



2010 - 2011 LOUISVILLE CONVENTION & VISITORS BUREAU  
**ANNUAL REPORT** IT'S POSSIBLE HERE | *Louisville*

CONVENTION & VISITORS BUREAU



The Louisville Convention & Visitors Bureau is charged with marketing Louisville as a premier business and leisure destination.

Louisville, or *Possibility City*, as people call it, is rapidly developing into a regional center for new business — enhanced by a coveted quality of life; the significance and importance of tourism to this equation cannot be understated.

Last year, the tourism industry for Louisville and Jefferson County continued to generate just over \$1.7 billion in direct economic impact supporting 22,000 hospitality-related jobs. According to the most recent research conducted by Longwoods USA, visitor spending in Louisville breaks down in the following categories:

- Restaurants: \$481 million
- Retail: \$365 million
- Transportation: \$218 million
- Lodging: \$387 million
- Recreation: \$255 million

On average, a typical convention attendee will spend \$965 while in Louisville and a motorcoach bus with overnight guests will leave \$12,000 in the city.

In addition to the economic benefits of tourism, Louisville enjoys continued growth and development of projects that enhance the lives of locals as well as visitors. Enhancements to Louisville's offerings to leisure and group business over the last year include the spectacular **KFC YUM! Center** that has led to the growth of an entire "arena district" supporting the new downtown arena. From the **Whiskey Row Lofts** to new and expanded restaurants to upgrades at Louisville's treasured **Actors Theatre**, this entertainment corridor is enjoying renewed vitality. Another nearby district is also enjoying a cultural renaissance. The East Market district of **NuLu** (for "new Louisville") has exploded with new boutiques and culinary offerings this last year and has several more on the docket for 2012 that will keep this trendy area hopping beyond the popular **Trolley Hop** nights. Speaking of culinary, another dining corridor has emerged with the unification of the central downtown business district as "**Restaurant Square**" encompassing everything from bourbon lounges to fine dining experiences steps from the major hotels. And the bourbon tourism experience in Louisville continues to grow with fourteen stops on the city's **Urban Bourbon Trail** and the announcement of the first distillery since Prohibition to move to the original "**Whiskey Row.**" Premium whiskey brand **Michter's** has purchased the historic **Fort Nelson Building on Main Street** and construction is underway to give Louisville its first public distillery tour in over two decades.

#### THE BUREAU'S MISSION

*"The mission of the Louisville Convention & Visitors Bureau is to enhance Louisville's economy through tourism — to position and sell our community worldwide, in partnership with the public and private sector, as a premier destination for conventions, trade shows, corporate meetings, group tours, and individual leisure travel. In pursuit of its mission, the Bureau generates increased visitor spending, local tax receipts, and job development."*



The LCVB is governed by nine commissioners consisting of hospitality and tourism leaders, as well as local business and government representatives. The LCVB has 56 full-time employees, including staff in Washington, D.C. and Chicago, Ill.

The Commission is the policy-making body of the LCVB, the community's tourism marketing organization.

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**Gary Ulmer**

Louisville Bats  
Bureau Commission Chair

**Harold Workman**

Kentucky State Fair Board  
Bureau Commission Vice Chair

**Bekki Jo Schneider**

Derby Dinner Playhouse  
Bureau Secretary Treasurer

**Kevin Flanery**

Churchill Downs

**Michael Grisanti**

Private Investor

**Lynn Houston-Moore**

Houston-Johnston, Inc.

