



ROOMers

Insights and Information on the Canadian Hotel Industry

ECOmmodation: The Key to Being Green

The Hotel Association of Canada (HAC) is pleased to announce that the rebranding of their nationally recognized eco-rating program is now complete. Known from this point forward as the **HAC ECOmmodation Rating Program**, the program will continue to evolve and thrive under the new management of CH2M HILL, the company that HAC awarded the contract with at the end of 2003.

While the name, logo and managing company may have changed, hoteliers can be assured that the underlying structure and purpose of the program has not. The **HAC ECOmmodation Rating Program**, whose concept was originally developed by the HAC back in 1997, still reflects the HAC's commitment to helping hotels, motels and resorts "*check-in to superior fiscal and environmental performance*".

Administered for the HAC by CH2M HILL, the **HAC ECOmmodation Rating Program** remains a graduated property rating system in which participating hotels are awarded a one through five Key Rating based on the results of a comprehensive environmental audit. Once the audit is completed CH2M HILL will provide further guidance to properties by giving them the means to "unlock" energy-saving opportunities that will ultimately lead to significant reductions of operating costs and environmental impacts.

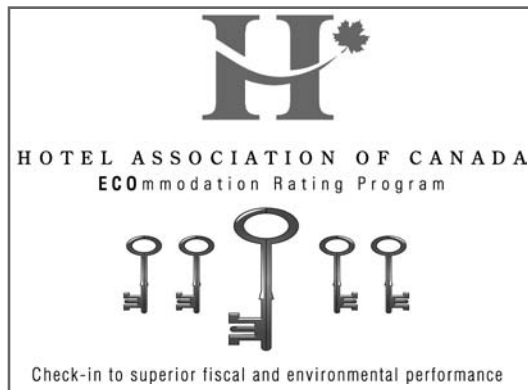
CH2M HILL is committed to bringing the HAC's eco-rating program up to its full potential. They have assembled a skilled team of experienced hoteliers, business analysts, engineers and project managers dedicated to building the program and relationships with participating properties. As such, CH2M HILL is currently upgrading the program to incorporate various new features and ensure ease of use.

The most significant of changes is the manner in which the **HAC ECOmmodation Rating Program** is now administered. CH2M HILL has developed a comprehensive web-based program featuring on-line performance audits, 'members only' services, instant eco-ratings, as well as a secure e-banking function. Cooperation with eco partners such as the Natural Resources Canada *Energy Innovators Initiative* and the Public Works & Government Services *Accommodation Directory* will also help provide equal opportunities for hotels of varying sizes and locations across Canada achieve eco-rating goals by promoting their properties to business leaders, meeting planners and guests.

CH2M HILL is a global firm providing leading engineering, construction, operations and related services to public and private clients throughout the world. CH2M HILL's work focuses on water, environment, energy, transportation, construction and telecommunications. They are committed to protecting and enhancing the natural and constructed environment as well as to contributing to the well being of communities worldwide.

CH2M HILL brings a track record of success in program implementation and development that will greatly benefit this HAC program and all those who participate in it. Not only does the Hotel Association of Canada believe that CH2M HILL will meet the core requirements of the program, but that their expertise and enthusiasm will provide value-added services raising the profile and scope of the program, and the profile of its participants, extending across Canada and beyond.

For a comprehensive listing of the benefits to participating in this program, see THE GREEN SCENE on page five.



Inside this issue...

Government Relations

The Election: The Challenge and the Opportunity of Tourism Marketing

"I want historians to look back and say that in this decade a Martin-led government essentially did what had to be done to make sure that when this huge catharsis that the world is going through was completed, Canada was one of the very few countries that came out on top."

The Honourable Paul Martin
Prime Minister of Canada

The hotel, travel, hospitality and tourism industry is a huge economic generator for Canada. In 2003 the value of total tourism revenue for Canada is estimated to exceed \$52 billion of which more than \$11 billion came directly from hotels. More than 600,000 persons were employed in all tourism jobs including more than 240,000 in the accommodation sector alone.

The HAC is seeking an increase of \$25 million in core funding annually for the CTC in each of the next five years. Governments at all levels benefit directly from our industry; 30 percent of all tourism expenditures goes to all three levels combined, with 16 percent (\$8.8 billion) of that number going to the federal government. The hotel industry alone contributed well in excess of \$2.2 billion to Ottawa.

Herein lies the challenge and the opportunity for the Martin Government.

