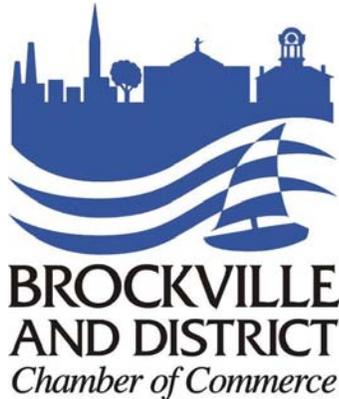


T O U R I S M
KINGSTON 



PREMIER-RANKED TOURIST DESTINATION FRAMEWORK

1000 ISLANDS - ST. LAWRENCE SEAWAY REGIONAL REPORT

February 2008

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Prepared by
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BACKGROUND

The Premier-ranked Tourist Destination Framework (PRTDF) program was an initiative developed by the Ontario Ministry of Tourism in 2001. The goal of the PRTDF program is to help destinations across Ontario identify areas for development related to tourism, assess their competitive tourism advantage and ultimately improve to become a destination of choice. Being a Premier-ranked Tourist Destination indicates that “here is a place more attractive than the rest, a place the potential visitor should consider first when making travel plans.” To be clear, Premier-ranked is not a formal tourism designation but rather is an internal tourism goal for a destination to work towards as it relates to becoming “better than the rest”.

To assist municipalities with assessing and developing their tourism product, the Ministry of Tourism established a tool called the Premier-ranked Tourist Destinations Framework. This framework assists jurisdictions in assessing their tourist assets, attractions and amenities and allows them to identify opportunities in tourism development. The Ministry of Tourism provides financial assistance to regions that successfully apply to undertake the PRTDF process.

The 1000 Islands PRTDF project is an initiative facilitated by the lead tourism organizations in the 1000 Islands & St. Lawrence Seaway Tourism Marketing Partnership (TIMP), the Ontario Ministry of Tourism, Employment Ontario, and tourism industry stakeholders in the 1000 Islands. The funding for the project came from Employment Ontario, the Government of Canada, and the Ontario Ministry of Tourism.

The Ministry of Tourism agreed to fund the PRTDF in 1000 Islands with the understanding that the four identified tourism destinations in the 1000 Islands - St. Lawrence Seaway region would work together **as a collective** under the umbrella of the lead partners in the TIMP. The lead partners are represented by:

- Brockville and District Chamber of Commerce
- 1000 Islands Gananoque Chamber of Commerce
- Cornwall & Seaway Valley Tourism
- Kingston Economic Development Corporation

The end result would see individual PRTDF projects being completed in each of these four destinations as well as one “1000 Islands Regional Report” being produced as a collective.

To assist in that process and to develop this regional PRTDF report the tourism consulting firm BRAIN TRUST Marketing & Communications was retained. BRAIN TRUST also completed the four individual PRTDF projects on behalf of each Destination Marketing Organization. Their mandate was as follows:

Develop a Unified Regional Strategy –

BRAIN TRUST will facilitate the development of a series of unified strategic recommendations for the 1000 Island - St. Lawrence Seaway region as a collective in consultation with the TIMP Steering Committee. We'll take the learning from the four DMO reports and consolidate them in order to identify a series of key strategic directions the partnership can address. This report will contain practical and actionable short and long term tactics. Brain Trust proposal – January 8, 2007

In order to complete the region-wide report the consultant worked with the senior staff in each Destination Marketing Organization (DMO) to identify future region-wide experience and product development initiatives.

A tourism resource audit was carried out in the form of a detailed survey of establishments in all four destinations which asked respondents to describe their operations, services offered, customer base and tourism awareness among other questions. The survey was mailed to establishments from the Accommodations, Food and Beverage, Attractions and Retail sectors. Survey results were compiled in a comprehensive database maintained by the Audit Team in each destination. The culmination of that work resulted in the development of four destination specific PRTDF reports.

It is understood, that as a result of the opportunities identified in each of four PRTDF reports, and the work that these individual destinations will take in the days ahead to improve their individual destinations tourism experience, the net effect of this activity will see the individual destinations improve and also the attractiveness of the entire region. Layer on top of this specific region-wide experience development initiatives, that will be identified in this report, and the end result will be a win / win scenario for all involved (individual destinations and the 1000 Islands - St. Lawrence Seaway tourism region).

The 1000 Islands & St. Lawrence Seaway Tourism Marketing Partnership (TIMP) includes the following organizations;

- Brockville and District Chamber of Commerce
- 1000 Islands Gananoque Chamber of Commerce
- Cornwall & Seaway Valley Tourism
- Kingston Economic Development Corporation
- 1000 Islands Casino
- 1000 Islands Community Futures Development Corporation
- 1000 Islands International Tourism Council
- Grenville Community Futures Development Corporation
- Ontario Ministry of Tourism (ex officio)
- Ontario Tourism Marketing Partnership (ex officio)
- Parks Canada
- St. Lawrence Parks Commission
- Town of Prescott

TIMP - the Lead Regional Tourism Marketing Organization in the 1000 Islands - St. Lawrence Seaway Region

The collection of businesses and organizations that comprise the TIMP is significant. The TIMP has been in existence since 1988 and over this time period has established itself as a prominent and successful marketing organization. The TIMP includes organizations located on both sides of the Canadian / American border. This is unique, in as much as the partnership understands the attractiveness of the destination and its location on the St. Lawrence River regardless of the international border that separates the members of the partnership.