**Michael Howerton**

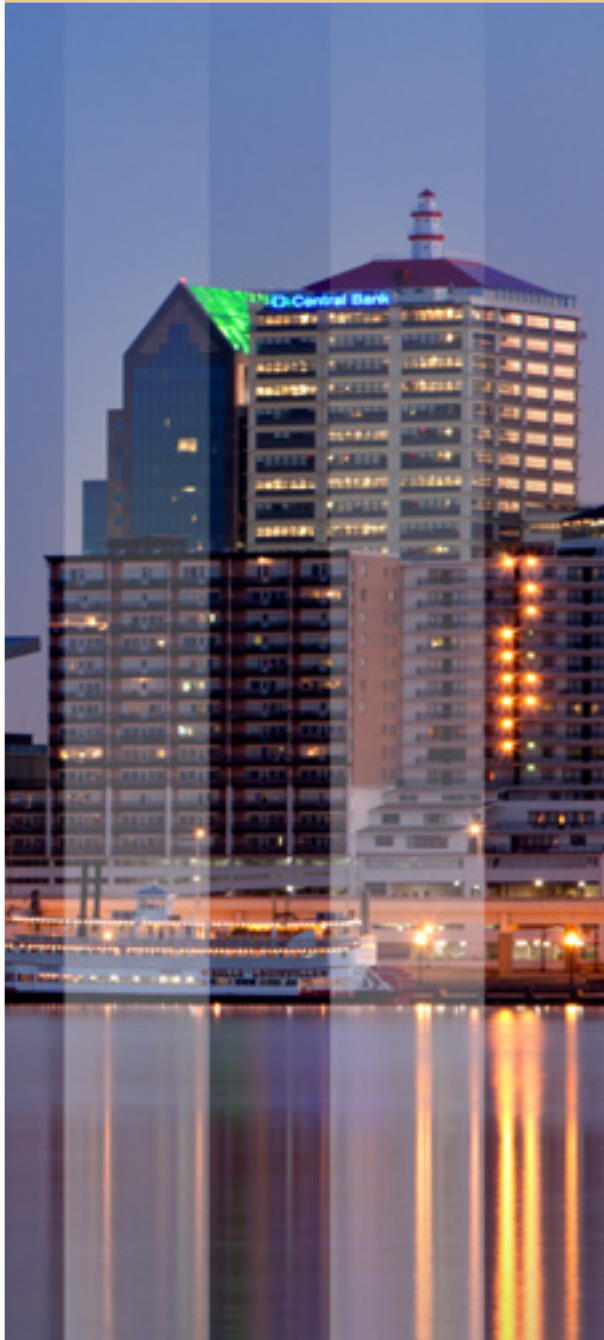
Louisville Marriott Downtown

**Cissy Musselman**

Risk Management Services Corp.

**Jim O'Malley**

Brown-Forman



As the official marketing organization for Louisville, the LCVB's mission is "to enhance Louisville's economy through tourism."

With a Fiscal Year 2010–11 budget of approximately **\$12.1 million**, LCVB's implemented strategic sales, marketing, public relations, and membership initiatives that directly contributed to the local community's economy, business climate, and quality of life.

In its role as the tourism economic development organization for Louisville, the LCVB supports the local hospitality and tourism community, the area's third-largest industry.

The tourism industry directly affects the finances of local hotels, restaurants, attractions, museums, shopping centers, airports, transportation companies, and more. In addition, tourism also indirectly supports local businesses like dry cleaners, doctors' offices, and grocery stores by providing employment for residents, which, in turn, helps to maintain a strong and vibrant local economy by bringing consumers into the market who may need access to these services during their stay.

In FY 2010–11, LCVB was responsible for booking more than **570,607 room nights in area hotels** as a result of meetings and leisure group sales. **The economic impact to our local community is estimated to be nearly \$250 million.**

**More than 800 meeting and convention leads** were secured for Louisville, and **769 clients and potential customers** were introduced to Possibility City through site visits and familiarization tours.

Sales, Services, and Marketing staff attended **48 trade shows** promoting Louisville as a destination. From media showcases and consumer shows to meeting planner conventions and promotional tours, staff worked with multiple industry partners to represent what Possibility City has to offer.



With a focus on generating exposure for Louisville, the Bureau invested **\$1.7 million in advertising**, placing it in consumer and meetings mixed media, as well as on travel-related Internet sites.

Editorial placement of feature stories and highlights about the area (television, newspaper, magazines, and online) in key, out-of-area markets — generated **1.9 billion media impressions**. More than **1.7 million consumers sought additional information** about the Louisville area through the LCVB's Web site, GoToLouisville.com, and **19,305** engaged with Louisville through social media.

The Louisville Visitor Center assisted more than **59,000 individuals** with area recommendations and information. Additionally, volunteers provided tremendous value to the community through their participation in, and support of, various special events throughout the year by contributing more than **2,900 total hours of service**.

