



2012

Activity Report:

Key Accomplishments
and Areas of Activity

BAHAMAS HOTEL AND TOURISM ASSOCIATION
2012 ACTIVITY REPORT:
KEY ACCOMPLISHMENTS AND AREAS OF ACTIVITY



President's Message

BHTA and Industry Turn the Corner... Continued Progress Expected in 2013

This year will end with the highest average occupancy since 2007, our benchmark year, with average room rates continuing to improve but still below 2007.

Consensus is that despite high operating costs and lower levels of visitor spending, 2012 represents a positive change in our sector of the economy.

Our industry remains challenged on account of the sluggish US economy and the extreme pressure on many international economies.

Unquestionably, there are a number of factors that are important to our industry, now and into the future:

- Success hinges on maintaining a very high standard of customer service
- Using the airfare incentive programmes strategically which is very appealing to the cost conscious and discerning traveller
- Using exciting and popular special events and appealing to niche markets to attract visitors
- Completing all infrastructural developments, especially LPIA, Marsh Harbour and the highways
- Continuing to aggressively expand airlift
- Reducing high energy and operating costs without compromising service

We can leave no stone unturned in our quest to be successful in an ever increasing competitive environment.

I commend all those who have contributed to the on-going improvements in our industry.

With pride I point to the presentation of our 60th Anniversary publication and congratulate all those who made it possible.

BHTA 2012 Executive Committee

Stuart Bowe, *President*

Robert 'Sandy' Sands, *Immediate Past President*

Peter Maguire, *Treasurer* | **Frank Comito**, *Executive Vice President and Corporate Secretary*

Shavonne Darville, *Vice President for Family Islands* | **Magnus Alnebeck**, *Vice President for Grand Bahama*

Vernice Walkine, *Director-At-Large, Allied Members* | **Nina Maynard**, *Small Hotels Representative*

Beverly Saunders, *Chairperson, Workforce Development*

Advocacy: Working With Government and Partners



BHTA Reaffirms Working Commitments with New Government

Following the election, BHTA reached out to the Prime Minister and Cabinet Ministers to reaffirm its commitment to working with Government and brief them on matters of importance to the industry. Meetings were held with

the Prime Minister, Minister of Tourism, Minister of Education, Minister of Labour, Minister of Foreign Affairs, Minister of State for Investments, and the Minister of State in the Ministry of Finance. The meetings afforded the President and others the opportunity to identify areas of interest by the Government as well and laid the foundation for ongoing public-private sector efforts.

Casinos Committee Presents Recommendations to Prime Minister

A detailed list of recommendations backed by extensive research was presented to Prime Minister Christie, Tourism Minister Obie Wilchcombe, members of the Gaming Board and others in mid-August. This was followed by public-private sector visits to Las Vegas and Singapore to learn more about comparative jurisdictions and meet with equipment manufacturers, regulatory officials and other industry experts. The

committee includes representation from Baha Mar, Atlantis, Treasure Bay in Grand Bahama, and Bimini Bay. Government has given favorable indications on the recommendations and hopes to adopt most if not all by March. BHTA research shows an erosion of gaming activity over the past ten years. The policy changes being proposed are designed to reposition The Bahamas as a premier destination for gaming.

US Government Agrees to Increase in Preclearance Officers

Following nearly a year of reports to US and Bahamas Government officials about significant bottlenecks at LPIA if staffing levels for US Preclearance were not increased, travelers and airlines met considerable costly delays and missed flights which peaked this summer. BHTA, the US airlines, the Ministry of Tourism, Ministry of Foreign Affairs and the Nassau Airport Development Company worked to minimize the inconvenience

to travelers while data was gathered underscoring the impact of the delays. The Bahamas Government and US airlines appealed to the US Government to increase staffing levels. A commitment was made early this fall by US officials to increase levels by the end of the year. In anticipation of a 30 percent increase in passenger traffic once the Baha Mar properties come on stream, BHTA will continue to advocate for appropriate staffing levels by Bahamas Immigration, Customs, Airport Authority and the US Department of Homeland Security.

Continued Push to Reduce Escalating Energy Costs

BHTA advanced several recommendations to Government officials, the most recent being a call for a return to multiple peak demand charge readings by BEC. Other recommendations which were advanced this year include: (1) putting in place duty exemptions for appliances, equipment and materials which promote efficiency, (2) clarifying the current exemption for energy efficient lighting to include LED fixtures, (3) promoting greater use of solar energy; (4) establishing a net metering system tied to renewable generation, and (6) supporting audits and awareness-raising initiatives in the industry.



