

TOURISM STRATEGY 2009

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Disclaimer

This report was commissioned by the Ecosystem-Based Management Working Group (EBM WG) to provide information to support full implementation of EBM. The conclusions and recommendations in this report are exclusively the authors', and may not reflect the values and opinions of EBM WG members.

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Introduction

Organized tourism in Klemtu first began in 1996, with the introduction of a town walking tour for the summer boat cruiser market, through a Kitasoo/Xai'xais Band Council initiative. In 2001 a tourism strategy proposed an array of tourism products and services that could be developed to provide a seasonal tourist trade that revolved around cultural eco-tours in the traditional territory of the Kitasoo/Xai'xais First Nation. In 2002, Klemtu Tourism hired in a general manager and began the task of implementing the strategy's recommendations and developing a product line of bear viewing, sea-kayaking guiding and accommodation. Local Kitasoo/Xai'xais were hired to work as guides, cooks and tourist service staff. Throughout the next several years, Klemtu Tourism fine tuned the products and built relationships with the travel trade industry to increase exposure as well as developed a comprehensive marketing plan that revolved around trade shows and print ad media.

Klemtu Tourism became Spirit Bear Adventures Ltd. in 2006 and at this time, the operation had created a well-rounded organization with a complement of experienced staff. But the momentum ceased due to a break down in organizational communication and market conditions, and the last 2 years have set the company back in terms of continued, trusted relationships with the travel trade industry, marketing organizations and some outside tour operators, with whom services were provided.

This 2009 strategy is in part a response to that loss of momentum as well as realization that it has been 8 years since the last study of tourism opportunities for the Kitasoo/Xai'xais. Spirit Bear Adventures Ltd. now has real world experience, a solid base of human resources and an infrastructure that is ready to support the operation. The last 8 years have seen significant changes in the tourist market. New markets have emerged and others, which were heavily relied upon, have dwindled. With a new business structure that has allowed for reinvestment of funds to the tourist operation, this strategy is designed to identify the opportunities and direct the growth for the next 6-8 years.

The Klemtu tourism strategy is a community initiated and directed economic diversification project intended to benefit the Kitasoo/Xai'xais people of Klemtu. Interest in creating greater economic benefits from tourism has driven this initiative with the goal of providing sustainable local employment.

The purpose of the Klemtu tourism strategy is to identify tourism products best suited to the local social, economic and ecological conditions. Parameters outlined by the Kitasoo/Xai'xais Economic Development Corporation are:

- Moderate, sustainable development is desirable
- Identify areas within the infrastructure that capital investment is most needed
- Identify and motivate community members to carry on tourism development and operations in the region as well as develop ongoing training for existing employees.

The goals of the Klemtu tourism development project are to identify tourism product potential in accordance with community need, values and integrity. Develop a strategy on how to deal with outside operators that conduct business within the Kitasoo/Xai'xais territory, protect sensitive ecosystems, as well as respond to economic opportunities that exist in the marketplace.

This document is organized into 4 main sections.

- Values, Goals and Objectives
- Background Information
- Tourism Products and Services
- Tourism Management Strategy

1.Executive Summary

1.1 Document Background

In 2000 Dave Freeze and Ross Cloutier of Ripple Rock Consulting wrote a tourism strategy for Klemtu. It was the first of its kind for this community and it has guided the tourism operation for the last eight years. The majority of the goals and objectives in that document have been realized and that strategy has now come full term.

This new strategy will be based the original philosophical statements and principles laid out in the original plan and will set goals and objectives that reflect the current values of the community and economic state of the tourism industry. With an updated social, economic, and environmental inventory as well as a current Kitasoo/Xai'xais First Nation business structure model, this Tourism Strategy will identify the opportunities and challenges that exist for the Kitasoo/Xai'xais in developing tourism product and services that will benefit the community at large both economically and culturally. Developing tourism management objectives and strategies for the territory at large will also be addressed in this document.

This tourism strategy will guide and direct the operation and will allow all stakeholders and outside parties to understand the motivations, resources, objectives, tourism potential and constraints of the community when investing in or doing business within the Kitasoo/Xai'xais traditional territory.

1.2 Philosophical Statements and Principles

The guiding principle of the Klemtu tourism strategy is that the ancestral lands of the Kitasoo/Xai'xais people is locally managed and controlled. Klemtu tourism development rests with the community. Objectives of development are achieving moderate, long-term growth with sustainable economic benefits for the community.

1.3 Kitasoo/Xai'xais First Nation Business Structure

The Kitasoo/Xai'xais First Nation has been restructuring their business model in the last 10 years to allow for the band membership to reap the most benefits for their community financially and as well as limiting their exposure to risk and liability. The Band Council, which represents the community interests, no longer has any direct control or ties to the companies that employ Kitasoo/Xai'xais people.

1.4 Land and Marine Use Plans and Environmental Protocol

The Kitasoo/Xai'xais First Nation has been working hard to develop and implement both land and marine use plans in the last ten years. In 2000, they released a land use plan that

would direct any development initiatives as well as protecting areas based on criteria set out by the Kitasoo/Xai'xais.

A marine use plan was drafted in 2002 and is currently being finalized for release in 2009. It represents the first steps towards environmental sustainability and the sustainability of the Kitasoo/Xai'xais people and their culture in the marine environment.

Creating inventories of both land and marine resources play an important role in creating a tourism strategy that provides for the community and is in step with other economic generators.

Basing these plans on environmental protocols stated in 2000, allows for the Kitasoo/Xai'xais to set the guidelines for any future development by outside parties and manage the precious resources in a sustainable manner for the use of future generations.

1.5 Opportunities

- Aboriginal tourism one of six key strategic issues with potential for significant tourism growth in Canada according to Canadian Tourism Commission (CTC) ¹
- EBM Planning Handbook created framework to create sustainable, community driven tourism
- Coast Opportunity Fund is now available for grant applications.
- New lodge will increase level of service.
- New marketing techniques using the Internet will keep advertising costs down.
- Aboriginal Tourism BC marketing co-op has allocated \$5 million for new programs
- Great Bear Rainforest is now a reality. Worldwide exposure to Kitasoo/Xai'xais territory.
- 2010 Olympics being held in Vancouver, BC
- Spirit Bear is provincial symbol and mascot to the 2010 Olympic games.

1.6 Challenges

- Klemtu's distance from major center – Ensuring a reliable transportation network
- Uncertainty over BC ferries service for the long term
- Attracting and retaining qualified staff
- Volatile economic times – US exchange rate
- Changing demographics
- Shifting travel patterns
- Transport Canada regulations may hinder growth for Pocket Cruisers.
- Delivering consistent tourism product and customer service.
- Exceeding carrying capacities in high use areas.
- Motor Vehicle Act not being enacted. Not allowing tourist vehicles off ferry.

¹http://www.corporate.canada.travel/en/ca/research_statistics/productknowledge/product_research/aboriginal/opportunities.html

1.7 Tourism Structure

A tourism strategy created in 2000 for the Kitasoo/Xai'xais has guided the operation for the last 8 years and has served its purpose. This new strategy looks forward with maturity, new ideas and products, and a new business structure. Within the new business name, Spirit Bear Adventures Ltd., lies a revised structure that will serve the guests, employees, and managers alike, with a superior tourism product and more defined areas of focus. This will be the driving force behind future growth, products and services.

1.7.1 Spirit Bear Adventures Ltd.

The growth and development of the tourism program in Klemtu has enabled the staff and managers to realize what kind of products and services fit in well with the community and its limited human resources. Finding the strengths and building on them, as well as identifying the weaknesses within the organization has allowed the company to fulfill certain tourism goals. While at the same time dropping certain products from the strategy that wasted precious time and human resources with low return on investment. Now that many of the goals and objectives outlined in the previous strategy have been realized, it is time to build on them for the future.

Spirit Bear Adventures Ltd. will be divided into three streams of focus.
(See Figure 5.1 on Page 14)

- Spirit Bear Eco Tours, which focuses mainly on bear and wildlife viewing and cultural, highlights in the natural wonder that is the Kitasoo/Xai'xais traditional territory.
- Spirit Bear Lodge serving as the accommodation.
- Spirit Bear Tourism Services. The information, booking and reservation center for travelers exploring the Kitasoo/Xai'xais Territory.

Dividing tourism service into three distinct groups is a natural progression, which will allow for each stream to effectively manage its human resources, deliver a better product, and provide better service to guests

1.7.2 Tourism Management

The Kitasoo/Xai'xais government is recognized as the governing body of tourism management for the territory. Tourism management is a First Nation function that is empowered by the Kitasoo/Xai'xais Band Council and its members. Identifying initiatives that relate to tourism will allow the territory to be managed properly and ensure that all the objectives conform to the protocols and agreements produced by the First Nation.

1.8 Potential Tourism Development

There are numerous development options, all of which have capital costs, time constraints, staffing and training needs. On the other hand, these also have potential economic and community benefits. In an attempt to create discussion, they are formatted against certain criteria in the following tables.

1.8.1 Spirit Bear Adventures (SBA) Development Matrix							
<i>Tourism Development</i>	Development Timing	Community Impact	Capital Development Needs	Potential Economic Benefits	Potential Community Benefits	Training Needs	Enviro Impact
SBA Website and Re-branding	2009	Low	Low	High	Medium	Low	Low
Spirit Bear Eco tours							
Bear/Wildlife Viewing	2009	Low	Low	High	Low	Med	Med
Cultural Tours	2009	Med	Low	High	Med	Med	Low
Marketing	2009	Low	Low	High	Med	Low	Low
SBA Ltd. Partnership with Outside Party	2010-2011	Med	Med	High	Med	Med	Low
3 rd Wilderness Cabin	2012-2015	Low	High	Med	Med	Low	Med
Employee Co-Ownership Program	2012-2015	Low	Low	Med	Med	High	Low
<u>Spirit Bear Tourism Services</u>							
Sea Kayaking Partnership	2009	Low	Low	Low	Low	Low	Med
Kayak Transport /Water Taxi	2009	Med	Med	Med	Low	Med	Low
"Pocket Cruisers"	2009	High	Med	High	High	Med	Low
Guided Fishing Trips	2009	Med	High	Med	Low	Med	Med
Mooring Pennants	2009	Med	High	High	High	Med	Med
Marina Maintenance	2009	High	Low	High	High	Low	Med
Town Walk	2009	High	Low	Low	Low	Low	Low
Restricted Site Guiding	2009	Med	Low	Low	Low	Low	Med
Gift Shop	2009	Med	Low	Med	Med	Low	Low
Tourism Office Maintenance	2009	Low	Med	Low	Low	Low	Low
Scuba Diving Partnership	2010-2011	Low	Low	Low	Low	Low	Low
Town Campsites	2010-2011	Med	Med	Low	Low	Low	Low
Museum	2010-2011	High	Med	Low	High	Low	Low
Marina	2012-2015	Low	High	High	Med	Med	High
Spirit Bear Lodge							
Business Plan	2009	Low	Low	Low	Med	Low	Low
Lodge Completion	2009	Low	Med	Med	Low	Low	Low
Lodge Expansion	2010-2011	High	High	High	High	Low	Med
Corporate Retreats	2010-2011	High	Low	High	Med	Med	Low

Kitasno/ Xai'xais First Nation Tourism Strategy
For discussion purpose only. Further explanation and evaluation of these and other potential opportunities are discussed in greater detail in the document.
Final Draft - March 2009

1.8.2 Tourism Management Development Matrix							
Tourism Management Strategy Development	Development Timing	Community Impact	Capital Development Needs	Potential Economic Benefits	Potential Community Benefits	Training Needs	Enviro Impact
Kitasoo/Xai'xais Organizational Structure	2009	Low	Low	Low	Low	Low	Low
Permit System Updating	2009	Low	Low	Med	Low	Low	Low
Wilderness Cabin Maintenance	2009	Low	Med	Low	Low	Low	Low
Watchman program	2009	Med	Med	Med	Med	Med	Low
Special Management Plan for Mussel River	2009	Med	Low	Low	Med	Low	Low
Management Plan for Spirit Bear Viewing	2009	Med	Low	Low	Med	Low	Low
Management Plans for Remainder of Protected Areas	2010-2011	Med	Low	Low	Med	Low	Low
Expansion of Watchman Program	2010-2011	Med	Med	Low	Med	Med	Low
Rediscovery Program	2012-2015	High	Med	Low	High	Med	Med
For discussion purpose only. Further explanation and evaluation of these and other potential opportunities are discussed in greater detail in the document.							

Values and Objectives

2. Philosophical Statements and Principles

The guiding principle of the Klemtu tourism strategy is that the ancestral lands of the Kitasoo/Xai'xais people is locally managed and controlled. Klemtu tourism development rests with the community, and achieving moderate, long-term growth with sustainable economic benefits is paramount.

Assumptions in this study are that there is a need to:

- Identify and respect cultural assets
- Recognize the cultural importance of historic sites
- Respect local lifestyle choices and practices
- Manage tourism according to what is acceptable to the community
- Recognize that inappropriate value judgments often arise from conflicts between community values and external tourism development values

It is important to be realistic about the benefits and costs of tourism-based business. Nature-based tourism relies on natural beauty and enhancing sensory appreciation. It is important to protect these resources, as they are a major component of the tourism product and all development will be of a non-extractive nature. Furthermore, tourists will interact with Klemtu's community character and services. Continuing community education and awareness regarding what tourism is and how it may impact the local community is important in order to minimize potential negative reaction to visitors and tourism development.

Any outside operators that wish to conduct business within the Kitasoo/Xai'xais traditional territory must have an agreement signed with the First Nation and adhere to protocols set out in that document.

2.1. Values

To ensure tourism development goals, objectives and strategies benefit the community at large and minimize impact to cultural, ecological, social and economic values there must be community discussion and support. Identifying those values and basing decisions and agreements on them will create a stable and sustainable future for the Kitasoo/Xai'xais.

Community values are identified through local knowledge, existing documents such as *Land and Resource Protection and Management Plan* and a tourism specific survey (see Appendix 1) conducted in December 2008.

2.2 Goals

The overall goal is creating employment and new economic opportunity through tourism development for the band members of the Kitasoo/Xai'xais First Nation.

2.3 Objectives

The objectives of the Kitasoo/Xai'xais Tourism Strategy are as follows:

Tourism Services

1. Develop products and services for SBA Ltd. that create an economically sustainable tourism business.
2. Increase employment and support human resources development.
3. Recruit qualified managers and develop a detailed business plan.
4. Expand *Spirit Bear Adventures Ltd* through investment in marketing and product development.

Tourism Management

1. Exercise rights and title in the traditional territory of the Kitasoo/Xai'xais First Nation.
2. Increase tourism activity and explore partnerships with experienced tourism operators to add value to existing operations.
3. Identify outside operators and develop management plans to control and monitor use in the territory under direction from Kitasoo/Xai'xais Band Council.
4. Protect sensitive ecosystems through co-management agreement with other government organizations.
5. Adapt tourism to local culture and values.

2.4 Strategy

The strategy to achieve the first set of objectives will be through an organized departmental restructuring that will allow for better coordination and use of human resources and increased managerial accountability. The three departments will be called Spirit Bear Eco Tours, Spirit Bear Lodge and Spirit Bear Tourism Services.

This document will identify the products and services that have potential economic benefits to the community while maintaining the cultural and socioeconomic values of the community.

The second set of objectives will be achieved through the direction of Tourism Management, which is a function of the Kitasoo/Xai'xais Band Council. A coordinated approach with the management of the SBA Ltd. and local government will ensure that all agreements, control measures and monitoring programs conform to the community's overall vision and mandate for the territory.

Background

3. Inventory of Existing Conditions

3.1 Social Inventory

Klemtu is home to approximately 420 people. The residents in this region consists of two indigenous cultural linguistic groups – the Tsimshian, whose origins are from the neighboring north coast; and the Xai'xais (Hihg-hais), who originated from the Kwa'kwala language group of the central coast.

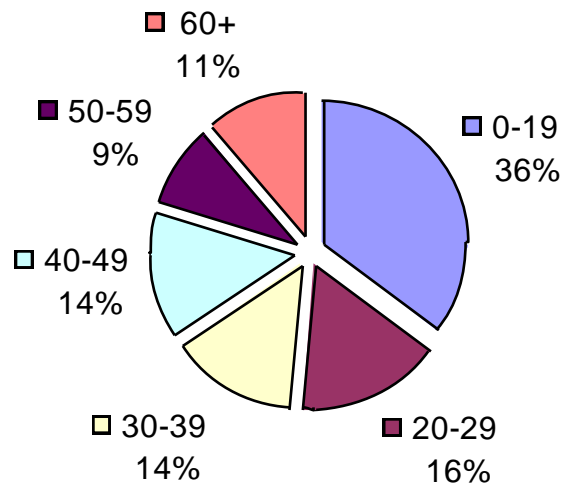
The people of Klemtu share a vivid and distinct social and cultural history. Traditional cultural celebrations, including potlatches, singing, dancing, storytelling and art, display and express this rich history. These celebrations have carried on through generations, and thus, provide a means for passing cultural and social values. Today, these celebrations continue as a spirited aspect of the local culture.

