed that, if necessary, an adjustment in the contractor's fee of \$25,000 was in order, and that, in effect, it would be a form of carrying charge. It was further decided that a meeting should be held with the architects to work out the details of their fee being based on the interim budget rather than on the final construction costs.

EXECUTIVE DIRECTOR'S EXPENSES - Mr. Newman asked the Commission to reconsider the relocation allowance now provided the Executive Director for living expenses in New York. It was pointed out that the original \$1,000 relocation allowance was based on living costs in Illinois and did not take into account New York's high costs further accelerated by the World's Fair. The Executive Director's rented home in the Douglaston area, east of the World's Fair, is \$380 per month. For the six month term of the lease the total rent is \$2,280.

After discussion of the unfortunately high costs and the expenses of other state exhibit directors, Mr. Hazlet moved and Mr. Myers seconded that the relocation allowance be increased by the additional \$1,280 to cover the rental term. Motion passed unanimously.

Mr. Cassin also asked for specific Commission approval to use the \$10 per day incidental allowance without receipts to cover the out-of-pocket costs incurred at the World's Fair in escorting special visitors and covering reciprocal business luncheon meetings. The Commission acknowledged that this authority already existed in previous minutes and it was agreed that Mr. Cassin should use that authority to file for incidental expenses.

ILLINOIS DAY - SEPTEMBER 22, 1964

The subject was discussed whether an organized charter trip for Illinois Day, as was the case on dedication day, should be planned. It was pointed out that a charter trip would make it difficult for those who were planning their vacations before or after Illinois Day or for those who could include the special day with a business trip. Senator Drach indicated that he preferred traveling on his own and felt that there were many who shared that view. Mr. Myers felt that the complications of a charter trip would put the Commission back in the travel business.

Mr. Myers proposed that we notify travel agents in Illinois of Illinois Day at the World's Fair so that they could perhaps stimulate charters from their local area and in that way spread any possible business throughout the state. Mr. Hazlet pointed out that package flights were also an inconvenience to downstate Illinoisans who would have to connect in Chicago with the flight.

After further discussion it was the decision of the Commission that a release be sent through the State announcing Illinois Day and special events on that day and inviting those Illinoisans at the Fair to join in the activities. A special Commission and Advisory Committee luncheon or dinner could be planned, and the possibility of a pay-as-you-go event on the Fairgrounds for all Illinoisans would be explored.

It was noted that the Illinois Historical Society has already begun its planning for a group trip to the Fair on Illinois Day. Society members who participate in that trip will, of course, be included in the special program for Illinois Day. The Executive Director was asked to stay in touch with the Historical Society to work out the joint arrangements.

Mr. Gaiswinkler suggested that a special social activity be planned for the night before Illinois Day for those directly involved with the project.

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It was decided that the same expenses would be allowed Commission members as applied to the dedication trip--transportation costs, plus three days at the normal allowance of \$15 for hotel, \$10 for meals, and \$10 for incidentals for the Commission member himself.

There being no further business, the meeting was adjourned at 5:00 PM.

Respectfully submitted,

James A. Cassin, Executive Director
for
Gene Graves, Secretary