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**Chief Executive Officer
Pacific Asia Travel Association
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PATA Annual Report**

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Your excellencies, Mr. Chairman, distinguished guests, ladies and gentlemen. Good morning, and welcome to the 48th PATA Annual Conference. *Historically, this portion of the programme is dedicated to the Association's annual report of activities. I would like to spend the next few minutes reviewing what the association has accomplished since last year's annual general meeting in Manila. And then preview what's to come as we cross the Bridge to the New Future together.*

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PATA's mission is "to enhance the growth, value and quality of Pacific Asia travel and tourism for the benefit of the membership of PATA." Our executive committee, board of directors, industry council and staff should, and do, keep this mission statement in the forefront of their minds. Every new initiative, each dollar spent and every decision made reflects careful consideration for the short- and long-term impact such actions will have on our members.

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By far the most dramatic accomplishment since last year's Conference was the relocation of PATA Operational Headquarters to Bangkok, Thailand. This move was conducted on schedule and with minimal disruption to our day-to-day operations. Relocating to Bangkok put us much closer to the core of our members in the Pacific Asia region. As a result, we now have a better understanding of the problems and opportunities throughout the region, and have the ability to communicate more effectively with all our members.

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The move also resulted in an overall restructuring of our staff. We formed the PATA Events Department, based in Bangkok, to oversee operations of our six major events. Our Strategic Information Centre and research library are now housed in Bangkok, alongside the Communications Department. The PATA Americas Division in San Francisco was strengthened, and now has an enhanced emphasis on agent education and the development of outbound

Latin America travel. And the PATA directors for Northeast, Southeast and South Asia were given increased authority, providing our members in Asia with direct and powerful lines of communication to the Association.

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During the past year, PATA commissioned a much-needed comprehensive review of our membership structure and dues. This was carried out by the Washington Resource Consulting Group, a company with expertise in association management consulting. Many of you participated in the extensive interviews, focus groups and surveys that were conducted. Your feedback indicated that it would be a positive move to streamline our membership categories and bring dues in line with the value of benefits PATA provides. These changes, which voting members will be asked ratify at today's Annual General Meeting, will result in a simplified application process and logical dues structure -- features which will make PATA an association well-prepared for future growth.

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Speaking of growth, the Association has for many years discussed expanding its boundaries. The Geographic Boundaries Task Force, led by our Chairman-Elect Dan Burruss, is studying the potential effects of widening the borders of the PATA region, and their full report will be presented next year. For now, however, I am delighted to announce that your Board of Directors just yesterday approved the Task Force's recommendation to admit the Maldives into PATA as full government members. This will be presented at the Annual General Meeting this afternoon.

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I am also pleased to announce the launch of our redesigned Web site, PATAnet. Stone Ground Solutions, a San Francisco-based Web company, has done an excellent job of creating a new site for us -- a site with the technology we need to serve our members as we enter the new millennium. PATA members are entitled to:

- *A free hyperlink from PATAnet to your company's Web site*
- *Free classified listings for job openings in your company*
- *Password-protected access to a special members-only area of PATAnet, where you'll find Strategic Information Centre data, conference proceedings, the Issues & Trends newsletter and other privileged information for members only*

Meanwhile, millions of travel industry and consumer Web surfers now have improved access to:

- *links to PATA members' Web sites*
- *directory listings of PATA Chapter executives*
- *free subscriptions to the biweekly PATAfax newsletter*
- *online registration for PATA events*
- *and online, secure purchasing for PATA publications*

A demonstration of the site is available for viewing just adjacent to the PATA members area.

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In response to requests from the Board of Directors, PATA staff and the industry at large, we are also pleased to unveil a new look, new content and new design for the PATA magazine, formerly known as PTN Asia/Pacific.

Each of you received the inaugural issue of PATA Compass in your delegate bag. Unlike its predecessor, this magazine is clearly branded as your magazine. As the magazine of the Pacific Asia Travel Association.

The redesign was based on input from readers, members and chapters, who described what they seek in this publication. The content was reshaped to give you the information you need to conduct better business. The magazine also serves as an important sales vehicle for PATA membership, PATA events and research from our Strategic Information Centre. Along with improved editorial content and more involved readership will come, we hope, more advertising.

As you can see, many of the changes that have taken place during the past year illustrate that evolution is a positive process. PATA, and our industry, are changing much more quickly than any of us thought possible. However, while we have accomplished a great deal in the past year, there are many exciting opportunities ahead.

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To begin with, we have already formed research and marketing committees to provide the Association with creative ideas and expert guidance. Our members have identified research and marketing as two key areas for PATA activities. The committees will ensure that there is open dialogue between PATA members, the Board of Directors and the staff who implement such activities.

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One of the more daunting challenges PATA faces are the many issues and questions surrounding the PATA Chapters, especially in terms of their relationship to the Association. The Chapters play a very significant role in PATA, although they serve different functions in different areas of the world. Before any definitive recommendations are made, we will conduct a thorough analysis of the Chapters, and we will be seeking constructive input from Chapter leaders. We hope to hear from all of you on this topic.

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PATA will continue to develop strategic partnerships -- such ventures are essential if we are to maximise resources and deliver quality products. We have already formed alliances with companies including Enten and Associates for our Destination Marketing Programme, Bass Hotels & Resorts on the Impressions of Asia campaign, Stone Ground Solutions on our Web site, and MasterCard, which has just joined PATA's Premier Partner Programme. The Mekong Tourism Forum is held in conjunction with the Asian Development Bank and ESCAP (Economic and Social Commission for Asia

and the Pacific). And UNESCO and PATA are collaborating on a new cultural heritage project for the promotion of responsible tourism. During these times of increased competition and global economic tension, partnerships and alliances are more important than ever.

Marketing and membership are two areas that will receive a greater focus when we cross the Bridge to the New Future.

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Traditionally, PATA's backbone has been marketing. As we move forward, we will continue to provide opportunities and venues for our members to develop stronger market positions. In addition to our four major events -- the PATA Travel Mart, VUSAMART, Pacific Travel Exchange and the Adventure Travel Mart -- PATA pavilions or booths will be held at 26 other events. Road shows and sales missions are scheduled for Germany, Scandinavia, Hungary, the Czech Republic, Dubai, Abu Dhabi, Bahrain, Mexico, South America, South Africa, Canada and the United States.

Two-way tourism initiatives are being developed throughout the region. To improve the level of professionalism in the industry, we are working with an outside contractor to develop a Pacific Asia specialist programme for travel agents in the Americas. Sales and marketing seminars are being created on the topics of "Marketing Incentive Destinations," "How to Get the Most Out of Trade Shows," "Destination Awareness" and "Outbound Markets."

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As we are a membership association, the retention of existing members and attraction of new members have now become an integral part of everyone's job.

New collateral material is being prepared to launch our membership campaign. We do not plan to solicit everyone for membership -- only the right types of companies or individuals, those who share PATA's principles and objectives. We do not strive to become the largest association, just the best.

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Finally, believe it or not, PATA's 50th anniversary will be here in two short years. A diverse committee has been assigned to lay the groundwork for what will surely be a spectacular year of celebration. The anniversary gives us a special incentive to go out and recruit new members. It will be a prime opportunity to brand PATA as one of the oldest and most powerful travel associations in the world. And at the anniversary milestone, we will have occasion to pause and reflect upon just how far we have travelled and where we have yet to explore.

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Ladies and gentlemen, it has been said that there are no shortcuts to any place worth going. Instead of seeking short-term solutions to long-term challenges, your Association is working diligently to guide all of us together across the bridge to the new future. We look forward to continuing the journey with you.

Thank you.