

NORTH CAROLINA TRAVEL AND TOURISM BOARD



MEETING MINUTES

February 16, 2010

BOARD MEMBERS PRESENT: Sally Ashworth, Senator Don Davis, Kim Hufham, Randy Kolls, Penny Leary-Smith, James Meacham, John Meroski, Lynn Minges, Davin Olsen, Tom Pashley, Harris Prevost, Joan Pulley, Senator Joe Sam Queen, Jamie Reibel, Susan Spangler, Steve Thanhauser, Richard Thigpen, Mitzi York

BOARD MEMBERS ABSENT: Chris Cavanaugh, Haddon Clark, Secretary Keith Crisco, Joyce Dugan, Teresa Damiano, S. Lewis Ebert, Rep. Phil Haire, Leonard Rigsbee, Tom Ruff, Anne Steketee, Rep. Alice Underhill

LIAISONS, STAFF AND GUESTS PRESENT: Kendra Hill, Scott Gilmore, Bryan Gupton, Jennifer Jenkins, Dana Simpson, Connie Wilson, Eleanor Talley, Juli Cooney, Marlise Taylor, ABC Chairman Jon Williams

CALL TO ORDER

Chairman Steve Thanhauser called the meeting to order at 11:00am

COMMENTS AND INTRODUCTIONS FROM THE CHAIRMAN

Steve Thanhauser reminded board members to register for Governors Conference. He also announced May 18th as NC Tourism Day.

Steve announced the appointment of past chairmen Tom Ruff and Chris Cavanaugh to the nominating committee for board chairman. All board members were encouraged to contact the committee with their recommendations for chairman in advance of the vote at the May 18th meeting.

Statement of duty was read and Kendra Hill, Deputy General Counsel in the Office of Governor Perdue, was introduced to complete an overview of the new board ethics policies, EO 34 and EO 35.

It was also noted that two board meeting dates have been changed this year.

COMMENTS FROM KENDRA HILL, DEPUTY GENERAL COUNSEL TO THE GOVERNOR

The NC Travel and Tourism Board is advisory in nature; therefore it is not covered by the State Ethics Act. However, to help provide transparency and openness to government proceedings Governor Perdue issued two recent executive orders that apply to the T&T Board. She discussed the importance of ethical standards and transparency highlighting examples from Executive Orders 34 and 35. The conflict of interest standard should provide a guideline to help each individual and board as a whole identify a conflict and in turn gives specific steps to be taken should a conflict arise.

MINUTES APPROVED

Susan Spangler motioned for approval of the December 15, 2009 meeting minutes. James Meacham seconded the motion. Motion was passed unanimously.

COMMENTS FROM DANA SIMPSON REGARDING ONLINE BOOKING

Dana Simpson, representing the NC Travel and Tourism Coalition, covered the issue of online booking which has become a huge tax revenue issue for state and local governments. This issue effects the collection of occupancy taxes as well as state and local taxes that are generated from the sale of hotel rooms online. Several lawsuits and federal legislation are moving through the system to deal with the problem. The General Assembly in NC is aware of this issue and is working to develop language to combat the growing problem of lost revenue.

DIVISION UPDATE BY LYNN MINGES AND JENNIFER JENKINS

State of the Industry

Lynn Minges provided the board with an overview of the 2009 lodging report covering NC in comparison to the rest of the country over the last year. She also presented an overview of the Division's budget for the remainder of this fiscal year, as well as for next year. She discussed the I-40 rockslide and initiatives to publicize that travel is still possible to Western NC.

The public relations team is generating national press through various efforts including the New York media mission, several familiarization tours for the media and a celebration of Black History Month in February. These efforts have generated results in the Washington Post, New York Times, ABC News, NPR and various other local and national print, radio and television news mediums.

The three international contracts for Canada, Germany and the UK are up for re-bid this year. International markets are being more directly targeted through internet sites with related material and magazines and through individual travel advisors and agents. The state will also have two new international flights in operation by May 2010 including direct flights from Rome and Rio de Janeiro.

Upcoming international events include a UK Sales Mission, Commerce Mission to Germany, UK Familiarization Tour to the Cape Fear and Crystal Coasts, US Pow-Wow in Orlando and ITB in Germany.

The division is also closely following legislation introduced by NC Senators Burr and Hagan that would authorize the National Park Service \$75 million over five years to acquire up to 50,000 acres for preservation along the Blue Ridge Parkway in honor of the 75th Anniversary.

The heritage tourism program was transferred to the Department of Cultural Resources effective January 1st, although the tourism development director, Russ Haddad, will remain with the division advancing the goals of tourism development in small communities across the state.

Welcome Center visitation remained flat over 2009, but those numbers are very good with the closings of the centers on most Tuesdays throughout the year as well as the I-40 rockslide that shut down the welcome center in western NC in October.

The 2010 Travel Guide is now online with enhanced features including video and additional pictures. The online version is growing in popularity and can be found on visitnc.com.

Jennifer Jenkins covered the 2010-2011 program highlights including the completion of the new administrative feature on visitnc.com for extranet users uploading information into the calendar and database. Jennifer also revealed two new ads that will run this spring, along with examples of the three other ads currently running in publications across the country.

The division continues to innovate to meet the needs of partners by pursuing all possible avenues for maximum exposure at minimum cost.

UPCOMING EVENTS:

- NC Governors Conference on Tourism-New Bern, March 21-23, 2010.
- NC Travel and Tourism Day-Raleigh, May 18, 2010.

COMMENTS FROM MARLISE TAYLOR

Marlise Taylor provided an in depth look of the year end lodging report numbers from 2009 from Smith Travel Research. She also covered the Tourism Satellite Accounting Study, which the division uses to present economic impact numbers. The Tourism Satellite Accounting Study is more comprehensive and thorough than the economic impact numbers previously used to examine the impact of tourism on NC's economy.

LEGISLATIVE UPDATES

Connie Wilson reported on the School Start Date law. She is not expecting any movement on this issue this year, as the legislature plans to have a very short session.

Meeting adjourned at 2:00pm