

Louisiana Travel Pulse

August 2007

Produced by the Louisiana Office of Tourism

Mid-Year Analysis/Highlights:

- At mid-year, New Orleans seat capacity was 68% of the number of seats that existed prior to Hurricane Katrina in July 2005. Also, for the first six months of 2007 the number of enplanements are up by 30.6% over last year.
- For the first six months of 2007, Louisiana had the ninth highest occupancy rate in the nation even though occupancy declined by 11.6%.
- For the first half of 2007, all components of gaming measurement are up by 16.8% over our benchmark year of 2004.
- Louisiana just completed installation of wireless internet access at 11 of its 13 centers. This service is complemented by internet access at kiosks in the centers. Due to recent development, the centers also now feature a rotating display of area weather radars, and large screen satellite TV with news and information channels to help visitors make important weather related travel decisions.

Louisiana Tourism Trends

	June 2007	June 2006	% +/-	(Benchmark)			% +/-	% +/-
Airport Trends				YTD 2004	YTD 2006	YTD 2007	2006-2007	2004-2007
Airport Passenger Enplanements								
Louisiana Metro Airports Total	402,268	372,801	7.9%	2,918,309	1,938,591	2,380,186	22.8%	-18.4%
New Orleans	318,960	292,610	9.0%	2,529,424	1,444,152	1,885,767	30.6%	-25.4%
Other Metro*	83,308	80,191	3.9%	388,885	494,439	494,419	0.0%	27.1%
* Note: Includes Baton Rouge, Monroe, Lafayette, and Alexandria metropolitan airports.								
Louisiana Hotel/Motel Trends								
Rooms Sold	1,414,766	1,437,789	-1.6%	9,218,536	9,267,106	8,681,398	-6.3%	-5.8%
Room Supply	2,235,750	2,102,070	6.4%	14,128,580	12,546,236	13,302,247	6.0%	-5.8%
Occupancy Rate	63.3%	68.4%	-7.5%	65.2%	73.9%	65.3%	-11.6%	0.2%
Average Daily Rate	\$80.62	\$83.70	-3.7%	\$88.40	\$93.24	\$92.57	-0.7%	4.7%
Louisiana Gaming Indicators								
Riverboat AGR*	\$156,307,382	\$153,203,532	2.0%	\$802,865,001	\$966,287,342	\$894,628,477	-7.4%	11.4%
Non-Indian Land Based Casino GGR**	\$33,104,579	\$29,188,359	13.4%	\$158,970,110	\$144,137,182	\$204,585,500	41.9%	28.7%
Slots At Racetracks GGR***	\$30,216,622	\$31,270,502	-3.4%	\$138,122,793	\$194,907,074	\$185,434,845	-4.9%	34.3%
Total	\$219,628,583	\$213,662,393	2.8%	\$1,099,957,904	\$1,305,331,598	\$1,284,648,822	-1.6%	16.8%
*Adjusted Gross Revenue								
**Gross Gaming Revenue from Harrah's New Orleans Casino								
***Initiated in 2/2002 at Delta Downs, 5/2003 at Louisiana Downs, and 12/2003 at Evangeline Downs								
State Welcome Center Visitors	150,709	131,348	14.7%	803,536	666,751	730,613	9.6%	-9.1%
Notes: 1) I-20/Mound Welcome Center - operated out of a trailer most of 2005 due to renovation, 2) I-10/Vinton Welcome Center - closed temporarily to the public due to Hurricane Rita, and 3) N.O. Welcome Center - operating on a restricted 5-day per week schedule following Katrina.								
Louisiana Parks Visitors								
Jean Lafitte NHP*	24,694	23,536	4.9%	315,128	131,005	171,125	30.6%	-45.7%
Louisiana State Parks and Historic Sites	231,278	213,955	8.1%	1,048,746	817,458	937,643	14.7%	-10.6%
* Recreational Visits								

