

Louisiana Travel Pulse

June 2007

Produced by the Louisiana Office of Tourism

Monthly Analysis/Highlights:

- The latest estimates from Statistics Canada show the number of Canadian visitors to Louisiana last year declined by 25.6%. (See Quarterly Trends Worksheet)
- Even though the available number of seats at New Orleans International Airport is currently 70% of Pre-Katrina levels, a modest growth in international visitors to the U.S. this year will aid Louisiana's rebound in international visitors. (See Monthly Trend Graphs Worksheet)
- Louisiana's hotel/motel room supply is now 93% of what existed before Hurricanes Katrina and Rita. In April, Louisiana had the 11th highest occupancy rate and 16th highest average daily rate.
- Monthly visitors to Louisiana's state welcome centers, state parks system, and Jean Lafitte National Historic Park continue to exceed last year's monthly totals.

Louisiana Tourism Trends

Airport Trends	(Benchmark)							
	April 2007	April 2006	% +/-	YTD 2004	YTD 2006	YTD 2007	% +/- 2006-2007	% +/- 2004-2007
Airport Passenger Enplanements								
Louisiana Metro Airports Total	398,483	329,116	21.1%	1,886,797	1,190,609	1,533,070	28.8%	-18.7%
New Orleans	315,637	248,055	27.2%	1,637,147	866,818	1,214,336	40.1%	-25.8%
Other Metro*	82,846	81,061	2.2%	249,650	323,791	318,734	-1.6%	29.7%
* Note: Includes Baton Rouge, Monroe, Lafayette, and Alexandria metropolitan airports.								
Louisiana Hotel/Motel Trends								
Rooms Sold	1,440,055	1,465,906	-1.8%	5,962,972	6,406,936	5,818,098	-9.2%	-2.4%
Room Supply	2,224,320	2,105,430	5.6%	9,336,812	8,328,490	8,820,265	5.9%	-5.5%
Occupancy Rate	64.7%	69.6%	-7.0%	63.9%	76.9%	66.0%	-14.2%	3.3%
Average Daily Rate	\$93.86	\$91.73	2.3%	\$87.63	\$96.62	\$96.16	-0.5%	9.7%
Louisiana Gaming Indicators								
Riverboat AGR*	\$142,201,927	\$151,234,284	-6.0%	\$542,723,996	\$660,945,912	\$588,272,572	-11.0%	8.4%
Non-Indian Land Based Casino GGR**	\$32,350,864	\$31,511,123	2.7%	\$106,089,166	\$79,216,778	\$131,903,109	66.5%	24.3%
Slots At Racetracks GGR***	\$30,427,903	\$31,203,077	-2.5%	\$87,724,095	\$131,298,162	\$124,333,002	-5.3%	41.7%
Total	\$204,980,694	\$213,948,484	-4.2%	\$736,537,257	\$871,460,852	\$844,508,683	-3.1%	14.7%
*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	123,850	120,105	3.1%	507,571	409,305	442,606	8.1%	-12.8%
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*	32,450	25,762	26.0%	211,322	82,756	120,328	45.4%	-43.1%
Louisiana State Parks and Historic Sites	178,737	176,534	1.2%	611,229	438,785	499,966	13.9%	-18.2%
* Recreational Visits								

National Tourism Trends

(Benchmark)

	April 2007	April 2006	% +/-	YTD 2004	YTD 2006	YTD 2007	% +/- 2006-2007	% +/- 2004-2007
<u>U.S. Hotel/Motel Trends</u>								
Rooms Sold			0.2%				0.2%	
Room Supply			1.3%				1.2%	
Occupancy Rate	64.0%	64.7%	-1.1%	58.2%	61.2%	60.7%	-0.9%	4.3%
Average Daily Rate	\$102.94	\$97.95	5.1%	\$86.70	\$97.10	\$102.79	5.9%	18.6%
<u>National Park Trends</u>								
Recreational Visits (000)	22,399	24,133	-7.2%	63,024	66,164	63,373	-4.2%	0.6%
<u>U.S. Consumer Confidence Index Trend</u>								
Index (1985=100)	106.3	109.8	-3.2%	91.9	106.7	108.8	1.9%	18.3%

