



Canadian Tourism
Commission

Commission canadienne
du tourisme

corporate plan summary 2008-2012

transforming vision into reality



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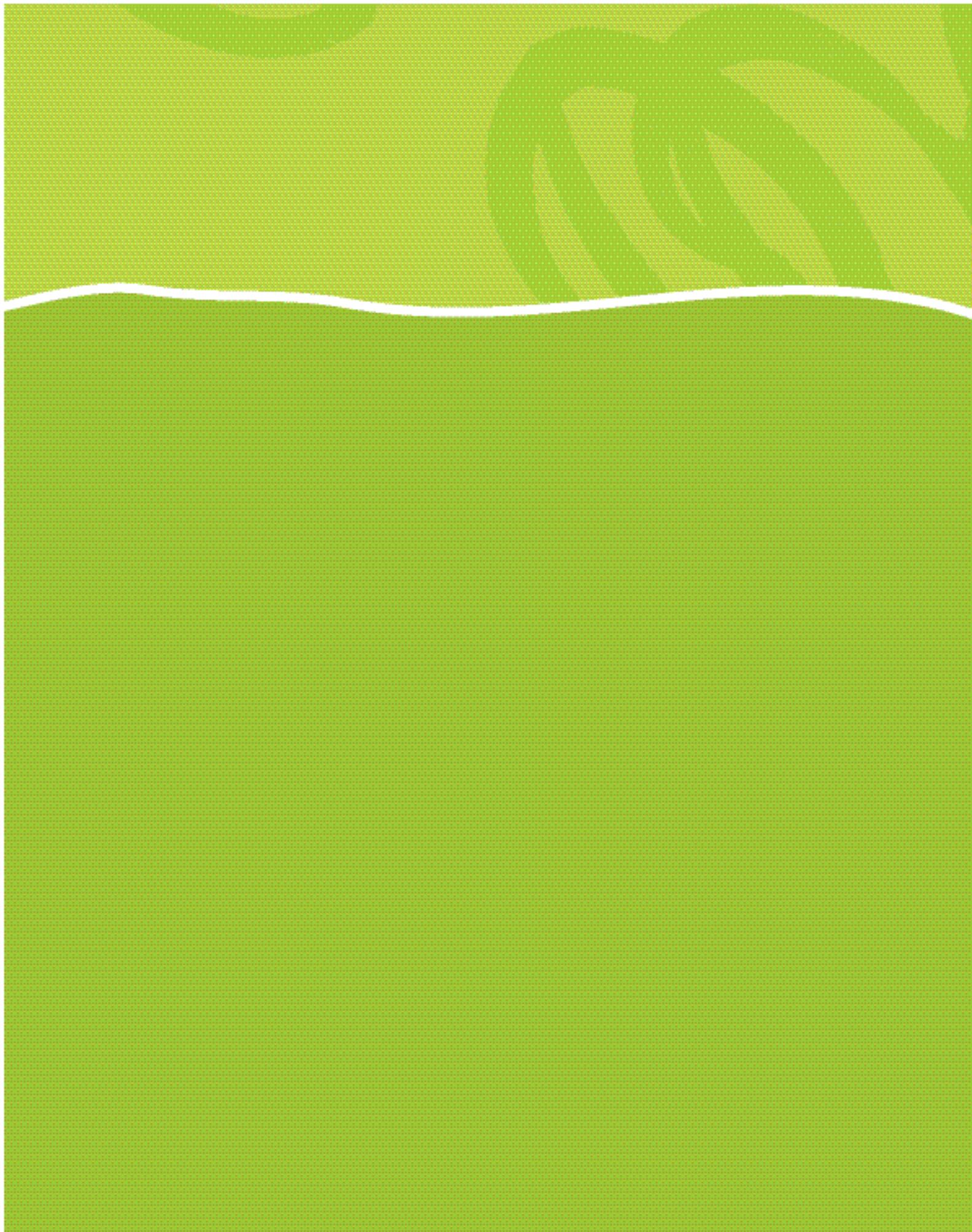


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message from the President & CEO



I am pleased to present the Canadian Tourism Commission's (CTC) 2008-2012 Corporate Plan. Building on last year's work, we have examined the business environment as well as our strengths and challenges to outline our five-year strategic direction that sets the priorities and objectives for us to compete and succeed globally.

This Plan marks an important milestone for the Commission. As part of our new strategy, the CTC is emphasizing its role in marketing Canada on the international scene. As provincial and regional partners continue marketing their destinations to Canadians, the CTC is extending Canada's collective reach in international markets like never before.

As a country, a culture and a people, we will invite travellers to share in our belief of the value of a life less ordinary. Canada's brand gives tourism marketers like the CTC an enviable edge in selling a product that is universally admired. Canada's tourism brand will be a leading storytelling tourism brand in the world where travellers bring home extra-ordinary stories all their own. Our task is to turn that emotional connection to Canada into action using a tourism brand that captures the imaginations of consumers surfing online, browsing the brochure racks, or simply carrying out their daily routines. Our global appeal, combined with our ongoing efforts to capitalize on the opportunities that the 2010 Winter Games are already generating, gives Canada an advantage that few other nations can match.

Despite this, both current and emerging risks continue to impact Canada's tourism industry. In identifying and responding to current challenges and new opportunities, we are collaborating with industry and non-traditional partners to promote Canada's tourism brand internationally and encourage travellers to visit Canada. The CTC is also actively working with industry to diversify its tourism markets, resulting in Canada becoming a more competitive destination.

We are working to ensure our strategic priorities support the right programs and deliver the right results. Today, performance measures are more important than ever in supporting companies' efforts to meet changing demands and trends. Using these measures as part of an integrated system, including our new balanced scorecard approach that links our strategy, objectives, and initiatives with financial and non-financial measures, will result in a clearer and more immediate picture of how our Plan will guide us to achieve the best possible outcomes.

We believe that creating the greatest opportunities for success requires a plan that lives in the future and learns from the past. The Canadian Tourism Commission's 2008-2012 Corporate Plan is a blueprint for how we are transforming the vision of tourism's success into a reality for all Canadians.

Keep Exploring!

A handwritten signature in black ink, appearing to read 'Archie' followed by a stylized flourish.

executive summary

Tourism activity in Canada represents approximately two percent of Canada's overall gross domestic product (GDP), making tourism a significant economic sector in Canada with a GDP value similar to the Agriculture, Forestry, Fishing and Hunting sectors combined.¹ The tourism industry influences both urban and rural communities throughout all regions of the country. In many parts of Canada, small and medium-sized tourism enterprises are the backbone of local economies and foster strong economic, social and cultural benefits. As an organization entirely directed to marketing Canada as a tourism destination, the CTC's goal is to generate export revenues for the Canadian economy.

In recent years, Canada's tourism industry has been undergoing some fundamental challenges. The environment in which Canada competes for international visitors has become more global and competitive. While the number of individuals travelling internationally has grown significantly, new tourism destinations are competing for the same traveller. The result for established destinations, including Canada, has been a loss of market share. The continued record decline in trips from U.S. visitors to Canada is another example of the significant challenges facing Canada's tourism industry.

The CTC's 2008-2012 Corporate Plan refines and builds on the strong foundation set in the 2007-2011 Plan. The following is an overview of the information contained in the Plan.

Corporate Profile provides an overview of the Commission's corporate history, its principal activities, its organizational structure and governance mechanisms, and describes the characteristics of Canada's tourism industry.

Industry Environment summarizes the current industry environment, including the global economy, market performance, and market share. In addition, this section describes forecasts and trends for the 2008-2012 period, focusing on population and trip forecasts, passport delays, as well as demographic, psychological and technological trends.

Operating Environment examines the CTC's operating environment and details CTC linkages to government-wide priorities, involvement in federal programs, financial partnerships, organizational risks, and the overall planning cycle.

Strategy provides a comprehensive overview of the CTC's five-year strategic plan. This section outlines the organization's goal, its objectives, and a strategy map describing how the CTC intends to meet its ultimate goal of growing tourism export revenues.

¹ Based on Statistics Canada 2006 data for Gross Domestic Product at basic prices.

In addition, this section identifies the five strategic priorities for the 2008-2012 planning period, which relate directly to the mandate and mission established for the Commission. The five priorities are:

- 1) Consumer relevancy;
- 2) Align market allocations for maximum return on investment;
- 3) Differentiate Canada;
- 4) Leverage media exposure of the Vancouver 2010 Olympic and Paralympic Winter Games; and
- 5) Organizational excellence.

Finally, this section highlights several strategic issues that the CTC will continue to monitor, and provides a summary of specific deliverables over the 2008-2012 period.

Performance Measurement & Evaluation describes how the CTC has adopted the Balanced Scorecard (BSC) as its performance measurement framework to manage the organization's strategy at all levels by linking its objectives, measures and initiatives.

Financial Plan 2008-2012 provides information on the CTC's 2008-2012 financial plan, including financial statements and forecasts, as well as actual, estimated and planned operating and capital budgets.

Overall, this Corporate Plan reaffirms the Commission's new marketing strategy, including revitalizing Canada's tourism brand and developing new approaches to reach the potential tourism customer. To maximize its resources and impact, the CTC is continuing to focus its marketing efforts and resources on the core international markets that provide Canada with the majority of its annual tourists and demonstrate the greatest return on investment.

By adhering to the strategic framework established here, by continuing to collaborate with industry and non-traditional partners, and by leveraging Canada's revitalized tourism brand, the CTC is building a stronger platform to successfully grow tourism export revenues for Canada.

corporate profile

organizational overview

The CTC's goal:

Grow tourism export revenues for Canada.

The CTC's vision:

Compel the world to explore Canada.

The CTC's mission:

Harness Canada's collective voice to grow tourism export revenues.

The CTC's legislated mandate:

- Sustain a vibrant and profitable Canadian tourism industry;
- Market Canada as a desirable tourism destination;
- Support a cooperative relationship between the private sector and the governments of Canada, the provinces and the territories with respect to Canadian tourism; and
- Provide information about Canadian tourism to the private sector and to the governments of Canada, the provinces and the territories.

The CTC's Mandate

The Canadian Tourism Commission ("the CTC" or "the Commission") is Canada's national tourism marketing organization. A federal Crown corporation, the CTC leads the Canadian tourism industry in marketing Canada as a premier four-season tourism destination. The Commission supports the industry in generating tourism export revenues.

Through collaboration and partnerships with the private sector, as well as with the governments of Canada, the provinces and territories, the CTC works with the tourism sector to maintain its competitiveness and reposition Canada as a destination where travellers can create extra-ordinary personal experiences.

Marketing Canadian Tourism Globally

The CTC's approach focuses on those global markets or consumer market segments where there is the highest potential for return on investment. The CTC leads international tourism marketing efforts by leveraging Canada's tourism brand in the U.S., the U.K., Germany, France, Mexico, Japan, China, South Korea and Australia.

The CTC's leadership role:

- promote Canada's tourism brand **Canada. Keep Exploring**
- world-class research capacity
- leverage technology and the internet

Transforming Vision into Reality

The fundamental theme of the 2008-2012 Corporate Plan, **Transforming Vision into Reality**, builds on the foundation set in 2007-2011 and takes further action to promote Canada's tourism brand **Canada. Keep Exploring**. In 2007, the CTC launched a new visual identity for the brand based on the 2005 strategy and new brand essence. For 2008-2012, the focus shifts to articulating Canada's tourism brand to consumers by identifying the extra-ordinary personal travel experiences that Canada offers, and differentiating itself in the global market place. By implementing a targeted, focused approach to marketing, the CTC will develop and implement marketing strategies that are relevant to customers' individual needs and the personal experiences they seek in their travel destinations.

Canada's Tourism Brand

The world is coming to see Canada as not just a beautiful place with incredible landscapes, but a place that offers travellers an opportunity to create their own stories and experiences: unique stories that are a little unexpected, unusual and extra-ordinary. The CTC will continue to work closely with the tourism industry to develop a strong tourism brand.

Brand promise:

Come to Canada and create extra-ordinary stories all your own.

Brand pillars:

Culture, geography, people

Brand statement:

Canada is a catalyst for self-expression.

Brand personality:

Confident, youthful, informal, warm, witty, intriguing, open and authentic

Reward:

Proof of a life less ordinary.

corporate governance & staff structure

A Crown corporation since 2001, the Commission reports to Parliament through the Minister of Industry. In January 2007, the Government of Canada announced a Secretary of State for Small Business and Tourism to ensure that Canada's tourism industry grows and prospers.

Board of Directors

A 26-member Board of Directors governs the CTC, which operates in partnership with the public and private sectors. The Board of Directors establishes the CTC's policies and strategic direction, and approves the Corporate Plan and the allocation of resources.

The Chairperson and President & CEO are appointed by the Governor-in-Council. The remaining directors are appointed by the Minister of Industry with the approval of the Governor-in-Council. The Deputy Minister of Industry Canada is an ex-officio director. Appointments are made to reflect the private/public sector nature of the industry, the various regions of Canada, and the composition of its population.

The President & CEO is accountable to the Board of Directors, which is accountable to the Minister of Industry. The primary vehicles for reporting to the Crown are the CTC's Annual Report and the five-year Corporate Plan.

Standing committees of the Board of Directors:

- Executive Committee
- Governance & Nominating Committee
- Audit Committee
- Human Resources Committee

Staff and Organizational Structure

The Commission currently has 161 permanent positions. Ninety-six positions (60 percent) are located at the CTC's head office in Vancouver and are engaged in marketing, communication and research activities, as well as providing corporate and information services. The Commission also retains a small corporate office in Ottawa with two positions.

The CTC currently has 63 full-time international marketing and sales positions (39 percent), and operates international offices in the U.S., Mexico, the U.K., France, Germany, China, Japan, South Korea and Australia. The CTC maintains its strongest presence (26 positions) in various U.S. cities, given that over 76 percent of international overnight trips to Canada currently involve U.S. travellers.

The CTC's core values:

- Innovation
- Collaboration
- Respect

Canada's tourism industry

Tourism activity in Canada represents approximately two percent of Canada's overall Gross Domestic Product (GDP), making tourism a significant economic sector in Canada. In fact, tourism's GDP value of approximately \$27.4 billion is similar in size to the agriculture, forestry, fishing and hunting sectors combined.²

According to Statistics Canada, there are 169,103 tourism-related businesses in Canada, of which approximately 87.5 percent are small and medium-sized enterprises (SMEs) having fewer than 20 employees (2006). SMEs operate in communities large and small, in every province and territory. They provide services in five key industry groups recognized by the Tourism Satellite Accounts: accommodation; food and beverage services; recreation and entertainment; transportation; and travel services. In many parts of Canada, SMEs are the backbone of the economy and foster strong economic, social and cultural benefits for both rural and urban communities.

The Commission works with industry to promote Canada's tourism brand internationally and to encourage travellers to visit Canada. The CTC leads Canada's national marketing campaigns by collaborating with industry, the provinces and territories to consistently promote Canada's tourism brand and provide a unified voice on the global stage. As a result, Canada becomes a more competitive tourism destination and the Canadian economy benefits from the wealth generated.

Tourism is considered an export revenue as it provides new dollars to the Canadian economy. An item sold to an international tourist is considered an item exported. The immediate benefactor of this approach is Canada's tourism industry. Canada's tourism industry recognizes this benefit by investing dollars in the CTC's marketing efforts at a ratio greater than 1:1; this represents an example of a direct return on investment for federal government funding.

The ultimate benefactor, however, is the Canadian taxpayer. The taxpayer enjoys the programs and services funded through taxes generated from international "export" revenues. In addition, tourism contributes to the quality of life in Canada, through investments in public improvements such as parks, transportation infrastructure, facilities, events and attractions.

Tourism benefits:

- Total tourism revenue reached \$66.8 billion in 2006, an increase of 6.5 percent over 2005.
- Tourism's contribution to Canada's GDP reached \$27.4 billion in 2006, a 6.4 percent increase over 2005.
- In 2006, tourism generated over 633,600 jobs and \$20.0 billion in government revenues.

Statistics Canada 2006 estimates, National Tourism Indicators

² Based on Statistics Canada 2006 data for Gross Domestic Product at basic prices, primary industries.

industry environment

The CTC monitors economic and market trends on a monthly basis and uses this information in its decision-making. This information is also made available on the Commission's internet site so that industry may use it to support its business decisions.

tourism snapshot

Global Economy

The global economy performed fairly well in 2006, expanding at an estimated pace of 4.0 percent compared to 3.5 percent in 2005 (see Table 1). The positive momentum was widespread, reaching virtually every economic region. However, the U.S. economy is expected to experience slower growth during the 2008-2012 period. Most CTC core overseas markets are expected to be resilient to the U.S. economic slowdown and should maintain consistent growth during the period.

	2005	2006	2007	2008	2009	2010	2011	2012
World	3.5	4.0	3.5	3.6	3.6	3.4	3.3	3.2
U.S.	3.2	3.3	2.1	2.8	3.2	2.9	2.6	2.6
U.K.	1.9	2.8	2.7	2.5	2.8	2.5	2.4	2.4
France	1.7	2.2	2.1	1.9	1.9	2.0	2.0	2.0
Germany	1.1	3.0	2.9	2.2	1.9	1.7	1.7	1.7
Mexico	2.8	4.8	3.4	3.5	3.6	4.0	4.0	3.9
Japan	1.9	2.2	2.2	1.9	1.7	1.6	1.6	1.5
South Korea	4.2	5.0	4.6	5.8	5.7	5.2	4.7	4.3
China	10.4	10.7	10.6	9.4	8.8	8.4	8.1	7.7
Australia	2.8	2.7	3.4	3.0	3.2	3.0	3.2	3.2

Global Insight - 2007

Market Performance

In 2006, the United Nations World Tourism Organization (UNWTO) reported the best results in international tourism in the last 20 years, with international tourist arrivals reaching an all-time record of 842 million, for an increase of 4.9 percent, coupled with \$735 billion in tourism receipts. International travel to the U.S. grew by 3.8 percent over the same period, reaching 51.1 million visitors.

