

NORTH CAROLINA TRAVEL AND TOURISM BOARD



MEETING MINUTES

May 18, 2010

BOARD MEMBERS PRESENT: Sally Ashworth, Chris Cavanaugh, Teresa Damiano, Kimberly Hufham, Vimal Kolappa, Randy Kolls, James Meacham, John Meroski, Lynn Minges, Robert O'Halloran, Joan Pulley, Senator Joe Sam Queen, Tom Ruff, Steve Thanhauser, Richard Thigpen, Rep. Alice Underhill, Mitzi York

BOARD MEMBERS ABSENT: Haddon Clark, S. Lewis Ebert, Penny Leary-Smith, Thomas M. Pashley, Davin Olsen, Harris Prevost, Jamie Reibel, Leonard Rigsbee, Susan Spangler

LIAISONS, STAFF AND GUESTS PRESENT: Juli Cooney, Scott Gilmore, Bryan Gupton, Jim Hobbs, Jennifer Jenkins, Dana Simpson, Paul Stone, Marlise Taylor, Connie Wilson, Jonathan Williams

CALL TO ORDER

Chairman Steve Thanhauser called the meeting to order at 11:15am

COMMENTS AND INTRODUCTIONS FROM THE CHAIRMAN

Thanhauser announced the Governor's reappointment of Chris Cavanaugh and Susan Spangler to the board and also their acceptance of this appointment. Two new members were introduced, Vimal Kolappa of East Coast Hospitality and Robert O'Halloran, East Carolina University.

MINUTES APPROVED

Motion for approval of February 16, 2010 meeting minutes. Motion seconded.
Motion passed unanimously.

Attendees introduced themselves and their affiliation to new members.

REPORT FROM THE CHAIRMAN NOMINATING COMMITTEE

Cavanaugh made two recommendations from the committee. First, the single year term for the Board Chairman be extended to a two year term. Secondly, to reappoint Steve Thanhauser as Board Chairman.

Joan Pulley made the motion for both recommendations. Richard Thigpen seconded. The board unanimously approved Thanhauser to continue as Board Chairman and a two year term be established for future elections.

ADDITIONAL COMMENTS FROM THE CHAIRMAN

Thanhauser announced May 18th as Tourism Day and stressed the continued support of Governor Perdue to the industry and her understanding of the benefits and needs of tourism in North Carolina. He also encouraged all to visit the Legislative building to view the tourism vendors and partners displayed in the lobby areas. Tourism day highlights contributions the industry makes towards the economy including \$22 billion in economic impact and \$2.6 billion in tax revenue.

Statement of Duty (Ethics policies EO 34 and EO 35) were read aloud.

Thanhauser expressed support for Charlotte Regional Visitors Authority CEO Tim Newman's appointment to the National Corporation for Travel Promotion board. Lynn Minges expressed her support for Newman and highlighted his vast experience and knowledge of tourism marketing in North Carolina, the United States and internationally. North Carolina could benefit from having a voice and seat on the board. The board proposed a resolution in support of the nomination, and it passed unanimously.

Minges will prepare and send a letter in support of Newman from the NC Travel and Tourism Board. All board members are encouraged to send an individual letter of support for his appointment as well.

Thanhauser highlighted the 8 pages of events sent to him by Visitnc.com for the month of May. He encouraged everyone to utilize Visitnc.com updates and pass the word to other constituents, clients and friends.

COMMENTS FROM PAUL STONE AND DANA SIMPSON

Paul Stone addressed the Internet Booking Tax issues. Nationally there are efforts to legislate occupancy taxes, making internet engines responsible for internet taxes through sales of events, tickets, rooms and the alike. **See Handout.**

Welcome Center Funding

Dana Simpson reported the concern for the budget in regards to Welcome Center Funding. The Senate budget proposes 10 current Welcome Center positions become receipt funded, not state funded. This would come in the form of charges to the small business owners for all brochure displays in the welcome centers. The board reviewed photos of the Randolph County Visitor Center operated by Safe-T-Concierge Co., which rely heavily on revenue from advertisements from Myrtle Beach, SC.

COMMENTS FROM CONNIE WILSON

The NCTIA passed out flyers and tags with the logo "Help Small Business by Helping Tourism" on Tourism Day. Wilson stressed that 85% of tourism in NC is a small business. NCTIA's focus is to stay positive and push that tourism is the industry of replacement. As the state loses manufacturing and other labor specific industries, tourism can fill this gap in both jobs and revenue.

PRESENTATION BY SENATOR JOE SAM QUEEN: TROUT CITIES PILOT PROGRAM

Senator Queen presented on a pilot program in conjunction with the Wildlife Resources Commission and other supporters for a cross marketing program mainly consisting of Trout fishing and golf in the mountains. Senator Queen and Wildlife Resources would like to see growth and support for cross-marketing efforts and inter-related activities. One initiative the Senator mentioned is a license plate tag program similar to the Blue Ridge Parkways' which has generated nearly \$1million dollars.

DIVISION UPDATE BY LYNN MINGES AND JENNIFER JENKINS

Lynn Minges reviewed 2009 year end numbers, which show an increase in state tax revenue due in large part to the sales tax rate increase. Minges emphasized this could be a turning point for the industry as occupancy is also rising.

The Division's Strategic Plan has is available solely online this year as a cost saving measure. This also allows the plan to be updated throughout the year while reducing printing costs. It can be found at partners.visitnc.com.

The Governor's budget proposal included \$1 million in additional funding to market North Carolina as a premier travel destination, eliminated the matching grants program and eliminated 3.75 Welcome Center positions.

Sports Marketing is still very strong, generating events throughout the state. Shelby, NC is now home to The American League Baseball All-Star game. This will bring an estimated \$4 million per year to NC's economy.

NC Film Office, with partners, sponsored a reception in Los Angeles hosted by Governor Perdue in support of the NC Film Industry. North Carolina's tax incentive program is being looked at carefully by the Governor.

Wit Tuttell led a successful Media Mission to Birmingham, Alabama which brought 30 journalist and 21 partners. Tuttell and Heidi Walters both attended The Travel South Showcase also held in Birmingham focusing on Group Travel and Group Tours.

Jennifer Jenkins updated the board on the advertising programs and their placements. All 5 "Simple Pleasures" ads are running. The decision was made to not participate in as much national print but to spread a geo-proximity and focus on very specific brands and market areas.

COMMENTS FROM MARLISE TAYLOR

Marlise Taylor provided an analysis of new data from Visavue Travel and other sources which allow the tourism Industry to gather broader and more statistically accurate data regarding international visitors' travel activity in the US.

For a complete summary report on this research you can visit <http://www.nccommerce.com/NR/rdonlyres/1D04ABE2-D752-49E4-BFF8-8847C96FAE6B/0/2008InternationalVisitationtoNorthCarolina.pdf>

Meeting adjourned at 2:15pm