Relief for Small Hotels Under Consideration by Government... Some Measures Advanced

In a series of meetings and communications to Minister of Tourism Obie Wilchcombe, Minister of State for Investments Khaalis Rolle, and Minister of State in the Ministry of Finance Michael Halkitas, BHTA President Stuart Bowe outlined the challenges facing small hotels in particular and offered recommendations for interim relief and support measures. High on the list is waiving the minimum investment requirement to be eligible for duty exemptions. BHTA submitted a list of product categories which should be considered for relief support over the next five years. The Ministry of Tourism also plans to significantly boost its marketing support for small hotels with an online booking mechanism thru Bahamas.com and other measures. BHTA also recommended activation of the Small Hotels and Tourism-Related Businesses National Resources Centre which was an element proposed in draft national legislation creating a small business support initiative. BHTA provides limited resources to the small hotels through its website and periodic workshops and training.

BHEA, BCOCEC and BHTA Oppose Most Proposed Amendments to Employment Act

Amendments proposed by the Ministry of Labour and National Insurance to the Employment Act and Industrial Relations Act caused considerable concern by members, citing the significant negative impact they would have on business costs and productivity. BHTA and the Bahamas Hotel Employers Association (BHEA) joined with the Bahamas Chamber of Commerce and Employers Confederation (BCCEC) to submit recommendations to the Government, outlining areas of particular concern including: proposed changes to the standard hours of work requiring a one hour paid period for a meal interval; requirements setting out the daily and weekly rest periods to which an employee is entitled; and the establishment of a 'fixed' day off whereby an employee who works on such day is entitled to double-time pay. Minister Shane Gibson advised that Government would not rush to introduce the amendments and was sensitive to the concerns of the private sector. A tripartite committee comprised of unions, industry and Government is reviewing the various recommendations.

BHTA Begins to Look at Tax Reform, Joins Civil Society in Review Process

Representatives from the nation's leading business organizations and civil society, with support from the Inter-American Development Bank and the College of The Bahamas commenced a fact-finding and awareness-raising exercise to explore options for tax reform, focusing primarily on the VAT (Value Added Tax) system. The group is chaired by businessman Franklyn Wilson and includes representation from the Chamber of Commerce and Employers Confederation, BHTA, the Bahamas Realtors Association, the Bahamas Financial Services Board and others. A symposium planned for October was modified due to Hurricane Sandy. Working with BHTA allied member KPMG, regional tax expertise with a tourism focus did make it to The Bahamas and provided a backdrop of VAT and tourism from a regional perspective. BHTA views this as a high priority matter which it is likely to be heavily engaged with during the coming year.

Business Development: Building Sustainability

Developing the Latin American Market: Hundreds of Employees Learn Foreign Languages

As part of its initiative to assist businesses with tapping into more international markets, BHTA and the BHA Association of Human Resource Professionals (BHAHRP), in cooperation with the Ministry of Tourism, entered into an agreement with LiveMocha, the world's largest provider of online foreign language training, providing an attractive enrollment rate to members. Over 1,000 employees from 30 member companies enrolled. Research reveals the tremendous opportunity which The Bahamas has to grow the Latin American (up over 80% in past year) and other non-English speaking markets. Exit surveys of Latin American visitors since the start of direct service a year ago by Copa Airlines show a high level of satisfaction for The Bahamas but also show a high level of frustration in our language limitations.

Caribbean Travel Marketplace 2012 Showcases The Bahamas... Returning in 2013

Interest in booking business to The Bahamas was extremely high according to most hotels which participated in Caribbean Travel Marketplace, hosted by BHTA, the Ministry of Tourism and the Promotion Boards this past January at Atlantis. Given its success, the Caribbean Hotel and Tourism Association and The Bahamas agreed to again host the largest regional tourism marketing event in 2013 from January 20-22 at Atlantis. Marketplace was most successful for those members who worked the pre-scheduled appointments and networking opportunities. Some members also hosted pre or post trips/events for the 'buyers' and/or international press.



