The Charlotte BAROMETER Report

An Official Publication of the Charlotte Regional Visitors Authority

MAY 2011

National & International Business & Convention

CENTER FOR EXHIBITION INDUSTRY RESEARCH

The **Center for Exhibition Industry Research** (CEIR) announced the release of the *CEIR Index Report, An Analysis of the 2010 Exhibition Industry and Future Outlook*. The Index reports that the overall exhibition industry hit bottom in 2010, and that the industry should see a modest recovery during the next three years in all metrics across most sectors.

The *CEIR Index Report* reveals that the overall exhibition industry fell for a third straight year in 2010, declining by 2.4%. Revenue suffered the largest decline of 8.4%. A positive sign is that attendance, the leading indicator of the exhibition industry, increased by 2.4%.

Local Perspective

CHARLOTTE AREA LODGING – MARCH SMITH TRAVEL RESEARCH

Charlotte area occupancy was 64.2% for the month of March, a 7.9% increase over March of 2009 and the best single month occupancy in the market since June of 2008 (65.7%). Charlotte area occupancy has now increased for 15 consecutive months.

Charlotte area **occupancy** was 64.2% for March, up 7.9% from March 2010. Year to date, Charlotte occupancy is 57.9%, up 6.4% from the same period last year. By comparison, year to date occupancy is 54.9% in the US (up 5.7%) and 50.1% in NC (up 5.3%). Top 25 market occupancy is 62.9% year to date, up 5.7%.

With 645,334 **rooms sold** in March, the Charlotte area had its largest monthly demand total since October 2007 (669,011). Charlotte demand in March 2011 was up 10% from March 2010, marking the 17th straight month of increases. Year to date, Charlotte demand has risen 8.3% from the same period last year. By comparison, year to date demand is up 6.7% in the US, 6.8% in NC and 6.8% in the Top 25 markets.

Charlotte area **average daily rate** was $88.16 in March, up 9.2% from March 2010. March was the best monthly rate in the market since October 2008 ($92.57). March was the 9th consecutive month of rate improvement in our market.
Year to date, ADR is $84.20, up 5.4% from the same period last year. By comparison, year to date rate has grown 3.1% in the US, 3% in NC and 3.9% in the Top 25 markets.

Charlotte area **revenue per available room** was $56.57 in March, up 17.8% from March 2010 and the best since October 2008 ($58.14). Charlotte revPAR has now grown for 14 consecutive months. Year to date, revPAR is $48.78 in Charlotte, up 12.2% from the same period last year. By comparison, year to date revPAR is up 9% in the US, 8.5% in NC and 9.8% in the Top 25 markets.

MECKLENBURG COUNTY HOSPITALITY TAX COLLECTIONS-- FY11 THROUGH MARCH

Mecklenburg County 6% regular occupancy tax collections total $17.4 million fiscal year to date through March, up 15% from the same period last year.

Mecklenburg County 2% NASCAR hall of fame occupancy tax collections total $5.8 million fiscal year to date through March, also up 15% from the same period last year.

Mecklenburg County 1% prepared food & beverage tax collections total $15.3 million fiscal year to date through March, up 6% from the same period last year.

National Leisure & Tourism

US TRAVEL ASSOCIATION TRAVEL TAX INSTITUTE

The **USTA**'s Travel Tax Institute's first project was surveying consumer attitudes toward travel taxes. The study found: 49% of travelers say they have altered their plans due to high travel taxes, including staying at less expensive hotels, spending less on shopping and entertainment, and visiting during the off-season; 68% of travelers rated hotel taxes as "very high" (35%) or "high" (33%); 66% rated taxes on airfare as "very high" (38%) or "high" (28%); Nearly two out of three travelers surveyed (64%) say that the total tax rate on rental cars is "much more" than they expected to pay compared to other travel taxes; and Nearly two-thirds (65%) say they expect to pay higher travel taxes in the year ahead; only two percent believe taxes will decrease.

Economy

BUSINESS TRAVEL HITS HIGH SINCE RECESSION BEGAN IN 2008

Travel Smart News reports that increasing business travel spending is a leading indicator of future job growth – meaning more good news may be ahead on the employment front. For the year, total U.S. spending on business travel grew by 3.2% -- up substantially from the 2.3% for the year forecast previously. Business travel spending in 2011 is now expected to be even stronger than estimated last quarter, advancing by 6.9% for the year – up from the 5% growth forecast previously. Thanks to increasing corporate confidence, companies are investing more in business travel which will further stimulate business activity and economic growth.

Media

APRIL 2011 VOCUS

Vocus identified 4,112 news items on key words provided by CRVA during April. By category, the top 5 were NASCAR Hall of Fame (29%), Charlotte Attractions (18%), CRVA (10%), Charlotte Hotels (6%), and Time Warner Cable Arena (5%). By media type, 51% occurred via online consumer sites followed by online news & business sites (20%), television programs (9%), newspaper (8%), cable/satellite – network/station (3%). A total of 80% of April's media hits took place outside the Charlotte region.