National Tourism Trends

	(Benchmark)							
	June 2007	June 2006	% +/-	YTD 2004	YTD 2006	YTD 2007	% +/- 2006-2007	% +/- 2004-2007
<u>U.S. Hotel/Motel Trends</u>								
Rooms Sold			2.8%				0.9%	
Room Supply,			1.4%				1.1%	
Occupancy Rate	71.5%	70.5%	1.3%	60.5%	63.4%	63.2%	-0.2%	4.5%
Average Daily Rate	\$103.24	\$97.95	5.4%	\$86.48	\$97.35	\$102.95	5.7%	19.0%
<u>National Park Trends</u>								
Recreational Visits (000)	32,280	30,847	4.6%	123,431	123,079	121,870	-1.0%	-1.3%
<u>U.S. Consumer Confidence Index Trend</u>								
Index (1985=100)	105.3	105.4	-0.1%	93.9	106.2	108.1	1.8%	15.0%

(Sources: Louisiana Metropolitan Airports, Air Transport Association, Smith Travel Research, Louisiana State Police, Travel Industry Association of America, National Park Service, The Conference Board, and DCRT)

Glossary

Enplanements - a count of the number of passengers who board an airplane at one of Louisiana's metro airports.

Average Daily Rate (ADR) - Room revenue divided by rooms sold.

Occupancy - rooms sold divided by rooms available.

Rooms available (Room Supply) - The number of rooms times the number of days in the period.

Room revenue - total room revenue generated from the sale or rental of rooms.

Rooms sold (Room Demand) - The number of rooms sold (excludes complimentary rooms).

Adjusted Gaming Revenue - Net gains realized by a casino after payment of all cash paid out as losses to patrons.

Welcome Center Visitors - the number visitors who sign the register at Louisiana's 13 state welcome centers.

Recreational Visits - The entry of a person onto lands or waters administered by the NPS for recreational purposes

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Other Louisiana Tourism Trends

<u>Visitors</u>	(Benchmark)							
	4th Quarter 2006	4th Quarter 2005	% +/-	YTD 2004	YTD 2005	YTD 2006	% +/- 2005-2006	% +/- 2004-2006
U.S. Resident Visitors To La.*	5,900,000	1,900,000	210.5%	23,600,000	18,700,000	18,200,000	-2.7%	-22.9%
Canadian Resident Vis. To La.**	23,500	16,500	42.4%	109,200	96,600	71,900	-25.6%	-34.2%

* 2006 domestic estimates are preliminary and subject to change. Hurricane related recovery travel is not included in 2006 estimates.
 ** The source for Canadian visitor estimates is Statistics Canada.

<u>Intent To Visit Benchmarks</u>							
MDRG Survey	April 2007	January 2007	% +/-	August 2006	May 2006	March 2006	January 2006
Regional Sample	60.2%	56.3%	6.9%	50.7%	46.6%	49.8%	46.1%
National Sample	47.9%	33.9%	41.3%	31.5%	30.8%	30.5%	35.6%
TNS Survey	Fall 2006	Fall 2005	% +/-	Spring 2006	Spring 2005		
Regional Sample	43.0%	37.0%	16.2%	31.0%	53.0%		
National Sample	13.0%	13.0%	0.0%	11.0%	21.0%		

Notes: The results shown here are primarily taken from surveys in which the following question was asked of travelers:
 "How likely are you to take a trip to Louisiana during the next 12 months?" The choices are from 1 to 5 with 5 equals Extremely Likely and 1 equaling Not At All Likely. This is only a measurement of the attitude towards visiting La and should only be used as a gauge to measure a trend. This measurement is not used to estimate actual visitor volume.

<u>Hospitality Industry Employment</u>	QTR	QTR	% +/-	QTR	QTR	QTR	% Change From Prev. Qtr.	% Change From Prev. Year
	2006-4	2005-4		2006-4	2006-3	2005-4		
	Employment	Employment		Units	Units	Units		
Arts, Entertainment, & Recreation	40,261	38,664	4.1%	1,555	1,533	1,531	1.4%	1.6%
Accommodations and Food Services	156,767	140,493	11.6%	8,331	8,242	8,204	1.1%	1.5%

Notes: Units or total units, referred to in the tables of this publication, represent the number of establishments in the industry.

