



WeatherBill Case Study:

PGA Championship: Greater Hickory Classic at Rock Barn

COMPANY OVERVIEW

The Greater Hickory Classic at Rock Barn (GreaterHickoryClassic.com) is the only PGA Champions Tour event in western North Carolina and attracts thousands of spectators and important high profile sponsors. Since the tournament began in 2003 it has brought highly competitive championship golf and over half a million dollars for charity to the Greater Hickory Metro area.

CHALLENGE

Untimely rain can ruin a once-a-year event

The Greater Hickory Classic has experienced challenging weather in recent years. Late summer through early fall is especially unpredictable in Western North Carolina. "It can be 90 degrees and blistering hot or 40 and rainy," says Pete Fisch, the Tournament Manager for the Greater Hickory Classic at Rock Barn.

In 2004 the tournament was held from August 16th to the 22nd. That year the tournament's challenge was heat. "The spectators still came but they didn't drink as much and they didn't stay as long. Everyone was just drained," says Fisch.

In 2005 the tournament was held October 3rd through the 9th. That week a hurricane formed off the coast of North Carolina and sent bands of tropical rain to the tournament. Fisch remembers what happened with the weather that week down to the hour. "The weather was beautiful on Tuesday. On Wednesday at nine [am] it started raining and it did not stop until Saturday morning. We got six to seven inches of rain in four days. The Pro Am was not completed on Thursday. On Friday play was pushed to Saturday. On Saturday morning when people woke-up to rain they changed their plans to come out. We lost our fan base."

"Spectators and sponsors make this event possible," explains Fisch. "We spend almost 12 months getting ready for this and a few days of rain can ruin all that work. We had not been exposed to that before. All that we worked on was gone. Revenue was down and costs were up. We learned a big lesson to be aware of our weather risk."

In 2006 the tournament took place under blue skies. But as the 2007 tournament neared Fisch started thinking about weather protection. He knew there was a high risk the weather wouldn't be perfect two years in a row. The odds were against him. "We hadn't had rain during tournament week since 2005, but the law of averages said we were taking a gamble," explains Fisch. "We had always talked about rain insurance. We had just never found anything that fit our needs. The 'take it or leave it' aspect of insurance didn't work for us. We need protection for a day when no one is eating, parking or buying tickets and merchandise."

*On reverse:
WeatherBill creates customized
tournament rain coverage*

SOLUTION

Customized weather coverage protected key days

WeatherBill provided a 20 year comparison of historical weather during the September 10th through 16th tournament dates to help Fisch choose the best value for his budget. "After looking over the historical data we asked 'what's our budget and what do we get for our budget?' Finally we decided to get paid for any accumulation after the first ¾ inch of rain that fell during the tournament. At that measurement we knew there would be some sort of impact on our revenue."

On September 14th, 2007, it rained three inches at Rock Barn. The first round of the tournament was rained out. What could have been a financial disaster was prevented by smart risk management. The tournament was safe guarded from the bad weather with customized protection for this exact scenario. "We were inside the office joking that the rain didn't sound like rain. It sounded like 'ca-ching!'" said Fisch.

When asked if the Greater Hickory Classic would consider WeatherBill in 2008, Fisch replies "we certainly will. We have a one week event with three key days. Behind that week is 12 months of planning. There are lots of resources and energy that go into making the tournament the best it can be. Weather risk management is now part of our event planning. This is something we need to do."

RESULT

Balanced budget, successful event

Pete Fisch says, "WeatherBill helps the tournament maintain its budget despite inclement weather." Unlike insurance, WeatherBill's coverage is completely flexible, allowing tournament organizers to choose the exact level of weather that hurts their revenue, the days they need protection and how much they want to get paid. By tailoring a contract to meet those specific needs the organizers get the most protection for their budget.

"Insurance has been available to us, but the ease and flexibility of WeatherBill works for golf tournaments," says Fisch. "For example, one day of rain doesn't blow the tournament. More than that and we cannot handle it. Insurance contracts don't take that into consideration. With insurance we felt like we were gambling. There will be skeptics and WeatherBill may not work for everyone, but it is something people should take a look at if they are concerned about weather. Each market or business has a different challenge. This is one way to get paid for something that challenges your business."

About WeatherBill, Inc.

WeatherBill launched in January, 2007, created by former Googlers. It is the first online service to help individual businesses, large or small, protect revenue and control costs from bad weather. WeatherBill provides affordable weather protection customers can design and purchase in minutes. There is no underwriting, claims process, or proof of loss. Everything is completely automated. Funds are held in trust for immediate availability, backed by two of the world's largest private equity firms and a leading \$2 billion catastrophe reinsurance and weather risk fund manager.

WeatherBill's flexible coverage can protect a year, season, weekend or a day from rain, drought, heat, cold or snow.

Visit www.weatherbill.com or call 888.924.7475.

