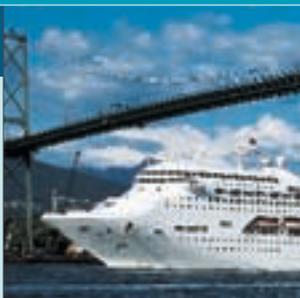


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Branding, Marketing and Communications

Last October, **Porcaro Communications** in Vancouver was hired by the Steering Committee, through a competitive selection process, to undertake a number of activities to create brand awareness for a BC-based cruise industry. Branding was the first order of business. This was completed in early January and will be officially launched at the Seatrade Convention in Miami in the middle of March. The branding has been applied to this newsletter and to an array of collateral materials for Seatrade. It features a porthole shape, in which can be placed either stylized graphic icons or photographic images of British Columbia. Cruise BC is positioned as Canada's Inside Passage and includes the tagline "Feel the Wonder." Marketing and Communications Plans for Cruise BC are now nearing completion. These plans will articulate strategies for creating and maintaining awareness of BC's current and growing capabilities as a premier cruise destination.



Welcome to the second issue of cruise bc updates, the e-newsletter published by the Cruise BC Steering Committee. When the newsletter was launched last November 28th, we said we would be sponsoring a number of projects in support of the development of a BC-based cruise industry, including the creation of a brand identity. We were gratified by the positive response to the newsletter and the depth of support throughout the province for the kind of coordinated action we are advocating to make BC a world-class cruise destination.

This issue highlights our progress in completing the projects we identified. In the course of carrying out this work, we have benefited tremendously from input from a wide variety of stakeholders. We extend a thank you to all individuals who have given so generously of their time and advice to us. One of the guiding principles behind Cruise BC is the commitment to being open and inclusive. We take this commitment seriously believing as we do that the initiative's success depends on whether we can attract and sustain broad support for our vision. We believe the support is there.

One step at a time

Ask anyone involved in incubating new industries and they will tell you it can take years of hard work, or even longer for industries that are globally competitive. That's why Cruise BC is taking it one step at a time making sure all the right pieces are in place. We know that the natural beauty of the coastline is comparable to the best anywhere in the world; we also know there are many other factors that go into creating successful cruise destinations – cost competitiveness, infrastructure, innovative product offerings, marketing, to name only some.

Under the sponsorship of the Cruise BC Steering Committee, a number of projects now under way are helping to put some of those building blocks together.



Market Research

In mid-December the results of market research carried out by Roger Barnes Marketing Planning, Maritime Strategy International Inc. and Porcaro Communications were submitted to the Steering Committee. The research had four objectives: to probe interest in cruising in BC; to determine target passenger demographic and travel behaviour profiles; to help identify opportunities for BC cruise products; and to help set priorities for cruise products and features.

The research included both quantitative and qualitative research and is being factored into both the communications and marketing programs that are now under development. The quantitative research involved 810 telephone household interviews in 11 North American cities, including long-, medium- and short-haul markets. The qualitative research included mini-focus groups with the travel trade and one-on-one interviews with cruise line officials.

The data revealed that there is strong interest in British Columbia as both a place to visit and a place to take a cruise. Canadians were slightly more interested than Americans in visiting British Columbia. Approximately half of all respondents indicated an interest in taking a cruise in British Columbia. Cruising in Alaska generated slightly higher interest than cruising to BC. Interest in cruises to new England/Eastern Canada was considerably less than Alaska or BC.

Respondents were also asked to indicate what types of activities might hold interest for them if they were on a BC cruise. Experiencing the wildlife and nature topped the list of things respondents wanted to do while on a BC cruise. Trips to glaciers and small towns and villages were also of high interest. Other activities that were of interest to respondents included outdoor activities and learning about First Nations culture.



Governance Structure

How should Cruise BC be organized and managed going forward? This is one of the central questions on the minds of the Steering Committee as it looks beyond the Seatrade Convention in Miami in mid-March and the completion of its current work projects. Another key question is whether the existing members, all with very busy full-time jobs in their current organizations, can continue the heavy workload generated by their participation on the Steering Committee. It was within this context that the Steering Committee commissioned a Report on Governance.

In preparing the report, more than 30 individuals representing key stakeholder groups across BC were invited to participate in one-on-one interviews with Porcaro Communications. The report's recommendations are based on 22 completed interviews, which lasted between two hours and twenty minutes and 25 minutes each. The report was submitted on January 13th and will be considered and acted upon in April, after the Seatrade Convention.

Making a Sound Business Case

Cruising is big, big business. The newest and largest cruise ships – “the mega ships” represent investments that are now nearing the billion-dollar mark. Large ships and even adventure class ships can represent an investment in the many hundreds of millions of dollars. No wonder cruise lines base their itinerary decisions on where they can get their best revenue yields. Destinations, especially new destinations, have to be able to show a sound business case when making their pitch to cruise lines. It is a critically important part of any destination's success in attracting cruise lines.