<u>Audubon Golf Trail</u>	1st Quarter	1st Quarter	% +/-					
	2007	2006						
Number of Rounds Played	54,888	50,822	8.0%					
Number of Courses Open	12	10	20.0%					

Notes: The TPC Louisiana reopened in July 2006; AGT also added Black Bear Golf Course and Atchafalaya Course at Idlewild in 2006.

(Benchmark)

<u>Louisiana Tax Free Shopping</u>	2nd Quarter	2nd Quarter	% +/-	YTD	YTD	YTD	% +/- 2006-2007	% +/- 2004-2007
	2007	2006		2004	2006	2007		
Number of Refund Transactions	3,416	1,423	140.1%	18,377	3,525	8,748	148.2%	-52.4%
Number of Sales	14,883	7,969	86.8%	78,694	18,060	36,032	99.5%	-54.2%
Retail Spending	\$3,065,978	\$1,560,865	96.4%	\$12,790,857	\$3,414,495	\$7,718,497	126.1%	-39.7%

(Sources: University of New Orleans, Statistics Canada, La. Dept. of Labor, Louisiana Tax Free Shopping, and DCRT.)

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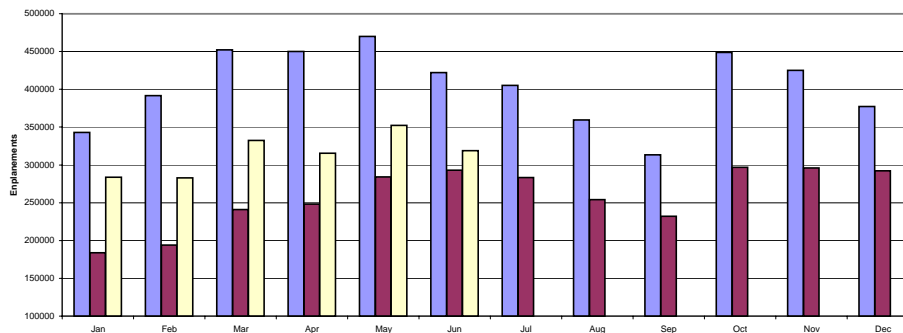
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Legend For All Graphs: 2004 = left bar (blue)(benchmark year), 2006 = middle bar (red), 2007 = right bar (yellow)

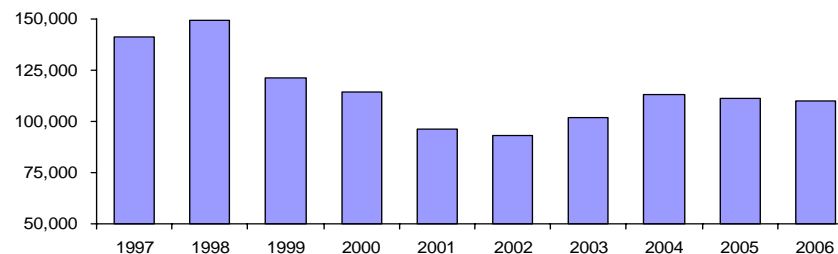
Louisiana Airport Enplanements - New Orleans International Airport had flights to 37 destinations on 117 flights with 13,869 seats on Monday, May 14 when ExpressJet adds 7 flights to their New Orleans schedule. At mid-year, New Orleans seat capacity was 68% of the number of seats that existed prior to Hurricane Katrina in July 2005. June enplanements were 9% higher than June of 2006. Also, for the first six months of 2007 the number of enplanements are up by 30.6% over last year. However, as the graph indicates, the number of enplanements are still below the levels of 2004. The 2007 year-to-date number of enplanements are 25.4% below that the number of enplanements recorded during the same period in 2004.