#### **IN 2010/2011, THE TOURISM INDUSTRY IN LOUISVILLE:**

- << Welcomed **16.7 million visitors**.
- << Generated **\$1.7 billion in economic impact**.
- << Supported more than **22,000 jobs**.



## STATEMENT OF NET ASSETS (DEFICIT)

<b>ASSETS</b>	
CASH AND CASH EQUIVALENTS	1,899,934
CASH AND CASH EQUIVALENTS — RESTRICTED	8,459,859
ACCOUNTS RECEIVABLE	4,013,952
INVESTMENTS	2,065,104
BOND ISSUANCE COSTS, NET	1,787,818
CAPITAL ASSETS, NET	631,817
OTHER ASSETS	701,020
<b>TOTAL ASSETS</b>	<b>19,559,504</b>

<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>	
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	885,077
LEASE PAYABLE	38,085
INTEREST RATE SWAP LIABILITY	1,079,487
ARBITRAGE PAYABLE	445,174
INTEREST PAYABLE	106,939
BONDS PAYABLE, NET	32,299,699
<b>TOTAL LIABILITIES</b>	<b>34,854,461</b>

NET ASSETS — INVESTED IN CAPITAL ASSETS, NET	593,732
NET ASSETS — RESTRICTED FOR DEBT SERVICE	9,476,638
NET ASSETS — UNRESTRICTED	(25,365,327)
<b>TOTAL NET ASSETS (DEFICIT)</b>	<b>(15,294,957)*</b>



## STATEMENT OF ACTIVITIES

<b>REVENUES</b>	
TRANSIENT ROOM TAX	15,924,512
OTHER	2,223,144
<b>TOTAL REVENUES</b>	<b>18,147,656</b>

<b>EXPENSES</b>	
OPERATING	11,608,058
INTEREST EXPENSE	1,451,528
OTHER	738,254
<b>TOTAL EXPENSES</b>	<b>13,797,840</b>
<b>CHANGES IN NET ASSETS</b>	<b>4,349,816</b>
<b>NET ASSETS (DEFICIT), BEGINNING OF YEAR</b>	<b>(19,644,773)</b>
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<b>(15,294,957)*</b>

\*The Net Deficit is the result of recording LCVB's liability for bonds issued to finance the construction of the Kentucky International Convention Center (KICC) but not reporting the corresponding KICC cost as an asset (such asset is reported by a state agency).



## 2010/2011 ACTUAL REVENUES

TRANSIENT ROOM TAX	\$11,020,361
MATCHING FUNDS	\$762,369
INTEREST INCOME	\$26,798
MERCHANDISE, NET COST OF SALES	\$95,791
MEMBERSHIP	\$253,862
ADVERTISING	\$384,159
OTHER INCOME	\$213,861
<b>TOTAL REVENUES</b>	<b>\$12,757,201</b>

## 2010/2011 ACTUAL EXPENSES

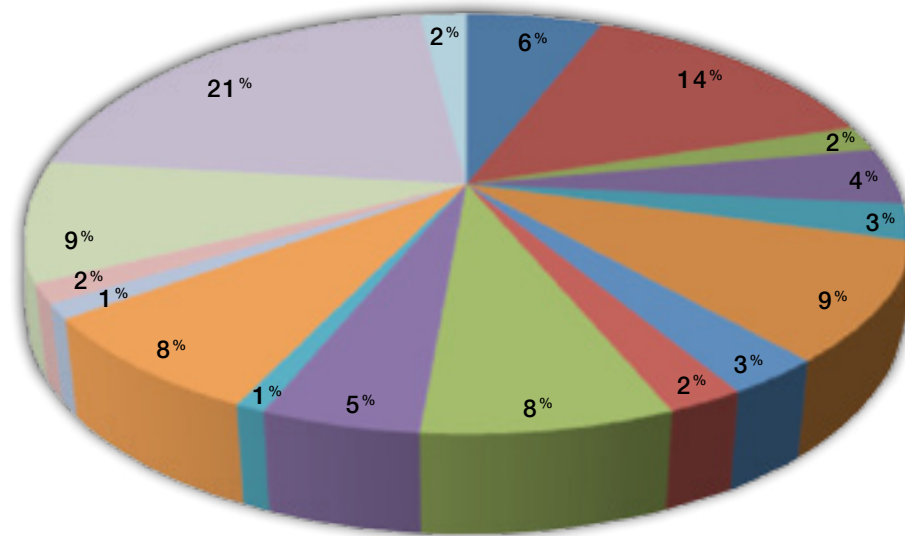
PAYROLL AND RELATED EXPENSE	\$5,487,868
OTHER OPERATING EXPENSE	\$1,206,830
SALES AND MARKETING EXPENSE	\$5,068,371
<b>TOTAL EXPENSES</b>	<b>\$11,763,069</b>