We have endured September 11th, the war in Iraq, SARS, Mad Cow, and are now living with the reality of the Canadian dollar rising 20 percent against the U.S. dollar. This equates to a 20 percent increase in Americans buying Canadian travel. The consequences have been immediate. Terrorism and wars create a fear of travel; consumers stay closer to home. SARS threatened personal health greatly damaging our core image; market research in the U.S. and Japan indicates the loss of our safe, clean image.

The numbers tell it all. Our occupancies fell an average of six percentage points in the last three years. There are now 5.7 percent fewer Americans travelling to Canada while 23 percent more Canadians are travelling to the United States. Most telling is the mounting Canadian Travel Deficit in levels not seen since the early nineties according to Statistics Canada:

1992: \$6.4 billion	2002: \$1.9 billion
2003: \$4.3 billion	2004: \$6 billion estimated

The Government of Canada and provincial governments in 2003 did increase their commitment in marketing dollars.

The Canadian government allotted the Canadian Tourism Commission a one time marketing fund increase of \$21.5 million. This was utilized in a U.S. campaign which cost \$9 million and yielded \$475 million in total revenues; \$143 million of that amount was returned to the Crown in government revenues. The Canadian campaign cost \$6.5 million, resulted in \$574 million, and provided government revenues of \$172 million.

These two marketing campaigns alone, and there were others, brought the Government of Canada \$315 million in tax revenue; clearly an excellent return on investment.

Therein lies the opportunity for the Government of Canada; it can go with the status quo and see slower job growth, slower growth in hotel, travel and tourism related revenue to the government, and an increase in the travel deficit. Alternatively, the Government could take immediate positive action by seizing the opportunity.

The Government of Canada needs to invest an additional \$25 million of new funding annually in the Canadian Tourism Commission for the marketing of Canada. This will truly fulfill Prime Minister Martin's challenge for "Canada to be one of the very few to come out on top." This will pay dividends for all and make a fundamental and material difference.

The Hotel Association of Canada urges all hoteliers and suppliers to our industry to continue to press home this issue at every opportunity with every politician in the lead up to and including the federal election.

The Election: Safety, Security and Canada's Border

In February's Speech from the Throne, the HAC applauded the federal government for its commitment to cities and specifically their exemption, like provinces, from the GST. As well, the HAC supported the government for backing the aboriginal community and persons with disabilities. But the most important issue at the moment is safety and security, which is at the top of our government relations agenda.

The Prime Minister has pledged support for Canada's military and to enhancing security while ensuring an open border. This commitment must be reinforced with specific action.

Any real or perceived tightening up of our border with the United States threatens our business with almost immediate, devastating results. Last year we experienced 5.7 percent fewer Americans coming to Canada than the year earlier.

...see "Canada's Border" on next page

Global Refund Canada: A Profile on HAC's Newest Strategic Partner

THE WORLD'S MOST REWARDING TAX REFUND SERVICE!

Being the inventors of the term Tax Free Shopping, Global Refund has turned tax paying into a money saving experience for millions of travellers all over the world.

In just over twenty years the company has grown into a leading financial services company, with operations globally. Global Refund's customers include more than 210,000 merchants, among them some of the world's leading hotels and most renowned retailers anywhere to be found.

The group's business activities are focused on being an asset to their partners by offering services that enhance business performance and provide customers with customer satisfaction.

Tax Free Shopping

Retailers can benefit from a meticu-



GLOBAL REFUND®

lously built system, yet one that is easy to use, hassle-free and rewarding.

For travellers, Global Refund has developed a simple 3-step process. In three easy steps international shoppers can make their purchases, claim back tax and get a cash refund.

First Currency Choice

Global Refund's dynamic currency conversion system, First Currency Choice, is the first credit card payment system which allows international shoppers to pay in their own currency at the point of sale.

Global Refund is the world leader in tax refund services with operations in

35 countries, and more than 700 employees. Global Refund runs the largest international tax refunding network in the world successfully delivering more than 9.5 million tax refunds in 2001.

Global Refund, truly an international company, is committed to ensuring complete customer satisfaction to its retail partners and the more than 22,000 daily customers through the development and implementation of unique service initiatives.

The Hotel Association of Canada is pleased to welcome Global Refund Canada as a partner in helping HAC members achieve both the best for their guests and ultimately their bottom line.

To discover what Global Refund can do for your hotel or business, call them at (604) 893-8478 or visit their website at www.globalrefund.com

Canada's Border...con't from page 2

An open border facilitating the free movement of travellers is key. Given the importance of U.S. visits to Canada (80 percent of inbound travellers), and the impact of the American economy on our country (86 percent of Canadian exports go to the U.S.), the HAC took a founding and leading role in The Coalition of Secure and Trade Efficient Borders, a group dedicated to the expeditious movement of people and goods.