Worldwide, the number of "outbound" travellers (those travelling internationally) has increased significantly and, as a result, the world share of other tourism destinations (besides those ranking in the top 15) has increased by 7.9 percent since 1980 (see Table 2). Globally, established destinations are now competing with new tourism destinations and, as a result, Canada has experienced a loss of market share.

Table 2: World Tourism Receipts (U.S. \$ billion)

		1980		2006		
Rank		Receipts	World Share		Receipts	World Share
1	United States	10.1	38%	United States	85.7	35%
2	France	8.23		Spain	51.1	
3	Italy	8.21		France	46.3	
4	Spain	7.0		Italy	38.1	
5	U.K.	6.9		China	33.9	
6	Germany	6.6	22%	U.K.	33.5	16%
7	Austria	6.4		Germany	32.8	
8	Mexico	5.4		Australia	17.8	
9	Switzerland	3.1		Turkey	16.9	
10	Canada	2.3		Austria	16.7	
11	Belgium	1.8	7.8%	Canada	14.5	8.8%
12	Brazil	1.79		Greece	14.3	
13	Greece	1.73		Thailand	12.4	
14	Netherlands	1.67		Mexico	12.2	
15	Singapore	1.4		Switzerland	11.8	
	Others	34.7	32.3%	Others	297.0	40.2%
Total		107.3	100%		735.0	100%

UNWTO

Market Share

According to the UNWTO, in 2006 Canada ranked 11th in the world when measured by tourism receipts, 12th from a tourism arrivals perspective and registered a 2.2 percent market share. This represents a decrease of 2.3 percent since 2005, which translates into \$1.1 billion in foregone revenue. Canada's performance in international visitation has decreased since 2002, mainly due to a decrease in visitors from the U.S. Since 2002, Canada's market share of outbound travel from the U.S. has steadily fallen by more than 6.8 percent to 21.1 percent of total outbound (see Table 3). Between 2005 and 2006, Canada experienced a decrease of 3.7 percent in arrivals from the U.S. Factors contributing to this decline include border issues, higher gas prices and a strong Canadian dollar.

Table 3: Canada's International Market Performance

	2002	2003	2004	2005	2006
Total Long-Haul Outbound* Travel from Overseas (million)	39.7	37.6	43.1	45.5	46.5
Total Overnight Overseas Arrivals to Canada (million)	2.3	1.9	2.4	2.6	2.6
Overseas Market Share (%)	5.8	5.1	5.6	5.7	5.6
Total Outbound Travel from United States (million)	58.1	56.3	61.8	63.8	66.0
Total Overnight U.S. Arrivals to Canada (million)	16.2	14.2	15.1	14.4	13.9
U.S. Market Share (%)	27.9	25.2	24.4	22.6	21.1
Overall Market Share (%)	18.9	17.2	16.7	15.5	14.7

**Total Long-Haul Outbound represents potential travellers from all CTC Core International Markets who travel to global destinations outside of their respective continent.
CTC data 2007*

Canada's share of key overseas markets stabilized in 2006, registering 5.6 percent of the total overseas market share (see Table 3). Record levels in volume from Mexico, China and South Korea partially offset declines from traditional mature markets (e.g. the U.K., Germany and Japan). Overall, Canada's competitive position has eroded internationally with a drop in share since 2003 (see Table 4), representing an estimated potential loss in revenue of \$3.2 billion, including an estimated \$2.2 billion in foregone revenues in 2006 alone.

Table 4: International Tourist Receipts/Trips 2003-2006*

	Overnight Receipts (\$M)				% Change			Overnight Trips ('000)				% Change		
	2003	2004	2005	2006*	2004/03	2005/04	2006*/05	2003	2004	2005	2006*	2004/03	2005/04	2006*/05
U.S. Leisure	5,928	6,585	5,940	5,718	11.1%	-9.8%	-3.7%	12,524	13,097	12,427	11,901	4.6%	-5.1%	-4.2%
U.S. MC&IT**	1,361	1,583	1,523	1,550	16.3%	-3.8%	1.8%	1,708	1,991	1,964	1,955	16.6%	-1.3%	-0.5%
Total U.S.	7,289	8,168	7,463	7,268	12.1%	-8.6%	-2.6%	14,232	15,088	14,391	13,856	6.0%	-4.6%	-3.7%
U.K.	945	1,116	1,246	1,145	18.1%	11.8%	-8.1%	691	801	888	842	15.9%	10.8%	-5.2%
Japan	348	553	557	490	58.9%	1.1%	-12.0%	250	391	398	364	56.4%	1.8%	-8.5%
France	365	405	463	469	11.0%	14.3%	1.3%	275	337	351	361	22.5%	4.3%	2.8%
Germany	345	398	410	406	15.4%	3.0%	-1.0%	253	297	311	298	17.4%	4.9%	-4.2%
Australia	206	279	287	268	35.4%	3.2%	-6.4%	136	174	179	177	27.9%	3.0%	-1.1%
Mexico	206	232	240	275	12.6%	3.4%	14.6%	132	169	179	202	28.0%	6.1%	12.8%
South Korea	222	232	247	262	4.5%	2.6%	6.1%	133	164	173	189	23.3%	5.0%	9.2%
China	143	171	219	294	19.6%	24.6%	34.2%	77	95	113	139	23.4%	18.8%	23.0%
Total Overseas	2,780	3,386	3,669	3,609	21.8%	8.1%	-1.6%	1,947	2,428	2,592	2,572	24.7%	6.8%	-0.8%
Totals	10,069	11,554	11,121	10,877	10.8%	-3.7%	-2.2%	16,179	17,516	16,983	16,428	8.3%	-3.0%	-3.3%

**Statistics Canada, International Travel Survey; CTC preliminary estimates
**Meetings, Conventions and Incentive Travel*

Market Yield³

U.S. business travellers are Canada's highest spenders on a per night basis at \$247.58 (see Table 5). Canada's highest yielding key overseas markets are Australia, Japan and the U.K. Visitors from China represent the largest per trip expenditures at \$1,752; however, their spending per night is \$66.91.

Table 5: Market Yield Forecasts			
	2006 Ave. \$ per night	2012* Ave. \$ per night	Average growth 2012/2006
Asia/Pacific			
Japan	\$125.88	\$149.42	3.4%
Australia	\$129.05	\$155.89	3.2%
China	\$66.91	\$81.30	3.3%
South Korea	\$70.16	\$81.81	2.6%
Europe/Latin America			
United Kingdom	\$110.77	\$126.72	2.2%
Germany	\$92.07	\$103.67	2.0%
France	\$84.37	\$100.74	3.0%
Mexico	\$71.22	\$76.99	1.8%
U.S. MC&IT	\$247.58	\$265.90	1.2%
U.S. Leisure	\$116.77	\$126.17	1.3%
Total CTC Core Markets	\$117.30	\$126.60	1.3%

*CTC estimates
Statistics Canada, International Travel Survey (2006)

Yield versus Volume

When assessing the potential of a market, it is important to examine both yield and volume. Yield refers to the average amount a visitor spends per night, while volume refers to the share size of a market.

While the U.S. leisure market represents a medium-yield market at \$116.77 per person per night in money spent, it represents a high-volume market with 11.9 million visitors in 2006 (see Table 6). Despite overall declines in U.S. leisure visitors, the U.S. remains Canada's largest international market with revenues of \$5.7 billion in 2006; this is higher than the cumulative level of receipts (\$3.6 billion) of all CTC core overseas markets.

³ Market Yield refers to the average visitor's spending.

Table 6: Key Market Information						
	2006			2005		
	Receipts (\$M)	Ave. # of nights	Ave. \$ per night	Receipts (\$M)	Ave. # of nights	Ave. \$ per night
Asia/Pacific						
Japan	\$490	10.7	\$125.88	\$557	11.9	\$117.75
Australia	\$268	11.8	\$129.05	\$287	14.0	\$115.05
China	\$294	26.2	\$66.91	\$219	32.5	\$57.74
South Korea	\$262	19.8	\$70.16	\$247	24.6	\$55.92
Key Asia/Pacific	\$1,314	15.4	\$98.44	\$1,310	17.6	\$85.44
Europe/Latin America						
United Kingdom	\$1,145	12.3	\$110.77	\$1,246	13.4	\$105.30
Germany	\$406	14.8	\$92.07	\$410	15.8	\$83.66
France	\$469	15.4	\$84.37	\$463	16.6	\$79.55
Mexico	\$275	19.1	\$71.22	\$240	17.1	\$78.32
Key Europe/Latin America	\$2,295	14.2	\$94.97	\$2,359	14.8	\$92.09
U.S. MC&IT	\$1,550	3.2	\$247.58	\$1,523	3.1	\$251.19
U.S. Leisure	\$5,718	4.1	\$116.77	\$5,940	4.1	\$115.87

Statistics Canada, International Travel Survey 2006

forecasts & trends 2008-2012

Population Forecast

Population growth in the 25-64 age range in the CTC's core markets is expected to reach 1.2 billion by 2012: a 6.8 percent increase (equivalent to 77 million people) over 2006 (see Table 7). The Asia/Pacific markets account for the majority of this increase.

- The U.S. target market is forecast to increase by 5.1 percent (eight million) between 2006 and 2012, reaching 166 million.
- The Europe/Latin America target market (France, Germany, the U.K., and Mexico) is forecast to increase by 5.7 percent (nine million) from 2006-2012 to reach 167 million.
- The Asia/Pacific target market (China, Japan, South Korea and Australia) is forecast to increase by 7.3 percent (60 million) between 2006 and 2012, reaching 878 million.

Table 7: Population Forecasts (Age 25-64) (In millions)

	2006	2007	2008	2009	2010	2011	2012
United States	158	160	161	163	164	165	166
Europe/Latin America*	158	159	160	162	163	164	167
Asia/Pacific*	818	830	840	848	856	865	878
TOTAL	1,133	1,149	1,161	1,172	1,183	1,195	1,211
% Change	0.8	1.4	1.0	0.9	0.9	1.0	1.3

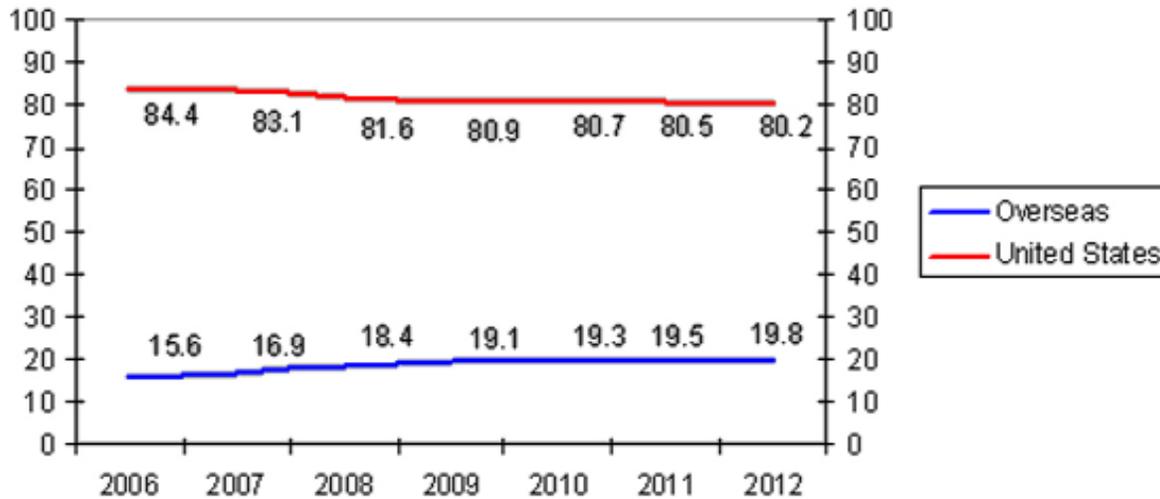
*CTC core markets 2007
U.S. Census Bureau

Trip Forecast

Overall, international trips to Canada are expected to increase by 2.1 million, from 16.4 million in 2006 to 18.5 million in 2012.

- Trips from the U.S. are expected to decrease, reducing their share of entry of the total international market to Canada from 84.4 percent to 80.2 percent.
- Trips from overseas markets are expected to increase their share of entry of the international market to Canada from 15.6 percent to 19.8 percent.

Table 8: Percent of Total Trips to Canada



The Conference Board of Canada 2007

Passport Delays

U.S. travellers have been facing lengthy delays when applying for passports since the Western Hemisphere Travel Initiative (WHTI) requirements for air travel took effect in January 2007. There continues to be an overwhelming and unprecedented demand for passports. Approximately 8.6 million passports were issued between October 2006 and April 2007, a 33 percent increase over the same period for the previous year. According to the Conference Board of Canada, WHTI could result in an estimated cumulative loss of as many as 14.1 million inbound trips from the U.S. and a loss of nearly \$3.6 billion in tourism receipts between 2005 and 2010.

Demographic & Psychological Trends

Consumers to Watch: While the baby boomers comprise the largest and wealthiest portion of the U.S. demographic, adults between the ages of 25 and 40, labelled "Generation X," now spend more per leisure trip than U.S. baby boomers. This younger generation places a higher premium on unique travel experiences and tend to spend more on activities such as entertainment, dining and shopping, with less on transportation and accommodation.

Factors of Influence: The CTC's most recent research in its core markets identified the following shifts in tourist behaviour:

- more late bookings;
- increase in number of trips being taken closer to home;
- increased sensitivity to price;
- increased emphasis on business travel cost cutting;
- more individual (not organized) travel and do-it-yourself;
- more internet bookings and travel reservations;
- increased competition among low-cost airlines; and
- increased attraction to new emerging/exotic destinations.

Niche Markets: Spas are the fastest growing leisure sector in North America, growing faster than golf and skiing combined.

Length of Trips: Long-weekend trips (defined as a three-night stay away from home) represent an increasingly important opportunity in leisure travel and the online leisure marketplace. Long-weekend trips are the most popular type of leisure travel for the U.S. market, and are taken more than twice as often as week-long vacation travel.

Technological Trends

Online Use: Currently, 83 percent of U.S. internet users go online to research or book summer travel.⁴ At the same time, the internet population is growing at 17 percent annually and consumers are becoming more comfortable purchasing online.⁵

⁴ Consumer Preference Index (CPI) "2006 Summer Travel" poll, Prospectiv.

⁵ Forrester Research.

Online travellers rely on general search engines to influence not only where their travel is purchased, but what travel is ultimately purchased.⁶ Almost two-thirds of online travellers report that general search engines, like Google and Yahoo!, influence their travel purchase. In addition, potential travellers are increasingly referring to travel blogs and user review sites rather than professionally written guides when making travel plans.

Business vs. Leisure: An increased lack of designated leisure time is forcing business travellers to be more creative at when and how they vacation; as a result, almost 40 percent of business travellers extend their business trips to include a leisure component and, when they do, 61 percent stay at the same hotel.

In short, the internet is becoming an increasingly important medium in which to target potential consumers with marketing strategies.

⁶ PhoCusWright.

operating environment

linkages to government-wide priorities

As a Crown corporation, the CTC supports government-wide priorities as established by its shareholder, the Government of Canada. Through its legislated mandate, the CTC promotes government-wide priorities by working to sustain a vibrant and profitable Canadian tourism industry, marketing Canada as a desirable tourism destination, and supporting collaboration and information sharing between the private and public sectors.

Framework for a National Tourism Strategy

Recognizing the importance of the tourism industry, Canada's federal/provincial/territorial (F/P/T) tourism ministers, in consultation with industry, have developed a framework for a national tourism strategy. This framework identifies areas of collaboration, establishes ambitious goals and sets out priority areas to improve tourism industry competitiveness and accelerate its growth. The priorities include: border crossings, transportation infrastructure, product development, human resource development, tourism information and statistics, and tourism marketing.

The framework's vision:

- Make Canada a sustainable and top-of-mind tourist destination, renowned worldwide for its exceptional and unique year-round, quality travel experiences.

The framework's goal:

- For F/P/T governments to work in close partnership and in collaboration with the private sector to ensure Canada is among the world's top 10 tourist destinations, in terms of international arrivals and expenditures, and to increase domestic and international tourism revenues to \$75 billion by 2010.

The framework facilitates the development of collaborative approaches to increase the cohesion, effectiveness and efficiency of national initiatives, while at the same time recognizing the unique priorities and needs of each region. By strengthening the collaboration of tourism marketing between the provinces/territories and the CTC, the framework not only serves to better coordinate existing initiatives but also improves how well they complement one another, leading to innovative partnerships.

The framework provides a foundation for a long-term, coordinated approach to sustainable growth of the tourism industry.

Decline in U.S. Travellers

The Government of Canada recognizes the importance of travel and trade relations between Canada and the U.S.⁷ In response to rising concern regarding fewer U.S. travellers, the CTC has undertaken a trend analysis on Canada's performance in the U.S. market over the last decade and will work to identify the key travel trends that have affected U.S. inbound and outbound travel trends since 1996. The CTC will continue to work with F/P/T government partners to identify opportunities to increase U.S. travel to Canada.

Aboriginal Tourism

Aboriginal tourism has the potential to be one of Canada's unique strengths in both the domestic and international markets. While the growth of this segment of the tourism industry faces unique challenges, there is great potential to increase Aboriginal tourism activities and, at the same time, contribute to the wealth creation, economic development and self-reliance of Aboriginal people and communities in all provinces and territories across Canada.

The Government of Canada has announced its dedication to improving the lives of Aboriginal people.⁸ In support of this recognition, the CTC has identified Aboriginal tourism as a strategic focus and is working to identify experiential opportunities.

