

Press release

FOR IMMEDIATE RELEASE

Tourisme Montréal stepping up efforts to counter impact of economic crisis

Montréal, April 28, 2009 — Tourisme Montréal today unveiled the strategies to be deployed to counter the impact of the world economic crisis which has hit Montréal's tourism industry hard. Relying largely on the Web, the organization seeks to explore new markets, target clients less impacted by the economic slowdown and seek out the assistance of influential community players to spur tourism in Montréal.

“The year 2009 will be one of challenges for Tourisme Montréal. Whereas the majority of observers point to a decline in tourism industry revenues, Tourisme Montréal aims, despite the current juncture and ever fiercer competition from rival cities, to redouble efforts to attract tourists to Montréal,” stated Charles Lapointe, President and Chief Executive Officer of Tourisme Montréal. “Doing more with less while differentiating ourselves from our ever more competitive rivals, such is the essence of the challenge which lies ahead for Tourisme Montréal,” Mr Lapointe went on to add.

In 2009, according to Tourisme Montréal projections, the number of tourists staying in the city for 24 hours or more should total 6.89 million visitors, representing a decrease of 1.6% compared with 2008. Tourist expenditures should nonetheless remain stable at \$2.12 billion.

Leisure market

Aimed at markets in North America, France, the United Kingdom and Mexico, Tourisme Montréal's 2009 leisure campaign will target HHAUs (hedonistic, heterosexual, affluent urbanites) and gay travellers. “Our efforts will focus on sectors of the population less impacted by current economic instability as we enhance our presence in ever more diversified markets. In 2009, in cooperation with our partners at Tourisme Québec, we will be making our voice heard more clearly in markets in France and Mexico. Tourisme Montréal will also devote particular attention to the gay community and will be exploring the California market in greater depth,” underscored Mr Lapointe. Tourisme Montréal's 2009 leisure campaign boasts a three-point goal: increase Montréal's notoriety as a destination of choice for short urban getaways, spur consumers to come to Montréal by showcasing the Sweet Deal (which features a third night at half price), and help potential tourists plan their trips.

After having launched an all new website in 2008 and extensively monitoring all manner of Web-related information about Montréal since 2005, Tourisme Montréal is pursuing efforts in 2009 with a major shift to Web-based advertising. Dictated by the changing buying habits of consumers the majority of whom now rely largely on the Web to do their travel shopping, this shift has led to the launch of a 100% Web-based campaign for markets in North America.

The campaign is centred around five blogs, one on each of arts and culture, epicurean life, nightlife in Montréal, gay life and girls' getaways. Hosted on the Tourisme Montréal website and maintained by individuals with a passion for Montréal, these blogs feature original columns on destination life and attractions designed to enable thousands of Web browsers to tap into Montréalers' passion for their city. Browsers can also use the site to share their impressions with others. In 2009, a transaction facility will be added to the Tourisme Montréal website to facilitate the purchase of the appealing travel packages advertised by Tourisme Montréal and partners.

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Business market

As a result of concerted action by the sales team of Tourisme Montréal, Palais des Congrès de Montréal and hotel partners, a significant number of conventions will be held in Montréal in 2009. In this regard, Tourisme Montréal intends to implement a number of measures designed to enhance convention attendance. Action includes a competitive financial incentive program, microsites, personalized communications, and attractive pre- and post-convention hotel offers. A \$1.4 million business campaign replete with an important direct marketing thrust will be deployed in markets in North America and abroad. "The strategy behind Tourisme Montréal's business campaign is to target the right people and then deliver the right message at the right time," Mr Lapointe went on to say.

In 2009, Tourisme Montréal also plans to move ahead with a program dubbed The Domino Effect the object of which is to entice key individuals in various sectors of economic endeavour to use their influence to have conventions organized Montréal. Support for the program has proven decidedly enthusiastic to date and Tourisme Montréal is intent upon pursuing efforts in this regard. "Involving the community in spurring the recovery of the tourism industry is essential to the mission of Tourisme Montréal. In a context marked by the emergence of new destinations, some with colossal means, the support of all community players has become an absolute necessity," concluded Mr Lapointe.

