

Executive Director Report 2017
Focus on Strategic Convention Committee
Recommendation, Government Relations and
Semi-Annual Meeting



Government Relations:

The GR Committee formerly appointed via motion that Philippe Bachand is the new Chair of the 2017 GR Committee. If the board has any objections, it should be raised at this meeting – otherwise approved. FDFA will update all communications accordingly to reflect this motion.

Road TRIP Proposal & Advocacy 2017

- **Road TRIP:** Given the recent Federal Budget announcement in March 2017, in which the government without consultation announced that they would be cancelling the FCTIP rebate program, it is the recommendation of the GR Committee to no longer pursue now any proposal to the government on a proposed three-year pilot Road TRIP program.
- For those not aware, FCTIP was the only GST Rebate component in 2007 (when VRP was cancelled by Minister Flaherty) that remained as a GST rebate specifically to international conventions/meetings & tour groups. The rationale for government was to ensure Canada's competitiveness. The reasoning behind the non-stakeholder consultation cancellation in this respective budget is that the Destination Canada sustainable funding model (also announced in the 2017 budget) would offset the need to provide this rebate. New information: It has come to my attention by TIAC that the government is now planning on keeping the rebate for conventions/meetings due to tourism industry backlash, but still eliminating the tour group rebate.
- Given that the government is making this type of decision, it is the consensus of the GR Committee that we would not be successful in our Road TRIP pitch. This would be a waste of our resources and time and the GR Committee wants to refocus our key objectives.
- **Advocacy:** It is the strong consensus of the GR Committee that our members should constantly be advocating to their local political officials in their regions on the importance of our industry and their store's. We will present once again to the members in Mississauga on key points to remember.
- We are looking to create an updated industry position paper which will include a tobacco specific area.
- Philippe and Simon Resch are still set to create a mandate on the sub committee for tobacco – more information to follow.

Live meeting in Ottawa – CBSA and FDFA GR representatives

- April 26th, Gerry Lee, Abe Taqtaq and Laurie Karson will be meeting live in Ottawa with CBSA as per the mandate of the GR Committee to proactively meet with CBSA on key issues to ensure more of a consistent and productive/positive industry relationship with this key government department.
- CBSA has confirmed meeting, and announced that Brent McRoberts is no longer in his role as DG of the Duty Free Shop Program as he has been reassigned to Immigration. As such, they noted to me (without formal consultation) that our new Assistant DG is Darryl Larson.
- I have requested from CBSA that a formal communication i.e. email that we send to all operators be sent notifying them of this change in department head with contact information, roles/responsibilities, Mr. Larson's bio.
- At the meeting, CBSA officials attending are Shawn Riel, Mr. Larson, Antoine Parker and Charles Chenard. The meeting will start with a luncheon in Ottawa followed by a two-hour meeting at CBSA offices.
- **ACTION: A draft agenda for the meeting has been provided to the board based on the GR Committee's recommendation. CBSA will also provide input into any other topics they wanted included or determine if it is final.**

- We will be asking Mr. Larson to attend the upcoming Semi-Annual meeting as this will be a good opportunity to meet him in person and assist him in his initial understand of who we are as an industry.

FDFA Semi-Annual Meeting 2017 Recommendation Options:

