



2018

ANNUAL

REPORT

INTRODUCTION



Tucked in the ancient Appalachian Mountains of Southwest Virginia is a vibrant culture of tradition, food, music and craft. It's a region of spectacular views, abundant outdoor recreation, and rich natural resources. Rooted deep in history, this culture is authentic... distinctive... alive.

Together with the 19 counties, four cities and 54 towns of the region, we're building a sustainable creative economy that preserves, protects and interprets our rich heritage and natural resources, creates jobs, and welcomes both visitors and new businesses to our region every single day.

Heartwood, a 29,000-square-foot artisan gateway near the state border just off Interstate 81, introduces Southwest Virginia (SWVA) to the world and serves as a visitor center, retail center for local crafts, music venue and community space.

We are enhancing opportunities for outdoor recreation in our mountains, forests, rivers and lakes – and for appreciation of the incredible diversity of plants and animals that make SWVA home. The region has over \$6 million of outdoor recreation projects planned or in operation.

We are revitalizing our downtowns with artisan studios, coffee shops, community centers, gift, specialty and antique shops and more. There are cultural centers where people can hear live music, find one-of-a-kind treasures, talk to interesting folks and get a home-cooked meal.

For a long time, Southwest Virginia had gone without a unified brand. Through an extremely detailed branding process, the region is sharing the refreshed brand with the world.

A partner organization, the 'Round the Mountain artisan network helps crafts people build their businesses, learn new skills and share their inspiration. The network publishes 15 artisan trail maps guiding visitors to studios, craft shops, farms, wineries and more throughout the region and maintains a directory of artisans, craft venues and artisanal agriculture and winemaking.

Another key partner organization, The Crooked Road: Virginia's Music Heritage Trail connects eight major sites where the region's unique music can be heard. Music jams – informal chances to get together and play – happen almost every night of the week across the region. There are festivals, concerts and competitions every weekend in the spring, summer and autumn to celebrate the birth of American music in these mountains.

Southwest Virginia. We're authentic. Distinctive. Alive. And a great place to visit for a week's vacation – or to make a home for a lifetime with a new business.

TABLE OF CONTENTS

Organizational History 4	Organizational Overview 5	CHF Mission & Board 6
FoSWVA Mission & Board 7	RTM Mission & Board 8	Service Delivery 9
Contact Lists 13	Regional Economic Impact 15	Regional Economic, Community and Tourism Development 25
Community & Regional Support 27	Cultural Heritage Initiatives 30	Regional Marketing & Branding 32
Heartwood: SWVA Gateway 36	Financials 41	Stay Connected 42

ORGANIZATIONAL HISTORY

Southwest Virginia includes 19 counties, four independent cities, and 54 towns, located on the southern and western border of Virginia.

Its 8,600 square miles – more than a fifth of Virginia’s total – are located along mountain ridges and in fertile valleys, with two national parks, nine state parks and over a thousand square miles of national and state forests.

It’s where you’ll find a culture of music and craft that is authentic, distinctive and alive. A natural landscape that is breathtaking in its magnitude and scope. A place where the pace of life is slower and people are friendly. A premiere place for recreation of all kinds.

By capitalizing on the unique qualities of our region, Southwest Virginia utilizes its cultural and natural assets to build a comprehensive, long-term, sustainable economy through initiatives like Heartwood: Southwest Virginia’s Artisan Gateway, The Crooked Road, ‘Round The Mountain, and related cultural heritage organizations and venues that promote entrepreneurial and employment opportunities.

The Southwest Virginia Cultural Heritage Commission, established in 2008 by the Virginia General Assembly, worked as the lead in developing a creative economy in Southwest Virginia. In 2011, the Commission became the Southwest Virginia Cultural Heritage Foundation. Through a supporting non-profit, the Friends of Southwest Virginia, businesses and individuals help artists, craftspeople, localities, nonprofits and entrepreneurs mobilize and succeed.

The creative economy movement is defined by innovative business development techniques. From the arts and music of the region to cultural goods and services capitalized through tourism to research and development, the joint work of the Foundation and the non-profit is revolutionizing the rural economic development system of Southwest Virginia and providing new jobs for the region.

A multifaceted plan identifies the cultural and natural assets of the region; coordinates initiatives, organizations and venues engaged in cultural and natural heritage toward more efficient operations for all partner organizations; and develops a comprehensive strategy and capital improvements plan to maximize the impact of state investments in this significant restructuring effort.

Key initiatives include:

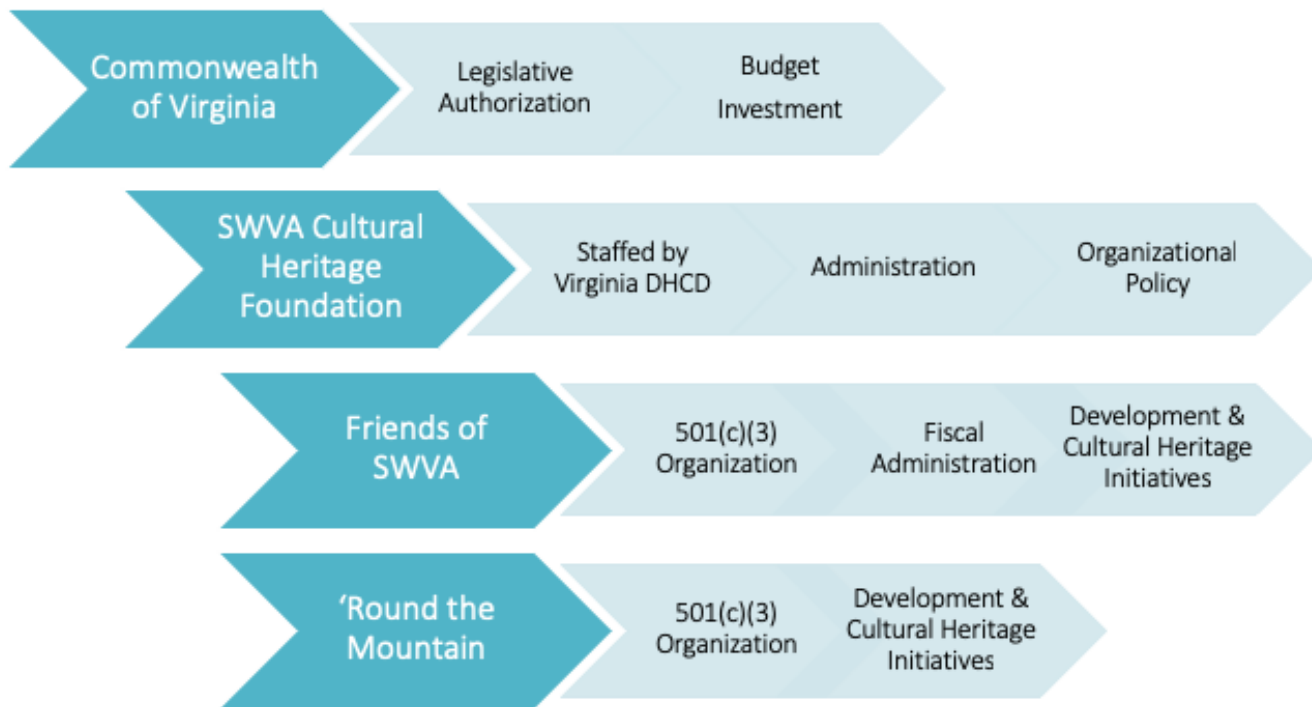
- Branding and marketing Southwest Virginia to the world as a distinct culture and destination
- Developing and sustaining Heartwood: Southwest Virginia’s Artisan Gateway
- Expanding outdoor recreation development initiatives and marketing throughout the region
- Planning and implementation of downtown revitalization throughout the region to instill a high quality of life within our communities and promote them to the world for a broad spectrum of economic development opportunities

The Friends of Southwest Virginia is supported through a regional partnership program of the 19 counties, four cities and 54 towns of Southwest Virginia; while funding from the many communities varies, support across the region for a single front in economic redevelopment is unified.

Partners include the Virginia Department of Housing and Community Development, Virginia Tourism Corporation and the Virginia Department of Conservation and Recreation.

Funding partners include the Commonwealth of Virginia, Virginia Tobacco Region Revitalization Commission, Appalachian Regional Commission, U.S. Economic Development Administration, several private foundations, and the communities of Southwest Virginia through the SWVA Partnership Program.

ORGANIZATIONAL OVERVIEW



With the decline of the traditional industries of Southwest Virginia – agricultural tobacco, coal mining, and manufacturing – the Commonwealth of Virginia recognized the need for an organization to lead one aspect of the redevelopment of the region through a new focus on the creative economy.

The Department of Housing and Community Development serves as the administrator for the Foundation and employs the key leadership of both organizations, provides fiscal oversight of state funds and provides additional support for organizational success. The Foundation operates with a full Board of Trustees made up of appointed leadership from throughout the 19 counties and four cities of the region.

To further the organization’s work, Friends of Southwest Virginia, a 501(c)3 non-profit organization was established to operate along-side the foundation and serve as a fiscal and operational body. The two organizations work in tandem under the leadership of a single Executive Director reporting to two separate boards that oversee their individual authorizations.

Previously, ‘Round the Mountain (RTM) operated independently of the other organizations. To reduce overhead administrative costs and better align programs, Friends agreed to staff the organization under the leadership of the still independent RTM Board of Directors.

SOUTHWEST VIRGINIA CULTURAL HERITAGE FOUNDATION MISSION & BOARD

The purpose of the Foundation is to encourage the economic development of Southwest Virginia through the expansion of cultural and natural heritage ventures and initiatives related to tourism and other asset-based enterprises. These include the Heartwood: Southwest Virginia's Artisan Center, The Crooked Road, 'Round the Mountain, and other related cultural and natural heritage organizations and venues that promote entrepreneurial and employment opportunities.

SALUTATION	NAME	SERVING AS	COMMUNITY
Senator	Charles Carrico, Sr.	Trustee, Senate	Galax
Senator	Ben Chafin	Trustee, Senate	Lebanon
Delegate	James Will Morefield	Trustee, House of Delegates	Tazewell
Delegate	Charles Poindexter	Trustee, House of Delegates	Glade Hill
Delegate	Sam Rasoul	Trustee, House of Delegates	Roanoke
Mr.	William Smith	Citizen	Wytheville
Mr.	Dean Chiapetto	Citizen	Floyd
Mr.	Kevin Byrd	Trustee, Planning District	Radford
Mr.	Duane Miller	Trustee, Planning District	Duffield
Ms.	Cathy Lowe	Trustee, Abingdon	Abingdon
Ms.	Robyn Raines	Trustee, Washington County	Abingdon
Ms.	Ellen Reynolds	Trustee, Round the Mountain	Wytheville
Ms.	Lou Ann Jesse-Wallace	Trustee, Round the Mountain	St. Paul
Mr.	David Rotenizer	Trustee, Round the Mountain	Rocky Mount
Ms.	Amanda Parris	Trustee, Round the Mountain	Hillsville
Ms.	Lisa Alderman	Trustee, Commission for the Arts	Wytheville
Mr.	Charlie White	Ex officio, President - VHCC	Abingdon
Mr.	Larry Yates	Ex Officio, Chair - The Crooked Road	Haysi
Mr.	Nancy Brooks	Ex Officio, Chair - Round the Mountain	Tazewell
Mr.	Erik Johnston	Ex Officio, Director - DHCD	Richmond
Ms.	Rita McClenny	Ex, Officio, Director - VTC	Richmond
Mr.	David Matlock	Ex Officio, ED - SWVAHEC	Abingdon

FRIENDS OF SOUTHWEST VIRGINIA MISSION & BOARD

The mission of Friends of Southwest Virginia is:

- To preserve, promote and present the cultural and natural assets of Southwest Virginia;
- To work in partnership in the region to generate economic development through these efforts;
- To provide educational and cultural opportunities for the general public and students of the region;
- To showcase the cultural assets of SWVA at Heartwood: Southwest Virginia's Artisan Gateway.