Sustainable Tourism

Sustainable tourism endeavours to minimize environmental and cultural impacts while contributing to economic development. The long-term success of Canada's tourism industry depends on business owners and operators being stewards of the environment and adopting best-practices. The CTC has identified sustainable tourism as a strategic issue and will collaborate with F/P/T government agencies and the industry to develop a cohesive strategy for sustainable tourism in Canada.

involvement in federal programs

Federal Identity Program

As a Part I, Schedule III Crown corporation, the CTC is subject to the Federal Identity Program (FIP). The identity program is intended to promote clear and consistent identification of Canadian government institutions. In adherence to this program, the CTC has developed a FIP Manual to guide the CTC in ensuring appropriate and consistent usage of FIP identifiers. Further details on the FIP action plan can be found in Appendix IV.

⁷ *Foreign Affairs and International Trade Canada (DFAIT): <http://www.international.gc.ca/index.aspx>.*

⁸ *Prime Minister Harper announces major reforms to address the backlog of Aboriginal treaty claims. Ottawa, Ontario: June 12, 2007.*

Official Languages

The CTC is committed to both official languages having equality of status and equal rights and privileges within the Commission. The CTC provides services and communicates with stakeholders, suppliers and partners in their preferred official language from both its offices in Vancouver and Ottawa. The Commission ensures that its corporate culture promotes the effective use of both official languages in the workplace.

The CTC is also committed to involving the English and French linguistic minority tourism business communities in Canada, to ensure fair access to the Commission's tourism support services.

In 2006, the CTC developed an overarching Official Languages Policy designed to ensure monitoring and reporting requirements are clearly outlined, including annual reporting to the Canada Public Service Agency and Canadian Heritage. The plan includes expected results and performance indicators in order to ensure that the Commission is meeting its obligations under the Official Languages Act.

financial partnerships

The CTC is founded on the principle of partnership between the public sector and private industry. Through contributions from partners that match its own funding contributions, the CTC is able to achieve the maximum return on investment for its tourism marketing initiatives.

In 2006, partnership contributions totalled \$103.1 million, resulting in an overall 1.2:1.0 ratio of partner contributions to the CTC's annual appropriation.

There are four types of CTC partnership arrangements:

1. **CTC-led marketing or sales campaigns.** During 2006, partners invested \$6.8 million in direct revenue.
2. **Marketing initiatives where a partner takes the lead** in managing the campaign. Partner investments in these types of initiatives totalled \$41.8 million in 2006.
3. **Parallel partnerships** where the CTC runs parallel advertising with its partners. Partner contributions to parallel partnership initiatives in 2006 totalled \$11.8 million.
4. **Partner contributions in-kind.** These can range from airfare for media familiarization tours to unpaid advertising in TV programs. In-kind contributions in 2006 were valued at \$42.7 million.

The CTC's total partnership contributions in 2006 were \$103.1 million, compared to \$86.5 million in 2005.

+	\$ 86.8 million	2006 CTC Budget Allocation
	\$ 103.1 million	2006 Partnership Contributions
	\$ 189.9 million	Total 2006 investments toward CTC activities

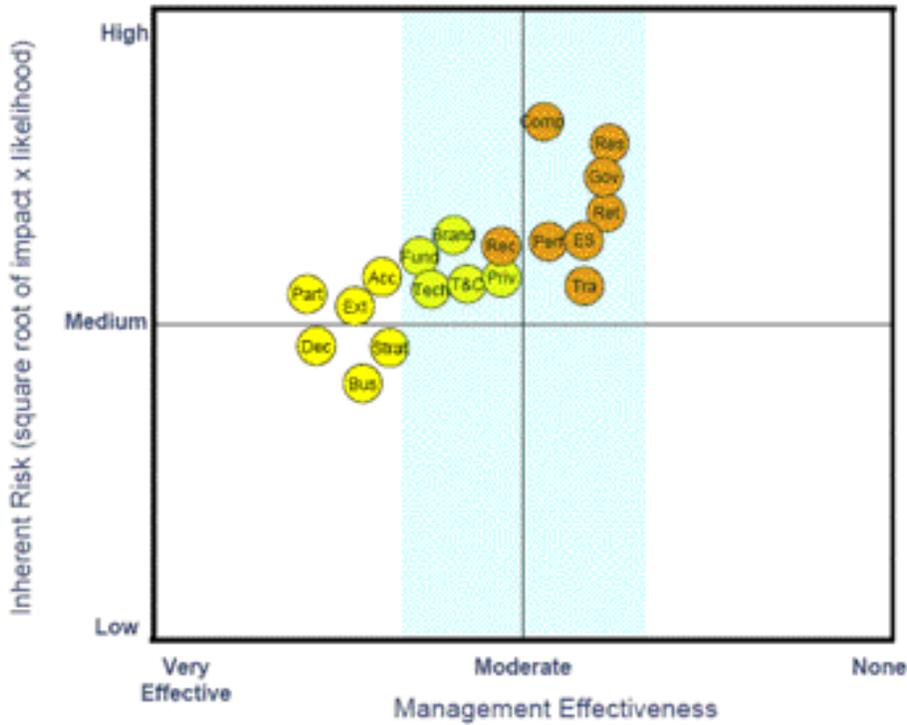
organizational risks

The CTC aims to control and mitigate risk to a level that is reasonable and acceptable. As part of its annual planning cycle, the CTC conducts a risk assessment and uses the results of the assessment in the development of its five-year Corporate Plan. The 2007 risk assessment identified the most pressing risks facing the organization in terms of their likelihood of occurrence, their impact on the Commission's goal and objectives, and the CTC's organizational ability to control and manage the risks. Below are the risks currently facing the CTC in order of greatest residual risk:

1.	RES	Resourcing	11.	T&C	Employment Terms & Conditions
2.	GOV	Reliance on Government Funding	12.	TECH	Technology Effectiveness
3.	RET	Retention	13.	FUND	Funding Model
4.	COMP	Competition	14.	ACC	Accounting & Financial Management
5.	ES	External Shock	15.	EXT	External Communications
6.	PERF	Relevance / Attribution - Performance Measurement	16.	STRAT	Strategic Planning
7.	TRA	Training / Development	17.	PART	Partnering
8.	REC	Recruiting	18.	BUS	Business Model
9.	BRAND	Protection of Brand Assets	19.	DEC	Effectiveness of Decision Making
10.	PRIV	Privacy			

The corresponding risk map in Figure 1 below illustrates the order of magnitude of each risk in terms of its impact and likelihood of occurrence. No risks were found to be extremely high for the CTC. High risks are identified in orange, with medium risks in yellow. The top 13 risks for the CTC (those located in the shaded region) pose the greatest threat and, therefore, a risk mitigation strategy has been developed to retain a focus on managing and addressing these risks on an ongoing basis.

Figure 1: Risk Map



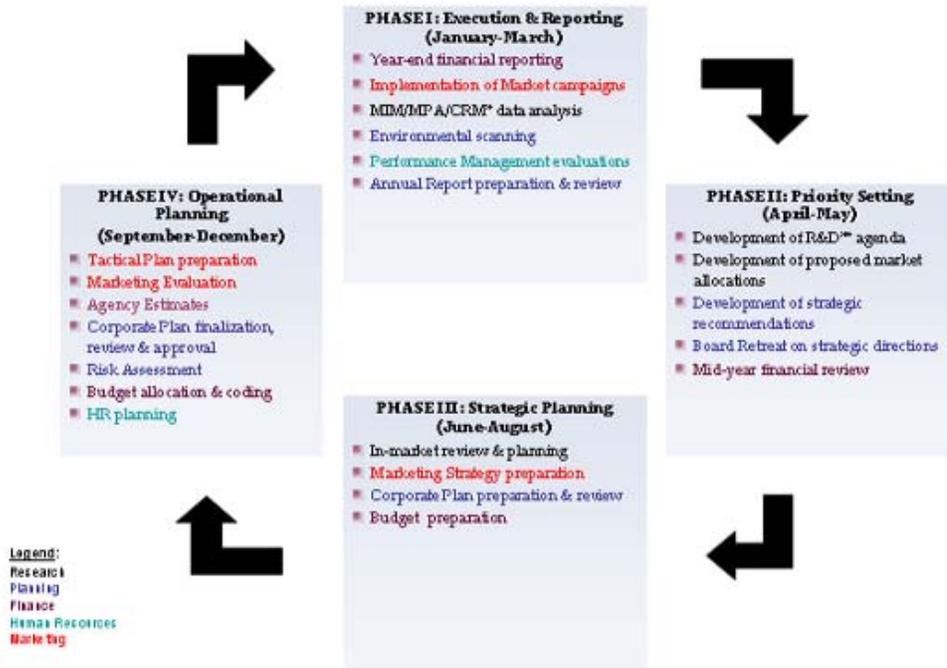
In order to address some of the risks in the short-term, the CTC will undertake certain key activities including developing a crisis management plan, establishing a sound performance measurement framework, and implementing greater financial controls. Further details on the risk mitigation strategy can be found in Appendix iii.

planning cycle

As a strategy-focused organization, the CTC has developed a comprehensive planning cycle to integrate financial, marketing and sales planning with overall strategic and corporate planning activities. The integration of all CTC planning activities ensures a consistent and coordinated approach that considers all relevant information in decision-making, and aligns efforts and results with the organization's goal and objectives.

The CTC planning cycle begins with **Execution and Reporting**, as well as the rolling out of the market campaigns and preparation of performance analysis of the previous year. Phase two, **Priority Setting**, supports the development of proposed market allocations and strategic recommendations for the coming year. The Board reviews the objectives and priorities of the CTC annually and, when necessary, adjusts or updates them to ensure they continue to reflect current realities, emerging issues and new challenges. The

third phase, **Strategic Planning**, focuses on the development of the overall strategic direction for the CTC and the development of the Marketing Strategies for each market. Phase four, **Operational Planning**, involves the development of the tactical plans and budget estimates to roll out the marketing strategies. This final phase includes planning tools such as the Corporate Plan, market evaluations and budget allocations to programs and business units.



*Market Investment Model/Market Portfolio Analysis/Customer Relationship Management

**Research & Development

Strategic Planning

Strategic Planning is a key component of the overall corporate planning cycle at the CTC. The CTC conducts strategic planning on a five-year basis, and updates the Corporate Plan annually. The Plan identifies the goals and objectives of the CTC and outlines the key priorities on which it will focus to support their achievement. The Corporate Plan is developed by analyzing the various marketing strategies from the previous year, reviewing performance, and identifying and assessing overall market trends. This analysis is then presented to the CTC Board of Directors to establish key priorities for the coming year and the allocation of resources by market. The Board plays an important role in setting the strategic directions for the Commission.

strategy

context

The 2008-2012 Strategy sets out the CTC's objectives and priorities for the next five years and reaffirms the strategic goal of growing tourism export revenues for Canada. The 2008-2012 Strategy builds on the foundation set in 2007-2011 and reflects the work that has been underway throughout the last year with Canada's tourism industry to promote Canada's tourism brand **Canada. Keep Exploring**. By adopting a targeted, focused approach to marketing, the CTC will develop and implement marketing strategies **to reposition Canada as a destination where travellers can create extra-ordinary personal experiences.**

Canada. Keep Exploring

Brand Canada will be a leading storytelling tourism brand in the world where travellers bring home extraordinary stories of their own.

As a country, a culture and a people, we will invite travellers to share in our belief of the value of a life less ordinary. Our imagery will build on people's love of the Canadian landscape but portray it on a more personal and interactive level (e.g. people with/in nature).

The world will come to see Canada as not just a beautiful place, with incredible landscapes, but a place that offers travellers an opportunity to create their own stories and experiences: unique stories that are a little unexpected, unusual and out of the ordinary.

the strategy

Goal

The CTC's goal is to grow tourism export revenues for Canada.

Objectives

Four objectives have been identified for 2008-2012:

1. convert high yield customers;
2. focus on markets of highest return on investment;
3. maintain brand consistency; and
4. research new market opportunities.

The CTC's approach to growing export revenues is based on deepening the relationship with high-yield consumers in an effort to influence their travel decisions and establish them as a travel purchaser. Second, the CTC's approach focuses on those global markets or consumer market segments where it is felt there is the highest potential for return on investment.

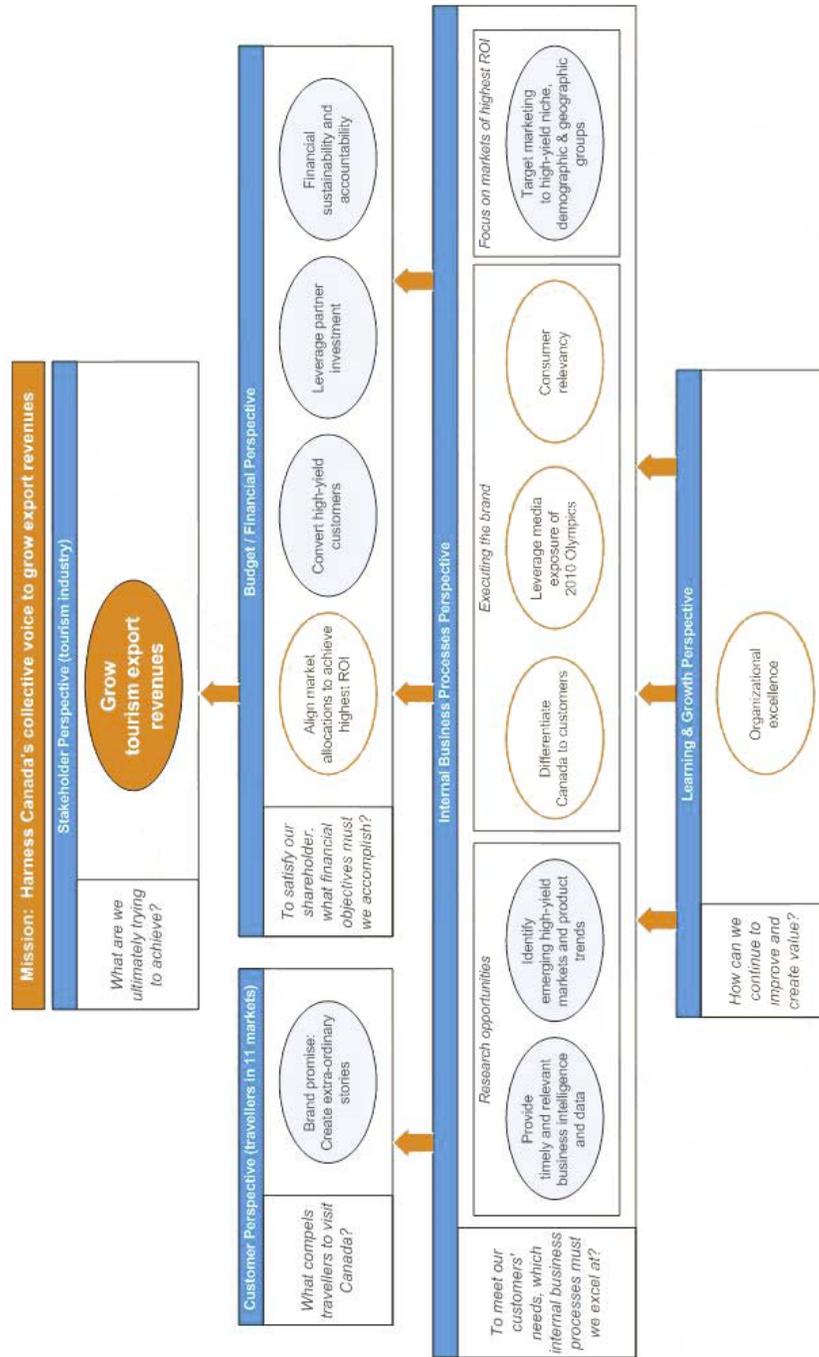
Promoting brand consistency is central to marketing Canada as a desirable tourism destination. Over the 2008-2012 planning period, the CTC will work closely with industry to communicate the advantage of a strong global brand for Canada and work collaboratively to leverage the brand. Finally, the Commission's strategy will focus on identifying new niche market opportunities within its core markets and positioning Canada to diversify its marketing strategy.

Strategy Map

The CTC has developed an enterprise-level Strategy Map, which visually represents the Commission's five-year strategy. The Strategy Map, found in Figure 3, illustrates how the CTC's five key business perspectives are integrated and how the CTC intends to meet its ultimate goal of growing tourism export revenues:

- The **Stakeholder** perspective focuses on growing tourism export revenues for Canada together with the rest of the tourism industry.
- The **Budget/Financial** perspective indicates whether the strategy, implementation and execution are resulting in the desired financial returns.
- The **Customer** perspective identifies the CTC's targeted customers and market segments. It requires the organization to view the business from the customer's point of view, and strives to compel travellers to visit Canada.
- The **Internal Business Processes** perspective focuses on those day-to-day operations that are critical to delivering on the organization's value proposition and achieving the desired financial results. These key business processes are research, executing the brand and focusing marketing efforts on markets of highest return.
- Lastly, the **Learning & Growth** perspective identifies the infrastructure and human resources needed to drive performance and create long-term growth and improvement.