On March 16 the Coalition released its report, entitled "Rethinking our Borders: Beyond the Plan", including specific recommendations for Government.

Looking beyond the specifics of the Action Plan itself, we believe a number of key steps must be taken to move the border security agenda forward. These steps include:

- ◆ Ensuring joint development of traveller documents and implementation of marine container security
- ◆ Harmonizing customs procedures to reduce redundancy and inefficiency in the customs process
- ◆ Efficiently dealing with Entry/Exit to ensure that trade processes are not affected

- ◆ Ensuring bio-health and agri-terrorism security through advanced risk management and targeting techniques
- ◆ Continuing intergovernmental cooperation on scientific and technical research
- ◆ Enhancing international cooperation on global transport security
- ◆ Ensuring increased investment in short and long-term infrastructure improvements on both sides of the border
- ◆ Working with governments, agencies and businesses outside of North America to improve the security envelope of Canada and the U.S.

In a statement to the media, Hotel Association of Canada President, Tony Pollard, noted that "the system remains vulnerable to external shocks" and that the federal government must make this a top priority.

Going into an election the HAC continues to reinforce this with all political parties. Hoteliers from all parts of Canada are encouraged to promote this message with all candidates during the federal election campaign.

Notable & Newsworthy

Commencing April 6, 2004, **Air Canada's** domestic and international flights, including Air Canada Jazz and Air Canada Vacations, will check-in at New Terminal 1 at Toronto Pearson Airport. Air Canada, Air Canada Vacations and Air Canada Jazz flights destined to the US will continue to operate from Terminal 2. For more information visit Air Canada's website at www.aircanada.ca.

PEOPLE

Coast Hotels & Resorts, Vancouver, has announced the appointment of **Graeme Barrit** as President, effective January 1, 2004. Mr. Barrit is a senior-level manager in the tourism industry, and is a former Vice President of Marketing, Sales and Reservations for Coast.

Craig Norris-Jones was elected president of the **BC&Yukon Hotels Association** as of December 31, 2003. Craig will lead the association for a two-year term representing the industry on such issues tourism marketing funding, labour policy, reduced taxation, corporate relations, consumer service and liquor licensing policy.

The Board of Directors of the **International Hotel & Restaurant Association (IH&RA)** has announced the election of **John Bell**, former Director General and CEO of the Caribbean Hotel Association (CHA), to the global association's Presidency. The appointment took place at the IH&RA General Assembly during the organization's 40th Annual Congress, held in Cairo, Egypt. As IH&RA President, John Bell will serve at the helm of the only global trade association representing the hospitality worldwide.

PROPERTIES

The services of **Atlific Hotels & Resorts** have been retained by Skymount Properties Ltd, developer of **The Pemberton Valley Lodge**, Pemberton, BC. Scheduled for completion in June, the lodge will boast 85 studios, one and two bedroom suites, as well as many other amenities.

Ottawa's landmark **Lord Elgin Hotel** is under new management. As part of the final phase of a three-year expansion and renovation project, the property will now be managed by Atlific Hotels. Sixty additional guestrooms bring the count to 357 renovated rooms and suites. Other additions include the Elgin Café restaurant, an expanded fitness centre, and new meeting rooms. A new main entrance, lobby bar, and a Starbucks are also nearing completion.

The Pantages Suites Hotel Spa is Toronto's newest boutique property located in the entertainment district. Features include 157 rooms, 5,000 sq. ft, conference centre, a 7,000 sq. ft. spa, a 24 hour restaurant and martini bar. Rooms will offer 400 thread count linens, goose down duvets and pillows, flat screen TV, a work desk and much more.

Believe it or not, Ripley Entertainment Inc. and Great Wolf Lodge are teaming up to build a \$200-million, family leisure project in Niagara Falls that will feature the largest indoor aquarium in Canada. **The Great Wolf Lodge** will be a full-service family resort capturing the atmosphere and adventure of the north woods. It will include a 404 room, log-sided resort hotel and a 90,000-square-foot indoor water park. Construction is expected to start in May

Toronto's Westin Harbour Castle has completed a \$3-million renovation of its 24,990 sq. ft. Metropolitan Ballroom, the largest in Toronto. The elegant room can seat up to 2,200 people banquet style or accommodate 3,000 for a reception.

Donald Trump's proposed \$500-million residential and hotel condominium tower in Toronto is apparently on the go again. **The Trump International Hotel & Tower** will be the tallest, mixed-use residential and hotel building in Canada at 68 stories. The luxury, five-star, hotel will occupy the lower portion of the building up to the 34th floor.

