

May 6, 2008

Dear Industry Partners,

Vancouver hoteliers under the umbrella of the Vancouver Hotel Destination Association (VHDA) are introducing a Destination Marketing Fee (DMF) to increase funding for the marketing of Vancouver as a destination effective June 1, 2008.

Vancouver is a dynamic, multicultural city set in a spectacular natural environment with international influences. Visitors love this city for its healthy attitude, where your every urban need is satisfied in style, and contact with nature is never more than a few steps away.

The Vancouver Hotel Destination Association recognizes the need to competitively market the array of attractions that Vancouver has to offer. Many competing cities in Canada and the United States have introduced a DMF to increase funding to market their cities; Montreal, Ottawa, Toronto, Calgary, Washington, Chicago, New York City that have had dedicated funding mechanisms in place for years.

Vancouver hotels will voluntarily participate in the program by adding a 1.5% fee to their room sales and contribute it to DMF for a three year period. The initial focus for the program is on the downtown hotels. The level of participation has been very positive. The funds raised through this fee will strictly go to the enhancement of Vancouver's destination awareness and to initiate new marketing strategies, providing greater national and international exposure for all that Vancouver has to offer, monies raised through the DMF are not used to market hotels.

It is an exciting time to lead business development and initiatives to leverage the 2010 Olympic and Paralympic Winter Games opportunities, inviting the world to visit Vancouver before, during, and for many years after the high-profile event.

The DMF program is aimed at ensuring the continued long-term growth and the prosperity of Vancouver as a "must see" destination, creating value for all partners in the tourism sector.

Additional information about the DMF is available on the VHDA website www.vanhda.ca or by contacting vanhda@shaw.ca.