*Note: The figures above represent activity in the General Fund only.*



**MARKET SEGMENTS**

PERCENTAGE OF DEFINITE ROOM NIGHTS IN EACH MARKET  
FOR THE PAST FIVE YEARS COMBINED  
(Meeting Dates April 2006 – June 30, 2011)



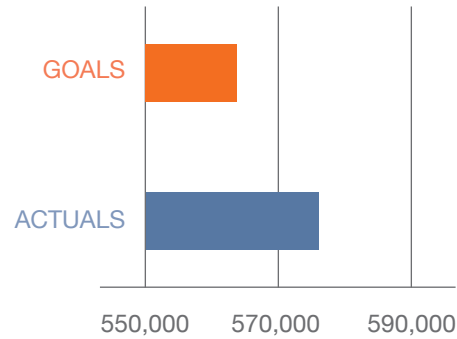
- Agriculture: 6%
- Athletics: 14%
- Other\*: 1%
- Corporate: 2%
- Cultural: 4%
- Direct Selling: 3%
- Fraternal: 3%
- Health and Medical: 2%
- Hobby and Avocational: 8%
- Legal and Government: 5%
- Religious: 8%
- Scientific: 1%
- Educational: 9%
- Social Welfare: 2%
- State: 9%
- Trade, Business, Commercial: 21%
- Veteran: 2%

\*Other = Chambers of Commerce, Trade, Tourism; Family / Class Reunions; Labor Unions; Public Affairs; and Weddings.

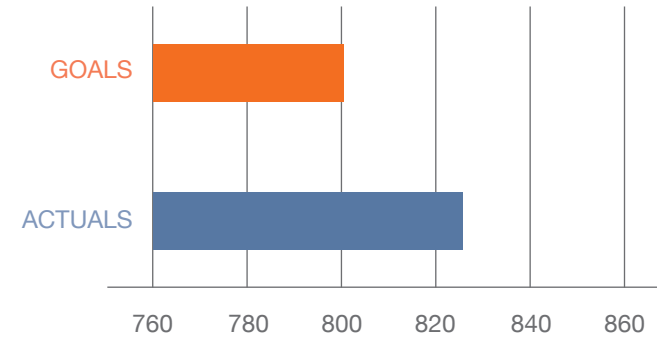


	GOALS	ACTUALS
ROOM NIGHTS	565,000	570,607
TENTATIVE ROOM NIGHTS	1,500,000	1,547,693
LEADS	800	824
SITE INSPECTIONS	200	769