Figure 3: Strategy Map

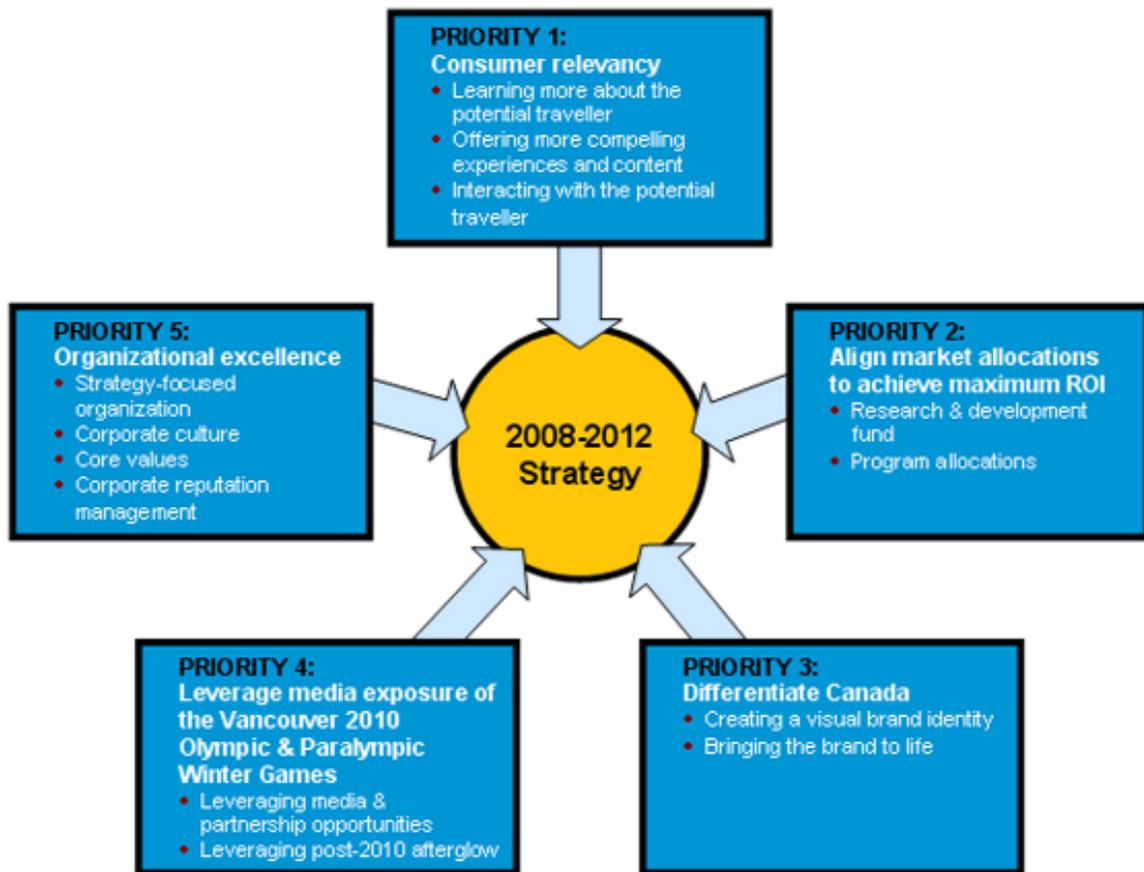


priorities

The CTC's 2007-2011 strategic planning process highlighted seven priorities that worked to provide a solid foundation on which to build and expand the CTC's strategy for 2008. Although the CTC's 2007-2011 planning process identified "leveraging partner investment" and "creating increased demand for air access" as priorities, this year's planning process identified the former as integral to all CTC activities, and found the latter to be a core element of the CTC's business and inherent in its marketing approach. Therefore, these two issues were removed as specific priorities in the 2008-2012 strategy.

The CTC's 2008-2012 planning process included research regarding the CTC's external and internal environments, the tourism industry's perspectives, and the Commission's performance in its core function areas. Together, the following five integrated priorities identified for the 2008-2012 period will work in unison to achieve the CTC's main goal of growing Canada's tourism export revenues.

Figure 4: 2008-2012 Strategy



Priority 1: Consumer relevancy

The CTC seeks to develop and maintain relevant communication with targeted potential travellers and ensure that the marketing messaging they receive is relevant and addresses their interests and expectations as consumers. In order to accomplish this objective, the CTC needs to reach the right people, at the right time, with the right experience, presented in the right way.

Learning more about the potential traveller

Ensuring consumer relevancy begins with the process of identifying who potential consumers are and learning more about their travel preferences. This increased knowledge will enable the CTC and industry to build relationships based on matching consumer travel needs with products and services.

As a research-based organization, the CTC conducts consumer research to identify travel experience preferences, attitudes and motivations toward international travel, preferred travel experiences, and travel vacation planning. This research supports the identification of travel market segments. Using the Explorer Quotient (EQ) - a unique global traveller segmentation tool based on a consumer's social and travel values rather than traditional demographic segmenting - the CTC will be better able to understand global types of potential travellers and build and maintain relevant communication with them. The research behind the EQ profiles provides the CTC with key insights into traveller behaviours, values and motivators.

Over the next five years, the EQ will drive the Commission's marketing decision-making, providing Canada with a competitive advantage. As the EQ is implemented in each of the CTC's core markets (the U.S. and the U.K. in 2008, followed by the other core markets in 2009), the Commission will be able to more effectively target marketing campaigns that resonate with the consumer's heart and mind.

Offering more compelling experiences and content

The more the CTC knows about its key market segments, the better it can engage in personal and relevant relationships with the potential traveller and match the experiential needs and desires of travellers with the right products and services.

In 2008 and beyond, the Product Innovation and Enhancement (PIE) team will focus on building a repository of products and experiences. In order to expand Canada's lure beyond big nature and geography, PIE will work with industry partners to identify experiences around Canadian food and wine, festivals, major cities, outdoor adventure, and francophone and Aboriginal cultures. The objective is to identify those experiences that are out of the ordinary, differentiate Canada, and create an urgency to visit Canada now. Over the coming years, PIE will work to identify experiences that respond to the consumer preferences of each EQ type.

Offering more compelling experiences that are relevant to the consumer will help define Canada's core strengths and differentiate it from the rest of the world. A greater level of awareness and knowledge of what Canada has to offer will change a potential traveller's perception of the nation and compel them to book a trip to explore Canada.

Interacting with the potential traveller

The CTC has made significant investments in the area of e-marketing and customer relationship management over the last couple of years. The strategy for 2008-2012 is to continue to support these investments by creating a valuable online experience that will ultimately convert interested visitors into customers.

Internet technology allows the CTC and its partners to develop unique communications strategies for every region, culture, country and language. In addition, a centralized system - with consistent brand content - maximizes impact with low-cost efficiency. Above all, this strategy will ensure brand content is relevant to local needs and cultures, and that customers enjoy the same, consistent brand experience wherever they may be.

By moving forward on its e-marketing strategy, the CTC will differentiate itself from competing nations and destinations by making it easier for consumers to research and buy Canadian travel experiences using the internet. Increased emphasis on using the Web as a primary communication tool will enable the CTC to move Web activity from the periphery of its marketing activities to the centre of a fully integrated marketing solution.

Over the next five years, the CTC will continue to develop its Customer Relationship Management (CRM) system to collect and analyse consumer data related to travel preferences and spending patterns. The CRM system enables the CTC and its industry partners to target their best customers, manage marketing campaigns with clear goals and objectives, and generate quality leads for the sales team.

Priority 2: Align market allocations to achieve highest return on investment

In 2008, the CTC will focus its investments in the U.S. (including Leisure and Meetings, Conventions & Incentive Travel (MC&IT) markets), Mexico, France, Germany, the U.K., Japan, China, South Korea and Australia. Compared to 2007, some budget reallocation will be implemented to take advantage of growth markets. Specifically, the allocations for U.S. Leisure, the U.K., France, and Germany will increase in 2008.

In determining the budget allocations for 2008, a number of elements were taken into consideration to provide the CTC with the best return on investment for its program funding. The following elements were considered:

- Market Investment Model (MIM) overall weighted scores by market;
- trend in average trip spend;
- exchange rates shifts;
- impact of increases/decreases in investments;
- return on investment results based on conversion studies; and
- U.S. Leisure market opportunities and trends in pleasure travel.

In addition, budget allocations factor in the total revenue contributed by each market and the historical performance of marketing campaigns in the major markets. Budget allocations for growth markets are supported by the high correlation between market performance and economic growth.

Research and development fund

The CTC's Research and Development (R&D) program will now focus its resources on identifying and assessing new market opportunities and niche experiences within the CTC's core markets that may warrant additional investment. The framework developed to guide the assessment of emerging markets will be adapted to guide the research and assessment of market opportunities and niche experiences to ensure an objective and consistent process. This process will ensure opportunities are assessed on their ability to meet the following criteria:

- yield - supported with demonstrated demand to ensure volume;
- brand consistency;
- Canada's experience offering is believable and can compete in the world market;
- the experience is sustainable and not just a passing fad; and
- global market potential (these opportunities will be given preference).

The R&D program will also oversee the development of new analytical tools and models to inform business and marketing investment decisions to maximize return on investment, as well as advertising and marketing effectiveness. These new initiatives will complement the Market Portfolio Analysis (MPA) model and the MIM.

Canada program allocations

As part of the 2008-2012 strategic planning process, the CTC will reprofile its investment in the Canada marketing program to focus on international markets. The CTC will retain approximately \$500,000 to maintain a limited domestic role in Media & Public Relations and PIE in support of Canada's tourism brand; the remaining funds will be distributed across the CTC's international marketing programs based on maximizing return on investment. Canada program staff will be reassigned in support of the CTC's strategic priorities.

The decision to eliminate the Canada program was based on the fact that increased investment by partners in domestic marketing has been instrumental in driving growth in inter-provincial travel. In 2006, total domestic tourism revenue increased by 10 percent from 2005 to \$49.7 billion.

U.S. Leisure allocation

The increase in allocation for the U.S. Leisure market in 2008 is based on the Board's decision to focus on pure leisure performance for the U.S. traveller over visiting friends and relatives and "other" categories. Given that the U.S. represents the largest market for Canada, an increase in Canada's tourism brand exposure is valuable.

Allocations for the U.K., France and Germany

MIM recommendations that draw from past, current and future market conditions suggest increasing the core investment levels of the U.K., France and Germany markets to capitalize on return on investment opportunities.

Japan allocation

MIM recommendations for the Japan market suggested decreasing the core investment level. As MIM recommendations are considered only one part in the calculation of budget allocations, it was deemed necessary to support market re-engineering efforts to capitalize on return on investment opportunities in Japan. Therefore, while the program allocation for Japan in 2008 will decrease relative to the 2007 level, it will not decrease to the extent suggested by MIM.

Priority 3: Differentiate Canada

Many destinations are competing for the tourist's dollar. Canada needs to stand out from its competitors. The CTC has had enormous success in launching Canada's tourism brand **Canada. Keep Exploring** on the world stage. In collaboration with Canada's tourism sector, the CTC has created a platform capable of differentiating the Canadian travel experience.

Brand Essence:

- As a young nation with progressive values, vast geography and diverse cultures, we are very much a nation on a journey.
- We share in our visitor's joy of personal, cultural and geographic exploration and we value the individual's unique contribution to creating a tourism experience.
- In encouraging the world to **Keep Exploring**, we attach ourselves to the hopes and dreams of every traveller - to find oneself in a place where one is free to pursue one's own idea of the perfect vacation.
- Consumer research and trade customer perceptions of **Canada. Keep Exploring** tell us that people from around the world have a very positive attitude toward Canada.
- **Canada. Keep Exploring** is a powerful brand. However, the perception of Canada is primarily nature-based and the public is unsure of whether Canada will be a rewarding and interesting vacation beyond the "sights" and the vast natural geography.
- Success lies not in compelling our audience to want to buy our product, but in inspiring them to want to discover for themselves, on their own terms, an experience as unique and memorable as the ones they see portrayed in our communications.
- Canada's tourism brand is designed to create urgency and to compel the world to visit Canada NOW.
- The **Canada. Keep Exploring** promise is:
"Come to Canada. Create extra-ordinary stories all your own."

Consumer research and trade perceptions of Brand Canada tell us that people from around the world have a very positive attitude toward Canada. According to the Nation Brand Index, Canada ranks #3 in the world for a country brand, excelling on dimensions such as its people and employment, health and social values, but still lagging on important tourism-driving factors including personality and differentiation. The author of the Nation Brand Index, Simon Anholt, notes: "*Canada is the best largely unexploited Brand in the world, almost universally admired...*"

The challenge is to take Canada's positive brand association and present consumers with compelling reasons to visit Canada. Over the next five years, the CTC will work with its partners to create or refresh products that extend Canada's tourism brand and respond to the consumer's expectation. The CTC seeks to position Canada's tourism brand as a leading storytelling brand in the world where travellers bring home extra-ordinary stories of their own.

Creating a visual brand identity

The CTC will continue to create a global brand presence around the world and explore opportunities for integrated marketing and sales initiatives. Coordinated and consistent global brand marketing will clearly define for customers the experiences that Canada offers and move Canada from a destination of consideration to one of choice, with a sense of urgency to visit NOW.

The CTC will leverage events such as the Vancouver 2010 Olympic and Paralympic Winter Games and the 400-Year Anniversary of Quebec City in order to strengthen the brand position and distribute more content about Canadian tourism experiences. Efforts will also focus on the exploration of non-traditional partners, stronger relations with provincial destination marketing organizations and the media to increase distribution of brand stories and content.

Bringing the brand to life

While 2007 was focused on establishing a visual identity for Canada's tourism brand, activities in 2008 and beyond are centred on building the intellectual property and assets to market Canada effectively. Through aligning communications, media & public relations and marketing activities to strengthen and expand Canada's tourism brand, the CTC will differentiate Canada by proactively seeking out opportunities to expose Global Travel Media and potential travellers to Canada's new experiential brand. While the CTC's in-market promotional programs play an important role, marketing activities are only one of many factors that contribute to shaping consumer perceptions and driving consumer awareness and consideration. In this way, advancing Canada's tourism brand is clearly linked with the CTC priority of developing and maintaining relevant communication with targeted potential travellers and ensuring that the marketing messaging they receive responds to their interests and expectations as consumers. Success relies upon extending the brand into the hands of empowered brand ambassadors and partners, and understanding the unique expectations of each consumer market and how best to articulate **Canada. Keep Exploring.**

Priority 4: Leverage media exposure of the Vancouver 2010 Olympic and Paralympic Winter Games

The Vancouver 2010 Olympic and Paralympic Winter Games provide unprecedented opportunities to showcase Canada to the world. By leveraging the media exposure afforded by the 2010 Games, the CTC will work with its partners to differentiate Canada's tourism brand and compel the world to explore Canada.

Leveraging media and partnership opportunities

The media focus surrounding the Vancouver 2010 Olympic and Paralympic Winter Games has the potential to accelerate global awareness of Canada's tourism brand and works in support of the CTC's priority to differentiate Canada.

The CTC will continue to support the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) in its goal to promote the 2010 Winter Games as "Canada's Games" and will begin to execute media, public relations and marketing activities in partnership with key Olympic sponsors in each of its core markets. The Commission will also focus on building the visual imagery and stories needed to market Canada during the Olympic Games, including the creation of a promotional video.

Led by the CTC, a National Tourism Marketing Working Group (NTMWG) will engage all provincial and territorial partners in realizing 2010 opportunities and play a key role in planning the Torch Relay, Cultural Olympiad and Opening and Closing ceremonies in order to offer worldwide media exposure to Canada that will be leveraged through relationships with broadcasters. In addition, the CTC will play a leadership role in engaging its partners and tourism industry representatives through the Tourism Partnership with Tourism Vancouver, Tourism Whistler, Tourism Richmond and Tourism BC.

In the years leading up to, during and after the Games, the CTC will work closely with both the accredited and unaccredited media to provide them with the images and stories to showcase Canada, its people, its geography, its culture and the experiences it offers potential travellers. During the Beijing 2008 Olympic and Paralympic Summer Games, the CTC will work with its partners to develop relationships with key media and leverage media exposure to host tourism-related events. Canada will also have opportunities to leverage its association with the "Olympic family" to benefit its marketing activities internationally.

Leveraging the post-2010 afterglow

The CTC will extend the Olympic afterglow by leveraging the connection with the London 2012 Summer Olympic and Paralympic Games. The U.K. in-market team is well positioned and has begun to build a solid foundation to realize this opportunity.

Priority 5: Organizational excellence

The CTC's two main assets are its people and Canada's tourism brand. Over the next five years, the CTC will continue to strive for organizational excellence through the promotion of these two assets.

For the CTC, organizational excellence is defined as being an organization that is focused on implementing its strategy with the right tools, people and resources in place to deliver. The Commission is also engaged

in ensuring an efficient, effective and productive work environment. In this way, the CTC is working to become a "strategy-focused organization" where strategy is at the heart of the management system and is the foundation for organizational alignment.

Strategy-focused organization

Adopting the following five principles of Balanced Scorecard (BSC) methodology will enable the CTC to execute its strategy rapidly and effectively, and create alignment between its corporate strategy and its strategies for Human Resources (HR) and Finance.

1. Mobilize change through executive leadership

The CTC will actively engage its leadership team as agents of change to foster organizational excellence. Over the coming years, the CTC will raise awareness amongst the leadership team of the benefits of being a strategy-focused organization and will integrate strategy management into its core business practices.

2. Translate strategy into operational terms

The ability to understand and articulate the organizational strategy is a key step in placing strategy at the centre of the management system. In 2007, the CTC developed its Strategy Map, a tool used to visually represent the organization's strategy, and its enterprise BSC, containing the key measures and targets used to assess progress fulfilling the strategy. Over the coming years, the CTC will use these two powerful tools to clearly communicate to its employees and stakeholders the organization's desired goal and its approach to achieving this goal.

3. Align the organization with the strategy

In 2008, the CTC will continue to ensure that individual business unit strategies are linked to and integrated with the organizational strategy. Each business unit's operational strategy will define performance measures that are linked to the corporate scorecard measures.

4. Make strategy everyone's job

A prerequisite for implementing strategy is that all employees understand the strategy. Ongoing communication and education is essential in creating a foundation for organizational alignment, and in generating buy-in and commitment to the strategy at all levels of the organization.