Fairmont Hotels & Resorts Inc. will manage Florida's renowned Turnberry Isle Resort & Club. The property will be flagged **The Fairmont Turnberry Isle Resort & Club, Miami, Florida**. This 300-acre Mediterranean-style resort is offers 392 guestrooms, nine restaurants and lounges, a 25,000 square foot spa, 45,000 square feet of conference and banquet facilities, and on-site golf and tennis facilities.

A new luxury boutique hotel and condo development, **The Hazleton Hotel on Yorkville**, is going up in Toronto. Slated to open in the fall of 2006, the 80-room hotel will occupy the bottom four floors, while 18 residences will occupy the top 5 floors.

The Park Plaza Toronto Airport hotel has completed a \$5 million facelift and is scheduled for more upgrading next year at a further cost of almost \$5 million.

The 850-room **Regal Constellation** hotel is slated to become 2 hotels, each with more than 350 rooms. The conversion is expected to take about 18 months to complete.

Days Inns - Canada opened its 84th Canadian property in Barrie earlier this year. The 78-room **Days Inn - Barrie** is the 14th property built based on the company's prototype model introduced in 1998.

The Traveller's Inn in Banff has resurrected the hotel's old name and will now be known as **The Banff Aspen Lodge**.

Starwood Hotels & Resorts Worldwide Inc. will operate Intrawest Corporation's new 22-suite luxury condominium-hotel under the Westin Flag in Ontario. **The Westin Trillium House** will be situated in the newly developed 32-acre resort known as the Village at Blue Mountain and plans to open its doors in the summer of 2005.

The Green Scene

HAC's 12th Annual Conference and Trade Show at the Fairmont Royal York Hotel provided an unique opportunity to hear from leaders in the hotel industry about how they improved their bottom line with the implementation of energy efficiency practices.

Hosted by HAC and Natural Resources Canada the Energy Efficiency Forum included Maher Hanna, Director of Engineering at the Fairmont Royal York, James Ragan, Chief Engineer for Accor, Derrick Finn, President of Finn Projects and Adrian Hatcher from NRCan's Energy Innovator's Initiative.

Participants in the Forum learned about:

- ♦ identifying potential energy reduction opportunities that may exist in hotel properties
- ♦ the process of implementing an energy efficiency project, the time involved, how to work around a hotel full of guests

- ♦ the availability of NRCan's financial incentives for energy retrofit projects

The feedback from the Forum has been outstanding with participants commenting on how they found the information valuable for helping to assess and determine what energy efficiency steps they can plan for their hotels. Many are now working with NRCan to determine how they can become an Energy Innovator.

Based on this success both HAC and NRCan are planning for a larger and improved Energy Efficiency Forum at next year's conference.

For more information on the programs and guides offered by NRCan, be sure to visit their website at www.nrcan.gc.ca/eii.



Natural Resources
Canada

Ressources naturelles
Canada

Canada

Becoming Eco-Friendly is as easy as 'point and click'...*con't from cover*

Managed by CH2M HILL, the new **HAC ECOMmodation Rating Program** has a number of improved benefits and features that are sure to make environmental responsibility easy to achieve, easy to manage and maintain and, ultimately, easy on the bottom line:

- ♦ A fully functional "one-stop shopping" web-based program delivering core information including simplified on-line performance audits, instant eco-ratings, and suggestions for improvement
- ♦ Password protected login for "Members Only" services including links to a wealth of cost saving opportunities, case studies, industry trends, sales contacts and more
- ♦ A secure e-banking function for instant registration
- ♦ Improved program and participant profiles through various innovative publicity and marketing initiatives, including promotion in travel guides and publications, attendance at industry trade shows, municipal conventions, environmental association events, print materials and more
- ♦ 'Spot audits' to be carried out on a percentage of participating properties annually. With 12 CH2M HILL offices nationally, and 8 - 10 auditors across the country, these spot-audits will focus on providing hoteliers with personal service, information updates and recommendations for energy saving opportunities
- ♦ Full support of the Natural Resources Canada *Energy Innovators Initiative*

- ♦ Establish a strong focus on the education & motivation of hotel employees and program promotion to your guests.
- ♦ Increased marketing and PR opportunities to promote eco-rated hotels to business leaders, meeting planners and guests seeking environmentally responsible venues
- ♦ Equal opportunities for hotels of varying sizes and in diverse locations across Canada
- ♦ On-going client support including client satisfaction surveys, regular mailings, numerous web-based resources and access to CH2M HILL's global network of sustainable business consulting services
- ♦ A fair and competitive pricing structure

