

Louisiana Travel Pulse

July 2007

Produced by the Louisiana Office of Tourism

Monthly Analysis/Highlights:

- A successful New Orleans JazzFest boosted airport and hotel traffic in New Orleans and ultimately the state during May.
- Louisiana welcome centers, state parks and historic sites, and national parks continue to show increased visitors over last year.
- The latest figures for the fourth quarter of 2006 from the Department of Labor show increased numbers of hospitality industry jobs and businesses statewide.
- U.S. consumer confidence grew in May by 3.2% which is a good sign before the traditional summer travel season despite rising gasoline prices.

Louisiana Tourism Trends

	May 2007	May 2006	% +/-	(Benchmark)		YTD 2004	YTD 2006	YTD 2007	% +/- 2006-2007	% +/- 2004-2007
Airport Trends										
Airport Passenger Enplanements										
Louisiana Metro Airports Total	441,065	375,438	17.5%	2,426,570	1,566,047	1,978,702			26.4%	-18.5%
New Orleans	352,471	291,842	20.8%	2,107,182	1,158,660	1,567,591			35.3%	-25.6%
Other Metro*	88,594	83,596	6.0%	319,388	407,387	411,111			0.9%	27.6%
* Note: Includes Baton Rouge, Monroe, Lafayette, and Alexandria metropolitan airports.										
Louisiana Hotel/Motel Trends										
Rooms Sold	1,497,867	1,467,692	2.1%	7,589,023	7,847,620	7,291,877			-7.1%	-3.9%
Room Supply	2,307,547	2,167,861	6.4%	11,767,490	10,464,311	11,100,572			6.1%	-5.7%
Occupancy Rate	64.9%	67.7%	-4.1%	64.5%	75.0%	65.7%			-12.4%	1.9%
Average Daily Rate	\$89.89	\$88.36	1.7%	\$88.19	\$95.02	\$94.82			-0.2%	7.5%
Louisiana Gaming Indicators										
Riverboat AGR*	\$150,048,523	\$152,137,898	-1.4%	\$675,510,758	\$813,083,810	\$738,321,095			-9.2%	9.3%
Non-Indian Land Based Casino GGR**	\$39,577,812	\$35,732,045	10.8%	\$133,867,302	\$114,948,823	\$171,480,921			49.2%	28.1%
Slots At Racetracks GGR***	\$30,885,221	\$32,338,410	-4.5%	\$114,527,229	\$163,636,572	\$155,218,223			-5.1%	35.5%
Total	\$220,511,556	\$220,208,353	0.1%	\$923,905,289	\$1,091,669,205	\$1,065,020,239			-2.4%	15.3%
*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										
	137,298	126,098	8.9%	660,565	535,403	579,904			8.3%	-12.2%
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*	26,103	24,713	5.6%	267,199	107,469	146,431			36.3%	-45.2%
Louisiana State Parks and Historic Sites	206,399	164,718	25.3%	824,055	603,503	706,365			17.0%	-14.3%
* Recreational Visits										

National Tourism Trends

(Benchmark)

	May 2007	May 2006	% +/-	YTD 2004	YTD 2006	YTD 2007	% +/- 2006-2007	% +/- 2004-2007
<u>U.S. Hotel/Motel Trends</u>								
Rooms Sold			2.1%				0.6%	
Room Supply,			1.4%				1.2%	
Occupancy Rate	65.1%	64.6%	0.7%	59.0%	61.9%	61.6%	0.6%	4.4%
Average Daily Rate	\$102.92	\$97.51	5.5%	\$86.37	\$97.21	\$102.86	5.8%	19.1%
<u>National Park Trends</u>								
Recreational Visits (000)	26,465	26,067	1.5%	90,547	92,232	89,792	-2.6%	-0.8%
<u>U.S. Consumer Confidence Index Trend</u>								
Index (1985=100)	108.0	104.7	3.2%	92.2	106.3	108.6	2.2%	17.8%

(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.

Hospitality Industry Employment	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.

Audubon Golf Trail	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.

