

TO: Michael Eisner, CEO Walt Disney Company

SUBJECT: Disney's America Theme Park Project - Development Recommendations

Changes are never easy. More importantly, flexibility holds the key to determining the best course of action and the better outcome. Disney's America Theme Park Project ("Disney America"), while a unique opportunity to extend the Disney brand has of this writing proven to be a costly endeavor both monetarily and socially. Continuing with this project will ultimately damage the Disney image. Therefore, my recommendation is to terminate this project altogether due to several compelling reasons.

The Commonwealth of Virginia is one of the original 13 colonies and as such, the constituents of those counties in the historic Piedmont area live in respect of the literal sense of "commonwealth" in that all have equal status and as has been shown, will stand together in defense of any impact on their lands and heritage. Firm evidence of the Piedmont's focus has been witnessed during the development phase of Disney America. While we are all Americans, this area of the country is home to the original settlers of this nation. There is a significant personal investment in tradition and identity in this part of our country. Consider even the Flag of Virginia and the State's motto - Sic Semper Tyrannis – a Latin phrase meaning "thus always to tyrants" (sometimes translated as "death to tyrants"). Even respected colleague, John Cooke<sup>1</sup> is aware of those strong influences in Virginia and is familiar with the local coalitions' opposition to Disney's plans in the Piedmont. Mr. Cooke has advised against pursuing the Disney America project as detrimental to Disney.

Disney – "Where Dreams Come True" – is the Disney motto and key brand. While it is the intent to provide an accurate retelling of the story of the Civil War era – one of the bloodiest conflicts in our nation's history – including the struggles of immigrants and overworked/underpaid factory workers during that time, there is very little in this concept that is likely to attract those interested in family friendly entertainment. Additionally, international travelers must be taken into consideration. Families from every part of the world travel to Disney parks for fun and the wonder of a fanciful Disney adventure; "to debate and discuss the future of our nation"<sup>2</sup> is typically not factored into vacation plans. Disney excels at the technical<sup>3</sup>, providing escapism and fantasy – a way to get away from the reality and often the hardships of an ordinary life. While fantasy and history have mixed in the past and have received marketable treatments through Disney, recreating this particular piece of U.S. History does not generate the kind of enthusiasm and appeal associated with Disney projects.

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<sup>1</sup> John Cooke, President of the Disney Channel since 1985. While not directly connected to Disney America has experience with Washington DC and the considerable power of the project's opponents.

<sup>2</sup> Powell, Elizabeth, Stover, Sarah. Disney's American Theme Park: The Third Battle of Bull Run. University of Virginia Darden School Foundation, Charlottesville, VA, copyright 2001

<sup>3</sup> Argenti, Paul. "Government Relations." Corporate Communication, Fifth Edition. New York: The McGraw-Hill Companies, 2009. 249

Competition already exists in Disney America's proposed park area with Colonial Williamsburg in southeast Virginia and the Manassas National Battlefield Park. Opening yet another historic-themed park, regardless of the Disney vision, would overload the area with similar theme parks and may even contribute to diluting revenue for Disney America and/or the already established themed areas.

The social impact on the local community of Haymarket, Virginia (population, 483) is another consideration for eliminating the Disney America project. Californians are generally seen as intruders and a disruption to the lives and families of The Piedmont. While Disney has done much to ameliorate this sentiment, landowners nevertheless visualize strip malls and cheap motels in their backyards. This picture of the future for the Piedmont area was supported in The Washington Post's November 10<sup>th</sup> edition, which ran a headline announcing the Disney America Project will include a mall. Already the local constituency is aware of the implications of less-than-favorable developments as those, which currently exist in both Anaheim and Orlando. Traffic is another issue. Although Disney has done much to vet this situation, the subtle approach taken by the Piedmont Environmental Council's ("PEC") campaign has been seen as more favorable by a majority of local residents.

Disney has not received encouraging treatment in the media. Airing the internal leadership crisis due to the resignation of Jeffery Katzenburg as well as the unfavorable venture at EuroDisney has placed the Disney image in jeopardy. Additionally and regardless of the contextual nature, issuing a challenge to the local constituency about the Piedmont, indicating that Disney had a "right" to create Disney America without significant consideration to the emotional attachment those living in the Piedmont have to the land and finally saying that "if people think we will back off, they are mistaken", has proven harmful to this effort and has reflected badly on any success for Disney America in this area. Overall, Disney is ill-placed to continue development of Disney America. In order to recover credibility and regain monetary and social equity, the Disney brand will be best served by halting development of Disney America.