

FUEL 2009 Final Report

Project Overview

FUEL...Colorado's New Energy Festival was designed to showcase new, renewable, and sustainable energy sources in a venue designed to appeal to not only the agricultural and business community but the entire family as well. May Farms, and the May Family Foundation, in collaborative partnerships with the National Renewable Energy Laboratory (NREL), Colorado Department of Agriculture, Governor's Energy Office, and additional TBD corporate sponsors, envisioned producing and hosting the 1st annual Colorado New Energy Festival (FUEL "09"), June 12-14, 2009 at May Farms in Byers Colorado. Designed and developed to showcase Colorado's national leadership role in advancing renewable energy and energy efficiency awareness, FUEL "09" was to provide attendees demonstration projects, "hands on" opportunities, interactive exhibits, workshops, and seminars, in a unique venue designed to showcase the newest energy technologies and innovations. To appeal to the largest possible audience as well as draw visitors who otherwise might not attend FUEL, a wide range of musical entertainment was also planned over the three day event featuring local, regional, and national performing artists. FUEL was to be showcased in May Farms state-of-the-art year round 10,000 square foot event facility located on a working 400 acre Colorado family farm, and was anticipated to be the largest event of its type in Colorado history...drawing an estimated 10,000 visitors.

The goal of the Colorado New Energy Festival (FUEL "09") was to provide one of the largest new energy venues in Colorado history highlighting the states and the regions national leadership role in the development and advancement of renewable energy and energy efficiency. It was also anticipated that FUEL "09" would assist in facilitating widespread implementation of renewable and sustainable energy technologies while also providing the opportunity for this technology to be transferred into not only the urban environment, but also into rural communities and the agricultural industry throughout the region.

ACRE grant funds in the amount of \$25,000, distributed through the Colorado Department of Agriculture were awarded to the May Family Foundation to support Development, Marketing and Promotion, Staffing, and Master Planning of FUEL 2009 and a contract was signed on August 8, 2008 between the May Family Foundation and the State of Colorado.

Festival Summary

Though a detailed analysis of FUEL 2009 follows, it should be noted at this point that FUEL 2009 did not occur as planned and the event was canceled on April 27, 2009. Following is a brief excerpt from the press release issued by May Farms regarding the cancellation.

Gary May, President of May Farms LLC has today announced the cancellation of FUEL 2009, The Colorado New Energy Festival originally scheduled for June 12-14 at May Farms in Byers Colorado. Citing the economic uncertainty and hesitancy of many corporations to expend sponsor dollars on events and activities of any sort as well as lower fuel prices as compared to a year ago, May was quoted as saying:

“Though May Farms remains committed in supporting and encouraging the utilization of Renewable, Sustainable and New Energy resources, and alternatives, the current economic climate has resulted in substantial reductions and/or elimination of many corporate sponsorship and marketing budgets, necessitating the indefinite postponement of “FUEL”. May continued by saying: “While disappointed of course, May Farms remains focused on new energy and will continue working with NREL, the Department of Agriculture, and the Governor’s Energy Office with a goal of eventually making May Farms a demonstration site for new energy and alternative/ renewable energy production”

Though renewable, sustainable and new energy technologies continue to be “top of mind” for many traditional and emerging new energy producers and companies, the “challenge” remains in advancing this technology to the public in a manner that informs and educates in an atmosphere and environment that encourages implementation of these technologies by both the urban and rural consumer. While some companies and individuals are engaged in new energy alternatives, only a fraction of the general population is currently utilizing these technologies. May Farms remains convinced however that the time will come when an event such as FUEL will be widely embraced by both the public and private sectors. As previously noted in the “cancellation press release” multiple factors contributed to the eventual cancellation of FUEL 2009....some of these factors were uncontrollable by May Farms and their FUEL partners, while other factors, in hindsight, could have “perhaps” mitigated some of the factors resulting in cancellation.

Uncontrollable factors:

Democratic Convention 2008

Key to the success of any event is the retention or securing of a major corporate sponsor to promote and assist in funding the event. FUEL 2009 was originally scheduled for the summer of 2008, however the Denver market was inundated with fundraising campaigns and requests to fund the Democratic National Convention (DNC), and it was estimated that more than \$100 million dollars of corporate support and sponsorship traditionally available in the Denver market for sponsorship and community development was utilized in presenting the convention. As a result additional sponsorship dollars of any sort were virtually unavailable from any traditional corporate source for the funding of events such as FUEL. As a result FUEL 2008 was postponed until June 2009 to allow for sponsor dollars to once again become available in the marketplace.