New Orleans International Airport



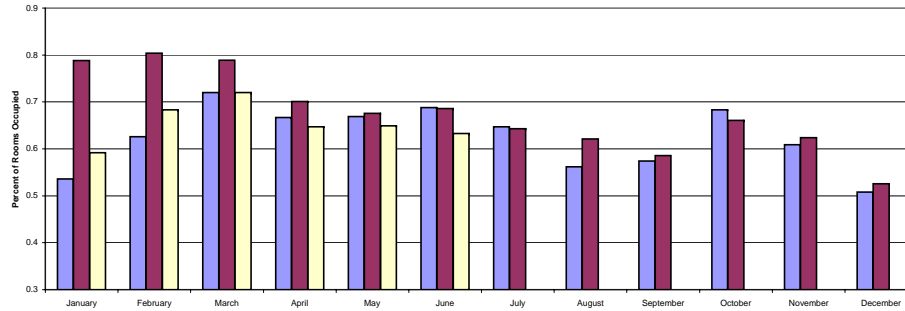
One of Louisiana's airports tracked in this barometer is the Monroe Regional Airport. The City of Monroe is the owner and sponsor of the Monroe Regional Airport, which is located 4 statute miles east of the City of Monroe. . Monroe Regional Airport has provided commercial passenger services for NE Louisiana since 1929 after Huff Daland Dusters was purchased by C.E. Woolman and renamed Delta Air Service after the Mississippi Delta. Delta Air Service eventually became Delta Airlines and moved its headquarters in 1941 from Monroe to Atlanta, Georgia, and is now the second-largest airline in the world in terms of passengers carried (approximately 119 million in 2005). Therefore Louisiana's largest airport in northeast Louisiana became the birthplace for the world's second largest airline over 75 years ago.

Monroe Regional Airport Enplanements, 1997-2006

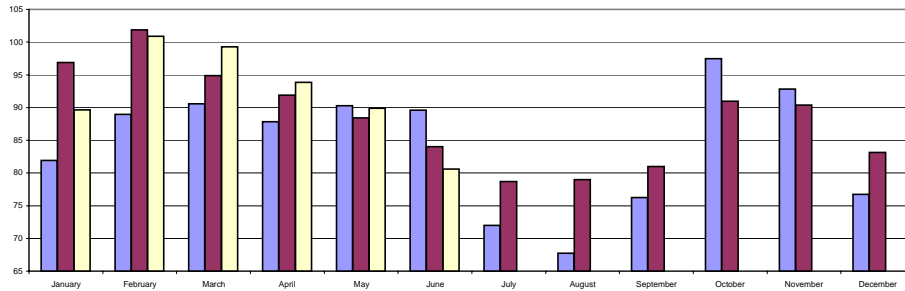


Louisiana Lodging Trends - There were approximately 74,500 rooms available in June 2007, 93% of what was available in July 2005 (immediately before Hurricanes Katrina and Rita). For the first six months of 2007, Louisiana had the ninth highest occupancy rate in the nation even though occupancy declined by 11.6%. While national ADR rose by 5.7% during this period, Louisiana's ADR was flat (-0.7%) which contributed heavily to Louisiana's RevPAR rank of seventeenth. All areas of the state experienced declines in room demand, but the Shreveport metro area only had a 1% decline in room demand and a 2.4% decline in occupancy. Shreveport actually experienced increases in room supply, ADR, and RevPAR. Also New Orleans' recovery during this period is obvious since room supply grew by 12.2%. The actual number of rooms available in New Orleans grew from approximately 29,500 in June 2006 to approximately 32,700 in June 2007. These year over year changes (declines in occupancy and growth in rooms) are being experienced everywhere as the state recovers from the hurricanes.

