

## NEWS RELEASE



*Where the Sun Rises  
on the Smokies*

### HAYWOOD COUNTY TOURISM DEVELOPMENT AUTHORITY

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### **DESPITE RISING GAS PRICES, VISITORS STILL FLOCK TO HAYWOOD COUNTY**

*Key Indicator Suggests Tourism Industry Continues Strong Growth in Midst of Weak Economy*

**HAYWOOD COUNTY, N.C. (JULY 15, 2008)**—Occupancy tax collections in Haywood County—a fee charged to guests staying at local accommodations and a key statistic in measuring tourism growth—increased 15 percent in May 2008 compared to figures in May 2007, according to the Haywood County Tourism Development Authority. For the 11 months of fiscal year 2007-2008 that have so far been reported, occupancy tax collections have increased 12 percent over 2006-2007.

*(Note: While the occupancy tax is now at 4 percent, 1 percent of that—which is allocated to the zip codes from where it was collected—is not included in the numbers above for the purposes of making accurate comparisons with figures from the previous year when occupancy tax was 3 percent.)*

“Although gas prices are at all-time highs, and rising, people still want to take a vacation,” said Scotty Medford Ellis, executive director of the HCTDA. “It’s just not something many Americans are willing to forgo.

“Haywood County is located in such a place that enables us to effectively deal with the challenges of the economic downturn by attracting visitors from towns and cities within reasonable driving distance,” Ellis said. “Many of our key markets are only a one-tank trip away, and though the cost has somewhat increased, it’s not necessarily forcing people to cancel their trips, as might be the case if they planned a vacation that required either a much longer drive or now-unaffordable airfare.”

The key is to effectively reach and connect with potential visitors in those targeted markets, Ellis said, adding that the HCTDA’s comprehensive marketing plan, guided by the organization’s Advertising Committee and its advertising agency, The Tombras Group, has been able to do just that.

“Our marketing strategy and execution has really served the tourism industry well, especially at a time when the economy could affect the way people travel,” she said.

Another component to the 15-percent increase is the concerted effort on the part of the HCTDA to seek out

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accommodations not collecting and remitting occupancy tax. As a result of sending an informational brochure to all Haywood County taxpayers and working with the chambers of commerce, dozens of accommodations have been officially registered over the last several months.

“We’ve made it a priority to make sure that all business that should be collecting the occupancy tax are, in fact, doing so,” said Alice Aumen, chairman of the HCTDA Board of Directors. “It’s the law, and we have made great strides in making sure that everyone who operates an accommodation in Haywood County is aware of it and adheres to it. And as we see in the May numbers, it’s making a difference.”

As a result of the change in occupancy law that took effect in Haywood County at the beginning of 2008, the county has also reduced the amount it keeps for collecting the tax—down from 6 percent to 1 percent. In the end all of these factors—increase in visitors, more accommodations collecting the tax, and the reduction of the county government’s portion—amount to more funds that the HCTDA can eventually use to promote and market Haywood County as a tourist destination, as well as to assist local event organizers.

“A 15-percent increase in occupancy tax collections compared to the same time last year, and being up 12-percent overall this year, is definitely a good thing for the tourism industry here in Haywood County,” Ellis said. “We have to continue to build on the positive momentum.”

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