Historically, the local people have relied on the bounty of natural resources that the area provides. Rich aquatic life in the ocean and lush temperate rainforest has supported the indigenous people of the area for thousands of years. This emotional and spiritual attachment to the natural environment is expressed in the social organization and spirituality of the people. Fishing, hunting, food gathering, arts, crafts, cooking, healing, transportation and building all are tied to the natural environment.

The fishing industry has all but disappeared in Klemtu. While there has been a complete collapse in the commercial fishing of wild salmon, a local aquaculture industry has developed. Since 1998, six aquaculture sites have been developed, with four running at any one time. Acquiring licenses for other species such as Sea Cucumber, Geoduck / Horse Clam and shellfish could allow the expansion of fisheries and aquaculture industry. Forestry has also been an important industry in the region. Other means of employment in Klemtu include ocean transportation, retail sales, health, education, public safety, Band administration, construction, town-site maintenance and tourism. 180 individuals in the population are considered employable of which 60% are currently employed.

The social and cultural inventory of Klemtu is important in understanding where community values lie and to desire appropriate tourism development. This inventory may also assist in highlighting how the local community adapts to changes that tourism development may introduce in the future. A critical part of the strategy must be focused on adapting tourism into the local culture. This is vital because the community residents are the hosts of Klemtu.

KLEMTU DEMOGRAPHICS – 2006 CENSUS



3.2 Potential Threats to Community Values

- ☐ Community values not initially well understood
- ☐ Lack of community monitoring
- ☐ Lack of communication between tourism managers and the community
- ☐ Degradation of culturally significant sites or traditions
- ☐ Conflicts in the community with tourism management
- ☐ Tourism management practices that disturb local community
- ☐ Degradation of community values as a result of tourism
- ☐ Lack of baseline data for inventory purposes on the economic, social and ecological impacts.

3.3 Kitasoo/Xai'xais Economy

Seafood processing, a fish hatchery and commercial fishing have traditionally been the economic mainstays of Klemtu. The current Kitasoo/Xai'xais economy involves the following five main sectors: forestry (harvesting and silviculture), wild fisheries, aquaculture, public services and tourism.

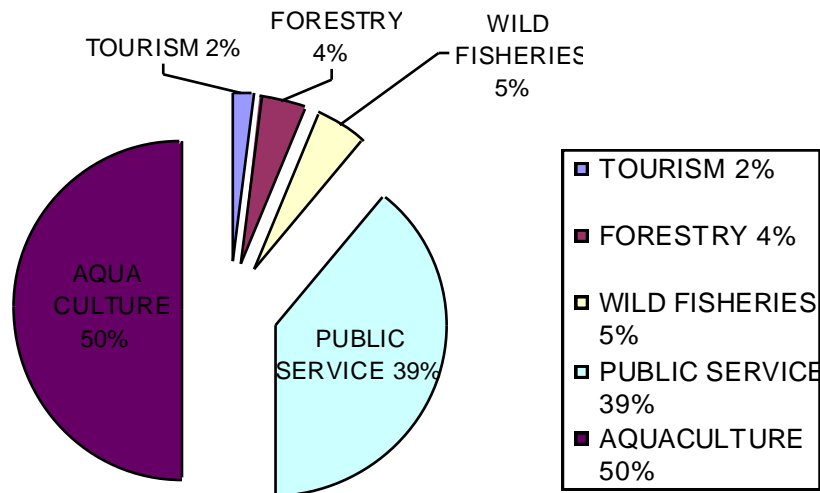
The Kitasoo/Xai'xais have adopted an active role in forest-related economic activities. Although forestry is occurring, it is not an economically viable industry for the community. Due to the specialized nature of the logging it does not create employment. Currently it employs 5% of the population. The money generated from forestry is used to fund projects for the other limited companies such as SBA Ltd.

Wild fisheries also accounts for 5% of the jobs for the Kitasoo/Xai'xais. Although the fish processing plant and hatchery facilities still exist, commercial fishing boats are no longer in use.

The aquaculture industry has become very important in Klemtu. 50% of the employable population works in this industry. The community currently holds a contract agreement with Marine Harvest Canada for a joint venture. Six farms are located in the Kitasoo/Xai'xais territory of which four are in use at one time.

Public services (stores, schools, administration) account for 39% of jobs in Klemtu and tourism accounts for 2%.

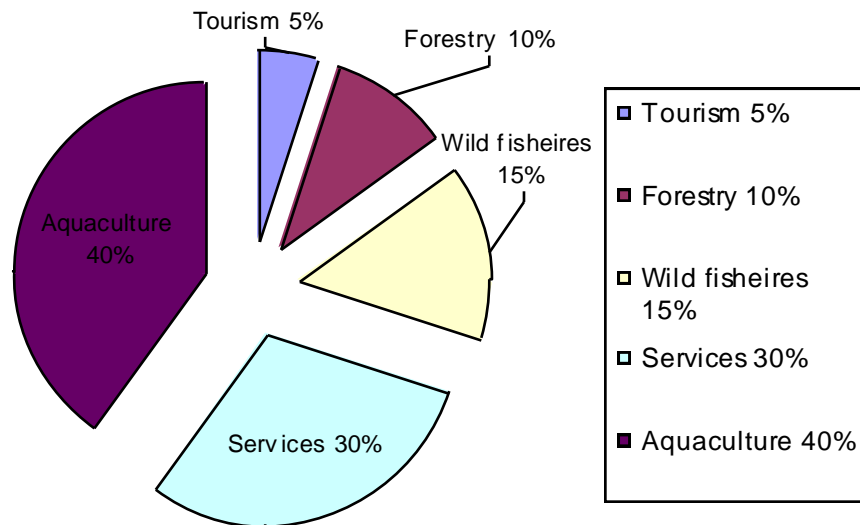
PRESENT ECONOMIC SECTOR RATIOS - 2008



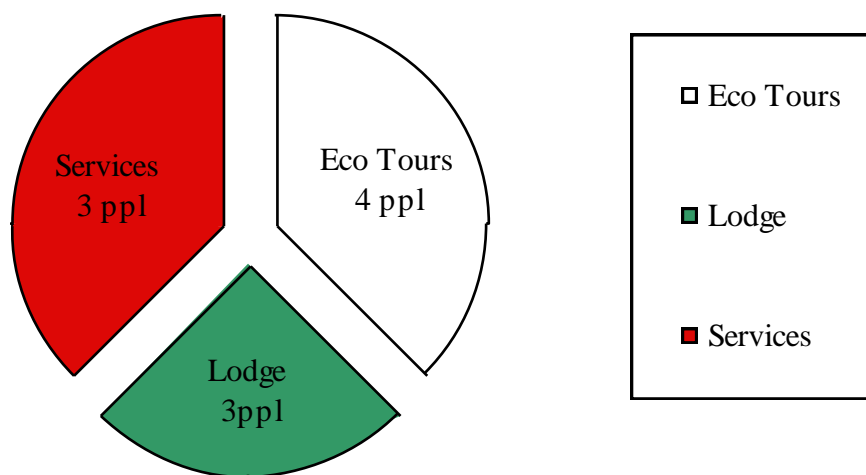
Although tourism currently accounts for only 2% of the employment for the Kitasoo/Xai'xais, it generates revenue within the community. The tourist season is approximately 4 months long (June-September). Tourism can greatly enhance the development of small business opportunities in the community. Tourists buy supplies (groceries and fuel), artists can sell their creations and Klemtu residents can merchandise products.

The Kitasoo/Xai'xais Economic Development Corporation has set the following future employment ratio targets for the region:

TARGET ECONOMIC SECTOR RATIOS - 2015



TARGET TOURISM EMPLOYMENT NUMBERS - 2015 (based on 5% of employable pop.)



3.4 Environmental Inventory

The following sections and maps are based on findings from the Detailed Strategic Plans process in which both the Kitasoo/Xai'xais and the BC Government have committed to collaboratively address land use interests. The working groups results outline landscape-specific and/or watershed-specific interests along with cultural resources, including cedar, old-growth forests and wildlife.

3.4.1 Common Forest Inventory

Hyper-maritime forests are predominately occupied by mixtures of western hemlock, western red cedar, Sitka spruce, and some various amount of yellow-cedar. Western hemlock is usually the most common species found in the forest cover. Amabilis fir often dominates forests at upper elevations or more northerly latitudes of the zone. Yellow-cedar, shore-pine, and mountain hemlock increase in numbers in scrubby forests if the outer coast. Bogs are also commonly found in coastal lowlands. Western hemlock, amabilis fir, western red cedar, Sitka spruce and yellow-cedar dominates the forests of the wetter maritime sub-zones. Sitka spruce is largely restricted to the south in specialized habitats, such as floodplains and exposed beaches. Black cottonwood usually occurs only along large rivers with extensive floodplains.

Soil process also plays an important role in these wetter regions. Soil-forming processes in these wet portions of the zone are dominated by the gradual build-up of organic matter at the ground surface. In the wetter climate such as Klemtu, leaching of nutrients from the mineral soil develops rapidly. Therefore, the pool of nutrients contained in the vegetation and surface organic matter is extremely important in helping to maintain ecosystem productivity.

The coastal western hemlock is the most productive forest region in Canada. In the wetter portion of the zone, amabilis fir, Sitka spruce, western hemlock, and yellow-cedar, exhibit their best growth.

3.4.2 Wildlife Habitat

3.4.2.1 Critical Wildlife Maps

Not available for public viewing

3.4.2.2 Wildlife inventories

Not available for public viewing

3.4.3 Critical Tourism Areas

Tourism under the control of the Kitasoo/Xai'xais in the traditional territory has been happening since 1996. In 1996 and 1997 an inventory of existing features, attributes and infrastructure that are pertinent to the tourism industry in Klemtu was derived from the *Kitasoo/Xai'xais Tourism and Channel Report* data, as well as consultant site visits and observations from existing inventory maps.

Since that time, the staff within Spirit Bear Adventures Ltd. has built on that existing data, knowledge and experience, and has added inventory based on tourism value. Tourism growth must take into account the value of each critical area from a tourism perspective, an eco-based management perspective as well as a cultural one. In 2008, in cooperation with the Detailed Strategic Planning, Spirit Bear Adventures Ltd. staff identified critical tourism areas and designated them as high, medium and low value to allow for the correct allocation of resources for future tourism and possible protected status. This ensures that when governments and outside parties discuss eco-based management plans, the Kitasoo/Xai'xais are able to put forth recommendations in co-management initiatives in regards to tourism. This will also enable the guides to understand which areas to monitor in regards to other tour operators and their protocol agreements.

3.4.3.1 Maps of Operating Areas

The operating area of SBA Ltd. and other outside operators within the Kitasoo/Xai'xais traditional territory is identified in figure 7.1. Using historical knowledge, as well as information from cultural surveys and land and marine plans, the map designates areas of high, medium and low value to tourism. This map will direct future protocols and eco-based management plans to ensure that each area is given the protection needed to sustain a long-term tourism strategy.

Not available for public viewing

3.5 Baseline of Resource Development

The Kitasoo/Xai'xais First Nation has been controlling their territory's resources and economic drivers to ensure that the protocols and guidelines developed by them are adhered to. This allows them to assert their Aboriginal rights and title and develop eco based management industries that

benefits their community. Creating a baseline resource development that is currently used through either extractive or non-extractive means and determining whether that resource has the potential to expand in the future or to be stay with the status quo.

3.5.1 Forestry

Though the EBM and DSP, the forestry sector of the Kitasoo/Xai'xais Development Corp. has determined the annual allowable cut. This amount has been quantified but not utilized to this point. The forestry resource is fully subscribed by Kitasoo/Xai'xais agreements and with government and industry.

Timber Harvesting Land Base Map

Not available for public viewing

3.5.2 Tourism

The Kitasoo/Xai'xais tourism industry has the potential to expand and that potential is the analyzed throughout this strategy document. A baseline of tourism resources is as follows.

- SBA Ltd. and SBA LP
- Human resources (see section 9 and 12)
- Wildlife resources
- Protected areas
 - Mussel Inlet (Fjordland Conservancy)
 - Princess Royal Island (Kitasoo/Xai'xais Spirit Bear Conservancy)
- Infrastructure
 - Lodge
 - Marina
 - Big House
 - Museum
 - Wilderness Cabins
- Tours
 - Eco tours
 - Walking tours

3.5.3 Mining

There are currently no mining operations running in the Kitasoo/Xai'xais traditional territory. There is future potential but it is currently unknown.

3.5.4 Aqua Culture

The partnership with Marine Harvest Canada and the Kitasoo/Xai'xais to farm salmon was created in 1998. There are a total of six fish farms located in the territory, with four being active at one time. The majority of the farms pens are located in the entrance to Sheep Passage. With a

total of 11 million tons of salmon harvested each year, this resource now employs 50% of the population.

There is significant potential in creating a shellfish aquaculture industry. The development of a viable shellfish aquaculture as a vehicle for sustainable economic development would benefit the Kitasoo/Xai'xais greatly. Shellfish aquaculture has high labor demands all year round and creates a wide array of full-time and part-time jobs. Expanding shellfish operations into processing increases the number of skilled positions and managers needed to run the operation.

According to the 2002 *North Coast Shellfish Aquaculture Regional Business Strategy* some key recommendations were:

- Encourage joint venture partnerships
- Develop cold-water species such as mussels, oysters and scallops
- Before growing any shellfish species, a confirmed marketing plan that matches the production plan must be developed

3.6 Existing Tourism Products

In 1996 and 1997 an inventory of existing features, attributes and infrastructure that are pertinent to the tourism industry in Klemtu was derived from the Kitasoo/Xai'xais Tourism and Channel Report data. In 2001, a Tourism Strategy was produced for the Kitasoo/Xai'xais Development Corporation. In that document, key areas and potential products were identified for the Kitasoo/Xai'xais to pursue for a tourism program. 8 years later, Spirit Bear Adventures Ltd. as well as Spirit Bear Adventures LP exists within the corporate structure of the First Nation. SBA Ltd. has matured into an organization with 3 streams of focus. Spirit Bears Eco Tours, focusing on bears and other wildlife, accommodation in the Spirit Bear Lodge and Spirit Bear Tourism Services. The following section breakdowns the tourism attractions and products, services, infrastructure and transportation, as well as identifying other tour operators that utilize the traditional territory of the Kitasoo/Xai'xais.

3.6.1 Attractions

The following table is a list of existing attractions around which tourism activities currently take place:

Not available for public viewing

3.6.2 Tours and Activities

The following list identifies the tourism activities that are currently being offered

- ☐ Eco Tours (wildlife, natural attractions, cultural sites)
- ☐ Town walk (Big House, hatchery)
- ☐ Camping at coastal cabins

3.6.3 Tourism Facilities and Infrastructure

The following list illustrates the existing tourism facilities and infrastructure in Klemtu:

- ☐ Spirit Bear Lodge
- ☐ Spirit Bear Tourism Services Office (showers and laundry facilities)
- ☐ Klemtu Big House
- ☐ Tourist dock and fuel station
- ☐ BC Ferries Dock
- ☐ Two coastal cabins in territory
- ☐ Kitasoo/Xai'xais Band Store
- ☐ Kitasoo/Xai'xais Café

3.6.4 Tourism Related Transportation

The following list is a summary of commercial modes of transportation presently being used in and around Klemtu:

- ☐ BC Ferries
- ☐ Pacific Coastal Airlines floatplane service
- ☐ Tourism boat for clients and kayak transport
- ☐ Boat charter from Bella Bella

BC Ferries and the Discovery Passage Route service Klemtu. The ferry service for the summer season offers a weekly three-hour stop over in Klemtu on the Port Hardy to Bella Coola Route. This has been an opportunity for the Spirit Bear Tourism Services office to interact with passengers and offer walking tours of the town.

The other transportation service that services both tourism and the community is Pacific Coastal Airlines. With floatplane service to Bella Bella Airport, this enables guest and residents to connect with other flights to Port Hardy, Vancouver and beyond.

3.6.5 Tour Operators That Currently Utilize the Area

- ☐ Blue Water (2 boats)
- ☐ Ocean adventures – Great Bear 2
- ☐ Maple Leaf adventures
- ☐ Duen
- ☐ Ocean Light 2
- ☐ Mothership Adventures – Columbia 3
- ☐ Nautilus Explorer (Dive Boat)
- ☐ King Pacific Lodge
- ☐ North King Lodge

4. Land and Marine Use Plans and Environmental Protocol

The release of the Land Use Plan by the Kitasoo/Xai'xais First Nation Council in 2000 was an important step in the development of a sound tourism strategy for the area. The plan identifies protected areas in the territory and states primary objectives of the plan. Those objectives are the protection of fish, wildlife, cultural and bio-diversity values. The plan also identifies the areas that hold the highest promise for tourism development and recreational opportunities. Protecting Kermode bear habitat, identifying opportunities for low impact tourism and co-management of Protected Areas, as well as protected areas of high wildlife and environment values and protecting Kitasoo/Xai'xais cultural and heritage values.