Louisiana Hotel-Motel Occupancy Rate

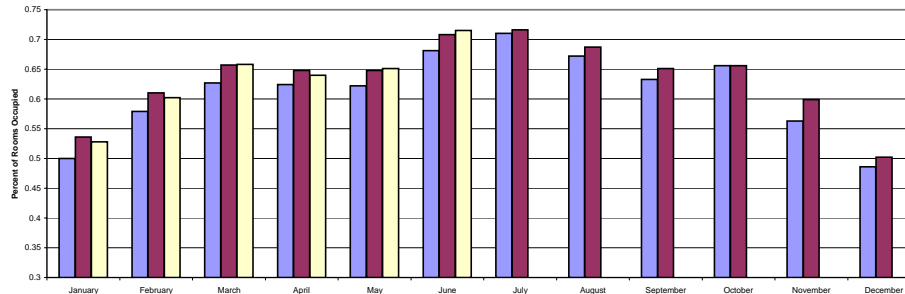


Louisiana Average Daily Rate

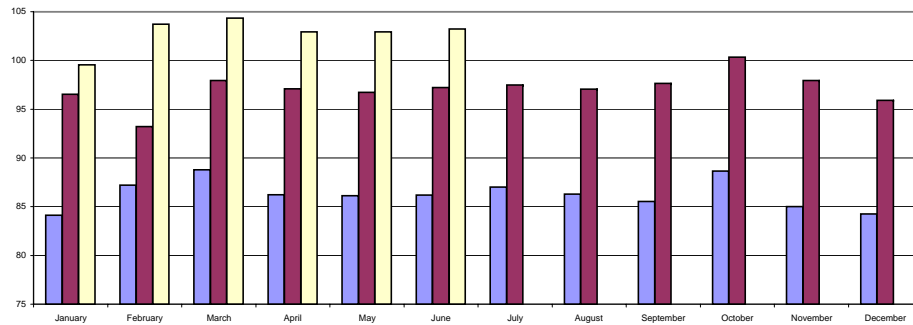


U.S. Lodging Trends - In the first half of 2007, industry occupancy slipped 0.2 percent to 63.2 percent versus same period prior year. Average room rate was up 5.7 percent to \$102.95 and RevPAR gained 5.5 percent to \$65.09. First half industry room supply increased 1.1 percent while demand (room nights sold) grew 0.9 percent. Room revenue grew 6.7 percent in the first six months of 2007 to \$52 billion. "First half industry performance was basically in line with expectations," said Mark Lomanno, President of Smith Travel Research. "Year-over-year comparisons will be easier in the second half and economic forecasts are generally calling for marginal improvement over the balance of 2007. We believe full year 2007 RevPar growth will fall in the 5 – 5.5 percent range", Lomanno added.

U.S. Occupancy Rates

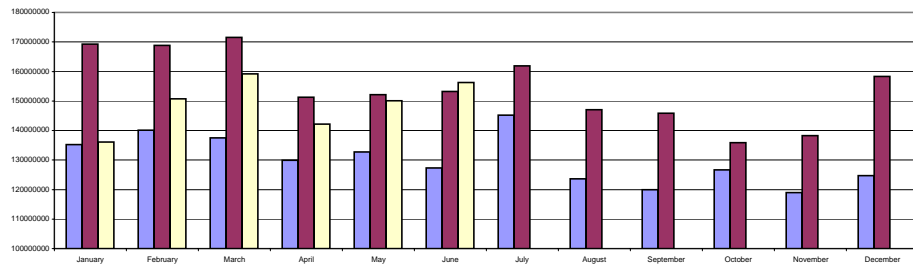


U.S. Average Daily Rate



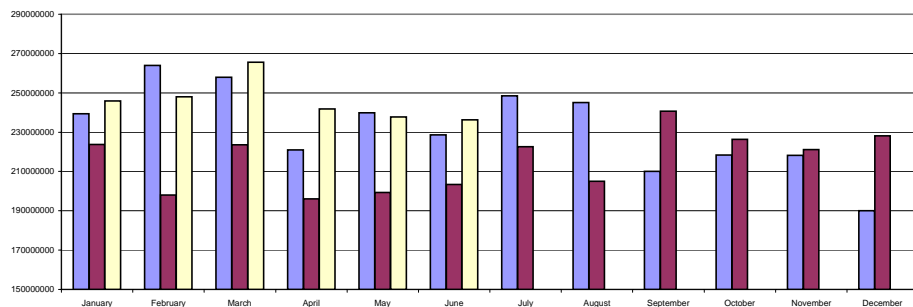
Louisiana Gaming Indicators - Gaming continues to be a popular activity in Louisiana even though Louisiana Riverboat AGR and Racino activity are down slightly from last year. For the first half of 2007, all components of gaming measurement are up by 16.8% over our benchmark year of 2004. The down cycle may be related to national leisure and business travel trends. According to a national travel analyst, leisure travel is down slightly for the first six months of 2007, but business travel appears to be a little stronger in many major cities. Las Vegas, a major destination for both business and leisure travelers, is flat through April, while continuing to add to its inventory of hotel rooms. So the Louisiana gaming income cycle for the first six months may be part of a national trend, and it is likely a part of the recovery process which saw an artificial increase in late 2005 and early 2006.