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

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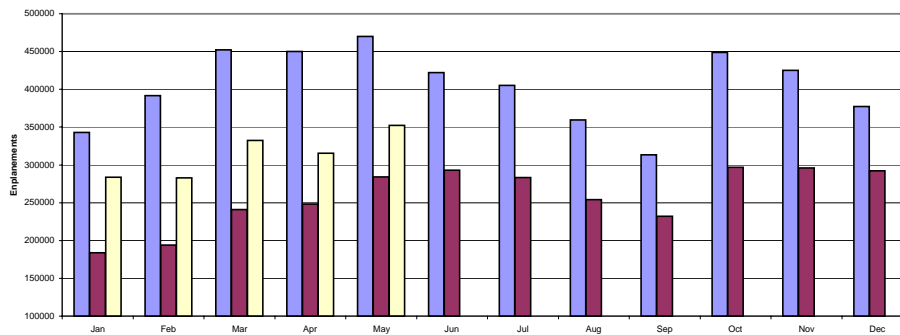
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Legend For All Graphs: 2004 = left bar (blue)(benchmark year), 2006 = middle bar (red), 2007 = right bar (yellow)

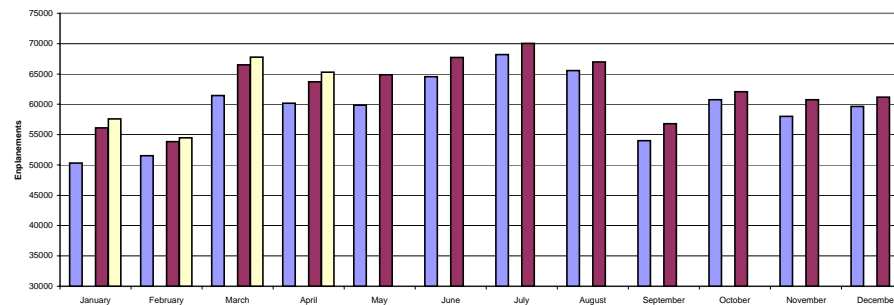
Louisiana Airport Enplanements - Jazz Fest has always created a surge in travel for the New Orleans International Airport. This year, one airline responded to that surge by increasing flights to accommodate the crowds coming to New Orleans to enjoy the annual musical celebration. Reports from the Transportation Security Administration (TSA) on the total number of passengers who were processed through security over Jazz Fest place the Mondays after each weekend in the top 5 departure days since Hurricane Katrina. On a normal Sunday prior to Katrina, the Airport saw approximately 17,500 passengers depart the city. On the first weekend of Jazzfest, 14,490 passengers were recorded, and on the second weekend a record 15,868 passengers were recorded. By the end of May, the airport had service to 37 destinations on 117 daily flight departures with 13,869 seats.

New Orleans International Airport



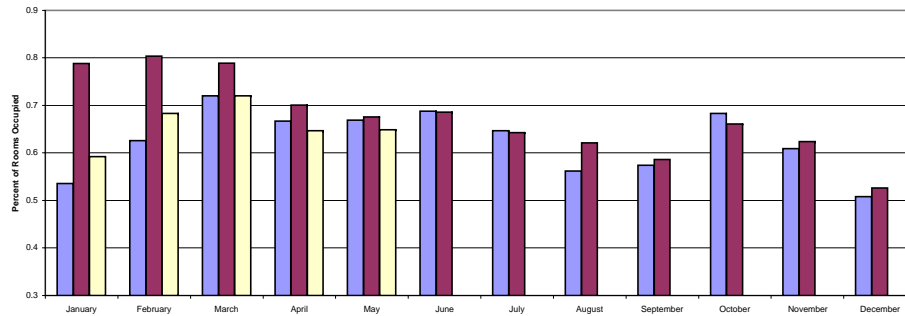
U.S. Air Travel Trends - According to James Cammisa, Travel Industry Analyst, domestic airline traffic is showing only modest year-to-date gains, with enplanements up just 0.9 percent versus last year. This doesn't help car rental operators and other s dependent on air passenger arrivals. The airlines, are limiting domestic capacity growth (-0.2%), and flying with high load factors (79.6%). International air traffic, through May, is 3.9 percent above last year's numbers. For the first quarter, outbound overseas travel by Americans was up 3.0 percent while inbound foreign arrivals were significantly stronger and were up by 8.3 percent. The strength of foreign currencies and healthy overseas economies are providing the stimulus, perhaps overcoming some of the negative perceptions of the U.S.