Over the years the TIMP has operated without any official designation, a permanent office, or staff yet it has established itself as the primary organization for marketing the region collectively. It is recognized as the lead regional marketing organization by the Ontario Ministry of Tourism, the Ontario Tourism Marketing Partnership Corporation and the New York State Department of Economic Development, Division of Tourism (through the Thousand Islands Regional Tourism Development Corp.).

In keeping with the leadership TIMP has demonstrated, they have now undertaken to better understand the long-term product and experience development opportunities available based on the findings of their individual PRTDF reports. This collective approach to product and experience development is viewed as critical to the future tourism success of the destination. It will pave the way for new and interesting product development partnerships with the tourism industry in the region, the destination marketing organizations, the various municipal governments and the Ontario Ministry of Tourism.

The regional PRTDF project will focus on the 1000 Islands corridor, the area that connects the City of Kingston and the City of Cornwall and the communities located along the Ontario side of the St. Lawrence River.

THE 1000 ISLANDS - ST. LAWRENCE SEAWAY MARKETING PARTNERSHIP

As stated earlier in this document the TIMP has established itself as the lead marketing organization in the 1000 Islands - St. Lawrence Seaway travel destination. Through a spirit of cooperation it has successfully marketed the area through an annual plan of activities. In recent years these include:

- Production and distribution of a region-wide (Ontario & New York) lure brochure
- Creation and maintenance of a region-wide tourism web-site
- Annual "brochure swap meet" for individual operator brochure distribution
- Biannual Tourism Summit
- Tradeshows
- CAA / AAA programs

- DVD production
- Development of Photo Gallery

The Strength and Credibility of TIMP

- Better together, the collective and shared approach to marketing the region is both effective and efficient.
- The visitor knows no boundaries and therefore does not make travel decisions based on geographic borders.
- The collective approach allows a destination to participate in marketing and sales activities it would not be able to afford on its own, Rendezvous Canada, for example.
- The collective approach allows a destination to market in longer haul target markets, overseas markets like the U.K. or Japan, for example.
- TIMP delivers a series of services to the individual tourism businesses within each of the individual destinations, brochure distribution, an annual Marketing Summit for the exchange of information and education, for example.
- The individual organizations who make up the membership of TIMP have been active players in tourism for more than 75 years.
- The collection of organizations comprise both private and public sector organizations.
- The various levels of government including Federal, Provincial, State and Municipal, recognize TIMP as the lead tourism marketing organization within the region.
- TIMP has been successful at raising joint marketing funds for marketing partnerships from both individual private sector tourism operators and government, either Provincial, State or Municipal.

The Role of TIMP

- To represent the wide variety of tourism businesses throughout the region, on both sides of the Ontario and New York border as it relates to joint marketing opportunities.
- To be a lead regional DMO to partner with government marketing organizations like OTMPC, New York Tourism for example.
- To liaise with Ontario Ministry of Tourism staff on issues related to tourism.
- To be a collective voice for the tourism industry in the 1000 Islands region when it comes to issues and opportunities that face the industry like signage, travel centre hours, for example.

The Opportunity

Given the role and strength of the TIMP, the PRTDF process has identified opportunities for region-wide destination development. With the understanding that individual destination development will take place in the days ahead, it seems logical for TIMP to identify a select number of key initiatives that it can drive for the benefit of the 1000 Islands - St. Lawrence Seaway travel region.

1000 ISLANDS - ST. LAWRENCE SEAWAY REGION

Much can be said of the beauty and attractiveness of the 1000 Islands-St. Lawrence Seaway travel region. For years this area has attracted millions of visitors annually. It could be said the historic significance of the destination has created the foundation for the development of a thriving and successful tourism destination. But without the St. Lawrence River the area would not have the notoriety it enjoys today.

The History of the 1000 Islands Region

Between 700 B.C. and 1600 A.D., the 1000 Islands were a favourite camping ground of the Iroquois, who referred to the islands as Manitouana or the "Garden of the Great Spirit". Several Iroquois tribes of Onandaga, Seneca, Cayuga, Mohawk, Tuscarora and Oneida formed a confederacy. They lived on the American and Canadian main shore. They took advantage of the excellent fishing to store the smoked fish for winter consumption. There are some 40 archaeological sites in the islands that attest to the presence of the early people.

The St. Lawrence was discovered by Jacques Cartier on August 10, 1535. The early explorers made use of the St. Lawrence River as a highway to the interior of Canada and the United States. Many of the famous explorers passed through the area including such well known names as Champlain, de Courcelles, Comte de Frontenac, and René-Robert Cavalier. The latter two men built Fort Frontenac, at the site of present day Kingston. The first reliable charts of the area were made in 1687 by Jean Desbayes who named the area "Les Mille îles", or translated to English, the 1000 Islands.

Military activity was in evidence through much of the 17th and 18th centuries. The St. Lawrence was a highway for military activity, a vital route that delivered warships and men during the war between France and Britain from 1754 to 1759, the American War of Independence between Britain and the United States in 1776 and the War of 1812 between Britain and the United States. A smaller conflict was the Patriot War in 1837-1838 when there were acts of piracy among the 1000 Islands. Many forts, blockhouses and military installations still dot the area and serve to remind us of our stormy past.

