What To Do With The Dome

The Cajundome is, no doubt, a very nice place. It cost lots of money, about $63 million, but it looks really cool. Promoters and producers of big shows love to use it; they’ve written letters saying so. It loses money, but not as much as it used to.

There’s only one real problem with the Cajundome. It’s just not good enough.

That’s why, even though Lafayette has a state-of-the-art arena (Cajundome) and another state-of-the-art performing arts center (Heymann), a number of community leaders say an exhibition hall is needed on top of that. Over the years, the Dome has come to be used more often for events it wasn’t designed for, like arts and craft shows. And it has become clear that the Dome, in all its glory, doesn’t work well for the large conventions that planners had hoped to attract.

That the Dome went eight months without a permanent manager didn’t help. Nor has a national decline in the concert business. There are more arenas out there today than when the Cajundome was conceived, but fewer of the big concerts for which the Dome is a near-perfect venue.

And so after several years of operation, the Cajundome still seeks its niche. Progress in that direction proceeds on two tracks: planning the future of the Dome itself, which, unfortunately, means spending more money on it, and planning for the future exhibition hall/convention center.

The Cajundome opened amid controversy over its cost and unfinished state. Greg Davis, who had been with the Dome throughout most of its history and recently was appointed its manager, thinks both its best and its worst events occurred early on.

The best, in Davis’ opinion, was the first Disney on Ice show. “We sold over 50,000 tickets,” he says. The ice show, which took place over several days, generated excitement about the possibilities of the Dome.

The worst was a rhythm ‘n’ blues show involving several acts in 1987. The show was at 8 p.m., and at 7:45 the Dome got a call from the featured act, Dougie Fresh.

“Only problem was, he was calling us from Atlanta,” Davis recalls. Fresh had missed a flight, then tried to charter a plane without success.

Concert-goers, meanwhile, were lined up at the doors. The Dome staff had to go outside and face the unhappy crowd and offer refunds to those who weren’t satisfied with the performances who also were scheduled.

Since those early years, the number of concerts and family-oriented performances has declined dramatically. The first year, the Dome scheduled 26 concerts. Last fiscal year, there were eight. Family shows, such as circuses, ice shows and fairs, peaked at 31 in 1989. Last year, there were 16.

Trade shows, on the other hand, have doubled, and arts and craft shows are largely responsible; there were none in 1986 but 15 last year. Meetings, banquets, etc., totaled 30 the first year, 63 in 1989 and 66 last year.

What these figures show is an increase in so-called “flat shows,” which don’t need the arena seating inside the Dome, but a decrease in the types of shows for which the Dome was built.

“We have about triple the flat business from our first year,” says Davis. “That does not generate nearly the amount of money that a concert, a sports event or a family show does.”

The flat shows do make money. And, once held at the Dome, most want to return year after year. “It’s been very difficult to turn people away,” Davis says.

Their reliability is a plus, but Davis says the flat shows also tie up prime concert dates on Fridays and Saturdays. The peak season for touring shows is October through May. For part of that time, the Dome is also tied up with USL basketball games, and during Mardi Gras season, a number of Mardi Gras events are held at the Dome. Large conventions try to schedule years in advance.

Concert promoters, on the other hand, schedule anywhere from 30 days to six months in advance. So not only is the concert business depressed, but the Dome has been forced to pass on big names like Rod Stewart and Aerosmith.

Recent case in point: Beavers Productions called the Dome to try to schedule Rod Stewart on three weeks notice, according to longtime Cajundome Commission chairman William Rucks. The concert would have sold out, but the time period was during Mardi Gras and events were already scheduled.

Without the Dome, Davis contends, big-name acts would not even have considered playing Lafayette. “You have to ask yourselves, ‘Would Rod Stewart have gone to the Blackham Coliseum?’ ”

Still, the loss of what Rucks says would have been a $50,000 show hurt.

Rucks says the standard event contract gives the Dome the right to bump a show for a bigger event, but that option has not been exercised. Still, booking policies need to be addressed, says Rucks, Davis and USL president Dr. Ray Authement.

Besides blocking bigger shows, what’s wrong with having craft shows, trade shows and conventions at the Cajundome? Plenty.