The Tourisme Montréal campaigns for 2009 would not be possible without the contribution of numerous partners which include the City of Montréal, Ministry of Municipal Affairs, Regions and Land Occupancy (Québec), Ministry of Culture, Communications and Status of Women (Québec), Ministry of Tourism (Québec), Economic Development Canada, Canadian Tourism Commission (CCT), Aéroports de Montréal, Air Canada, Greater Montréal Hotel Association, British Airways, hoteliers, Palais des Congrès de Montréal, Société des Casinos du Québec and Via Rail Canada. Tourisme Montréal wishes to thank each of them for the efforts devoted to making Montréal one of the most highly prized destinations in North America.

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For more information (press release, fact sheets and videos) : <http://press.tourisme-montreal.org>

Tourisme Montréal is responsible for providing leadership in the concerted efforts of hospitality and promotion in order to position the destination on leisure and business travel markets. It is also responsible for developing Montréal's tourism product in accordance with the ever-changing conditions of the market.

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BACKGROUND RESULTS FOR 2008 AND PROJECTIONS FOR 2009

Montréal's tourism industry experienced a challenging year in 2008, owing in particular to the economic crisis which hit the majority of destination markets hard and to the strength of the dollar which prompted increasing numbers of Canadians to holiday in the United States. The large number of conventions staged in the city combined with the campaigns deployed by Tourisme Montréal and partners in several markets during the year nonetheless helped minimize the decline in key indicators of tourism performance in Montréal. All observers agree, however, that the slowdown in the tourism industry will, in all likelihood, continue in 2009.

2008 highlights

- ⇒ Out of a total of nearly 17.5 million visitors, Montréal welcomed 7.0 million tourists (duration of stay 24+ hours), which is to say 0.5% fewer than in 2007.
- ⇒ Tourist expenditures (duration of stay 24+ hours) have been estimated at more than \$2.1 billion for 2008.
- ⇒ Hotel occupancy rate for the Island of Montréal decreased by 2.1 percentage points to 65.3%. The number of available rooms increased by 1.9% over 2007, whereas the number of rooms occupied softened by 1.2%.
- ⇒ The average room rate for a hotel room on the Island of Montréal stood at \$140.55, representing an increase of 1.0% over the year 2007.
- ⇒ In total, Montréal's tourism industry supported 58 159 jobs in the province in 2008.

Variations in numbers of tourists and tourist expenditures from 2007 to 2008

	2007	2008	% variation
Number of tourists*	7 033 013	6 995 851	-0.5%
Québec	3 411 602	3 425 248	0.4%
Canada ex-QC	1 692 423	1 699 193	0.4%
United States	1 085 881	1 013 127	-6.7%
International	843 107	858 282	1.8%
Tourist expenditures* (thousands of \$)	2 099 925	2 120 162	1.0%
Québec	509 452	517 094	1.5%
Canada ex-QC	544 548	552 716	1.5%
United States	499 090	487 111	-2.4%
International	546 835	563 240	3.0%

* Tourists = live more than 40 km away and stay 24 hours or more

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Projections for 2009

According to many observers, the slowdown having impacted Montréal's tourism industry in 2008 will continue to be felt in 2009. The economic situation remains challenging for the main destination markets and competition is increasingly fierce. Albeit the number of visitors is expected to decline by 1.6% to 6.89 million in 2009, tourist expenditures should remain stable at \$2.120 billion. During the year, Tourisme Montréal intends to redouble efforts to counter the effects of current economic turbulence and put the finishing touches on strategic direction for the years 2010-2015.

Destination performance

For	Results for 2007	Results for 2008	Projections for 2009
Tourists*	7 033 000	6 996 000 (annual estimate) (-0.5%)	6 887 000 (-1.6%)
Tourist expenditures*	\$2 099 925 000	\$2 120 162 000 (annual estimate) (1.0%)	\$2 120 162 000 (0.0%)
Person-nights sold (source: GMHA)	4 081 620 (2.1%)	4 036 587 (-1.1%)	3 955 855 (-2.0%)
Occupancy rate (source: GMHA)	67.1% (-0.6 points or -0.89%)	65.1% (-2.0 points or -3.0%)	62.0% (-3.0 points or -4.8%)
Average room rate (source: GMHA)	\$138.82 (-1.1%)	\$140.25 (1.0%)	\$137.45 (-2.0%)
Rooms available (source: GMHA)	6 081 026 (2.9%)	6 203 722 (2.0%)	6 382 327 (2.9%)

* Tourists = live more than 40 km away and stay 24 hours or more