SALUTATION	NAME	BOARD POSITION	TITLE, AGENCY / ORGANIZATION
Mr.	James A. Baldwin	Director	Executive Director, Cumberland Plateau Planning District Commission
Ms.	Betsy K. White	Director	Executive Director, William King Museum
Ms.	Jayne Duehring	Director	Executive Director, Abingdon Convention & Visitors Bureau
Mr.	John Kilgore, Jr.	Director	Executive Director, Scott County Economic Development Authority
Mr.	Chuck Lacy	Director	Attorney
Mr.	Fred Ramey	Director	City Manager, City of Norton
Mr.	Aaron Sizemore	Director	Executive Director, Mount Rogers Planning District Commission
Ms.	Amy Atwood	Director	VA State Parks
Ms.	Linda DiYorio	Director	Community Volunteer
Ms.	Emily Hutchins	Director	Chief Advancement Officer; Virginia Tech, College of Natural Resources and Environment
Mr.	Steve Lawson	Director	Town of Big Stone Gap
Ms.	Sally Truslow	Director	Chateau Morriesette
Mr.	Erik Johnston	Ex Officio with Voting Rights, Director - DHCD	Director, VA Department of Housing & Community Development
Delegate	Will Morefield	Ex Officio with Voting Rights, Chair - SWVA CHF	Elected Member, Virginia House of Delegates
Ms.	Rita McClenny	Ex Officio with Voting Rights, President - VTC	President, Virginia Tourism Corporation

'ROUND THE MOUNTAIN MISSION & BOARD

The mission of 'Round the Mountain: Southwest Virginia's Artisan Network is to promote sustainable economic development of the region's communities by assisting local artisans with marketing, educational, and entrepreneurial opportunities.

SALUTATION	NAME	BOARD POSITION	ORGANIZATION
Ms.	Diane Akers	Treasurer	The Blacksburg Partnership
Mr.	James A. Baldwin	Director	Cumberland Plateau PDC
Mr.	Kevin Byrd	Director	New River Valley Regional Commission
Mr.	Chris Cannon	Executive Director	Friends of SWVA, SWVACHF
Ms.	Catherine Poole	Director	The Wayne C. Henderson School of Appalachian Arts
Ms.	SandyRatliff	Secretary	Virginia Community Capital
Ms.	Ellen Reynolds	Vice President	Beagle Ridge Herb Farm & Environmental Education Center
Ms.	Sarah Romeo	Director	Appalachian Arts Center
Ms.	Becky Nave	Director	Virginia Tourism Corporation
Ms.	Lou Ann Jesse-Wallace	Director	St. Paul Tomorrow/ Russell County Board of Supervisors, Design Printers
Ms.	Betsy K. White	Director	William King Museum
Mr.	David Rotenizer	Director	Office of Economic Development - Tourism Franklin County, VA
Ms.	Hannah Martin	Director	Heartmoss Pottery
Ms.	Kristen Clauder	Director	Artisan
Ms.	Nancy Brooks	President	Sleepin' Dog
Ms.	Debby Yates	Director	Grim Pottery
Ms.	Martha Biggar	Director	The Shedio
Mr.	David McLeash	Director	Dreamland Alpacas

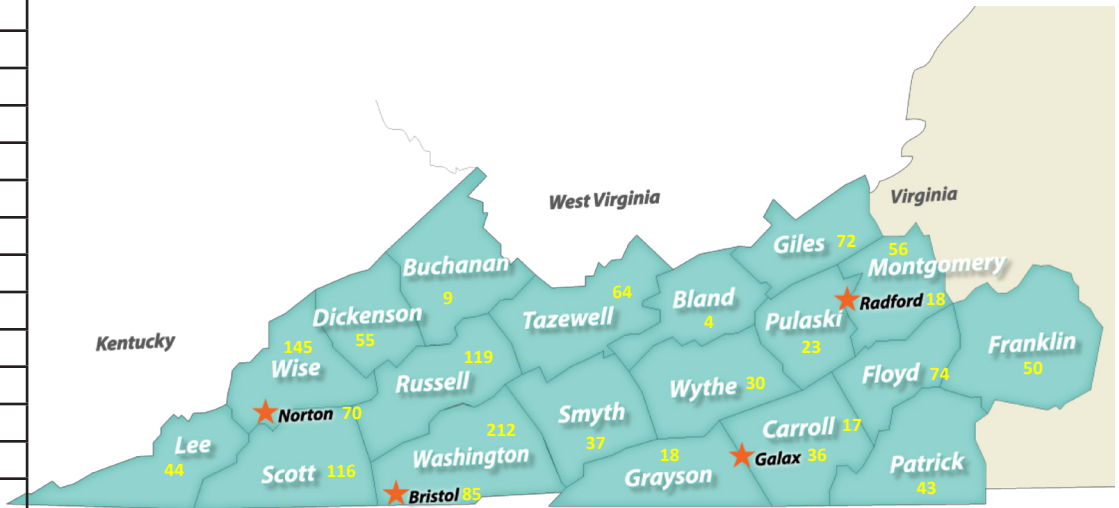
SERVICE DELIVERY

Overview

In July of 2016, Friends of Southwest Virginia staff began tracking all significant interactions and visits with the 19 counties and 4 cities of Southwest Virginia through a reporting system deemed "Service Delivery." The team tracked all major projects and how communities and businesses were served. In addition, administrative and marketing projects were differentiated from regular community and economic development projects.

COUNTY / CITY	NUMBER
Bland	4
Bristol	85
Buchanan	9
Carroll	17
Dickenson	55
Floyd	74
Franklin	50
Galax	36
Giles	72
Grayson	18
Lee	44
Montgomery	56
Norton	70
Patrick	43
Pulaski	23
Radford	18
Russell	119
Scott	116
Smyth	37
Tazewell	64
Washington	212
Wise	145
Wythe	30
REGION-WIDE	929
TOTAL	2212

Direct Service by County / City FY 2018



REGION-WIDE: 929 | TOTAL SERVICE DELIVERY: 2,212

FY18 SERVICE DELIVERY	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	FY18 TOTAL
Communities Served	26	107	79	71	60	97	118	152	170	134	148	80	1242
Businesses Served	8	46	14	54	35	89	98	229	146	113	176	15	1023
SWVA Administrative	25	51	64	55	66	51	76	83	55	89	77	40	732
Marketing & Media	18	40	34	21	31	69	69	113	96	91	119	25	726
Other	16	12	3	18	14	11	2	2	5	0	3	1	87

SERVICE DELIVERY

FY 2018 Completed Projects

PROJECT NAME	COUNTY / CITY	LEAD COMMUNITY CONTACT ORGANIZATION	MISSION FOCUS AREA
2017 Friends Audit	Region-Wide	Friends of SWVA	ALL
African American Heritage Trail	Region-Wide	Radford University	Arts Music and Culture / Heritage
Appalachian Women	Region-Wide	TBD	Friends of SWVA
Development - Adventure Tourism Workshop	Region-Wide	Virginia Community Capital	Business Development
Development - New River Action Plan	Giles	New River Regional Commission	Downtown Revitalization, Culture & Heritage
Development: Outdoor Recreation Website Population	SWVA	Blue Ridge Discovery Center	Branding & Marketing
Development: SWVA Anchor Area updates	Region-Wide	Friends of SWVA	Culture and Heritage
Development: National Tourism Week at Heartwood/ Outdoor Vendors	Region-Wide	Friends of SWVA	Heartwood
DHCD Annual Report for Legislature	Region-Wide	DHCD	ALL
Emory and Henry Communications Video Marketing Partnership	Region-Wide	Friends of SWVA	Branding & Marketing
Employee Benefit Program Development	Region-Wide	Friends of SWVA	ALL
Friends of SWVA: Annual Report	Region-Wide	Friends of SWVA	ALL
Friends of SWVA: Board Revitalization	Region-Wide	Friends of SWVA	ALL
FSWVA Accounting Services Overhaul	Heartwood	Friends of SWVA	ALL
Heartwood - Mountain Brew Bar	Heartwood	Friends of SWVA	Heartwood
Just Transition Fund: 2017 Sustainability Grant	Region-Wide	Friends of SWVA	ALL

SERVICE DELIVERY

FY 2018 Completed Projects Continued

PROJECT NAME	COUNTY / CITY	LEAD COMMUNITY CONTACT ORGANIZATION	MISSION FOCUS AREA
MKTG: 2018 Spring Break Blitz	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: 2018 SWVA Legislative Week/Reception	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: 2018 VTC Travel Guide	Region-Wide	Friends of SWVA / VTC	Branding & Marketing Heartwood
MKTG: Believe In Bristol / NETTA Partnership	Bristol	BiB / NETTA	Branding & Marketing
MKTG: Billboards	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Blue Ridge Outdoors - Norton Top Town	Norton	Friends of SWVA	Branding & Marketing
MKTG: Brand 1-Sheeters	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Budget	Region-Wide	Friends of SWVA	Administration
MKTG: Digital Asset Management System	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Friends of SWVA Communication Strategy	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Friends of SWVA Staff Business Cards	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Heartwood LOVEwork	Region-Wide	Friends of SWVA	Branding & Marketing Heartwood
MKTG: Rocky Gap Visitor Center Stage Sponsorship	Bland	Virginia Tourism Corporation	Branding & Marketing
MKTG: SWVA Merchandizing Reorganization	Region-Wide	Friends of SWVA / Winze	Branding & Marketing Heartwood
MKTG: SWVA Mountain Brew Trail Blitz	Region-Wide	Friends of SWVA	Branding & Marketing
MKTG: Western Front Hotel Merchandise Program	Russell	Western Front Hotel	Branding & Marketing
MTKG: 2018 ASD Food Guide Ad {Heartwood}	Heartwood	Friends of SWVA	Branding & Marketing Heartwood
New Position: Heartwood Sales, Marketing and Events Coordinator	Region-Wide	Friends of SWVA	Heartwood
New Position: Operations Manager	Region-Wide	Friends of SWVA	Heartwood

SERVICE DELIVERY

FY 2018 Completed Projects Continued

PROJECT NAME	COUNTY / CITY	LEAD COMMUNITY CONTACT ORGANIZATION	MISSION FOCUS AREA
Solar Eclipse Viewing Party	Heartwood	Friends of SWVA	Heartwood
SWVA CHF: Board Revitalization	Region-Wide	Friends of SWVA	ALL
SWVA LOVE Letters	Heartwood	Friends of SWVA	Heartwood; Marketing

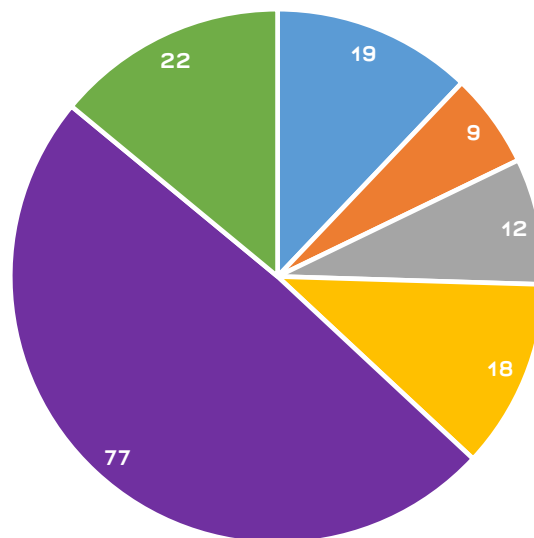
Summary of FY 2018 Projects

Project Status:

- Active and Carrying into 2019 - 93
- Complete in 2018 - 41
- On Hold - 7
- Not to be continued - 4

Project Type:

- Construction / Bricks & Mortar – 19
- Business Development & Expansion – 9
- Community Building – 12
- Tourism Trail – 18
- Marketing & Branding Campaign – 77
- Other - 22



CONTACT LIST

Administration



Chris Cannon
Executive Director
Southwest Virginia Cultural Heritage Foundation | Friends of Southwest Virginia
'Round the Mountain
Virginia Department of Housing & Community Development
ccannon@myswva.org
276-492-2400 ext. 2424



Krystal Mosley
Operations Manager
Southwest Virginia Cultural Heritage Foundation | Friends of SWVA
Virginia Department of Housing & Community Development
kmosley@myswva.org

Marketing



Jenna Wagner
Public Relations & Marketing Director
Southwest Virginia Cultural Heritage Foundation | Friends of Southwest Virginia
Virginia Department of Housing & Community Development
jwagner@myswva.org; marketing@myswva.org
276-492-2400 ext. 2422