**For more information on the
HAC ECOMmodation Rating Program
visit www.hacgreenhotels.com.**



HOTEL ASSOCIATION OF CANADA
ECOMmodation Rating Program



Check-in to superior fiscal and environmental performance

The 12th Annual Hotel Association of Canada Conference & Trade Show



More than 425 hotel industry executives came together in Toronto this past February to discuss the issues impacting Canada's hotel industry. Held at the Fairmont Royal York Hotel, the theme of this year's Hotel Association of Canada's (HAC) 12th Annual Conference was **NAVIGATE the New World**. The day and a half conference focused on such topics as the effects of the rising value of the Canadian dollar, recent health considerations, HR issues, online travel trends and more. Despite the rising dollar, there was clearly optimism that the hotel sector is bouncing back in 2004. Here are some highlights from the events and sessions that comprised this year's national industry conference.

MONDAY, FEBRUARY 9TH

HSMIA 4th Annual Summit

The 4th Annual HSMIA - Canadian Chapter Summit, held in conjunction with the HAC Conference, provided attendees with a full overview of the Hospitality industry's sales and marketing environment. Some of the topics included sessions on the Leisure Market, a panel on the Business Customer, and Keynote Speaker Alan Middleton, Professor of Marketing, at York University-Schulich School of Business. Sam Barone, Regional VP - InterVISTAS Consulting Inc. led an enlightening Airline Session entitled "**Air Travel - Where is it Going?**" in which he talked about the expanding market share of Low Cost Carriers and the challenges faced by legacy carriers, such as Air Canada. Diane Vaillancourt, Chief - Accommodation & Car Rental Program, Government of Canada spoke about "**Sustaining our Biggest Client**". As one of the industry's largest clients, Diane outlined how the industry can more effectively meet the expectations of the government sector, and how to grow this relationship through the Accommodation Directory for Government employees.

HAC Industry Forums

New this year, two industry-related Forums presented by Natural Resources Canada and hyphen Information Systems Management were offered pre-conference.

Natural Resources Canada Energy Efficiency Forum:

This session featured discussions with Maher Hanna, Director of Engineering at the Fairmont Royal York; James Ragan, Chief Engineer for Accor; Derrick Finn, President of Finn Projects; and Adrian Hatcher from NRCan's Energy Innovator's Initiative. Participants in the Forum learned about:

- identifying potential energy reduction opportunities that may exist in hotel properties
- the process of implementing an energy efficiency project, the time involved, how to work around a hotel full of guests
- about the availability of NRCan's financial incentives for energy retrofit projects

hyphen Information Systems Management Technology Forums:

Presented in two parts, *Electrifying your Electronic Distribution* and an Industry Panel on Technology, key industry experts spoke on how to benefit from the rapidly changing world of electronic distribution; how to develop the most profitable yield, pricing and marketing strategies across your distribution channels; as well as ways to budget and manage information technology, and work with vendors. A key component to this Forum's discussions were the results from a recent technology survey undertaken by hyphen for HAC. Results from this survey can be found in "*the hyphen report*" on page 8.

Hotel Association of Canada Annual General Meeting

Kevin Walker, owner and operator of the Oak Bay Beach Hotel and Marine Resort, Victoria, BC, was elected chair of HAC for a second year running at HAC's Annual General Meeting.

Anna Cullinan, Chief of the Commercial Sector, Natural Resources Canada presented awards to CHIP Hospitality in recognition of their company wide participation in the NRCan's Office of *Energy Efficiency Program*. Robert Pratt accepted the awards on behalf of CHIP Hospitality.

**David Larone, National Director,
PKF Consulting Inc.
*Canada's Place in the World***

David Larone spoke to Canada's declining position as a Top 10 destination in the world, and stressed the need to sell Canada as a value destination. He noted that we need to find ways to compete on the basis of quality and excitement or our levels of profitability will continue to slide. But he also points out that we have a competitive advantage - we sit on the doorstep of the largest consumer market in the world, the U.S., with 81% of our international visitors coming from there. And we can't forget our largest traveller market...Canadians themselves. We have the opportunity to renew ourselves. According to Larone we're at a very critical stage in our growth and recovery - 2004 is a new beginning and we're looking forward to 2008 to hit our previous high watermark.

