

Anniversary

Festiva Hospitality Group Celebrates 10th Anniversary

From a Vision to Reality

Just over 10 years ago, Don Clayton and Butch Patrick had little more than a vision for a vacation ownership company that would provide a lifetime of quality vacations to its owners and members, as well as opportunities for growth and rewards for employees.

This year, Clayton and Patrick are celebrating the 10-year anniversary of the realization of that vision. Festiva Hospitality Group currently offers a network of 27 resorts and five sailing destinations, with 1,000 employees and more than 60,000 owners and members.



Herbert H. "Butch" Patrick, Jr., President, and Donald K. Clayton, Chief Executive Officer, Festiva Resorts

"In those early days it was difficult and risky, and there were many times when Butch and I didn't know whether we would be able to survive as a company," said Clayton. "In retrospect, those truly

were some of the greatest days of my life. I remember the day we received our first funding from Tom Hamel for our first building. Butch and I took off for lunch and ate and drank an entire bottle of wine....It was exciting, it was electric; it was a really big deal for us."

One key element in Clayton and Patrick's philosophy that has been passed down to all employees is that of constant and consistent improvement. Rather than building properties from the ground up, Festiva's trend is to purchase resorts that may have fallen on hard times and then to improve them through renovations, new amenities, and above all, service. Festiva's resort managers and owner services team use feedback from members and guests to improve available products and services, as well as the overall vacation experience.

Tracking Growth

In 2000, Ellington at Wachesaw Plantation East in Murrells Inlet, S.C., became Festiva Hospitality Group's flagship resort, with 500 owners. Today, Ellington's newest accommodations are complete with the highest quality amenities and views of the award-winning golf course from each unit. A second outdoor pool and an indoor pool have been added. Phase 1 accommodations have been renovated within the last three years.

The number of resorts and members climbed steadily after the first year, with the number of members doubling between 2004 and 2005. In 2006, the company launched the Festiva Adventure Club, a points-based vacation ownership club, at a preview center in Nassau, Bahamas. The sale of deeded weeks was gradually phased out to make the Festiva Adventure Club the main product of Festiva Hospitality Group. At the end of 2006, there were nine resorts and three sailing destinations in the Festiva family.

In 2007, Festiva announced the acquisition of most of the Peppertree/Equivest assets—including unsold inventory, development rights, and management contracts at certain resorts—along with the Peppertree Vacation & Travel Club (formerly Equivest Vacation & Travel Club). This acquisition increased Festiva's affiliated properties to 24 and more than doubled its number of owners and members to more than 55,000 by the end of the year.

Unique Properties, Fabulous Destinations

Through Festiva Management Group LLC, Festiva currently manages and operates properties throughout the Midwest, Northeast, Southeast, and Caribbean regions, and no two are alike. All of Festiva's resorts are well-appointed, but each is unique and meets a variety of travelers' tastes. With boutique properties in historic cities, family-friendly seaside resorts, escapes for outdoor lovers, and romantic retreats for two, Festiva Adventure Club members can choose a different vacation adventure each year or return to their favorite destination again.

Festiva Hospitality Group also operates Festiva Sailing Vacations, which offers seven-night, all-inclusive sailing charters on 44-ft. luxury catamaran yachts. There are currently five sailing itineraries in the British Virgin Islands, St. Maarten, the Abacos of the Bahamas, Cancun and the Yucatan Peninsula, and St. John and the U.S. Virgin Islands. The Festiva Cruise Club is a division of Festiva Sailing Vacations that allows members to use a yacht vacation, trade to a Festiva property, or swap through Interval International.



Festiva Sailing Vacations takes guests to some destinations via private yachts, with a customized itinerary, gourmet cuisine, and experienced hosts.

Join the Club

The Festiva Adventure Club offers more flexibility and variety for vacations. Members have access to all resorts and cruise destinations within the Festiva family and can also exchange to any one of thousands of Interval's resorts worldwide. Based on their points, members have the opportunity to stay in any available accommodation size or time of year, plus take advantage of various stay lengths and multiple vacations in one year.

At the end of 2009, the Festiva Adventure Club launched a Loyalty Program for select members, which offers even more services, amenities, and flexibility to both new and existing members that have purchased a certain number of points.

"We know that many of our members are feeling the effects of the troubled economy," said Clayton. "We have launched this new program because we care about our members and are committed to providing superior products and service. We hope the new benefits will enhance the vacation experience, so our members can enjoy time away from

everyday worries to create memories with their families."

Giving Back

While Festiva's executives and employees spend most of their time focusing on sales and marketing efforts, providing quality customer service to members and guests and maintaining and improving their resorts, the company looks for ways to help others by donating time, money, or services to the community—whether on the corporate, specific resort, or individual employee level.

Festiva Hospitality Group's Charitable Fund was formed in 2006 to contribute to any cause that benefits the local communities where employees live and work and to contribute to disaster relief for events of great global impact. The main focus is to promote education among youth and eliminate poverty in local communities.

Looking Forward

For many industries, businesses, and individuals, 2009 was a tough year economically, and Festiva Hospitality

Group was not immune to these same challenges. However, Clayton and Patrick's vision from 10 years ago is very much a reality today. Festiva Hospitality Group sent an estimated 94,000 people on vacation in 2009, with an approximate 90% satisfactory rate overall based on guest surveys from Unifocus, Interval International, and RCI.

"We're very excited about our position entering the year 2010," said Clayton. "The past year has made us stronger in many ways, as a company and as individuals. We have plans for continuous improvements and several positive changes that will benefit our members, employees, and the company as a whole, as we celebrate our anniversary throughout the year."

For Clayton and Patrick, creating a positive and energetic environment is as important today as celebrating with a bottle of wine after their first sale.

"I still believe in the importance of celebrating accomplishments, whether it is the completion of a new building or seeing one of our employees grow in a key way," said Clayton. "I'm sure that the next 10 years are going to be the best 10. I hope that when I look back, I will see these as the greatest days of my life." ■