(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
	2006-3	2005-3		2006-3	2006-2	2005-3		
	Employment	Employment		Units	Units	Units		
Arts, Entertainment, & Recreation	42,760	47,170	-9.3%	1,533	1,539	1,546	-0.4%	-0.8%
Accommodations and Food Services	156,016	166,634	-6.4%	8,242	8,262	8,239	-0.2%	0.0%

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.)

Louisiana Travel Pulse

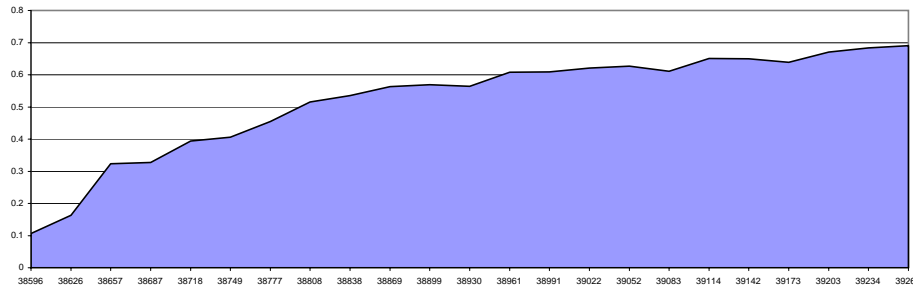
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Legend For All Graphs: 2004 = left bar (blue)(benchmark year), 2006 = middle bar (red), 2007 = right bar (yellow)

Louisiana Airport Enplanements - New Orleans International Airport has approximately 70% of the seats that were available prior to August 2005 when Hurricane Katrina hit the New Orleans area. Seat capacity rose almost 10% during the first half of 2007. In April the airport had flights to 31 cities, and will rise to 37 cities by the end of July. Even with the reduction in seats the airport is still the busiest in Louisiana. Last year New Orleans International Airport passenger traffic was its lowest in many years and still accounted for 66% of all enplaned passengers at Louisiana airports. In prior pre-K years the airport typically represented 80% of all Louisiana airport traffic. By the end of 2007 the airport's percentage of all traffic will have increased to approximately 70%.

Percentage of Seats Available Since Pre-K at NO International Airport



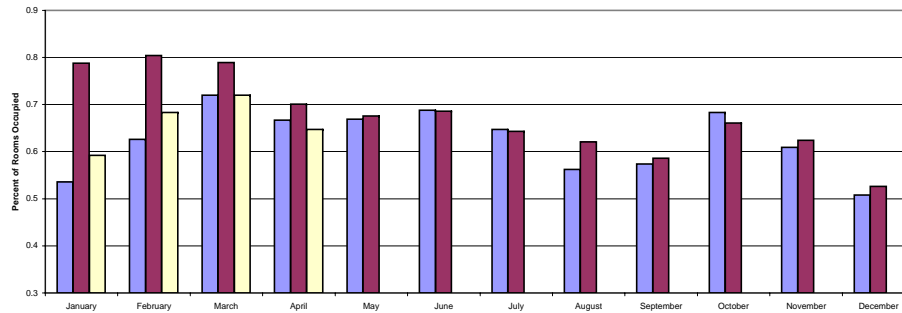
Peak season for international travel to the U.S. has now begun, and runs through September. Expectations for inbound foreign arrivals, according to some experts, are for only modest growth this year. However according to TIA, international airline traffic rose in April by 3.4% and 5.6% YTD. Therefore, even though there was no growth in overseas visitors last year (see table), a good start to 2007 may insure some growth by the end of the year. International travel to Louisiana was severely impacted by Hurricane Katrina. Last year's Canadian visitors were down by 25% compared to 2005, and overseas visitors are expected to be the same when the Department of Commerce releases its state estimates next month. 2007 promises to be a better one for international visitors to Louisiana with increased capacity at N.O. International airport and successful marketing campaigns by the state and city.

