

**Resort Profile**

## R & B DEVELOPMENT SELLS OUT TWO RESORTS IN THREE YEARS

When William “Billy” Curran got into the timeshare business in June of 1977, he didn’t have his eyes set on developing resorts. Rather, his varied experiences across the country and over the years have included project management and on-site and off-premises contact (OPC) sales.

Curran returned to his home state of Massachusetts in 1986, and in 1988 he formed Curran Management Services (CMS), which in 2000 provided 90,000 drive-to day tours to resorts in New England and down the East Coast.

Because Curran was “tired of dealing with the negative attitudes in our great industry,” he and Robert Reposa created R & B Development in 1997, with Curran as president and Reposa, a 12-year timeshare veteran, as vice

president. The firm developed two properties along the Cape Cod coast in Falmouth, Massachusetts: Surfside Resort and Captain’s Quarters at Surfside.

“I actually backed into the developing side of the business,” Curran explains. “It wasn’t what I really wanted to do. I didn’t like the way developers were dealing with their sales staff. I felt it was a tail-wagging-the-dog scenario – salespeople were dictating how to run the business. They were prejudging people and not qualifying customers. I saw all this happening and I didn’t care for it.” So, Curran decided to prove he could develop a successful timeshare resort by focusing on customer service to the owners and without disqualifying potential customers.

R & B bought a motel property in May of 1997, and the next month began Surfside’s conversion and sales. They sold out 57 units within 24 months, and then began sales on Captain’s Quarters, a second motel property they had purchased less than a mile down the road. Because Captain’s Quarters required a more comprehensive conversion, the site was a hardhat

*Text and photos  
by Matthew McDaniel, Contributing Editor*

construction area. So, they conducted sales from Surfside. “We never had a Captain’s Quarters model – we showed them the Surfside model,” says Curran. “We did construction in the winters, and we were selling so fast we couldn’t get it built fast enough.”

Both of R & B’s motel conversions were impressive, but “Captain’s Quarters was even more dramatic than Surfside,” boasts



*The exterior of Captain’s Quarters. The outdoor pool can be seen on the left.*

Curran. “There was just a concrete-block building. We spent \$3 million on 33 units, not including the purchase price.” Current amenities include fireplaces and whirlpool baths in every unit.



*An ocean view from an exterior stairwell at Captain’s Quarters. Across the street is a public beach; Martha’s Vineyard is in the distance at left.*



*A courtyard with a swimming pool connects the two buildings at Surfside.*

Sales went briskly at the second property as well. "We sold out both of the properties in less than three years," notes Curran. "We sold out so much more quickly than what we expected – we expected it to take at least five years." Curran notes, however, that with CMS (his management entity) controlling the tours, R & B had much greater control of its own destiny.

### **CMS Poised To Grow**

Curran expects CMS to sell about 125,000 day tours this year. "CMS could be the largest independent marketing company in the country when we achieve those numbers at the end of the 2001 calendar year," he says.

"We'll probably be the biggest marketing and sales entity in New England for the next five years. I don't intend to leave New England to get into sales. We'll still do the majority of our sales here, but we market all over the country. By going across time zones, I get more productivity out of my marketing employees."

The main office of CMS is in Centerville, Massachusetts. Other marketing offices are in Braintree and Plymouth, Massachusetts; Concord and Gilford, New Hampshire; and Johnson City, Tennessee.

"In Tennessee, we have the ability to hire large numbers of people. We've expanded our Johnson City office to 206 seats," says Curran. "The area is very telemarketing-friendly. We can staff a 200-seat room there, but we can't here [in Massachusetts]."

Curran is pleased with how well the telemarketing offices are performing. "We've created some pretty good efficiencies," he says. "Our show rates run 23 to 24 percent."

### **'A No-Brainer'**

Curran became familiar with Interval International because CMS has long provided tours for many New England resorts. "Ninety percent of my clients are Interval-affiliated developers," he explains.

"I think Interval's philosophy is very much like mine: They're very concerned about customer service and how long it takes to answer a phone call. The way they talk to our customers, the way they deal with our staff, there's a mutual respect."

"When an owner pays us \$15,000 for a timeshare, the only thing we can do for him is make sure his unit is the way it's supposed to be and give him good service when he's on a vacation – whether he's here or at another Interval resort," says Curran. "I believe Interval is doing a great job at taking care of our owners – and getting better all the time."

Curran adds that another factor influenced his decision to affiliate with Interval International: "I saw Marriott and Disney looking at and going with Interval, and they have a lot more money than I do to do the research."

Curran sums up the decision-making process as "a no-brainer."

He says Interval is one thing he doesn't worry about every day. "I worry about whether we have enough maintenance people on, did we do a good job today cleaning up, do we have enough tours for all my other accounts – but I don't worry about Interval. I don't worry about what's going to happen with my clients when they contact Interval or about them not getting the exchanges they want. Interval is one entity I put to the side and don't have to deal with. I wish that every facet of my business could get to that point, where I could walk away and feel comfortable enough that things were going to be done right."

### **Farther Up The Coast**

Now that his Cape Cod properties are sold out, Curran plans to bring in a management company to run them. "We have a great staff, but I think it benefits the customers and the HOAs to have a professional management company," he says.

What's next for Curran? "I'll sit on the



*A unit interior at Surfside.*



*The indoor swimming pool at Surfside; large windows offer unobstructed views of the bay.*

Board of Directors for both of these properties," he says. "I will stay involved in helping make sure my customers get what they want. I've kept four weeks of timesharing for my family and me. This is where we're going to spend our summers."