Sources for this Publication

- Center for Exhibition Industry Research
- Mecklenburg County Tax Office
- Smith Travel Research
- The TAP Report
- Travel Smart News
- US Bureau of Economic Analysis
- US Department of Labor
- US Travel Association
- Visit Charlotte/CRVA
- Vocus

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Inside This Report

HOSPITALITY INDUSTRY STATISTICAL REPORT
April 2011

Charlotte Market Lodging Production					
	Charlotte Market	**North Carolina**	**Competitive Set**	**United States**	**Top 25**
March 2011 Occupancy %	64.2	55.8	62.7	61.4	70.1
% Change	7.9	5.4	7.3	6.1	5.9
March 2011 ADR $	88.16	79.98	91.93	101.72	122.06
% Change	9.2	4.4	2.5	3.8	4.2
March 2011 RevPAR $	56.57	44.65	58.29	62.47	85.51
% Change	17.8	10.0	1.0	10.1	10.3
2011 YTD Occupancy %	57.9	50.1	64.2	54.9	62.9
% Change	6.4	5.3	6.3	5.7	5.7
2011 YTD ADR $	84.20	77.45	88.16	99.37	118.54
% Change	5.4	3.0	2.1	3.1	3.9
2011 YTD RevPAR $	48.78	38.82	56.57	54.56	74.59
% Change	12.2	8.5	8.5	9.0	9.8

Source: Smith Travel Research-Stats lag by one month

Comp Set includes: Tampa, Atlanta, Indianapolis, Baltimore, Minneapolis, St. Louis, Greensboro, Raleigh, Cincinnati, Columbus, Philadelphia, Pittsburgh and Nashville

Charlotte Douglas International Airport Aviation Production				
	Month of March	**% Chg from Feb '10**	**2011 YTD**	**YTD % Chg from '10**
Passenger Enplanements	Unavailable	Unavailable	Unavailable	Unavailable
Passenger Deplanements	Unavailable	Unavailable	Unavailable	Unavailable

Source: Charlotte Douglas International Airport-Stats lag by one month

Visit Charlotte Definite Room Night Production				
	Month of April	**Change from April 2010**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	8,063	3,607	422,596	149,799 (55%)
Visitor Economic Development ($)	8,417,852	8,192,422	316,386,570	112,046,484 (55%)
Number of Definite Bookings	23	7	319	41 (15%)
Average Size of Definite Bookings	351	72	1,325	344 (35%)
Total Attendance	10,729	8,094	631,367	74,122 (13%)
Convention Center GSF Booked	0	0	15,020,000	3,940,000 (36%)

Visit Charlotte Lead Room Night Production				
	Month of April	**Change from April 2010**	**FY 2011 YTD**	**YTD Chg (%) from FY10**
Total Room Night Production	59,203	-126,266	837,338	-204,054 (-20%)
Number of Lead Bookings	55	6	672	93 (16)
Average Size of Lead Bookings	1,076	-2,709	1,246	-543 (-30%)

Visit Charlotte Housing Bureau Production			
	Month of April	**FY 2011 YTD**	**YTD% Chg from FY10**
Total Reservations Produced	419	8,387	72%
Total Room Nights Produced	1,655	33,855	242%

Visit Charlotte Leisure Tourism Promotion & Production			
	Month of April	**FY 2011 YTD**	**YTD % Chg from FY10**
Advertising Impressions	1,485,432	53,471,964	N/A
Visit Charlotte Web Site Visitors (Google)	88,604	878,276	2%
Motor Coach Group Bookings (Passengers)	788	4,555	24%

DEFINITE BOOKINGS
April 2011

Charlotte Convention Center

Group Name	Meeting Type	Event Date	Days	Exhibit Gross Sq Ft	Total Room Nights	Attend	Visitor Econ. Dev. ($)
Rockwell Automation	Meeting	03/04/12	3	0	219	400	376,800
American Association of Motor Vehicle Administrators ®	Convention	08/14/12	4	0	1,987	550	690,800
Total				**0**	**2,206**	**950**	**1,067,600**