**David Pierzchala, Senior Research Manager,
Tourism and Transportation, Ipsos Reid
*The Nation's Pulse***

In his presentation to the delegates, Pierzchala outlined the results of a recent Canadian Business Travel Study assessing Canadian travel patterns. According to this study, consumers choose hotels based on the four c's: customer service; consistency of product; comfort; and cleanliness. The top three reasons travellers stay where they do: 1. location, location, location 2. Corporate Rate - particularly for those who spend less than 20 nights away 3. Comfort - especially important to those who spend 30+ nights away. Pierzchala's glimpse into the future - business travel will be up, vacation travel will remain about the same. The economy and industry is stronger, but to reach the levels of 2000 again is a huge expectation.

Philip C. Wolf, President & CEO, PhoCusWright Inc.

Today's Travel Marketplace

"The recent years have passed like a kidney stone...painfully", said Wolf, "But mankind has an insatiable appetite for travel." Any hospitality company still working in what Wolf called 'preservation mode' will find the industry's shift back to 'growth mode', a real wake-up call, particularly within the sphere of on-line travel management. Wolf points out that in the year 2000, \$14 billion (US) of leisure and unmanaged business travel was purchased on line. \$18 billion when Canada and Europe added to the figure. In 2003 the online travel marketplace soared to \$38.8 billion for leisure and unmanaged business travel. Canada, Europe, Asia surpassed \$80 billion. PhocusWright projects that by the end of 2005 approximately \$150 billion of travel will be purchased on line worldwide. Online dynamic packaging engines used by hoteliers and other suppliers are usurping a lot of traditional tour operating business. Hoteliers must become channel masters operating in a ultra modern command center; with hands and mind on every dial, switch, gage and screen to optimize yield and to get them closer to their customer. Those who do this now and do it well, are the winners.

**Simon T. Bailey, President & Chief Creative
Officer, The Imagination Institute
*Unleashing Human Capital***

Simon Bailey led a lively discussion about Human Capital - how do you unleash it, inspire it, release it and get your employees to give 150% everyday. He points to the relatively new trend which finds people looking to do work that has meaning and purpose. Everybody's got a hotel, says Bailey, but what is it that differentiates you from everyone else. The People. How do we ensure that those who are responsible for creating the experience, 'get it'. He says 'hire for attitude'. It is important that we have people who are engaged about life and excited about what they do. Engagement is the critical key, because if employees are not engaged, how do you expect customers to be engaged? Bailey cites that leadership excellence creates employee excellence creates customer loyalty creates results, which leads to repeat business. Your employees are your PR Department, says Bailey. We need to understand that our Front Line, is our Bottom Line.

**Stevan Porter, President - Americas,
InterContinental Hotels Group
*Keynote Luncheon Speaker***

Stevan Porter was this year's HAC Conference Keynote Luncheon Speaker. Porter spoke to the lunch guests about the industry's belief that today's consumers have learned to adjust to the new realities they face.

**Point - CounterPoint:
An Industry Discussion Panel**

Featuring Mitch Kostuch, President & Publisher, Kostuch Publications; John Pye, President, Delta Hotels; Honourable Charles Lapointe, Chair, Canadian Tourism Commission; Cliff MacKay, President & CEO, Air Transport Association of Canada; and Bill Knowlton, Vice President - Marketing & Sales, Jonview Canada.

The 75-minute discussion was broadcast as a live audio webcast through Canada Newswire and is archived at www.newswire.ca/en/webcast/index.cgi?companyID=773641068

Navigate the New World Event Coverage is continued on page 11

2004 Canadian Hotel Technology Survey

Recently the Hotel Association of Canada (HAC) commissioned hyphen Information Systems Management to conduct a comprehensive survey on the state of technology in Canada's hotel industry. The data was compiled via an on-line survey by hotel industry representatives across Canada. The purpose of the survey was quite simple - knowledge sharing. The technology survey is a looking-glass, the information from which you can use to make day-to-day and strategic decisions for your hotels.

Outlined below are the summary highlights of the survey. Complete results of the survey are also available via: e-mail request to hacsurvey@hyphenism.com; via mail request to HAC Technology Survey, c/o hyphen, 1120 Hamilton Street Suite #307, Vancouver, BC V6B 2S2; or via telephone request at 1.877.442.7246 Ext #104.

SUMMARY RESULTS

Canadian Hoteliers remain optimistic about the gradual recovery in occupancy and rates in 2004, however, spending remains on a tight leash. Fifty-nine percent of respondents answered that their 2004 technology budgets would be at the same level as 2003 or below. Just over a quarter of respondents stated they had no 2004 technology budget.