At one recent regional convention, trade-show exhibits spilled into the hallways. With about 40,000 square feet of unobstructed space available, the craft shows need more room, says Davis.

There is not enough meeting space for the kind of large conventions cities covet for the money they bring in to the community. Basically, you can build have and show or a big meeting, but not both. In the largest ballroom, the Dome can seat 800 people, so as soon as you try to fill them, you reduce the capacity.

On top of that, the Dome isn’t located near the major hotels, there is no shuttle service, and air service is limited.

Everyone knew all about these problems when the Dome was built, and an exhibit hall was part of the original plans. There’s even a place for one—the green space outside the Dome where the air conditioning is located.

BY JANE NICHOLS
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The Marketing Mix
at the Dome

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Putting the merits of an exhibit hall/convention center aside for the moment, the most recent issue, aside from the manager vacancy, has been whether or not to go to private management. The Cajundome is owned by USL and run by the Cajundome Commission, which has representatives from city government and the university as well as others.

The city of Lafayette, under an inter-governmental agreement, commits to providing up to $500,000 annually. Cajundome critics call it the deficit; Cajundome allies call it a subsidy. Either way, the Dome lost about $600,000 in its first year of operation, but in recent years the city has had to put up an average of $250,000.

The Cajundome has endured various forms of management over the years. At various times it has been run by a private company, by a private company operating it and a city employee managing it, and once by former city CAO Glenn Weber, who ran it between managers.

With Mike Noah, the Dome achieved some stability, and Davis credits Noah with building the Dome's reputation nationally. But Noah himself suggested going to private management, and then he resigned. At that point, the commission called for a management feasibility study by MBA students at USL under the direction of Professor C. William Roe. (See accompanying story.)

Six months later, the students came back and recommended privatization. Among the reasons: A private management company could be more flexible, risk some of its own money to promote events, control costs and work with other facilities as a group market in luring events.

Two months after that, the Cajundome Commission hired Davis. Davis, who had been assistant manager, was serving as interim manager. It was not the first time he had held the interim

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post over the years. The delay, meanwhile, was affecting the Dome’s ability to schedule events because promoters were uncertain who would be in charge.

Rucks says Davis has had offers from other facilities in the past and has turned them down. Also, as the commission approached a decision, it was blitzed with letters from promoters who had worked with the Cajundome, all supporting Davis. “We felt like we had the best that you could find right here,” says Rucks.

That decision does not trouble Professor Roe, whose class has now been put to work on a long-range marketing plan for the Dome. Because of the delay, he says, it was more important to hire a permanent director than to decide for or against private management. Even if the commission did decide in favor of privatization, it would still have to find a firm that would meet its goals, which is a long process, Roe says. “I think that’s still a possibility sometime down the road.”

But Cajundome officials think they have found a way to have their cake and eat it, too. They now plan to put some money at risk to aggressively seek out events, without changing the structure of how the Dome is run. The source? The city subsidy.

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“I think there needs to be some funding for event creation,” says Davis. About six years ago, the Cajundome put up $38,000 to help lure what would become the Cajun Heartland State Fair. The first year, says Davis, the Dome got its $38,000 back and a net profit of $35,000 on top of that. Last year, the net profit was $135,000. “That’s a classic example of what I mean.” It is also the only time the Cajundome has taken that kind of risk.

The issue comes down to a question of priority: cutting back the subsidy or going out and getting events. Other successful facilities engage in co-promotions and the like, such as the Mississippi Gulf Coast Coliseum, the Baton Rouge Centroplex, the facility in Tallahassee, Fla., and several...
al facilities in Texas. "It's risky, but that's what business is all about," says Davis.

Not that the commission intends to take much of a risk. Davis will seek co-sponsors in the private sector and limit the gamble to solid moneymaking events.

"We're going to be extremely careful about what kind of promotion we're going to get into," says Rucks. If successful, the Dome will get the money back in revenue from events. If the "seed money" concept doesn't work, the deficit/subsidy may go up by as much as $100,000, the amount of money committed to the venture. Rucks and Authement say city officials have been informed of that possibility.