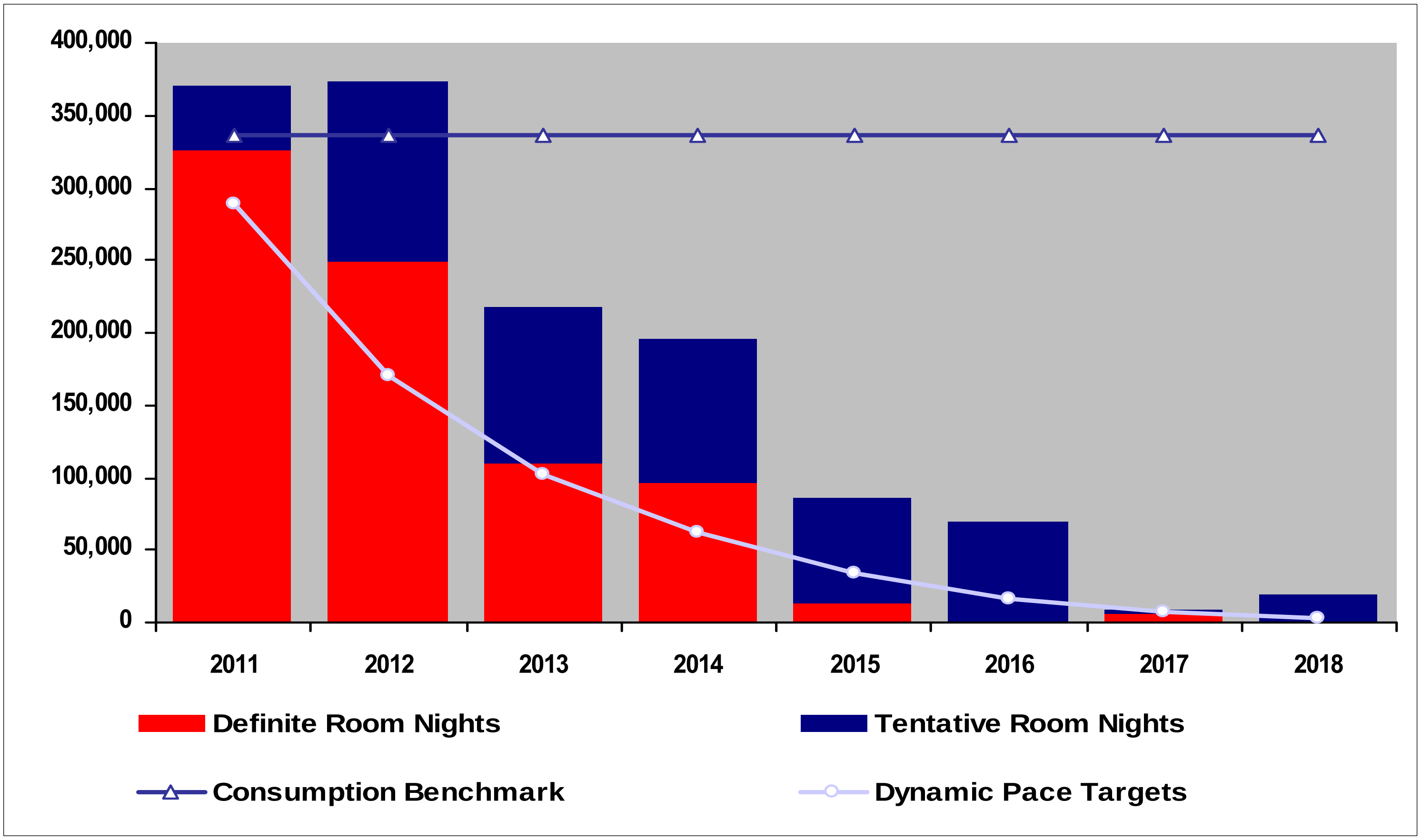
Conference Sales

Group Name	Event Date	Days	Total Room Nights	Attendance	Visitor Econ. Dev. ($)
National Council of University Research Administrators	04/10/11	3	234	155	146,010
United States Army	04/16/11	4	595	200	107,200
BASF Corporate	04/19/11	1	0	200	62,800
Electrolux North America	04/28/11	4	128	40	50,240
RE/MAX Carolinas Region	05/03/11	1	0	360	113,040
Cochlear Americas	05/12/11	1	20	250	78,500
The Shaw Group, Inc.	05/19/11	2	44	30	18,840
North Carolina Amateur Sports (NCAS) ®	05/20/11	4	490	3,000	1,608,000
Wells Fargo ®	06/02/11	1	0	500	157,000
North American Council for Staff, Program and Organizational Development	06/27/11	2	22	14	8,792
Johnson Family Reunion	07/08/11	2	125	250	157,000
Queen City Darting Association ®	07/14/11	3	188	300	120,600
Hayward Family Reunion	08/04/11	3	30	35	32,970
National Alliance of Highway Beautification Agencies	08/06/11	2	125	120	75,360
Diversified Consultants, Assoc. Management Company ®	09/20/11	2	140	75	47,100
North Carolina Metropolitan Mayors Coalition	11/30/11	1	50	50	15,700
North Carolina Chiropractic Association ®	12/10/11	1	0	150	47,100
American Association on Intellectual and Developmental Disabilities ®	06/16/12	3	755	400	376,800
North Carolina Disc Golf ®	07/13/12	8	1,700	3,000	3,216,600
Albert Harris High School Alumni Association, Inc.	08/23/12	2	211	250	157,000
Church of Christ ®	09/29/12	6	1,000	400	753,600
Total			**5,857**	**9,779**	**7,350,252**
GRAND TOTAL			**8,063**	**10,729**	**8,417,852**