Three out of four respondents with a technology budget are targeting their spending in the areas of Hardware 63%, Property Management Systems 26%, and high speed internet access 12%. The high percentage dedicated to hardware is not surprising as the last time most Hoteliers spent any significant dollars on hardware was during Y2K remediation. Also contributing is the very competitive pricing of hardware e.g. PC's, file servers, switches etc. 26% of the respondents stated upgrading and/or replacing their property management system as their highest priority. 12% of you continue to embrace high speed internet access and wireless high speed internet access (Wi-Fi) as their most important expenditure for 2004.

When asked what they would choose if they were given \$100,000 to spend on any one technology project, 33% of hoteliers said they would conduct a comprehensive audit of all their systems and then decide what course of action to take next. This statistic further illustrates the pragmatic approach hoteliers are taking towards IT spending and the desire to fully justify each line item cost. Another 25% of respondents said they would spend the money on a new property management system while 8% said they would spend their money making disparate technologies interface with each other, thereby streaming operations on all levels. The issue of disparate technologies was raised again when

asked what three things frustrate you most about technology. Respondents ranked the following as their top three frustrations: 1. New technology does not interface well with existing technology, 2. Heightened expectations due to assumed efficiencies, 3. Cost too much because it becomes obsolete too quickly.

On the other end of the spectrum, when asked what were the top three real benefits of technology, respondents ranked 1. Assists with better inventory management (rooms, fixed assets, food & beverage and consumables), 2. Better analysis and forecasting, 3. Collection of guest history / demographics.

When asked what the three most important technologies in hotel operation today are, 33% said their property management system, tied at second was point of sale system & high speed internet access at 13% and email at 10%. (This was a free form question generating over 25 separate responses). It is evident that the property management system remains the most important piece of technology in hotels today. It acts as the central repository and/or thoroughway for all guest information and financial transactions.

The topic of high speed internet access is still on the mind of most hoteliers but what to charge guests for that service is varied. 26% of respondents charge less than \$10 per day, 24% charge guests between \$10 and \$15 per day while notably, 33% of the respondents offer this service for free.

Over time, guest's build expectations as to what they believe they should receive as a basic amenity for the price of accommodation and free high speed internet access may become a defacto industry standard, however as hoteliers attempt to recoup initial capital investment or the benefit from a long term agreement with their high speed internet access vendor, it is evident that our industry will hold out as long as possible.

A future indicator of where the industry may go with respect to charging guests for high speed internet access is telephone revenue. 39% of you still charge guests for local telephone calls while 52% still charge guests for 800 and credit card calls. In the final analysis, with slim profit margins, it is difficult for any hotelier to turn the facet off of any revenue stream.

Prize Winners: The two winners of full conference passes to the Hotel Association of Canada Annual Conference were Diana Dodge, Vice President, Dodge Suites Hotel and Joseph Schuldhau, VP-Information Technology, West Edmonton Mall & Triple 5.

Neil Holm is President of hyphen Information Systems Management www.hyphenism.com

Awards

HOTELS

Travel & Leisure Magazine released the results of the 2004 **World's Best Values** reader survey. In the Top Hotels for Value Overall category, **Wedgewood Hotel** in Vancouver ranked 5th in the world. In the category of Top Hotels for Value in Canada winners are **Wedgewood Hotel**, Vancouver - #1; **Rimrock Resort Hotel**, Banff - #2; **Fairmont Chateau Laurier**, Ottawa - #3; **Post Hotel**, Lake Louise - #4; **Loews Hotel Vogue**, Montreal - #5.

Holiday Inn Toronto Yorkdale was recognized by InterContinental Hotels Group as a **2003 Torchbearer Award** Recipient. This is the 8th consecutive year this hotel has won this award - an accomplishment never achieved by another Holiday Inn hotel world-wide.

All six of the Pacific Northwest Fairmont Hotel properties made the 10th annual **Gold List** by Conde Nast Traveler magazine. **The Empress, Vancouver Airport, The Waterfront, Hotel Vancouver, Chateau Whistler** and **Olympic Hotel** (Seattle) were all named in the readers' choice poll.

Three Canadian properties have made it onto the **Andrew Harper's Hideaway Report**, an authority on luxury travel. Grand award winners: **Auberge Hatley**, North Hatley, QC, **Kingsbrae Arms**, St. Andrews, NB, and **Sport Fishing Lodge of the Year: Nimmo Bay Resort**, BC.

The Wickaninnish Inn, Vancouver Island, made the # 1 spot on Harlequin Romance's **Top Ten Romantic Resorts in North America** as the best luxurious and sexy, getaway.

The Corporate & Incentive Travel Magazine **2003 Awards of Excellence** are out. The only Canadian property

listed is the **Fairmont Banff Springs**, a fourteen-time winner of the award.