International Travelers to the U.S. in 2006		
	U.S. Arrivals	% change (06/05)
Canada	15,994,588	7.6
Mexico	13,468,980	26.8
Overseas (net)	21,668,290	0.0
United Kingdom	4,176,211	-3.9
Japan	3,672,584	-5.4
Germany	1,385,520	-2.1
South Korea	757,721	7.5
France	789,815	-9.7
Australia	603,275	3.7
Italy	532,829	-2.3
Brazil	525,271	8.2
China	310,559	12.9
International Total	51,063,290	3.0

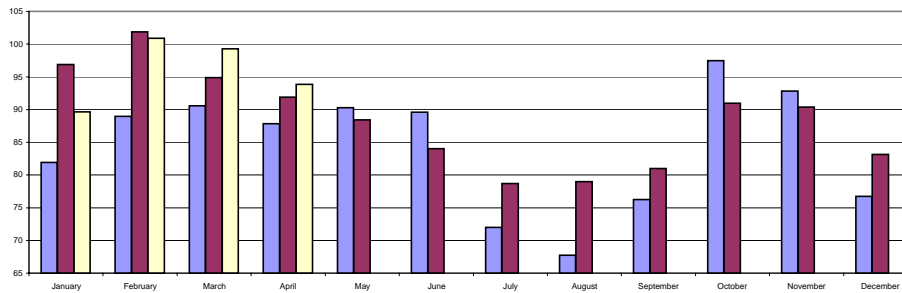
Source: DOCOTTI, Global Insight

Louisiana Lodging Trends - April 2007 statistics: Occupancy (64.7%): -7.0%; ADR (\$93.86): +2.3%; RevPar (\$60.77): -4.8%; Rooms Available: +5.6%; and Rooms Sold: -1.8%. The number of hotels-motels in Louisiana now number approximately 684, 95% of the approximately 720 hotel-motel properties that existed prior to the 2005 hurricanes. The number of rooms available now number approximately 74,100, 93% of what was available in July 2005. Louisiana had the eleventh highest occupancy rate in the nation in April 2007, and the sixteenth highest average daily rate. Mississippi and Louisiana's decline in occupancy rate (both 7%) were the highest decline. Both can be attributed to the impact of the 2005 hurricanes.