Sports & Leisure Spending DKS&A 2007 Charlotte Update (attendance x $134 x # days)
Convention & Conference Spending 2005 DMAI ExPact Study (attendance x $314 x # days)
® Repeat Business

$8,417,852 spending generates $12,794,928 in local tourism economic impact, sustains 85 jobs and results in $3,565,575 in state & local tax collections

Eight Year Dynamic Room Night Pace Report
(As of 4/1/11) Trends Analysis Projections, LLC

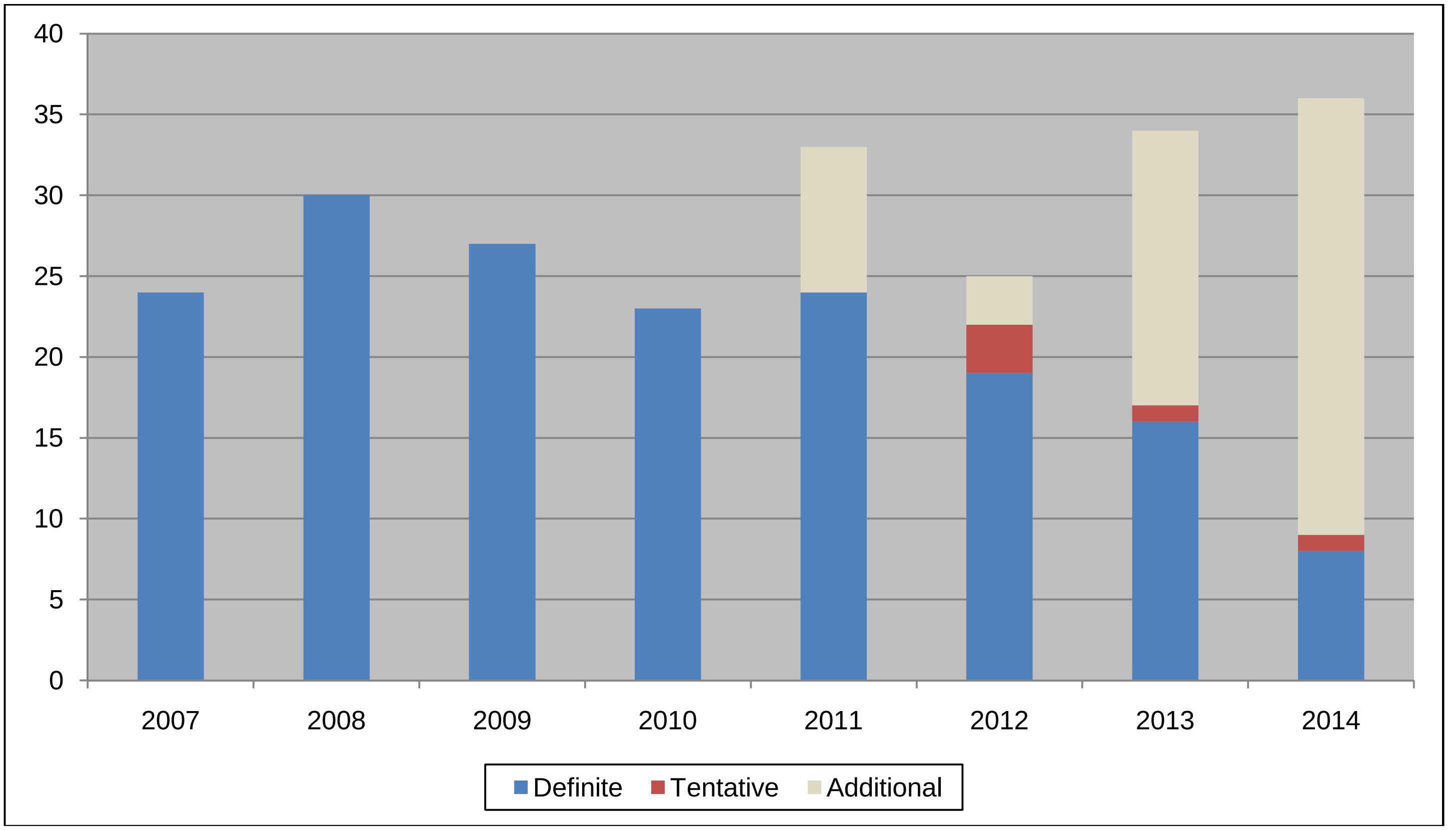


Eight Year Dynamic Room Night Pace Report
(As of 4/1/11) Trends Analysis Projections, LLC