- FDFA has provided the board in separate documents the FDFA Semi-Annual registration tracking list. Currently 15 stores are attending. Invitations to airport members have been extended – no reply yet.
- The Tuesday, May 30th RCC Store Conference PDF version has also been provided to the board with the full listing of speakers and retail topics.
- Peter Brain and Laurie Karson reviewed the agenda and have agreed not to send out a tailored (forced agenda) to our members. We believe that members can attend whatever sessions they feel would be of interest to their business. Additionally, the full list of RCC Exhibitors (trade floor) has not been released yet. We will provide this to our members when available with full package.
- Concept: The FDFA will provide each member a writing binder with session headers and several questions such as: Did you find this topic or speaker of interest to your business and Why? The idea is that members can take notes during sessions or when they return to their hotel rooms. We would like to schedule some time at the start of the Wednesday, May 31st Operator’s meeting to discuss our collective findings from the sessions and trade floor and share our thoughts – what was of interest, were their services or products that we should recommend or have the FDFA get in touch with for i.e. future FDFA conventions, etc. We believe this may be more palatable than a post online survey.
- A post online survey of the entire event will still be developed and distributed to those who attended.
- It has also been recommended that we offer the RCC event – which is a value of over \$500 each registration to the non-members who Tania and Abe are speaking with i.e. Peninsula, Peace Bridge, etc.
- FDFA Budget has also been provided for review.
- Logistics: FDFA Shuttle will pick members up at 7:15am at the Sandman Hotel and 4:30pm to pick us up back to the hotel at the end of the day on Tuesday, May 30th from Toronto Congress Centre where RCC event is taking place.
- For the Operator’s meeting on Wed. May 31st, some of the key agenda items recommended are as follows. It should be noted that a more formal draft agenda is being created for the President’s review and ultimately board approval – this is a starting baseline (this is not an order set in stone):
 - **President’s Comments and Membership Overview – Abe Taqtaq**
 - **Financials – Simon Resch**
 - **Operator Collaborative Roundtable Discussion on RCC event – speakers and exhibitors**
 - **Strategic Convention Committee Recommendation and Resolution to members – Multi-year Hotel deal – 2018, 2019, 2020 – Tania Lee and Laurie Karson**
 - **CBSA Presentation – Daryl Larson**
 - **CBSA Presentation – Charles Chenard – Lease Rate Review and Logistics**
 - **Government Relations – Philippe Bachand**
 - **Convention Committee 2017 (Montreal) – Lauren Guay**
 - **FDFA Office and Operations – Laurie Karson**
 - **Roundtable Open Discussion Forum – ALL Members**

Strategic Convention Committee 2017 – Recommendation:

- The FDFA Strategic Convention Committee has completed its full and lengthy analysis of the historical convention, member feedback, Duty Free Show of the Americas Merger analysis and identification of proposed new convention format for the board’s review, feedback and potential approval.
- Tania Lee has provided the board with a chart outlining the proposed new FDFA Convention format and will verbally communicate the format and rationale to the board.
- We are recommending this for 2018, 2019 and 2020 at the King Edward Hotel in downtown Toronto.

- Laurie Karson has begun formal contract negotiations with the King Edward based on this new format and once completed, the SR Committee will review draft contract before providing to board for final review.
- GOAL: If all goes well, we will be providing the members with a full presentation and recommendation on this proposal at the May 31st meeting to both members and some non-members who may be attending this meeting to hear this presentation.
- Laurie will also review at the board meeting the project milestones in more detail with the board i.e. timelines, key steps to achieving goal and how this new proposal will impact the 2017 Convention in Montreal. This proposal will also be identifying changes to the future of the semi-annual meetings in terms of new suppliers. More will be explained at the board call.
- The board will be receiving from the committee a full financial breakdown to coincide with the contract and proposal for the board to understand future registration costs, projected revenue targets for the convention/FDFA, etc. If approved, the Committee will have a PR and Communications plan on how we communicate this new format to members, industry stakeholders and media.

Convention Committee 2017

- The Convention Committee will be meeting live in Montreal in June 2017 (date tbd).
- The Committee is working in tandem with the Strategic Convention Committee to identify if new format elements can be implemented into the 2017 program – given that we are locked into a Westin contract based on the historical convention format. At this time, little implementation will be allowable.
- Recommendation: no three-day trade floor but two day – All day Tuesday and All day Wednesday.
- Cost for trade floor booths will not be lowered as it is recommended that we have members attend the trade floor by region at a specific time as historically done in the past i.e. B.C. Operators attend Trade floor on Wednesday afternoon vs. Quebec stores attending Tuesday morning.
- Lauren Guay has been tasked with creating an analysis for the Committee's review on how we vet new suppliers. What product categories are the most relevant, how do we determine this by region and nationally, how do we identify new and emerging products? Should a vetting Committee be formed and what is the process. Laurie Karson will explain more on the board call.

FDFA Office Operations:

- New FDFA website is fully operational and more mobile friendly. The second phase of project is underway i.e. newsletter and tracking, membership online application and online forms, etc.
- ATM Proposal – pls. review for your store and how the FDFA would benefit as a new potential revenue stream. All details are noted in the report.