

NORTH CAROLINA TRAVEL AND TOURISM BOARD



MEETING MINUTES

May 13, 2008

Board Members Present: Donna Bailey-Taylor, Mike Butts, Chris Cavanaugh, Teresa Damiano, Penny Leary-Smith, James Meacham, John Meroski, Lynn Minges, Davin Olsen, Doyle Parrish, Tom Pashley, Harris Prevost, Jamie Reibel, Tom Ruff, Steve Thanhauser, Rep. Alice Underhill.

Board Members Absent: Haddon Clark, Senator Walter Dalton, Joyce Dugan, Lew Ebert, Secretary Jim Fain, Rep Phillip Haire, Randy Kolls, Ed Phillips, Leonard Rigsbee, Susan Spangler, Anne Steketee, Senator A.B. Swindell.

Liaisons, Staff and Guests Present: Chris Mackey, Libby Smith, Scott Gilmore, Jennifer Jenkins, John Ketchum, Bob McCoy, Kim Hufham, Connie Wilson.

Call to order

Chairman Chris Cavanaugh called the meeting to order at 11:10 AM.

Comments from the Chair

After introductions, a motion was made and seconded to approve the board meeting minutes from February 5, 2008, as written. The motion passed.

License Plate Report

Representative Underhill asked the board to support a license plate resolution changing North Carolina's standard plate to include www.VisitNC.com. Representative Margaret Dixon is sponsoring a bill supporting change the standard plate this session. John Meroski motioned to support that action. Tom Ruff seconded the motion.

Legislative Reports

NC Travel & Tourism Coalition

Dana Simpson reported the Governor's budget included \$750,000 in non-recurring funds for the Division of Tourism. The Coalition continues to lobby for the original \$5 million proposal. The Governor's proposed state budget also included \$41 million for a new Capitol Area Visitors Center and \$100,000 for motorsports marketing.

NC Travel Industry Association

Connie Wilson reported that CVBs, TDAs and other organizations were exhibiting in the Legislative Building for Tourism Day. Visit Charlotte once again organized the Pit Crew Challenge/House vs. Senate tire changing competition. And the Tourism Day reception organized by NCTIA is the most popular event for the General Assembly. NCTIA continues to follow several issues including: support for the Division's marketing budget support, school start dates/calendar law, maintaining guidelines for occupancy taxes including the situation in Forsyth County, sales tax recovery for TDA's, and others.

Bob McCoy gave a brief report on Forsyth County Arts Council's proposal to fund arts programming by taking a portion of the local occupancy tax. The proposal would basically dismantle the Winston Salem CVB structure and seriously impact the organization's ability to market the area. The proposal is a serious threat to all counties in that it sets a standard for other local Arts Councils to do the same.

NC Restaurant and Lodging Association

Paul Stone reported the state's restaurants and accommodations are also following occupancy tax issues, school calendar dates, and supporting the Division's budget increase. NCRLA is planning a Legislative Day Reception, June 18.

NC Division of Tourism, Film, & Sports Development Update

Lynn Minges reported:

- The Division is working on a new in-state program in response to higher gas prices and a soft economy. Partners include the NC Association of Broadcasters, the NC Press Association, and UNC TV. The organizations place statewide travel messages on member radio and television stations, and in statewide newspapers and Business Journals. LKM is working on new creative for in-state travel program. The program will roll out this summer.
- The Division is updating the Satellite Accounting study of the travel industry. The Travel Industry Association in Washington D.C. is now providing the data for all 50 states.
- The Division will again participate in Travel Leadership Summit, September 24-25, 2008.
- The 2008 Governor's Conference in Winston-Salem was successful. We set an attendance record at the Winner's Circle luncheon with over 550 attendees. The staff is working on 2009 Governor's Conference in Raleigh at the new convention center.
- Teresa Watts attended Sustainable Tourism Summit in Tennessee. She filled in for Lynn on a national panel regarding the travel industry's latest "green initiatives." John Ketchum, from LKM and many other NC travel industry members were also represented on panels.
- The Division hosted a very successful sales mission to London, England and Dublin, Ireland. Several industry partners including Mountain South USA, the Outer Banks, and Charlotte called on tour operators and media in support of the new American Airlines Heathrow flight.
- Lynn joined the Dept of Commerce on a trade mission to Italy with Governor and Mrs. Easley. They met with representatives of the wine industry. Hosted a travel luncheon in Padua.
- The media mission to Washington, D.C. successful. Many industry partners attended.
- The NC wine industry making great strides. The NC Wine & Grape Council hosted "Salute" in Winston-Salem again this year.
- The state's new golf marketing program launched with dedicated website and other supportive marketing efforts.

Industry Updates

- Harris Prevost reported Grandfather Mountain had the best year ever in 2007.
- Doyle Parrish reported visits down a bit but summer is looking great. People will take vacations but may stay closer to home.
- James Meacham commented that lodging reservations are strong in Salisbury but there has been a shift in groups. People staying within a 50 miles radius and they are seeing fewer field trips.

- Steve Thanhauser reported that Angus Barn's group numbers are down. Leisure numbers are good and 2009 is encouraging. Summer looks strong.
- Tom Pashley reported that Pinehurst's group business is soft, but the leisure numbers are up this year. The group business for 2009 looks strong.
- John Meroski from Fayetteville asked if there is a plan to market the Piedmont region in-state. Also asked if there is a plan to use the U.S. flag in ads and promotions.
- Penny Leary-Smith commented that would like to the inter-coastal waterway represented and promoted more.
- Jamie Reibel, from Manteo, commented that the beach driving issue is hurting business in Dare County. Hyde County receives 1/3 of their revenues from beach driving and that the requirement for visitors to have coastal fishing licenses is hurting business. He also reported that gas prices are hurting the charter fishing industry.
- Tom Ruff said despite gas prices numbers are good at the Biltmore Estate so far this year. They are seeing a softening in high-end dining, however. Tom also commented on Visa program now required for workers is severely impacting the travel industry's ability to attract and keep foreign workers. This is a significant problem considering foreign workers make up a significant part of the work force across the state.

Next Meeting

The next Travel & Tourism Board meeting is scheduled for August 19, 2008 in the NC Department of Commerce Board Room in Raleigh. Chairman Cavanaugh asked that a report on Airport News be included on the agenda.

There being no further business, the meeting was adjourned at 1:40PM.