	2011	2012	2013	2014	2015	2016	2017	2018	Total
Charlotte Definite Room Nights	326,124	248,889	109,958	95,691	13,483	0	5,937	0	800,082
Pace Target	289,463	171,053	101,850	62,414	34,478	16,445	7,431	3,329	686,463
Pace Percentage	113%	146%	108%	153%	39%	0%	80%	0%	117%
Tentative Room Nights	44,762	125,081	107,239	100,081	72,145	70,247	3,525	18,730	541,810
Consumption Benchmark	336,628	336,628	336,628	336,628	336,628	336,628	336,628	336,628	2,693,024
Peer Set Pace Percentage	98%	95%	90%	85%	123%	106%	95%	216%	97%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa

Charlotte Convention Center
Tradeshow & Convention Booking Outlook
(As of 5/2/11)



Charlotte Convention Center
Tradeshow & Convention Booking Outlook
(As of 5/2/11)

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014
Definite Bookings	24	30	27	23	24	19	16	8
Tentative Bookings	0	0	0	0	0	3	1	1
Subtotal	24	30	27	23	24	22	17	9
Definite Target	20	21	26	30	33	25*	34*	36*
Variance	4	9	1	-7	-9	-3	-17	-27

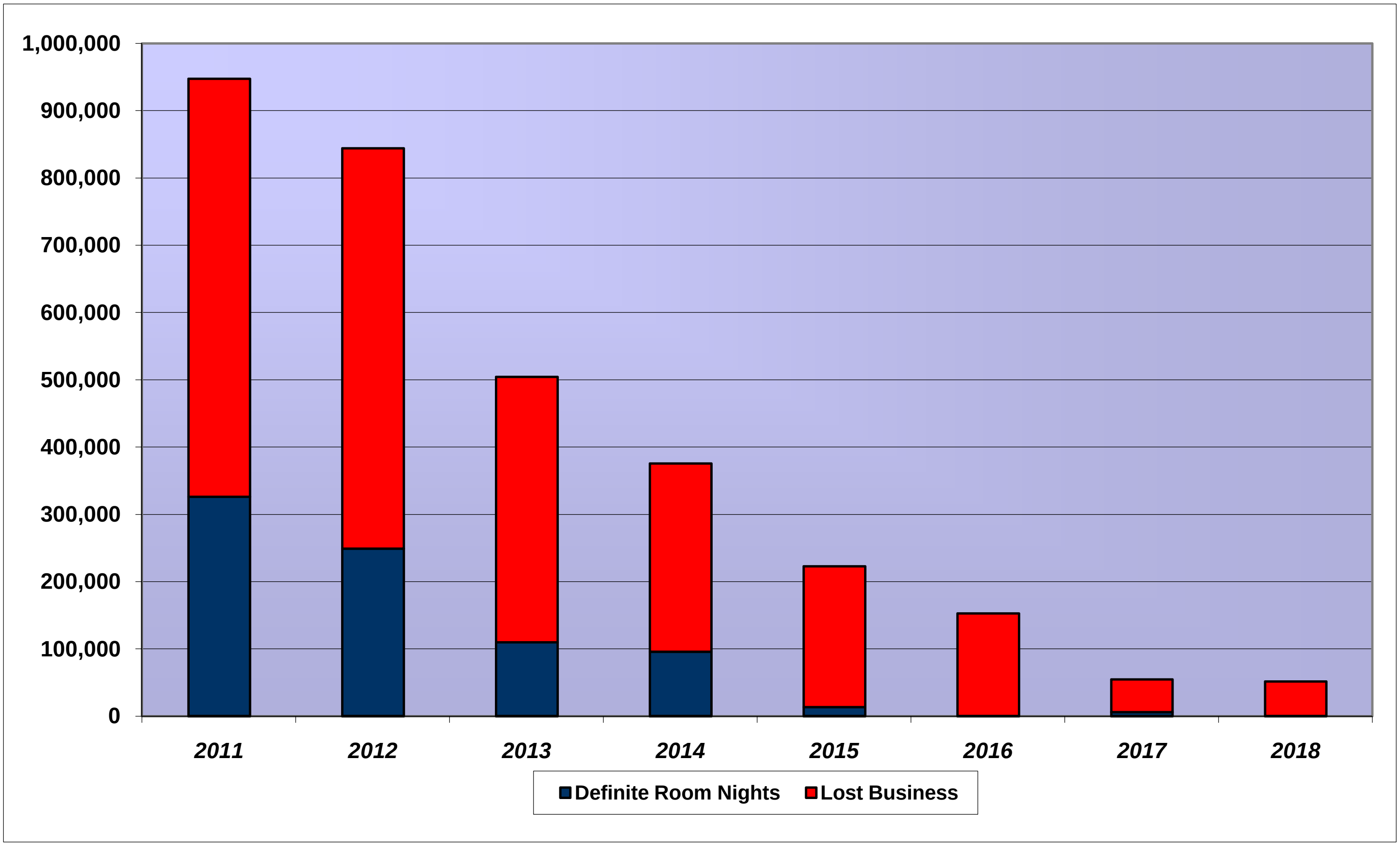
*new goal beginning FY11

HOSPITALITY INDUSTRY SALES ACTIVITIES
April 2011

Site Visits			
Group Name	**Venue**	**Total Room Nights**	**Total Attendance**
DEFINITES			
Not Applicable			
TENTATIVES			
Presbyterian Foundation (Feb 2012)	Hotel	340	350
CALSTART, Inc. (Sep 2012)	CCC	815	800
Southern Early Childhood Association (Feb 2013)	Hotel	955	350
American Chemistry Society – Rubber Division (Oct 2013)	CCC	4.326	5,000
National Council for Continuing Education & Training (Oct 2013)	CCC	888	350
Professional Association for SQL Server (Oct 2013)	CCC	4,330	5,000
NC Association of Pharmacists (TBD)	TBD	TBD	TBD
USA Pentathlon (TBD)	TBD	TBD	TBD

Trade Shows & Events (attended by staff)	
Event Name	**Location**
Christian Meetings & Conventions Association	Asheville, NC
Destination Marketing Association International Board Meeting & CEO Forum	Lake Tahoe, NV
National Association of Sports Commissions	Greensboro, NC
Sales Mission	Washington, DC
Springtime Tradeshow	Washington, DC
UK Familiarization Tour	England, Ireland, Scotland
US Travel Association Board Meeting	Washington, DC

Visit Charlotte Pace vs. Demand Comparison – Lost Business (As of 4/1/11)Trends Analysis Projections, LLC