European settlement of the islands began around 1783 with the arrival of the United Empire Loyalists, who moved from the United States after the American War of Independence in order to remain loyal to the British Crown. They came up the river in boats powered by oars, towing them through the rapids with ropes.

Before long, the loyalists were joined by other Europeans, mainly English, Scottish, Irish and German. While the area adjacent to the islands wasn't settled as quickly as other areas, the marginal farmland was used for pasturing dairy cattle.

In 1816, a British hydrographer, Captain William Fitzwilliam Owen, completed his survey of the Islands assigning names to over 1800 Islands. He created 8 groups of islands, which is the Admiralty Group with 64 Islands, named after the British Lords of the Admiralty. He also included the Navy Group with 33 Islands, named after officers in the Royal Navy and the Lake Fleet Group of Islands, which also numbered 33 and were named after ships of the Royal Navy.

The boundary agreement in 1793 between the U.S. and Canada decided that no island would be split in two and that the boundary should be 100 yards from any shore and if that was not possible, the line would run right down the middle between the two shores. This explains why the boundary between the U.S. and Canada follows a zigzag line. Two thirds of the Islands are in Canadian territory but the total acreage of the Canadian and American Islands is roughly equal.

The beauty of the area was noted by many who went through the area in the 17th and 18th centuries. The Islands' accessibility to prosperous urban areas such as New York, Boston, Montreal and Toronto soon led to the development of the Islands as a prime summer vacation area. Many of the area's first visitors were American governors, senators, presidents and legislators. Media interest in their activities soon led to a flood of favourable publicity with lavish description of the area.

It wasn't long until whole families wanted to come to the area and as a result, large luxurious hotels began to spring up. On the American side, as many as 20 trains a day were required to bring all the summer visitors. On the Canadian side, a railway connected Gananoque to the main Canadian National Line, a few miles north of the town. The influx of visitors wanting to see the Islands grew and soon, there was an evident need for boats to carry passengers. The first tour boat operator in Gananoque was a local mailman who delivered mail to the island residents and took passengers as a sideline to his mail delivery business. Soon the sideline outgrew the mail route and he started the Gananoque Boat Line.

During this period, many opulent homes and mansions were built in the area. The most famous was Boldt Castle, built by Mr. George C. Boldt, the owner of the Waldorf Astoria Hotel in New York City. Names such as Pullman, the inventor of the railway Pullman car, John Jacob Astor a financier of New York City, and Helena Rubenstein, of cosmetic product fame, were all known in the area at that time having built luxurious summer homes in the 1000 Islands.

THREE DIMENSIONS OF DESTINATION ASSESSMENT

1) The Product Dimension

A Tourist Destination provides a high quality tourist experience, enabled through the destination's offerings of:

- Distinctive Core Attractions
- Quality and Critical Mass
- Satisfaction and Value
- Accessibility
- Accommodations Base.

2) The Performance Dimension

The quality of the tourist experience and the destination's success in providing it is validated by:

- Visitation
- Occupancy and Yield
- Critical Acclaim.

3) The Futurity Dimension

The ability for a destination to thrive from tourism into the future is sustained by:

- Destination Marketing
- Product Renewal
- Managing within Carrying Capacities.

The process involves several critical steps to assess the destinations opportunities. These steps lead to specific insights and direction. At its conclusion, the Premier-ranked Tourist Destination research project provides:

- A database of critical baseline tourism business data
- An understanding of the destination status and the opportunities and challenges constraining that status
- A solid base for preparing a long-term regional tourism strategy
- Product development and partnership opportunities
- Recommendations that support the growth and sustainability of the tourism sector
- A foundation to attract tourism investment and create employment opportunities.

PRODUCT - The 1000 Islands - St. Lawrence Seaway Region Today

Through the comprehensive audit that was conducted as part of the destination specific aspect of the PRTDF process the nature and magnitude of the specific tourism product of the area has been captured.

Cornwall & Seaway Valley Core Attractors

- Outdoor Recreation
- Upper Canada Village Heritage Park
- Heritage Sites & Living History

Supporting Attractors

- Upper Canada Playhouse
- Events & Festivals
- Meetings / Conventions / Sport Tourism

1000 Islands Gananoque Core Attractors

- St Lawrence River & 1000 Islands
- Natural Countryside & Rural Towns
- Thousand Islands Playhouse
- OLG Casino Thousand Islands

Brockville and District Core Attractors

- 1000 Islands & St Lawrence River Experience
- Heritage & Living History

Supporting Attractors

- Outdoor Recreation
- Brockville Arts Centre and Performing Arts In General
- Scuba Diving

Kingston Core Attractors

- Fort Henry National Historic Site
- Accessible Waterfront
- Downtown Entertainment, Culture, Shopping, Dining
- Grand Theatre
- Heritage & Living History
- Four-Season Sport Tourism

Supporting Attractor

- Outdoor Recreation

- There are more than 11.4 million people living within a 3 hour radius of the area.