Louisiana Riverboat Adjusted Gross Revenue



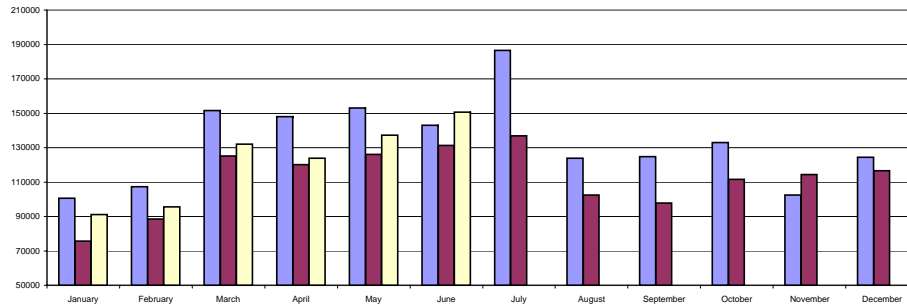
Mississippi Riverboat GGR continued to rise in June 2007, totaling more than June 2006 and June 2004 (see graph). Gaming's upward swing in Mississippi will likely set records for the year, and will be a large part of the recovery of the Mississippi Gulf Coast. Recovery efforts continue as hurricane season arrived with no storms hitting anywhere on the U.S. Gulf of Mexico coast in June. Even though experts predict that several named storms will be produced this season, none have entered the Gulf of Mexico by the time of this report (mid-August). Eleven casinos are currently operating on the Mississippi Gulf Coast, with the latest (Hard Rock Casino) opened on June 30, 2007. Also, an additional phase of Island View Casino Resort opened in May, with another phase under construction. Ten others are either in the planning stages or have started construction.

Mississippi Riverboat Gross Gaming Revenue



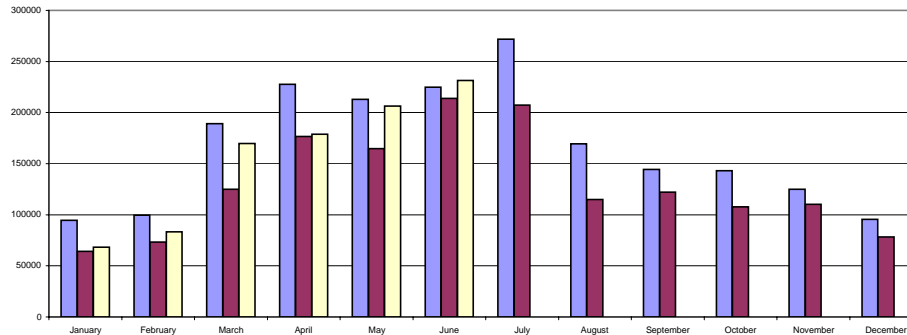
State Welcome Center Visitors - All thirteen of Louisiana's state welcome centers were open in June. The number of visitors in June were the highest for the month of June since June 2003 when 168 thousand visitors were recorded. Mississippi's welcome centers also experienced the same trend by recording over 245 thousand visitors in their 12 centers across the state, three of which now offer free wireless internet service. Louisiana just completed installation of wireless internet access at 11 of its 13 centers. This service is complemented by internet access at kiosks in the centers. Due to recent development, the centers also now feature a rotating display of area weather radars, and large screen satellite TV with news and information channels to help visitors make important weather related travel decisions.