That's why the Steering Committee commissioned Maritime Strategy International Inc. in Seattle to collect and analyze data in support of the business case for of a BC-based cruise industry. In preparing the report its author, Mary Klugherz, developed BC-based itineraries and then compared them with itineraries found in other regions. Two different model vessels were selected and used in the analysis along with extensive costs data on some 19 ports in North America. The draft report was submitted on February 25th and provides compelling evidence of a sound business case for BC. Further data analysis is under way.



Ports Profiler - Selling BC Cruise Destinations to the World

BC's six major cruise destinations along with a number of developing destinations will soon have an impressive piece of new collateral material to showcase their special selling features to cruise lines. Titled **"Come see for yourself,"** the 16-page magazine uses words and powerful images to tell the world about the beauty of Canada's Inside Passage.

Canada's West Coast Pavilion at the Seatrade Convention will be better than ever this year and will be the site of the official launch of the new Cruise BC brand

Each of the six big destinations -- Vancouver, Victoria, Campbell River, Nanaimo, Port Alberni and Prince Rupert are featured in colourful two-page spreads. Alert Bay, Gold River, Port Hardy, Squamish, Stewart and Tahsis are profiled in the developing destinations section of the publication. **"Come see for yourself,"** will be released at Seatrade as part of the Cruise BC launch.

You can also download the publication from the new Cruise BC Web site after it goes online on March 17.

Update on West Coast Pavilion at Seatrade

All the many months of hard work are about to pay off. **Canada's West Coast Pavilion at the Seatrade Convention will be better than ever this year and will be the site of the official launch of the new Cruise BC brand.** The launch will take place at an afternoon reception hosted by the founding partners of Cruise BC on Wednesday, March 17 from 3:30 to 6:00 pm in Booth 229, in the Destinations Section of the Pavilion. Guests will be treated to magnificent First Nations dancing, photo ops with a Royal Canadian Mountie and good old-fashioned hospitality. A special thank you to both the federal and BC governments for their support of the Pavilion and to Labatt Brewing Company and BC Wine Institute for their support of the Cruise BC reception.

Port Alberni joins Cruise BC Steering Committee

The Port Alberni Port Authority is the latest organization to join the Cruise BC Initiative. Its membership was confirmed last week. President of the Port Alberni Port Authority, Denis White will represent Port Alberni on the Steering Committee. Expanded membership will be one of the issues that will be addressed by the Steering Committee after Seatrade. If you have any comments or thoughts on this issue, **please contact Jane McIvor at 604.893.8800 or email jane@mcivor-communications.com.**



Cruise BC Steering Committee

ORGANIZATION	REPRESENTATIVE(S)
Ministry of Small Business and Economic Development	Norman Lee
Campbell River Port of Call Association	Lynn Phillips
Greater Victoria Port Authority	Michael Cormier, John Sanderson
Nanaimo Port Authority	Doug Peterson
Prince Rupert Port Authority	Shaun Stevenson
Port Alberni Port Authority	Denis White
Vancouver Harbour Authority	Peter Xotta, Greg Wirtz
Western Economic Diversification Canada	Dean Dring

The Steering Committee has created a Marketing Committee made up of the following organizations and their representatives: Tourism BC, Raymond Chan; Tourism Vancouver, Stephen Pearce; Tourism Victoria, Lee Morris and Lorne Whyte.

We hope you find this e-newsletter informative and useful. We encourage you to forward it to anyone you think might be interested in reading it. If you do so, or if you wish to be removed from the distribution list, please contact jane@mcivor-communications.com, or tel 604.893.8800.

AAPA comes to Canada

Delegates attending the American Association of Port Authorities (AAPA) Cruise Conference in Quebec City, February 10-15, had a sneak preview of the new Cruise BC brand identity. Shaun Stevenson, Director of Business Development and Communications with the Prince Rupert Port Authority and a member of the Cruise BC Steering Committee, made a powerpoint presentation on Cruise BC and the planning now under way to incubate a globally competitive cruise industry in the province. It is reported that immediately following the presentation one American delegate phoned a friend in Vancouver to say that both the brand identity and the presentation were among the very best at the conference.

TOLL FREE NUMBER AND WEB SITE

As of mid-February, anyone wanting to know more about cruising in British Columbia could call toll-free from anywhere in North America. For your future reference, remember the number **1.877.724.5722**. The **Cruise BC Web site** is expected to be operational by mid-March in time for Seatrade www.cruisebc.ca.

Capacity-Building Handbook

A Capacity-Building Handbook is also in the works and scheduled to be completed within the next month. The handbook is intended to assist ports, especially smaller ports, in better understanding all the many factors that must be taken into account in trying to attract large cruise ships, or even mid-sized ships, to their waters.