

Business of Year Application
Appendix for The Inn at Westwynd Farm

Mission

Providing guests with a bed and breakfast experience beyond their expectations in an atmosphere of comfort and tranquility.

Providing employees with a satisfying team environment that recognizes their unique and individual contributions to the success of the enterprise.

1 - Differentiation

Our total commitment to excellence in everything we do from room and common area design, gracious service, food, linens to amenities set us apart. We truly welcome visitors as guests to our home.

Our effective use of internet marketing has also been a critical factor in our success. Over the past 14 months, we have worked closely with Whitestone Marketing, a specialist in the marketing of boutique lodging to create a new web site design and also maximize our presence on the internet. Our site was recently selected as one of three finalists in the Central Pennsylvania Business Journal's Web Site of the Year competition.

Attention is given to every point of guest interaction. Our reservation, deposit and cancellation policies are also substantially different and less onerous than the standard for the bed and breakfast industry. Our phones are always answered by a live person. Our goal is to make our guests and potential guests feel welcomed and valued on every contact with us.

However, it is our results that document our achievements:

<u>Year</u>	<u>Revenue</u>	<u>%Change</u>	<u>Room Nights</u>	<u>%Change</u>	<u>Occupancy</u>
	(net of sales taxes)				
2003	\$88,663.75		1000		45.6%
2004	\$120,108.06	35%	1321	32%	56%

2005	\$150,348.45	25%	1421	7.5%	60%
2006	\$199,635.63	32%	1626	14%	74.2%
2007	\$206,560.05	3%	1613	(.07%)	73.6%
2008*	\$301,849.36	46%	2067	28%	69.2%
2009	\$362,770.86	20%	2398	16%	63%

(as of 7/27)

*A major construction project adding 4 guest rooms was completed 6-15-08

The Professional Association of Innkeepers International (PAII) the leading national trade association for bed and breakfasts, recently released biennial survey of bed and breakfasts reports occupancy nationally averages 43.8%. These percentages have remained fairly constant over the past 10 years.

Our 40% rate of repeat business is also impressive compared to industry norms.

More importantly, over 80 unsolicited guests reviews on both Trip Advisor (www.tripadvisor.com) and Bed andBreakfast.com (www.bedandbreakfast.com) support that we have achieved the our goal of exceeding expectations

2- Major Challenges

After a successful career as Vice President/Director of Marketing for the Central Pennsylvania Region of Mellon Bank, retirement provided the opportunity to take a long held dream to reality

The unique location and setting of our home on a beautiful 30 acre horse farm just 3 miles from Hershey Park and minutes from major routes of travel provided an environment few other bed and breakfasts could offer. A thorough market assessment strongly supported that the business we envisioned could be successful.

However, achieving the end result was not without hurdles.

The process required creation and a month's long approval of a new township ordinance. We did much of the research, documentation and actual drafting of the ordinance.

Development of the inn also required major remodeling and renovation of our home. With the wonderful insight and professional guidance of architect James Crum, a design that met our objectives for guest comfort and also effective operation was laid out.

Our time spent in structuring a solid business plan served us well in securing financing. First National Bank (then Legacy) made the process easy and straight forward.

We received our go ahead approval phone call from them on Sept.11, 2001 as we were watching the towers collapse. It took us very little time to decide we would move ahead, believing our fundamental plan was sound and that the terrorists only succeed when they create paralyzing fear. From that moment forward, our major challenges have been managing our extraordinary growth while maintaining our commitment to excellence.

In 2006 and 2007, our experience indicated the market would support a further addition to the inn especially of high end rooms. We once again put together a business plan and relied on the professionals we trusted (Chris Healy of First National and architect, James Crum to provide the financing and design).

The township approval process was protracted, significantly delaying the start of construction. However, with the extraordinary skill and cooperation, of our contractor Dean Brewer of Brewer Construction, we were able to meet our deadlines. The project was also managed so that the Inn could run at usual occupancy levels throughout construction period. Guests were welcomed to an expanded inn in mid-June 2008. The new addition features 4 luxury suites with fireplaces and Jacuzzis, a large new dining room, carriage house and additional patios and gardens.