Louisiana Welcome Center Visitors



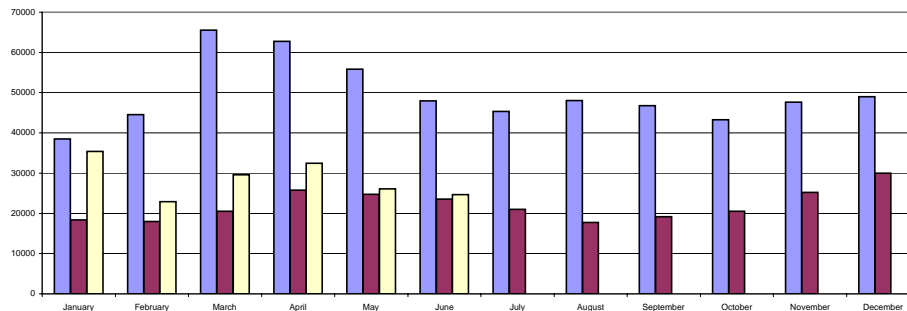
Louisiana State Park Trends - State parks and historic sites increased again in June 2007. For the first six months of 2007, there were 14.7% more visitors than last year but 10.6% less than the same period in 2004. 3,602 of the additional visitors came from Hodges Gardens State Park which opened in May. Also, St. Bernard State Park which reopened in December 2006 had 18,817 visitors so far this year. Without those two parks, the actual increase for the first half of this year would be 12% greater than last year.

La State Park and Historic Site Visitors



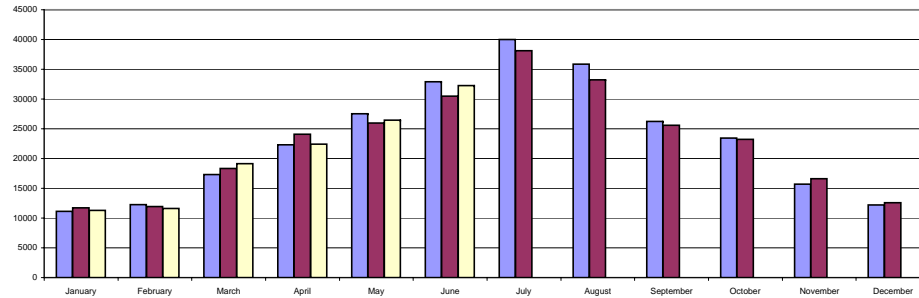
Jean Lafitte National Historic Park Trends - Barataria continues to be the busiest unit within the six units of Jean Lafitte National Park. The Barataria Unit is located in a suburb of New Orleans and is dependent on New Orleans tourism, much like the Chalmette Unit (Chalmette National Battlefield) and the French Quarter Unit. The other three units are located in the Cajun country communities of Lafayette, Thibodaux, and Eunice. Those three museums recorded over 41 thousand visitors this year, or 24% of the 171,125 visitors recorded by Jean Lafitte National Park. Much like Louisiana's state parks and historic sites, the number of visitors to the national park are not back to the benchmark levels of 2004.

Jean Lafitte NP Recreational Visits



Twelve U.S. national parks are at serious risk from the increasing effects of global warming and the greenhouse effect, according to a report from the National Resources Defense Council (NRDC) and The Rocky Mountain Climate Organization titled, *Losing Ground: Western National Parks Endangered by Climate Disruption*. The report shows how global warming in the arid American West, where temperatures have risen twice as fast as in the eastern United States over the past 50 years, is destroying wildlife habitat, putting species at risk of extinction, and transforming the landscapes and scenic beauty Americans love. If current trends continue, the report says the glaciers in Glacier National Park could all be melted by 2030, along with many of the glaciers and ice caves in the North Cascades National Park, which includes 60 percent of all glacier-covered land in the United States outside Alaska.

National Park Service Visitors Nationwide



U.S. Consumer Confidence Index Trend - The Consumer Confidence Survey is based on a representative sample of 5,000 U.S. households. The monthly survey is conducted for The Conference Board by TNS. TNS is the world's largest custom research company. The Consumer Confidence Index, which had increased in May, declined again in June; and was up 1.8% for the year for the first half of 2007. The Conference Board also monitors vacation intentions. The vacations intentions index for the first six months of 2007 was down by 2.1% which roughly translated means consumers' plans for vacationing over the rest of the year are slightly down from the intentions found last year. Thus, even though slightly more U.S. consumers are confident in the economy this year, slightly less U.S. consumers are likely to be taking vacations this year.

U.S. Consumer Confidence Index

