



Southeast Conference Visitor Industry Committee Meeting Wednesday April 1st, 2020

Minutes

Call to Order/Opening Remarks: Chair KC Hostetler opened the meeting at 2 pm via Zoom with the following 38 participants, including Kirby Day, Mike Tibbles, Dan Blanchard, Danielle Doyle, Carl Ramseth, Chris Meier, Holly Johnson, Liz Perry, Carol Rushmore, Alison Jacobson, Laurie Booyse, Lori Trummer, Rachel Roy, Cody Jennings, Sarah Leonard, Patti Mackey, Bobbie Meszaros, Greg Smith, Daryl Tseu, Carol Fraser, Mary Goddard, Drew Green, Ashley Snookes, Wendy Anderson, Shaun Mcfarlane, Leslie Ross, Rep. Story, Chelsea Goucher, Rick Harris, Mario Fulmer, Emily Edenshaw, Deborah Hayden, James Cheng, Tanguy Libbrecht, Meilani Schijvens, Robert Venables and others.

Industry Overviews:

- **Cruise - Mike Tibbles reported** that the Industry was busy finding ports for ships still at sea, Seattle suspended port operations indefinitely (at least until July but consistent with Canadian actions), CLIA suspended NA operations as did many other cruise line operators, new protocols are being instituted to insure passenger and community safety; July-Sept operations are unclear. **Dan Blanchard** stated the small US Flag coalition (AK Dream included) has been in constant contact, PVSA waiver still under consideration but is meeting with significant resistance, 70 sailings canceled and at least half revenue lost for year, hoping for 3 ships to be sailing in June, Alaska market in general in question for travelers, **Kirby Day** said Carnival Cruise lines announced all sailing s cancelled in AK until June 30 and all European cruises cancelled. Challenges establishing protocols for start-ups to address exposure issues (including in arrival ports). No sense of how many sailings might try to deploy in later months of scheduled season – very much under discussion but too many unknowns. Windstar has also cancelled for the season.
- **Airline - KC Hostetler** – AK Air has reduced schedule by 70% in response to cancellations and lack of traveler needs. Every Alaska community will continue to see service but at reduced levels of frequency, dependent on demand. **Carl Ramseth** - AK Seaplanes has also reduced service to match demands but has regular service to every community. Current schedule to be extended through May, and ready to expand service as demand grows. Many communities have instituted complete travel bans (Hoonah, Angoon and Kake). Freight and mail continues to move on regular basis. Rep Story commented that she is thankful for the reliable service and hard work of the airlines and transportation service providers.
- **Alaska Travel Adventures Chris Meier** – ATA and industry challenges to find funding to keep business intact and employees taken care of, trying to figure out timing and what future might look like, business models that might include social distancing, etc. Everything is still changing quickly/daily and still in reaction mode.

- **AMHS - Danielle Doyle** – echoes the challenges already expressed, issues compounded with budget woes and vessel unavailability. Summer schedule was delayed until last month, then the virus hit, and rescheduling is underway (considering village travel bans). Two vessels are operational now, other vessels delayed in returning to service. Expectations are for a disrupted summer schedule (including issues at Bellingham and Prince Rupert). Kennecott was expected to go cross-gulf and provide Cordova service but is now delayed. Impacts will include seafood industry.
- **ATIA update - Holly Johnson and Sarah Leonard** reported that ATIA and board has been working on advocacy for tourism business needs for support and relief during this crisis and business shut-down. Conversations include Delegation, Governor's office, SBA and industry leaders (info on website). Marketing is paused until travel restrictions are lifted and visitors welcomed back (except social media continues). Support for the industry and businesses has been heartening as Alaskans pull together.
- **SATC update - Liz Perry** – southeast destination marketing has pulled back until future is more certain (doing “soft marketing”), analyzing methods of future marketing for southeast

Tourism Economic Planning and Survey Results: by Meilani Schijvens

○ **Planning for 2025 Regional Tourism Economic Plan:** Meilani Schijvens noted that the original intent of this meeting was to focus on planning and development for the tourism element of the Southeast Alaska 2025 Economic Plan. However, she dispensed with the planning activities she had planned, as the state of the tourism industry is in flux. This process will be continued at a later date.