Community & Economic Development



Emily Mayo
Tourism & Recreation Development Specialist
Friends of SWVA
emayo@myswva.org
276-492-2400 ext. 2412



Idalina Walker
Tourism & Recreation Development Specialist
Friends of SWVA
iwalker@myswva.org
276-492-2400 ext. 2416



Marcia Dempsey
Development Programs Administrator
Friends of SWVA
mdempsey@myswva.org
276-492-2400 ext. 2415

CONTACT LIST

Cultural Heritage Programs



Melissa Mullins
Program Manager, Cultural Heritage Initiatives
Friends of SWVA | 'Round the Mountain
mmullins@myswva.org
276-492-2400 ext. 2410



Leah Kidd
Events, Sales and Programming Coordinator
Friends of SWVA
lkidd@myswva.org
276-492-2400 ext. 2423



Jamee Gillespie
Artisan Marketplace Manager
Heartwood | Friends of SWVA
jgillespie@myswva.org
276-492-2400 ext. 2403



Chef Charles Parker
SWVA Culinary Ambassador
Heartwood | Friends of SWVA
cparker@myswva.org
276-492-2400 ext. 2414



Gwyn Hill
Food & Beverage Manager
Heartwood | Friends of SWVA
ghill@myswva.org
276-492-2400 ext. 4001



Matt Wiley
SWVA Visitor Services Specialist
Heartwood | Friends of SWVA
visitorscenter@myswva.org
276-492-2400

Partner Organizations



Jack Hinshelwood
Executive Director
The Crooked Road (TCR)
jhinshelwood@thecrookedroad.org
276-492-2400 ext. 2402

REGIONAL ECONOMIC IMPACT

Executive Summary

In response to declining employment in Southwest Virginia's historically prominent industries of farming, mining, and manufacturing, stakeholders around the region began to invest in developing the creative economy. Since the start of the Crooked Road in 2004, travel expenditures in the region have increased from \$648.9 million to \$1043.37 million in 2017. Additionally, local tax revenues have increased by 49% and state tax revenues by 44% in the same time period. The upward trend in these travel related tax revenues has an impact at the local level through increasing meals and lodging tax revenues in the region's towns.

CREATIVE ECONOMY IMPACTS

KEY FACTS



- Travel expenditures in SWVA increased by 67% from 2004 to 2017.
- Southwest Virginia counties and cities collected over \$26 million in local travel related tax revenue in 2017.
- Even though overall employment in SWVA is slightly down compared to a decade ago, employment in leisure and hospitality has grown by 14%.
- Residents of Virginia's 9th Congressional District spend \$1.4 billion on outdoor recreation each year.
- Southwest Virginia is home to at least 14 outdoor recreation companies.

Overall employment in SWVA has dropped since 2001, but employment in the leisure and hospitality industry sector has increased by 14%¹.

The outdoor recreation industry has grown vastly across the United States, with an estimated \$887 billion of annual consumer spending across the nation and 7.6 million jobs. Southwest Virginia's numbers alone are impressive with 14 outdoor companies calling the region home. Furthermore, Southwest Virginians spend an estimated \$1.4 billion on outdoor recreation each year².

Overall, the data suggests that the creative economy related outcomes are on a positive trend in Southwest Virginia, though the overall economy still faces challenges.

¹Data from Bureau of Labor Statistics Quarterly Census of Employment and Wages

²Data from the Outdoor Industry Association

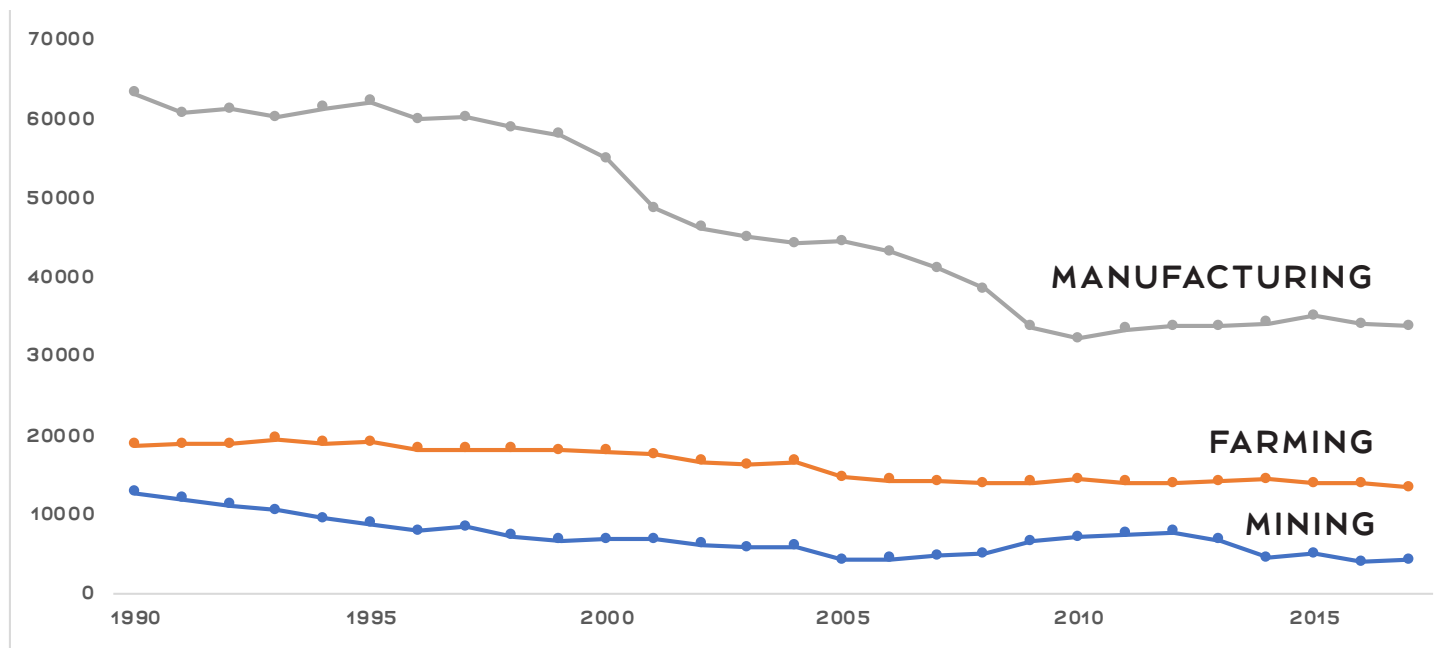
REGIONAL ECONOMIC IMPACT

History & Trends

Between 1990 and 2017, farm employment decreased by 28%, mining employment has decreased by 67%, and manufacturing decreased by 47%. Specific downturns in these industries have played a large role in the overall trends.

Like much of America, especially rural Appalachia, Southwest Virginia has seen strong downward employment trends in the traditional economic sectors of manufacturing, farming and mining over the last 27 years³.

TRADITIONAL INDUSTRY ANNUAL EMPLOYMENT



Beginning in the early 2000s, Southwest Virginia began developing a new response to these economic changes by looking at its unique assets for economic development. A strategy for a creative economy based on the region's authentic, distinctive, and alive assets of traditional music, art and craft, local food and drink, and outdoor beauty and recreation was put into motion. The Crooked Road: Virginia's Heritage Music Trail and 'Round the Mountain: Southwest Virginia's Artisan Network were developed, branded, and marketed. The entire region also began community development efforts and a branding/marketing campaign under the Southwest Virginia Cultural Heritage Foundation. In 2012, Friends of Southwest Virginia undertook its newest initiative focused on outdoor recreation development in the region and promoting SWVA.

³ Average annual private employment in the given industry taken from the Bureau of Economic Analysis.

REGIONAL ECONOMIC IMPACT

History & Trends

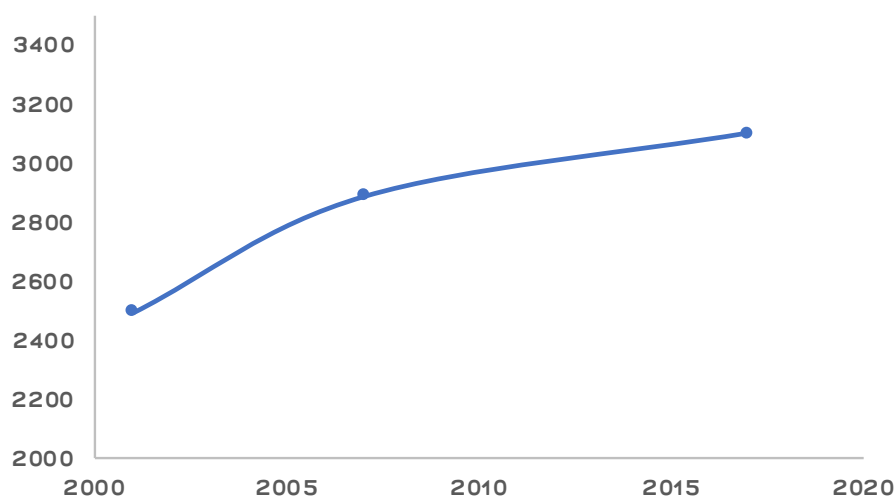
The outdoor recreation industry is booming in Virginia. 57% of residents participate in outdoor recreation each year, with approximately 29% of residents taking outdoor recreation trips within 30 minutes of their homes. Southwest Virginia residents spend an estimated \$1.4 billion on outdoor recreation each year with fishing, off-roading and camping being the most popular outdoor activities. It's not only Virginians who are taking advantage of the beautiful region: out-of-state visitors spend \$6.42 billion on outdoor recreation in Virginia⁴.

Due to regional and state-wide efforts, the Virginia Artisan Trails networks have offered a unique opportunity for visitors to connect with creative artisans, craft venues, vineyards, farms, breweries, local restaurants, and cultural points of interest. These efforts have led to a thriving artisan industry as well. The Virginia Artisan Industry has created nearly 12,000 jobs, attracted 699,320 travelers, and has generated \$15.6 million in state tax revenue while yielding a total economic impact of \$527.2 million⁵.

Due to the increase in the outdoor recreation and artisan industries, Southwest Virginia has seen a slow upwards trend of employment in the creative economy sectors of arts, entertainment, and recreation⁶.

The chart below represents creative economy data only from the Counties of Floyd, Franklin, Montgomery, Pulaski, Tazewell, Wythe, & Washington due to inconsistent data reporting.

CREATIVE ECONOMY ANNUAL EMPLOYMENT



⁴ Data from the Outdoor Industry Association

⁵ Data from CHMURA Economics and Analytics

⁶ Average annual private employment in arts, entertainment, and recreation taken from the Bureau of Economic Analysis

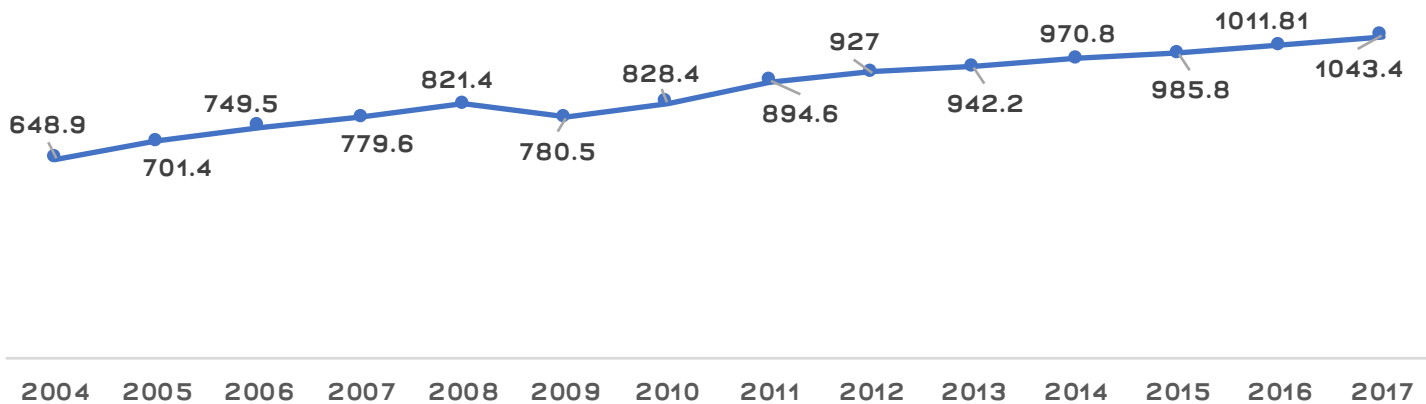
REGIONAL ECONOMIC IMPACT

Tourism

The development of the creative economy in Southwest Virginia is tied directly to tourism and travel. Creative economy businesses and attractions draw in tourists, which has a large economic impact on the region. With a population density of only 75 persons per square mile, bringing in outside dollars to support the economy is essential for growth.