Meetings East magazine recent reader poll for its **Planners' Best Bets** - on the list is **Taboo Resort, Golf & Conference Centre**, Lake Muskoka.

The Quality Hotel Downtown Vancouver earned honours from Choice Hotels Canada recently. The property received Choice's **Gold Hospitality Award** for exceeding the company's quality assurance standards and guest relations standards.

PEOPLE

Two Holiday Inn Toronto Yorkdale employees were recognized with 2003 InterContinental Hotels Group **Best of the Best Awards**. **Sassan Shams**, Director of Food and Beverage was awarded the *Best of the Best - Director of Food & Beverage*. **Angela Xavier**, Director of Sales & Marketing, was awarded the *Best of the Best - Director of Sales & Marketing*.

Who's Where Now

Peter Adamack, General Manager, Howard Johnson Hotel, Edmonton ♦ **Robert Armstrong**, Vice President-Corporate Resources, Air Canada Vacations ♦ **Phil Barnes**, Regional Vice President - Pacific Northwest Region, Fairmont Hotels & Resorts and General Manager, The Fairmont Hotel Vancouver ♦ **Thatcher Brown**, Executive Director, Brand Marketing, Fairmont Hotels & Resorts ♦ **Dave Euson**, Vice President - Marketing Planning & Strategy, Carlson Hotels Worldwide ♦ **Melissa Evans**, Managing Editor, WHERE Toronto Magazine (tourist publication) ♦ **Joe Kamal**, Vice President-Operations, Manga Hotels, Mississauga ♦ **Thom Killingsworth**, Director of Operations, The Fairmont Chateau Whistler ♦ **Bruce MacKay**, General Manager, Holiday Inn Airport West, Winnipeg ♦ **Francis Mairet**, General Manager, Victoria Marriott Inner Harbour ♦ **Anna-Lisa Mantesso**, Regional Vice President-Sales & Marketing - Canada, Hilton Canada, Toronto ♦ **Edward Pitoniak**, President & CEO, Canadian Hotel Income Properties Real Estate Investment Trust (CHIP REIT), Vancouver ♦ **Armin Schroecker**, General Manager, Toronto Hilton Downtown ♦ **Sean Taggart**, Executive Director, Marketing Services, Fairmont Hotels & Resorts

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The 2004 Trade Show

This year's Trade Show welcomed many familiar faces as well as a number of new and exciting exhibitors to the floor. Combined with a dynamic new floor layout, this year's event was successful both in terms of networking and even saw some deals being made on the floor. Many thanks to all of this year's exhibitors for making the HAC Trade Show a resounding success.

We look forward to working with you again in 2005.

Hoteliers! For a complete listing of this year's exhibitors and links to their company websites, visit the Conference Page of the HAC website: www.hotelassociation.ca



The Hotel Association of Canada's Annual Conference & Trade Show, *NAVIGATE the New World*, could not have been a success if it were not for the outstanding support of our many valued sponsors:

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New Allied Members

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For a complete list of Allied Members, visit the HAC website at www.hotelassociation.ca



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The Hotel Association of Canada is the federation of provincial and territorial hotel associations, hotel chains and suppliers with a mandate to represent members nationally and internationally and to provide cost effective services which stimulate and encourage a free market accommodation industry.

Upcoming Events

CENTREX 2004

April 25 - 26, 2004
Winnipeg, MB
www.centrex.ca

ALBERTA HOTEL & LODGING ASSOCIATION

83rd Annual Convention
May 16 - 19, 2004
Fairmont Jasper Park Lodge, AB
www.ahla.ca

L'ASSOCIATION DES HÔTELIERS DU QUÉBEC

55th Annual Conference
October 24 - 25, 2004
Montreal, QC

INTERNATIONAL HOTEL & RESTAURANT ASSOCIATION

41st Annual Congress
November 19 - 22, 2004
Istanbul, Turkey
www.ih-ra.com

BRITISH COLUMBIA & YUKON HOTELS' ASSOCIATION

80th Annual Convention
November 21 - 23, 2004
Vancouver, BC
www.bcyha.com

BC HOSPITALITY TRADE EXPOSITION

November 22 - 23, 2004
Vancouver Convention & Exhibit Centre

HOTEL ASSOCIATION OF CANADA

12th Annual Conference & Trade Show
February 9 & 10, 2005
Fairmont Royal York, Toronto

SPREAD THE WORD!

Members! Do you have big news that you want share with the industry? We'd love to receive your news releases and announcements and we'll do our best to make sure they appear in an upcoming issue of our quarterly newsletter, **Roomers**. Email myers@hotelassociation.ca

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