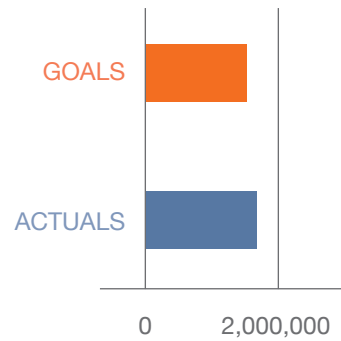
ROOM NIGHTS



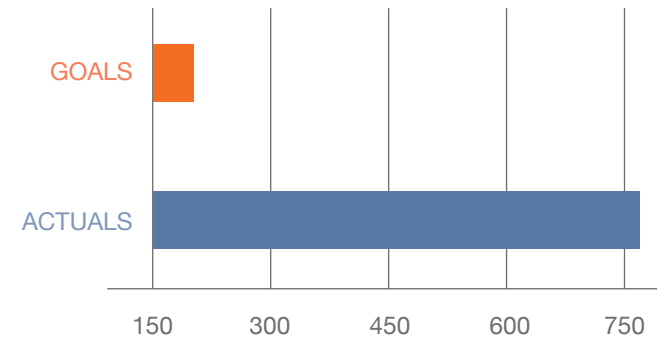
LEADS



TENTATIVE ROOM NIGHTS



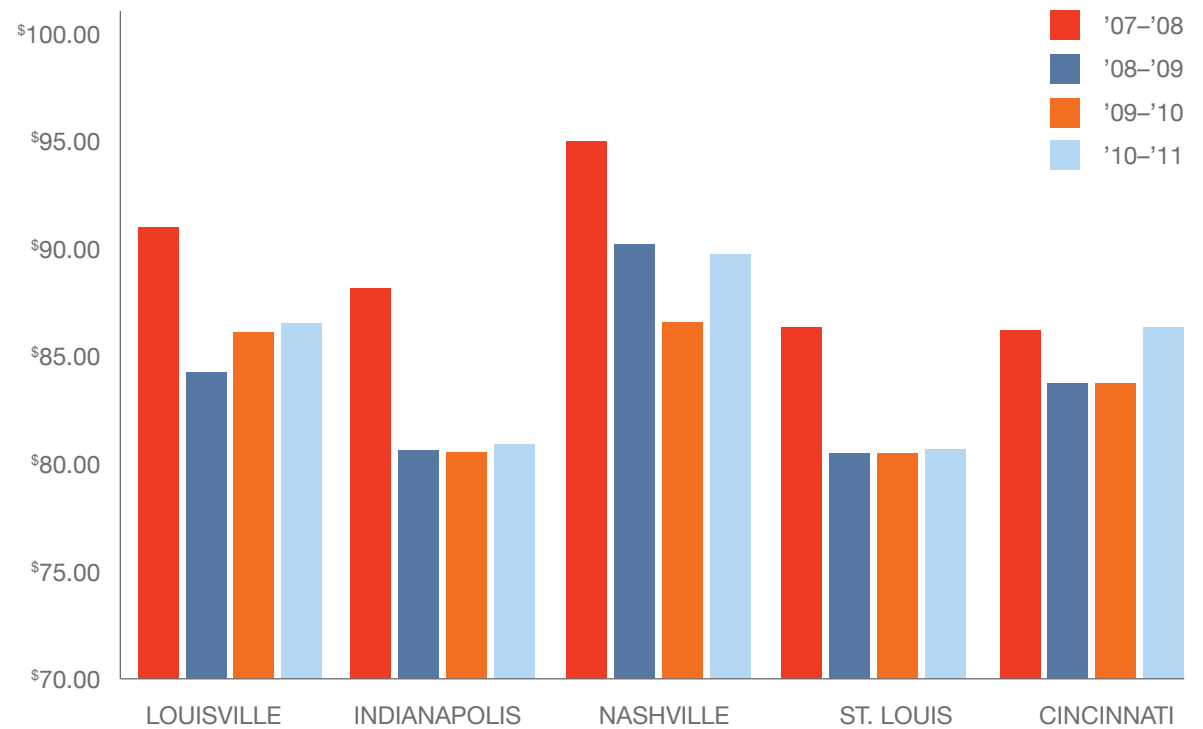
SITE INSPECTIONS





AVERAGE HOTEL ROOM RATE

	'07/'08	'08/'09	'09/'10	'10/'11
LOUISVILLE	\$91.52	\$84.53	\$86.69	\$86.80
INDIANAPOLIS	\$87.38	\$81.00	\$79.76	\$80.26
NASHVILLE	\$95.55	\$90.32	\$86.64	\$89.33
ST. LOUIS	\$86.67	\$81.82	\$81.11	\$81.71
CINCINNATI	\$86.16	\$84.50	\$84.54	\$86.45





