

Latin America Office

June, 2000 Report

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TRADE SHOW

Nancy Foster and I met with twenty receptive tour operators at the I.T.S.A. trade show held on June 6th in Miami. By participating in this organization, we expand our opportunities to further our relationships with this key link in the distribution channel. Many of the receptive tour operators based in our state have never visited the St. Petersburg/Clearwater area. During our meetings with each tour operator we emphasized how much we would like them to participate in our third annual "receptive tour operator familiarization week-end" planned for Sept. 15-17 in Pinellas County. Our presentations were made to:

American Executive International

American Tours International

Bancor/Leaders in Travel

Visit US

Grand Miami Tours

Mears

BTM Travel Group

MM Tour Operator

NATT USA

Meg Tours, Inc.

Sun Coast Tour & Travel

Travel PlanMCO Tours

Petty International

Holiday Pleasure Travel

Verona Tours

Kintana Tours

Stella Barros Turismo

Travalco

Loman Tours

UPCOMING TRADE SHOWS

1. Next is August 26, “Visit USA,” Concepcion, Chile. This will mark our first time appearance in this trade show in Chile’s second largest city. Two hundred travel agents are expected to attend. An educational seminar is planned at this same time to host a group of the largest travel agents in the region.
2. The eleventh annual “La Cumbre” trade show will be held in Anaheim, CA, Sept. 5-7. This is an opportunity for thirty appointments with Latin American tour operators and meetings with Latin American journalists.
3. Feria Internacional de Turismo(FIT) will be held Oct. 21-24 in Buenos Aires. This event draws over 15,000 travel industry personnel and a similar number of consumers during its 4 day life-cycle.
4. Following the FIT event we will participate in a “caravan” organized for the first time to workshops Argentina’s second largest city, Cordoba, and its third largest, Rosario.
5. Nov. 22, we will participate for the second year in Chile’s largest travel show, ACHMART. Approximately 1500 travel agents will visit our stand during this event.

FAMILIARIZATION TOURS

1. Resulting from a Pow Wow appointment, Argentine tour operator, JAC brought a group of 15 travel agents from Paraguay. They ventured on an excellent itinerary created by Chamara Bowers. Lodging was at the Dolphin Beach Resort. Visits included the Dali, Clearwater Aquarium, Safety Harbor Spa, beach time, shopping time, and Starlite dinner cruise. Feed-back from the operator and the participants was very positive. All were in Pinellas County for the first time.
2. Visit FL organized a fam trip that brought to the W. Coast of FL 15 top notch Venezuelan travel agents. Chamara Bowers hosted the group during their brief stay. Their itinerary included visits to the Dali Museum and Florida International Museum. Each of the participants was provided with an evaluation form to report their opinion of whether the components of the trip met/surpassed or was below their expectations. The Salvador Dali Museum consistently surpassed expectations on all of the participants’ evaluation forms.

TOUR DEVELOPMENT

1. As a result of several meetings in Buenos Aires with the undersigned, four leading Argentine tour operators, Adia, Asensio, Atalaya, and Turar pooled resources to promote packages to Pinellas County. They launched an advertising campaign aimed at consumers that will encourage visitation to our hotels, beaches and attractions. Hotels they chose in Pinellas County are the Bilmar, Treasure

Island and Ramada Inn Gulfview on Clearwater Beach. Two packages are offered. A six-night Bilmar package with air and rental car is \$902.00 and a Orlando/Clearwater Beach 7 night combo is \$970. This is very attractive pricing and is competitive with other Miami/Orlando packages being offered in the market. Advertising of these packages was accomplished done in consumer publications during May and June. All of the tour operators report a high volume of telephone inquiries as a result of the advertising. In addition to sharing in costs of the advertising, the operators printed a four-color brochure, created press releases, promoted the package at their own "work shops", and completed direct mailings to retail travel agencies. *Next month's report* will give further information from each of the four tour operators as to the results of this effort during Argentina's peak travel season.

MARKET INTELLIGENCE

1. Visit FL, Inc. will close its Latin America office located in Coral Gables on July 15. The Director, Gina Hartmann, will continue to carry out activities for the organization from her home office.

2. A June report from Tourism Industries, US Dept. of Commerce states the following in regards to Argentina and Brazil:

Argentina. "Argentina's GDP decreased by 3% during 1999 compared to 1998, represents the worst Argentine recession since the early 1990's. Total consumption decreased by 3.4% during the year after increasing by 3.1% during 1998. Private consumption is expected to recover during the year 2000. This was certainly reflected in the declining Argentina arrivals to the US in 1999(down 4%). However an exchange rate pegged to the dollar kept arrivals from suffering the same effects as the Brazilian arrivals. Unemployment is expected to inch up a bit from 14.3% during 1999, as a high number of people return to the labor force and GDP expands by 3.3% during the year. Unemployment should remain above 10% for the rest of the forecast period. This mixed picture of economic recovery along side of uncertain consumer confidence and resilient unemployment translates into modest recovery of arrivals (4%) to the US in 2000. After that it's anticipated that strong income growth and stable exchange rates and inflation will provide the backdrop for an acceleration in arrivals over the next 3 years, topping 617,000 in 2003, a 19% growth over 2000.

Brazil. "A 60% decline in the value of the real and a 5% decline in per capita GDP dealt a severe blow to travel to the US in 1999. Brazilian visits to the US declined 27% last year. However, as was experienced in 1999's comeback for the Asian market, Brazil has turned the corner and will begin recovering lost ground in 2000. The Brazilian economy continues to rally as its bond and stock markets are a reflection of an excellent crisis management policy by its government and central bank. The economy grew 3% during the fourth quarter of 1999, beating the most positive expectations to register a .8% growth during the year, and poised to record a growth rate of 3.6% during the year 2000. Furthermore, the

government has recently announced an 11% increase in the minimum wage, allowing minimum wage earners to increase consumption. Now the economy is poised to recover from last year's devaluation and high volatility in the exchange rate market, and the exchange rate is expected to appreciate as capital continues to flow into the country. Over the following years, the US can expect Brazil to be a significant growth source, with arrivals increasing at an average annual rate of 7%-8% annually, topping 953,000 by 2003, maintaining its 5th top market position."

SALES REPORT

St. Petersburg/Clearwater Area Convention & Visitors Bureau

International Office Latin America

Monthly Sales Report

	#Sales Calls	#Sales Leads	#TA Educ Workshop	#Media Contacts	#Trade Mailed	#Vis. Inq. Mailed	#Trade Shows
<u>Oct.</u>							
<u>Nov.</u>							
<u>Dec.</u>							
<u>Jan.</u>							
<u>Feb.</u>							
<u>Mar</u>							
<u>Apr.</u>							
<u>May</u>							
<u>Jun.</u>		3		1	45		1
<u>Jul.</u>							
<u>Aug.</u>							
<u>Sep.</u>							