Economic Conditions and Energy Costs 2008-2009

As previously noted, securing major sponsorship dollars is vital to the success of any special event such as FUEL. The unexpected and unanticipated stock market “crash” of September 2008 severely hampered sponsorship success as companies and corporations found themselves struggling for survival in an economic climate unlike anything seen in many decades. Sponsorship of special events was of little if any concern to any company or business, though the concept and idea of FUEL 2009 was very well received by numerous potential sponsors. As a result, though companies such as Excel Energies, Comcast Cable, Toyota, John Deere, Caterpillar, Case I. H., and numerous others expressed more than just a passing interest in the support of FUEL 2009, May Farms was unable to secure a major cash sponsor for the event due to the economic conditions. Compounding this challenge was the sudden decrease in the price of oil, from \$140 per barrel, to less than \$65 per barrel...resulting in gasoline costs plummeting more than \$1.25 per gallon from the previous summer’s \$4.00+ per gallon cost. The general public quickly forgot high energy costs of just a few months before, and with that forgetfulness, quickly “backburnered” any thoughts of new energy alternatives. The shift of energy costs from the “top of mind” of the public, and energy being “top of the fold” for the media also impacted May Farms efforts to promote and sustain interest in FUEL 2009 by the general public, despite extensive promotion of the event through various media including the internet.

Controllable Factors:

In mid 2007, in order to secure sponsors, promote, produce, and execute FUEL, May Farms retained the services of a Denver based special events producer who came highly recommended and had extensive experience in producing successful festivals and events in the Denver metro area including the LoDo Music Festival. Unknown to May Farms at the time of the producer's hiring was his lack of experience in securing sponsorship dollars. Though the producer assured May Farms that he was experienced in selling sponsorships through his network of contacts within the community, it soon became apparent that the producer's talent lay in securing musical talent, and coordinating logistics, and not in "selling the concept of FUEL" to potential sponsors. The lack of success by the producer in securing even a single sponsor resulted in May Farms requesting his resignation and terminating his contract for services in October 2008.

Two longtime friends of Gary May, Rick Bjorkland, and Tom Engels, both professional marketing consultants, were then retained in late October 2008 to bring FUEL "back on track", and overcome what proved to be significant challenges, and lack of progress by the original producer. The search for sponsors and selling of sponsorship began immediately in late Fall 2008, and interest in sponsorship was indicated by a number of companies including Xcel Energy, John Deere, Comcast, Google and BP to name but a few. During this phase, May Farms continued to privately fund the project, promoting sponsorships and increasing awareness about the event through sponsorship package kits, direct mail, the internet, cold calling, direct solicitation, and networking with past partners. May Farms also assumed all liability for additional staffing and consulting fees. It is important to note that during this period, May Farms received continued and encouraging support from NREL... and working in conjunction with May Farms consultant Rick Bjorkland, the NREL IT department created a specific FUEL website which would have cost an estimated \$20,000 if created by a private web site design firm. This web site design was then provided to May Farms at no charge with costs of web site maintenance, upgrades and changes absorbed by May Farms.

Additionally, though the original producer had strongly urged and pursued the hiring of national talent to be showcased at FUEL, the new FUEL "team" scaled back the concept for national talent to feature, new and emerging talent. "Scaling back" on entertainment further allowed the focus of FUEL to return to the original concept of showcasing new and renewable /sustainable energy sources while also resulting in a lower and more attainable budget. Through the balance of 2008 and well into 2009 the new FUEL staff continued to build partners with groups such as The City of Aurora, Colorado Corn Growers Association, MGA Communications, Integer, Redirect Guide, Green Ranch and Home Show and 25x'25 Group, and did in fact receive a \$10,000 grant commitment from the City of Aurora Visitors and Convention Bureau to help promote FUEL 2009. (These funds were not accessed or utilized by May Farms due to the event cancellation.)

Festival Summary “cont”

In summary, though extensive interest was expressed by numerous corporations, companies, and businesses in supporting FUEL, the combination of timing, the economy, and vital lead time and misplaced priorities being “lost” by the original director, resulted in FUEL being unable to secure a lead sponsor early enough in the planning process to assure the financial viability of the event and serve as a recruiting tool for additional sponsors.