Nationwide Enplanements

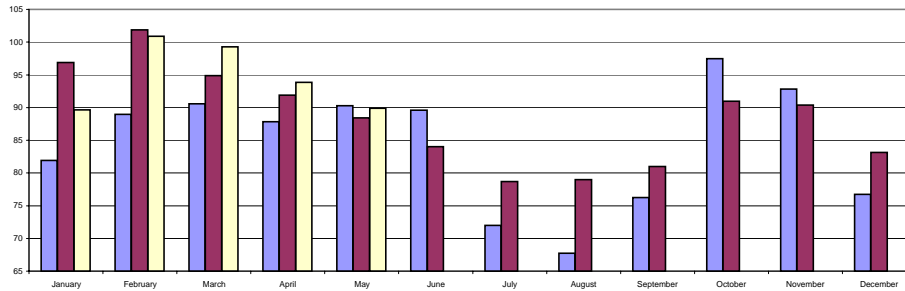


Louisiana Lodging Trends - May 2007 statistics: Occupancy (64.9%): -4.1%; ADR (\$89.89): +1.7%; RevPar (\$58.35): -2.5%; Rooms Available: +6.4%; and Rooms Sold: +2.1%. The number of hotels-motels in Louisiana now number approximately 688, 96% of the approximately 720 hotel-motel properties that existed prior to the 2005 hurricanes. The number of rooms available now number approximately 74,400, 93% of what was available in July 2005. Louisiana's increase in rooms sold was helped by a very successful Jazzfest this year. Louisiana had the seventeenth highest occupancy rate in the nation in May 2007. However, for the year, Louisiana has the seventh highest. Many other states have higher occupancy rates during the summer months because they are traditionally more of a family destination and therefore benefit when the weather is warm and children are on a break from school. Since most states' occupancy rates peak during the summer months, that is when the national occupancy rate is the highest.

Louisiana Hotel-Motel Occupancy Rate

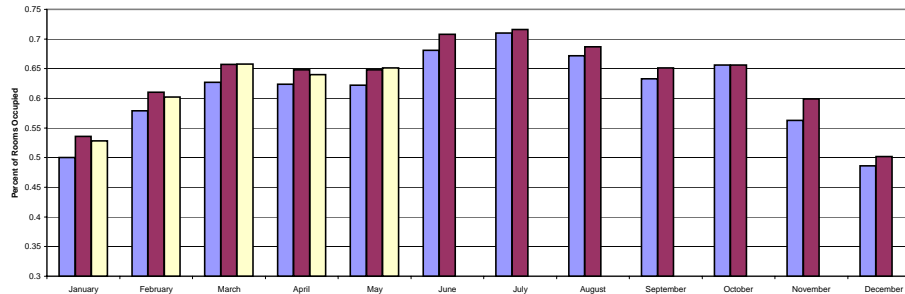


Louisiana Average Daily Rate

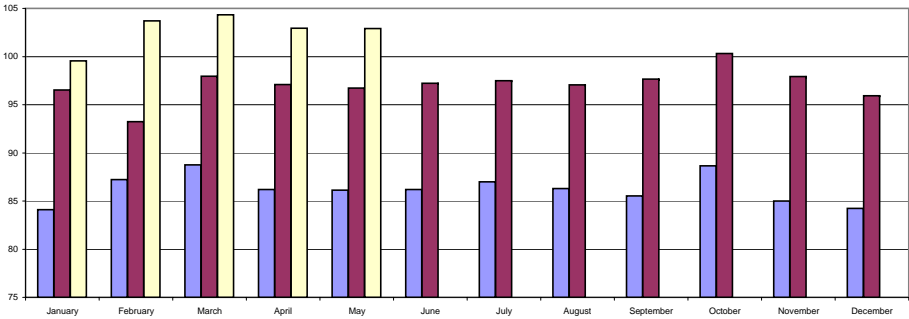


U.S. Lodging Trends - Domestic hotel occupancy shows occupancy through May at 61.6 percent, down 0.6% from the comparable year-ago period. Recent predictions by Smith Travel Research show a 0.7% decline by the end of 2007 and a similar decline next year. The reason for declining occupancy is due to two factors: 1) demand growth has been slow, and 2) the supply of hotel rooms has accelerated. For example, in many of the top 25 cities, hotel construction is adding many more rooms to the existing inventory. Las Vegas is adding more than ten thousand rooms, and many rooms are being added to New York (8,000+), Chicago (6,500), Washington DC (6,000+), Orlando (5,000+), Los Angeles (4,800), and several other major metro areas who are adding more than a thousand rooms to their inventory.