New CTDC Website to Launch Soon: Hotels Need to Provide Info to Benefit

The Caribbean Hotel and Tourism Association (CHTA) moved closer to launching the new Caribbean Tourism Development Corporation (CTDC) website. This will be an added no-cost outlet for bookings which will be available to hotel members who are current with their 2012 BHTA and CHTA dues. Members have been uploading information to the site which should officially launch early next year.

Promotion Boards, Ministry and NAD Focus on Airlift; Airport Improvements Continue

The Nassau Airport Development Company, in partnership with the Ministry of Tourism and the Nassau Paradise Island Promotion Board hosted over 400 airport and airline stakeholders to the Routes Americas conference in February. The conference presented The Bahamas with an opportunity to showcase the destination as it continues its outreach to attract additional airlift. The groups also visited major airlines in the United States to solidify and expand existing service and set the stage for additional lift in 2014 when Baha Mar comes on stream. The Ministry and Grand Bahama and Out Island Promotion Boards have also worked together to support additional lift in their areas. Progress continued to be made on improving airports, with NAD completing stage two, opening the international arrivals terminal; work is nearing completion on the new Marsh Harbour terminal in Abaco; and plans are being drawn for improvements to Bimini and Cat Island airports.

Purchasing Discounts Offered to Member Small Hotels and Tourism Businesses

Many small and medium sized hotels and tourism-related businesses, particularly those in the Family Islands, are now able to take advantage of volume purchase discounts afforded to chain hotels and large resorts thanks to a new member discount program unveiled by American Hotel Register, an allied member of BHTA. The 'American Independent Advantage Program' was put in place last April. American is the world's largest supplier of hotel products including, linens, towels, sheets, bath amenities, case goods, outdoor furniture, uniforms and thousands of other products. The program provide purchase savings up to 20 percent on over 3,000 items.

Art of Customer Care Training Conducted on Cat Island and Long Island

The BHAHRP in collaboration with BHTA hosted the A.R.T. of Customer C.A.R.E. Workshops for small hotel and tourism industry professionals on Long Island and Cat Island this year. The training was well-received. President Stuart Bowe applauded the initiative stating “Tameka Forbes, President of BHAHRP and her team are to be commended. Often our small hotels don’t have easy and affordable access to expertise who can deliver this high level of training. This collaborative effort demonstrates how we can pull our resources together to help make an on-the-ground difference”.



Workshop Offered on Improving Website Effectiveness and Social Media Utilization

Allied Member Pure Salt Design conducted a member workshop aimed at empowering businesses to maximize the value of the internet to generate business and integrate their websites with social networking and marketing tools.

BHTA and Ministry Step Up Data Resources...More to Come

BHTA and the Ministry of Tourism continue to move beyond providing members with traditional arrivals and occupancy data, this year launching with the Promotion Boards VisiTrends, an online marketing support and product improvement data resource tool developed by Indusa Global, database consultant to the Ministry. Over 100 general managers, marketing representatives and individuals responsible for quality control participated in a series of training sessions to introduce VisiTrends, which is a clearinghouse for nearly ten years of data tabulating information provided from the Bahamas Immigration Cards. The easy-to-use tools provide a benchmark for improving marketing and customer service performance. The site also contains special reports and destination travel data and allows users to search from a huge database of customer comments by common topic areas. Plans are underway to also allow members to tie in VisiTrends with destination and property data on TripAdvisor and the popular social media sites.

Human Resources Member Support Service Established by BHAHRP

The Bahamas Hotel Association Human Resources Professionals (BHAHRP) launched their website and support network for member human resources professionals in the industry earlier this year. The site also serves as a resource for BHTA members for general queries on human resource matters, best practices and trends.

Workforce Development: Advancing People

Bahamian Students Awarded 15 Scholarships Valued at \$65,500

Thanks to member support for the annual golf tournament and BHTA and the Caribbean Hotel & Tourism Education Foundation (CHTAEF) auctions, 15 Bahamian students were awarded scholarships this year valued at \$65,500. They are attending the College of The Bahamas Culinary Hospitality Management Institute, Johnson and Wales University, Florida International University and the American Culinary Institute.



Junior Hotelier Program Expands to 17 Schools, Reaches 1,400 Students

BHTA’s Junior Hotelier program continues to grow, now extended to 10 primary schools and 7 high schools and reaching over 1,400 students on New Providence, Grand Bahama and Andros. The 12-week program exposes young people to our industry, the range of opportunities and the keys to success. BHTA has developed a structured program with support information and facilitates industry role model participation in the schools. Students receive up to two industry field trips during the program.



