



NORTH CAROLINA TRAVEL & TOURISM BOARD

MEETING MINUTES

May 8, 2018

BOARD MEMBERS PRESENT: John Beatty, Rolf Blizzard, Mike Butts, Representative Kevin Corbin, Senator Ralph Hise, Tammy O'Kelley, Joe Pierce, Paula Wilber

BOARD MEMEBERS ABSENT: Sally Ashworth, Kevin Baker, Chris Chung, Secretary Anthony Copeland, Robert Danos, Richard Geiger, Mike Hawkins, Representative Pat McElraft, Senator Norman Sanderson

PROXYS: Richard Moore, Joel Griffin

LIASONS, STAFF AND GUESTS PRESENT: Scott Gilmore, Bryan Gupton, Kara Weishaar, John White, Eleanor Talley, Marlise Taylor, Wit Tuttell, Dana Grimstead, Andre Nabors, Brooks Luquire, Catherine Locke, Kathy Prickett, Guy Gaster, Amanda Baker, Cyndi Tomblin, Carolyn Kleitsch

Tammy O'Kelley, Chairperson, called the meeting to order at 10:03am.

Welcome

O'Kelley welcomed Board members and guests. O'Kelley read aloud the Ethics Statement in accordance with Executive Order No. 35.

COMMENTS FROM THE CHAIR/NOMINATING COMMITTEE UPDATES

O'Kelley asked for a motion to approve March meeting minutes. Rolf Blizzard made a motion to approve, seconded by John Beatty, and the minutes were unanimously approved. O'Kelley thanked everyone for their support during her tenure as the board chairperson. O'Kelley stated that the board chair nominating committee met independently and coalesced around the recommendation for a new chairperson. Mike Butts, Charlotte Regional Visitors Authority, was nominated as chair and O'Kelley asked for a motion. John Beatty made a motion to elect Butts as chair, seconded by Paula Wilbur. The recommendation was unanimously approved.

Mike Butts took over the meeting as current chair of the travel and tourism board and thanked everyone for their support. The first item of business as newly elected chair, is to adjust the board meeting dates as they conflict with Travel South Board meeting and voting days. Board Meeting Dates: Tuesday, Aug 7; Tuesday, November 6 – will be changed.

Butts reminded the board the short session is coming up with importance of tourism budget including the possible loss of \$1 million in nonrecurring funds.

May 23 is Tourism and Economic Development day at the NC General Assembly. John Beatty, with the NC T&T Coalition, invited the board to a breakfast hosted the Coalition on May 23. The board is encouraged to join legislators and share the great economic impact of tourism in the state and their areas. John White advised everyone to be prepared for some additional time to get through security. You must go through the main front

entrance or rear entrance on Lane street for entry. There will also be a joint NCTIA and NCEDA reception Tuesday evening on May 23.

VISIT NC UPDATE

Marlise Taylor reviewed the newly announced 2017 visitor spending numbers, which were released as a part of NC Travel & Tourism Week, May 6 - 12, 2018. North Carolina tourism generated record visitor spending in 2017 with a total of \$23.9 billion, a 4.2 percent increase from 2016. Additionally, the tourism industry-supported employment topped 225,000 jobs to set another record for the state.

Gov. Cooper, who proclaimed May 6-12, 2018, as Travel and Tourism Week in North Carolina, applauded the growth in direct tourism employment, which was up 2.6 percent from 2016. Payroll income grew even more, increasing 7.1 percent to top \$5.9 billion. The figures are from research commissioned by Visit North Carolina and conducted by the U.S. Travel Association. Other findings from the study showed state and local tax receipts from visitor spending rose 3.7 percent to more than \$1.9 billion. Visitors spent more than \$65 million per day in North Carolina last year and contributed about \$5.36 million per day in state and local tax revenues as a result of that spending.

O'Kelly makes note there are 12 remaining boycotts on North Carolina (6 states and 6 municipalities).

Catherine Locke notes the State parks are seeing decreases in overnight camping even though the camping category is up.

Blizzard comments that VRMA says they area a 17% share of the accommodation market and recommends Visit NC look into a study with vendor, LSI. VRMA commissioned LSI to do a recent survey. They represent most of the vacation rentals on the coastline and are moving into the Asheville space.

Wit Tuttell provided an update on the Firsts That Last campaign. The campaign began running in April 2018, advertising reach is up 171% in the 6 target markets with over 60% completion of campaign videos and 51 million impressions across display, native and video. We are working on a Longwoods ROI and advertising effectiveness campaign for this fall.

Visit NC was honored to win the Shining Example award from Southeast Tourism Society for the Beauty Here campaign. Several partners completed their marketing college TMP certificates.

New York Media Mission featured about 20 partners and over 50 media focusing on the Firsts That Last campaign.

FILM

Guy Gaster, NC Film Director, provided an update on film in North Carolina. A new feature film, Writing on Bathroom Walls, started production in Wilmington with a \$9.5 million direct spend. Inquiries have also been increasing.

LEGISLATIVE AND INDUSTRY REPORTS

Senator Ralph Hise noted that this will not be a typical legislative session with budgets finished early in session. There will be more nonrecurring funds available than typical, while recurring funds will continue to be scarce. Requests have been made for TIEC for funds related to the hosting of the 2018 FEI World Equestrian Games. While the funds are limited in this session, there is opportunity out there. Senator Hise shared this will be a quick session with target close date of June 1.

Representative Kevin Corbin reiterated that he is seeing nonrecurring funds available on the House side, and he will work on the house support to attend the legislative breakfast.

O'Kelley mentioned that additional funds to keep the momentum of the First That Last campaign going would be beneficial. This campaign was created with the nonrecurring funds from last fiscal.

John Beatty spoke on behalf of NC T&T Coalition who held their quarterly board meeting yesterday. The lobbying team is working hard to get additional dollars for Visit NC during this short session. Beatty was recently made aware of a group of CEOs who are trying to get a one-time allocation to boost NC branding. The group asked for \$7 million total for a time branding study and to assist Visit NC marketing efforts. This is separate from the Coalition request which included a \$5 million ask to help assist Visit NC marketing efforts.

Brian Gupton shared that the Welcome Centers have seen some softening due to center closures at 40W and 95N. These centers are closed for an extended time for construction. Calls are up 3% to the call center and fulfillment up 11%. This week marks tourism week and many of the Welcome Centers are celebrating with regionally themed events. The Governor is awarding Chris McKeever the Old North State Award posthumously for his dedication to the welcomes centers. Jeff Mills was promoted to manager at I-77N.

O'Kelley spoke on behalf of the NC Hospitality Alliance. Jim Hobbs is working as much as he can on school calendar law research and occupancy tax guidelines. Hise comments the current issue is having two standards on occupancy tax bills in House and Senate. It may be time to consider a statute for occupancy law, as it is almost impossible to pass an occupancy bill right now. There is an understanding that the issue may soon need to be addressed by statute, but Hise hopes the board will lead on this important issue.

NCRLA member Paula reported on NC Pro Start program. On April 27-29, students from the program competed in Rhode Island and placed second in the nation. This earns the organization more than \$100,000 in scholarship opportunities. On the grassroots and federal level, members participated in a conference where nine members attended. June 5 is Rally in Raleigh day for NCRLA. NCRLA is continuing to focus on meal tax, occupancy tax, casino night and school calendar law. Butts reiterated the effectiveness and importance of the NC Pro start program particularly in this difficult hiring climate, as it helps to get young people interested in the industry early.

Meeting adjourned by Butts at 11:42am.