U.S. Occupancy Rates

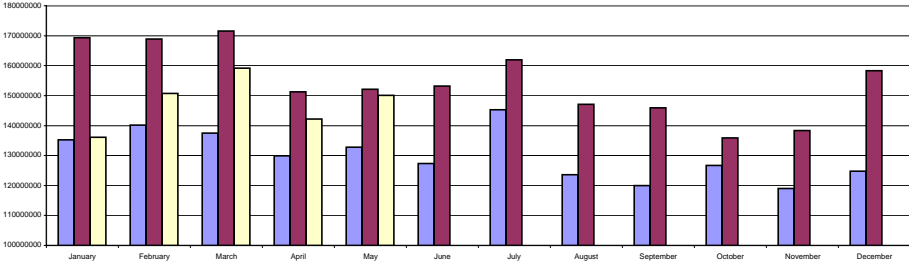


U.S. Average Daily Rate



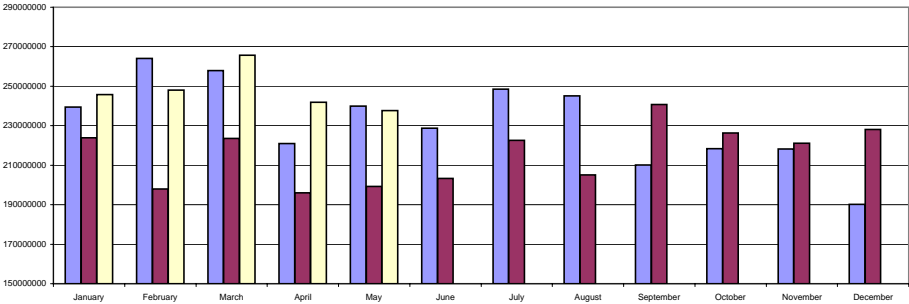
Louisiana Gaming Indicators - Louisiana Riverboat AGR continues to be below last year's monthly totals but higher than our benchmark year of 2004. However, gaming revenue from riverboats, the New Orleans land based casino (Harrah's), and the three racinos were equal to last year's total of \$220 million. For the first five months of 2007, gaming revenue from these sources were 2.4% less than last year but 15.3% more than 2004. Shreveport continues to lead the state with five casinos and over \$61 million in adjusted gaming revenue in May. Harrah's in New Orleans continues to be the largest single source of AGR with over \$39 million, followed by L'Auberge Du Lac in Lake Charles with over \$27 million.

Louisiana Riverboat Adjusted Gross Revenue



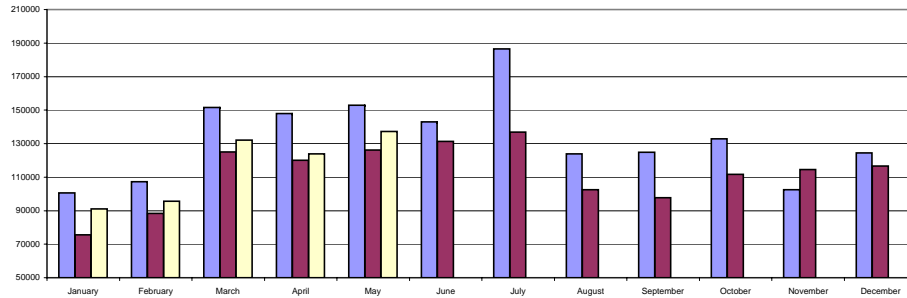
Mississippi Riverboat GGR continued to rise in May 2007. It was the third highest May on record following 2005 (\$244 M) and 2004 (\$239 M). Forty-three percent of May's GGR was from the casinos on Mississippi's Gulf Coast which has 10 state-licensed casinos. Direct tourism employment in this area is estimated to be approximately 25,000 according to Tom Van Hying, Research Director with the Mississippi Tourism Division. The tourism industry in the area is obviously helping the local economy recover from Hurricane Katrina since direct tourism employment has risen by 66% over the last year, while total non-farm employment only rose by 10.9% during that period.

Mississippi Riverboat Gross Gaming Revenue



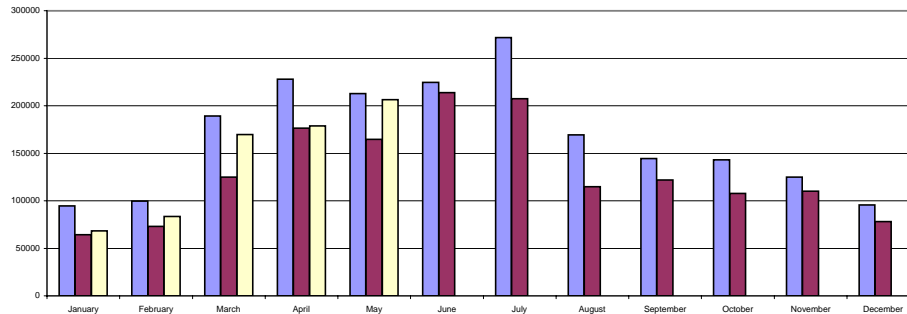
State Welcome Center Visitors - Despite record fuel prices above \$3 per gallon, more Americans traveled by car over the Memorial Day holiday weekend than a year ago, according to a survey by travel agency AAA. For the ninth straight month Louisiana welcome center visitation increased over the same months of the previous year. Louisiana is not the only state whose welcome centers are experiencing increased visitors (+8.9%), our border states of Texas (+1.5%) and Mississippi (+5.9%) are also experiencing more visitors this year (Jan.- May). So at least in our region, increased gas prices may not be having an impact on travel volume. While AAA's survey found that gas prices did not have an effect on travel volume during the holiday, Sandra Hughes, vice president of travel for AAA, stated "Families will travel closer to home, they will travel for fewer days and will save money by staying in cheaper hotels and eating in cheaper restaurants."