From 2004 to 2017, travel expenditures in Southwest Virginia grew by \$394 million, with travelers spending a total of \$1043.37 million in 2017. In this thirteen-year period, travel expenditures have increased by 67%⁷.

TRAVEL EXPENDITURES IN SOUTHWEST VIRGINIA (MILLIONS)



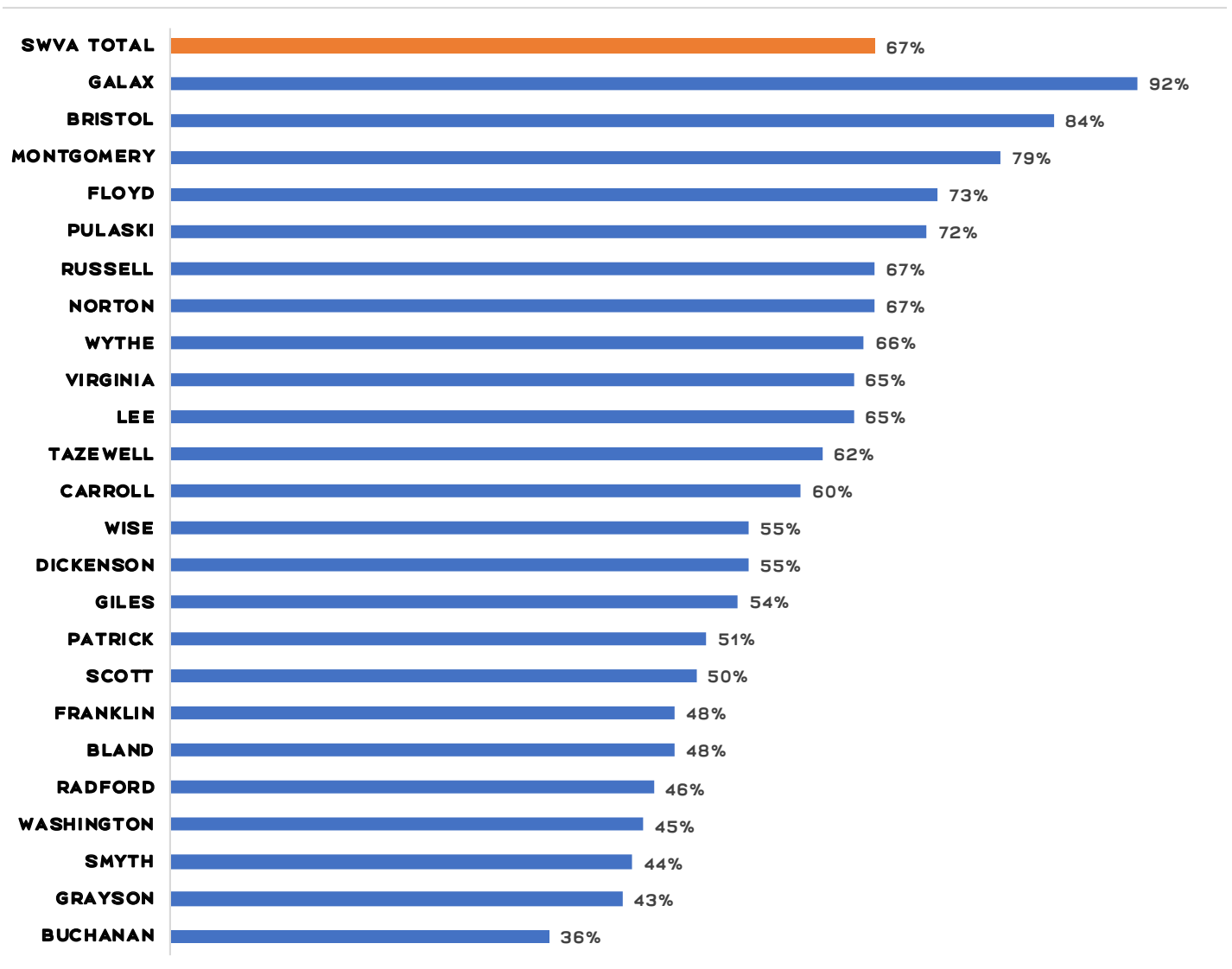
⁷ Annual travel related tax receipt estimates taken from the Virginia Tourism Corporation Economic Impact of Domestic Travel in Virginia report.

REGIONAL ECONOMIC IMPACT

Tourism

Southwest Virginia counties with the highest travel expenditures in 2017 are Montgomery, Wythe, Franklin, and Washington, all with annual travel expenditures over \$100 million. Those localities that had the highest travel expenditures in 2017, and in past years, tend to be located along major interstates or nearby larger cities and towns. However, when we look at how travel expenditures have changed since 2004, more rural counties have also shown large increases in travel expenditures.

PERCENT CHANGE IN TRAVEL EXPENDITURES 2004-2017

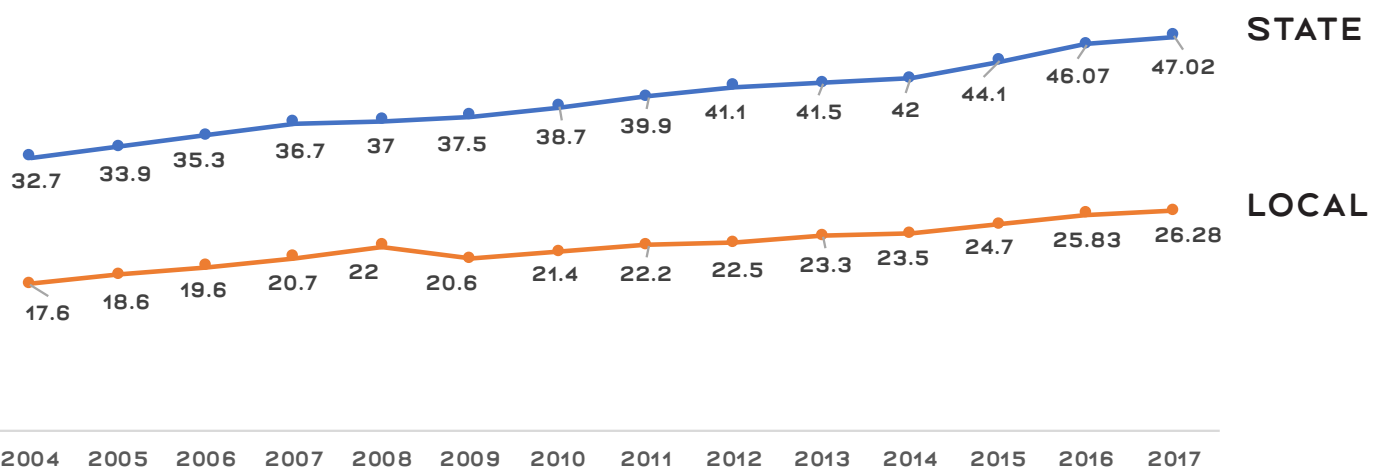


REGIONAL ECONOMIC IMPACT

Tourism

Travel spending in the region also supports individual localities and the state fiscally. Local travel related tax revenue in 2017 was nearly \$26 million and state revenue was over \$47 million. These both reflect a steady trend of increased tax revenues from travel⁸.

TRAVEL RELATED TAX REVENUES (MILLIONS)



The increase in travel related local and state tax receipts mirrors the upward trend in travel expenditures. These increases in local tax receipts are influenced by the increase in local tax collection through food service, admissions, and lodging taxes. The increase in tax receipts at state, county, and local levels of government show the return on invest for communities that grow their creative economy.

⁸ Annual travel related tax receipt estimates taken from the Virginia Tourism Corporation Economic Impact of Domestic Travel in Virginia report.

REGIONAL ECONOMIC IMPACT

Tourism

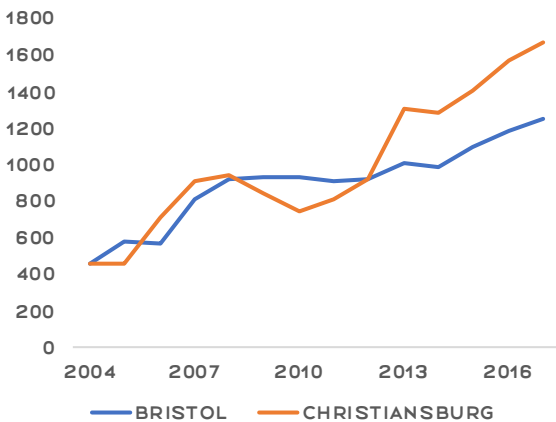
We can see the details of the trend by looking at the increase in lodging and meals taxes. The graph below shows the increase in meals and lodging tax revenues at the locality level⁹.

COUNTY/CITY LEVEL TAX REVENUES

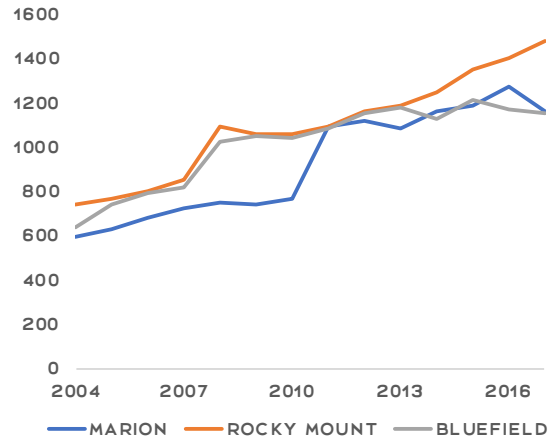


Though these revenue increases are impressive, they do not fully show the revenues collected as many areas in the region only have meals or lodging taxes at the town level. The additional graphs below show the increases in meals and lodging taxes for a sample of Southwest Virginia towns. The towns shown below had an even greater percentage increase than SWVA counties¹⁰.

LODGING TAX (THOUSANDS)



MEALS TAX (THOUSANDS)



⁹Lodging and meals tax data taken from the Virginia Auditor of Public Accounts Local Government Comparative Reports. Does not include revenues at the town level.

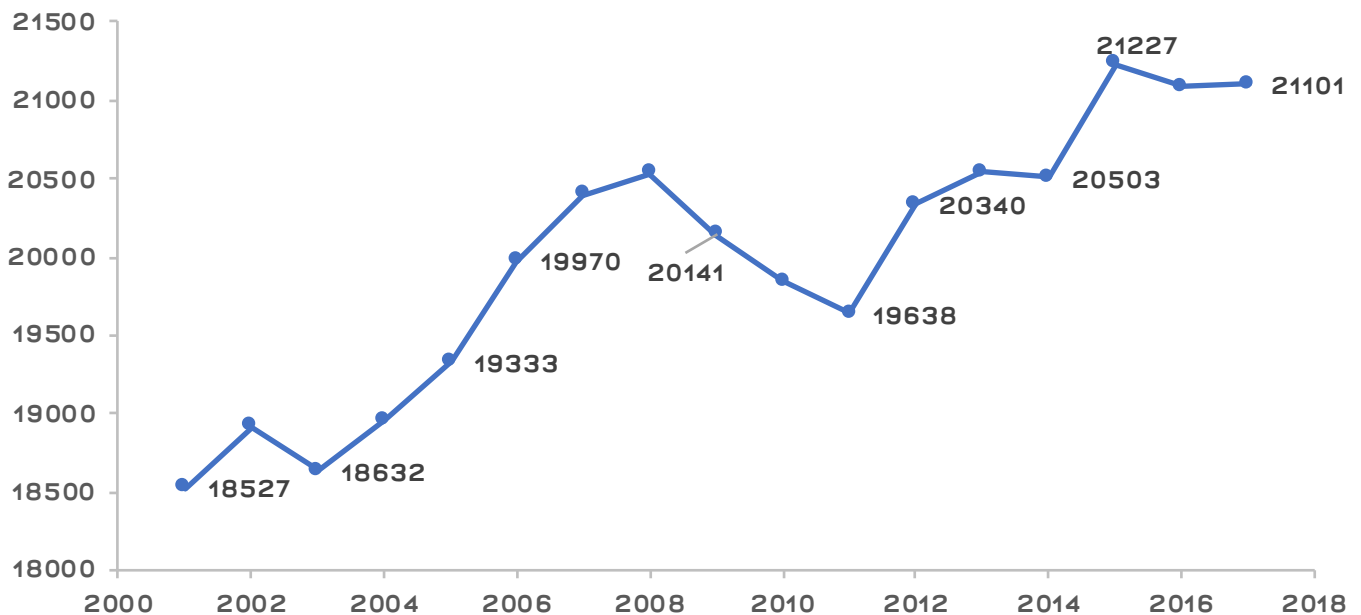
¹⁰Percent increase from 2004-2017 Meals Taxes: Marion (96%), Bluefield (80%), Rocky Mount (101%); Lodging Taxes: Bristol (169%), Christiansburg (259%).