Population Within a 3 Hour Radius	
Montreal QC (CMA 2006)	3,720,000
Cornwall ON (MA 2001)	57,581
Ottawa ON (CMA 2005 est.) includes Gatineau QC	1,146,790
Kingston ON (MA 2001)	146,838
Belleville ON (MA 2004)	88,025
Cobourg ON (City 2001)	17,172
Port Hope ON (City 2001)	15,605
Peterborough ON (City 2004)	74,600
Oshawa ON (MA 2004)	296,298
Watertown NY (City 2000)	26,705
Syracuse NY (MA 2000)	732,117
Toronto ON (CMA 2006)	5,113,149
Total	11,434,880

Source: Stats Canada, 2006

- Proximity to three international air gateways, Ottawa International Airport, Pearson International Airport in Toronto and Pierre Elliot Trudeau International Airport in Montreal is very good.
- There are 4244 roofed accommodations and 1901 RV/Camp sites in the region.

	Roofed Accommodation	RV / Camp Sites
Kingston	1874	106
Gananoque	742	478
Brockville	599	91
Cornwall	1029	1226
Total	4244	1901

- 1000 Islands & St. Lawrence River region is a regional complex linked to the physical and historic setting of the area.

The *physical* linkages are best connected to the core attractors as follows:

1000 Islands and the St. Lawrence River Experience

- The area sits on Frontenac Axis, an arch of Precambrian rock that connects the Canadian Shield to the Adirondack Mountains of New York state. This arch divides the Great Lakes lowlands from the Ottawa Valley. The islands and unique land formations are a result of glacier action on the bedrock of the Precambrian shield. Natural ecosystems thrive in this area.

- The St. Lawrence Seaway is a system of canals and locks that permits ocean-going vessels to travel from the Atlantic Ocean to the Great Lakes. The St. Lawrence Seaway officially extends from Montreal to Lake Erie, including the Welland Canal. The Seaway plays a significant role in the transportation of goods.

The *historical* linkages are best connected to the core attractors as follows:

Heritage and Living History

- The area is the Garden of the Great Spirit to native North Americans, a refuge to Loyalists who settled and defended the area, and a playground of the rich and famous.
 - The importance of the area during industrialization and the great importance the river held in the transport of goods and people in both directions.
 - Prescott was an important trans-shipment point until the opening of the St. Lawrence Seaway.
 - The St. Lawrence Seaway with a system of locks and canals which opened the way for large ships to move between the Great Lakes and Montreal without the need for trans-shipment of cargo.
 - This history is evident by native anthropological sites, forts, battlefields, mansions, railways, mills, shipwrecks and light houses.
- While core attractors offer collective appeal there are other destinations that offer similar products and experiences.

Competitive Destination	One Way Distance To Brockville
Ottawa (Historical / Cultural heritage)	120 km
Gatineau Park, Quebec (Outdoor Recreation)	245 km
Laurentians, Quebec (Outdoor Recreation)	295 km
Calabogie (Outdoor Recreation)	185 km
Niagara Region (Historical Heritage)	460 km
Prince Edward County (Waterfront Experience / Historical Heritage, Outdoor Recreation)	120 km
U.S. sites on the St. Lawrence River, Massena	120 km, 155 km
Alexandria Bay (Outdoor Recreation / Historical Heritage)	

- A portion of the travel region is part of the UNESCO Frontenac Arch Biosphere Reserve.
- These attractors appeal to guests from beyond Ontario's borders and their appeal can best be described as follows:

<u>Attraction</u>	<u>Appeal</u>
Cruises (mass)	- Experience being on the water to see sights unique to the area.
Sightseeing (mass)	- Enjoy the scenic beauty of the islands, river and rural areas.

SCUBA (niche)	- Fresh water diving with no thermoclines in an area with an abundance of wrecks, historic and natural points of interest.
Boating (niche)	- The St. Lawrence River offers a playground for boaters with a variety of bays, islands, points of interest and navigational challenges.
Corporate Travel	- Convenient location between Ottawa, Montreal, Toronto and close to international bridges.
Angling (niche)	- A wide variety of sport fish species in diverse aquatic habitats including protected bays, piers/docks, deep water, islands and shoals.
Cycling (niche)	- Part of the Lake Ontario Waterfront Trail an appealing cycling corridor. - Opportunity to ride quiet back roads in a picturesque rural area.
Hunting (niche)	- Variety of small game, water fowl and uninhabited terrain.
National Park (mass & niche)	- St. Lawrence Islands National Park, established in 1904 as the first Canadian national park east of the Rockies. The park consists of 20 islands as well as a visitor centre on the mainland. Much of the park is accessible by boat and some islands have picnic and camping facilities.
National Historic / Heritage Sites (mass)	- There are several National Historic Sites in the destination.
Theatre, Cultural Performances (mass & niche)	- The Brockville Arts Centre was built in 1858 and is one of Canada's most historic theatres, the St. Lawrence Shakespeare Festival in Prescott presents a world class line-up of summer theatre, the 1000 Islands Playhouse in Gananoque offers a variety of entertaining musicals, drama, comedy annually with appeal to regular theatre goers as well as occasional theatre patrons, the Upper Canada Playhouse in Morrisburg presents a variety of productions offering appeal to a broad base of theatre goers, the Grand Theatre in Kingston is newly restored.