The CTC will use its internal communications, its performance management plans (PMPs) and its HR strategy to ensure that employees understand the corporate strategy, and that their workplans are aligned. Through its HR initiatives, the organization will seek to motivate its employees and acknowledge their contributions.

5. Make formulating strategy a continual process

Beginning in 2009, the CTC will further refine the link between its strategy and the budgeting process. The organization will also introduce the monitoring of organizational performance against the short-term target for each BSC measure into its management meetings. Based on the analysis of its performance, the Commission will establish an ongoing process for learning and adapting the strategy.

The CTC will apply to the BSC Hall of Fame assessment process to evaluate its progress at becoming a strategy-focused organization, and to benchmark itself against other organizations that have adopted this approach.

Corporate culture

Canada. Keep Exploring is more than a tag line to market the country; it defines the CTC as an organization - its commitment to Canada and its commitment to continually seek best practices. The roll out of Brand Canada globally provides an opportunity for the CTC to articulate its global ethic and discuss with employees the goal and objectives of the organization and their roles within it.

In support of organizational excellence, the CTC will focus on learning and leadership development to ensure that the CTC has the right talent in the right positions. The Commission is committed to fostering a work environment that promotes and celebrates excellence. Through its human resources strategy, the CTC will continue to implement and develop the structure and tools needed to support the organization in the delivery of its strategic priorities.

Core values

Values are important to an organization because they remind employees of what they stand for as members of the team, and articulate a code of conduct and behaviour for all. The CTC has established three core values for the organization: innovation, collaboration and respect. These values were developed in consultation with CTC employees and reflect the organizational culture of the Commission.

The CTC's employees believe in the work they do and feel strongly about their commitment to Canada. They are committed to finding new and creative ways to market Canada, to working together as a team and to respecting each other's differences.

Figure 5: Organizational Excellence



Corporate reputation management

Leveraging Canada's tourism brand **Canada. Keep Exploring** is a clear priority for the CTC. Directly linked with this objective is the goal of enhancing the CTC's leadership role in coordinating marketing activities within Canada's tourism industry.

The tourism sector, in its broadest sense, includes much of what makes up a nation, including infrastructure, government and private services, the environment, arts and culture and community engagement. As Canada's national tourism marketing organization, the CTC seeks to leverage Canada's tourism brand in support of broader national objectives.

strategic issues

In addition to outlining five priorities for the 2008-2012 Strategy in May 2007, the CTC Board of Directors also highlighted a number of strategic issues. The CTC will continue to monitor the development of these issues and their implications, conduct research and trend analysis, and report annually to the Board through the Environmental Scan.

Sustainable Tourism

There is increasing evidence that international travellers are changing their travel habits in response to climate change. Many travellers, including young travellers and tourists from European markets, are becoming more interested in "green destinations" and pressure is increasing for Canada's tourism industry to meet this rising demand. For example, a recent survey of more than 1,000 travellers worldwide found that 40 percent take environmentally-friendly tourism into consideration when making travel plans. The survey also revealed that nearly 25 percent believe that air travel should be avoided, whenever possible, to help preserve the environment, while 38 percent said they would pay more to take an eco-friendly flight and 26 percent would pay a five to 10 percent premium.¹⁰ Travellers are increasingly seeking sustainable tourism destinations and looking to minimize their travel footprint.

Through its market segmentation research and Global Tourism Watch, the CTC will analyze and assess the potential impact of the growing concern regarding sustainable tourism, as well as the overall perception of Canada as a "green destination." The CTC will also gather information regarding the level of Canadian product available that is consistent with sustainable tourism. In addition, the CTC will identify opportunities for new, non-traditional partnerships, as well as ways to leverage 2010 Olympic partnerships to promote Canada as a sustainable tourism destination.

With the eyes of the world on Canada and Vancouver, the Vancouver 2010 Olympic and Paralympic Winter Games will be a significant opportunity to showcase Canada as a "green destination." VANOC is the first Organizing Committee to commit to applying sustainability principles and practices - such as integrated delivery of social, economic and environmental outcomes and benefits - to the planning, convening and legacy of the Games.

¹⁰ Survey conducted by TripAdvisor® and released April 17, 2007.
http://www.tripadvisor.com/PressCenter-i134-c1-Press_Releases.html

Finally, the CTC will support a Travel Industry Association of Canada (TIAC)-led initiative, the Sustainable Tourism Toolkit Project, to provide a set of concrete, practicable and cost-efficient measures to tourism-based businesses, especially SMEs, wishing to "green" their operations by integrating sustainability into their products and operations.

Major Events

The Commission is committed to exploring new major event opportunities to leverage and strengthen the position of Canada's tourism brand and distribute more content about Canadian tourism experiences. In this context, major events are described as unique events that attract an international audience and provide opportunities to accelerate Canada's tourism brand image internationally.

Major events such as the Vancouver 2010 Olympic Winter and Paralympic Games present key windows of opportunity to accelerate the CTC's marketing efforts and show the world what Canada has to offer as a travel destination.

The 400th Anniversary of Quebec City in 2008 is another example of an approaching major event where the CTC will play a leadership role in establishing and promoting coalitions to leverage long-term opportunities to showcase Canada. GoMedia, the CTC's annual global media and public relations trade show, will be held in Quebec City during the 400th Anniversary celebration, July 2-5, 2008.

Opportunities to leverage major events will continue to remain on the CTC's strategic horizon. Efforts will focus on the exploration of non-traditional partners, and enhancing relationships with provincial, territorial and destination marketing organizations and the media to increase distribution of brand stories and content.

Revenue Generation

The CTC is considering the possibility of adopting a commercialization model in order to generate additional sources of revenue.

Currently, the CTC is pursuing limited revenue generation with the sale of branded merchandise and the management of an E-conference. Consideration of further adoption will require in-depth analysis of both revenue opportunities and inherent risks. Management will continue to weigh the potential for revenues against the cost of generation.

This issue will remain on the CTC's radar screen in the medium-term, with further implications to be presented to the Board. Nonetheless, the issue of sustainable long-term funding for the CTC to achieve its mandate will remain.

Air Access

Global demand for air travel is rising steadily and International Air Transport Association forecasts the air travel industry will continue to grow at an average rate of five to six percent per year. Presently, 4.4 billion passengers fly annually.

In the 2007 Travel and Tourism Competitiveness Index by the World Economic Forum, air access was identified as one of the key evaluation factors in a country's competitiveness ranking. Although Canada averaged second overall in this sector, it is important to highlight that out of 124 countries Canada ranked 117th in ticket taxes and airport charges, and 100th in purchasing power parity. According to the Index, competitive disadvantages for Canada's tourism industry include departures per 1,000 population, air transport infrastructure and the international air transport network.

The CTC will continue to conduct research and analysis on air access and report back to the Board as part of the annual Environmental Scan. This will enable the CTC to make marketing decisions in response to air access opportunities.

Aboriginal Tourism

Aboriginal Tourism in Canada has been identified as a government priority. As such, the CTC has taken a leadership role in working to advance opportunities to strengthen Aboriginal Tourism in Canada.

The CTC has established a partnership with Aboriginal Tourism Canada (ATC) to implement two initiatives to inform how best to promote Aboriginal Tourism in the CTC's core tourism markets. First, the CTC and ATC are engaging in a project to update market research regarding consumer interest in Aboriginal Tourism. Second, the ATC, supported by the CTC, is leading a project to work with Aboriginal communities across Canada to identify and create an inventory of 25 significant, export-ready Aboriginal cultural tourism experiences that can be used in future marketing and communications applications.

Once these initiatives have returned relevant data, the CTC will evaluate how best to proceed with the opportunity to grow Aboriginal Tourism. The Commission will report back to the Board in the annual Environmental Scan, outlining potential implications and discussing marketing options.

Global MC&IT

The CTC will conduct further research to develop a plan to implement MC&IT marketing activities in countries with the highest potential return on investment, and where the CTC's ability to execute an expansion of activities is feasible from a logistical standpoint. Currently, four markets (the U.K., Germany, Mexico and China) appear to have the most potential to execute a successful strategy and generate a return on investment in the MC&IT market.

Additional research will be conducted to assess potential benefits of CTC expansion into MC&IT sales and marketing in countries outside the U.S. While the CTC's primary focus for MC&IT programming will continue to be the U.S. market, research will inform the development of an implementation plan of MC&IT activities in other markets.

specific deliverables 2008-2012

Priority 1: Consumer relevancy					
Key Activity & Initiative	2008	2009	2010	2011	2012
Continue to implement the Explorer Quotient (EQ) tool	<p>Develop internal & external communications strategy</p> <p>Identify EQ types and tag consumer profiles with EQ profiles</p> <p>Complete EQ strategy in Canada, U.S. & U.K</p>	Complete implementation of EQ strategy in other markets (Australia, China, South Korea, Mexico, Japan, France, Germany)	Follow-up to assess best practices for EQ-type targeting in markets to leverage future EQ strategies		
Conduct consumer research on travel preferences, attitudes and motivations	Conduct consumer research to identify travel experience preferences, attitudes and motivations toward international travel, preferred travel experiences, and travel vacation planning and decision-making	Use research results to support further identification of travel market segments	<p>Review research results and assess information gaps where further research is required</p> <p>Conduct further research as required to update and fill-in information gaps</p>		
Continue to develop CRM system	Update CRM system for marketing campaigns	Review CRM system & assess information gaps			
Create a valuable online experience using the e-marketing strategy	<p>Implement Web-content strategy to articulate more brand content</p> <p>New front-end design to support brand articulation</p> <p>Change back-end to deliver strategy more effectively</p>	Follow-up to assess best practices for Web-content strategy and effectiveness of e-marketing campaigns			

Priority 2: Align market allocations for maximum return on investment (ROI)					
Key Activity & Initiative	2008	2009	2010	2011	2012
Align market allocations for maximum ROI	Annual assessment to establish alignment for maximum ROI				

Priority 3: Differentiate Canada					
Key Activity & Initiative	2008	2009	2010	2011	2012
Expand the Brand Canada Toolkit	<p>"Year of the Stories" Use stories as tools to leverage Canada as tourism destination</p> <p>Use new media (Yahoo) to assess effectiveness of peer-to-peer strategies to bring Canada's tourism brand to life</p> <p>Develop PIE toolkit in Canada's brand toolkit (image brief, b-roll brief, experiential brief)</p>	Begin annual activity of amending and evolving toolkit pending global market demand, customer needs & changing media/technology (e.g. industry survey)	Build, evaluate and evolve brand strategies	Assess brand strategies to date and develop best practices	
Development and population of the Content Library	Develop content library (stories and images)	<p>Incorporate content library elements into brand toolkit</p> <p>Begin annual activity of refreshing & expanding imagery, b-roll and stories to support global needs</p>	<p>Launch "story-telling" awards program</p> <p>Build, evaluate and evolve brand strategies</p>		
Globalization of key brand messaging for efficiency and strengthened brand positioning world-wide		<p>Improve online access of toolkit for stakeholders and globally integrate key publications. (e.g. inside guide, meeting planners guide)</p> <p>Begin annual activity of measuring adoption rate of brand Canada and toolkit elements (Qualitative & Quantitative research)</p>	<p>Begin annual activity of brand integration communication</p> <p>Lead Global TV campaign pre-Olympic Games</p>	<p>Lead Global TV campaign during and post-Olympic Games</p> <p>Leverage Olympic Games to position Canada as a leading MC&IT destination</p>	<p>Leverage Olympic halo to align with major global brands</p> <p>Continue the Global Brand Canada marketing momentum (global initiatives)</p>
Awareness and training of brand Canada		<p>Create brand Canada "shared" asset strategy and communicate the strategy</p> <p>Begin annual activity of ongoing industry feedback</p>	<p>Begin annual activity of conducting Joint brand/PIE industry "story telling" training workshops</p> <p>Develop the story telling portal on CTC website for industry partners</p> <p>Begin annual "Canada recognition" program and Global Brand Speaker series</p>		

Priority 4: Leverage media exposure of the Vancouver 2010 Winter Olympic Games					
Key Activity & Initiative	2008	2009	2010	2011	2012
Lead National Tourism Marketing Working Group	<p>Develop Canada promotional video and inventory of stories</p> <p>Plan Torch Relay route with VANOC</p> <p>Use Olympic brand in international marketing campaigns</p>	Use Olympic brand in international marketing campaigns	<p>Leverage MC&IT opportunities in U.S./U.K./Germany by highlighting Canada's ability to host large events</p> <p>Use Olympic events to provide messaging for building on current marketing campaigns</p>	Global marketing campaign based on strong MC&IT potential following exposure provided by Olympic Games	
Leverage media exposure	<p>Develop partnership agreements with domestic and international media</p> <p>Develop b-roll and provide to media</p>	<p>Host major media event in Vancouver; host travel media throughout Canada</p> <p>Develop strategy to work with broadcasters and unaccredited media and add to b-roll, image and story inventory</p>	Throughout Olympic Games, maintain presence at accredited and unaccredited media centres and provide b-roll and stories	<p>Work with broadcasters to leverage post-Olympic Games opportunity</p> <p>Organize media familiarization trips</p>	Work with partners to support activities in Canada/BC Pavilion in London and maintain presence during lead-up to London 2012 Olympics
Leverage opportunity of Beijing 2008 Olympic Games	Work with partners to support activities in Canada/BC Pavilion in Beijing and maintain presence during lead-up to Beijing Olympics	Follow-up to assess best practices for 2010 leveraging opportunities			
Develop partnership agreements	Develop partnership agreements with sponsors (e.g. RBC)		Host partnership and events programming at CTC HQ during Games		
Leverage opportunity of post-Olympic afterglow		Begin development of post-Olympic Games strategy to continue leveraging Games after 2010	Update post-Olympic Games strategy based on experiences	Development of post-Olympic Games promotional video	Engage top sponsors leading up to London 2012 Olympic Games to leverage residual opportunities and maintain strong presence in the U.K.

Priority 5: Organizational excellence					
Key Activity & Initiative	2008	2009	2010	2011	2012
Staff survey assessment	Annual staff survey assessment to measure staff engagement and work environment				
Development, implementation and monitoring of robust human resources plans, policies, systems and practices	Develop and implement policies and practices that are similar to private sector best practices				
Leadership development to ensure that CTC leaders possess required skills, competencies and attitudes	Offer coaching development opportunities to leadership team members				
Development of a strategy and processes to grow and retain talent and great leaders	Focus on managing talent by developing and implementing a strategy and processes to acquire and retain talent				
Emphasize strategy-focused organization	<p>Raise awareness amongst leadership team of benefits of being a strategy-focused organization and integrate strategy management into core business practices</p> <p>Use Strategy Map and Balanced Scorecard (BSC) framework to communicate CTC's goal and approach to employees and stakeholders</p> <p>Ensure business unit strategies are linked to and integrated with organizational strategy by defining performance measures linked to corporate scorecard measures</p> <p>Generate buy-in and commitment to strategy at all levels of CTC using communication and education</p>	<p>Introduce monitoring of organizational performance against short-terms target for each BSC measure into management meetings</p> <p>Establish ongoing process for learning and adapting the strategy based on analysis of performance</p>	Refine link between strategy and budgeting process	Apply to BSC Hall of Fame assessment process to evaluate progress at becoming a strategy-focused organization, and to benchmark against other organizations that have adopted this approach	

performance measurement & evaluation

To determine whether the CTC as an organization is meeting its goal of increasing tourism export revenues, performance at various levels throughout the organization will continue to be measured.

performance measurement

In 2007 the organization adopted the Balanced Scorecard (BSC) as its performance measurement framework. The BSC framework manages the CTC's strategy at all levels by linking its objectives, measures and initiatives to the strategy. It provides a holistic view of the organization's overall performance by integrating financial and non-financial measures.

The BSC advances the previous performance measurement dashboard found in the CTC's Corporate Plan 2007-2011 by ensuring that measures and indicators are directly aligned with the CTC's corporate objectives and priorities, and by identifying in advance the initiatives to be undertaken to fulfill the strategy. In addition, the BSC assists in strategy execution by being a strategy management tool, instead of merely a measurement tool. All measures included in the 2007-2011 performance measurement dashboard have been included in the BSC; however, the BSC provides a more comprehensive framework.

The corresponding scorecard (Table 9) translates the CTC's vision and strategy into a clear set of objectives with corresponding critical measures and indicators based on the five key business perspectives previously discussed (the **Stakeholder** perspective; the **Budget/Financial** perspective; the **Customer** perspective; the **Internal Business Processes** perspective; and the **Learning & Growth** perspective):

Together, the data collected as part of the objectives within these perspectives work to provide a comprehensive view of the CTC's strategic performance. Similarly, each set of measures reflecting a corporate objective collectively supports progress toward the CTC's goal to increase tourism export revenues.

The CTC endeavours to measure its impact on the Canadian tourism economy as a direct result of its efforts. As such, the Balanced Scorecard contains a mixture of measures and indicators. Global measures, known as industry indicators, provide information on the health of the tourism economy and represent a collective effort by the tourism industry en masse. In contrast, performance measures reflect the CTC's collective performance as an organization.

The development of the strategy map and enterprise scorecard represents the first stage in the BSC process. Over the next five years, the CTC will continue the implementation of the BSC methodology and will further the work that began in 2007. In 2008, the CTC will work with the organization's business units to develop operational scorecards that will align with the enterprise scorecard and corporate objectives. A Customer Relationship Management (CRM) system will be used to facilitate the collection and reporting of performance results against the measures identified in the scorecards.

In 2009, the organization will explore the option of linking incentive compensation to the BSC in order to motivate individuals to contribute to the success of the strategy. 2010 will see the Commission work to

effectively execute its strategy through the continued use of the BSC tool. In 2011 and 2012, after some years of BSC operation, the CTC will be in a position to assess the effectiveness of the BSC as a performance measurement framework for the organization.