BHA and Partners Launch IBM Reading Companion Program

BHTA teamed up with the Ministry of Education, Science and Technology, IBM, Project Read, and the Rotary Clubs of The Bahamas to bring IBM’s internationally acclaimed Reading Companion program to the country. The goal of the international web-based program is to help children and adults around the world gain essential English Language literacy skills using IBM’s web-based literacy technology. The program is being piloted in six government primary schools and one private school. President Bowe, who was instrumental in bringing it to The Bahamas, also sees it being expanded into the workplace. Recently, a team from IBM in Canada spent two days in The Bahamas training teachers and Project Read professionals. Rotary has made a large donation of headsets to support the program. Project Read is administering it. IBM provides the software, training and technical support. BHTA has facilitated its development and will continue to assist with managing it. Minister Jerome Fitzgerald joined in the recent launch.

9th Annual Summer Educator Internship Program Reaches 90 Educators

Educators and Guidance Counsellors continue to expose themselves to the careers and expectations in the industry, spending a week this summer in industry-led professional development workshops and interning for three days in the industry. At the Nassau closing workshop educators received greater insight to the industry by pioneer hotelier Nettica Symonette, owner of Nettie's Heritage Village and Casaurinas of Cable Beach. Eleven businesses provided onsite internship experiences. In Grand Bahama, eight businesses provided onsite internship experiences.

62 High School Students Intern in Industry as Part of AHLEI Certification Program

This summer was memorable and foundational for 62 high school students, as they were immersed in the "real world of work" for up to 160 hours. They were able to connect the dots ... from the classroom to the workplace. The AHLEI programs provide students with the classroom learning and real-life work experiences needed to take advantage of the many opportunities in Hospitality/Tourism. Participating high schools are C.V. Bethel, Queen's College, Anatol Rodgers and Aquinas College.

COB/BHTA Team Up to Offer Series of Short-Term Training Courses

The College of The Bahamas (COB) and BHTA launched the first in a series of short-term skills courses to prepare individuals for entry-level positions in the industry. The courses are being conducted through the College's Continuing Education Program. The first course in the series focuses on Basic Culinary and is designed to appeal to recent high school graduates not presently attending post-secondary institutions, the unemployed, and individuals who wish a different career path. Several additional courses are being developed and expected to be added to the program early next year. The industry partners anticipate running a number of courses concurrently next year throughout the year, and adding more later in 2013 and early 2014 as Baha Mar nears opening.

Managers Earn Professional Masters Degree, Conduct Useful Industry Research

Two industry professionals graduated from the BHTA supported IMCA/Revans program this year. The program takes a non-traditional approach to the project-based method of learning, challenging students to identify problems or opportunities in their field and based on a rigorous program of directed study and research, to develop solutions and recommendations for improvement. Companies in the region such as Sandals have used the research to guide improvements in their operations. This year's graduates were R. Barbie Rolle, Vice President of Operations, Royal Towers, Atlantis and Denise Johnson, CEO, Hospitality Marketing and Management Solutions. Their research will be shared with members in the near future.

Sustainable Activities

Downtown Nassau Revitalization Continues

Progress continued on Nassau's revitalization efforts. The Downtown Nassau Partnership, which BHTA is part of, commenced work with public-private support to build Pompey Square, scheduled for completion early next year. The Government is completing underground works on Bay Street and will complete paving shortly. Plans commenced at the end of the year to put in place new Bay Street sidewalks and streetscaping improvements, and the pedestrianization of several side streets. Work was also underway for several private sector developments. Government was presented with draft legislation and a business plan for creating and implementing a downtown management authority.



MOT-BHTA Guide Industry's Disaster Readiness and Response to Hurricane Sandy

The industry managed to escape the worst of Hurricane Sandy, but nevertheless a number of hotels reported experiencing moderate damage, particularly in Abaco and Eleuthera. The Minister of Tourism assisted BHTA with its request to ensure duty exemptions would be considered for restoration by affected hotels. Industry readiness and response efforts helped to ensure most businesses returned to normal operations within two days following the storm. BHTA facilitated the flow of airport and airline information to the industry, with the greatest impact incurred due to airline cancellations as the storm hit the US.