The Marine Use Plan, which is due to be released in 2009, represents the first steps towards environmental sustainability and the sustainability of the Kitasoo/Xai'xais people and culture in the marine environment. This Marine Use Plan presents the current environmental and socio-economic visions of the Kitasoo/Xai'xais people. In it, the protection of marine biodiversity, representative ecosystems, and special natural features through a series of Marine Protected Areas (MPA) are designated. These MPA's represent less than 2% of the Kitasoo/Xai'xais Territory. Co-management and protocol agreements with provincial and federal authorities allow the Kitasoo/Xai'xais to retain rights and title over their land and control what commercial activities, if any, happen in them.

Creating inventories of both land and marine resources play an important role in creating a tourism strategy that provides for the community and is in step with other economic generators.

While the protection of these areas provide excellent opportunity for tourism development, all activities both on land and on water must be carried out with highest regard for the environment and the sustainability of long term low impact use. It is important that these protected traditional territories continue to provide economic and social benefits for the community.

4.1 Management plans

A Land and Resource Management Plan released by the Kitasoo/Xai'xais in 2000 identified areas of high value within the traditional territory that should be given protected area status. Identifying the values of each area and formulating management objectives based on a primary set of objectives allow that document to be an important mechanism for the Kitasoo/Xai'xais to exert their rights and title. To serve the objectives of creating a sustainable environment, culture and economy, this management plan as well as specific complimentary plans, must be adhered to by all governments and outside parties.

4.1.1 Mussel Inlet

The Kynoc / Mussel Inlet area has been designated by the Kitasoo/Xai'xais as a Protected Area. The First Nation and BC Parks have implemented a specific management plan for this area. The area was originally protected as a recreation area by BC Parks in 1987 but was converted to a conservancy in 2006 pursuant to government land use decisions in the Central Coast Land and Resource Management Plan area. Now called Fjordland Conservancy by BC Parks, it is co-managed under an agreement between the Kitasoo/Xai'xais Nation and the Province of British Columbia. This co-operative management agreement allows the Kitasoo/Xai'xais to access land and resources for their use within the Conservancy while achieving conservation and recreation objectives for the area.

The Kitasoo/Xai'xais Management Objectives state that low impact eco tourism is desirable to create jobs and economic development opportunities. As well as protecting visual quality with no road building, mining or logging.

BC Parks recently released a report titled *Bear Viewing Strategy for the Kitasoo/Xai'xais Spirit Bear Conservancy and Surrounding Area*. In it, the Mussel River was identified as an important grizzly and black bear territory and hence, a busy bear viewing area with outside tour operators. Recommendations were that this river be of the highest priority for BC Parks to write and enforce an area-specific management plan. The report also stated that no viewing take place upstream of the estuary and no people be allowed to walk on the estuary itself. Potential locations for viewing platforms were determined but it acknowledges that much on-the-ground work needs to be conducted to determine where the best locations for viewing would be so that areas used heavily by bears are not impacted. Water-based viewing at this site has been recommended in the past (Himmer 1994) and this study did not disagree. The report then concluded that there is a great deal of area-specific knowledge for this site, so gathering this information should be made a high priority.

The first step in the creation of an area-specific management plan was taken in October 2008. BC Parks staff and SBA staff and consultants visited the area with the intent to determine where bear viewing may or may not take place and ideas on potential facilities to accommodate viewing/interpretation program. Management issues were identified and a more comprehensive report titled "*Mussel River Bear Viewing Strategy*" will be developed.

Please see Appendix 8 for Mussel River Focus Document.

4.1.2 Protected Areas Management

The protected areas identified within the Kitasoo/Xai'xais territory have values based on archaeological and heritage values, wildlife values, and high use areas by the Kitasoo/Xai'xais Band, to name a few. Management objectives for each area have been written based on those values. Protecting visual quality, developing low impact Kitasoo/Xai'xais eco tourism to create jobs and economic development opportunities, and co-management agreement with Kitasoo/Xai'xais before any tourism development begins.

4.1.3 Kitasoo/Xai'xais Protocol on the Environment

In June of 2000 the Kitasoo/Xai'xais First Nation release a document titled "Protocol on the Environment". It stated that the Kitasoo/Xai'xais has controlled and managed the environment and natural resources within their territories for thousands of years. That the Kitasoo/Xai'xais hold aboriginal rights and title to all the land and resources in their territories and these rights are protected under the Canadian Constitution. It also states that resource ownership belongs to the Kitasoo/Xai'xais and all outside parties must respect aboriginal rights and title. The Kitasoo/Xai'xais continue to form working relationships with governments, environmental groups, companies and others to assist in building community and strengthening their people. This has created jobs and economic development opportunities, while respecting their government, culture and environment. See Appendix 6 for complete "Protocol on the Environment" paper.

5. Market Analysis

5.1 Nature Based Tourism (Eco/Adventure/Wilderness Tourism)

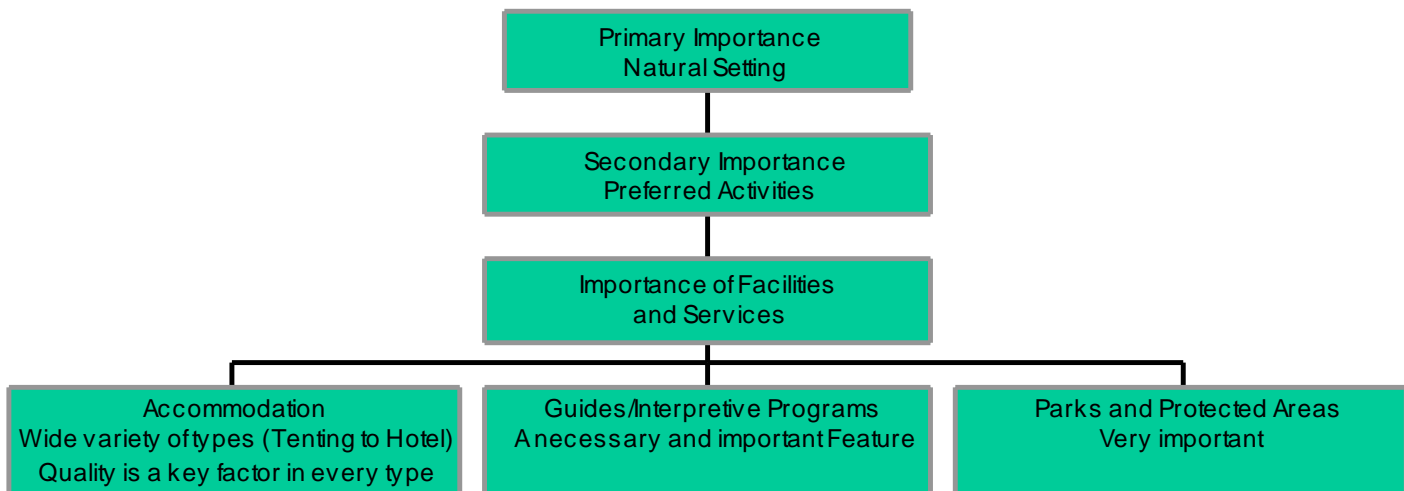
5.1.1 Market

- 7% of international travel expenditures.
- Growing 7 to 15% depending on region (general tourism 1-2%).
- Increasing environmental and cultural awareness and its influence in destination and product choice.
- Growing interest in soft adventure activities with personal growth and educational values.

5.1.2 Tourist Characteristics

- Better education
- More travelling experience
- High expectations of authentic experiences
- More adventurous in their undertakings
- Willing to spend greater amounts of money
- May be more inclined to travel during a recession

5.1.3 Tourist Motivations



5.2 Nature Based Tourism in BC

5.2.1 Economic Impacts In 2001

- \$908.9 million in direct spending at nature-based tourism businesses
- 966,000 clients, 2.5 million client days
- Overall, 22.4 million tourists spent \$9.2 billion in BC
- Nature-based businesses generate ~10% of total industry revenue

5.2.2 Economic Impacts In 2005

- \$1.2 billion in direct spending at nature-based tourism businesses
- 1.2 million clients, 2.6 million client days
- Overall, 22.8 million tourists spent \$9.7 billion in BC

5.2.3 Business Characteristics

Expenditures

- 22% labour
- 15% transportation and fuel
- 11% on maintenance
- 9% on advertising/promotion
- 9% new facilities/equipment
- 8% food and beverage
- 6% liability insurance
- 5% mortgage and rent

Most businesses are small with approx. 55% having fewer than 3 full time staff members, 25% having between 3 and 10 full time staff members and 20% having more than 10 full time staff members.

Successful businesses are more likely to:

- Have almost all revenues generated from tourist clients
- Have more physical and financial assets
- Partner with businesses that provide accommodations
- Be more reliant on marketing for their bookings
- Use a greater variety of marketing methods
- Participate in co-operative marketing

5.2.4 Market

Approx. 29% of guests originate in BC, 17% are from other parts of Canada, 17% are from Northwest USA, 18% are from other parts of USA, 14% are from Europe, 2% from Asia, 3% Other (incl. Mexico, Brazil etc.)

BC's nature based tourism is somewhat unique in that up to 40% of tour booking sources are repeat guests or guest referrals. 30% of booking sources are through direct and indirect marketing methods, 23% are through word of mouth (other than direct guest referrals) and 6% are from drive by/walk in traffic.

Businesses use an average of 3 marketing methods with brochures/posters, website, direct mail, consumer trade shows and another website being the top five methods. Approx. 50% of BC's nature based tourism businesses participate in co-operative marketing programs with Regional Destination Marketing Organizations (RDMOs), other DMOs or sector associations in partnership with Tourism BC.

As with all tourism development the basic marketing principles -- known as the "four Ps" -- product, price, place and promotion are key. The product is the distribution of local tourist services. They must deliver a satisfying experience and must provide ready access such that no opportunities to serve visitors are lost. The price has to be right with respect to the product and it's positioning. The place must also deliver a satisfying experience and be somewhat unique. And the promotion must be appropriate and not oversell the attractions, which would lead to disappointment.

Tourists will be looking more than ever for value during the impending recession. Delivering the best travel experience at the least cost will be key to maintaining a profitable tourism venture.

5.3 BC Bear Viewing Sector Profile

Bear-viewing industry as a whole is relatively young in British Columbia and was largely non-existent before the mid 1990's. Even today it still only has few operators (in 2008 there are still fewer than 20 operators whose primary business is bear viewing), limited awareness and little or no political support. The average of 10 years in operation for bear viewing is reflective of its youth.

A small lodge situated in Knight Inlet found itself growing from fewer than 50 bear viewers in 1996 to over 2000 in 2001. In addition, their marketing success enabled several other day trip operators who now bring over 1000 visitors each year.

Bear viewing sites are typically located on salmon streams, with otherwise high habitat effectiveness values in surrounding areas allowing for both a high local population of bears and a concentration of their activities at certain times of the year. Each are in remote areas and access is typically through boat or float plane. There are three main nodes for bear viewing where several operators visit the same site: Glendale Cove in Knight Inlet, the Khutzeymateen inlet and

the Orford River in Bute Inlet. Other areas with increased activity include the Port Neville area and sites on the Central Coast (Klemtu, Hartley Bay etc.). Sailboats are also commonly used for bear viewing, with multi-day trips along the coast where bears are marketed as part of the package. They tend to involve relatively smaller numbers of participants and visit numerous areas.

Bear viewing generates significant economic impact to BC's economy. According to Crossroads: Economics, Policy and the Future of Grizzly Bears in British Columbia, a report prepared by the Centre for Integral Economics, conservative estimates of direct or specific bear viewing activity considered that it generated \$6.1 million in direct revenue. In comparison grizzly hunting was worth only \$3.3 million in 2002. In 2007 direct revenue from bear viewing operations in BC grew to approximately 10 million. One of the main bear viewing operations on the BC Coast will gross approximately 3.12 million by the end of the 2008 season.

In a recent tourist motivation survey conducted in BC the importance of bear viewing opportunities on their current vacation destination choice was found to be considerable. 96% of respondents claimed viewing bears as important or very important in deciding to visit British Columbia and 82%, said it was important for visiting there specific region of BC (Swain 2006). Almost all participants had booked their bear-viewing experience before leaving on their vacation. The question asking what participants would do if quality bear viewing wasn't available in the province found 14% wouldn't have come to the region and 33% would have gone to a different province or country. These stats present an interesting economic point of view for BC, which is trying to double its tourism revenues.

Some recent studies (Swain 2006, Parker & Gorter 2003; Smith 2001) suggest that bear viewing activity will add significant value to a landscape. Where the value of other forms of tourism activity including commercial guiding and outfitting tends to get diluted over many square kilometers, bear viewing is unusual in that it is discretely measurable at a watershed level and is generally a high-value tourism product. Additionally, with an average guest stay of 13.5 days in the province and spending several hundred dollars a day the economic contribution to the province and regions is vast.

5.3.1 Competitive Analysis

A review of the grizzly bear viewing market shows strong potential for growth with the only provincial or international competition being Alaska, a much more expensive option for wildlife-viewers. The present wildlife-viewing market is underserved by bear viewing, as suggested by the volume of international arrivals (Tourism BC 2006), and existing markets should easily fill an increase in capacity. Even with extremely conservative estimates of Wildlife Tourists, the European market for bear viewing is considerably under-developed and largely untapped for Asian traffic (Swain 2006). The largest bear-viewing operator intentionally avoids Asian markets for the simple reason that he is already at capacity with Europeans.

Kermode bear or Spirit bear viewing is also experiencing significant grow in part due to the recent exposure with the CCLRMP and the Kitasoo/Xai'xais Spirit Bear Conservancy, and the Spirit Bear becoming a provincial symbol.

The market for nature based tourism products stretch across the globe. When we even just look at British Columbia there are hundreds of companies offering these products and services. Many new companies have entered the market during the last 10 years and especially the last 5 years due to the huge growth curve of nature based tourism as well as the low entry and exit barriers.² According to both government and independent studies however, there is lots of growth potential for this market in B.C and many of the existing companies are not marketing or operating to their capacity level.³

For the purposes of this Strategy we have limited our competition profile to the key tourism operation on BC's coast that are engaged in bear viewing. This plan also profiles a few companies with significant product or market share operating on BC's coast. These companies may prove to be the real competition for any bear viewing/ecotourism development in Klemtu. There may also be the opportunity for Klemtu to ally with its existing competition to strengthen its own product.

- Knight Inlet Lodge
- Great Bear Nature Tours/Toxin Expeditions - Seattle, WA
- Bears of Bute/Aboriginal Journeys
- Maple Leaf Adventures
- Blue water Adventures
- Ocean Adventures
- Ocean Light II Adventures
- King Pacific Lodge

5.3.2 Constraints to Growth

- Industry regulation by Government
- Lack of long term guarantee of tonsuring to the land base
- Competition for natural resources among multiple industries
- Lack of security regarding long term integrity of view scapes
- High marketing costs
- Transportation and Access
- Human Resources - Small employment pool for trained personnel and high training costs
- Business development
- Challenges in maintaining control of regional development

² Evan Loveless and Associates, 2006

³ ARA, 1998; CTC, 1996; MSBTC, 1999; TBC, 1999, Swain 2006

5.3.3 Opportunities for Development

- Growth of eco/adventure tourism and cultural tourism markets
- Growing awareness of the “Great Bear Rainforest”, “Spirit Bear” etc.
- Existing and new tourism infrastructure
- Government and Community support for tourism development
- Tourism Alliances

NC/CC Land Use Agreement

- 2.1 million hectares of land will be spared from logging on the North and Central Coast of BC.
- Approx one third of the land base.
- New Conservancies and biodiversity areas
- Ecosystem Based Management

5.3.4 Implications

Industry

- Both land and water resources are important
- Certainty in land-base is important for growth
- Maintenance of scenic quality, ecosystems and resources
- Adequate access
- Value will be key

Businesses

- Guided activities generate most revenue
- Partnerships are important (accommodation, product, co-op marketing)
- Excellent service is essential as the majority of clients are repeat visitors or come through word of mouth
- Successful businesses use a variety of marketing methods
- Focus on Eco/Adventure Tourism markets from Canada, US and Europe
- Focus on male and female, middle-aged clients from BC, Canadian and NW US markets
- Focus on tourism is important for success

5.3.5 Community Benefits

- Employment, capacity building, access to knowledge
- Cultural preservation and pride
- Social equity and security
- Sense of Place
- Infrastructure and Capital
- Economic diversification and value added

Tourism Products and Services

6. Kitasoo/Xai'xais First Nation Business Structure

The Kitasoo/Xai'xais Development Corporation is the overseeing body that directs the business affairs of the five current businesses that exist within the Kitasoo/Xai'xais First Nation. No board member, director and trustee can sit on the Band Council, which allows the band council limited exposure to any liability that may be incurred through the Ltd. companies.

Not available for public viewing

6.1 Kitasoo/Xai'xais "One Company" Flowchart

Figure 6.1

Not available for public viewing

6.2 Spirit Bear Adventures Ltd. Partnership

Not available for public viewing

6.3 Spirit Bear Adventures Ltd.

This limited company was created as a legal entity in 2007. Spirit Bear Adventures Ltd. main business focus is tourism products and services. A CEO who controls the Kitasoo/Xai'xais Development Corporation oversees the operations of the Spirit Bear Adventures Ltd.

The company's organizational structure is currently being revised from a management perspective. The company will now focus on three streams of products and services. Having these distinct operations within the one company will allow for better delivery of product, better communication within management and employees and better financial recording and reporting.