Effective execution of the CTC strategy will undoubtedly involve governance by management and the Board of Directors. Performance results will be communicated through the CTC's annual report to Parliament.

Table 9: Corporate Balanced Scorecard (BSC)

Perspective	Objective	Measure or Indicator		Unit of Measure	2005 Result	2006 Result	2008 Target ¹
		Name					
1.0 Stakeholder	1.1 Grow tourism export revenues	1.1a	Tourism export revenues	\$	17.0 billion	16.5 billion	
		1.1b	Tourism GDP	%	2.0	2.0	
		1.1c	International tourist arrivals (a)	#	18.8 million	18.2 million	
		1.1d	International tourist arrivals (b)	Ranking	12	12	
		1.1e	International tourist receipts	Ranking	12	11	
		1.1g	Tourism employment	#	625,800	633,600	
2.0 Customer	2.1 Create extra-ordinary stories ■ Enhance brand impact	2.1a	Aided destination awareness	%	N/A	N/A	
		2.1b	Unaided destination awareness	%	N/A	N/A	
		2.1c	Interest in / likelihood of visiting Canada	%	N/A	N/A	Benchmark
3.0 Budget / Financial	3.1 Align market allocations to achieve highest ROI	3.1a	Development of tool to guide decision-making on market allocations	Yes/No	N/A	N/A	Yes
	3.2 Convert high-yield customers	3.2a	Conversion (formal)	Ratio	N/A	N/A	TBD ²
	3.3 Leverage partner investment	3.3a	Partner contribution	Ratio	1.1:1	1.2:1	1:1
3.4 Financial sustainability and accountability	3.4a	3.4a	Budget variance	%	0.44	-3.2	1.0
		3.4b	Overhead costs	%		18.5	18.0
		3.4c	Unqualified opinion on year end audit	Yes/No	Yes	Yes	Yes

Perspective	Objective	Measure or Indicator		Unit of Measure	2005 Result	2006 Result	2008 Target ¹	
		Name						
4.0 Internal Business Processes	Theme: Research opportunities							
	4.1	Provide timely and relevant business intelligence and data	4.1a	Relevance of business intelligence	%			Benchmark
			4.1b	Timeliness of research publications	%			Benchmark
	4.2	Identify emerging high-yield markets and product trends	4.2a	Development of strategy to identify emerging high-yield markets	Yes/No	N/A	N/A	Yes
			4.2b	Identification of product experiences linked to high-yield target markets	#	N/A	N/A	35
	Theme: Executing the brand							
	4.3	Differentiate Canada to consumers						
		■ Tourism brand positioning	4.3a	Top country brand	Ranking	N/A	12	
			4.3b	Canada's brand value	Ranking	2	3	
			4.3c	Aided brand awareness	%			Benchmark
			4.3d	Unaided brand awareness	%			Benchmark
		■ Align partners behind brand	4.3e	Partner brand adoption	#	N/A	N/A	Benchmark
	■ Leverage media exposure of 2010 Olympic Games	4.3f	Media impressions on Olympic Games and Canada tourism	#	N/A	N/A	TBD ³	
	4.4	Consumer relevancy	4.4a	Consumer contact information provided to partners	#	N/A	124,567	137,024
	Theme: Focus on markets of highest ROI							
	4.5	Target marketing to high-yield niche, demographic & geographic groups	4.5a	Market plans articulate investment in high-yield markets which have been identified by Research	Yes/No			Yes
			4.5b	Average per person spend / night by CTC markets	\$	114.53	117.30	
			4.5c	Tourist receipts from CTC markets	\$	11.1 billion	10.9 billion	
			4.5d	Campaign ROI	Ratio			Benchmark

Perspective	Objective	Measure or Indicator		Unit of Measure	2005 Result	2006 Result	2008 Target ¹	
			Name					
5.0 Learning and Growth	5.1	Organizational excellence						
		■ Integrate organizational values into corporate culture	5.1a	Extent that organizational values are embedded in culture	%			Benchmark
			5.1b	Employee engagement	%			Benchmark
			5.1c	Employee retention rate	%			Benchmark
		■ Promote learning and growth	5.1d	PMPs completed (executed)	%			Benchmark
			5.1e	Participation rate at training sessions	%			Benchmark
			5.1f	Proportion of budget used for training	%			Benchmark
		■ Manage corporate reputation	5.1g	Compliance with Official Languages Act	Grade	Poor	Fair	Good
			5.1h	External awards or recognition received	#			Benchmark
			5.1i	Partner satisfaction	%	N/A	N/A	Benchmark
			5.1j	Positive press				TBD ⁵

¹ 2007 results were not available at time of publishing; 2008 targets were identified based on results from 2006.

² A methodology will be developed to determine the conversion level.

³ Funding is required for each additional media clip.

⁴ Air-seat capacity is calculated for direct (same code); operating flights only. Flights from Australia include one stopover.

⁵ The CTC will assess its ability to collect this information.

Blue text = CTC performance measures

Black text = industry performance indicators

evaluation tools

The CTC has a number of evaluation tools it uses to support its performance measurement framework.

Conversion studies determine the level of success of campaigns in generating customer interest in Canada, and ultimately in converting travellers to visit Canada. The CTC will continue to conduct conversion studies for those markets with investment allocations of at least \$2 million and that produce high volumes of returns in terms of travellers to Canada.

In campaign evaluations, monitoring internal business processes and activities measures the ability to effectively support the core function of tourism marketing. Together, the resulting information is used to guide decision-making about future campaigns and our overall strategic direction.

market portfolio analysis & market investment model

The CTC uses two key tools that were developed in-house to assist in determining the appropriate investment levels for each of its core markets. The Market Portfolio Analysis (MPA) index evaluates the potential and actual performance of markets, identifying the most advantageous markets in which to invest. The Market Investment Model (MIM) determines the optimum level of investment for each of these markets. Together, the outputs of these models help to guide the CTC's decision-making.

Over the next year, the Research team will work to supplement these existing models by developing a tool to forecast the return on investment for a particular market based on a given allocation.

financial plan 2008-2012

financial statements & forecasts

The financial analysis includes actual and projected financial information for the fiscal years from 2006 to 2012. Specifically, the following CTC financial statements and forecasts are included:

- A Balance sheet as of December 31, 2006 to December 31, 2012;
- A Statement of operations and deficit for the years ending December 31, 2006 to December 31, 2012;
- A Statement of cash flow for the years ending December 31, 2006 to December 31, 2012;
- A Reconciliation of Parliamentary Appropriations to Government Fiscal Year for the years ending December 31, 2006 to December 31, 2012; and
- Operating Budgets for the years ending December 31, 2006 to December 31, 2008.

As a federal Crown corporation, the CTC is largely funded through appropriations. Core funding is currently at \$76.6 million. Funding levels have fluctuated since the inception of the organization due to one time funding and adjustments to the core funding to take into account transfers from other agencies/departments.

The CTC is an organization that actively partners with industry to develop marketing programs. Although in most partnership arrangements the CTC is not the organization that disburses the funds, this does occur in some cases. In this regard, the CTC receives approximately \$9 million per annum from partners. Corresponding expenses offset these funds.

Major Assumptions

The Financial Statements, Operating and Capital Budgets are based on the following assumptions:

- Appropriations in 2006/07 were reduced by \$3 million, which is reflected in the CTC's 2007 fiscal year.
- Appropriations will be cut by an additional \$536,000 beginning in 2008/09. This cut will be reflected in the CTC's budgets beginning in 2009 and in subsequent years.
- The CTC received approval in the fall of 2007 for \$26 million of funding for the 2010 Winter Olympic and Paralympic Games marketing program from 2007/08-2011/12. This funding is reflected in CTC's 2008-2012 fiscal years.
- Government funding for the CTC will fluctuate over the plan years as a result of the impact of cuts and one-time funding.
- The rate of inflation will remain relatively steady at two percent throughout the planning period.
- Salaries will increase three percent per year for each of the plan years.

Canadian Tourism Commission
 Balance sheet
 (in thousands)
 As at December 31, 2006 to December 31, 2012

	Actual Dec 31, 2006	Estimated Dec 31, 2007	Planned Dec 31, 2008	Planned Dec 31, 2009	Planned Dec 31, 2010	Planned Dec 31, 2011	Planned Dec 31, 2012
Assets							
Current assets							
Cash	\$ 19,746	\$ 15,000	\$ 13,830	\$ 14,776	\$ 14,922	\$ 12,368	\$ 10,814
Accounts receivable:							
Partnership contributions	1,807	1,800	1,800	1,800	1,800	1,800	1,800
Government of Canada	2,424	1,000	1,000	1,000	1,000	1,000	1,000
Parliamentary Appropriations	-	-	-	-	-	1,916	4,561
Other	242	118	118	118	118	118	118
Prepaid expenses and other assets	3,105	2,100	2,100	2,100	2,100	2,100	2,100
	<u>27,324</u>	<u>20,018</u>	<u>18,848</u>	<u>19,794</u>	<u>19,940</u>	<u>19,303</u>	<u>20,394</u>
Capital assets	5,079	4,536	4,739	4,182	2,404	1,810	1,286
	<u>\$ 32,403</u>	<u>\$ 24,555</u>	<u>\$ 23,587</u>	<u>\$ 23,976</u>	<u>\$ 22,345</u>	<u>\$ 21,113</u>	<u>\$ 21,680</u>
Liabilities							
Current liabilities							
Accounts payable and accrued liabilities:							
Trade	\$ 15,841	\$ 8,190	\$ 7,119	\$ 10,814	\$ 13,710	\$ 13,906	\$ 15,101
Employee compensation	1,824	2,000	2,000	2,000	2,000	2,000	2,000
Government of Canada	757	800	800	800	800	800	800
Deferred parliamentary appropriations	5,734	6,014	6,019	3,374	729	-	-
Deferred revenue	1,280	1,127	1,023	918	814	709	605
	<u>25,436</u>	<u>18,131</u>	<u>16,961</u>	<u>17,906</u>	<u>18,053</u>	<u>17,415</u>	<u>18,506</u>
Deferred capital funding	5,148	4,605	4,808	4,251	2,473	1,879	1,355
Employee future benefits	3,245	3,245	3,245	3,245	3,245	3,245	3,245
	<u>8,393</u>	<u>7,850</u>	<u>8,053</u>	<u>7,496</u>	<u>5,718</u>	<u>5,124</u>	<u>4,600</u>
(Deficit) Surplus of Canada	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)	(1,426)
	<u>\$ 32,403</u>	<u>\$ 24,555</u>	<u>\$ 23,588</u>	<u>\$ 23,976</u>	<u>\$ 22,345</u>	<u>\$ 21,113</u>	<u>\$ 21,680</u>

*Canadian Tourism Commission
Statement of operations and deficit of Canada
For the years ending December 31, 2006 to December 31, 2012
(in thousands)*

	Actual Dec 31, 2006	Estimated Dec 31, 2007	Planned Dec 31, 2008	Planned Dec 31, 2009	Planned Dec 31, 2010	Planned Dec 31, 2011	Planned Dec 31, 2012
Revenue							
Partnership contributions	\$ 6,757	\$ 9,160	\$ 9,000	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500
Other	636	700	650	500	500	500	500
	<u>7,393</u>	<u>9,860</u>	<u>9,650</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>
Expenses							
Marketing and sales	75,472	67,916	70,898	72,545	74,910	73,045	72,295
Corporate services	14,579	16,209	15,208	17,349	17,184	16,349	16,099
Strategy and planning	446	1,039	701	697	697	697	697
Amortization of capital assets	1,437	1,493	1,917	2,257	2,377	1,194	1,124
	<u>91,934</u>	<u>86,657</u>	<u>88,724</u>	<u>92,848</u>	<u>95,168</u>	<u>91,285</u>	<u>90,215</u>
Net cost of operations	(84,541)	(76,797)	(79,074)	(85,848)	(88,168)	(84,285)	(83,215)
Parliamentary appropriations	84,411	75,304	77,157	83,591	85,791	83,091	82,091
Amortization of deferred capital funding	1,437	1,493	1,917	2,257	2,377	1,194	1,124
	<u>85,848</u>	<u>76,797</u>	<u>79,074</u>	<u>85,848</u>	<u>88,168</u>	<u>84,285</u>	<u>83,215</u>
Net results of operations for the year	1,307	-	-	-	-	-	-
Accumulated deficit of Canada, beginning of year	\$ (2,733)	\$ (1,426)	\$ (1,426)	\$ (1,426)	\$ (1,426)	\$ (1,426)	\$ (1,426)
Accumulated deficit of Canada, end of year	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>	<u>\$ (1,426)</u>

Canadian Tourism Commission
 Statement of cash flows
 For the years ending December 31, 2006 to December 31, 2012
 (in thousands)

	Actual	Estimated	Planned	Planned	Planned	Planned	Planned	Planned
	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2012	Planned
	Dec. 31, 2012							
Cash flows from / (used in) operating activities:								
Cash paid to employees and suppliers	\$ (98,657)	\$ (90,196)	\$ (97,982)	\$ (87,000)	\$ (90,000)	\$ (90,000)	\$ (88,000)	\$ (88,000)
Parliamentary appropriations used to fund operating activities	96,917	75,583	77,162	80,946	83,146	80,446	79,446	79,446
Cash receipts from partners	6,766	9,167	9,000	6,500	6,500	6,500	6,500	6,500
Interest income received	679	700	650	500	500	500	500	500
Cash flows from / (used in) operating activities	5,705	(4,746)	(1,170)	946	146	(2,554)	(1,554)	(1,554)
Cash flows from / (used in) investing activities:								
Acquisition of capital assets	(2,232)	(951)	(2,120)	(1,700)	(600)	(600)	(600)	(600)
Cash flows from / (used in) financing activities:								
Parliamentary appropriations used for the acquisition of capital assets	2,232	951	2,120	1,700	600	600	600	600
Increase (decrease) in cash for the year	5,705	(4,746)	(1,170)	946	146	(2,554)	(1,554)	(1,554)
Cash, beginning of year	14,041	19,746	15,000	13,830	14,776	14,922	12,368	12,368
Cash, end of year	\$ 19,746	\$ 15,000	\$ 13,830	\$ 14,776	\$ 14,922	\$ 12,368	\$ 10,814	\$ 10,814

Canadian Tourism Commission
Reconciliation of Parliamentary Appropriations to Government Fiscal Year
For the years ending December 31, 2006 to December 31, 2012
(in thousands)

	2006	2007	2008	2009	2010	2011	2012
Amount provided for operating and capital expenditures:							
Amounts voted	\$ 78,823	\$ 76,526	\$ 76,577	\$ 82,646	\$ 83,746	\$ 81,046	\$ 80,046
Main estimates		8	5	-	-	-	-
Supp Est A - Collective Bargaining							
Supp Est A/Gov Gen Special Warrants	20,326						
Supp Est B - 2010 Winter Olympic and Paralympic Games	99,149	76,534	2,700	-	-	-	-
				82,646	83,746	81,046	80,046
Less: Portion recognized in previous calendar year	(65,122)	(52,616)	(52,336)	(52,331)	(54,976)	(57,621)	(60,266)
	<u>34,027</u>	<u>23,918</u>	<u>26,946</u>	<u>30,315</u>	<u>28,770</u>	<u>23,425</u>	<u>19,780</u>
Amounts voted	76,526	76,577	82,646	83,746	81,046	80,046	76,046
Main estimates		5					
Supp Est A - Collective Bargaining		2,700					
Supp Est B - 2010 Winter Olympic and Paralympic Games	76,526	79,282	82,646	83,746	81,046	80,046	76,046
Less: Portion to be recognized in next calendar year	(18,176)	(20,932)	(24,296)	(25,396)	(22,696)	(21,696)	(17,696)
Parliamentary appropriations receivable/(deferred) at year end	(5,734)	(6,014)	(6,019)	(3,374)	(729)	1,916	4,561
	<u>86,643</u>	<u>76,254</u>	<u>79,277</u>	<u>85,291</u>	<u>86,391</u>	<u>83,691</u>	<u>82,691</u>
Amount used to purchase capital assets	(2,232)	(951)	(2,120)	(1,700)	(600)	(600)	(600)
	<u>\$ 84,411</u>	<u>\$ 75,304</u>	<u>\$ 77,157</u>	<u>\$ 83,591</u>	<u>\$ 85,791</u>	<u>\$ 83,091</u>	<u>\$ 82,091</u>

Note: This schedule serves to reconcile the government funding period of April to March to the CTC's fiscal period of January to December. Each fiscal year (2006, 2007, etc.) is funded by two government fiscal periods. For example, the CTC year of 2006 is funded by appropriations from 2005/06 and 2006/07.

Variance Analysis for the year ended December 31, 2006

Canadian Tourism Commission
 Operating and Capital Budget
 For the year ended December 31, 2006

	Actual Dec. 31, 2006	Planned Dec. 31, 2006	Variance
Operating and Capital Costs:			
Marketing and Sales	\$ 76,609,123	\$ 80,997,757	\$ 4,388,634
Strategy and Planning	446,000	551,917	105,917
Corporate Services	15,674,749	22,180,326	6,505,577
	92,729,872	103,730,000	11,000,128
Funded by:			
Parliamentary Appropriations	99,149,000	99,155,000	(6,000)
Partnership Income	6,756,908	6,500,000	256,908
Other	636,070	400,000	236,070
	106,541,978	106,055,000	486,978
Net Surplus	\$ 13,812,106	\$ 2,325,000	\$ 11,487,106

Note: Expenses include amounts funded by partnership income.