○ **Southeast Alaska COVID-19 Tourism Business Impacts Survey:** Meilani Schijvens presented the tourism breakout results for the COVID-19 business impact study conducted by Southeast Conference. Southeast Conference reached out to businesses across the region between March 20th and March 25th to gauge the level of disruption that COVID-19 is having on operations in order to better understand how to support regional small businesses during this difficult time. A total of 272 businesses responded to the Southeast Conference Business Impacts Survey, including 107 visitor industry businesses. According to the 5-day survey, Southeast Alaska tourism employers have **already laid off 43% their total workforce** due to the COVID-19 virus, with an average of **6 layoffs per organization**. Half of tourism businesses expect to cut more staff shortly. More than half of tourism respondents are at risk closing permanently. Ms. Schijvens cautioned that this was a point in time survey, and that the economic impact to businesses due to the pandemic, especially in the tourism sector, is quickly worsening. A one-page summary of the tourism results can be found at the link below:

<http://www.seconference.org/sites/default/files/Tourism%20COVID-19%20Business%20Impacts%20Survey.pdf>

Ashley Snookes commented on the **Spruceroor** survey which indicated that 50% of businesses responding were going to be in need of capital within 30 days. A lot of concern about staying solvent over the next couple of months.

o **Southeast Tourism SWOT Survey:** Ms. Schijvens also presented the results of the Tourism SWOT Analysis that was conducted on February 4th at Mid-Session Summit. According to this analysis, the top strength of Southeast Alaska's tourism economy is our natural beauty, the top weakness is lack of communication between the tourism industry and communities, the top opportunity is cultural tourism and collaboration with Alaska Native entities, and the top threat on Feb. 4th was anti-tourism sentiment, which has been replaced by COVID-19 based on the March survey. A full summary of the February Southeast Alaska SWOT analysis can be found at the link below:
<http://www.seconference.org/sites/default/files/Tourism%20Feb%204%20SWOT%20analysis.pdf>

Community Round Robin –

Rachel Roy said **Sitka** is following the ever-evolving situation and keeping membership apprised of current issues. Resiliency task force established across all economic sectors and meeting weekly. Many concerns for small businesses which resembles a ghost town. Uncertainties on summer season is major concern and prevents preparedness and adjustment to whatever changes are ahead. Laurie Booyse thanked other industry leaders for information sharing that helps.

Liz Perry – Juneau has a response and recovery team through JEDC and the JACC. Budget issues (lower sales tax receipts) complicate how the department will be able to function next year. Preparing campaigns for marketing for when the time is right. Urging safety measures for all as travel is on the back burner for now.

Carol Rushmore said **Wrangell** is in a similar (frightening) situation as businesses face a very uncertain future. Thanks to ATIA and others for information sharing. Internal survey showed major disruptions and cancellations for summer business. TBMP was a project that is now on the back burner. Budget revisions for next year look to be dramatically reduced. Stikine festival has been cancelled.

Patti Mackey – Ketchikan events also cancelled. Working with businesses trying to engage the community on ideas on how to buy local during these times. Tour companies (being seasonal) don't all qualify for relief being offered. TBMP program was ready to launch – community reveal postponed until season is ready to begin. Soft market via social media underway (offering a distraction to crisis nationwide with the beauty of Alaska). Work continues on docks (downtown and at Ward Cove) and upland improvements. Ward Cove dock sections arriving this week.

Wendy Anderson said that Cody has been working within **Skagway** on preparedness plans. Stepping back from TBMP plans until later (allows more community input), doing similar local positive messaging and events that can be done with maintaining social distancing and keep spirits up.

Bobbie Meszaros reported that the **Sealaska Heritage Institute** decided to postpone Celebration until June 2021. There is a hope to do a virtual online event during June (juried art show, etc.). The arts industry is very important to the region; a virtual fashion show is also possible. January decision on Celebration. Good news – on track for arts campus construction in mid-June.

Mario Fulmer – Central Council of the Tlingit and Haida Indian Tribes of Alaska is also dealing with the complicity of the stay at home mandates and working on how to support staff through the crisis. Childcare issues complicate things and most initiatives are on pause. More to come.

Kirby Day offered encouragement during these uncertain and troubling times. We need to stay positive, stay at home and create healthy communities. Visitors will want to come to places that don't have hundreds of Corvid cases. Thanks everyone and appreciates the efforts each are making – hang in there!

With no other new business to discuss, the Chair announced the next meeting of the Visitor Industry Committee will be **June 4th at 2PM**

The meeting was adjourned at 3:45 pm