6.3.1 Spirit Bear Eco Tours

This is the company's flagship product. The Spirit Bear is the main reason why people come and visit the Kitasoo/Xai'xais. Using Klemtu as their base, clients from around the world travel here to take pictures and memories home with them, after experiencing a world class wildlife experience.

Focusing on the white bear, lead guide and bear expert Doug Neasloss will continue to lead this product and will carry the name of the company through the marketing literature.

This stream will employ a Lead Guide, Assistant Guides and Boat Operators.

6.3.2 Spirit Bear Lodge

A newly constructed lodge in Klemtu will be the epicenter for all tourists who come on the Spirit Bear Tours, as well as travelers who care to rest and relax on their way through the Inside Passage. It is a well-appointed, comfortable lodge, which will change the way people view accommodation in Klemtu.

With room for twelve guests, this waterfront lodge will allow for Spirit Bear Adventures to market its Eco Tours to a new market. Leaving behind the rustic Floathouse, which only appealed to a small segment of the marketplace, the accommodation can now be a highlight as opposed to hindrance to the tourism program.

This lodge will also be used outside of the tourist season for consultants, engineers, and other outside parties who traditionally have had limited choice for accommodation in Klemtu. Many decide to try to get their work done in one or two days to avoid staying in Klemtu for long periods. Corporate retreats could also utilize the Spirit Bear Lodge for team building or multi day meetings.

This stream of focus will employ a Chef/Lodge Manager, Housekeeping staff, and an Assistant Chef.

6.3.3 Spirit Bear Tourism Services

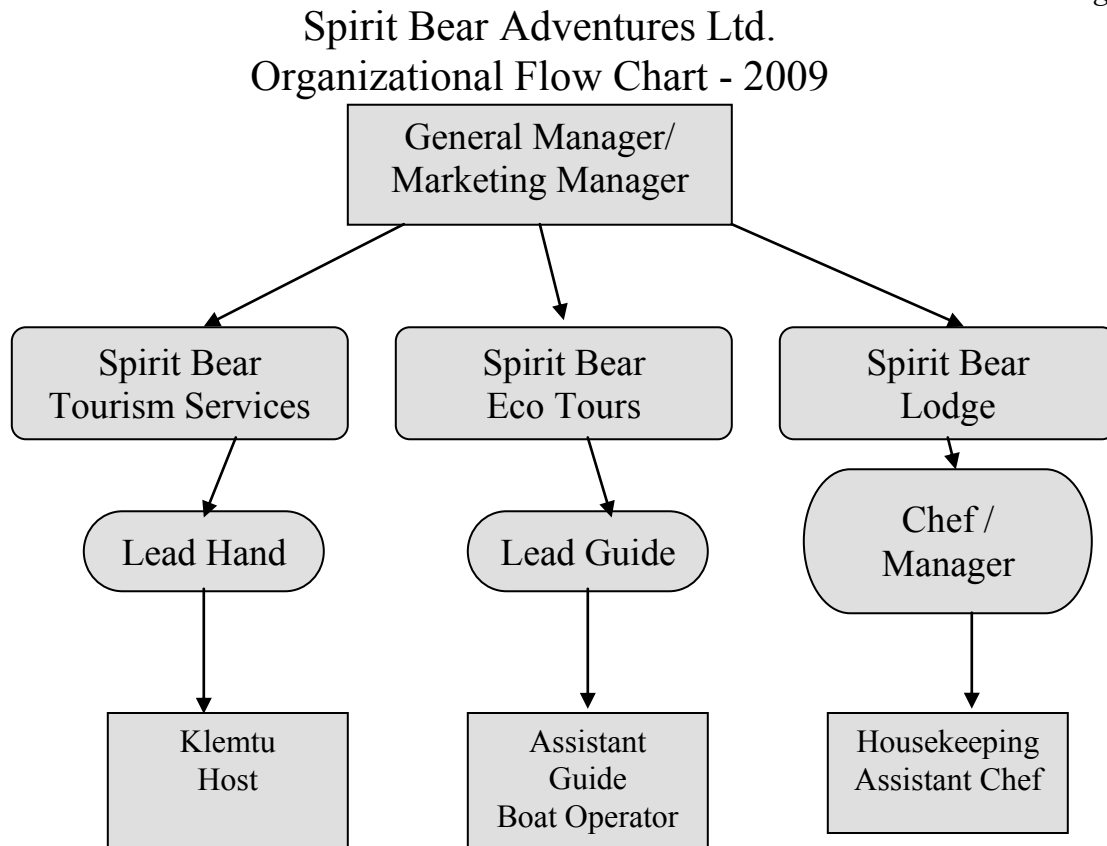
The trailer located by the BC Ferries Dock that has housed tourism services since 1996 is the first place where tourists go for information upon arrival in Klemtu. Staffed by summer employees and students, it houses showers and laundry facilities. The tourism office manages the tourist dock and takes money for moorage, co-ordinates and guides interpretive walking tours of the town and books accommodation and Eco Tours for day-trippers.

For boat cruisers and ferry passengers, it is the first introduction to Klemtu and its residents. Ensuring the staff is well trained and knowledgeable about the products and services Spirit Bear Adventures provides will ensure that tourism in Klemtu builds and maintains a good image in the coastal travel trade market. It is a small group of people who ply the waters of the inside passage during the cruising season and many speak to each other over the course of their trip. Word of mouth goes a long way and one or two bad experiences can lose a community a lot of potential business. This stream is one that can really affect the organization in either a positive or negative way.

This stream will employ a Lead Hand and Klemtu Hosts.

6.3.4 Spirit Bear Adventures Ltd Organizational Flowchart

Figure 6.3



7. Tourism Product Development Strategy

With over 12 years of tourism experience, Klemtu and the Kitasoo/Xai'xais are positioned accordingly to build on previous products and services. With that experience, comes a better understanding of where to focus the limited human resources, to better serve the marketplace and to reach operational goals.

The following section will identify the short, mid, and long-term development initiatives for SBA Ltd. Creating goals and timelines will enable the staff and management to implement initiatives with an understanding on where to focus their energy and delegate accordingly to appropriate individuals or organizations.

7.1 Short-Term Development Initiatives - 2009

The initiatives identified below will be complete before the end of 2009. Most will be market ready for the 2009 guiding season and will need to be revisited to improve them at the end of this season after customer feedback and staff debriefs.

7.1.1 Website and Re-branding

The current website has served its purpose. It has directly reached thousands of people for very little investment. Now that Klemtu Tourism is dissolved and Spirit Bear Adventures Ltd. is the face of the Kitasoo/Xai'xais tourism industry, it is time to re-brand the product. Starting with the website, a new logo will be designed using appropriate colours and design elements. The colours and font will be standard throughout all online and offline marketing content. The brand name of *Spirit Bear Adventures* starts on the Internet. With 84% of the Canadian population now connected to the web, the website plays a more powerful role in marketing than ever before.

The website will be professionally designed using the latest in Internet marketing applications such as a blog, news releases, newsletters and streaming video. Creating an interactive multi media experience that will allow potential visitors to really get a sense of the Spirit Bear Adventures products and services before booking a trip.

The website will be divided into three sections for easy navigation. This will allow for each visitor to find the information they are looking for quickly and efficiently. The SBA customer experience begins as soon as they arrive on the website and it is a seamless transition through all of the products and services. Highlighting the eco tours and the Spirit Bear Lodge with photos will add to the visual nature of the marketing tool.

The domain name www.spiritbear.com will be the main address with associated sub-domains registered. This domain name will become part of all the marketing literature.

The timeline for this is as follows:

- Logo – March 30th, 2009
- Website design- March 30th
- Website Draft- April 15th
- Live launch- April 30th

The re-branding of SBA began on January 30th, 2009 and will be a two-month process. A branding expert and a marketing company, will aid the SBA management team to create a strong, recognizable brand.

7.1.2 Spirit Bear Eco Tours

The *Spirit Bear Quest* is a 4 or 7-day tour focusing on the wildlife viewing but specifically grizzly and spirit bear viewing, as well as cultural sites and interpretive stories of Kitasoo/Xai'xais peoples.

7.1.2.1 Financial Assumptions

Proprietary information. Not for public viewing

7.1.2.2 Bear/Wildlife Viewing

The bear and wildlife viewing is the most successful product that Spirit Bear Adventures Ltd. currently offers. The Spirit Bear is the most sought after by the clients that travel with Spirit Bear Eco tours and the grizzly bears, eagles, wolves, whales, orcas and a host of others inhabiting the Kitasoo/Xai'xais traditional territory round out the must see list. With Doug Neasloss being recognized as a premier bear and wildlife guide, his knowledge of the territory and the viewing spots enable him to give each client an extraordinary experience. Each guide is a certified member of the Commercial Bear Viewing Association and the standards they follow are industry set and that ensure that the operation acts in accordance with those standards.

With the area of Laredo Inlet on Princess Royal Island now designated as the world's only Spirit Bear Conservancy with an estimated population of 400, and the Fjorland Conservancy as part of a co-management area with BC Parks, the eco tours are well positioned to become the leading bear viewing operation on the BC coast.

Ensuring that the guides know where the bears are at the start of the tour season will allow the guest the ultimate experience. This will involve the guides getting out early in the season and scouting the territory, as well as communicating with the Watchmen and outside tour operators for sightings.

7.1.2.3 Marketing

The marketing plan for Spirit Bear Eco Tours will rely heavily on the Internet. Creating a re-branded, interactive website will reach the target market efficiently and cost effectively.

The website will be found through the search engines and Internet marketing techniques such as keyword searches, links and partnerships and relevant content released on a blog, video and new releases. The products that will be highlighted on the website will be the Eco Tours (Spirit Bear and Doug Neasloss), Tourism Services (bookings, cultural tours, visitor information) and the Lodge (accommodation, retreats). Using Internet tools such as Google Analytics, management will be able to monitor the website traffic and be constantly tweaking the navigation and content to give the web visitor a more enjoyable experience and turn visitors into buyers.

The website will be the first contact with potential clients, and ensuring that the design is consistent, easy to navigate and similar to the offline marketing literature is important to the overall picture. The web is now a company's storefront and it has to look professional.

SBA will also be advertising cooperatively with organizations such as Aboriginal Tourism of British Columbia (ATBC), Cariboo Chilcotin Coast Tourism (CCCT), Commercial Bear Viewing Association (CVBA) and the Wilderness Tourism Association (WTA) and their magazine Be Wild in BC. The ATBC is currently is creating a co-op program that involves a one-time payment of \$500 and that organization represents SBA at trade shows such as Rendezvous Canada. SBA will be taking full advantage of this co-op. The CCCT also represents

SBA on their website as one of their members and promotes tourist operators in the region. This is a free member service. The CVBA is the overseeing body for bear viewing to which SBA is a member and its guides are certified to their standards. Co-op advertising is available for \$200 per ad and is a good place to be for SBA. The other members are competition so it is good to be along side them. The WTA is an organization that helps members with issues of tenure and forestry. Their magazine called *Be Wild in BC* is a targeted publication that is sent to 25,000 qualified leads, that is people who have traveled to one of BC many nature based tour operations. The most recent issue is due to come out in January 2009 and SBA has purchased an ad for the cost of \$1275.

Contacting travel writers to take a familiarization tour with SBA should be pursued as well. This type of marketing traditionally has very good return on investment.

Creating a rack brochure for the northern route ferries and the Port Hardy and Prince Rupert ferry terminal, as well as general distribution that highlights:

- Spirit Bear Lodge
 - Accommodation
 - Corporate retreats
- Tourism Services
 - Walking tours
 - Big House
 - Museum

The Watchmen could also hand out this brochure to visitors on their rounds of the territory. This brochure would have no dates or pricing to allow for an extended shelf life.

7.1.2.4 Waiver/Liability Revision

The existing waiver and assumption of liability should be reviewed. Robert Kennedy, who is a lawyer who specializes in adventure tourism and risk management documents, should be hired by SBA Ltd. to ensure that the documents are covering the operation appropriately.

A review and updating of the risk management plan completed in 2007 by Jeff Barrett should also be completed to ensure all the potential plans and documents are in place to best represent the company if an accident occurs.

7.1.3 Tourism Services

7.1.3.1 Sea Kayaking Partnership

The Kitasoo/Xai'xais territory is a premier spot for sea kayaking. For the same reason that people come on the Eco Tours, to see wildlife and unspoiled natural beauty, the kayakers come to explore the pockets, shores and beaches with the simplicity that only a kayak can bring. The areas remoteness enables kayakers to explore and not see anyone else for days.

Spirit Bear Adventures Ltd. does not have the human resources or desire to pursue its own sea kayaking operation. The goal is to create a partnership with an outside operator. Using the website as a booking and marketing tool, the clients would reserve through SBA and the contracted operator would be told how many people are coming for particular dates. A commission would be paid to SBA at a determined rate. The sea kayak operator would have to be a certified outfit with the Sea Kayaks Guides Alliance or Association.

An agreement of this type would benefit SBA as it gives it more exposure for the operation without the operational logistics to consider such as human resources and equipment maintenance.

7.1.3.2 Kayak Transport/Water Taxi Services

With more independent, self-sufficient kayakers coming to travel in the Kitasoo/Xai'xais territory, the need for a dependable kayak transport is evident. With such a vast area to explore, Kayakers often do not want to back track to their starting point. Offering a boat that can transport kayaks, gear and kayakers at the beginning or end of their trip is a service that would give a Klemtu boat operator some working days. The boat would need to be able to handle a number of kayaks and the operator would need to be familiar with the equipment and how to safely and securely tie them down. The rate for the travel would need to be evaluated based on operator day rate, plus fuel and hourly boat charge. Clients would book this service through the website or through Tourism Services in Klemtu.

Partnering with Shearwater Resort may be a more viable option in regards to a water taxi service. The resort has recently purchased a boat called the "Shearluck" that can make a return trip from Shearwater to Klemtu in 3 hours. This service is \$250/hour and could also be chartered for day trips with SBA guides with clients from Shearwater Resort. With the capital investment in purchasing a boat and all the associated cost, it makes economic sense to look at this route more closely.

7.1.3.3 "Pocket Cruisers"

Many small 'pocket' cruisers specialize in tours on the Northwest coast that visit abandoned fishing villages, viewing wildlife, and hiking. The company that Klemtu has created a relationship with is called *Cruise West*. Located in Seattle, Washington, they specialize in the Inside Passage. SBA has created a beneficial relationship with this company. Seven cruise stops in Klemtu each season with approximately 100 guests aboard. Using the BC Ferries dock, the guests disembark and are met by Doug Neasloss or other SBA staff. The cruise guests each have headsets that allow for the guide to speak without yelling. The tour consists of an interpretative walking tour of the town ending at the Big House where the local community dancers perform and sing traditional songs. This format has been very well received by the community, as monies donated at the end of the performance have purchased new supplies for the dance group. The feedback from the company has been positive and their cost for this is currently \$12.50 per person. This cost should be raised to \$15 per person.

The success of the business relationship with *Cruise West* is evident in their continued commitment to make Klemtu their only stop within Canadian Waters. The number of visits in the season can be increased and should be studied. The appropriate paperwork would need to be filed with Transport Canada to meet the standards and the security issues for foreign vessels stopping in Canada. An increase of more than seven boats creates a new set of rules and regulations to be enforced. This additional set up of regulations is worth the time and investment if *Cruise West* indicates a desire to add more stops in Klemtu for their touring season.

7.1.3.4 Guided Fishing Trips

Sport fishing is happening in Kitasoo/Xai'xais territory. But none of it is being sanctioned or run by the Kitasoo/Xai'xais. According to a report by the Economic Development Branch of BC Ministry of Sustainable Resource Management, there were over 200,000 lodge days in 2002 with most anglers catching salmon (especially chinook), halibut, and rockfish. It is a very popular sport but a competitive industry. The Kitasoo/Xai'xais are not interested in developing a sport fishing industry in Klemtu but creating a small day trip market based out of the Tourism Services office and guided by a local Kitasoo/Xai'xais guide would be a viable opportunity. It would be a service for people who are passing through on their own boats and want a day of fishing in the territory. The revenue would pay for the boat operator, fuel and hourly boat rate, as well as a commission for Tourism Services. It is an economic generator for a few individuals willing to invest money into a boat or extra money on an existing vessel.

The marketing would be handled through Tourism Services and the website.

7.1.3.5 Mooring Pennants

In the original tourism study, mooring pennants were discussed in depth as economic generator through out the tourist season. That initiative never was pursued and in the recent tourism strategy survey conducted in Klemtu, 97% of people surveyed believe it is a valuable economic generator. The respondents were evenly split when asked where it should be located. Mussel Inlet and Clothes Bay were the suggested locations. This document states that Clothes Bay is the more viable location from a community perspective and more locations could be added in the future if Clothes Bay is successful in its implementation.

