



NORTH CAROLINA TRAVEL AND TOURISM BOARD

MEETING MINUTES

August 14, 2012

BOARD MEMBERS PRESENT: Josh Bass, Sabrina Bengel, Rolf Blizzard, Chris Cavanaugh, Kim Hufham, Chris Humphrey, Randy Kolls, Lynn Lewis, Lynn Minges, Robert O'Halloran, Mitzi York

BOARD MEMBERS ABSENT: Donna Carpenter, Dale Carroll, Randy Cobb, Sec. Keith Crisco, Teresa Damiano, S. Lewis Ebert, Denny Edwards, Rep. Phillip Haire, Rep. Susi Hamilton, Sen. Ralph Hise, Vimal Kolappa, Davin Olsen, Sen. Jean Preston, Joan H. Pulley, Jamie Reibel, Leonard Rigsbee, Tom Ruff, Susan Spangler, Steve Thanhauser

LIAISONS, STAFF AND GUESTS PRESENT: Whitney Christensen, Amanda Dixon, Scott Gilmore, Bryan Gupton, Brooks Luquire, Jimmy Parrish, Dickens Sanchez, Eleanor Talley, Marlise Taylor, Wit Tuttell, Kara Weishaar, T. Jerry Williams

CALL TO ORDER

Chairman Rolf Blizzard called the meeting to order at 12:18 p.m.

COMMENTS AND INTRODUCTIONS FROM THE CHAIRMAN

Rolf Blizzard welcomed everyone to Raleigh. Blizzard read the statement of duty aloud (Ethics policies EO 34 and EO 35).

MINUTES APPROVED

Josh Bass motioned to approve the May 16, 2012 meeting minutes. The motion was seconded by Sabrina Bengel and unanimously approved.

COMMENTS BY LEGISLATORS AND INDUSTRY PARTNERS

Rolf Blizzard representing the Travel and Tourism Coalition discussed the changes to the school calendar law that were implemented in the technical corrections bill at the very end of the legislative session. The Coalition will hold its annual retreat in November to set its legislative agenda for the upcoming session. This session will be critical, as there will be a lot of new legislators in the House and Senate unfamiliar with travel and tourism issues.

Randy Kolls said the North Carolina Restaurant and Lodging Association was continuing its nationwide search for a new CEO, and a firm had been contracted to assist with the process. Whitney Christensen from NCRLA said it was a successful short session for industry with new occupancy tax bills, school calendar changes, additional non-recurring funds to the Division of Tourism, and the extension of a deadline for the wading pool compliance to January of 2013. Other NCRLA developments include a new PAC at NCRLA and job growth in the restaurant and lodging industry.

Kim Hufham representing North Carolina Travel Industry Association (NCTIA) shared information about the upcoming Tourism Leadership Conference in Raleigh in conjunction with the DMANC on September 26-28, 2012. Lynn Lewis representing NCTIA added that the gubernatorial candidates were invited to speak as well. T. Jerry Williams with NCTIA added that the legislative agenda for NCTIA was being developed for the critical 2013 legislative session where over 60 new members are expected.

Mitzi York representing the North Carolina Destination Marketing Association (DMANC) also highlighted the upcoming Tourism Leadership Conference with NCTIA and DMANC's continued efforts to bring young tourism professionals together and help them get involved in important industry events and issues. She also mentioned that the DMANC was developing its legislative agenda which they would share as soon as it was available.

DIVISION UPDATE BY LYNN MINGES

Lynn Minges reported on updated 2011 economic impact numbers. Domestic and international travelers spent more than \$19 billion across all 100 North Carolina counties, an 8% increase from 2010 and a record high spending figure for North Carolina. The Division released the county economic impact numbers in early August and all 100 counties in North

Carolina saw spending increases. The first half of 2012 also showed hotel occupancy up 4% statewide, topping the South Atlantic and US growth.

The Division continues to see strong results from VisitNC.com halfway through 2012. The site surpassed 2.5 million visitors year to date, an 11.5% increase over the same time frame last year which was a record year in itself. The Division expects the positive trends to continue thought out the year.

The Division released the 2011 North Carolina Regional Travel Summary in June 2012. The report is divided into three sections: Mountain, Piedmont, and Coast. Regional statistics are compared to statewide statistics to provide regions with information relevant to how they compare to NC travel in general. The Division also reported new international research from its partnership with VisaVue. The data reveals an estimated 683,273 international visitors traveled to North Carolina in 2011 (this *does not* include Canada). The report includes additional information about how international visitors spend their money when traveling. Both reports are available online at www.nccommerce.com/tourism/research.