- With the exception of a few of the attractors in Kingston much of tourism experiences are not available on a year-round basis.
- Much of the tourism experiences within the region do not generate visitation for periods greater than 24 hours.
- Much of the regions products and experiences are available to visitors at a variety of price points.
- The region offers a selection of dining experiences; some have name recognition outside the area, feature well known accredited chefs and offer wine lists with more than 25 labels.
- The region presents a wide variety of retail shopping experiences from high-end to main stream retailers, some are independently owned and offer a unique selection of merchandise, some have name recognition beyond the region.
- The region offers 326 slips for transient boaters located at various marinas, city and private owned docks along the St. Lawrence River.

Transient Boat Slips	Kingston	Gananoque	Brockville	Cornwall	Total
	92	140	24	70	326

PERFORMANCE – Visitation

This section assesses the St. Lawrence Corridor's market performance in terms of visitation numbers, market share and attractiveness to different market segments.

NOTE: The data listed below is from the 2004 CTS/ITS Survey and includes numbers for the St. Lawrence Corridor. This includes tourism activities along the St. Lawrence River in the following counties:

- Northumberland
- Prince Edward
- Lennox and Addington
- Hastings
- Frontenac
- Leeds and Grenville
- Stormont, Dundas & Glengarry

In 2004 the St. Lawrence Corridor attracted a total of 6,665,953 guests. Of these 2,575,150 (39%) stayed overnight and 4,090,803 (61%) were day visits.

Between 2001 and 2004, person visits decreased by 10%, from 7,421,485 to 6,665,953, visits by Canadians decreased by 7%, from 5,847,152 to 5,442,437 while visits by US residents decreased by 23%, from 1,407,364 to 1,082,673. Person visits by residents of other countries decreased by 16% from 166,969 to 140,843.

Of the 2,575,150 overnight visitors, 1,122,857 (44%) were on pleasure trips, 1,008,016 (39%) were traveling to visit friends and relatives, 257,116 (9%) were on a business trip and 7% were travelling for unknown reasons.

The St. Lawrence Corridor attracted 1,788,065 (69%) of overnight visitation from the Ontario market. The strongest Ontario markets for overnight visits were Ottawa-Carleton (15% of total overnight visits) and Toronto (10%). Other Canadian provinces represented 308,020 (12%) of visits, the strongest market Quebec (9%). The US market represented 373,326 (14%) of overnight visits. The strongest US market was New York (6%). Visitors from other countries represent 105,739 (4%).

Overnight visitors spent 7,147,874 person nights in the St. Lawrence River Corridor, with 1,859,948 (26%) spent in roofed commercial lodgings such as hotels, motels, resorts, B&Bs and commercial cottages, 845,626 (12%) in local campgrounds or trailer facilities and 3,617,166 (51%) in private homes or private cottages. Of the 1,859,948 person nights in roofed commercial lodgings, 59% were spent by residents of the province, 6% were spent by residents of other Canadian provinces and 35% were spent by international visitors (29% Americans; 6% other countries). 86% of the overnight visitors to St. Lawrence River Corridor were travelling in adult-only parties and the remaining 14% were travelling with at least one individual fifteen years of age or younger. The average party size for overnight visitors was 1.7 (including children).

Visitation/ Spending 2004	Ontario			St. Lawrence Corridor		
	Total	Same Day	Overnight	Total	Same Day	Overnight
Total Person Visits	118,284,236	71,612,018	46,672,218	6,665,953	4,090,803	2,575,150
% Market Share				5.6%	5.7%	5.5%
Origin						
Canada (Total)	94,843,493	57,347,560	37,495,933	5,442,437	3,346,351	2,096,086
USA (total)	21,391,369	13,957,359	7,434,010	1,082,673	709,347	373,326
Overseas (Total)	2,049,374	307,099	1,742,275	140,843	35,104	105,739
Visitor Spending						
Total Visits	\$17,080,681,498	\$4,474,312,938	\$12,606,368,560	\$ 659,546,214	\$168,164,412	\$491,381,802
% Share of Total Spending				3.9%	3.8%	3.9%
Visitor Spending Canadians	\$10,356,111,584	\$3,273,125,717	\$ 7,082,985,867	\$ 477,461,222	\$124,644,879	\$352,816,343
Visitor Spending Americans	\$ 4,383,216,921.	\$1,058,425,868.	\$ 3,324,791,053.	\$ 145,972,284.	\$ 41,403,148.	\$104,569,136
Visitor Spending Overseas	\$ 2,341,352,992	\$ 142,761,353	\$ 2,198,591,639	\$ 36,112,709	\$ 2,116,386	\$ 33,996,323

Source: CTS/ITS Statistics 2004

Visitation/Spending 2004	St. Lawrence Corridor	Ottawa Region	Niagara Region	Toronto & Area	Central Ontario
Total Person Visits	6,665,953	7,498,345	13,353,506	27,812,423	20,148,916
% Market Share	6%	6%	11%	24%	17%
Origin					
Canada (Total)	5,442,437	6,499,602	5,545,849	22,926,983	19,327,300
USA (total)	1,082,673	616,169	6,997,021	3,293,618	621,025
Overseas (Total)	140,843	382,574	801,636	1,591,822	200,591
Visitor Spending in \$					
Total Visits	659,546,214	1,171,838,677	1,698,018,197	5,496,073,669	2,001,394,785
% Share of Total Spending	4%	7%	10%	32%	12%
Visitor Spending Canadians	477,461,222	814,578,966	751,461,446	2,413,577,511	1,747,552,447
Visitor Spending Americans	145,972,284	169,907,052	761,869,993	1,539,487,298	170,098,398
Visitor Spending Overseas	36,112,709	187,352,659	184,686,758	1,543,008,860	83,743,940