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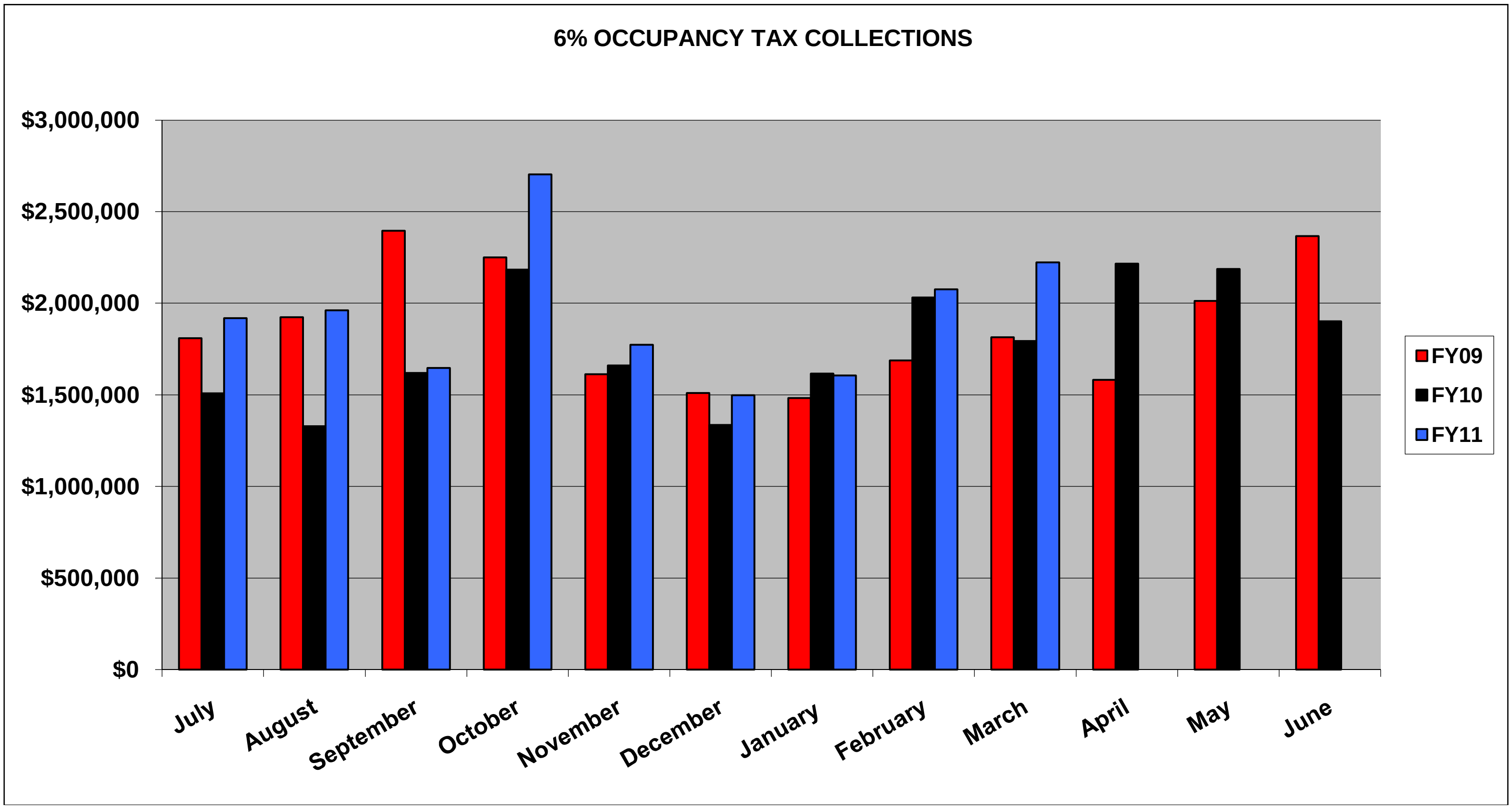
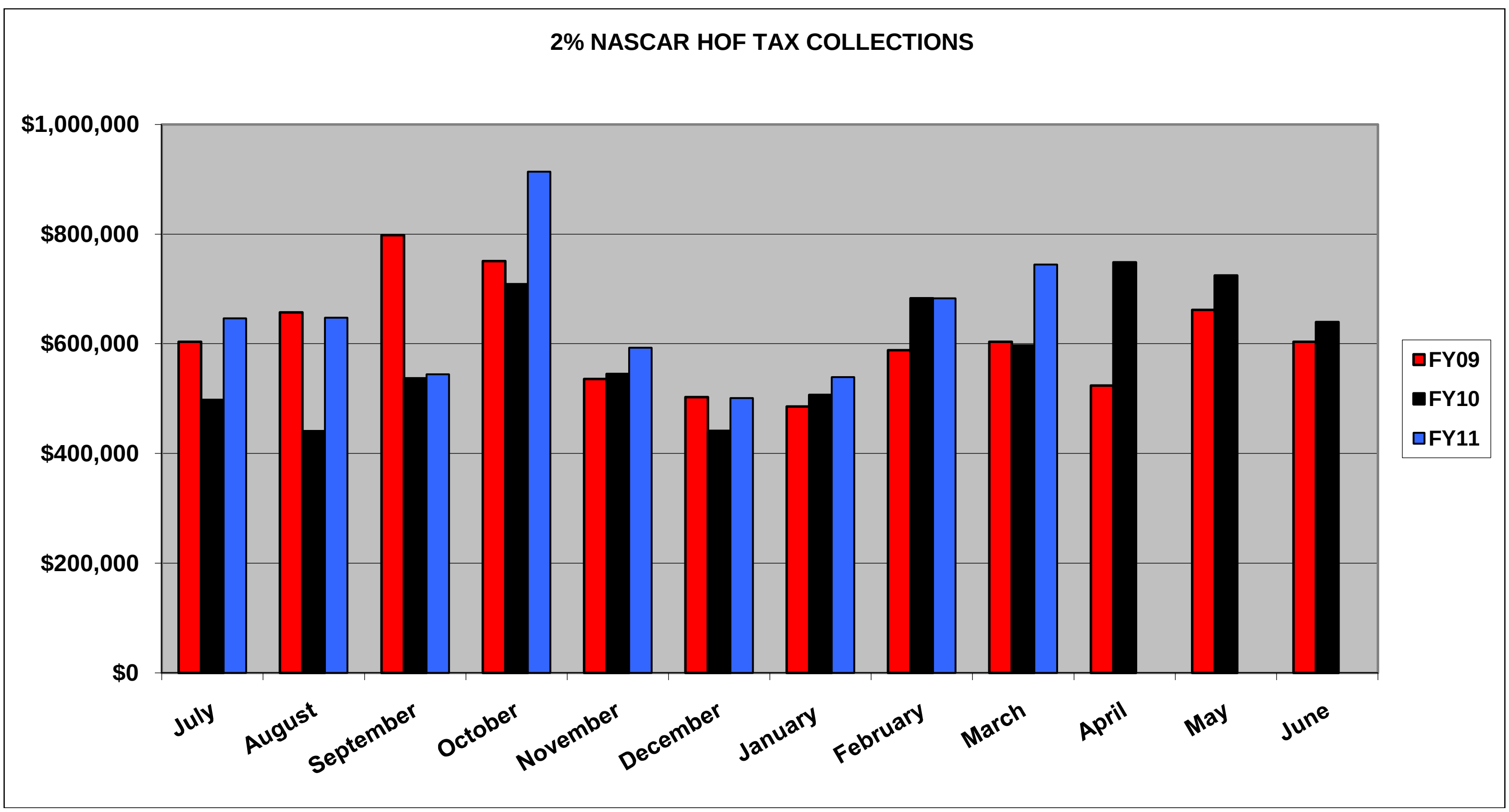
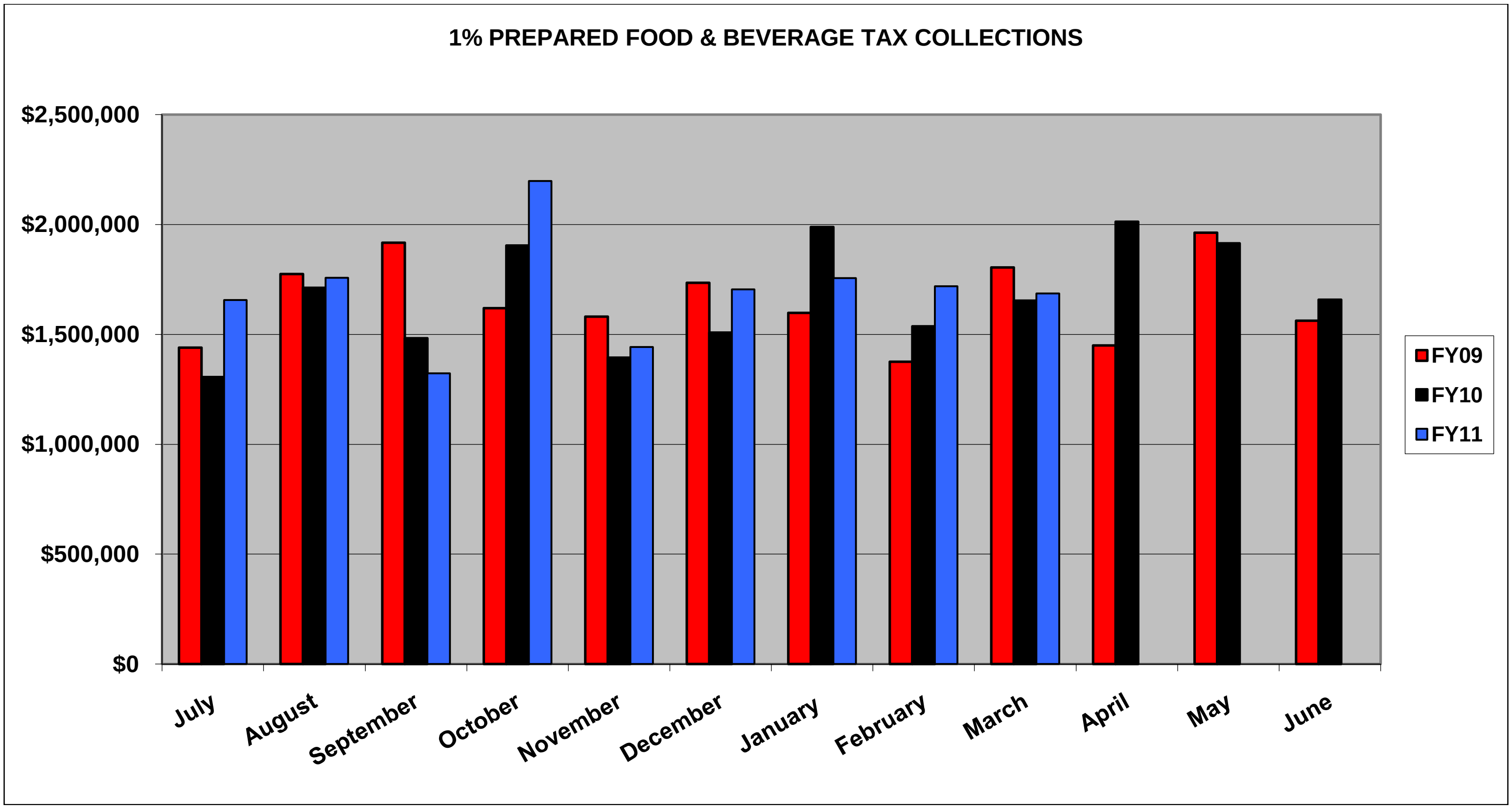
Pace Percentage	113%	146%	108%	153%	39%	0%	80%	0%	117%
Total Demand Room Nights	947,602	844,091	504,414	375,351	222,551	152,649	54,464	51,292	3,152,414
Lost Room Nights	621,478	595,202	394,456	279,660	209,068	152,649	48,527	51,292	2,352,332
Conversion Percentage	34%	29%	22%	25%	6%	0%	11%	0%	25%
Peer Set Conversion Percentage	26%	22%	21%	20%	24%	24%	18%	18%	23%

Peer Set Data includes Charlotte, Baltimore, Louisville, Pittsburgh and Tampa


6% OCCUPANCY TAX COLLECTIONS
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11


2% NASCAR HOF TAX COLLECTIONS
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
July
August
September
October
November
December
January
February
March
April
May
June
FY09
FY10
FY11



THE ECONOMY
March 2011

	2010	2011	% Change
Consumer Confidence Index	52.3	63.8	22.0%
Consumer Price Index (CPI)	217.631	223.467	2.7%
Unemployment Rate			
- National	9.7%	8.8%	-9.3%
- State	11.1%	9.7%	-12.6%
- Local	11.9%	10.4%	-12.6%