In the last quarter of 2007, just as these plans were commencing, we saw our first slight down turn in activity and the initial indications of the looming recession. Rather than retrench, we felt it was important to make the marketing investments that would enable us to grow through the possible difficult market ahead. Our analysis and subsequent research led us to our relationship with Whitestone Marketing. We worked with them to totally redesign our website and also optimize every facet of our internet marketing. Our success is evident in the numbers provided in other areas of this entry. The site was recently selected as finalist in the Central Pennsylvania Web Site of the Year competition.

3 - Strategies for Revenue Growth

Our Strategy for revenue growth has been three pronged.

The primary thrust has been a focus on creating a guest experience beyond their expectations. We are always striving to provide the unexpected amenity or courtesy. In addition to breakfast, afternoon refreshments are served each day and a guest refrigerator is kept stocked with complimentary

beverages. Special diets can accommodate on very short notice. The room amenities from soap to bathrobes and linens etc. are of the highest quality. For us, it is all about the experience we have created for the guest.

Time is spent with each guest to assure their questions about attractions, directions and activities are answered. We offer an array of packages to easily add memorable moments to any stay at the inn. Our repeat business averages close to 40% and has provided a stable platform for our growth. Anecdotally, we believe our word of mouth activity is driving unusually high referral numbers

Attention to effective pricing and related guest policies has also been a significant factor in our success. We assess rates for all accommodations in the Hershey area including hotels and bed and breakfasts. Our goal is offer significant value compared to the higher end lodging choices. It is also customary for bed and breakfasts to require deposits and have extended cancellation policies. We do neither believing that they create a barrier in the purchase decision. We choose instead to match the flexibility of most hotels.

Management of our internet presence has been the most critical tool. From photography and site design to search engine optimization, choice of bed and breakfast directories, utilization of advertising opportunities through Google, Yahoo, and now Facebook, every opportunity has been evaluated and maximized to drive traffic to the site as well build our reservation stream. As mentioned above, the site was recently selected as a finalist for Web Site of the Year.

4 - Commitment and Focus of the company to its employees and techniques to ensure growth for employees.

We fully utilize a Team concept, believing that **T**ogether **E**veryone **A**chieves **M**ore. We encourage each individual to have input and the freedom to suggest improvements while keeping the focus on the total guest experience. We have set our wage program to recognize and compensate the unique and individual contributions of every person.

With the exception of one owner, our staff is entirely part time. We have a number of members who job share and others who appreciate our flexible approach to scheduling and our understanding of family demands and commitments. We are pleased with the diversity of group, which includes three women in their late sixties and early seventies, a young man from Portugal and a recent immigrant from Georgia (formerly part of USSR).

As their interests and abilities, allow employees are cross trained in all aspects of inn keeping providing the opportunity for both job enrichment and long term growth.

5 - Current/Recent involvement in civic and non-profit groups

The importance of giving back to the community in meaningful ways has always been a corner stone of our values.

On the second weekend of January for the past 4 years, we have donated the entire inn to Hospice of Central Pennsylvania and provided a special get away for one of their grief groups. It gives us the greatest pleasure to see these people leave the inn refreshed and uplifted. Their sorrow eased just a bit.

We have also provided get away weekend packages to the YWCA, Gaudenzia and the Harrisburg Symphony among others. In addition, we have hosted teas and other special events as a donation to the Harrisburg Symphony, YWCA, Hershey Community Chorus and others. The grounds of our farm are frequently used as a training facility for Manada Creek Pony Club, a youth riding organization, at no cost to them.

We are members of the Professional Association of Innkeepers International and were selected to serve on the Committee of 100, an advisory council of the organization. We are also members of the Pennsylvania Travel and Lodging Association, Capitol Area Chamber of Commerce, Hershey Partnership, Hershey Harrisburg Visitors Bureau and the Pennsylvania Dutch CVB.

References:

Banker: Christopher Healy, First National Bank, 717-540-3382, healy@fnb-corp.com

Accountant: Scott Sniegocki, Sniegocki and Associates, 717-838-2682, scott@sniegockipc.com

Marketing: Scott Crumpton, Whitestone Marketing, 800-841-5448, scott@whitestonemarketing.com