## TOP 10 BY ECONOMIC IMPACT 2010/2011

CLIENT NAME	FACILITY	ECONOMIC IMPACT
BREEDERS' CUP WORLD CHAMPIONSHIPS	OTHER	\$25,600,000/\$45,200,000*
PROFESSIONAL GOLFERS' ASSOCIATION OF AMERICA	KEC	\$25,000,000
MID-AMERICA TRUCKING SHOW	KEC	\$14,183,200
NATIONAL STREET ROD ASSOCIATION	KEC	\$12,852,000
NORTH AMERICAN INTERNATIONAL LIVESTOCK EXPOSITION	KEC	\$8,979,440
NATIONAL FARM MACHINERY SHOW AND CHAMPIONSHIP TRACTOR PULL	KEC	\$8,950,400
EDUCATIONAL TESTING SERVICE	KICC	\$8,645,000
NATIONAL QUARTET CONVENTION	KEC	\$7,981,780
SOUTHERN REGIONAL EDUCATION BOARD	KICC	\$7,553,800
NATIONAL MARINE MANUFACTURERS ASSOCIATION	KEC	\$7,047,640

\*Direct and induced economic impact.



## TOP 10 IN GSF 2010/2011

CLIENT NAME	GROSS SQUARE FEET
MID-AMERICA TRUCKING SHOW	1,200,000
NORTH AMERICAN INTERNATIONAL LIVESTOCK EXPOSITION	1,200,000
NATIONAL FARM MACHINERY SHOW AND CHAMPIONSHIP TRACTOR PULL	1,200,000
RECREATION VEHICLE INDUSTRY ASSOCIATION	1,200,000
GOOD SAM ENTERPRISES	700,000
NATIONAL STREET ROD ASSOCIATION	674,100
NATIONAL MARINE MANUFACTURERS ASSOCIATION	600,000
UNITED STATES DOG AGILITY ASSOCIATION, INC.	500,000
GREEN INDUSTRY AND EQUIPMENT EXPO	458,100
COLE PUBLISHING, INC.	425,000



## CITYWIDE CONVENTIONS HOSTED (1,000 OR MORE ON PEAK)

YEAR	KICC	KEC	TOTAL
2002-2003	7	17	24
2003-2004	9	14	23
2004-2005	7	15	22
2005-2006	13	15	28
2006-2007	10	12	22
2007-2008	11	14	25
2008-2009	12	12	24
2009-2010	15	17	32
2010-2011	7	16	23

## ALL HOSTED CONVENTIONS NOT USING KICC/KEC

FISCAL YEAR	NUMBER OF CONVENTIONS	ROOM NIGHTS	PEAK NIGHT AVERAGE
2002-2003	337	141,285	136
2003-2004	341	134,044	136
2004-2005	240	120,898	171
2005-2006	282	136,684	177
2006-2007	307	163,204	179
2007-2008	299	179,125	202
2008-2009	320	201,979	196
2009-2010	280	152,640	192
2010-2011	323	221,457	218



## CITYWIDE CONVENTIONS | AVERAGE ANNUAL PEAK ROOM NIGHTS

YEAR	KICC	KEC
2002–2003	2,036	3,541
2003–2004	1,686	4,450
2004–2005	1,627	3,681
2005–2006	1,348	4,172
2006–2007	1,703	3,750
2007–2008	2,047	3,816
2008–2009	1,418	3,629
2009–2010	1,838	3,357
2010–2011	2,267	3,354

## ALL CONVENTIONS | TOTAL ANNUAL ROOM NIGHTS

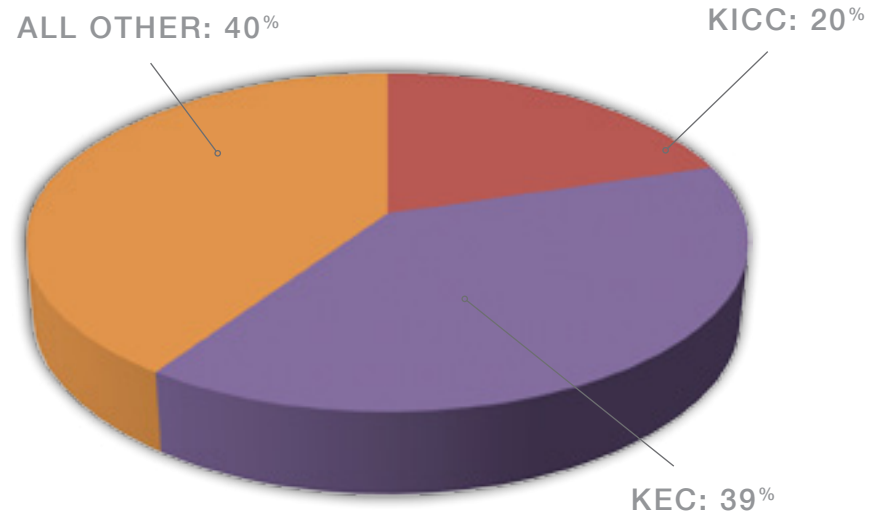
YEAR	KICC	KEC	COMBINED ROOM NIGHTS
2002–2003	109,200	271,390	380,590
2003–2004	80,646	342,819	423,465
2004–2005	65,228	303,946	369,174
2005–2006	103,138	262,736	365,874
2006–2007	148,130	225,331	373,461
2007–2008	153,716	232,450	386,166
2008–2009	103,273	187,828	291,101
2009–2010	163,602	247,301	410,903
2010–2011	110,948	214,849	325,797



