

# Dateline: New Orleans

By Matt Alderton

## After A Soft 2009, New Orleans Eyes A Super Bounce

**N**early two months after the National Football League's Saints turned the United States into a "Who Dat" nation, New Orleans convention officials are seeing early signs of a meetings industry recovery, despite a disappointing 2009.

"People are more optimistic than ever about our city," said Melvin Rodrigue, president of the New Orleans Ernest N. Morial Exhibition Hall Authority, which operates the city's convention center. "The economy has been tough, but there's pent-up demand. People know they have to have face-to-face meetings in order to succeed. They're trying to see past the economy and get back to business as usual, and that's good for New Orleans."

It's especially good given last year's performance. Although 2009 was expected to bring New Orleans its third straight year of meetings growth since Hurricane Katrina, the Crescent City actually saw a decline, according to Rodrigue.

Though New Orleans hosted more meetings in 2009 than it did in 2006, 2007 and 2008, attendance at those meetings—expected to be up slightly over 2008, by 1.3 percent overall—was down between 10 percent and 25 percent at individual events, he said. "It all boils down to attendance," Rodrigue said, "and, unfortunately, attendance is down."

All told, attendance at convention center meetings fell to 634,829 last year, 58,000 fewer attendees than officials had projected and down from 683,926 in 2008, but still up more than threefold from early post-Katrina levels, when attendance barely topped 180,000.

"Prior to 2005, we had 10 million visitors in New Orleans," Rodrigue said. "In 2008, we had 7.5 million. In 2009, we were on pace to have 8.5 million, but instead stayed flat, which was probably a positive. Now we'll get back into the growth mode again. We plan on moving the needle in every aspect."



New Orleans' Ernest N. Morial Convention Center hopes to boost 2010 attendance.

The needle's already moving, according to New Orleans Metropolitan Convention and Visitors Bureau President and CEO J. Stephen Perry. "While we saw a 20 percent wash on attendance in the first three quarters of 2009, we saw significant turnaround in the fourth quarter," he said. "We hosted the American Society of Hematology in December, and they actually picked up more than 100 percent of their block, which was encouraging. We're seeing the same thing in the first quarter of 2010. We just had the American Academy of Orthopaedic Surgeons, and their pickup was tremendous."

The story—a bleak 2009 and a brighter 2010—is the same at New Orleans' hotels. While New Orleans' hotel occupancy dropped 8.2 percent to 57.7 percent in 2009, its February 2010 occupancy, 71 percent, was the nation's third-highest behind Hawaii's Oahu Island and Norfolk-Virginia Beach, Va.

"It was a challenge in 2009," said Mark Barton, director of sales and marketing at the New Orleans Marriott, which saw meetings slippage of between 31 percent and 45 percent last year. "But 2010 has been very different so far. I'm sleeping a lot better, for one thing. We're seeing less slippage, and we're starting

to see some growth."

Most of that growth is in government meetings, which according to Barton have been a major target for his hotel since 2007. Much of it, however, is from corporate meetings, a sector that continues to lag in New Orleans and elsewhere.

"As we approach the end of this year, I expect corporate meetings to be outgrowing my other segments," Barton said.

Corporate meetings are a major target for the convention center, too. "It's a sign of the times," Rodrigue said. "There's a lot more competition in the convention business these days. Associations have so many places they can go, so corporate meetings—groups that might be too big for a hotel ballroom, but not large enough to book the entire convention center—are increasingly important for us."

Still, associations are New Orleans' bread and butter. "The corporate sector is still significantly off from where it was a couple years ago and may not rebound for another two to three years," Perry said. "We're looking this year and next at hosting more small and mid-sized association meetings. That's where the greatest growth opportunity is." ■■