Klemtu is an ideal stop for pleasure boats traveling the Inside Passage to Alaska. Klemtu is an attractive port to stop at because it is the last coastal town and fuel stop on the Inside Passage when heading north to Prince Rupert. Clothes Bay could provide deep-water anchorage for as many as 40 boats. Presently there is limited dock space available for pleasure boats in Trout Bay, so anchoring is the only alternative. As an alternative to a full-service marina, mooring pennants present a fast, safe, hassle free alternative to anchoring. Installing mooring pennants would provide the town of Klemtu with a cost-effective method of generating tourism revenue. Creating a fee-based system, in which boat owners would have to come into Klemtu to pay their nightly fee, would have an economic spin-off effect. The tourists would visit the tourism services office and possibly take a town walking tour, a day trip with Spirit Bear Eco Tours, or at the very least

shop for supplies at the band store. Drawing visitors into Klemtu will give the community more exposure to the coastal cruiser population.

There must be an in-depth look at mooring pennants and the liability associated with them. Determining what insurance would be necessary and whether the revenue generated what exceed that initial capital cost and fixed cost to run and maintain the pennants.

Mooring Pennant Description

A mooring pennant is a fixed anchoring system that offers boaters an alternative to dropping their own anchor. The system consists of a large permanent concrete anchor block that is placed on the ocean floor and a length of chain that is secured to the anchor and runs up to the surface of the water where it is secured to a buoy or float. Cruisers wishing to utilize the fixed anchor system simply need to position their boat so the floating buoy can be reached with a boat hook, run lines through the buoy and then tie them off to the cleats on their boat. Boaters then access shore by using their own dinghy.

Mooring pennants provide cruisers with many advantages. First, they do not have to go through the labor-intensive process of dropping their own anchor. Second, it provides a fixed anchoring-point that eliminates any worry of dragging a regular anchor. Finally, it eliminates any concern of colliding into other vessels or the shore as the wind direction changes. Mooring pennants would be especially attractive in adverse weather conditions.

Marketing the mooring pennants

Installing mooring pennants in Clothes Bay would be the first step in making Klemtu a port-of-call for cruisers traveling the Inside Passage to Alaska. The pennants could be constructed and ready for installation by spring of 2009. The actual duration of the installation should not take longer than one month. Once installed the pennants could be ready for commercial use immediately.

Sailing offers the largest product market in British Columbia representing 42% of the adventure travel business in the province. The cruising market typically consists of affluent, educated travelers between the ages of 35 to 45 years old. Most travelers to the region are from British Columbia or the Pacific Northwest. The cruising community tends to be more adventurous, self-sufficient and experienced travelers – a perfect introductory market for the local community, as they begin to diversify their economy through tourism. (Adventure Travel in Canada, 1995)

Benefits

Mooring pennants would provide jobs while they were being manufactured and installed. Construction of the pennants could be done using local labor and material. During the summer months, the pennants will provide a steady stream of revenue when cruisers passing to Alaska occupy them. In relative terms, the mooring pennant system will generate only moderate revenues – charging \$10 to \$15 per night for their use. Based on a 120-day season, running from May to September the following revenue could be generated.

<i>Annual Pennant Revenue Generation at \$10/ night</i>			
Occupancy	50%	60%	70%
\$10/night	\$60	\$70	\$80
Season Total	\$7,200	\$8,400	\$9,600

<i>Annual Pennant Revenue Generation at \$15/ night</i>			
Occupancy	50%	60%	70%
\$15/night	\$90	\$105	\$120
Season Total	\$10,800	\$12,600	\$14,400

The major benefit resulting from this project would be to establish Klemtu as a destination for the sail and powerboat markets. Pennants would provide economic benefits for the town store and restaurant. Arrangements for mooring could be made with Tourism Services, collected nightly by an employee or self-registration could be done through a fee drop box.

Mooring pennants could also help to reduce impacts to the marine environment in the Kitasoo/Xai'xais territory. Traditional anchorage system used by cruisers and sailors require an anchor to be dropped to the sea floor. This causes degradation to the marine life because these anchors tend to be dragged as mariners attempt to purchase their anchor on the sea floor. Since this is not a favorable option with respect to the natural environment, it is highly recommended that the community of Klemtu install mooring pennants to avoid such unnecessary environmental damage.

Maintenance

To ensure the mooring pennants remain safe and useable, a regular maintenance schedule must be established. Before the cruising season begins each spring, each of the mooring buoys in Trout Bay must be thoroughly inspected. Certified scuba divers must inspect each component of each pennant. Repairs and replacements are made when necessary. Logbooks of inspection, repair and maintenance should be kept. Written records should include a description of the condition of each component that makes up the mooring buoy system, an overall diagram of the mooring buoy establishment and a record of the dates of equipment replacement. During regular maintenance, inspections for the alignment of the buoys should be made to ensure safe navigation and mooring of vessels in the future. Each mooring buoy is only equipped to handle one boat at a time, rafting together should be prohibited.

Please Appendix 5 for requirements and process as well as costs associated.

7.1.3.6 Marina

The marina in Trout Bay at Klemtu serves boaters who stop in Klemtu to re-supply food, fuel and water. These visitors may also take a town tour or eco tour day trip. The docking facilities are on a first come, first serve basis and all the services are operated through Spirit Bear Tourism Services.

The marina needs maintenance for the 2009 tourism season. The power needs to be reconnected as a storm damaged the power lines in the winter season. The bow works also need upgrading for the coming 2009 season.

7.1.3.7 Cultural Tours

The Kitasoo/Xai'xais culture is a draw for clients booking the Spirit Bear Eco Tours as well as independent travelers. Visitors from around the world have a keen interest in learning about native history. Being able to focus not only on the bears but also on the cultural history of the area by visiting sites such as Disgu, allows the SBA to differentiate itself from other operators working in the area. Hearing the stories firsthand from a Kitasoo/Xai'xais guide creates an experience that clients remember for a lifetime.

The cultural tour not only happens in the territory at large but also continues in the village of Klemtu as well. A walking tour for clients of the multi day eco tours as well as day visitors to the area is an important aspect to the SBA operation. The town walk is an interpretive tour through Klemtu. Guides (elders or summer student workers) give an oral history of how the Kitasoo/Xai'xais people came to live here. Using the community information boards as markers, the tour will give a sense of the past, present and future in Klemtu.

Ending the walking tour at the amazing Big House gives people the sense of how the past and present connect. With the SBA staff interpreting the meaning of the ceremonial poles inside the Big House as well as discussing the uses of the building, the tourists can see that this building is part of the rediscovery of the Kitasoo/Xai'xais culture for the Kitasoo/Xai'xais themselves. The Big House has become a focal point for Klemtu and the community. It hosts gatherings, potlatches, birth and death rituals, name passing and community dances, to name a few.

Once inside, the guests will learn about the ceremonial poles and their stories as well as the significance to the Kitasoo/Xai'xais peoples. People should be given part of the tour to sit in silence in the Big House to absorb the energy within.

Visiting the museum is also part of the cultural tour. With artifacts, paintings and carvings, it is an excellent cultural experience. Then they are given an allocated amount of time to look at all the artifacts. A museum expansion is part of the mid term goals in this strategy.

These tours will be booked and organized through Spirit Bear Tourism Services and occur on a daily basis and at the arranged time, guests can join in for a town walk, Big House and museum tour throughout the busy tourism season (June-September). The cost will be \$15 a person.

Clients on the multi-day tour packages will take this tour in the afternoon of the first day of their tour.

This product should be promoted and marketed to outside tour operators who want to provide more cultural sites into their existing, packaged coastal tours. Creating a standardized cost for groups on a per person basis will allow for operators to include it in their own costs as well as generating a stream of income for Tourism Services. Formalizing this service will create a better product and improve the service as a whole.

7.1.3.8 Restricted Site Guiding Service

The Kitasoo/Xai'xais territory has an abundance of highly sensitive cultural sites that have been identified in previous studies by the Kitasoo/Xai'xais. Some are unknown to but a handful of band members and elders. Others, such as Disgu are well known in the coastal tour operators' circles. The operators that have signed protocol agreements understand that certain sites need protection and visitation needs to be controlled.

Creating a restricted site guiding service that caters to outside tour operators and their guests would allow them the chance to see these amazing spots and at the same time, protect them from abuse or misuse. The service would provide interpretation and an authentic feel to the guest's experience. It would be run through the Spirit Bear Tourism Services office and booked in advance as most tour operators have a general idea of when they plan on being near a site they wish to access. The operator would have to pay a guide fee plus a boat cost and fuel. To reduce cost the boat operator should be the guide as well. The cost of this will have to be looked at more closely, as some operators may not see it being cost effective.

Utilizing the watchmen to provide this restricted site guiding service should be an option as well. If the eco tour guides are out in the territory with clients, they may not be able to meet an outside operators tour group. The watchmen could be made available with their boat to meet a group and provide some interpretation.

The operators that have signed protocol agreements and choose to go to the restricted sites without the use of guide, the agreement should be enforced. They must be given a warning and understand that their relationship with the Kitasoo/Xai'xais is in jeopardy. If they have not signed a protocol there must be some education in regards to why they must sign a protocol with the Kitasoo/Xai'xais and understand why protecting the sensitive sites must be a priority and the monitoring and permitting program comes into effect here.

7.1.3.9 Gift Shop

When people travel to a destination such as Klemtu, the cultural experience is something they will remember for a lifetime. A souvenir allows people something tangible to take home from a vacation. Creating a gift shop at the Tourism Services office would enable this and create a location for local artisans and craftsmen to showcase their wares. The gift shop would take a small commission and answer any questions that the customer may have in regards to the artist and the products. Each artist would be highlighted with a picture and bio. Connecting the

customers with the artist is key to making more sales. The manager of Spirit Bear Tourism Service would ensure that there are enough products. The product selection could consist of but is not limited to T-shirts, prints, postcards, and posters by Doug Neasloss revolving around a wildlife theme.

The products would be produced on Vancouver Island and shipped to the Gift Shop for the start of the tourist season. Any reorder would need to be done at least 3-4 weeks ahead, so an inventory system would be created and managed properly. The product choice should be determined and finalized no later than April 31st, 2009.

7.1.3.10 Tourism Office Maintenance

Spirit Bear Tourism Services is currently working out of the Atco trailer that has stood as the center for tourism in Klemtu since 1996. The trailer is in need of attention. Being one of the first things people see when they come onto land in Klemtu, it is integral to create a professional look.

The projects that should be completed by this tourist season are:

- A new deck, as the old one could be a liability due to rotting.
- Painting the outside of the building.
- New signage with new logo.

These projects should be led and supervised by a committed and responsible person who sees the work carried out to the finish.

7.1.4 Spirit Bear Lodge

The Spirit Bear Lodge was completed in the fall of 2006 and has presently being leased by industrial contractors working in Klemtu. The Lodge has room for 16 guests and is designed to hold double that with an expansion on the south side. With kitchenette, laundry facilities, king size beds and flat screen TV's, this waterfront lodge is modern and comfortable. It is this lodge that will allow Spirit Bear Adventures to put itself on the map and up the level of service provided to guests.

Being an untested product, the lodge has a season or two to smooth out the wrinkles before really promoting this accommodation as a product unto itself. With the hiring of a full time seasonal Chef/Manager, he or she will direct the lodge staff and provide concrete recommendations to the general manager of SBA. Having someone at the helm of the Lodge will ensure that the products and service delivery meets the goals set out in this document.

7.1.4.1 Business/Implementation Plan

The Lodge needs a business plan completed by the beginning of the tourist season of 2009. Identifying the economic goals, SWOT, as well as determining how the day-to-day operation should be run. Creation of this living document will allow for staff and management to understand where the energy should be directed and how to deliver a superior product.

7.1.4.1 Lodge Completion

Even though the lodge was completed in 2006, there are still many little things that need to be addressed before this summer. The following is a list of those jobs:

- The outside staining needs finishing
- Finish deck on waterside of building.
- A mural needs to be completed for the west side of the building. This must be commissioned as soon as possible. The mural would be prepared on plywood in dry conditions and placed up when complete, similar to the school's mural.
- The landscaping needs to be completed around the building with more aesthetically pleasing vegetation that needs little or no maintenance.
- The rooms need artwork and each room will have a designated wildlife theme, such as Orca room, Spirit Bear room, Eagle room etc. Using Doug's photos, the rooms will be adorned with appropriate art. The interior of the lodge will also house more art.
- The kitchen will need to be inventoried by the successful candidate to ensure that all the proper cooking pots, pans and guest plates, cutlery, etc are sufficient.

It is essential that the lodge look finished as guests will expect more as they are paying over \$500 a day for the tours or about \$160 a night for accommodation.

7.2 Mid-Term Developments –2010-2011

The following initiatives are aimed to be developed starting in late fall of 2009 and to be completed in various stages in for the 2010 and 2011 tourism season.

7.2.1 Spirit Bear Eco Tours

7.2.1.1 SBA Ltd. Partnership with Outside Party

Before any partnership discussion is began, an in depth discussion and analysis must be pursued by the KDC and management of SBA Ltd. Much of that discussion will revolve around human resources and whether or not many of the initiatives set forth in this strategy are attainable by the existing staff, management and consultants. Using this document as a resource will help the management reach a conclusion whether to proceed or not.

The opportunity to partner with an outside party was initiated in the last year and a half. The group that was to build that business partnership backed out at the last moment. But the idea is still a viable one. Due to the timelines set out in the short-term development initiatives, this is being designated as mid term goal. This will give SBA and the Kitasoo/Xai'xais Development Corporation time to speak with interested parties and move slowly into negotiations.

The thinking behind this initiative is that an outside party with experience in wildlife and/or adventure travel business management would come on board and bring management know how combined with industry contacts. This partnership would benefit both the community and SBA, as it would be hoped that the number of clients would increase generating additional revenue, making the operation more profitable and employing more community members through out the tourism season.

Communicating this partnership idea to the Canadian business community should be done through national newspapers, our marketing partners and through the Internet and Trade Shows. With the development of this tourism strategy, a business plan for both the Spirit Bear Lodge and the Eco Tours, the potential business partner would have documents that give a clear picture of where the tourism program is heading and how they might fit into the overall operation.

7.2.2 Spirit Bear Lodge

7.2.2.1 Lodge Expansion

The Spirit Bear Lodge was designed architecturally to have two wings off a large main common area. The lodge as it stands presently has only one wing off the north side of the common area. To maximize revenue potential, the lodge should be expanded to its initial concept design. This will allow for more guest accommodation and a bigger market to be tapped into for larger groups, such as corporate retreats and industry workers in the fall and winter months.

7.2.2.2 Corporate Retreats

A corporate retreat is an event usually held at a resort or other exotic location, in which executives or employees of a company gather for seminars and team-building activities. According to Amex Canada Inc., the nation's largest corporate travel agency in 1998 Canadian corporations spent \$3.9 billion-roughly one-third of their total travel-related costs on off-site group meetings.

Spirit Bear Lodge in conjunction with Spirit Bear Eco Tours could create a corporate retreat package for companies from the Lower Mainland of BC. Focusing on a 2-4 day packages, a facilitator with previous experience organizing and running the events would be hired on a contract basis. These companies are looking for a place travel to that will inspire their staff to come up with new ideas, take part in teambuilding exercises and get out into the fresh air together and experience nature. The retreat must be well organized and fit the needs of each individual company. There would be a fair amount of prior planning and this would involve discussions with the client. This product would need to be seamless from its first contact with the client through to product delivery and implementation. If this opportunity was to be pursued, it would be marketed through business publications, the Internet and SBA website.

7.2.3 Tourism Services

7.2.3.1 Scuba Diving Partnership

The BC coast is known among scuba divers as one the best places in the world to dive. The cold waters and strong currents bring nutrient rich waters to all the diverse creatures that inhabit the Pacific. The Inside Passage in the Kitasoo/Xai'xais territory is a premier diving location, but due to the remoteness, there is little in the way of scuba diving guides or tour operators. The one boat that does operate from time to time in the Kitasoo/Xai'xais waters is the *Nautilus Explorer*, a 116-foot live aboard yacht. Their tour range is from southern Vancouver Island to Alaska.

Creating a business partnership with an operator who wishes to base their trips from the Spirit Bear Lodge should be considered. The dive season on the coast is from March-November and could create additional revenue for the lodge as well as the eco tours. The business partner would have their own boat, gear, insurance etc., allowing SBA to minimize the need for equipment, specialized staff training and the associated liability insurance. Essentially, Tourism Service would act as a booking agent, using the website to promote the scuba diving product and the operator would also be taking bookings as well. Once enough people were signed on for a tour, they would use the Spirit Bear Lodge as their base and the lodge staff would take care of all the associated meals and accommodation requirements.

7.2.3.2 Town Campsites

Presently in Klemtu, anyone who wants to camp can set up a tent anywhere. This lack of designated campsite needs to be addressed. In the Tourism Survey, 85% of respondents thought it would be a good idea to develop designated campsites. The location needs to be decided upon

by SBA and the KDC. With tent pads, fire rings, composting toilets and a fee based camping fee, this would entice more independent travelers who are on a tighter budget to visit Klemtu. Giving visitors more options for accommodation will attract a more diverse crowd who may not spend money on staying at the lodge, but have budgeted money for taking an eco tour for a day or two.

The management of these sites would fall under the Tourism Services staff. The staff member, who is designated to collect money from the mooring pennants, would also collect campsite fees and maintains the area.

