

MBACC Board of Directors Membership Meeting – Media Presentation

1) **MISLEADING: *Chamber dues in 2010 were \$871,761—a decline of 37 percent.***

ACCURATE: MBACC membership revenues have increased, with \$6.3 million in revenue from July 2009 to December 2010 recorded in the most recent financial audit. A change in the chamber’s fiscal year and reporting guidelines required a change in reporting methods, consequently providing The Sun News the opportunity to selectively print information that could easily mislead readers. 84 percent of chamber dues (voluntary member contributions) were ignored.

2) **MISLEADING: *Chamber membership has declined in recent years.***

ACCURATE: MBACC membership reached an all-time high of 2,887 members in 2010—the same year The Sun News published MBACC membership revenues to be in decline. This year, the chamber reached a level of 2,788 members, the second highest membership record in the organization’s 73-year history.

3) **MISLEADING: *Chamber revenues are not sufficient to pay staff salaries and overhead/operating expenses.***

ACCURATE: According to the most recent audit, the MBACC received \$14.4 million in private contributions from July 2009 to December 2010. During the same 18-month period, total personnel expenses, including taxes and benefits, were \$4.9 million. Personnel costs totaled approximately one-third of the chamber’s private funding.

4) **MISLEADING: *The chamber is increasingly “reliant” upon public funding.***

ACCURATE: Public funding is used exclusively for marketing the Myrtle Beach area as a destination. The MBACC is chartered by the IRS as a 501 c6 tax-exempt organization, but also owns a for-profit subsidiary to record taxable income and expenses for activities the IRS may deem outside not-for-profit status. This business practice allows the MBACC to adhere to state/federal reporting guidelines. Additionally, private funding is delineated in the MBACC’s annual audit.

5) **MISLEADING: *The chamber uses public funding inappropriately.***

ACCURATE: Public funding is used to fund destination and tourism promotion. This includes: advertising, publicity, promotion, research and other marketing initiatives. All staff/overhead expenses are paid for with private funding. The MBACC voluntarily submits reports that exceed all state and local standards, including publishing expenses, budgets, research, meeting minutes, committee lists, marketing presentations and other information.

6) **MISLEADING: *The chamber gave \$300,000 of public funds to Coastal Uncorked Wine and Food Festival.***

ACCURATE: The MBACC did not give any public funds to Coastal Uncorked. The festival was invited to participate in a *potential* matching grant arrangement where private funds invested in destination promotion could be increased through a matching grant. Due to CU’s tax-exempt status at the end of 2010, and because related promotional activities reached past traditional not-for-profit activities, the MBACC adhered to its policy of recognizing all revenues associated with CU as ‘Unrelated Business Income’ (UBIT) and acted in accordance with standard financial reporting policies.

7) **MISLEADING: *The chamber misreported information to the City of Myrtle Beach regarding event promotion.***

ACCURATE: As a response to misleading claims, the MBACC voluntarily gave information related to the \$300,000 of promotional investment. An email from the chamber’s CEO to city officials referenced this investment and in doing so was not inaccurate or misleading when read within context. The information provided by the Chamber was intended to prevent future misunderstandings about the promotion of Coastal Uncorked and/or the Chamber’s role.

8) **MISLEADING: *NY-based public relations firm MBooth claims to reach 10 billion consumers, and the use of ad equivalency values as a measure of PR success for the Myrtle Beach area is wrongful or misleading.***

ACCURATE: Neither the MBACC nor its agent implied 10 billion individual consumers were reached through PR efforts. Rather, 10 billion impressions were calculated over five year. Both impressions and advertising equivalency are standard PR measurements, but only two of the many tools used to gauge success year over year when determining a worthy PR investment. Ironically, the critical news outlet also utilizes both of these measurements when selling advertising.

9) **MISLEADING: *The Myrtle Beach Area Chamber of Commerce supplies ‘gifts’ to elected officials expecting special treatment in return.***

ACCURATE: The Myrtle Beach Area Chamber of Commerce does not provide gifts to elected officials in expectation of favor, promises or commitments.