TOTAL COMBINED ROOM NIGHTS

YEAR	KICC	KEC	ALL OTHER	TOTAL ROOM NIGHTS
2005-2006	96,148	242,061	136,684	474,893
2006-2007	145,136	224,436	163,204	532,776
2007-2008	153,441	230,535	179,125	563,101
2008-2009	146,050	210,155	201,979	558,184
2009-2010	163,602	247,301	152,640	563,543
2010-2011	110,948	214,849	221,457	547,254

2010-2011 ROOM NIGHTS



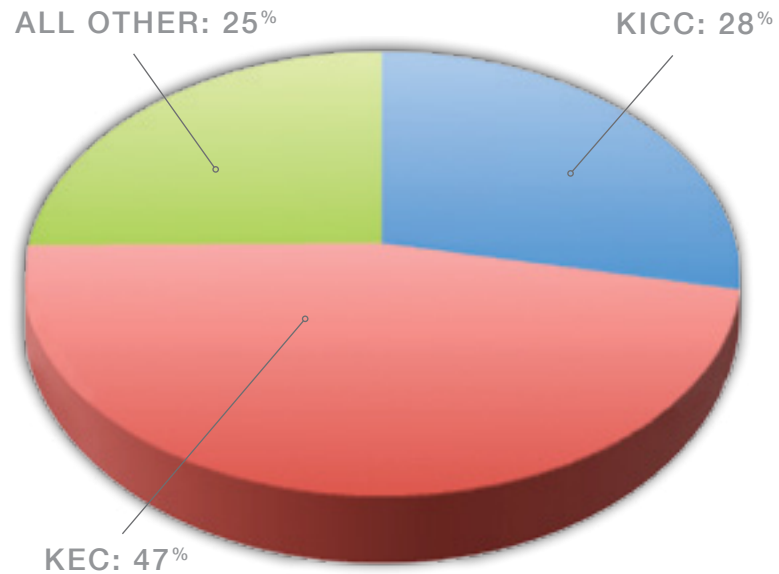
\*All Other — includes single property and citywide events not held at KICC or KEC, i.e., PGA, Ironman, etc.



**TOTAL COMBINED ECONOMIC IMPACT**

YEAR	KICC	KEC	ALL OTHER	TOTAL
2005-2006	58,264,884	135,530,704	47,143,704	240,939,292
2006-2007	75,714,008	109,465,312	51,683,512	236,862,832
2007-2008	73,620,012	120,564,736	64,467,944	258,652,692
2008-2009	54,141,568	92,993,768	83,549,160	230,684,496
2009-2010	72,703,472	119,644,748	64,668,800	257,017,020
2010-2011	88,137,244	106,936,216	136,514,180	331,587,640