REGIONAL ECONOMIC IMPACT

Tourism

In addition to direct travel spending through food, lodging, recreation, and shopping which supports local businesses, this travel spending also supports job growth in the region. According to the Virginia Tourism Corporation, 10,170 full time equivalent jobs existed in SWVA thanks to travel in 2017. This is up 980 jobs since 2004. Overall employment in the leisure and hospitality industry sector is up 14% from 2001 to 2017. While overall employment has failed to rebound to pre-recession levels, leisure and hospitality employment is strong.

LEISURE AND HOSPITALITY INDUSTRY EMPLOYMENT



REGIONAL ECONOMIC IMPACT

Travel Expenditures by Locality

County/City	2004 (millions)	2017 (millions)	2004-2017% Change
Bland	9.56	14.15	48%
Bristol	30.16	55.43	84%
Buchanan	14.68	19.99	36%
Carroll	44.88	72.04	60%
Dickenson	4.87	7.56	55%
Floyd	14.43	24.98	73%
Franklin	73.3	108.91	48%
Galax	9.2	17.7	92%
Giles	18.09	27.9	54%
Grayson	11.05	15.9	43%
Lee	7.68	12.7	65%
Montgomery	85.04	152.7	79%
Norton	11.9	19.9	67%
Patrick	18.46	27.9	51%
Pulaski	33.49	57.5	72%
Radford	10.88	15.9	46%
Russell	7.67	12.8	67%
Scott	11.96	17.9	50%
Smyth	17.48	25.11	44%
Tazewell	31.87	51.63	62%
Washington	73.25	106.44	45%
Wise	22.01	34.03	55%
Wythe	86.99	144.41	66%
SWVA Total	648.9	1043.37	67%
Virginia	15,041.50	24,750.21	65%

Data Source: Virginia Tourism Corporation, Economic Impact of Domestic Travel in Virginia annual reports. Available at <http://www.vatc.org/research/economicimpact/>.

REGIONAL ECONOMIC IMPACT

Travel Related Tax Receipts by Locality

County/City	Local			State		
	2004 (millions)	2017 (millions)	2004-2017 % Change	2004 (millions)	2017 (millions)	2004-2017% Change
Bland	.3	0.41	37%	.43	.54	26%
Bristol	.95	1.63	72%	1.56	2.63	69%
Buchanan	.18	0.23	28%	.53	.59	11%
Carroll	1.42	2.11	49%	2.31	3.37	46%
Dickenson	.12	0.17	42%	.3	.42	40%
Floyd	.46	0.73	59%	.7	1.12	60%
Franklin	2.31	3.2	39%	3.1	4.32	39%
Galax	.24	0.43	79%	.5	.83	66%
Giles	.6	0.86	43%	.97	1.34	38%
Grayson	.35	0.47	34%	.5	.67	34%
Lee	.2	0.3	50%	.42	.62	47%
Montgomery	1.63	2.72	67%	4.16	6.74	62%
Norton	.55	0.86	56%	.61	.94	54%
Patrick	.58	0.81	40%	1.16	1.54	33%
Pulaski	1.06	1.7	60%	1.62	2.48	53%
Radford	.33	0.45	36%	.56	.73	30%
Russell	.13	0.2	54%	.43	.63	47%
Scott	.32	0.43	34%	.64	.85	33%
Smyth	.38	0.51	34%	1.17	1.5	28%
Tazewell	.47	0.71	51%	1.53	2.24	46%
Washington	1.91	2.6	36%	3.65	4.9	34%
Wise	.34	0.48	41%	1.11	1.5	35%
Wythe	2.8	4.25	52%	4.7	6.6	40%
SWVA Total	17.63	26.28	49%	32.66	47.02	44%
Virginia	443.0	681.4	54%	640.7	1,046.3	63%

Data Source: Virginia Tourism Corporation, Economic Impact of Domestic Travel in Virginia annual reports. Available at <http://www.vatc.org/research/economicimpact/>.

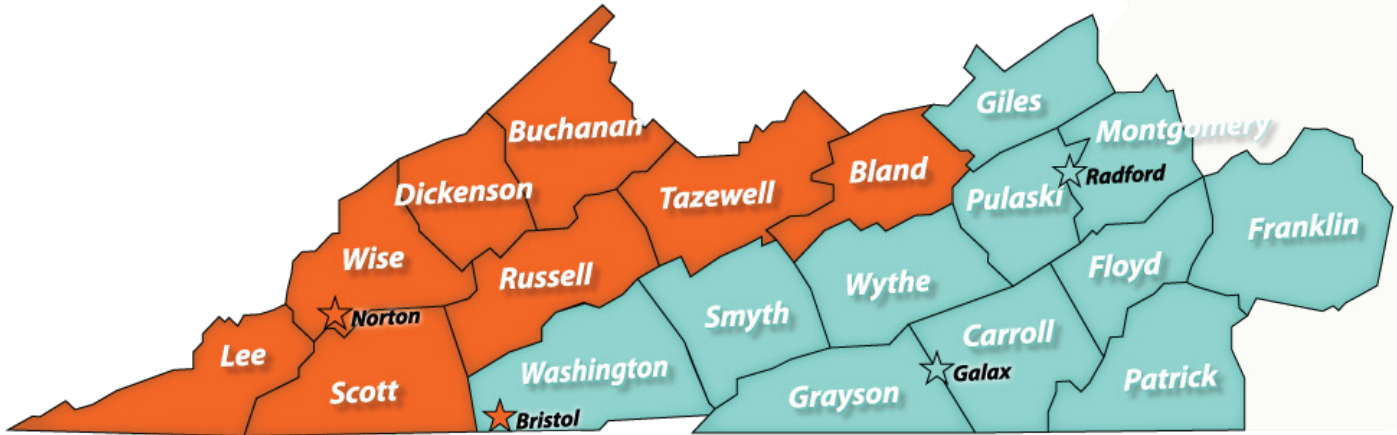
REGIONAL ECONOMIC, COMMUNITY AND TOURISM DEVELOPMENT



Idalina Walker
Tourism & Recreation Development Specialist - West Zone
Friends of SWVA
iwalker@myswva.org
276-492-2400 ext. 2415



Emily Mayo
Tourism & Recreation Development Specialist - East Zone
Friends of SWVA
emayo@myswva.org
276-492-2400 ext. 2412



Southwest Virginia Outdoors Projects

Driving Southwest Virginia's outdoor economy through funding additional planning and construction of outdoor recreation enhancements.



HIGH KNOB REGIONAL INITIATIVE

REGIONAL ECONOMIC, COMMUNITY AND TOURISM DEVELOPMENT

Southwest Virginia Outdoors Projects

PROJECT NAME	FUNDING	FUNDERS	PROJECT STATUS	ANCHOR AREA	DESCRIPTION
Appalachian Trail Center	\$979,500	ARC & TRRC	Re-bid 1/8/19	Appalachian Trail & Mount Rogers	Funding to construct a trail hub for two anchor areas. Damascus, VA
Breaks to Haysi Trail	\$288,000	ARC & TRRC	Under Construction	Breaks	Trail development to connect natural asset to downtown Haysi, VA
Devils Bathtub	\$172,350	ARC & TRRC	Design Phase	High Knob	Development of parking lot to mitigate inadequate parking
Haysi Boardwalk	\$250,000	ARC & TRRC	Design Phase	Breaks	Construction of Boardwalk to revitalize Downtown Haysi
High Knob Destination Center	\$1,141,000	ARC & City of Norton	Design Phase	High Knob	Funding to construct a natural asset hub for the High Knob Region
High Knob Lake Restoration	\$65,000	ARC	Environmental Review	High Knob	Restoration project of existing cultural asset
High Knob Master Plan	\$98,000	ARC & DHCD Build Collaborative Communities	Final Draft Review	High Knob	Development of a regional initiative and strategy for collaboration
Lee and Wise County Outdoor Recreation Access	\$500,000	ARC	Pending Approval	High Knob, Daniel Boone Wilderness Trail	Construction of public boat launches and community bike parks
New River Boat Launches	\$500,000	ARC, Giles County and Town of Pembroke	Contract Negotiations	New River	Construction and enhancements of river access on the New River in Giles County
New River Center	\$1,068,300	ARC & Giles County IDA	Project Redesign	New River	Reworking project to serve the needs of visitors and information sharing
Spearhead Trail Technicians	\$198,000	ARC	Trail Techs Employed	Breaks	Funding to employ three techs to develop the breaks trail

COMMUNITY & REGIONAL SUPPORT

Community Capacity Building & Regional Support

1. Clinch River Valley Initiative

- Friends of Southwest Virginia serves as the fiscal agent for the 30+ steering committee. This includes managing funds, seeking and preparing grants, and assisting with implementation of projects. Currently, the steering committee is working to establish a strategic plan to guide the 5 action groups over the next 5 -10 years.

2. High Knob Regional Initiative

- The High Knob Regional Initiative (HKRI) is a group of stakeholders located in The City of Norton, Lee, Wise and Scott County who are working to breakdown town and county lines and connect into the High Knob Region of SWVA. The initiative is utilizing the High Knob Master Plan as a blueprint for the future development, sustainability and accessibility of their region.

WHAT'S HAPPENING?

The High Knob Regional Initiative is a collaborative that aims to showcase and enhance the outdoor recreation opportunities and connect the diverse and vibrant communities within the High Knob region by growing local economies and natural opportunities in a way that benefits both residents and visitors.

Through a 6-month planning process, a steering committee and planning team will engage community members in conversations about the future of the High Knob region. The outcome of these discussions, and additional analysis, will help generate recommendations that will guide planning and design of strategic initiatives for economic development.

Please take a few minutes to complete the planning survey at: <https://www.surveymonkey.com/r/highknob>

CONTACT:
Emily Mayo
Tourism and Recreation Development Specialist
Friends of Southwest Virginia
emayo@myswva.org
O: (276)492-2412

HIGH KNOB REGIONAL INITIATIVE

HIGH KNOB COMMUNITIES:
APPALACHIA WISE ST. CHARLES BIG STONE GAP DUFFIELD
NORTON COEBURN CLINCHPORT DUNGANNON
PENNINGTON GAP

“HIGH KNOB IS PART OF THE JEFFERSON NATIONAL FOREST AND ONE OF SWVA 8 ANCHOR AREAS. FRIENDS OF SWVA IS WORKING THROUGHOUT A 19 COUNTY REGION TO CONNECT ANCHOR AREAS TO NATURAL ASSETS FOR TOURISM AND ECONOMIC DEVELOPMENT.”