7.2.3.3 Museum

The museum in the Big House should be a home for any cultural artifacts that are deemed significant to the Kitasoo/Xai'xais. With many artifacts still out in the territory, as well as distributed in Canada, the US and the world in public and private collections, the museum should be designed to showcase and protect the valuable cultural items. A repatriation process should be commenced, using the appropriate communication channels. Contacting museums in BC and Canada to let curators know that there is a desire to claim artifacts that rightly belong to the Kitasoo/Xai'xais people. Collecting the artifacts that are out in the territory would preserve them and allow the community members to see and learn about them, as they may not otherwise get out in the remote areas.

The first step would be to obtain funding through outside organizations or government agencies to purchase proper display cases to house artifacts, as well as identifying and hiring an interested band member to learn about proper museum curating. Topics such as organization and management, collections, conservation, exhibitions, education & programming are important to understand if this museum is to be done correctly. There is one course that is titled *Introduction to Museum Studies-Distance Learning Program* through the Commonwealth Association of Museums.

This project would benefit visitors and band members alike. The community would learn more about their ancestors and their culture and more visitors would stop in Klemtu to view the museum. Charging a museum tour fee would help fund the part time curator position.

7.3 Long-Term Development Initiatives –2012-2015

7.3.1 Spirit Bear Eco Tours

7.3.1.1 3rd Wilderness Cabin

Two wilderness cabins, built in the Kitasoo/Xai'xais traditional territory, were designed to be used by the Spirit Bear Eco Tours, the Watchmen Program and the sea kayaking program that no longer is part of the SBA product line. One is located in Mussel Inlet and the other on Marvin Island. Each sleep up to 12 people and have composting toilets, solar panels and propane cooking. They are rustic yet comfortable shelter away from Klemtu.

Building a third wilderness cabin in Conoona would allow the Watchmen Program another location to base themselves out of during their travels through the territory. It would also give Spirit Bear Eco Tours the ability to stay out at another location with clients. The exact location is yet to be determined.

7.3.1.2 Employee Co-Ownership Program

Spirit Bear Adventures Ltd. is a corporate entity and there is the ability to sell shares to employees, as in profit sharing business models and share bonuses. Being a community driven program, the employees may want to take on a more active role in the day-to-day affairs of the company. Taking ownership can have many benefits for the company and the employee. Knowing that the better the operation is run, the more profitable it becomes and the more money the employee/co-owner will make. There are key employees that have expressed interest in the type of arrangement and starting in 2012, the process should be looked at more closely and negotiations should begin with the interested parties.

7.3.2 Tourism Services

7.3.2.1 Marina

A full service marina in the Kitasoo/Xai'xais territory would capitalize on the fact that between Shearwater/Bella Bella and Prince Rupert there is nothing of its kind. Creating moorage and docks, supplying fuel, water and power would be a good business move by the Kitasoo/Xai'xais. Location would be key, to ensure that boaters would not have to go to far off course on their way north or south. Once location that has been discussed is ***not available for public viewing***

Other locations should be considered and extensive site surveying and study should be carried out. A large investment of this kind needs proper planning and community support, as well as employees to staff it.

8. Kitasoo/Xai'xais Marketing Plan

The marketing strategy will focus its advertising dollars and energy on 5 main outlets.

1. Internet
2. Marketing Co-op with Tourism Associations
3. Partnerships with other tour operators
4. Familiarization tours travel writers and TV producers
5. Consumer trade shows

As discussed in section 5.2.4, basing the marketing plan on the 4 P's – product, place, price and promotion is key to an appropriate marketing and tourism strategy.

8.1 Internet

The Internet has changed the way people communicate, access information and buy retail products and services. In Canada, 84% of the population accesses the Internet for an average of 13 hours a week⁴. The following trends are being driven by Web technology.

- Social and business networking sites currently number over 400,000 million users world wide⁵
- 30% of Canadian Internet users have a social networking account (8.5 million users)⁶
- Mobile technology now enables Internet connection wherever there is a wireless signal
- Pay per click enables SBA to reach millions of people at pennies an ad.
- New rules of Internet marketing and public relations enable organizations to reduce their advertising budget while at the same time reach their target market more directly.
- Content and information is most important to potential customers, not blatant advertising of a product or service.
- Google Analytics will enable organizations to better understand how their website visitors found them, where they are from, how they navigated the site and how long they stayed for. All of this will enable businesses to target their market more precisely.
- RSS feeds will allow visitors to be updated whenever new content is added to a blog or the website.
- Blogs are the way to communicate information and to keep a website relevant to the Search Engines and stay on top of the rankings.

Using the Internet and website to be the main vehicle to reach potential customers will increase SBA exposure to a larger market as well as decrease advertising expenditures. This medium is where the customers are going for information so SBA must create an informative, well designed website and Internet marketing strategy to ensure the best return on investment and major online presence.

⁴ <http://www.internetworldstats.com/am/ca.htm>

⁵ http://en.wikipedia.org/wiki/List_of_social_networking_websites

⁶ <http://www.mediaincanada.com/articles/mic/20071004/socialnetworks.html>

8.2 Marketing Co-op

Joining a marketing co-op will enable SBA to raise awareness in regards to our products and minimize advertising expenditures. This is key to gain more market share from the competition.

One such co-op that SBA has joined is Aboriginal Tourism BC (ATBC). Their marketing resources are dedicated to creating interest in the diverse Aboriginal tourism experiences available in BC. Their mandate is to communicate directly to consumers, to travel trade and travel media- creating awareness about Aboriginal tourism and driving business directly to ATBC Marketing Co-op Members.

As the 2010 Olympics approach, maximizing benefits and exposure for co-op members is integral to any marketing plan. ATBC will be working with Tourism BC and the Canadian Tourism Commission to plan group and individual press trips for all tourism areas.

For a \$500 membership fee, this service provides advertising to strategically targeted customers, media and tour operators via marketing and sales activities. The following is included in the program.

- Internet marketing
- Consumer advertising
- Quarterly E-newsletters
- Attendance at travel trade marketplaces such as *Rendezvous Canada & Canada's West Marketplace*.
- Media relations activities
- Developing and distributing Tour Operator Tariff

Other marketing co-op opportunities will be researched and if the advertising organizations mandates are in line with SBA's goals for the operation.

8.3 Partnership with outside operators

Outside tour operators have been identified in this strategy as the main competition to SBA's operation. Partnering with one of those companies such as Bluewater Adventures would benefit the both organizations. Cross promotion for certain trips that Bluewater runs within the territory may allow SBA to increase revenue through a commission based referral program, as well as gaining customers through the partner's website.

This type of partnership is beneficial in promoting the aboriginal tourism aspect to SBA that the majority of the outside tour operators may lack within their organization. Potential clients of other trip operators may choose to travel with SBA if they see the benefits community driven eco-tourism provides to Klemtu residents or want to have a cultural aspect to their tour from a guide who is local to the Kitasoo/Xai'xais territory.

8.4 Familiarization Tours

The high cost of print or TV advertising can hinder the ability of SBA getting the marketing message out to the masses. But those two forms of media are always searching for stories to fill the pages or airwaves, telling the stories of special places or people. Familiarization tours allow journalists to travel on an eco tour with Spirit Bear Adventures at a discounted rate so that they may write a story that highlights the tourism operation, providing advertising and raising awareness about the brand.

Inviting those journalists to travel with SBA will happen through the direct communication with the media. Determining the appropriate timeline for visits, seasonal themes and highlights of the publications will maximize potential spin-off and generate the most return on investment for each familiarization tour.

8.5 Travel Trade Shows

There are a number of travel trade shows each year to promote BC tourism destinations. The majority of these trade events are attended by key international travel markets such as the US and Europe. These shows offer the opportunity for Spirit Bear Adventures to meet with travel agents and travel wholesalers from around the world. Historically, this has proven to be a viable way for SBA to market to a larger audience and fill spaces on the eco tours.

The two shows that provide the best exposure and networking opportunities to SBA are:

- Canada West Marketplace
 - Brings together more than 400 British Columbia and Alberta tourism suppliers with tourism buyers from across the world in one location.
 - Late Fall of each calendar year
- Rendez-Vous Canada
 - To provide an efficient opportunity for international buyers to meet suppliers of Canadian tourism products, services and information in one place annually for four days of programmed business.
 - Rendez-vous Canada is a contract marketplace.
 - Half Booth costs \$1065
 - Spring of each calendar year

Both of these shows are by invitation only. SBA is currently not on either list and it would take at least 3 years to achieve the criteria to attend. The first step would be to attend Canada's West for at least 2 years with the new brand and products. This would serve the organization well for future travel trade relationships.

9. Human Resources Strategy

Human Resources are as integral to any business as the product or service. Creating a strategic plan for the SBA staffing needs for the short term as well as formulating a plan for the long term will allow the company to be well prepared as the operation grows and matures. Not planning now can impact customer service and profitability in the future. On the other hand, a good plan can help support SBA goals set out in this strategy.

9.1 Current Conditions

With eight years of experience behind it, Spirit Bear Adventures has trained and employed some valuable people. Each employee brings their own level of experience and skill set to the company. Using the existing seasonal tourism employees knowledge and training, the summer student work experience program, funded through FNECS and Mid Coast has created a small workforce pool. Building on this program in the short term will help SBA achieve some of the long-term human resource goals set out in this plan.

There is currently 5 full time, seasonal employees and one part time, year round manager.

Below is list of current seasonal employees, their role and skills.

Doug Neasloss

Lead Guide- Doug has been working with SBA for eight years. He is considered to be one of the most sought after bear guides on the coast. He is certified by the CVBA and holds a wilderness first aid ticket. He also holds a Small Vessel Operator Proficiency Cert., Restricted Radio Operators License and the First Host Program Cert.

He is very knowledgeable in the interpretative history of the Kitasoo/Xai'xais and is extremely sociable, which clients expect.

Doug has expressed interest in continuing his role with SBA and taking on more responsibility as the company grows.

Vern Brown

Assistant Guide- Vern has been with the company for four years. He is certified by the CVBA as an assistant guide as well as holding a Small Vessel Operator Proficiency Cert., Restricted Radio Operators License, and a wilderness first aid cert.

Vern has a desire to continue his employment with SBA. Building his interpretative skills and mentoring with Doug will be beneficial for Vern to mature into a Lead Guide.

Ann Brown

Tourism Services - Ann joined SBA 2 years ago and has worked in the Tourism Services side of the operation as well accompanying the Eco Tours on occasion. Ann has expressed the desire to train as bear guide for the future but understands the need for her skills to be used in the tourist office for the next few years as to build the service and train up and coming employees.

Clark Robinson

Boat operator – With the boat being an integral part of the transportation of clients, this position is very important. Clark has the knowledge of the territory that comes spending a lifetime traveling it. Holding a Small Vessel Operator Proficiency Cert., Clark is a personable and reliable employee.

Lucy Starr

Housekeeper – Cleaning the Spirit Bear Lodge and the Floathouse daily is a very important job within SBA. Reliability is important and Lucy is has shown the desire to work.

Sean Kerrigan

General Manager/Director of Marketing – Sean has been with SBA since May of 2008. His role has been to take bookings, respond to enquiries and website maintenance and marketing. Ensuring the staff know when the clients are arriving and are prepared for all their needs such as food, special requirements and tour goals is part of the general manager role that Sean has taken on from his office in Courtenay, BC.

Sean plans on staying with the organization and implementing the initiatives set forth in this strategy. As he does not see himself working from Klemtu, the role of General Manager that he currently holds should be passed onto a person who is based in Klemtu for the tourist season.

9.2 Future Needs

Spirit Bear Adventures Ltd. will need to retain the experience of the existing staff members and begin to identify the youth in the community who could be trained by them. Looking forward in a proactive way will allow for any unforeseen circumstances from disrupting the delivery of products or services.

Looking at the “Target Economic Sector Ratios for 2015” on page 20 of this document, a target of 5% is identified. Taking into account the population changes and number of employable people in Klemtu, this would mean 8 employees on a full-time seasonal basis.

Referencing Figure 6.3 on page 40, SBA organizational structure identifies positions that will allow for an improved managerial system and more focused staff roles for a superior product

delivery. These are separated under the various departments within Tourism Services. These positions include:

- Marketing Manager
- General Manager
 - Eco Tours
 - Lead Guide
 - Assistant Guide
 - Boat Operator
 - Tourism Services
 - Lead Hand
 - Visitor Center Staff
 - Lodge
 - Manager/Chef
 - Housekeeper

The above are not mutually exclusive and the same individual may hold multiple positions. (Example: General manager may also be lodge manager and chef)

The majority of staff positions can and should be held by Klemtu residents. To achieve this for the long term, the company must generate interest in the community and display the achievements and opportunities available through the tourism industry in Klemtu. Creating links to employment through the school will plant the seed in the youth that there is a future in tourism employment and a career that is enjoyable, people orientated and exciting. This link through the schools should involve the current employees and work experience programs. The funding available to the Kitasoo/Xai'xais through Mid Coast and FNEESC summer student programs should be maximized to their fullest potential to reduce staffing costs as well as create a labour pool for the future.

Tourism Management Strategy

10. Strategy to Monitor and Control Use

10.1 Background

The Kitasoo/Xai'xais live in a unique and amazing coastal environment. This draws visitors from around the world who seek out the wildlife and natural beauty that lies within it. Many visitors travel with non-Kitasoo/Xai'xais tourism operators who conduct trips in the Kitasoo/Xai'xais traditional territory. Developing and implementing a strategic plan that monitors and controls the activities being conducted in the vast territory will give the Kitasoo/Xai'xais a better understanding of how the operators are using the area, as well as other groups of independent visitors. Ensuring all parties follow environmental protocols while in the area, as well as educating, recording and reporting on activities going on in the territory will be the goal of the monitoring program. Controlling and monitoring usage by outside organizations is integral to any eco-based management plan.

10.2 High Value Areas Designation

The areas that have high value in regards to tourism within the Kitasoo/Xai'xais traditional territory must be identified and become part of the permitting and monitoring program. These areas are designated as high value from a cultural and natural standpoint. Identifying these areas now will allow for any future tourism development to take into account the value designation, as well as any co-management objectives or government strategies for the current protected areas, such as Mussel Inlet.

The areas identified to be of high value to tourism are as follows:

WL=Wildlife	WB=White Bear	A=Anchor
CS=Cultural Site	NB=Natural Beauty	SR=Salmon Run

not available for public viewing

10.3 Permitting Program

With the comprehensive claim in 1982, the Kitasoo/Xai'xais declared to the world that the management of their traditional territory would be under their control as it had been for thousands of years. But current institutional arrangements through the provincial and federal bodies and overlapping jurisdictions can be a barrier to formal agreements with First Nations, as outside organizations may have to deal with multiple governments with conflicting policies. A government-to-government process provides a means for governments and stakeholders to collaborate in regards to policies and management objectives, such as tenure and protocol agreements. This collaboration among First Nations, governments, and stakeholders provides for equal distribution of the resource rights, mechanisms for resolving disputes and coordinated monitoring of resource use. This arrangement is currently being implemented through the EBM framework through a steering committee and first nation land use management.

The Kitasoo/Xai'xais First Nation introduced a permitting program in 2001-2002. This program was developed to ensure that outside tourism operators understood that the Kitasoo/Xai'xais First Nation continues to maintain its Aboriginal rights and title within its traditional territory, part of which encompasses the operating area proposed for use by that operator. The document is called *Tourism Operator Protocol Agreement* and the agreement first states how the relationship will be conducted:

- Operators may have acquired permit, license or tenure from the Government of British Columbia and the Government of Canada but that the Kitasoo/Xai'xais do not recognize any of these issued by the federal or provincial government.
- The intent of Kitasoo/Xai'xais is to develop a protocol with outside tourism operators that formalizes a relationship and permits certain commercial tourism.
- The Kitasoo/Xai'xais wish to pursue agreements with operators who conduct non-extractive tourism. And develop an ecologically sustainable economy that respects the environment and provides significant and meaningful economic benefit for the Kitasoo/Xai'xais First Nation.

The *Tourism Operator Protocol Agreement* then lays out guidelines and its intent to provide Commercial Tourism Operators with an operating privilege in the Kitasoo/Xai'xais. The guidelines are based on the following topics.

- Tourism Resource Use
- Tenure and Foreshore Rights
- Planning
- Employment
- Tourism Guiding Contracts
- Training and Capacity Building
- Commercial Use Fees
- Enforcement and Tourism Management

Since its inception, 80% of tourism operators conducting business in the Kitasoo/Xai'xais traditional territory have signed an agreement. This protocol agreement is valid for two operating seasons and also states what each company must pay as a user fee on a per client basis. The monies collected fund the Watchman monitoring program. The Watchmen travel the territory ensuring compliance as well as recording and reporting infractions to both the BC Park Act (Fjordland Conservancy) and the Kitasoo/Xai'xais Environmental Protocols.

This program allows the Kitasoo/Xai'xais to create a relationship with the outside operators and set the parameters for usage. Because the majority of the operators promote their tours as eco tours, sustainable and culturally sensitive, this agreement is in their best interest as well. If their operations are to continue long term, they realize that the area and all of its natural resources must be managed. This protocol allows them to sign on to the protection and management of the territory. With their interests at stake, they become stakeholders and eyes and ears, helping to ensure all operators and individuals are treating the area with respect and using it in a non-extractive way.