The Legislature approved an additional \$250,000 in non-recurring marketing funds to the division for 2012-2013. These funds will be invested to expand and strengthen the Division's efforts including but not limited to retirement marketing, our extranet database, b-roll sourcing and social media. Other issues this legislative session included school calendar legislation, tolls on ferries and the I-95 corridor, Cherokee live games and film tax credits. The Division also saw the transfer of the Wine Marketing program to the Department of Agriculture.

Halfway through the 2012 calendar year, film productions have already eclipsed 2011's recording setting numbers for in-state spending. As of July, the North Carolina Film Office received notification from more than 35 productions in regards to filming in the state this year. The projects are expected to have a direct in-state spend of more than \$300 million while creating 15,000-plus job opportunities, including more than 3,300 well-paying crew positions for the state's skilled film professional workforce.

Brand USA continues to work hard to draw down the funding set aside in the two to one match program funded by international visitors. They continue to look for sources for matching funds, while working to fill their CEO position.

The Obama Administration continued to boost the tourism industry by hosting a White House forum on the national travel and tourism strategy with national tourism leaders. The industry had created 271,000 new jobs at a pace 26 percent faster than the rest of the economy.

The Division is working hard with NC tourism partners to leverage the tremendous opportunity the DNC 2012 in Charlotte gives the state and the city on the national stage including printing and distributing 25,000 copies of the 2012 Official North Carolina Travel Guide with a custom cover featuring the Charlotte skyline to welcome convention delegates. The Division is also working to capitalize on media, group travel, social media, onsite and VisitNC.com opportunities made available through the Democratic National Convention for NC Tourism partners.

ADVERTISING AND MARKETING UPDATE FROM WIT TUTTELL

Wit Tuttell further discussed the year to date success of VisitNC.com. Downstream referrals from VisitNC.com to partner sites is up 10.46 percent over last year, indicating the programs are capturing the interest of potential visitors and successfully delivering them to partner web sites where visitors can continue planning their trip to and within North Carolina.

Changes to the homepage design last fall combined with a very strategically focused editorial calendar have proven effective, with the homepage bounce rate dropping significantly. This means users are more engaged with the site and are more easily locating relevant content. Refreshed and redesigned e-newsletters introduced in July, are helping continue these positive trends with well over 300,000 subscribers to the consumer eNewsletter campaigns.

The eNewsletters template was refreshed to match the digital display campaign designs and reflect updates to VisitNC.com and to optimize the newsletters for viewing on a mobile device.

The Division continued to see success with the shift in media dollars more into digital from traditional print publications, with roughly 60% of our advertising dollars being spent on digital in 2012-2013. The digital campaign allows the Division to be more nimble in addressing travel trends and visitor preferences throughout the year including the new fall campaign which features ads designed to promote the highest amount of click-throughs.

The Division has launched the Project 543 blog, an all-new blog dedicated to the stories of unique destinations across North Carolina, which debuted online in June. The number of miles from Manteo, on the coast, to Murphy, in the mountains, and traditionally considered the width of the state. The Division has gathered these stories from partner input on the people, places and experiences visitors can only find in North Carolina over the last year. Each entry will be paired with a custom image and type illustration that can be shared on Facebook, Twitter, Pinterest and Google+.

The Division's public relations team continues to see success from its New York media mission including stories in the New York Post and on CBS this Morning. The Division will host a in state media mission for NC partners on August 14 in Raleigh with over 30 partners and 35 media expected to be in attendance. The next New York media mission will be in January 2013.

The Division's domestic and International marketing will partner for the Domestic Sales Mission in Pennsylvania, New Jersey and New York City in late September with 13 partners and meetings scheduled with 25 tours operators and AAA offices. The American Bus Association's (ABA) Marketplace 2013 will be held in Charlotte Jan. 5-9, 2013. The Division will be the title sponsor the opening event at Discovery Place. In international marketing, there are upcoming Canadian and German sales and media missions, as well as the Travel South International Showcase in Atlanta.

The Division is again hosting three Mid-Year Marketing Updates (MYMU) this year across the state in mid-September including locations in Asheville, Greenville and Raleigh.

UPDATE FROM DEPARTMENT OF TRANSPORTATION

Jimmy Parrish with the North Carolina Department of Transportation's Roadside Environmental Unit gave a presentation on the Special Registration Plate Fund. He discussed the history of the program which was implemented in 1967, and he walked through the various changes to the licenses plates, the distribution of monies in the fund and other various changes through the years.

Meeting adjourned at 1:56 p.m.