INITIATIVE ACTION TEAMS:

- Assets
- Capital Improvements
- Community Participation & Marketing
- Mapping & Wayfinding
- Real Estate Pull Sheets

FUNDED BY:

- Appalachian Regional Commission
- Local Community Match
- Department of Housing and Community Development (Building Collaborative Communities)

3. Park and Pecan Street

- Developing a sense of community - A group of business owners, artisans, community leaders, and tourism partners are working at the neighborhood level to connect their community to the Arts, Natural Resources and Mainstreet Initiatives in the Town of Abingdon. The group formed to identify how they could better align themselves with the mecca of assets surrounding Park and Pecan Streets, including an Urban Pathway project, the Virginia Creeper Trail Trailhead, Mainstreet intersections and The Park Street Project. One project the group has decided to tackle is implementing art along their corridor in the form of Bicycle Themed Yarn Bombs. The group has collected donated yarn, bike wheels, and even a full bicycle to decorate and place along their neighborhood. This form of art is intended to lead visitors of Park and Pecan street from the Creeper Trail to the business fronts; while enhancing the fun and funky assets that are accessible to all.

COMMUNITY & REGIONAL SUPPORT

Community Capacity Building & Regional Support

4. Blue Ridge Plateau

- The Blue Ridge Plateau represents the counties of Carroll, Floyd, Franklin, Grayson, Patrick and City of Galax. A group of business owners and tourism leaders was formed in December 2017 to discuss opportunities to cross promote events and assets, strategies for pulling traffic off the park way and into the plateau communities, and further develop assets around shopping and downtowns, culture and heritage, outdoor recreation, arts and culture, and music. Following the December meeting Friends of SWVA volunteered to aid in future facilitation.

5. Outdoor Recreation Networking Event

- In May 2018 Friends of SWVA facilitated a conversation around the previous outdoor expo. During the meeting we identified that the most beneficial piece of the event was the networking that happens; this conversation led to the development of “mini” networking and promotion events for the region. Friends of SWVA hosted their first outdoor recreation networking event in September 2018. The Development team will host two yearly networking events (Fall and Spring) tailored to outdoor recreation professionals, community members, tourism officials and outdoor enthusiasts.



SOUTHWEST VIRGINIA
OUTDOORS

COMMUNITY & REGIONAL SUPPORT

Technical Assistance

- 1. AIR Shift Facilitator Training**
 - In January 2019 Friends of SWVA will be sending both Tourism and Outdoor Recreation Development Specialist to the AIR Shift Facilitator training. AIR stands for the Art Institute of the Rockies, and they have launched an east coast initiative through Berea College and Virginia Tech. The training will focus on how to lead a diverse group of people through a creative solutions workshop.
- 2. Town of Abingdon Bike Park**
 - Friends of SWVA is working to assist and support the planning for a comprehensive look at biking in the Town of Abingdon. The plan will be conducted by the International Mountain Biking Association and Trail Solutions. Funding has been awarded through a private citizen and Town Council.
- 3. Community Networking:**
 - Working throughout the region to teach businesses and communities on resources available and best practices in creating an outdoor recreation economy. Examples of work include: Community Business launches, Spring Break Blitz, Regional Community Chats, Outdoor Recreation Networking, Drinkable Crops Summit, and Rally SWVA.
- 4. Clintwood Horse Show**
 - Working to problem solve and build physical and marketing capacity for the Pine Mountain Trail Riders.
- 5. Clinch River Valley Initiative**
 - Friends of SWVA works closely with this successful initiative to assist in Facilitation of meeting and projects, planning and serving as the Fiscal Agent
- 6. Appalachian Sustainable Development: Non-Timber Forest Products**
 - Friends of SWVA works to move the conversation around development and expansion of Non-Timber Forest Products in Southwest Virginia.
- 7. Scott County Outdoor Recreation**
 - Working with Scott County Tourism to market and support unique outdoor recreation business and assets in Scott County.
- 8. Dickenson County Outdoor Recreation**
 - Working with Dickenson County Tourism to market and support unique outdoor recreation business and assets in Scott County.

CULTURAL HERITAGE INITIATIVES

'Round the Mountain Overview



'Round the Mountain: Southwest Virginia's Artisan Network is a non-profit organization whose mission is to promote sustainable economic development of the region's communities by assisting local artisans with marketing, educational, and entrepreneurial opportunities. We have roughly 300 participating members as of December 2018.

RTM / Friends of SWVA Partnership

On July 1, 2018, Friends of Southwest Virginia formally assumed management of the programs of 'Round the Mountain. The staff at Friends of SWVA now oversee development of the artisan trails throughout SWVA, artisan membership sales and member development, marketing of RTM and regional arts initiatives and, most importantly, partnership development among the arts community, individual artisans, other regional co-ops, galleries and arts stakeholders in this region. Friends of Southwest Virginia and 'Round the Mountain have worked together for years within the arts community, but this exciting new partnership is taking the relationship between the two organizations to a new level for the benefit of all of Southwest Virginia.

'Round the Mountain Statistics

'ROUND THE MOUNTAIN STATISTICS

- Total Members (Including Trail Sites) - 302
- 22 member increase at the end of 2018
- Affiliated Arts Schools - 9
- Affiliated Galleries - 24
- Affiliated Shops - 26
- Affiliated Cultural Heritage Centers - 22

MEDIUM	NUMBER
Two Dimensional	40
Natural Material	59
Fiber	46
Wood	51
Clay	21
Metal	19
Glass	13
Mixed Media	7
Literary	3
Jewelry	9
Man-Made	2
Not Disclosed	31

Heartwood Events

Events at Heartwood saw an increase in attendance with our Family Fall Festival and Heartwood Holiday Market. Our aim is to attract new and diverse audiences, introducing them to the local craft, food, and music of Southwest Virginia. New partnerships with local caterers, food trucks, and restaurants have shown success with collaboration and highlighting local small business.

CULTURAL HERITAGE INITIATIVES

Future Projects

- Friends of Southwest Virginia is enhancing the 'Round the Mountain website, making it easier for members and administrators alike to update their profile, upcoming events, and a potential online store. Training for members to develop their own online presence along with RTM's online store will give us a worldwide audience, certainly increasing sales for all our artisans.
- January 2019 will kick off an Inaugural Membership Campaign to expand membership, especially in communities where we have a limited presence.
- The Jury Process for approval to sell in Heartwood is scheduled for early April of 2019. This reintroduction will allow all applicants more insight into the process and allow them to see feedback, guidance, and apprenticeship opportunities within the network.
- Outreach is incredibly important for the future of our organization. 'Round the Mountain will be visiting a different community each month in an effort re-engage the 15 Artisan Trails as member networks and meet with Trail Sites and members alike.
- In 2019, 'Round the Mountain will engage high school and college-aged artisans in our region through a free membership level, allowing them to network and access apprenticeships.

COUNTY	NUMBER OF ARTISANS
Washington	51
Floyd	28
Wythe	23
Montgomery	22
Tazewell	17
Smyth	16
Franklin	16
Wise	15
Grayson	14
Patrick	9
Scott	9
Carroll	8
Pulaski	7
Russell	6
Lee	6
Dickenson	5
Giles	4
Buchanan	3
Bland	1
Not Disclosed	15

Community Outreach

Staff of 'Round the Mountain and Friends of Southwest Virginia hosted Meet and Greets in Stuart, Pulaski, Big Stone Gap, Lebanon, Marion, and Abingdon to introduce ourselves to members and stakeholders of our Artisan Network. Roughly 65 artisans attended these five sessions in late August.

New Markets Committee

In 2018, the 'Round the Mountain New Markets Committee reached local, regional, and national news outlets, sharing the story of the organization's artisans to thousands of readers in Southwest Virginia. The New Markets Committee works to find new and creative markets in which to sell artisans' works through media attention and wholesale markets.

REGIONAL MARKETING & BRANDING

2018 Projects

SOUTHWEST VIRGINIA VISITOR WEBSITE AND CONTENT GENERATION

Over the past year, the team has been working on continued development of our database for cultural assets (music, craft, outdoor recreation, etc). Content generation has been ongoing over the last year in photography and videography. This content will feed the new visitor website for Southwest Virginia to be launched in the Spring of 2019. We have been getting feedback from partners about the current website and what they would like to see in a future visitor website. We are working closely to integrate the feedback and the new visitor website with Virginia.org data feeds and content calendar. This will allow for an online tool that houses asset data for the region. (i.e. all breweries, wineries, distilleries, music venues, arts sites, museums, restaurants, etc).

PARTNER WEBSITE

Through this process, Friends of SWVA decided to launch a separate website solely for our partners. This website is dedicated to our partners and sharing information with them. The new partner website was launched in the Spring of 2018 and continues to be a valuable resource.



DIGITAL ASSET MANAGEMENT SYSTEM

The team at Friends has also worked to launch a new digital asset management system as a resource for partners to compile and share digital assets. This cloud-based software is easily accessible and will house Southwest Virginia brand assets, photography and videography for the region moving forward. The team is continuing to compile content and share with our partners around the region. There will need to be additional training for partners in 2019.

REGIONAL MARKETING & BRANDING

2018 Projects

MEDIA AND PUBLIC RELATIONS

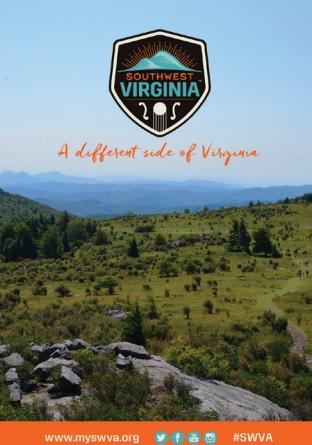
The team at the SWVACHF and Friends of SWVA have been working diligently on telling the story of the organization and the region. We have heard feedback from our partners in the region that there is some confusion about what our organization does and the resources and services we can offer to partners. As a result, we have been working towards both an internal and external public relations strategy.

Externally, we've been working closely with Virginia Tourism Corporation to participate in two media tours in Washington DC and New York City. In preparing for these media trips, we worked to create a 4-page press kit that summarizes some of the assets that are unique to Southwest Virginia and creation of thumb drives with a snapshot of what media can experience in the region.


2018 Public Relations Trips & Desksides

- Washington DC - June 18 - 19
 - National Geographic, Fashion Edible, U.S. News & World Report, AARP
- New York City - October 15 - 18
 - Coastal Living, Southern Living, Worth, Tour de Lust, AAA, Shermans Travel, Travel + Leisure, Martha Stuart Living, Modern Luxury Publications, Budget Travel, Family Traveler, Forbes

In 2019, we will be working towards a larger press kit that contains information about each county and city and their unique stories. In addition to the aforementioned, we will also be working towards scheduled blogger conferences, media tours and familiarization tours for external and internal media to visit the region, as well as tours to educate residents and partners about other regional assets.



www.myswva.org #SWVA



SOUTHWEST VIRGINIA
Close to Home

Events
There's plenty to keep you busy in SWVA. The region boasts countless music, arts and cultural venues across the region and they host hundreds of annual festivals and events that showcases a different side of Virginia.

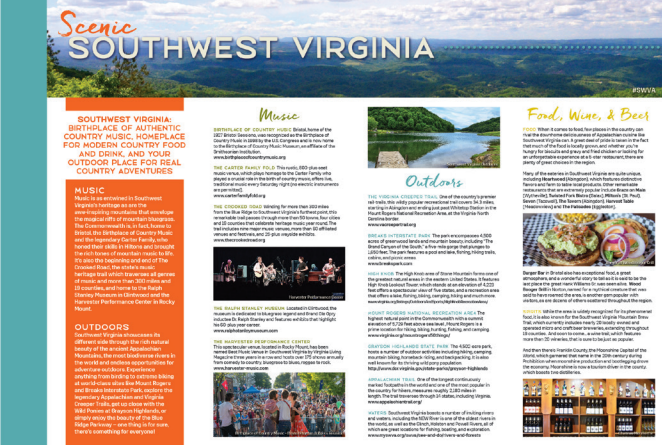
MUSIC
World's Most Beautiful Music Festival (2018)
Cherry Hill Music Festival (2017)
Radio Valley Music Festival (2017)
Blossoms of the Shenandoah (2018)
Big Red (2018)
Big Red (2017)
Big Red (2016)
Big Red (2015)
Frontier County Natchez Fair (2016)
Frontier County Natchez Fair (2017)

ARTS & CRAFTS
Chickadee Handmade (2018)
Virginia Mountain Festival (2016)

OUTDOORS
Frontier Park (2018)
Highland Mountain (2018)
Rocky Gap (2018)
New River (2018)
Virginia Mountain Festival (2018)
Virginia Mountain Festival (2017)
Yule Log - Shenandoah (2018)
Yule Log - Shenandoah (2017)
Yule Log - Shenandoah (2016)

WINE & BEER
Mountain Dew Beer (2018)
Highland Mountain Beer (2018)
Rocky Gap Beer (2018)
New River Beer (2018)
Virginia Mountain Festival Beer (2018)
Virginia Mountain Festival Beer (2017)
Yule Log - Shenandoah (2018)
Yule Log - Shenandoah (2017)
Yule Log - Shenandoah (2016)

MEDIA CONTACT: KENNA WINNER
Friends of Southwest Virginia
204-525-0102
kwinner@myswva.org
www.myswva.org



SOUTHWEST VIRGINIA: BEST PLACE OF AUTHENTIC COUNTRY MUSIC, HOMELAND FOR MODERN COUNTRY FOOD AND DRINK, AND YOUR OUTDOOR PLACE FOR REAL COUNTRY ADVENTURES

MUSIC
Music is an essential part of the Southwestern Virginia lifestyle and the area's top-notch musicians are the heart of the region. From bluegrass and folk to country and modern rock, the Southwest Virginia Music Festival is the largest and most diverse of its kind in the region.