Variance Analysis for the year ending December 31, 2007

Canadian Tourism Commission
 Operating and Capital Budget
 For the year ending December 31, 2007

	Estimated Dec. 31, 2007	Planned Dec. 31, 2007	Variance
Operating and Capital Costs:			
Marketing and Sales	\$ 68,493,503	\$ 68,734,199	\$ 240,696
Strategy and Planning	1,039,115	684,871	(354,244)
Corporate Services	16,581,869	16,339,096	(242,773)
	86,114,487	85,758,166	(356,321)
Funded by:			
Parliamentary Appropriations	77,823,601	77,823,601	-
Partnership Income	9,160,086	7,684,565	1,475,521
Other	700,000	250,000	450,000
	87,683,687	85,758,166	1,925,521
Net Surplus	\$ 1,569,200	\$ -	\$ 1,569,200

Note: Expenses include amounts funded by partnership income.

Variance Analysis for the years ending December 31, 2006 to December 31, 2008

Canadian Tourism Commission
 Operating and Capital Budget
 For the years ending December 31, 2006 to December 31, 2008

	Actual Dec. 31, 2006	Estimated Dec. 31, 2007	Planned Dec. 31, 2008
Operating and Capital Costs:			
Marketing and Sales	\$ 76,609,123	\$ 68,493,503	\$ 72,353,084
Strategy and Planning	446,000	1,039,115	701,246
Corporate Services	15,674,749	16,581,869	15,877,670
	92,729,872	86,114,487	88,932,000
Funded by:			
Parliamentary Appropriations	99,149,000	77,823,601	79,282,000
Partnership Income	6,756,908	9,160,086	9,000,000
Other	636,070	700,000	650,000
	106,541,978	87,683,687	88,932,000
Net Surplus	\$ 13,812,106	\$ 1,569,200	\$ -

Note: Expenses include amounts funded by partnership income.

capital budget

Capital budget expenditures include acquisition costs for all CTC locations, both within and outside Canada.

The budget assumes the factors affecting capital purchases such as staff levels, the number of offices, and funding will remain constant over the planning period.

The last phase of construction for the new office space in Vancouver took place in the fall of 2006, but was not completed before the end of year, resulting in a budget variance of \$92,000 in leasehold improvements.

Variance Analysis for the year ended December 31, 2006				
Canadian Tourism Commission Capital Budget For the year ended December 31, 2006				
	Actual Dec. 31, 2006	Planned Dec. 31, 2006	Variance	
Leasehold Improvements	\$ 626,810	\$ 535,000	\$	(91,810)
Office Furniture	373,382	400,000		26,618
Computer equipment and software	222,850	250,000		27,150
Web Site Development	1,008,999	825,000		(183,999)
	\$ 2,232,041	\$ 2,010,000	\$	(222,041)

Variance Analysis for the year ending December 31, 2007				
Canadian Tourism Commission Capital Budget For the year ending December 31, 2007				
	Estimated Dec. 31, 2007	Planned Dec. 31, 2007	Variance	
Leasehold Improvements	\$ 142,753	\$ -	\$	(142,753)
Office Furniture	50,000	50,000		-
Computer equipment and software	180,000	250,000		70,000
Web Site Development	577,950	825,000		247,050
	\$ 950,703	\$ 1,125,000	\$	174,297

Analysis for the years ending December 31, 2006 to December 31, 2012

Canadian Tourism Commission
 Capital Budget

For the years ending December 31, 2006 to December 31, 2012

	Actual Dec. 31/06	Estimated Dec. 31/07	Planned Dec. 31/08	Planned Dec. 31/09	Planned Dec. 31/10	Planned Dec. 31/11	Planned Dec. 31/12
Leasehold Improvements	\$ 626,810	\$ 142,753	\$ 200,000	\$ 100,000	\$ -	\$ -	\$ -
Office Furniture	373,382	50,000	120,000	50,000	50,000	50,000	50,000
Computer equipment and software	222,850	180,000	350,000	250,000	250,000	250,000	250,000
Website Development	1,008,999	577,950	1,450,000	1,300,000	300,000	300,000	300,000
	\$ 2,232,041	\$ 950,703	\$ 2,120,000	\$ 1,700,000	\$ 600,000	\$ 600,000	\$ 600,000

appendices

appendix i: corporate functions

Marketing & Sales Units

The CTC currently focuses its marketing programs in the following ten core markets: U.S. Leisure, U.S. MC&IT, the U.K., Germany, France, Mexico, Japan, China, South Korea and Australia.

The CTC markets Canada through its Marketing and Sales teams. The Commission has global in-market sales offices in nine countries that work closely with regional marketing teams based in Vancouver. Together, the CTC's marketing programs are centered on executing Canada's tourism brand. It is through the marketing strategies that the brand promise comes to life.

The marketing programs develop annual strategies that outline the key high-yield markets being targeted and the approach used to position Canada in a way that best resonates with these target markets. While each market is unique, there are common threads across the marketing programs. Over the 2008-2012 period, each of the CTC's marketing programs will seek to learn more about its target consumers and the experiences they are seeking through market segmentation research and tools such as the EQ.

As the CTC moves forward with its objective to convert high-yield customers, it will be important to target marketing strategies to high-yield niche groups as well as high-yield demographic and geographic groups. Currently, the CTC targets niche groups, such as ski and spa. Over the coming years, the CTC will work with industry to identify other high-yield niche markets and develop and promote "experiential" products targeted to these markets.

Consistent with the 2007-2011 strategy, each marketing program will use the same three-phased communications approach to reach the consumer, create a sense of urgency and influence their travel purchase to choose Canada now:

Tier One: Create **Consideration and Awareness** for/of Canada as a vacation destination to provide the consumer with a new idea about Canada. This strategy is achieved predominantly through media and messaging best suited to leverage Canada's tourism brand. Customers that would be targeted to Tier One activities are those who vaguely intend to vacation in Canada, yet feel no sense of urgency to visit Canada.

Tier Two: Create **Understanding** for/of Canada as a vacation destination by allowing the consumer to experience Canada without leaving home, and by breaking their routine and immersing them in a sense of what it feels like to travel in Canada. This strategy is achieved through both brand awareness and a tactical marketing approach to appeal to consumers that have Canada on their radar screens and possibly on their short lists.

Tier Three: Create the opportunities for the consumer to **Shop and Purchase** by stimulating consumers to explore options for travel in Canada through partners. Customers that would best respond to Tier Three activities have likely been exposed to Tier One and Tier Two activities and are pre-disposed to more tactical offers. This approach is achieved through a mix of tactical marketing and media.

Each tier represents a way for Canada's tourism brand to influence consumers, bring partners in with their messaging, and allow the CTC to link to industry partners to close the sale with consumer leads.

A critical component of the CTC's overall strategy is brand consistency. Through its marketing strategies the CTC employs a global brand strategy that communicates consistent brand messages and a consistent look and feel across all markets. In rolling out the global brand strategy, the marketing programs share the learning across markets so the best practices from one market may be transferred to another.

U.S. Leisure

Building on the extensive research that was conducted on the U.S. market in 2006 and 2007, the strategic focus for 2008-2012 for the U.S. Leisure program will be to further analyse the research to identify target market segments. The U.S. Leisure program will work to ensure that its marketing approach is relevant to the right travellers. Utilizing the extensive research data on yield, activity, motivations and experiences, the marketing approaches will deliver a more targeted and efficient message to consumers, including new and existing niche markets.

U.S. MC&IT

The focus of the U.S. MC&IT program is to increase business opportunities and incremental revenue through lead generation and subsequent increased conversion percentage providing tourism revenues for MC&IT business partners. The program's target audience consists of association and corporate meeting planners and executive decision makers. It also includes incentive buyers and end-user decision makers; this segment, although small, is traditionally very lucrative, spending more than their association and corporate counterparts.

Europe & Latin America

The Europe & Latin America (ELA) program works with four markets: the U.K., Germany, France and Mexico. Building on the foundation established in 2006, the ELA program will maintain the same overall direction in 2008-2012. Building on the awareness created for Canada's tourism brand, the ELA program will continue executing Canada's tourism brand to stimulate curiosity and interest about Canada and motivate and inspire potential visitors to travel to Canada. Over the long-term, the ELA program aims to develop four-season travel from each of its markets. In the short to medium-term, the focus will remain on the summer and winter seasons.

Asia Pacific

The Asia Pacific (AP) program works with four markets: Japan, China, South Korea and Australia. With expanding air access, these markets represent an area of expansion and new growth for Canada, in particular China and South Korea. One of the key challenges for these markets is that there is a general lack of awareness of Canada's tourism brand and "experience" products. A key objective of the AP program will be to introduce the brand in all its initiatives and reposition Canada using existing icons to leverage new experiential, regional and seasonal products.

Enabling Units

Business Development

The Business Development unit is responsible for leveraging the media exposure that comes with the hosting the Vancouver 2010 Winter Olympic and Paralympic Games. It aims to accelerate Canada's tourism brand recognition in the market, ultimately motivating travellers to come to Canada before, during and after the Games. In this way, the Business Development unit leads the Olympic leveraging strategy through collaboration with all functional units in the CTC and works with tourism partners nationally to extend benefits and opportunities to all regions of Canada. It also supports VANOC in hosting an exceptional Games to create a global brand of competence in hosting large events, and works to create a legacy of relationships and Canadian images that can be used in marketing for years after the Games.

e-Marketing

The e-Marketing team is responsible for executing a global e-business platform to ensure that the CTC's Web platform is integrated across the CTC and with partners from all levels of industry in order to create value for consumers. By ensuring consistent and relevant messages in its online tools, the CTC will protect the integrity of Canada's tourism brand in mature and emerging markets. Through e-marketing the CTC will position Canada as an innovator in e-marketing and customer relationship management. The CTC will focus on creating and measuring leads to partners as core elements of its partnership and revenue model.

Brand Integration

The Brand Integration unit is responsible for enabling the CTC and its partners to position Canada's tourism brand as the leading storytelling tourism brand in the world. The CTC will focus on training and awareness building, building global partnerships and alliances that support the brand and sharing best practices across the markets. By implementing a strong brand strategy, the CTC will ensure that the value and credibility of the brand are maintained and strengthened. Over the 2008-2012 period, Brand Integration will continue to enhance Canada's tourism brand **Canada. Keep Exploring** through a global platform resulting in a consistent exciting new face for Canadian travel.

Product Innovation & Enhancement

The goal of the CTC's Product Innovation and Enhancement (PIE) unit is to work with the tourism industry in identifying tourism products that promote new experiences in Canada. PIE works with industry to identify market demand for products, assesses Canada's capacity to deliver on this demand and facilitates the development of new tourism experiences to meet this demand. Secondly, PIE facilitates market access for products via the marketing, public relations and e-marketing channels of the CTC.

The EQ is a key tool for PIE to gather information and intelligence on consumer preferences. In 2008, PIE will continue to focus on gaining a better understanding of Canada's global customer and conducting analysis of the experiences being sought by consumers from each core market. PIE will also support further research and market development opportunities for niche products.

Research

The overall function of the Research unit is to provide timely and relevant business intelligence and data (market and industry), to support strategic and effective business, marketing, and investment decisions. Business intelligence is critical to maintaining and building a competitive edge for the CTC and Canada's tourism industry. Now, more than ever, the tourism industry requires thorough consumer and industry research. In addition, performance tracking of tourism will be vital to ensure industry benefits are achieved from each possible market and each targeted market segment, and returns on investment are maximized.

Planning & Evaluation

The Planning & Evaluation (P&E) unit is responsible for the management and integration of the planning and strategic management functions of the CTC. Specifically, P&E enhances the corporate reputation and organizational excellence of the CTC by ensuring the CTC Corporate Plan sets out a clear vision and strategy for the organization and that the Annual Report articulates how the CTC delivered against its vision and strategy. The P&E unit leads the development of the CTC performance measurement framework through implementation of the Balanced Scorecard. Finally, the unit is responsible for Government Relations and monitoring federal government and parliamentary activities to ensure strategic alignments.

Finance

The Finance unit is responsible for the daily accounting operations, treasury, and management of financial policies, controls and financial systems. Finance maintains the integrity of CTC's financial management through internal controls and ensures that accounting and reporting processes are compliant with legal and financial requirements, as well as generally accepted accounting principles. In addition, Finance maintains important relationships with external customers, such as suppliers, partners, and government.

Information Technology

The Information Technology (IT) unit is responsible for maintaining and supporting end-user hardware and software, and supporting the business strategy through the use of technology. The appropriateness and effectiveness of the CTC's IT infrastructure is a key factor in its ability to market Canada to the world. The IT strategy must position the CTC to respond to future trends by planning for and developing the infrastructure and services that will be required over the next five years.

Procurement

The primary responsibility of the Procurement unit is to ensure that the CTC selects the best suppliers to support its mandate in the most cost-effective and transparent manner.

Corporate Affairs

The Corporate Affairs department is responsible for the functioning of the CTC Board of Directors and for advising the Chair, the Board, as well as the Minister, on matters affecting the Board and the CTC. Included in the Corporate Affairs department are the Corporate Secretary's Office, as well as the Translation and Publishing teams. As such, Corporate Affairs is responsible for ensuring the Translation unit maintains the integrity and quality of the French language on all CTC written communications, and for ensuring the quality and integrity of CTC publications, Websites (corporate Internet and Intranet) and CTC industry database through the Publishing unit. In addition, the key enabling units of Legal Services, Human Resources and Communications & Public Relations also fall under Corporate Affairs.

Legal Services

The Legal Services unit is a strategic partner to all offices and units of the CTC. Legal Services is responsible for supporting the Commission's strategies through legal activities such as risk management, compliance efforts, provision of legal counsel and advice, legal documentation review and legal drafting. Legal Services plays a strong role in improving business performance, compliance and risk management, and in building organizational excellence.

Human Resources

The Human Resources (HR) unit's main goal is to support and promote the strategic goals of the CTC. This central focus is accomplished by aligning HR practices with the strategic goals of the organization, by working to foster staff engagement, grow and retain talent, build effective leadership, and by championing organizational excellence. Overall, the HR unit is responsible for ensuring the CTC adopts the most relevant HR business practices from the private sector to ensure the CTC has the right talent in the right position and to provide management with the tools and support they need to deliver the CTC's 2008-2012 strategic priorities.

Communications & Public Relations

The Communications & Public Relations (PR) unit is responsible for managing communications and public relations with external and internal audiences. Communications and PR works to secure high stakeholder satisfaction for CTC leadership on issues that impact tourism marketing, as well as high CTC staff satisfaction and engagement regarding internal communications processes. This unit is a strategic partner to all offices and units of the CTC.

appendix ii: Office of the Auditor General (OAG) special examination update

Progress to Date and 2008 Plans

SIGNIFICANT DEFICIENCIES	MANAGEMENT RESPONSE	STATUS
<p>Performance Management The corporate plan should demonstrate how the Commission is fulfilling its mandate by clearly linking corporate objectives, the analysis of the business environment, the analysis of the Commission's strengths and weaknesses, the corporate strategic priorities, and related resource requirements. The Commission should further develop its performance measurement system, including establishing clearly defined measures for all key activities, and apply this system throughout the organization to measure its achievement toward its mandate and corporate objectives.</p>	<p>The Commission agrees with the finding that there could be clearer links among corporate objectives, an analysis of the business environment, an assessment of the Commission's strengths and weaknesses, strategic priorities, and resource requirements demonstrated in the Corporate Plan and Annual Report. In addition the Commission will continue to evolve a comprehensive performance measurement system.</p>	<p>The Balanced Scorecard (BSC) methodology has been implemented as the CTC's performance measurement framework and strategy management tool. The enterprise strategy has been translated into operational terms with clear performance measures assigned. The strategy map and BSC outlining the CTC's strategy alignment and performance measures are included in the 2008-2012 Corporate Plan.</p> <p><u>Planned for 2008</u></p> <ul style="list-style-type: none"> ■ Cascade the scorecard across the organization and align business unit strategies to the enterprise strategy. ■ Report against the scorecard through the Annual Report.
<p>Market Research The Commission should ensure that its market research fully meets its strategic information needs. The marketing plans should reflect how the Commission uses research results to develop strategic priorities. Individual marketing initiative files should include management research summaries, which outline the results and how the results were used or were not used.</p>	<p>Many of the ad-hoc studies were conducted in response to the external shocks experienced by the tourism industry from 2001 to 2005. The Commission will continue to allow for ad hoc initiatives addressing concerns as they emerge. The Commission acknowledges the need for marketing plans to specifically detail how research results were used to develop strategic priorities.</p>	<p><u>Progress to Date</u> Marketing plans in 2007 and 2008 have integrated research findings. Flexibility within the research program provides the opportunity to meet ad hoc requirements as they emerge. The Research Planning, Implementation and Reporting Framework was implemented to fully document all projects.</p> <p><u>Planned for 2008</u> The Commission will also continue to allow for ad hoc initiatives addressing concerns as they emerge. The Research Planning, Implementation and Reporting Framework will continue to be implemented to fully document all projects.</p>