Recognizing that in spite of a newly revised and significantly lowered budget, the lack of secured sponsorship funds needed to support FUEL presented too much of a challenge to rely solely on a “gate admission fee” to cover costs, the decision was made by both NREL and May Farms to “step back” from the event in 2009. This decision was made following the announcement by Xcel Energy that despite previously made verbal assurances of major sponsorship dollars being committed to FUEL.....Excel senior management had decided at the last minute to limit first year participation in FUEL to vendor space rental only.

The decision to “step back” however should in no way be construed to suggest that the concept behind FUEL does not offer tremendous potential. May Farms and NREL remain convinced that FUEL is a viable and doable event in the future. All of the presentations made to potential partners regarding FUEL were enthusiastically received, and understood and verbally supported by every audience. No one disagreed with the concept or idea of FUEL. The uncertainty of the economy, the risk often associated with a first year event and the lack of sponsorship funds however appears to have overridden any willingness to participate at this point in time.

It should also be noted that May Farms was not alone in its decision to cancel a special event in 2009. Originally scheduled for the same weekend as FUEL 2009, the Front Range Airport found itself in the unusual position of having to cancel a show by the Navy’s famed “Blue Angels” Team! With an average attendance of more than 40,000 people per show, the Blue Angels are one of the top audience attractions in the country. Despite this reputation, the Front Range Airport was unable to secure a major sponsor for the air show resulting in cancellation of the event.

Recommendations and Next Steps

As previously stated, May Farms remains committed to the concept and eventual production of FUEL. Though the timing of the event could not have come at a worse time and missteps occurred, there are clearly defined next steps that will help assure the success of FUEL in the future.

Next steps will include continued cultivation of relationships established with potential partners for the future. Continued relationship building will only serve to strengthen relationships that began over the past 18-24 months as FUEL was envisioned, planned, discussed, and presented. Companies such as Xcel, John Deere, Toyota, BP, Comcast, and MGA Communications, as well as agencies and organizations such as NREL, Department of Agriculture, 25x'25 Group, Governor's Energy Office, the Denver Mayor's Office, Aurora Chamber of Commerce, Colorado Corn Growers Association, Integer, Redirect Guide, Green Ranch and Home Show have all expressed interest in continuing the dialogue that began with the discussion of FUEL.

Cultivation and a continued strengthening of these relationships will include ongoing face to face meetings, phone calls and e-mails to facilitate how May Farms can continue to work with and promote each company's and/or agencies products, and services while also furthering the cause of new and renewable energy sources throughout the region.

Additional next steps also entail a winter or spring luncheon to be held at May Farms to explore how FUEL can become a reality in the next 24 months and what can be done to secure a major cash sponsor and stakeholder in the event to take "ownership" and serve as a recruiting "vehicle" for additional sponsors. Also to be discussed will be sponsorships amounts (levels) and challenges to be overcome in reaching and attracting vendors wishing to exhibit at May Farms.

Finally and perhaps most important to the future success of FUEL will be the next steps taken in making May Farms a permanent demonstration facility for new, renewable and sustainable energy practices and technologies. Currently under consideration are solar panels, a wind turbine generator, and geothermal heating and cooling technologies. May Farms will continue to work with the National Renewable Energy Laboratory, Colorado Department of Agriculture, 25x'25 Group, and numerous other public and private entities in bringing "new energy" to May Farms on a permanent basis.

Notable Successes and/or Accomplishments

Perhaps the most notable successes of FUEL 2009 were the outstanding professional and business relationships established with numerous public and private entities, businesses, corporations and agencies in promoting and supporting the event. The fact that May Farms was able to secure FUEL funding through the ACRE program (\$25,000), and Aurora Chamber of Commerce (\$10,000), as well as secure strong partnerships with NREL, the Colorado Department of Agriculture, and the Governor's Energy Office indicates a willingness and base of support that will be the foundation for a successful event in the future. The lessons learned from the experiences of the past two years will serve as invaluable guideposts in the future. New, renewable, and sustainable energy alternatives may have slipped, for the time being, from the general public's "top of mind" focus however, New Energy is a subject that will once again find itself at the forefront of our society in the not too distant future. May Farms will, as a fully functional demonstration farm for new energy technologies, then be poised to present FUEL once again to the public in a venue and setting that will be enjoyed by all.