

NORTH CAROLINA TRAVEL AND TOURISM BOARD



MEETING MINUTES

BOARD MEMBERS PRESENT: Chris Cavanaugh, Lynn Minges, Sec. Jim Fain, Steve Thanhauser, Joyce Dugan, Doyle Parrish, Harris Prevost, Tom Ruff, Randy Kolls, Edward Hay, Teresa Damiano, Penny Leary-Smith, James Meacham

BOARD MEMBERS ABSENT: Senator Walter Dalton, Senator A.B. Swindell, Rep. Alice Underhill, Rep. Phil Haire, Davin Olsen, Mike Butts, Ed Phillips, Jamie Reibel, John Meroski, Lew Ebert, Susan Spangler, Leonard Rigsbee, Haddon Clark, Tom Pashley, Anne Steketee

LIAISONS, STAFF AND GUESTS PRESENT: Shannon Arnold, Bryan Gupton, Juli Cooney, Paul Stone, Frank Gray, Scott Gilmore, John Ketchum, Jennifer Jenkins, Connie Wilson, Deborah Barnes, Micheal McOwen, Jane Martin, Dave Horne

CALL TO ORDER

Chairman Chris Cavanaugh called the meeting to order at 11:15 a.m.

MINUTES APPROVED

Doyle Parrish motioned for approval of the May 13th, 2008 board meeting minutes. The motion was passed unanimously.

COMMENTS FROM THE CHAIRMAN

Introductions, including new member, Edward Hay.

STATE OF THE INDUSTRY

- 2007 Visitor Spending
 - The Division released the 2007 county by county visitor spending numbers.
 - Ninety-four out of 100 counties showed increases in visitor spending.
- Occupancy
 - Smith Travel Research information through July shows that average room rates remain strong at \$84.05 and RevPAR is stable at \$49.37, while overall occupancy rate is down 4.5 percent year to date.
- Budget Update
 - Lynn presented an overview of the Division's budget. She noted that recent legislative changes resulted in 10 percent less funding for marketing (\$1.3 million). She reviewed how funds were allocated for 2007-2008 and listed line items planned for reduction in 2008-2009.
 - Various Board members participated in lengthy discussion following Lynn's presentation. Doyle Parrish, Harris Prevost, and Chris Cavanaugh voiced concern that funds were being directed to support a single project (CIAA Tournament in Charlotte), rather than statewide marketing.
 - Secretary Fain conveyed his support for tourism, recognized its contributions to the state's economy and commended the creativity and collaboration of the state's tourism industry.
 - Chris Cavanaugh shared an editorial that he wrote regarding the Division's funding, which was published in multiple newspapers across the state.
- Program Highlights
 - Division will lead a delegation of twenty-five tourism industry leaders to TIA Travel Leadersip Summit in Washington, DC on September 24th and 25th.

- ESTO will be held in Bonita Springs, FL from August 22nd through August 26th.
- Mid Year Marketing Update will be held at the Raleigh Marriott City Center on September 9th.
- Governor's Conference will be held March 1st - 3rd, 2009 at the new Raleigh Convention Center and the Raleigh Marriott City Center.
- Staff Update
 - Bryan Gupton has been promoted to Director of Operations and Industry Relations.
 - Teresa Watts was promoted to the Assistant Director to Main Street Program, in the Division of Community Assistance.
 - Christine Mackey resigned as the Director of Tourism Programs.

LKM

- Upcoming Campaign
 - The Division previewed the radio and commercial in-state advertising clips for the upcoming campaign season.
 - The Division will launch a new look on VisitNC.com in January 2009.
 - Introduction of the new golf.visitNC.com website and promotion materials.
 - Sweepstakes
 - Golf newsletter
 - Fall Colors Campaign
 - Color Therapy Theme
 - "Our colors take you places" tag line
 - International website launches featuring country specific translation
 - Atlanta Focus Groups, August 27th, 2008
 - Continued partnerships with industry, NC Broadcasters Association and LKM to leverage advertising dollars.
 - Continued growth in the NC Wine Industry
 - NC Wine Summit
 - Statewide co-ops
- Public Relations
 - Multiple FAM Tours

OFF-SHORE DRILLING

- Micheal McOwen, owner of Cameron House B & B in Manteo, presented an overview of off-shore drilling in North Carolina and its effects on the tourism industry.
- NC Division of Policy, Research & Strategic Planning submitted a policy brief on the subject.

LEGISLATIVE REPORT & ASSOCIATION UPDATES

- Connie Wilson (T & T Coalition) gave an update on school calendar laws.
- Paul Stone (NCRLA) discussed the upcoming meals tax referendum in Durham.
- Dave Horne (T & T Coalition) outlined occupancy tax law changes and authorization for the resale of entertainment and event tickets via the internet.

REPORT ON AIRLINE INDUSTRY

- Board Member Teresa Damiano (RDU)
 - Planning to open the first phase of new facility/terminal in October 2008.
 - New facility will be 3 times larger when complete in 2011.

- Total cost= \$570 million.
- New Facility will feature a North Carolina Wine Bar in Phase One.

CHAIRMAN REMINDERS

- Mid Year Marketing Update in Raleigh on September 9.
- Next Meeting: December 9th, 2008.

No other business.

Meeting Adjourned at 1:57 p.m.

TOUR OF RDU – PHASE ONE