SIGNIFICANT DEFICIENCIES	MANAGEMENT RESPONSE	STATUS
<p>Accountability Framework for Marketing Initiatives The Commission should implement an accountability framework that documents objectives, a rationale, a link to the strategic priorities and corporate objectives, and a risk analysis for all individual marketing projects that ensures that they align with corporate strategies. The Commission should provide this information when it requests Board approval for key initiatives.</p>	<p>The Commission agrees with the recommendation and will implement an accountability framework to document objectives, rationale, and risk analysis, which clearly link strategic priorities and corporate objectives with corporate strategies.</p>	<p><u>Progress to Date</u> In 2007, the CTC developed an approach for marketing initiatives to document objectives, rationale, linkage to strategic priorities and corporate objectives, and risk analysis. In 2007, all documentation of marketing strategies and tactical plans identify a direct link to the organization's strategic priorities. Requests for Board approval of key marketing initiatives will include this information - In progress.</p>
<p>Agency Fee Management The Commission should ensure the timely and complete evaluation of agency performance and timely management and monitoring of agency billings and payments.</p>	<p>The Commission will enhance the formal agency management and evaluation process as recommended</p>	<p><u>Progress to Date</u> The CTC's formal agency management and evaluation process were enhanced in 2007. Agency billings and payments are being managed on a timely basis. New Agency Contract will enhance the management of agency performance and fees.</p>
<p>Corporate Governance In reviewing the Commission's corporate governance practices, it was noted the Commission needs to:</p> <ul style="list-style-type: none"> ■ improve the way it monitors conflict of interest; ■ consider the need for financially literate members when identifying candidates for Board positions; and ■ ensure that the terms of reference for working committees fully reflect their advisory role. 		<p><u>Progress to Date</u> Annual conflicts of interest reports for 2006 have been reviewed and discussed at the Governance Committee meeting in May 2007. A report will be produced for the October 2007 Board meeting..</p> <p>An individual with financial expertise (a CA) was recommended for appointment to the Board of Directors in July 2007.</p> <p>In May 2006, guidelines for Working Committees were revised to reflect their advisory role.</p>
<p>Internal Audit The Commission has developed terms of reference for internal audit. Internal audit reports to the Audit Committee on their findings. The Audit committee requested that the internal auditor provide one or two page summaries of its key findings and recommendations. The Committee needs to ensure that it receives enough information about the audit recommendations to monitor management's progress in addressing any issues.</p>	<p>The Audit Committee will ensure the information provided by the Internal auditor is adequate to all it to monitor management's progress in implementing audit recommendations.</p>	<p><u>Progress to Date</u> The Commission has developed terms of reference for internal audit. Internal audit reports to the Audit Committee on their findings. The Audit committee requested that the internal auditor provide one or two page summaries of its key findings and recommendations. The Audit Committee will ensure the information provided by the Internal auditor is adequate to allow it to monitor management's progress in implementing audit recommendations.</p>

SIGNIFICANT DEFICIENCIES	MANAGEMENT RESPONSE	STATUS
<p>Research and Information Management</p> <p>With respect to research and information management, we noted that improvements could be made to:</p> <ul style="list-style-type: none"> ■ the quality control process; ■ periodic assessments for research activities; and ■ the systems and practices to identify, retain, and safeguard critical records. <p>At the request of the Board, a program evaluation framework for research was developed and adopted by the Board. However the 2003 evaluation framework has not yet been implemented. The Commission indicated there was in place an informal process to ensure the quality of individual research activities. We found no evidence of this process. The Commission uses various means to promote and distribute information. However no corporate guidelines exist for the publication of market research, which is left to the discretion of each marketing director.</p>	<p>A research integrity and dissemination strategy will be identified and complied with to ensure data integrity and communication.</p>	<p><u>Progress to Date</u></p> <p>Accountability for the integrity and dissemination is included in the Research Planning, Implementation and Reporting Framework. A Research Communications Strategy was developed in conjunction with Corporate Services. A communication plan and distribution flow chart was developed to guide the dissemination for all reports. A copy of this is included in the 2008 - 2012 Research Strategy. The Program Evaluation Framework for the Research Program (2003) was reviewed. The framework needs to be modified (see Planned for 2008) to account for changes within the research unit (combining of market research and macro-economic research units) and adoption of a new strategic research plan.</p> <p><u>Planned for 2008</u></p> <p>In conjunction with the Planning and Evaluation team, develop and implement an evaluation framework for the research program. The Research Unit participated in the development of Information and Records Management Strategic Plan and will work to ensure all research records are kept in compliance with the strategy.</p>
<p>Information Management</p> <p>It was noted that the Commission has not identified the critical paper and electronic records needed to ensure business continuity and compliance with the Library and Archives of Canada Act. Standards and procedures for organizing, classifying and storing critical records have not been implemented. A lack of awareness of any record keeping guidelines and a central filing system created inconsistencies and gaps in record keeping for some areas of the organization. No formal strategic plan for IT exists and the Commission has no business resumption or disaster recovery plan.</p>	<p>The Commission will develop and implement a records management policy and system.</p> <p>A strategic plan for IT will be established this year.</p> <p>A disaster recovery plan will be established.</p>	<p><u>Progress to Date</u></p> <p>In 2006, the Commission began development and implementation of a records management policy and system to identify the critical paper and electronic records needed to ensure business continuity and compliance with the Library and Archives of Canada Act. A strategic plan for IT has been distributed.</p> <p>Records management systems and procedures are being developed. Standards and procedures for organizing, classifying and storing critical records will be implemented. A corporate disaster recovery plan is being developed.</p>
<p>Procurement and Partnerships</p> <p>In reviewing contracts and partnerships we found that in some cases policy and guidelines were not followed, primarily contracts signed after the fact. It was noted that the new procurement policy does not provide guidance on what the obligations of the Commission are under the various governmental trade agreements, or how to address them. The procurement policy does not specify requirements to evaluate completed contracts to confirm that performance met specifications and an acceptable standard of quality.</p>	<p>Policies will again be communicated to staff, and compliance with policies will be monitored. Staff will be held accountable for compliance. The obligations of the Commission under the various government trade agreements will be established and communicated to staff.</p> <p>Post-contract evaluation procedures will be implemented.</p>	<p><u>Progress to Date</u></p> <p>Policies were discussed with staff at the annual all-staff meeting in June 2006. The obligations of the Commission under the various government trade agreements have been established and communicated to staff. Compliance with policies is being monitored. Staff will be held accountable for compliance.</p> <p>As current agreements are renegotiated, replacement documents will contain performance requirements and timelines related to the review of supplier performance.</p>

appendix iii: risk mitigation strategy

The CTC conducts a risk assessment as part of its annual planning cycle, and uses the results of the assessment in the development of its 5 year strategic plan. Stemming from the risk assessment is the CTC's risk mitigation strategy, which is intended to retain a focus on managing and addressing the organization's key risks on an ongoing basis. The Audit Committee performs an oversight function in order to ensure the effective implementation of the strategy, and reviews the progress of risk mitigation on a quarterly basis. The attached review schedule identifies the frequency of SMC and Audit Committee meetings to discuss and review progress of each risk.

RISK	DEFINITION	MITIGATION PLAN	SPECIFIC ACTIONS	TIMEFRAME
1. Resourcing	Inadequate resources to deliver against the strategy	Communicate risk to shareholder along with options for mitigation	<ul style="list-style-type: none"> ■ Continue to assess return on investment and program resource allocations ■ Engage Board in presenting options to Minister 	Ongoing Q3/4, 2007
2. Reliance on government funding	Reduction in government funding	<ol style="list-style-type: none"> 1. Efforts to ensure current appropriations remain stable 2. Finding additional sources of revenue 	Stability of current appropriation levels can be achieved by <ul style="list-style-type: none"> ■ government relations (ensuring shareholder sees value which can be demonstrated through performance measurement, broad based government relations and industry communication back to shareholder) ■ providing evidence to agencies of influence as to measured achievement (TB, OAG, corporate plan, annual report, Special exam) Revenue generation opportunities are maximized starting with sale of merchandise and knowledge transfer via conferences.	Ongoing Ongoing
3. Retention	Inability to retain key staff	The HR unit will develop in early 2008 a strategy to grow and retain talent and great leaders.	<ul style="list-style-type: none"> ■ Development of strategy to grow and retain talent and great leaders. This strategy will determine the specific actions. 	June 2008
4. Competition	Countries competing for tourism revenue	Research to inform CTC and partners of competitive threats; In market teams to advise through quarterly reports development of brand/product to be more responsive to tourism demand; efficient/optimal investment of resources.	<ul style="list-style-type: none"> ■ Ongoing competitive research through Global Tourism Watch (GTW) ■ Management of marketing / sales plans to address competitive advantages 	GTW to be launched in fall 2007, then to be aligned with marketing plans beginning in 2008 Ongoing part of planning process

RISK	DEFINITION	MITIGATION PLAN	SPECIFIC ACTIONS	TIMEFRAME
5. External Shock	Ineffective management of the impact of natural disasters (e.g. pandemics, environmental, mad cow) and other external shocks (e.g. air traffic disaster) on Canadian tourism spend	Development of the crisis management plan response to external shocks	<p>Plan evaluation of level of risk of shock, potential impact and required action; consultation with industry, partners, other shareholders / stakeholders; research to frame the risk and potentially inform the marketing / sales response</p> <ul style="list-style-type: none"> ■ Completion of RFP for research firm to assess external shock ■ Completion of crisis plan 	December 1, 2007
6. Relevancy / attribution - performance measurement	Inability to fully measure and attribute performance and demonstrate influence on tourism in Canada	The CTC is implementing the Balanced Scorecard as its performance measurement framework to track and report on organizational performance. The framework will demonstrate how the CTC is supporting its goal of increasing tourism export revenues, and will clearly differentiate between the CTC's performance and industry performance.	<ul style="list-style-type: none"> ■ Completion of enterprise level scorecard ■ Development of business unit scorecards 	2007 end 2008
7. Training / development	Ineffective training programs to support personnel	<p>A corporate training plan will be submitted to senior management mid-September 2007.</p> <p>Leadership development will take place in fall 2007.</p>	<p>A new Orientation Program, New Team Member Exploration Program, was launched the week of August 20th.</p> <p>HR is currently working on a corporate training plan and will submit the plan to senior management mid-September. In the meantime, several courses are offered to staff.</p> <p>Leadership assessment (executive directors, managing directors and VPs) will take place this fall.</p> <p>As a follow-up to the assessments, leadership training/coaching will take place in 2008.</p>	<p>September 2007</p> <p>February 2008</p> <p>2008</p>

RISK	DEFINITION	MITIGATION PLAN	SPECIFIC ACTIONS	TIMEFRAME
8. Recruiting	The right people for the right jobs	Identify core knowledge, skills and capabilities for CTC's positions and develop training for the organization.	<p>HR in collaboration with managers will identify and document the core knowledge, skills and capabilities required within their section to achieve current and future business objectives and strategies</p> <p>HR will evaluate each potential and current employee against the core attributes required.</p> <p>Based on the identification of required core knowledge, skills and capabilities, HR will develop a training and development curriculum for the organization for 2008/2009.</p> <p>The training curriculum will identify both mandatory and recommended training & development activities, specifically focused on areas of knowledge, skills and capabilities that are critical to the CTC.</p>	Fall 2008 & on-going
9. Protection of brand assets	Proper protection of the CTC brand	Develop and implement an intellectual property protection plan	<ul style="list-style-type: none"> ■ Secure International Legal Services and Trademark Agents ■ Develop and implement plan, including possible registration of official marks, trademarks and/or copyrights in Canada and in-market as advisable 	<p>Fall 2007</p> <p>2007 onward</p>
10. Privacy	Unintentional disclosure of confidential or sensitive information to 3rd parties	Develop and implement privacy plan	<ul style="list-style-type: none"> ■ Perform privacy audit ■ Review current privacy policies and develop and implement required amendments to policy as applicable to Canada-based and in-market offices, activities and information ■ Monitor application of policy ■ Perform follow-up privacy audit ■ Develop and implement amendments to privacy policy if required 	<p>Fall 2007</p> <p>2007 onward</p> <p>2007 onward</p> <p>2011</p> <p>2011 onward</p>
11. Employee terms and conditions	Lack of updated T&Cs of employment with changing employment standards	An overall review is to take place to bring all terms and conditions up-to-date and in line with each country's legal requirements and best local HR practices.	<ul style="list-style-type: none"> ■ Review World Wide Pension Plan for all countries affected ■ Review and adjust, if required, the Classification Scheme ■ Review, benchmark and adjust, if required, in-market terms and conditions of employment ■ Update all booklets for international staff to ensure they reflect the country's legislation 	Project will start in 2007 and end late 2008

RISK	DEFINITION	MITIGATION PLAN	SPECIFIC ACTIONS	TIMEFRAME
12. Technology effectiveness	Inability to leverage IT capability to effectively conduct internal processes (e.g. procurement, CRM, security and privacy)	TBD	<p>The potential risks identified include a variety of areas ranging from:</p> <ul style="list-style-type: none"> ■ finding efficiencies with current software (i.e. JDE for Procurement) or new software (HR) ■ implementing change management initiatives for CRM ■ ensuring third party vendors meet CTC standards for security and privacy <p>Each of these three areas will be tabled with the IT Governance committee and recommended actions will be developed and implemented.</p>	<p>Ongoing</p> <p>Ongoing</p>
13. Funding model	Limited funding options available as a Crown corporation	Contain overhead costs to 18.5% of budget (overhead includes compensation, rent, corporate functions, etc.)	<ul style="list-style-type: none"> ■ Introduce defined contribution pension plan ■ Implement operational efficiencies on continual basis ■ Pursue Treasury Board to recover full amount of annual salary increases (not just negotiated increases) ■ Develop options for revenue generation 	<p>Q1, 2007</p> <p>Ongoing</p> <p>Q3, 2007</p> <p>Q2/3, 2007</p>

appendix iv: federal identity program (FIP) action plan

Following on Treasury Board's decision that the CTC will comply with the Federal Identity Program (FIP), the action plan below outlines progress the CTC has made towards the implementation of FIP requirements. The CTC will submit periodic updates on the status of FIP actions and plans, and report annual results in its Corporate Plan. Recognizing that the CTC needs to develop new partnering guidelines and toolkit as well as a communications strategy for its partners, the official implementation date of FIP requirements for all marketing and promotional activities will be December 1, 2008. Where and when possible, the CTC will exercise best efforts to implement FIP requirements for all such activities in the period leading up to December 1, 2008.

UPDATED 2008 CTC FIP IMPLEMENTATION STRATEGY

Action	Requires the 'Canada' wordmark	Requires CTC corporate FIP signature	Specific FIP layout/design standards apply	May include the tourism marketing symbol (Canada's Tourism Brand)	Completion Date and Comments
Update version of the CTC's corporate identity guide and provide instruction on FIP compliance in all fields of identity application					Submission to TBS and IC by September 10, 2008 and to all CTC staff by October 1, 2008
Update version of the partnering guidelines and toolkit	✓			✓	December 1, 2008. - The completion date takes into consideration the fact that the CTC needs to develop a communications strategy and new guidelines for its partners. It must also work with its marketing agency to develop new toolkit. Samples of the marketing applications will be shared with IC and TBS by September 19, 2008.
Employ Canada wordmark, FIP signature and the order of the presentation of official languages	✓	✓	✓		August 15, 2008
Marketing and promotional activities or products with partner					
Employ FIP strategy in special events and promotional activities	✓			✓	December 1, 2008 for all new activities. The completion date is linked with the development of the partnering guidelines and toolkit. Activities executing agreements signed before June 27, 2008 by CTC and partners will continue to include only the Canada Tourism Brand element during the life of the agreement. The CTC must respect the terms and conditions of partnership agreements. When possible the CTC will renegotiate terms and conditions.

Action	Requires the 'Canada' wordmark	Requires CTC corporate FIP signature	Specific FIP layout/design standards apply	May include the tourism marketing symbol (Canada's Tourism Brand)	Completion Date and Comments
Employ FIP strategy in print, television and internet advertising	✓			✓	December 1, 2008 for all new activities. The completion date is linked with the development of the partnering guidelines and toolkit. Activities executing agreements signed before June 27, 2008 by CTC and partners will continue to include only the Canada Tourism Brand element during the life of the agreement. The CTC must respect the terms and conditions of partnership agreements. When possible the CTC will renegotiate terms and conditions.
Employ FIP strategy in collateral communications (brochures, kit folders, etc.)	✓			✓	December 1, 2008 unless these materials are part of an agreement signed with partners before June 27, 2008.
Employ FIP strategy in multi-media and audio-visual products	✓			✓	December 1, 2008 unless these products are part of an agreement signed with partners before June 27, 2008.
Employ FIP strategy in special events, exhibits, displays, expositions	✓			✓	December 1, 2008 unless these products are part of an agreement signed with partners before June 27, 2008.
Employ FIP strategy on consumer websites to expose and make available Canada's tourism materials and products to key audiences	✓			✓	December 1, 2008
Employ FIP strategy on outdoor and transit advertising	✓			✓	December 1, 2008 unless these products are part of an agreement signed with partners before June 27, 2008.
Employ FIP strategy in promotional give-aways				✓	December 1, 2008
Employ FIP strategy in 2010 Winter Olympic Games partnered activities	✓			✓	December 1, 2008 - CTC is not part of the federal government multiparty non-commercial agreement with VANOC. The CTC negotiated a specific non-commercial agreement with VANOC which provides terms and conditions for the use of various VANOC marks. Any terms of use of any Olympic marks by the CTC requires approval from VANOC.

Action	Requires the 'Canada' wordmark	Requires CTC corporate FIP signature	Specific FIP layout/design standards apply	May include the tourism marketing symbol (Canada's Tourism Brand)	Completion Date and Comments
CTC corporate materials (not partnered)					
Employ FIP strategy on CTC stationery products (including: letterhead, calling cards, envelopes, complimentary slips)	✓	✓	✓		October 1, 2008
Employ FIP strategy on CTC facility signage (all types), owned and leased vehicles	✓	✓	✓		January 1, 2009 (when possible) The Vancouver landlord already refused to allow CTC to use the Canada wordmark on the Building or in the building lobby directory
Employ FIP strategy on CTC forms (including: memos, applications, notices, registration, fax cover sheets, contracts, etc.)	✓	✓			October 1, 2008
Employ FIP strategy on corporate annual reports, corporate plans, CTC corporate (versus marketing) publications, reports, presentations, news releases, etc.	✓	✓			October 1, 2008 for all new materials. The CTC is already using the FIP signature and the Canada wordmark on Annual Reports, Corporate Plans, etc.
Employ FIP strategy on the CTC official website	✓	✓			December 1, 2008
Employ FIP strategy on CTC uniforms, personnel identification, identification badges, certificates, awards	✓	✓			October 1, 2008