As far as development is concerned, Curran is purchasing a suite hotel in Ogunquit Beach, Maine, 10 miles (16 kilometers)

from Kennebunkport, that he plans to convert to 80 timeshare units.

"It's a great time to be in the industry. I've been in it for 23 years, and for the first 13 years I was too embarrassed to tell people what I did for a living," says Curran. "But look what's going on now. When the hotel chains got into timesharing, they brought great credibility.

"It's pure excitement today. I don't foresee any major changes in the next five to seven years; I think as an industry we're going to continue to have great growth. We will see some adjustments, however; some companies are not going to succeed because they're trying to grow too fast, but that's true of any industry growing like we are." ❶

**Fast Facts**

**SURFSIDE RESORT AND CAPTAIN'S QUARTERS AT SURFSIDE**

<b>LOCATION</b>	Falmouth, Massachusetts
<b>DEVELOPER</b>	William Curran and Robert Repos
<b>UNITS</b>	<p>Surfside: Studio, 24 @ 400 square feet (37 square meters)                      1-bedroom, 29 @ 750 square feet (70 square meters)                      2-bedroom, 3 @ 1,100 square feet (102 square meters)</p> <p>Captain's Quarters: 1-bedroom, 27 @ 720 square feet (67 square meters)                      2-bedroom, 5 @ 1,070 square feet (99 square meters)</p>
<b>PRODUCT</b>	Fixed week, deeded in perpetuity (floating weeks in off-season)
<b>PRICE</b>	Average: \$10,000 (summer about \$17,000, off-season range \$6,000 to \$7,000)
<b>AMENITIES</b>	Owners/guests at both properties may use amenities at either property. Surfside amenities include a 700-foot (213-meter) private beach, tennis court and pro, indoor/outdoor pools, spa, exercise equipment, jet ski and kayak rentals. Captain's Quarters amenities include a public beach and an outdoor pool. In peak season, a children's program and a shuttle service to the ferry to Martha's Vineyard are available to owners/guests at both resorts.

## Curran's No-NQ Policy

*Anyone who knows William "Billy" Curran knows that he is passionate about ridding the vacation ownership industry of the practice of NQing – the disqualification of potential customers because they fall outside financial or other parameters. Here, in his own words, Curran describes the practice as he sees it – and the effects he believes it will have on the future of the industry:*

When I first got into the business, there was no such thing as an NQ. Developers did their own marketing and generated their own tours. At that time, developers were selling 20 percent of the customers. As soon as developers started NQing, 10 percent closing was acceptable.

In some markets, they won't sell to anybody who doesn't make at least \$40,000 a year. We decide that person's not qualified to buy. How do we know? Say a person makes \$35,000 a year – but he or she is 55 and has a retirement from the Navy coming. Sales entities are disqualifying customers for non-legitimate reasons. As a marketer, I would send clients to people, and they would NQ them and not want to pay me for them. It drove me crazy. I knew that you could sell to those prospects.

When I walk into a car dealership and the salesperson says, "Are you going to buy a car today?" our automatic defenses go up and we say "No" even though we know we're going to buy a car. We don't want him to know we're going to buy a car, because we think that's bad information to give him.

Yet our prospects walk in and we ask them invasive qualifying questions such as, "How much money do you make?" If I knew someone was going to try to sell me something, I might not tell the truth about my income. I might say I make \$30,000, because if I admit I make \$100,000, I think it's going to make the salesperson hungry. When we ask people these questions, we don't get accurate information back from them. They're a little bit afraid.

I would attribute most of our success with R & B Development and Curran Management Services to our no-NQ policy. We sell to people who don't have spouses, people in the middle of a divorce, younger people, older people – we don't discriminate.

I don't believe disqualifying is correct. This is the only industry in the world that actually prejudices clients in

advance, before we ever get to know them, based on how much money they make.

If you come, you get a tour. If we invited you, it doesn't matter whether you have a credit card, and I don't care how much money you make.

As a result, I don't have salespeople trying to NQ people. At most resorts, if a salesperson decides a customer doesn't meet the qualifications, he or she goes to the sales manager and says the prospect is an NQ. That's negative. We're trying to sell and you're trying to unsell. You have no idea whether these people can actually buy or not. Yet, we're going to disqualify that person and send him on his way in the middle of a sales pitch. We took the ability to NQ away from the salespeople and the sales managers. As a result, our dollars per unit and our sales efficiencies are sometimes twice as high as at other local resorts. The average in New England is about \$900 per unit – we're at over \$1,700 per unit here. If you don't allow the sales staff to prejudge anyone, all they can worry about is making sales.

I was able to go out to the developers and show them our sales statistics, share my philosophy, and say, "If you want to do business with me, there are no more NQs." I give them five percent off their bill every week – in lieu of what they may consider to be unqualified. I've been able to give the developers much better success rates with that policy.

I haven't found anybody who isn't having success with it. Not one place we've done this has called us back and said, "This doesn't work, we don't want this program any more."

I believe NQing in our industry is going to change – we're going to stop doing it. I believe our industry is going to come under serious scrutiny for this at some point.

It's so archaic. All you have to do is treat the customers right from the beginning, as in any other business, and you will have continued business. It's just common sense. The prospect who makes \$30,000 today may be making \$60,000 in six years. Why would we alienate that prospect now?

### WHAT IS YOUR OPINION ON NOS?

**Fax your comments to 305-668-3408, or e-mail them to [mmcdaniel@interval-intl.com](mailto:mmcdaniel@interval-intl.com). We look forward to hearing from you.**