



WINE TOURISM IN CANADA

A MESSAGE FROM THE CANADIAN VINTNERS ASSOCIATION

The Canadian wine industry knows how to make—and leave—a lasting impression. From the moment a visitor first starts planning their wine country experience, they can't help but feel excitement for what's to come.

Visitors and tour operators appreciate easy to use online resources for planning travel to Canadian wine regions, and once arrived, are greeted by well-marked wine routes and welcoming wineries that don't require advance reservations.

Our 550 wineries are located in the most beautiful parts of Canada, near international airports, with established tourism infrastructure. Culinary enthusiasts love dining at Canada's top-rated restaurants located at the wineries, and adventurers appreciate the diversity of attractions and natural beauty found within wine country. It's no wonder we welcome more than 3M visitors annually to Canadian wineries!

It's time to put Canada on the map as a global destination for wine & culinary enthusiasts.

A handwritten signature in black ink, appearing to read 'Dan Paszkowski'.

Dan Paszkowski, President and Chief Executive Officer
Canadian Vintners Association (CVA)

A MESSAGE FROM THE TOURISM INDUSTRY ASSOCIATION OF CANADA

TIAC and the CVA are pleased to present this report on the importance and potential of the Canadian wine tourism industry. Tourism is an \$88B industry that directly employs over 600 000 Canadians in every region of the country; wine tourism is a successful and growing contributor to this sector. Every year over 3M people spend about half a billion dollars while visiting Canadian wineries, contributing \$1.2B in tourism-related economic activity.

Internationally, culinary tourism is a growing trend that Canada is poised to capitalize on with our world-class wines and beautiful and accessible wineries. Studies show that travel sparks trade - attracting international visitors to our extraordinary wine regions in BC, Ontario, Québec and Nova Scotia which not only benefits tourism, but also contributes to the industry's overall exports currently valued at \$66M a year.

We hope this report will put the wide-reaching impact of competitive tourism policies into context.

A handwritten signature in black ink, appearing to read 'Charlotte Bell'.

Charlotte Bell, President and Chief Executive Officer
Tourism Industry Association of Canada (TIAC)

CANADIAN WINE TOURISM MATTERS

ANNUAL IMPACT OF WINE TOURISM IN CANADA



3M+ visitors
to Canadian wineries



\$476M direct revenue
from wine tourism



\$1.2B in tourism-related
economic activity



5 520 jobs directly
related to wine tourism

TRAVEL & TOURISM'S ANNUAL FOOTPRINT IN CANADA



\$88.5B
in economic activity



\$17.2B
in export revenue
(#1 service export sector)



\$9.6B
in federal government
revenue



627 000 jobs
207 000 youth jobs
(under 25)

CANADIAN WINE INDUSTRY OVERVIEW

1 600 GRAPE GROWERS
and 30 000 ACRES

On average, 1 BOTTLE
of Canadian wine generates
\$31 OF ECONOMIC IMPACT

4 KEY GRAPE WINE REGIONS:
British Columbia, Ontario,
Québec and Nova Scotia

\$6.8B IN ANNUAL ECONOMIC IMPACT, \$1.2B IN FED/PROV TAX REVENUE

550 WINERIES

31 000 JOBS

\$66M in EXPORTS

TRAVEL CULTIVATES TRADE

Travel increases visitor awareness and familiarity of a country's culture, customs and regions. It also exposes visitors to new products, which in turn, increases demand and endorsement for these products abroad.

Canadian wineries are actively working to build meaningful and lasting relationships with tourists through their tasting rooms, growing demand for Canadian wine across Canada and around the world.

A recent Deloitte study concluded that each **1% increase in Canadian arrivals generates an \$817M increase in Canadian exports.**



1% INCREASE IN
CANADIAN ARRIVALS



\$817M INCREASE IN
CANADIAN EXPORTS

A collection of 15 colorful, stylized icons representing various wine-related items. The icons are arranged in a grid-like fashion. The items include: a green wine bottle with a white label featuring a green maple leaf; a light blue wine glass; a red wine glass; a red wine bottle with a white label featuring a red maple leaf; a purple wine glass; a purple carafe; a yellow wine bottle; a teal wine glass; a purple carafe; a teal T-shaped object; a red wine glass; a teal corkscrew; a teal wine bottle with a white label featuring a teal maple leaf; a red wine bottle with a white label featuring a red maple leaf; a green wine glass; a purple wine glass; and a yellow key.