Louisiana Hotel-Motel Occupancy Rate

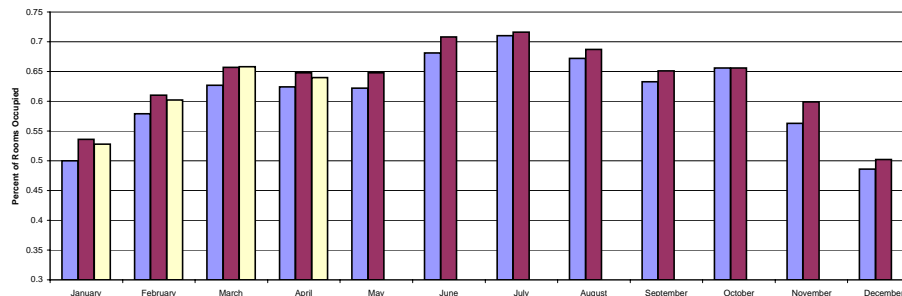


Louisiana Average Daily Rate

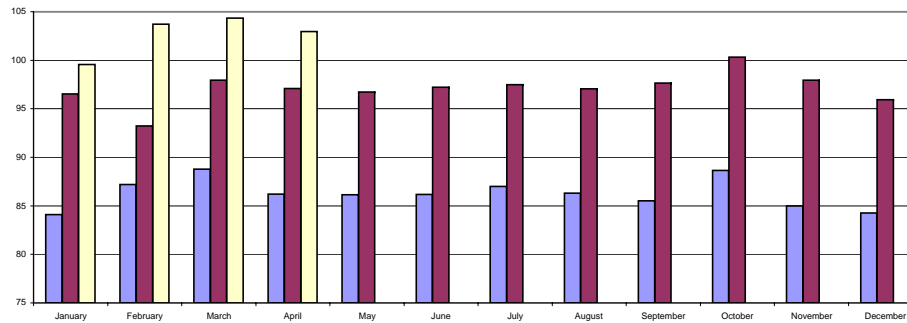


U.S. Lodging Trends - Domestic hotels should show June/July occupancies at slightly more than 70 percent, and August slightly below, according to James Cammisa, a travel industry analyst. This occupancy level reflects a normal seasonal upturn rather than any expectation of robust room demand. During March/April - the spring break months that in many respects are a proxy for the summer vacation months - resort hotel demand nationally was below the prior year. This year's hotel theme is therefore likely to be: "look for the same or fewer guests, but paying more for their accommodations." YTD national room rates through April are up 5.9 percent versus a year ago, according to STR. PriceWaterhouseCoopers and Smith Travel Research project that domestic room supply will rise 1.6% this year and then 2.3% in 2008, the largest annual increase in five years.

U.S. Occupancy Rates

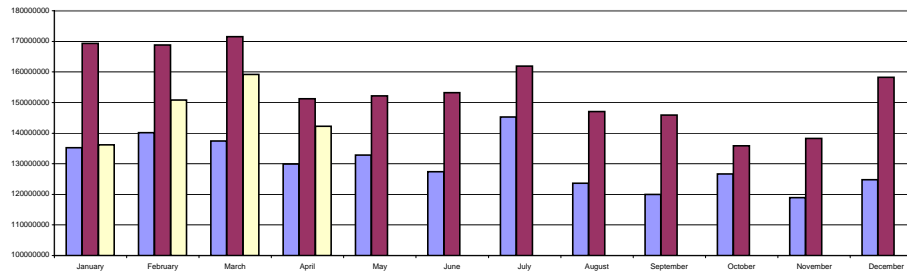


U.S. Average Daily Rate



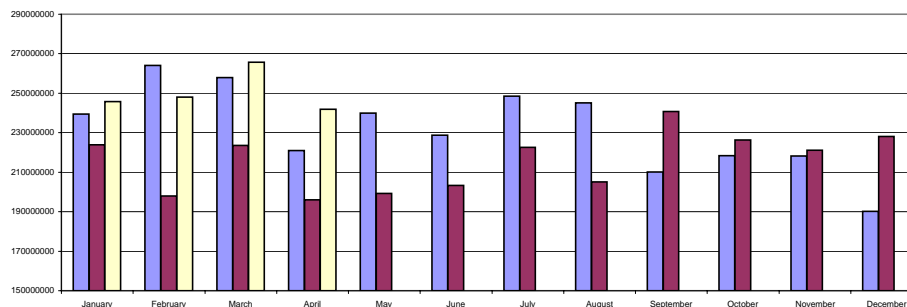
Louisiana Gaming Indicators - Louisiana Riverboat AGR continues to be below last year's monthly totals but higher than our benchmark year of 2004. Legalized casino gambling has become one of America's favorite forms of recreation, according to a recent study by Yankelovich which found 27% of the 100 thousand household surveyed had gambled at least once. Also, a recent "Frontline" program on PBS reported that Americans spend more money on gambling than on movies, theme parks, and live entertainment. Since 1992, 48 states have introduced legalized casino gambling. Stiffer competition from other states may be slowing the recent growth of AGR in Louisiana, however, the main source of gamblers is still the state of Texas, which at the moment does not have commercial casino gambling.