Louisiana Welcome Center Visitors



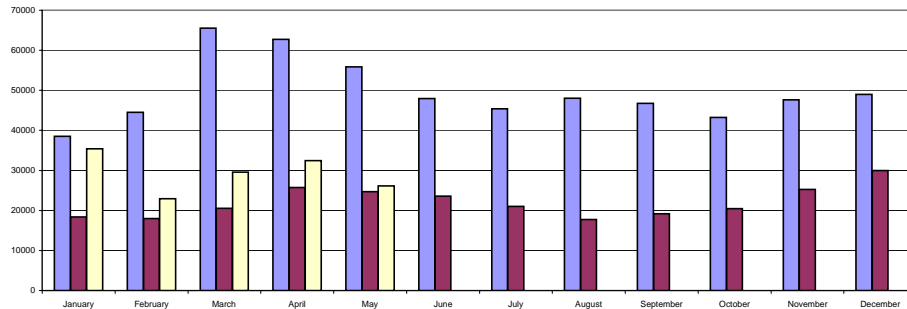
Louisiana State Park Trends - May visitors to Louisiana's state parks and historic sites increased by 17,663 visitors or 25.3% more than May 2006. The fiscal year to date shows an increase of 17% more than last fiscal year. The primary reason for the large difference from 2006 to this year is the reopening of several parks that were closed following the hurricanes of 2005. For example, Sam Houston Jones State Park and Fountainbleau State Park were temporarily closed by Hurricanes Rita and Katrina. Sam Houston Jones SP reopened in April 2006, while Fountainbleau did not reach full recovery until May 2006. Therefore parks system attendance in the first five months of 2006 was substantially lower during that period. May 2007 also saw the opening of a new state park: Hodges Gardens State Park in Sabine Parish.

La State Park and Historic Site Visitors



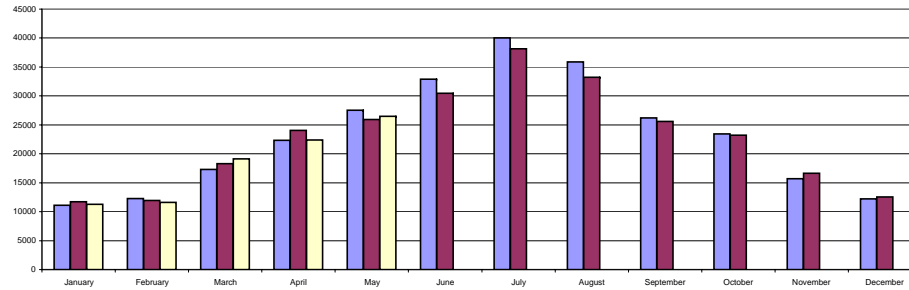
Jean Lafitte National Historic Park Trends - Attendance at Jean Lafitte NHP rose again for the ninth straight month. May ends the traditional high Spring season for the park. While summer visitation will likely be higher than last year, the summer months are not the strongest season for Jean Lafitte NHP, unlike the rest of the National Park System (see below).

Jean Lafitte NP Recreational Visits



National Park Trends - As the busy summer season approaches, the National Park Service reported visitation to parks and historic sites nationwide had increased in May 2007. For the first five months, visits to national parks and historic sites have declined by 2.6% compared to last year and slightly less than the number recorded during the same period in 2004. Some experts are worried that leisure travel may be hurt this summer by high gasoline prices. If so, the number of visitors to national park sites this summer could be less than previous summers. Domestic trip volume in May was just 0.6% above a year ago but leisure travel growth lags behind business travel. High gasoline prices are likely to continue squeezing consumer discretionary spending budgets, and increasing the cost of the traditional drive vacation.

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 decreased in April, bounced back in May. The Index now stands at 108.0, up from 106.3 in April. Says Lynn Franco, Director of The Conference Board Consumer Research Center: "The bounce-back in Confidence was due primarily to a more upbeat assessment of present-day business conditions." Consumers' outlook for the next six months remains cautious. Those anticipating business conditions to improve increased to 15.1 percent from 13.8 percent. Consumers expecting business conditions to worsen, however, edged up to 10.1 percent from 9.7 percent.

U.S. Consumer Confidence Index