For the 20% of outside operators that have not signed the agreement or do not follow the agreed upon guidelines, a strategy must be developed that effectively communicates the need for all the operators to be on signed on. Alleviating concerns that they may lose some control over their operations must be addressed. As well as communicating to them where the fees go and how it benefits them and their guests. Better communication with all outside operators is key to ensuring the permitting program is understood, complied to and promoted in a positive manner.

This permitting program must also be living document. As more and more people travel to the Kitasoo/Xai'xais territory to experience the natural beauty, the more strain it puts the eco-system. Controlling access will play an important role in protecting this area and continually reevaluating the protocol will ensure that all stakeholders can continue to profit from sustainable, non-extractive tourism for years to come.

Please see Appendix 4 for *Tourism Operator Protocol Agreement*.

10.4 Monitoring Program

Each summer, visitors travel from Canada, the USA and the world to visit the beautiful central coast region and the Great Bear Rainforest. Whether with an organized tour or traveling on their own, each person has an impact on the eco-system that must be managed in a sustainable way. The Kitasoo/Xai'xais have developed environmental protocols, identified and protected areas and implemented eco-based management philosophies into any extractive or non-extractive resource plans. With such a large territory, visitors, tourism operators and industries that conduct business within the territory can go unmonitored for days and weeks. While the majority of the users abide by the guidelines set out in the various agreements and independent travelers treat the territory and its natural resources with respect, there is still a need to monitor the activities taking place on land and in the marine environment.

The Watchmen Program (also called Coastal Guardian) is an initiative that was developed by BC Coastal First Nation Communities to control and participate in a stewardship and monitoring of their traditional lands and waters. This program is a mechanism for the Kitasoo/Xai'xais to

ensure that the activities and practices within their territory are consistent with community plans and government regulations.

The Kitasoo/Xai'xais Watchmen Program was implemented in 2003 and currently employs two, full-time, seasonal band members. They travel by boat through the territory, Monday through Friday, in the spring and summer months. This program is currently funded by the KDC and the protocol fees paid by outside tour operators.

A vision for the Watchmen Program, which is part of the Coastal Guardian Network (CGN), has been written and it is in the best interest of the Kitasoo/Xai'xais to follow the guidelines and aim to reach the goals set out by the CGN. They are as follows:

- Monitor and report on activities related to a variety of resource activities
- Have the authority to carry out compliance and enforcement
- Integrate cultural values
- Work cooperatively with neighboring Nations
- Be functional year round with adequate staff
- Be well supported politically and financially
- Be involved in outreach and education
- Be supported by a comprehensive and regionally based training program

This vision is a workable one that can be implemented with the correct planning, funding, and support. Currently, there is a training program offered by Northwest College. Delivery of the Coastal Guardian Watchman Certificate program was piloted in Kitimat and in Haida Gwaii in 2007/2008. The program outline is as follows:

The Guardian Watchman Program addresses an issue articulated by most First Nations communities and shared by many people in rural areas of western Canada – the need to build capacity of community-based resource practitioners to ensure sustainable natural and cultural resource management practices are being implemented and adhered to on local lands and waters.

The Certificate program consists of 4 modules. The first module is a suite of Safety Certifications, followed by 3 modules of 24-credit field-based courses pertaining to natural and cultural resources and activities that might impact the sustainability of those resources.

The Kitasoo/Xai'xais Watchman program has not taken full advantage of the resources and funding available to it through the CGN. To maximize the monitoring program within the Kitasoo/Xai'xais traditional territory, the first step would be to go through the training courses and set the standards for monitoring on par with the CGN.

Enforcement by the Kitasoo/Xai'xais Watchmen has been an issue. The watchmen can only record and report the activities they see happening. They have no legal authority to enforce violations to the BC Parks Act or illegal hunting or fishing. Their presence does make a difference but the watchmen can only be in one area at a time. On the weekends, there is no one monitoring the territory. The Spirit Bear Eco tours staff is also part of the monitoring program

and can be “eyes and ears”. With the guides out everyday in the high season, this doubles the monitoring effort. But just like the Watchmen, the guides have no authority.

10.5 Growth Management

Tourism planning needs to include growth management criteria developed from available knowledge and practices tempered with community growth interests. Development plans need to stress carrying capacity limits based on the following factors.

- Physical Characteristics- i.e., bear viewing sites, anchorages
- Ecological Resilience – the ability of ecosystems and species to respond to viewing or other disturbances.
- Business viability – the resource requirements of viable tourism operation
- Sociocultural acceptance – i.e., client perceptions, local community tolerance
- Institutional support-i.e., available human resources and management capacity

Source: Pg 30, EBM Planning Handbook, 2004

Growth management seeks to manage for growth in accordance with local goals and objectives. Focusing this process and creating strategies that ensures development does not run contrary to the sustainability of the community of Klemtu or its tourism program. Monitoring the effects of tourism is required to identify negative social, cultural, traditional, heritage, economic or ecological impacts.

Many of the documents that have been written by the Kitasoo/Xai'xais First Nation are relevant and have growth management strategies embedded within them. Using a *Tourism Growth Management Planning Process*⁷ we see that the steps have already been taken or are currently in progress.

⁷ Williams and Gill, 1991

1. *Define Management Area*
2. *Baseline Information Review*
3. *Management Objectives Review*
4. *Indicator Selection*
 - a. Identify social, economic and environmental factors that can be quantified and reflect management objectives.
5. *Tourism Performance Assessment*
6. *Determine Probable Impact Causes*
7. *Develop Management Strategies*
8. *Implementation of Strategy*

The following reports and strategies are relevant to the Growth Management Process and the information included in them is being used as part of this Tourism Strategy.

- Territorial Claim by Kitasoo/Xai'xais 1982
- Land Use Plan 2000
- Marine Use Plan Draft 2002
- Tourism Strategy 2000
- Social Economic Report 2002
- Environmental Protocol 2000
- Tourism Community Survey 2000 & 2008

This process involves continuous monitoring and feedback from all stakeholders to be successful. A comprehensive growth management plan must be written and become a companion document to this Tourism Strategy.

10.5.1 Threats

In any growth management plan or process, the tourism operation must identify the threats that it may face in the short and long term.

The following is a list of threats that Spirit Bear Adventures Ltd. may need to deal with to ensure the longevity of the business. Understanding and planning for these possible threats will better prepare the business and its staff and minimize the economic damage to the company and community.

- **Lack of customers**

Any tourism operation goes through a cycle of development, consolidation, stagnation, rejuvenation and decline⁸. The decline is ultimately based on exceeding carrying capacities and must be addressed in the Growth Management Plan.

The marketing plan as well as developing products that are customer driven will allow the operation to attract new customers. Using the latest technologies and applications on the

⁸ Butler, 1980

Internet will allow our target market to find us easily and become part of the experience before they even arrive.

- **Economic Downturn**

In any market driven economy, there are highs and lows. These can affect the spending habits of a large population of people and traditionally, the tourism industry is the first to feel the effects of a recession or sluggish economy. The economy is directly correlated to the travel trade and tourism revenues and visits. (Travel-log, 1998)

- **Exceeding carrying capacity in Kitasoo/Xai'xais Territory**

As more people travel to the central coast as independent travelers, with outside tour operators or with Spirit Bear Adventures, the eco-system's carrying capacity may be exceeded. This would impact the quality of the natural experience of every visitor and create an adverse effect on the wildlife that most visitors come to see. With the permitting and monitoring program discussed in section 8.3 and 8.4, this strategy recognizes the need to control and safeguard the high value areas to protect the resources that tourism relies on from misuse and overuse.

- **Not meeting expectations of clients**

Cultural differences of host and visitor may negatively affect SBA tourism operations. The price point of the Eco tours and Spirit Bear Lodge put the operation in a market that attract the customers that expect a certain level of service. Knowing what the clients expect beforehand will allow the staff to deliver an appropriate product and service. This may involve "First Host" courses to all staff involved with clients.

- **Accident**

If a SBA Ltd. client(s) was involved in an accident this could be a threat to the operation. Developing a Risk Management Plan in conjunction with appropriate staff training and certification would minimize the exposure to potential liability.

- **Human Resources**

A small remote community like Klemtu has limited human resources. But looking at the social inventory in Section 7 of this document, we can see that 52% of the population of Klemtu is under 30 years of age. With the proper planning, community education and training programs, the tourism program can attract the residents that see tourism as viable employment. Creating a mentoring program, speaking in the school, and continuing the summer student work initiatives through SBA in conjunction with FNSEC and Mid-Coast, will ensure that there is a strong and trained labour pool to use in during the tourism season.

- **Loss of Community Support**

At the present time, 100% of residents who were surveyed in the *2008 Tourism Strategy Survey* (see Appendix 2) said they support the tourism program continuing in their territory. But as visitor numbers increase and there is more of an impact on the community and ecosystem, the attitudes could change. To mitigate the loss of support as the operation grows, it is essential to always be communicating with members of the Kitasoo/Xai'xais band members and address any concerns they may have.

- **Loss of Wildlife**

As wildlife move throughout the territory following the food and their seasonal patterns, the guides of SBA ensure that they know where the bears are for viewing. This could become more difficult in the future due to changing patterns and diminishing food sources in known feeding areas. This would threaten the operation as it might be harder to find the wildlife or travel time would have to be increased to reach bears further a field. This would increase cost and visitor experience.

The bear hunt is also another way that the bears population could be negatively affected, and in turn, SBA. With the Spirit Bear as the main SBA product, the killing of black bears effect the gene pool and may, over the long term, reduce the number of Spirit Bears.

- **Lack of Reliable Transportation**

The BC Ferry Corporation Northern Route currently serves Klemtu as an extension of the highway systems. It is vital to the community as well as the tourism program for there to be adequate and reliable service. With the purchase of two new boats designed for the Inside Passage route, the ferry service may be in jeopardy as the current dock may not be sufficient to receive these new vessels. The Kitasoo/Xai'xais have a representative on the *BC Ferries Northern Route Advisory Committee*, which will allow for voice on the future development and the service issues mentioned below.

- ❑ One three-hour exposure per week does not allow for many day-trip or part-day excursions.
- ❑ The ferry ride takes 30 hours to reach Klemtu from Port Hardy and there are limited sleeping accommodations available – which is not satisfactory for most tourists.
- ❑ The ferry service is unreliable because it is prone to mechanical failures with no alternative transportation available.
- ❑ Most ferry passengers are thrifty and are not willing to pay for a tour. They realize they can just walk around town on their own.
- ❑ No advertising on ferry to make people aware of the walking tour.

The ferry service is inadequate for the community as well as tourism. In June of 2006, the Kitasoo/Xai'xais meet with Minister Falcon of the BC Government to address the inadequate service to Klemtu (see Appendix 7). Some of the issues that were touched upon were:

- Ferry service is a human right for isolated communities.
- The level of service significantly influences the economic growth.
- Eco-Based Management approach to forestry and tourism requires efficient transportation to succeed.
- New ferries that are due to come into service in the spring of 2009 may not be able to dock in Klemtu due the terminal configuration.

This last issue will not only harm the tourism operation in Klemtu but also the community's basic right to marine transportation. The Kitasoo/Xai'xais Band's solutions are:

- BC Ferry ensures that all new vessels for northern routes are designed to stop in Klemtu.
- That basic service should provide stops in both directions year round and include more if business opportunities arise.
- Develop a safe and proper terminal that can receive any BC Ferry vessel operated in the North.

Unless the concerns of the Kitasoo/Xai'xais are addressed by BC Ferry Corp. Klemtu should not base its future tourism development to depend on the ferry.

The airline currently providing service for Klemtu is Pacific Coastal Airlines. The schedule is not daily and can be affected by inclement weather. The planes only hold 5 people, which limits the ability to of Spirit Bear Eco Tours from getting larger tour groups to Klemtu all at once. And often clients of SBA are bumped because of agreements with other fishing lodges have with the airline. Historically, tourism has relied on this service but for the operation to maximize it guest load, other transportation options should be researched such as charter planes or boat transfers.

- **Resource Industry's Impact on Tourism**

In the Kitasoo/Xai'xais territory there are other industries that conduct business that may threaten the tourism industry. With forestry, the impacts can range from degradation of visual beauty and displacement of wildlife from road building and logging. Aquaculture sites may also impact the scenery in certain inlets and may affect the food chain, which may directly affect SBA main product of bear watching. Involving the tourism sector in any planning process that happen within the territory, especially areas designated "High Value", will allow for those threats to be addressed and minimizing the impact on SBA operation.

11. Tourism Management Strategy

Tourism Management is not a business function like Spirit Bear Adventures Ltd. It is a First Nation function that is empowered by the Kitasoo/Xai'xais Band Council and its members. Identifying initiatives that relate to tourism will allow the territory to be managed properly and ensure that all the programs conform to the protocols and agreements produced by the First Nation.

Business relationships with outside operators must be through the Band Council as it empowered by its people. The Kitasoo/Xai'xais government is recognized as the governing body of tourism management for whole territory and there must be a strong linkage between band council and outside operators through an individual who does not have conflicting interests.

SBA Ltd. must remain at arms length from tourism management. SBA has been designated by the band council to be the official guide in territory but in regards to policy and decision making in tourism management, no SBA employees, managers or consultants may not be involved in the final decision making process to which their operation may be affected.

11.1 Short-Term Initiatives – 2009

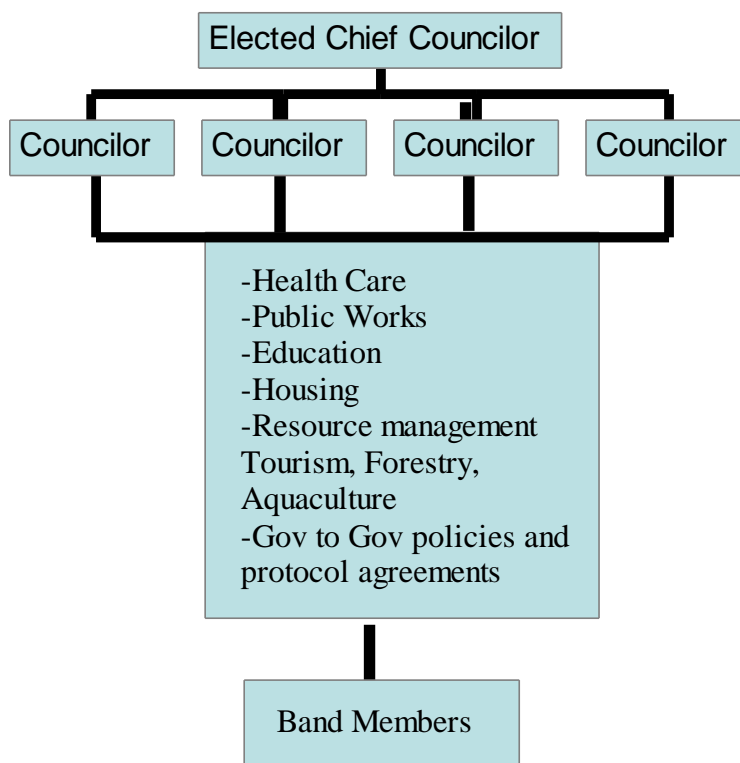
11.1.1 Kitasoo/Xai'xais Organizational Structure

The Kitasoo/Xai'xais First Nation is a self-governing political organization. Self-government is seen as a way to regain control over the management of matters that directly affect them and to preserve their cultural identity. The Kitasoo/Xai'xais band council represents the community at provincial and federal government levels, ensuring that the decisions affecting the traditional territory (e.g. Resource usage) and the local population are in the best interest of the First Nation.

The band council is made up of an elected chief and council members (see Figure 11.1). The council represents the band members in a multitude of functions such as health care, education, public works, etc. They also have the authority and responsibility for tourism management within the territory. The council has an official business relationship with Spirit Bear Adventures Ltd. and any land use decisions, policies or protocols made by SBA that fall under tourism management must be presented to the council for review and ultimately, the council makes the final decision.

With the creation of this tourism management function, the implementation of this structure and acknowledging the role of the Band Council in it is recognized as a short-term initiative.

Kitasoo Band Council Flowchart
Roles and Responsibilities
Figure 11.1



11.1.2 Permit System Updating

External operators who have signed a *Tourism Operator Protocol Agreement* need to re-new every two years. Currently Larry Greba has taken on the role of ensuring that each company has understood and signed the document, and pressure non-participatory operators. But there may be someone in the community, such as a Watchman, who would be better suited for this task. With the role of tourism management falling under the authority of the Kitasoo/Xai'xais local government, this updating should be at arms length from SBA.

A major review of the *Tourism Operator Protocol Agreement* needs to be completed. This should be done before the start of the 2009 operating season.

11.1.3 Harmonization with Provincial tenure

On February 7, 2006, the provincial government announced the Coast Land Use Decision, which covers the Central Coast plan areas. The Coast Land Use Decision is based information provided by stakeholders tabling recommendations Central Coast Land Resource Management Plan (CCLRMP). Currently, the Province, First Nations and stakeholders are engaged in implementing the Coast Land Use Decision through the establishment of Central and North Coast Plan Implementation and Monitoring Committees, Land and Resource Forums, and an Eco Based Management (EBM) Working Group.