BHTA to Participate in Regional Energy Efficiency Project for Small Hotels

Arrangements were being finalized to commence an energy efficiency project, in partnership with the Ministry of Tourism, with support from the Inter-American Development Bank thru the Caribbean Tourism Organization and the Caribbean Hotel and Tourism Association. Through the project BHTA will be conducting detailed energy audits for at least 30 member hotels, providing them with extensive information on cost savings measures they can put in place now at little or no cost or with some level of investment. Several hotels will also be selected to participate in a demonstration program whereby the project will lend significant financial support for putting in place some of the recommendations from the detailed audits. The project will also allow BHTA to provide more energy savings information to members.

Marina Operators of The Bahamas Grows and Supports Industry Marketing and Development

Created by BHTA three years ago, the Marina Operators of The Bahamas now has nearly sixty members with most marinas in



The Bahamas having joined the organization. MOB developed an official chart map for The Bahamas. The organization's work with the Royal Bahamas Police Force on boat thefts is producing results with a huge drop in thefts and recoveries since measures were put in place by the Police, the US Coast Guard and MOB several years ago. The group is working with government on environmental standards, marina investments and marketing and is advancing a strategic plan for the sector. It hopes to launch initiatives with insurance companies soon to encourage boat owners to keep their vessels in The Bahamas year-round.

Organizational Development:

Organization Establishes Code of Ethics

Following good corporate governance practices of progressive companies and non-profit organizations around the world, the BHTA established a Code of Ethics. The Code addresses matters such as confidentiality, conflict of interest and appropriate conduct and outlines grievance procedures.

BHTA Articles of Incorporation Amended

Members agreed to several amendments to the Memorandum of Association and Articles. These included regularizing established practices including changing the current one-year term for Officers and Directors to two years. The Allied Member-At-Large position was elevated to Vice President status. Several other housekeeping matters were codified regarding officer roles, authorization of financial transactions, and adopting an organization Code of Ethics.



BHTA Produces 60th Anniversary Supplement

The history of the Bahamas Hotel Association has now been told through a detailed 56 page document which was presented to the public later this year through a newspaper supplement. It included photos of recent and past public and private sector industry leaders; graphics of some of tourism's legacy promotion programs; and chronicled work

on marketing, education, human resource development, training, transportation, and government relations.

Membership Growth

BHTA returned to a growth trend which started ten years ago and was interrupted by the recession. Nineteen new allied members joined the organization and six operators were reinstated or joined.

Recognizing Excellence:

Finalists Selected for BHA Cacique Award Categories

The Cacique Award winners will be announced on January 27th at the Rainforest Theatre ceremony. We thank the selection committee Chaired by former Hotelier of the Year Barbara



Hanna-Cox and including: Jan Knowles, RBC; Ruth Gardiner, COB; Leslie Norville, Ministry of Tourism; and consultant Jeffrey Beckles. Employee of the Year Finalists are: Donna Johnson, British Colonial Hilton; Charlessa Rolle, Wyndham Nassau Resort; and Alva Wilbert "Bert" Adderley, Cape Santa Maria Resort. Supervisor of the Year: Sharacha Frazier-McDonald, British Colonial Hilton; Renardo Sweeting, Grand Lucayan Resort; and Tia Duncombe, Comfort Suites. Manager of the Year: Ricardo Brown, Atlantis; Lynn Johnson, Sheraton Nassau Beach Resort; and Mark Rolle, British Colonial Hilton. Sales Supervisor of the Year: Shantillya C. Sands, Comfort Suites; Desiree Moxey, Wyndham Nassau Resort. Chef of the Year: Elijah Bowe, Graycliff; Devin Johnson, Sheraton Nassau Beach Resort; and Cheryl McKenzie, British Colonial Hilton.

Tourism Champions Showcased Every Friday

As part of the Bahamas Hotel Association's efforts to broaden public awareness and interest in the range of career and business opportunities in the tourism industry, BHTA has continued a weekly feature with the Nassau Guardian called 'Tourism Champions'. The feature showcases our many and varied achievers and aims to stimulate greater pride and professionalism in the industry by their example. Since it was inaugurated in February, 2011, over 90 'Champions' have been featured.

2012 National Culinary Team Returns with Regional Medals



BAHAMAS
HOTEL & TOURISM ASSOCIATION
 The Unified Voice of Bahamian Tourism



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Designed & Printed by:

SIDDA
COMMUNICATIONS GROUP, LTD.
394-BOOK (2665)