Source: CTS/ITS Statistics 2004

Hotel occupancy rates in the St. Lawrence River Corridor decreased by 8 percentage points, from 64% to 56% between 1998 and 2004. In 2006 St. Lawrence Corridor's commercial accommodation occupancy reached 58.4%; this is below the provincial average of 63%. The average daily rate was \$102.71 compared to a provincial average of \$124.73 and revenue per available room (REVPAR) was \$60.03 compared to \$78.60 for Ontario. Source: PKF Consulting, 2006

In 2004 same-day and overnight visitors spent \$659,546,214 in St. Lawrence River Corridor on tourism-related expenditures/categories including lodging, food and beverages, transportation, entertainment, and retail.

Overnight visitors spent \$491,381,802 in St. Lawrence River Corridor on tourism-related expenditures/categories including lodging, food and beverages, transportation, entertainment, and retail during 2004. Total spending by all tourists on overnight trips in Ontario was \$12,606,368,560; the destination's share of total spending by these tourists was 3.9%.

Guests on day trips spent \$168,164,412. Total spending by all tourists on day trips in Ontario was \$4,474,312,938; the destination's share of total spending by these tourists was 3.8%.

The average per person per night spending for overnight visitors in 2004 to the St. Lawrence River Corridor was about \$68. Overnight visitors from Ontario spent approximately \$69 per person per night in the area; those from USA spent about \$76 per person per night; and those from other countries spent approximately \$62 per person per night.

The average expenditure for guests on day trips was \$41.11 compared to \$62.56 average for Ontario. Overnight guests spend on average \$190.82 compared to \$270.27 average for Ontario.

The \$659,546,214 in spending in the St. Lawrence River Corridor generated \$412,341,000 in direct, indirect and induced contributions to gross domestic product (GDP), \$203,787,000 of labour income and salaries and, 7,607 part-time, full-time and seasonal jobs. Total taxes generated as a result of visitor spending in the St. Lawrence River Corridor reached \$261,771,000 including \$11,471,000 in municipal taxes that accrue to municipalities in the St. Lawrence River Corridor.

FUTURITY – the Destinations Ability to Sustain Tourism Growth

- There is a market demand for the destinations offering as demonstrated in the March 2006 Travel Attitude and Motivation study:

ACTIVITIES DURING OVERNIGHT TRIPS IN 2004-2005	% of Canadians *	% of US *
All Water Based Activities (Outdoor)	33%	25%
Exhibits, Architecture, Historical Sites	17%	18%
All Performing Arts	17%	15%
Sunbathing or sitting on a beach	17%	12%
Festivals and Events	16%	15%
Shopping, Dining, and Food	16%	14%
Visiting National, Provincial Parks	11%	10%
Public Campground in a Nature Park	11%	7%
Fishing - fresh water	10%	6%
Live Theatre	5%	4%
Museums, General History or heritage	4%	4%
Motor boating	4%	2%
Kayaking or canoeing – freshwater	4%	2%
Golfing - played an occasional game	3%	2%
Cycling - same day excursion	3%	1%
Sailing	1%	1%

% of travellers for whom this activity motivated some of their trips

TAMS 2006, Travel Attitude and Motivation Study, Ontario Ministry of Tourism

- In the past five years a reported* \$61.1 million has been invested in facility renewal and/or expansion and development with an emphasis on products that are directly or indirectly associated with tourism. The majority of this investment has occurred in the last two years.

Product Renewal \$	Kingston	Gananoque	Brockville	Cornwall	Total
(\$millions)	\$5.2	\$21.0	\$8.9	\$26.0	\$61.10

*Source: PRTDF Operator Surveys, 2006

- Within the destination there are several Destination Marketing Organizations (DMOs) that are involved in visitor services, implementing forms of tourism marketing on a regional, provincial, national and international scale. The identified DMO's receive a total of \$1.1 million in municipal funding. A portion of each DMO's budget is allocated to communications and marketing. These funds allow the DMO's, in some cases, to leverage additional funds to support the services they deliver.

DMO Municipal Funding	Kingston	Gananoque	Brockville	Cornwall	Total
	\$654,973	\$53,000	\$163,664	\$239,302	\$1,110,939

Source: PRTDF Process, 2006

- It has been determined that individually each of the four destinations do not have sufficient funding to effectively target potential markets to market their respected destinations.
- Kingston currently has a destination marketing fee (DMF), collected by the Kingston Accommodation Partners and used for leisure tourism marketing activities.
- The PRTDF process in Gananoque, Brockville and Cornwall identified the need for increased funding for both marketing and destination development, each of these destinations are currently exploring the possibility of implementing a DMF or DDMF (Destination Development / Marketing Fee), it is anticipated that all three destinations will have new sources of funding from a DMF-like plan in 2008.