Louisiana Riverboat Adjusted Gross Revenue



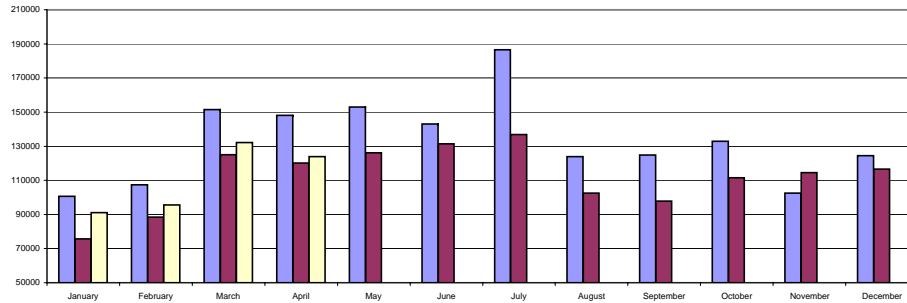
This year Mississippi Riverboat GGR hit record levels for the month of April. The growth of gambling continues to fuel the tourism market in Mississippi and the U.S. According to the American Gaming Association, commercial casinos in the U.S. rose by 6.8% to a record \$32.4 billion. The biggest gambling states by commercial casino revenue were Nevada (\$12.6 billion), New Jersey (\$5.2 billion), Indiana (\$2.6 billion), Mississippi (\$2.6 billion), Louisiana (\$2.6 billion), and Illinois (\$1.9 billion). Las Vegas racked up its best year ever in 2006 with 38.9 million visitors and 92.3% hotel occupancy, according to the Las Vegas CVA. As stated in previous barometers, Mississippi gaming is likely headed toward a record year with recent renovations to the Mississippi Gulf Coast and more casinos planned in the near future.

Mississippi Riverboat Gross Gaming Revenue



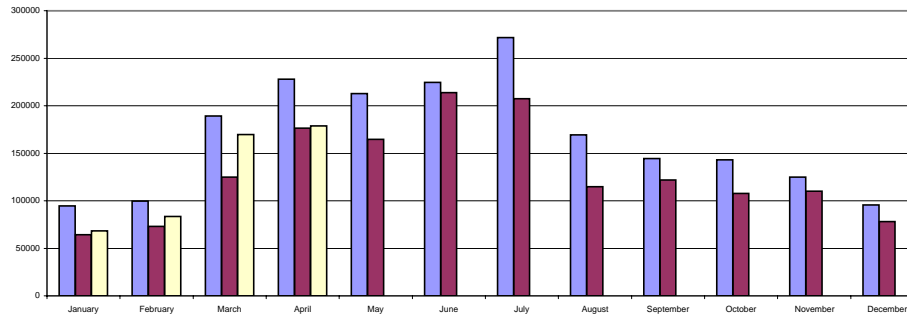
State Welcome Center Visitors - For the eighth straight month welcome center visitation increased over the same months of the previous year. The prospects for increased travelers at the welcome centers during the summer months is excellent even with increased gasoline prices. Americans are expected to go forward with their vacation plans this summer, despite higher than usual gasoline prices and increases in hotel room rates, according to the latest Travel Industry Association forecast, which projects a slight 1.4% hike in leisure travel during June, July, and August, compared to the same period last year. According to TIA, Americans are likely to take nearly 330 million person-trips this summer, a record high.