MUSIC
The Southwest Virginia Music Festival is the largest and most diverse of its kind in the region. From bluegrass and folk to country and modern rock, the Southwest Virginia Music Festival is the largest and most diverse of its kind in the region.

OUTDOORS
The Southwest Virginia region is home to some of the most beautiful and diverse outdoor recreation areas in the United States. From the Blue Ridge Parkway to the Shenandoah National Park, there are endless opportunities for outdoor adventures.

Music
The Southwest Virginia Music Festival is the largest and most diverse of its kind in the region. From bluegrass and folk to country and modern rock, the Southwest Virginia Music Festival is the largest and most diverse of its kind in the region.

Outdoors
The Southwest Virginia region is home to some of the most beautiful and diverse outdoor recreation areas in the United States. From the Blue Ridge Parkway to the Shenandoah National Park, there are endless opportunities for outdoor adventures.

Food, Wine, & Beer
The Southwest Virginia region is home to some of the best food, wine, and beer in the United States. From the Blue Ridge Parkway to the Shenandoah National Park, there are endless opportunities for outdoor adventures.

REGIONAL MARKETING & BRANDING

2018 Projects

MERCHANDISE AND INVENTORY PROGRAM

Over the last year, Friends has worked to strategize solutions to a problem the SWVACHF and FoSWVA was facing with their merchandise program. The organization was receiving feedback from partners that they would love to purchase merchandise with the SWVA branding on it; however, it was not cost effective for them to buy in small quantities.

A local small SWVA business, Winze Company, was identified as a potential partner for this program. In addition to developing a program and contract, Friends has been managing this relationship over the past year and officially launched a Southwest Virginia product line for consumers and partners in the Spring of 2018.

This program cuts down on the amount of staff time it takes to manage inventory and all of the requests from partners. Winze Company has benefited as a small business and continues to work on new product designs, manages partner requests, shipping, fulfillment and also content generation.



Communications

- Launch of FriendsofSWVA.org
- Launch of Partner monthly newsletter
- Launch of Friends of SWVA Facebook Page
- Launch of Friends of SWVA LinkedIn

SPRING BREAK BLITZ

The new communications strategy launched in March of 2018 with the above tools. The Friends of SWVA coordinated a Spring Break Blitz for partners to hear more information about our organization. The staff went to every community in Southwest Virginia to educate partners about the Friends and SWVACHF and how we can be a resource to their community.

REGIONAL MARKETING & BRANDING

2018 Projects

REORGANIZATION OF SWVA MARKETING COMMITTEE

The SWVA marketing committee was originally created to get buy-in for the destination brand for Southwest Virginia. Over the last year, the Friends team has been working with the committee co-chairs, partners, the SWVACHF and FoSWVA boards, newly formed Joint Board Marketing Committee and the Executive Director on the best approach to revamp the marketing committee.

The new SWVA Regional Marketing Roundtable is in its infancy and will be gaining momentum over the next few months.

MARKETING ORGANIZATION FOR 'ROUND THE MOUNTAIN

Since Round the Mountain was absorbed in July of 2018, the marketing team has been working with the larger team and RTM board on organizing the marketing efforts for RTM. Friends has helped to facilitate the launch of an internal newsletter for RTM, reorganized their social media presence and launched a new Facebook group for RTM members.

IMPLEMENTATION OF BRANDING COLLABORATION AND PARTNER EXECUTION AT BRISTOL RHYTHM & ROOTS REUNION

Event participation has been an ongoing conversation within the organization. Collectively, the team has been trying to determine the most effective approach for participating in events inside the region, as well as outside. This summer, Friends implemented a partner-focused Southwest Virginia experience at Bristol Rhythm & Roots Reunion. This included, but was not limited to, a stage experience, partner booths, giveaways, Southwest Virginia comprehensive branding, merchandise sales, logistics and coordination among a variety of partners.

The event was wildly successful and gave the team several takeaways on how to implement this type of experiences at other events.



HEARTWOOD: GATEWAY TO SWVA

News

HEARTWOOD: SOUTHWEST VIRGINIA'S GATEWAY TO RENOVATE,
LAUNCH RENEWED IMAGE IN SPRING OF 2019

December 17, 2018

ABINGDON, VA – Heartwood: Southwest Virginia's Artisan Gateway, located just off I-81 in Abingdon will close to the public on January 1, 2019 to facilitate a renovation of both facilities and programs. The facility will reopen to the public in March with a renewed image focused on telling the unique story of Southwest Virginia's culture and heritage.

Heartwood opened in 2011 as the gateway for the creative economy in Southwest Virginia. The center was conceived to showcase and sell the work of regional artisans and musicians and to interpret Southwest Virginia's history, heritage, outdoor recreation and scenic beauty via stories and first-person narratives to inspire travel to other parts of the region.

The facility was constructed and has been operated by three joint entities: Friends of Southwest Virginia, a 501c3 community development non-profit; the Southwest Virginia Cultural Heritage Foundation; and 'Round the Mountain, Southwest Virginia's 501c3 non-profit artisan network. The current model of operation is four part: Artisan Marketplace, Restaurant, The Crooked Road Major Venue and Visitor Center. All of these areas will be enhanced through the revitalization to better achieve its goals of promoting working artisans, driving destination visitors throughout Southwest Virginia, and promoting our unique Appalachian Culture.

Heartwood is home to work of over 300+ juried artisans of 'Round the Mountain and the renovations will aid in putting further emphasis on their work and individual stories. Heartwood is a major venue on The Crooked Road and the stories of The Crooked Road, its music, musicians and our heritage will continue to be impactful to residents and visitors alike.

"Over the past year, we've completed significant amounts of research into our visitors, markets and the very communities we are interpreting," said Chris Cannon, Executive Director of Friends of Southwest Virginia, the Southwest Virginia Cultural Heritage Foundation and Round the Mountain, the three organizations that jointly operate Heartwood. "We now have a very clear picture of what we do well and where we can innovate to further create a gateway into all the incredible communities of this region."

"The Commonwealth made a bold statement by constructing this facility in 2011," said Delegate Will Morefield, Chair of the Foundation. "The next two months will make this facility even bolder and result in a positive economic impact from the coalfields to the New River."

Continued on Next Page [...]

HEARTWOOD: GATEWAY TO SWVA

News Continued

“Heartwood is one of the crown jewels of Southwest Virginia, offering a true sense of place by showcasing the region’s history, heritage, and people,” said Rita McClenny, president and CEO of Virginia Tourism Corporation. “These renovations and improvements to the facility and programming will only make this destination shine even brighter, helping to attract new travelers and visitors to Heartwood and the region as a whole. This is a truly exciting opportunity to highlight what makes this region so special, and to underscore why Virginia is for Lovers.”

In 2017, Heartwood saw a 6% increase of visitation and after a steady decline since opening, Heartwood visitation has risen consistently throughout the final months of the year. Since the changes in the programming and business operations of Heartwood began in July 2017, visitation has exceeded 2016 numbers for four of the six months, with the remaining two months falling within 5% of the previous year’s visitation. As 2019 approaches and additional changes are made to the facility, programming and operations, the visitation is expected to continue on an upward trend.

“We are proud of the fact that we are inspiring so many people to explore Southwest Virginia, but we know we could do more to support working artisans, music venues and the small businesses in every small, medium and large town, city and county we have,” said Jim Baldwin, Chair of Friends of Southwest Virginia. “That moment is here and we are doing this as a singular region focused on progress.”

The facility is expected to reopen to the public in March with a weekend long celebration of the culture of Southwest Virginia.

The Friends of Southwest Virginia and the Southwest Virginia Cultural Heritage Foundation boards are the driving force behind the renewed image for Heartwood in 2019 and spent eight months strategizing these changes. The two organizations will jointly host public meetings to help partners and residents to get more information on the transformation. Visit www.FriendsOfSWVA.org or call 276.492.2400 to learn about a public conference call and a public meeting to be held concerning the transformation.

For more information and to stay up-to-date about the progress, subscribe to the Friends of Southwest Virginia Partner Newsletter and “Like” Friends of Southwest Virginia on Facebook.



HEARTWOOD: GATEWAY TO SWVA

Statistics - 2018

Top 5 Selling Artists:

Beagle Ridge Herb Farm - \$5,442.00
Cynthia Howe (2D/Alcohol Ink) - \$3,503.00
Nancy Erikson (Fused Glass) - \$3,434.00
Tricia Cahoon (Pottery) - \$3,227.00
Jeni Benos (Silversmith/Jewelry) - \$3,068.50

Most Items Sold in 2018:

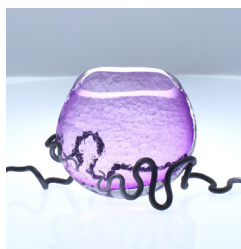
Beagle Ridge Herb Farm - 721

Best Selling Individual Item:

Sondra Blevins' Quilted Mug Mats - 162

Highest Priced Item Sold This Year:

Sylvia Richardson Quilted Wall Hanging - \$900



Heartwood Visitation - 2018

Total guests: 37,007

6% increase over 2016

Best day of week: Thursdays, with an average attendance of 176 (which had a 19.1% increase over 2016)

Saturdays saw a 9.9% increase over 2016

After a steady decline since opening, Heartwood visitation has risen consistently throughout the final months of the year. Since the changes in the programming and business operations of Heartwood began in July 2017, visitation has exceeded 2016 numbers for four of the six months, with the remaining two months falling within 5% of the previous year's visitation. As spring of 2018 approaches and additional changes are made to programming and operations, the visitation is expected to continue on an upward trend.

Visitor Satisfaction

In a survey conducted in October – December of 2017, the overall impression of Heartwood by visitors is very positive 95% of the time with no negative reactions. The mission of the facility was found to be successful with 60% of respondents stating that they were inspired to visit more of Southwest Virginia as a result of Heartwood.

HEARTWOOD: GATEWAY TO SWVA

Big Changes to come at Heartwood

Heartwood was constructed in 2011 to serve as the regional center for visitor information, local food, regional arts and crafts, and the music of The Crooked Road, an award winning music heritage trail throughout Southwest Virginia. Overall, the facility was developed to serve as a regional center for the creative economy movement and showcase the initiatives of the region for the overall goal of economic development.

The sustainability of Heartwood is critical to the future sustainability of the entire organization. Revenue projections for Heartwood have not met initial projected expectations, which required a full revamped sustainability plan.

In early 2018, the largest funder of the development of Heartwood, The Virginia Tobacco Region Revitalization Commission, offered Friends of Southwest Virginia the opportunity to contract with GENEDGE, a public resource to help manufacturing and industry innovate, compete, and grow throughout the Commonwealth, to analyze the business and operational model of Heartwood through strategic facilitation. This process has consisted of 9 facilitated sessions of staff, board members, stakeholders and other key individuals to work through a CoreValue identification and planning process. Leadership and stakeholders have invested roughly 32 hours of meetings to reach this revamped operational model. The plan was adopted by the Foundation and Friends in December 2018.