THE “DESTINATION 1000 ISLANDS” DEVELOPMENT APPROACH

The underlying theme for a collective approach to tourism destination development and marketing is based on the principal “Better Together”. The TIMP has already recognized the benefit of working together, when appropriate, for the collective good of the region. The Ontario Ministry of Tourism has also identified the value when regions work together. The best example is their recent approach to developing the Niagara Region. They no doubt recognize the demand generator found in the City of Niagara Falls, but they also understand that the collective experiences available in the entire Niagara Region presents a more compelling tourism offering. That is the reason they are currently working with tourism operators in Niagara to develop a “region-wide” tourism development strategy.

For similar reasons the TIMP wishes to initiate activities that will capitalize on the appeal of four individual destinations within the region as well as the collective tourism experiences that can be developed on a region-wide basis.

OBSERVATIONS

In order to accomplish this several key strategies must be implemented. The individual PRTDF projects have helped identify those strategies. They have been developed based on the extensive amount of work, including the comprehensive tourism product audit that has taken place, in each of the four destinations.

The four destinations have a number of common core attractors or demand generators, reasons people are currently traveling to the destination. In order to establish the primary opportunities for collective development it is important to understand what assets the destinations hold in common. These include:

Common Core & Supporting Attractors

- Heritage & Living History
 - Upper Canada Village Heritage Park
 - Fort Henry National Historic Site
 - National Historic Sites
 - Provincial Heritage Sites
 - Local Heritage Sites
 - Architectural Heritage Sites
 - Shipwreck Interpretive Tours / Dive Sites
- 1000 Islands & St Lawrence River Experience
 - St. Lawrence Islands National Park
 - UNESCO Frontenac Arch Biosphere Reserve
 - Guided cruises, pleasure boating, sailing, canoeing, kayaking, sport fishing, ice fishing, hunting, hiking, cycling, birding, camping
 - Scuba Diving, heritage dive sites / ship wrecks – 28+ operators
- Festivals & Events
 - Community based themed celebrations
 - Small town personality and character
 - Culture, heritage, agriculture
 - Large Festivals & Events with recognized performers and local talent
- Culture / Performing Arts / Entertainment
 - Upper Canada Playhouse
 - Grand Theatre
 - Brockville Arts Centre
 - St. Lawrence Shakespeare Festival
 - Thousand Islands Playhouse
- Outdoor Recreation
 - Four season activities - golf, canoeing, kayaking, sport and ice fishing, hiking, cycling, birding, camping, cross country skiing, and snowmobiling
 - Several Provincial Parks offer a variety of recreation interpretive programmes
 - Several cycling routes and trails throughout the region including the UNESCO Rideau Heritage Route, the Seaway Trail and the Heritage Parkway

With this understanding there is a need to determine the areas where collective product and experience development opportunities exist.

Based on a thorough review of the PRTDF findings as well as discussions held with the lead partners in the TIMP we have asked several questions and made the following observations:

- Partnership is critical to regional product development.
 - Opportunities exist for both product and experience development on a region-wide basis.
 - Positioning the destination – The 1000 Islands
 - Clearly this descriptor has recognition in the areas primary target markets
 - From a region-wide perspective is this position clear or confusing to potential visitors?
 - Does it clearly position the destination as a desirable tourism destination?
 - Is there an opportunity to trade on the recognition of the words but expand the positioning to better describe the tourism experiences available?
 - Two-Nation Vacation
 - This represents a key opportunity to grow tourism to the region.
 - A concentrated effort must be made to develop product that bundles experiences that are available on both sides of the Ontario and New York border.
 - Initially focus must be directed at developing new experiences.
 - Second, focus must be directed at developing packaged experiences that include a number of themed experiences and an overnight component to encourage two nation vacations which could have particular interest to U.S. mid and long haul markets.
 - The TIMP must understand and accept who the competition is:
 - It is not one another, those individual destinations and operators within the region but it is other regional travel destinations within Ontario, Quebec and the Northern U.S.
 - Getting more people off Hwy. 401 is critical.
 - Creating “Reasons to STOP” are essential to making this happen.
 - Establishing awareness of reasons to stop before departure is important.
 - Signage plays an important role.
 - Visitor Centres play an important role.
 - Culture / Heritage tourism product development offers significant potential.
 - Cultural tourism is growing 15% per year*
 - 37% of all international tourism includes a cultural component like:
 - Performing arts: theatre, dance, music
 - Art galleries and schools, gardens and crafts
 - Museums, historic sites, villages and reconstructions
 - Festivals and events
 - Local cuisine
 - Aboriginal culture
- *World Tourism Organization

RECOMMENDATIONS and STRATEGIES

IMMEDIATE

- TIMP, in partnership with the Ontario Ministry of Tourism to establish the 1000 Islands - St. Lawrence Seaway Destination Development Initiative and hire a full-time staff person to facilitate the implementation of the recommendations contained in the PRTDF Regional Report.
 - TIMP prioritize the strategies and tactics identified in the Regional PRTDF Report and develop a work plan for the roll out of the various strategies.
 - The staff person will have specific deliverables and be accountable to the TIMP.
 - The establishment of the Initiative would formalize the process associated with developing specific actions related to the implementation of the identified development strategies and tactics.
 - An office is established within the region, ideally located in existing tourism office space in order to utilize the infrastructure available in that office (i.e. phone, IT services etc.)

