

Vancouver, B.C., October 29, 2008 – The B.C. Hospitality Industry is facing "never-seen-before" challenges as it grapples with the fallout of the world's economy, says James Chase, chief executive officer of the British Columbia Hotel Association.

"We have never seen anything like this before, or at least in my lifetime, and we must chart our way out of it together. We are now just starting to see and feel the real impact of this savage and uncertain global economic downturn. Nothing is assured any more.

"That is why the upcoming conference of the \$7.5 billion annual industry, which contributes just under \$5 billion annually to provincial coffers, will be the most important the industry has ever held," he said.

The economy and its impact on the B.C. industry will dominate the B.C. Hospitality Industry Conference and Exposition that runs November 23 – 25 in Vancouver, and Chase is strongly urging industry members to attend.

The B.C. Foodservice sector is a 7.5 billion dollar annual industry and, together with accommodation, contributes nearly \$5 billion annually to the gross domestic product in this province.

In times such as this, Chase said, industry conferences are more important than ever. "They give us the opportunity to co-operate, strategize and formulate a united, plan that will assist every company and aspect of our important industry. We have important issues to address and strategies to develop to bring about the changes that will allow us to succeed. This conference is the perfect forum for that," said Chase.

British Columbia has a superb hospitality industry and unparalleled products but will feel the impact of other global economies, especially if there is a decrease in domestic discretionary spending and Americans cannot afford to travel.

"As an industry, we recognize that when consumer confidence declines customers spend less on items such as hotel stays and dining out. As consumer spending shifts, our industry is quick to feel the pinch," said Chase. "We also know that what happens in the U.S. is mirrored in Canada and what we have seen so far is cause for concern."

"The conference will specifically address maintaining our competitiveness, employee retention, cost control and product enhancement, and what we can learn from U.S. trends," he said.

"One of our major presentations will be made by Peter Yesawich who closely follows the U.S. travel and leisure sector and how it affects the hospitality industry here in B.C. and in the rest of Canada," Chase said.

Latest statistics show spending by U.S. visitors to Canada was down over 11 per cent in the second quarter of 2008.

"Last year 5,062,000 U.S. citizens visited B.C., representing 77 per cent of the province's total non-Canadian visitors, but even that number is down almost 22 per cent from four years ago" said Chase.

While international visitations from Asia and Europe continue to hold their own and grow in some instances it is not enough to overcome the fall-off in the U.S. market.

"We are a major employer in the province with approximately 11,378 businesses and a workforce of nearly 173,000 skilled workers. We must retain them if we are to hold our position as one of the most sought-after destinations in the world," Chase says.

But it is not all bad news, he stresses. "Our economy is in good shape. The 2010 Winter Olympics are just over the horizon and will help immensely. The devaluation of the Canadian dollar will also have a beneficial impact for U.S. and other international visitors and make us a more competitive destination," he added.

About the B.C. Hospitality Industry Conference & Exposition The B.C. Hospitality Industry Conference & Exposition brings together the hospitality industry for three days of networking, buying and the latest in education development. The Conference attracts approximately 500 industry professionals representing all aspects of the hospitality industry - hotels, motels, restaurants, pubs and more,. The Exposition hosts over 250 exhibitors displaying the latest goods and services and approximately 4,000 industry professionals attend the two day Trade Show. Visit www.hospitality-trade.com.

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Media contact:
Sara Holland
Tartan Group
604.880.1494 (cell)