- Chinese tourists made more than 100M international trips in 2014 - making it the largest source travel market in the world
- Canada was granted Approved Destination Status by China in 2010*
- China is the 4th largest tourism market for Canada, with more than 440 000 visitors who spend over \$1B annually
- Proportionally, Chinese tourists spend the most on retail purchases of any foreign tourist
- Canadian Tourism Commission's Chinese online media hub has received over a million views for its Canadian Wine video

- 10% of all winery visitors are from mainland China
- 90% purchase Icewine following a winery tour
- Average winery purchase is \$500 per group of 2-10 people
- Most likely to make purchases in the \$1 000 - \$3 000 range, than any other visitor segments

CANADA'S COMPETITIVE ADVANTAGE IN WINE TOURISM

WORLD-CLASS EXPERIENCE



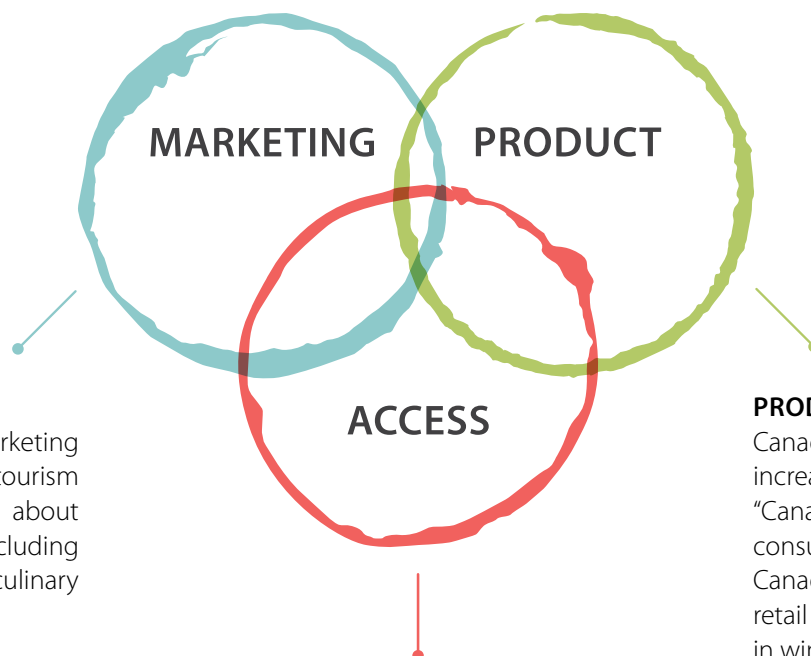
WORLD-CLASS PRODUCT



Canadian wines win more than 1 000 international wine awards annually - our cool climate wines shine on the world stage!

PLANNING FOR THE FUTURE

BARRIERS



MARKETING

A robust national marketing strategy will help the tourism industry tell the world about Canada's products, including our world-class wine & culinary tourism industry.

Most Canadian wine regions are close to the US border with great potential to attract the increasing number of Americans interested in wine & culinary tourism.

Industry is encouraged by the government's support for *Connecting America*, TIAC's co-investment proposal aimed to fund a national marketing campaign in the US.

ACCESS

High taxes and fees make flying expensive.

Visitors are faced with complicated Canadian documentation requirements.


Laws on the inter-provincial movement of wine are outdated, fragmented and highly restrictive.

PRODUCT

Canadian wine promotion will help increase awareness for the new "Canada wine brand", encouraging consumers to discover the wines of Canada while dining out, making retail purchases and participating in wine country tourism.

As wine consumption in Canada continues to increase, targeted support for Canadian wineries making investments in infrastructure and facilities will improve their competitiveness, resulting in increased sales, tourism and profitability.

OPPORTUNITIES	ISSUES	GOALS
<p>Tourism is the world's 4th fastest growing industry</p> <p>1B international travellers = \$1T in revenues</p> <p>Global arrivals growth was 4.4% in 2014</p> <p>International travellers spend more and stay longer than domestic travellers - wine & culinary tourists spend even more!</p>	<p>Slow growth: Canada's arrivals 2014 = 3.2%</p> <p>Continued over-reliance on domestic visitors</p> <p>High competition from California, France, Australia and New Zealand to attract international wine & culinary tourists</p>	<p>TIAC: Increase international visitation by 5% annually</p> <p>CVA: Increase winery visitors by 15% to 3.5M by 2020 = \$200M in additional direct tourism revenue</p> <p>CVA: Support international winery tourism as mechanism to create demand and sustainability for international wine sales</p>



"GASTRONOMIC [WINE & CULINARY] TOURISM IS A LOCAL PHENOMENON OF UNIVERSAL SCOPE THAT IS IN A CLEAR GROWTH PHASE; IT HAS A POSITIVE IMPACT ON THE ECONOMY, EMPLOYMENT AND LOCAL HERITAGE..."

- UNITED NATIONS WORLD TOURISM ORGANIZATION (UNWTO)