HEARTWOOD: GATEWAY TO SWVA

Renewal of Heartwood

RENEWED VISION:

Showcase a comprehensive picture of Southwest Virginia and the creative economy as a gateway to the region and create new economic impact while sustaining financial stability as an organization.

Vision Points:

- Heartwood and Friends staff integrated and working toward a single mission.
- People spending money throughout region as a result of coming to Heartwood.
- Restaurant evolves into a limited service cafe operation to still provide essentials while meeting the bottom line financially.
- SWVA music experience available at all times of operation.
- Arts & Crafts resume primary focus of facility with events to support and engage artisans.
- Retail lines are successful and servicing both the needs of the general public and partners.
- A robust schedule of special events to further the mission and work of the overall organization.
- Heartwood incorporates outdoor recreation into retail and experiential portfolio.

Goals to Renew Heartwood:

1. Transition the full-service restaurant into a limited service café and grab and go operation.
2. Redevelop sales and events plan to focus on facility rentals (sales) and craft sales / promotion (events).
3. Evaluate structure of operations (contracted services) to improve management and operations while increasing financial efficiency.
4. Simplify facility brand and align with success of the SWVA brand for a renewed public image.
5. Overhaul visitors center to be an effective destination marketing tool for the region.
6. Partner with local outdoor organizations to show representation in Heartwood and provide an experience resulting in a booking new business for a regional partner.
7. Activate space and highlight local music through a series of new programming.
8. Examine current retail gift shop product lines for profitable segments and components for elimination.

Save the Date!
REOPENING AND RIBBON CUTTING

FRIDAY, MARCH 15, 2019
WEEKEND-LONG CELEBRATION OF REGIONAL
ARTISANS, MUSICIANS AND CULINARIANS

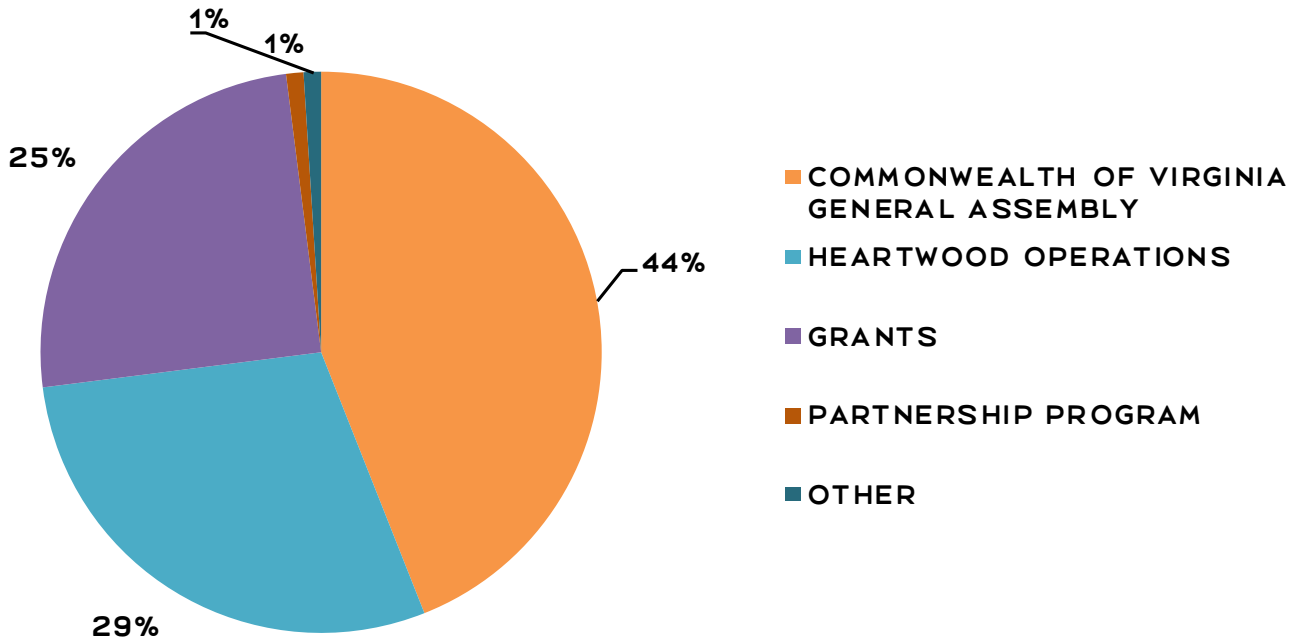
The graphic features a dark green background with white text and four colorful icons: a green diamond with a white arrow, an orange diamond with a white circle and slash, a yellow diamond with a white checkered pattern, and a blue diamond with a white building icon.



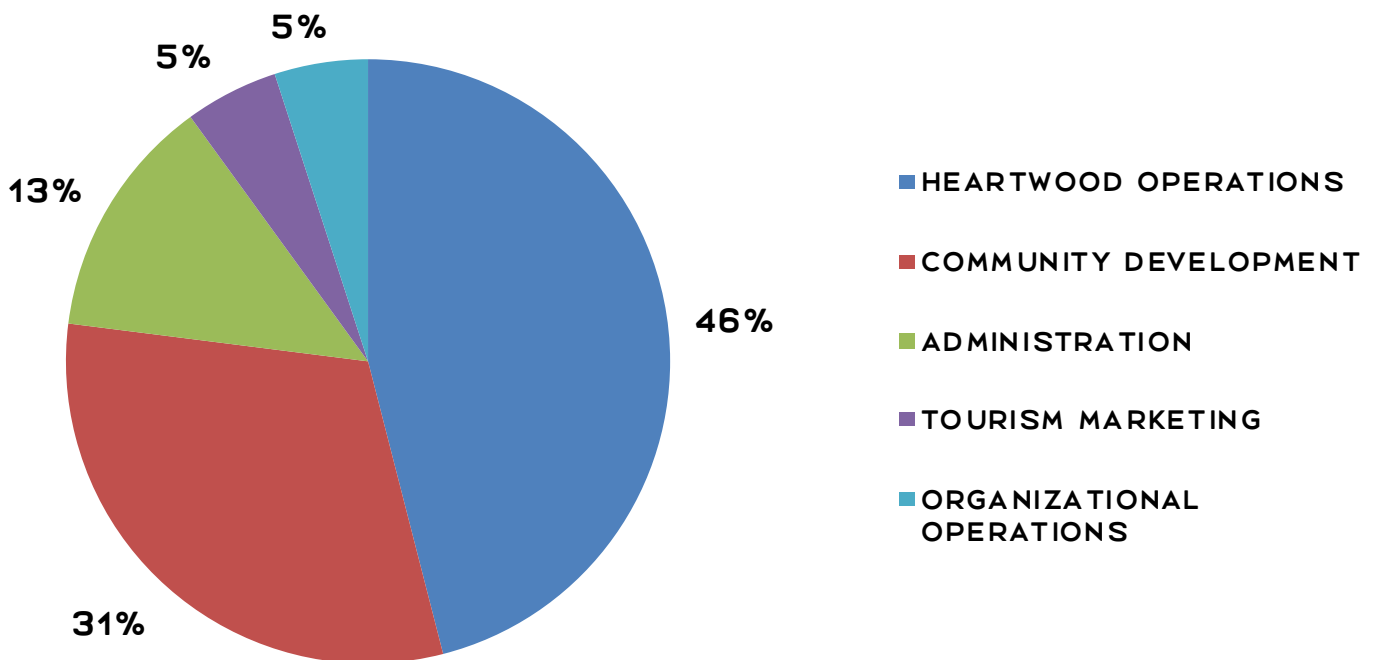
FINANCIALS

FY 2017-2018

INCOME



EXPENSES



STAY CONNECTED

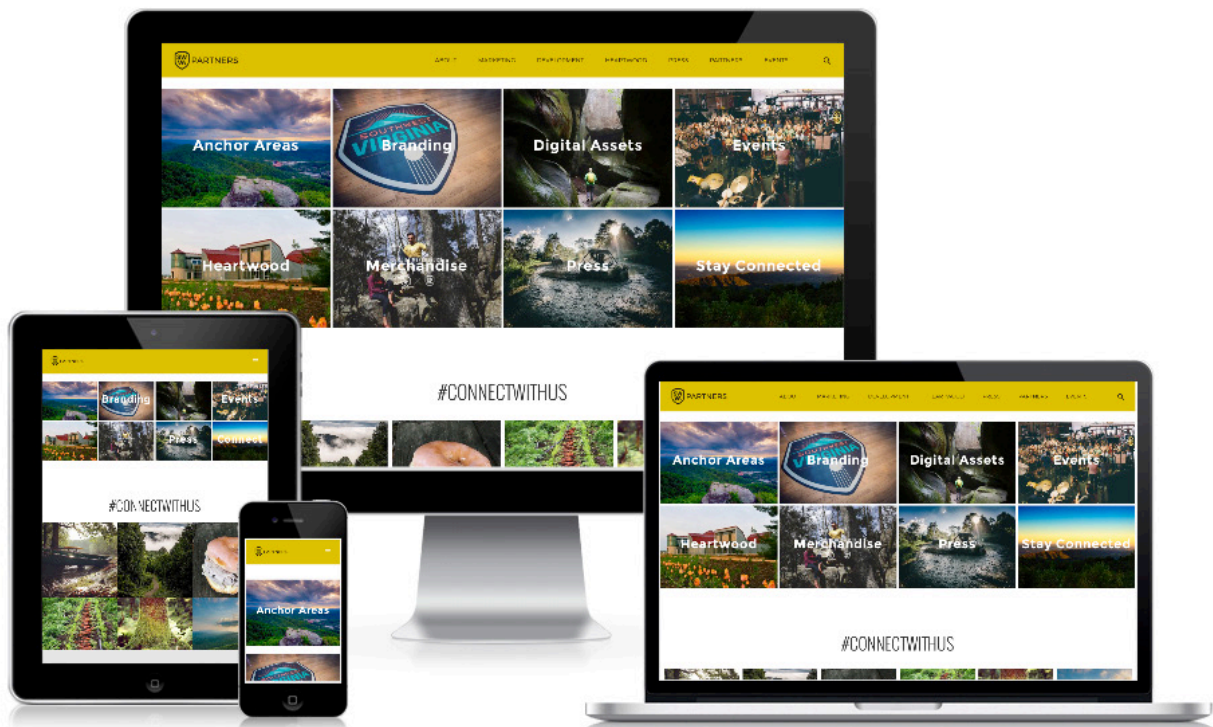
Communications

Visit **Friends of SWVA.org**

Subscribe **Partner Monthly Newsletter**

"Like" **Friends of SWVA Facebook**

Follow **Friends of SWVA LinkedIn**



STAY CONNECTED

Regional Update Meetings

JANUARY

Date: January 16, 2019
Time: 5:30 PM
Pulaski County

FEBRUARY

Date: February 20, 2019
Time: 5:30 PM
City of Bristol

MARCH

Spring Break Blitz

APRIL

Date: April 17, 2019
Time: 5:30 PM
Smyth County

MAY

Date: May 23, 2019
Time: 5:30 PM
Montgomery County

JUNE

Date: June 19, 2019
Time: 5:30 PM
Scott County

JULY

Date: July 17, 2019
Time: 5:30 PM
Grayson County

AUGUST

Date: August 21, 2019
Time: 5:30 PM
Franklin County

SEPTEMBER

Date: September 18, 2019
Time: 5:30 PM
Russell County

OCTOBER

Date: October 16, 2019
Time: 5:30 PM
City of Radford

NOVEMBER

Date: November 20, 2019
Time: 5:30 PM
Buchanan County

DECEMBER

Date: December 18, 2019
Time: 5:30 PM
Washington County

Spring Break Blitz
SAVE The Date - March 4-15

The Friends of SWVA is coordinating a Spring Break Blitz for partners to hear more information about our organization. We will be visiting every community in Southwest Virginia to educate partners about the Friends and SWVACHF and how we can be a resource to their community.



A different side of Virginia

VIRGINIA
IS FOR
LOVERS



YouTube

(276) 492-2400
ONE HEARTWOOD CIRCLE
ABINGDON, VA 24210
FRIENDSOFSWVA.ORG