Louisiana Welcome Center Visitors



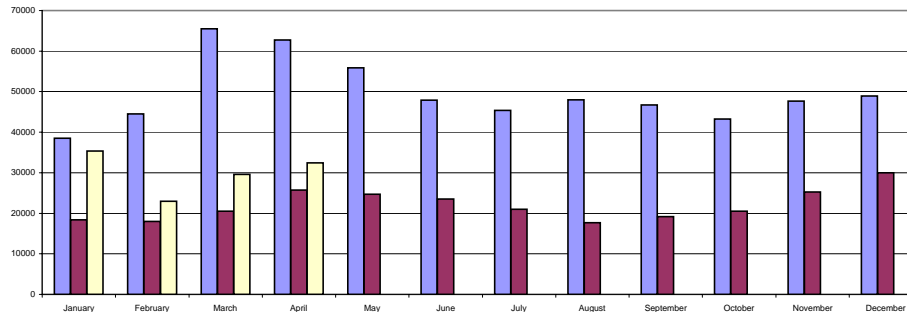
Louisiana State Park Trends - April visitors to Louisiana's state parks and historic sites increased by 2,203 visitors or 1.2% more than April 2006. The fiscal year to date shows an increase of 21,462 visitors or 1.7% more than last fiscal year. Overall, visitors to state parks have increased, while visits to historic sites have declined. As indicated in the April Travel Pulse, the decline in historic site attendance could be part of a national trend that has existed in the U.S. for several years. For example, April is one of the more popular months and visitors to Louisiana state historic sites declined by almost twelve hundred visitors or 5.4% as compared to last year when the system was still recovering from hurricanes. One of Louisiana's historic sites has still not reopened (Fort Pike SHS), and needs extensive renovations before visitors can once again walk its ramparts.

La State Park and Historic Site Visitors



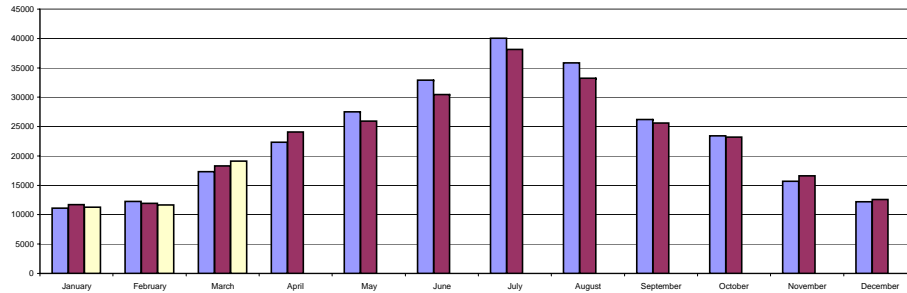
Jean Lafitte National Historic Park Trends - Attendance at Jean Lafitte NHP rose again for the eighth straight month and is 45% higher than the same period in 2006. Jean Lafitte NHP is the largest of three national parks in Louisiana. The others are Cane River NHP located in Natchitoches Parish in north central Louisiana, and New Orleans Jazz NHP located in the New Orleans French Quarter. Each of these parks recorded over 34 thousand visits last year. However, due to Hurricane Katrina, the New Orleans parks had a double digit decline in visits last year, but visits to the Cane River NHP increased by 19% since it was not effected by any hurricanes. Due to the fact that they are historical parks, none of the parks have overnight facilities, such as campgrounds or lodges.

Jean Lafitte NP Recreational Visits



National Park Trends - The National Park Service reported visitation to parks and historic sites nationwide had declined in April 2007. For the first four months, visits to national parks and historic sites have declined by 4.2% compared to last year but still slightly more than the number recorded during the same period in 2004. As indicated by the graph, peak season for National Parks is now underway. The parks system averaged 1.2 million visits per day in July last year (the peak month every year) while only 800 thousand visits per day were recorded during the month of April. Over 1 million visits per day were also recorded during the months of June and August which really illustrates national parks as warm weather destinations.

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. Says Lynn Franco, Director of The Conference Board Consumer Research Center: "Unlike the decline in March, which was solely the result of apprehension about the short-term outlook, this month's decline was a combination of weakening expectations and a less favorable assessment of present-day conditions. Rising prices at the gas pump continue to play a key role in dampening consumers' short-term expectations. The decline in the Present Situation Index — the first decline in six months — warrants monitoring in the months ahead, as further declines would suggest a softening in growth."

U.S. Consumer Confidence Index