**2010-2011 ECONOMIC IMPACT**

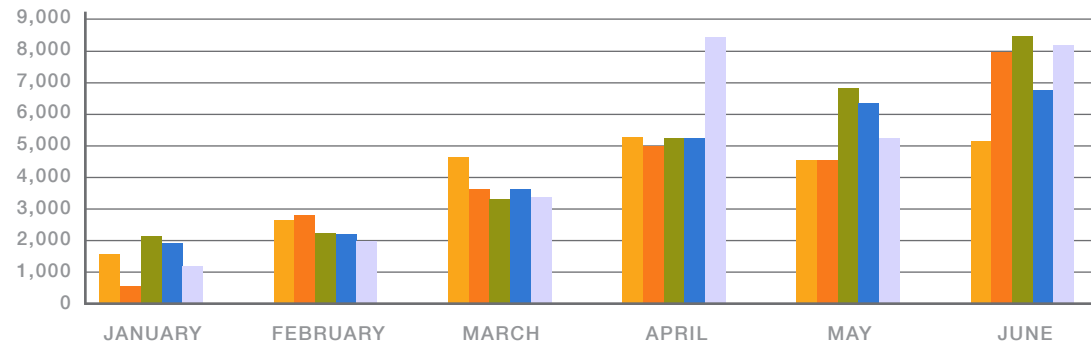
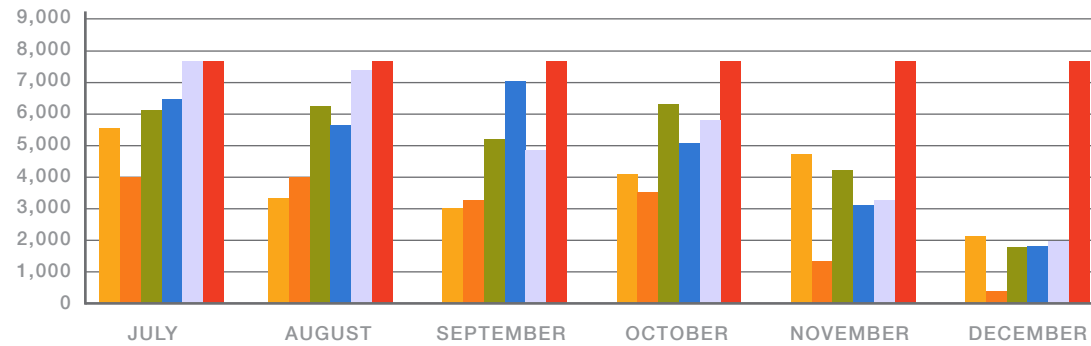


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**VISITORS CENTER**  
VISITORS SERVICED – MONTHLY

- 2005–2006      2008–2009
- 2006–2007      2009–2010
- 2007–2008      2010–2011



Located at 4th and Jefferson in the bustling 4th Street Live entertainment district, the Louisville Visitors Center has been helping leisure and convention travelers with their visits to Louisville since 2007.



### TOURISM DEVELOPMENT

	GOALS	ACTUALS
GROUP TOUR ROOM NIGHT	22,814	24,745
OVERNIGHT MOTORCOACH	1,086	1,179
DAY-TRIP COACHES	495	605
LEISURE SALES LEADS	12,600	21,416
LEISURE SALES CALLS	100	109

### BUREAU SERVICES HOUSING

	GOALS	ACTUALS
LEISURE HOUSING REVENUE	24,000	25,532
LEISURE ROOM NIGHTS	1,600	1,220



**MEDIA IMPRESSIONS**

GOALS	ACTUALS
800,000,000	1,927,931,317

**WEB SITE VISITS**

GOALS	ACTUALS
1,800,000	1,746,342

**TRAVEL WRITERS SERVICED**

GOALS	ACTUALS
100	102

**ADVERTISING SALES**

GOALS	ACTUALS
367,500	425,380

**SOCIAL MEDIA ENGAGED**

GOALS	ACTUALS
17,000	19,305



**2010/2011 OVERVIEW**

The Louisville Convention & Visitors Bureau partnership program connects more than 800 local businesses, along with their products and services with the lucrative visitor market, while also providing our partners with a wealth of information regarding groups and events that will have significant impact on their business.

**PARTNERSHIP RETENTION**

GOALS	ACTUALS
87%	91%

**PARTNERSHIP REVENUE**

GOALS	ACTUALS
\$270,000	\$289,052

The Partnership Department successfully retained the majority of current active members with a retention rate of 91%, and adopted an aggressive partner program that identified, attracted and recruited 88 new partners, specifically targeting restaurants and shopping venues. The department also planned and hosted numerous monthly networking events including orientations, partner mixers, partner showcases, the annual LCVB golf classic and the Bureau's Annual Luncheon and Recognition of Service Excellence Awards.