- Senior officials of the lead DMO's begin discussions with the Ontario Ministry of Tourism in order to identify the financial resources needed to facilitate the establishment of the 1000 Islands - St. Lawrence Seaway Destination Development Plan and collectively undertake to secure the needed financial resources from a variety of sources
 - The process will involve the development of a regional destination development plan.
 - It is understood that the funding formula be based on a partnership philosophy and that many partners participate in meeting the funding requirement.
 - Secure funding for, at minimum, a 3 year time frame if the identified goals are to be met.

- Review the current structure and set up of TIMP and modify it given the expanded mandate this organization will have based on the recommendations contained in the Regional PRTDF Report, for example:
 - Participation criteria must be established.
 - The Ministry of Tourism must have a place at the TIMP table.
 - That the tourism industry in the area be represented by a combination of senior private and public sector tourism representatives.
 - That an agreed balance of focus be established – product development vs. destination marketing.

- TIMP to identify appropriate Industry Steering Committees to be active in implementing the strategies. It is understood the tourism industry will be required to contribute to the work that is needed.

- For example the PRTDF Report is recommending two specific Task Forces be developed to focus attention on 1) Heritage, and 2) Culture/Performing Arts product and experience development, industry participation will be required for this work.
- TIMP supports region-wide development initiatives already in the works. Attention should be directed at those that will have the first positive impact on tourism travel and visitation levels, these initiatives include:
 - The Maritime Discovery Centre in Brockville
 - Gananoque Antique Boat Museum
 - Upper Canada Village
 - Creation of an Artificial Reef
- Evaluate the 1000 Islands brand and positioning for the region.
 - The destination currently enjoys global brand recognition
 - Initiate a Positioning or Branding process to determine the strengths and weaknesses of the current position.
 - Determine if there is a better way to capture the essence of the destination.
 - If not continue to leverage the 1000 Islands tourism brand.
 - If so develop new positioning for the destination focused on the areas lead attributes including for example the UNESCO designations.
- Increase the awareness of the importance of tourism through a region-wide unpaid media strategy.
 - Utilize the economic impact data for tourism to the 1000 Islands as the core message.
 - Issue a series of press releases that explain the importance of tourism, quote number of jobs, economic impact data and quality of life information.
 - Use the Ministry of Tourism “Making the Case for Tourism” tool kit to determine the facts.
- Work with the broader regional partners in order to maximize the effectiveness of work being done, these include the UNESCO Rideau Heritage Route and the UNESCO Frontenac Arch Biosphere Reserve.

MID-TERM

- Develop the heritage tourism experiences in the 1000 Islands.
 - Use the two historic sites located in Kingston and Morrisburg as book-ends to bracket the significant list of historic experiences including the museums, historic sites, architecture, aboriginal and festival and events experiences that are available throughout the entire region.
 - Capitalize on recent investments made at both Fort Henry and Upper Canada Village for experience and product development and leverage this to better position the heritage experiences available.

- Direct attention at those other historic sites that require investment in order to enhance the experience available.
- Establish a Heritage Tourism Task Team with a mandate to determine strategies to leverage heritage tourism assets in the region, prioritize sites that require attention, and develop an action plan and facilitate implementation.
- Develop the cultural / performing arts tourism experiences in the 1000 Islands.
 - Use the theatres in each of the four destinations as anchors to the rich cultural experiences that are available.
 - Establish a Performing Arts Tourism Task Team with a mandate to determine strategies to leverage the variety of performing arts available in the region as tourism assets, prioritize the action steps, develop a plan and facilitate implementation.
- Create hassle free two-nation vacation opportunities.
 - Remove the border (psychologically) by positioning experiences as “borderless” travel opportunities.
 - Create a mini-brand for the “Two Nation Vacation” experience which could have particular interest to U.S. mid and long haul markets.

LONG-TERM

- Utilize the Seaway Trail and Heritage Parkway as the consistent thread to connect experiences.
 - Expand Heritage Parkway designation to cover the entire region through signage
- Capitalize on the notoriety of diving on the St. Lawrence River, it has critical acclaim and is attracting attention and positively increasing visitation. There is an opportunity to use this unique demand generator as an icon feature that focuses attention on the destination.
 - Use Diving as a platform to talk about the areas heritage – shipwrecks in the St. Lawrence River as a way to generate interest.
 - Tour boat operators have an opportunity to leverage the interest generated around diving to ship wrecks.
- Focus attention on developing the “green” experiences that are available like cycling and hiking experiences, these have little impact on the environment and more and more consumers are looking for “green” tourism opportunities.
 - Where development related to the trail is needed (the 2 foot extension to parts of the trail) use this initiative as the basis for that work, secure the needed financial resources from various sources based on where this fits in the list of resource priorities.

NEXT STEPS

ACTION	DATE 2008
Present Regional Plan to Ontario Ministry of Tourism, Investment Development Office	March
Share Regional Report with Local Tourism Boards and / or Advisory Committees	March / April
Formalize Regional Organization Structure, Agree on Mandate and Operating Parameters	June
Solidify Resources, Human and Financial to Begin Implementation	September
Implementation Begins	Ongoing