"The city will benefit. They'll get back way more than the money they put out," says Rucks.

Authement says that in his opinion, putting money aside to seek out events means privatization is no longer necessary. He sees the Cajundome as a great place for basketball tournaments, both college and high school. The high school Sweet Sixteen in Alexandria has expressed interest in moving to Lafayette, Authement says.

The USL president recently attended the Sun Belt Tournament at Western Kentucky University in Bowling Green, Ky., and calls it "a tremendous success." But considerable money was committed to lure it to Bowling Green. He wants to bring the tournament to Lafayette.
That's the short-term strategy for increasing usage of the Cajundome for events that make more money. The long-term strategy involves the exhibition hall. Many of these same issues were explored in depth in a 1986 Times story titled, "Is the Dome Alone Enough?" At that time, then Cajundome director Mike Barber said an exhibition hall would need to be built. But Gerald Breaux, director of the Lafayette Convention and Visitors Bureau, wasn't convinced. He questioned whether there were that many large conventions out there to be brought in, and he wasn't sure whether the presence or absence of an exhibition hall would make that much difference. Obviously, the economy was also much worse at that time.

Today, Breaux says everyone has a better idea of what works at the Cajundome and what doesn’t. "At that time, we really didn't know what the utilization of the building would be," Breaux says. "That was supposed to be the cure-all for all our needs at the time."

Breaux is part of a committee appointed by the commission to study the exhibition hall. He's working on financing with state Rep. Jerry LeBlanc, who last year succeeded in passing legislation putting 1 cent of the hotel/motel room tax to capital improvements at Vermilionville, Acadian Village and eventually the Cajundome. The money amounts to $230,000 a year, and LeBlanc says he's looking at the potential bonding capacity of that revenue. He's also considering going for 2 cents in the upcoming session.

"An exhibition hall is the logical next step," says Breaux. Aside from the logistical problems, the availability of the Dome is limited because of basketball and other commitments. There's a philosophical conflict, he says. "Is the facility built for community use or is it built for economic things, bringing in trade shows, conventions?"

Jason Areng of the Lafayette Hilton and Towers chairs the tourism committee of the Chamber of Commerce and a subcommittee Authement asked him to put together on the convention center. His group is more concerned about the design and size than the location, although he...
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presumes the location will be somewhere near the Cajundome. The subcommittee is gathering information on similar facilities from Mobile, Ala., to Austin, Texas, as well as on groups who have chosen Lafayette for conventions and groups who have not.

"I think Lafayette is poised to be a regional hub for not just state meetings but regular meetings," Areng says. But the Dome is just not versatile enough, he says.

Breaux says the location decision has yet to be made. "There are options other than building a new building." One possibility is an addition to the Heymann Performing Arts Center, Breaux suggests. The tax money won't be available for 19 months, so there is plenty of time to think everything through, he says.

Authement, however, has a location on his mind. The university president envisions a convention center/exhibition hall either adjacent to or across Congress Street from the Cajundome. More than that, he envisions a hotel attached to the center. The layout of USL's research park on Cajundome Boulevard includes space for a hotel. Not only would a new hotel expand Lafayette's convention facilities, it would allow USL to expand its hotel management and hospitality program, Authement says.

Authement says some major hotel chains have approached him about such a project in years past. More recently, two local architects have contacted him to say that hotel developers are interested. Authement says the architects did not name the hotels involved.

Areng, however, questions whether Lafayette is ready to support another major hotel. Lafayette's overall hotel/motel occupancy rate averages in the mid 60s, Areng says, and he thinks it will have to rise to mid 70s or 80s before developers would consider a new hotel. But if a convention center brings in new business and the economy continues to improve, the city might be able to support a hotel by the time the center is actually built, he says.

In the past, Lafayette has tended to spend money first on a project and ask later whether it fits the needs of the community. Planning for the convention center, so far, seems to be a bit more restrained. On the other hand, the project has moved well down the track without, as yet, much public debate.

Even if a well-planned, brilliantly designed convention facility emerges from the process, chances are it still won't meet every need. Just look at the history of the Cajundome.

"There's no perfect building," says Rucks.