The EBM working group stated in their planning handbook that:

- Involving interim and, protocol agreements between First Nations, governments, tenure holders, and interested groups and organizations that can establish working arrangements for resource access, stewardship and economic development.
- Establishment of new arrangements among First Nations, governments, and stakeholders that provide for improved information sharing and cooperation, equitable access to resources and development benefits, economic stability, and coordinated management and monitoring

The harmonization of the Kitasoo/Xai'xais permitting process with the provincial tenure process should be pursued. Streamlining the decision making process to ensure the needs of the Kitasoo/Xai'xais people, governmental organizations, and commercial interests are incorporated would allow the recognition and accommodation of Aboriginal rights, title and interests that should be integral to any permitting process conducted in Kitasoo/Xai'xais territory. The Kitasoo/Xai'xais do not recognize any agreements with outside agencies that they have not been consulted about. This is based on the belief that the community should be empowered to participate in shaping decisions which will affect their lives. This policy works as long as the other parties involved are willing to work within the framework determined by the Kitasoo/Xai'xais. The majority of outside parties have cooperated and consulted with the Band and see the process as beneficial while obtaining tenures through the government channels.

11.1.4 Wilderness Cabin Maintenance

The existing wilderness cabins located at Mussel Inlet and Marvin Island are in need of maintenance. With the west coast weather, the roof at Mussel is in need of repair as well as the decks. The interiors need some upgrading and improvement as well, since there had been some vandalism.

These cabins exist not only for the tourism operation but also for the Watchmen Program and eventually a rediscovery program for the community's youth.

These cabins must be maintained to ensure that the initial investment is not lost, as well as keeping the cabins safe for visitors. A yearly maintenance schedule should be kept and monitored throughout the season. The cabins should be opened up in the spring and given a

routine inspection, noting any deficiencies and planning for repairs. And in the fall, the cabins should be shut down and given an inspection at that point as well.

11.1.5 Watchmen program

As discussed in Section 10.4 - Monitoring Program of this strategy, the Watchmen Program (also called Coastal Guardian) is an initiative that was developed by BC Coastal First Nation Communities to control and participate in a stewardship and monitoring of their traditional lands and waters. This program is a mechanism for the Kitasoo/Xai'xais Band Council to ensure that the activities and practices within their territory are consistent with community plans and government regulations. The band council has the ultimate authority in regards to this program.

The Watchmen Program is in need of re-organization to better meet the goals and vision set out in section 10.4. With the identification of the high use and value areas in the territory, the Watchmen could better serve the Kitasoo/Xai'xais with a structured and thorough strategic plan to monitor the territory.

Spending more time out in the high use areas such as Mussel Inlet, would allow for a visible presence in Fjordlands Conservancy. The coastal cabin at this location should be used for the Watchmen for overnight trips and this move could increase the recording and reporting aspect to the program. As well as the monitoring, the Watchmen are the community liaisons with visitors. Educating the visitors about the Watchmen program, the Kitasoo/Xai'xais territory and environmental protocols, through printed literature and conversations, would increase the awareness of why this program exists and ensure people respect the territory as well as other First Nation territories, as they travel North or South on the BC Coast.

Using the "High Value Tourism" map as reference, the Watchmen Program should identify which areas need the most presence and during the high season of tourism, focus their energy and efforts in those zones. Coming up with a strategy that enables the limited resources available to be used as efficiently as possible will make this monitoring program successful.

Applying for funding to continue this initiative is key to the development of a more effective program as well as moving towards a full time employment scenario for the Watchmen. Through the newly created Coast Opportunity Fund (COF), the Kitasoo/Xai'xais will apply for grants from the two funds:

- The *Conservation Endowment Fund*, designed to ensure the ecological integrity of the world's largest intact coastal temperate rainforests.
- The *Economic Development Fund*, designed to create lasting business development and employment opportunities for communities in the region.

Source: Coastal Opportunity Fund Website

As well as funding from the COF, an enhanced structural involvement with the Coastal Guardian Network is key to building a better program. The resources available through the CGN would be invaluable to the Kitasoo/Xai'xais Watchmen and enable them to share information with other Watchmen Programs on the central coast. Harmonizing the enforcement activities and objectives of Government agencies with the Kitasoo/Xai'xais Watchmen in order to develop an adaptive enforcement strategy would allow for an enhanced program.

The current watchmen have existing core training that has been delivered through the Coastal Guardian program before the new Northwest College program was created. Any new watchmen hired for an expanded program should attend this course in part or full. So the second step after obtaining funding would be to send a Watchman to Northwest College to take the Coastal Guardian Watchman Certificate program.

11.1.6 Special Management Plan for Mussel River

The Mussel River is part of a co-management agreement with BC Parks and the Kitasoo/Xai'xais First Nation. This area is designated as protected under the Fjordland Conservancy. It is also identified as a Kitasoo/Xai'xais Management Area and its cultural and resource values have been identified in the 2002 Marine Use Plan (Draft) as well as the 2000 Land Use Plan.

With a co-management area such as the Mussel River, the Kitasoo/Xai'xais must produce a special management plan to ensure that its cultural, resource and tourism values are respected as well as protecting the sensitive eco-system.

In October of 2008, BC Parks staff and SBA staff and consultants visited the area with the intent to determine where bear viewing may or may not take place and ideas on potential facilities to accommodate viewing/interpretation program. There was consensus among the group that bear viewing on Mussel River, from both commercial operators and the general public, is increasing and so is the potential for human wildlife conflicts. Management issues were identified and a more comprehensive report called the *Mussel River Bear Viewing Strategy* (see Appendix 8) will be developed. The Kitasoo/Xai'xais Nation, in collaboration with BC Parks, will be hire an experienced wildlife biologist to develop that report.

11.1.7 Management Plan for Spirit Bear Viewing

The Kitasoo/Xai'xais Spirit Bear Conservancy on Princess Royal Island is the world's first and only. It is where the majority of the Spirit Bears reside within the Kitasoo/Xai'xais traditional territory. With the release of *Bear Viewing Strategy for the Kitasoo/Xai'xais Spirit Bear Conservancy and Surrounding Area* produced for BC Parks, it states that the identified viewing areas should have site specific management plans that focus on risk management and guidelines such as minimum viewing distances (based on CVBA guidelines), anchorage or landing spots, and determine what the acceptable habituation of bears to humans is.

The management plan would affect all the outside operators who conduct Spirit Bear tours within the conservancy. Requiring companies conducting bear viewing to adhere to a management plan for Spirit Bear Viewing as a condition of the protocol agreement would ensure that the bears are being protected for years to come.

Helen Davis writes in the *Bear Viewing Strategy*:

“Current involvement of local First Nations in the management of viewing areas is beneficial because local community involvement has been found to make ecotourism more likely to contribute to conservation of species.”

Developing this plan for the summer season of 2009 will allow the implementation by Spirit Bear Eco Tours and to be refined for outside operators for the 2010 tourist season.

11.2 Mid-Term - 2010-2011

11.2.1 Management Plans for Remainder of Protected Areas

With the development of specific management plans for Mussel and the Spirit Bear, the next step would be use the experience and best practices for the remainder of the Protected areas in the Kitasoo/Xai'xais traditional territory. The majority of the protected areas have been identified through the Land Use Plan and Marine Plans.

The *Bear Viewing Strategy* report also recommends the closing of certain areas to bear viewing altogether. Communicating with BC Parks in regards to which areas might be subject to closure based on the report will be very important to creating an appropriate management plan for protected areas. Having a plan in place to reduce negative effects of area closure to SBA tourism operation needs to be developed. Guides will also need alternate viewing sites if the closures are announced during the operating season.

11.2.2 Expansion of Watchmen Program

Once the short-term initiatives for the Watchmen Program are realized the program should be expanded. This would involve aiming for year round employment for two band members and an

increased presence throughout the territory. This year round employment could be funded through the COF or other governmental or NGO grants.

11.3 Long Term Initiatives – 2012-2015

11.3.2 Rediscovery Program

In 1978, a man by the name is Thom Henley created a wilderness-cultural heritage program called Rediscovery and delivered the first in Haida Gwaii. By drawing from the strength of native traditions, the wisdom of Elders, a philosophy of respect and love for the land and each other, and with a focus on the spirituality of all life, Rediscovery offers a new direction for youth camps.

The success of rediscovery programs is evident in communities that have a well- established program. The Kitasoo/Xai'xais are in a position to create a rediscovery program of their own. This requires funding and well researched, well designed plan that has a clear format, objectives and learning outcomes. There are many existing programs that can be used for reference and consulting with outside groups who have experience would allow the Kitasoo/Xai'xais to develop a Rediscovery Program on par with the best in the country. Using the coastal cabins as a base for the program will allow the participants to get the most out of the camp by being isolated together at Marvin Island or Mussel Inlet.

This initiative is vital to empower the youth of tomorrow for the challenges that await them and their community. They are the future leaders of the community and their success will depend on their connection to their culture, its stories and the world at large.

12. Human Resources Strategy

As stated in section 9 of this strategy, Human Resources are as integral to any business. The tourism management operation is a First Nation function and is separate from the SBA Ltd company. Nevertheless, developing a strategic plan for staffing needs for the short term as well as formulating a plan for the long term will allow the operation of this band function to progress with the right people as it matures.

12.1 Current Conditions

Watchmen Program

Clark Robinson

Clark has the knowledge of the territory that comes spending a lifetime traveling it. Holding a Small Vessel Operator Proficiency Cert., Clark is a personable man and is a key member of the Watchmen Program.

Fred Brown

Fred is a Kitasoo/Xai'xais local and the second of two Watchmen. Holding a Small Vessel Operator Proficiency Cert. He travels the territory observing, recording and reporting. He has taken some of the courses designed for the Watchmen Program and is a employee that will give many more years of service.

Permit System Updating

Larry Greba

Larry is a consultant to the Kitasoo/Xai'xais for the last 23 years. He is on the BOD for Kitasoo/Xai'xais Development Corp. and manages many aspects of the band's business functions and represents their interests at various organizations and government tables. He is currently the person in charge of permit system updating but as identified in section 11.1.2, there may be another person within the band that is better suited to take on this role, such as a watchman who is more involved in the day to day operations within the territory.

Wilderness Cabin Maintenance

Presently Doug Neasloss, lead guide for SBA does routine checks and maintenance on the cabins but the work identified as needing completion such as the roof demands a person that has the skills and time to devote.

12.2 Future Needs

Watchmen Program

The Watchmen Program is one of the key initiatives that this tourism management strategy hopes to grow in scope and responsibility. With that growth, the program needs to have the right employees to ensure that the job is performed safely and in a professional manner.

Engaging younger Klemtu residents to mentor under the Watchmen as summer students could help the program find the right employees for the future. Building links to the community as well as the school will ensure that the residents looking for work, and students looking towards the future, know that this program is an option for employment.

Rediscovery Program

The rediscovery program is an important initiative set out in the long-term goals of this strategy. Bringing in an outside consultant who has the experience and skill set to develop a comprehensive plan will allow for a more directed and sustaining rediscovery program over the long term. Identifying community elders that wish to be a part of this program will be necessary to allow the culture to be “rediscovered” by the youth. The process for organizing the human resources needs for this initiative should begin in 2010 to allow for adequate preparation of the elders and the outside organization to implement.

Appendices

Appendix 1

Tourism Strategy Survey

N=33

1. **Are you satisfied with tourism development in Klemtu since 2000?**
☐ YES 81% NO 19%
2. **Do you think tourism has benefited the community economically?**
☐ YES 81% NO 19%
3. **Do you think continuing tourism development in Klemtu is a good idea?**
☐ YES 100%
4. **Has the BC Ferry been a good thing for Klemtu?**
☐ YES 100%
5. **Has the BC Ferry been a good thing for you and your family?**
☐ YES 97% NO 3%
6. **Do you mind the tourists walking through town?**
☐ YES 100%
7. **Do you enjoy talking to the tourists and answering questions?**
☐ YES 88% NO 12%
8. **Do you think our walking tour of town is a good thing?**
☐ YES 100%
9. **Do you mind the tourists who camp near town?**
☐ YES 15% NO 85%
10. **Would you like to see designated campsites for tourists?**
☐ YES 85% NO 15%
11. **If it meant more jobs, would you like to see more tourists?**
☐ YES 100%
12. **Should we work to keep the community clean for the tourists?**
☐ YES 100%
13. **Would you like to see fee based mooring pennants for tourists to tie their boats up at?**
☐ YES 97% NO 3%
14. **Which location would you prefer to see mooring pennants? (*Circle preference*)**
 - a. Clothes Bay 48%
 - b. Mussel Inlet 36%
15. **Would you mind more Pocket Cruiser's stopping in Klemtu?**
☐ YES 18% NO 82%
16. **Should we expand the tourist dock to attract more tourists?**
☐ YES 97% NO 3%
17. **Should we train people from Klemtu to be guides?**
☐ YES 100%
18. **Would you like to see a museum collection created with reclaimed ancient artifacts collected from the Kitasoo/Xai'xais territory?**
☐ YES 100%

Appendix 2

Outside Tour Operators Contact List

<p>Bluewater Adventures # 3 – 252 East First Street North Vancouver, BC V7L 1B3 Canada Phone: 604.980.3800 Toll Free: 1.888.877.1770 Fax: 604.980.1800 explore@bluewateradventures.ca</p>	<p>Ocean Adventures Charter Co. Ltd. 401-1144 Strathaven Drive North Vancouver, B.C. V7H 2Z6, Canada Phone: 1-604-812-9453 Fax: 1-604-988-5990 info@oceanadventures.bc.ca</p>
<p>Maple Leaf Adventures PO Box 8845, Stn. Central Victoria, B.C. V8W 3Z1 Canada Toll Free: 1-888-599-5323 250-386-7245 mapleleaf@mapleleafadventures.com</p>	<p>Duen Sailing Adventures P.O. Box 398 1168 Damelart Way Brentwood Bay, BC V8M 1R3 Canada Tel: 250-652-8227 Fax: 250-652-8206 Toll-free: 1-888-922-8822 explore@thenaturalcoast.com</p>
<p>Ocean Light II Adventures #363 - 1917 West 4th Ave Vancouver, BC V6J 1M7 Canada Phone: 604 328-5339 Fax: 604 731-7066 adventure@oceanlight2.bc.ca</p>	<p>Mothership Adventures P.O. Box 30, Heriot Bay, BC Canada V0P 1H0 Toll Free: 1-888-833-8887 Phone: 250-202-3229 Fax: 604-677-5692 info@mothershipadventures.com</p>
<p>Nautilus Explorer PO Box 97182 Richmond Main Post Office Richmond B.C., Canada V6X 8H3 Ph: 604-657-7614 Fax: 604-241-1918 Toll-free: 1-888-434-8322 info@nautilusexplorer.com</p>	<p>King Pacific Lodge Mailing Address: 255 West 1st Street, Ste 214, North Vancouver, British Columbia, Canada V7M 3G8 T 604.987.5452 or toll-free 888.592.5464 F 604.987.5472 info@kingpacificlodge.com</p>
<p>North King Lodge 2180 Hilbert Road Nanaimo, BC Canada V9X 1T1 Toll-Free Tel/Fax: 1.800.253.3783 Tel: 250.722.3370 Fax: 250-722-3392 info@northkinglodge.com</p>	

Appendix 3
Outside Operators Protocol Agreement

TOURISM OPERATOR PROTOCOL AGREEMENT

BETWEEN: **Kitasoo/Xai'xais First Nation**
(also known as the Kitasoo/Xai'xais Indian Band
as represented by its Band Council)
General Delivery
Klemtu, BC, V0T 1L0

AND: **Business X Charter Co.**

WHEREAS:

The Kitasoo/Xai'xais First Nation continues to maintain its Aboriginal rights and title within its Traditional Territory, part of which encompasses the operating area proposed for use by Business X Charter Co. The Kitasoo/Xai'xais First Nation's Aboriginal rights and title are recognized and affirmed by Section 35 of the *Constitution Act of 1983*.

The Kitasoo/Xai'xais First Nation has entered treaty negotiations with Canada and British Columbia under the BC Treaty Commission process with the intention of reconciling the Kitasoo/Xai'xais First Nation's Aboriginal rights and title with the Crown Title.

The Kitasoo/Xai'xais First Nation have a protocol agreement signed on April 20, 2001 with major forest companies and environmental organizations to assist in the land use planning and implementation of the *Spirit Bear* and other protected areas within the Kitasoo/Xai'xais First Nation's land base.

The Kitasoo/Xai'xais First Nation have developed their own Land Use Plan and a Protocol on the Environment as signed by the Kitasoo/Xai'xais chiefs on June 2, 2000.

Business X Charter Co. wishes to conduct profitable, sustainable, commercial tourism activities within the Kitasoo/Xai'xais Traditional Territory

Business X Charter Co. may have acquired from the Government of British Columbia and the Government of Canada certain privileges relating to the use of foreshore, recreational resources and the sport harvest of fish stocks in areas that lie within the Kitasoo/Xai'xais Traditional Territory. Furthermore, Kitasoo/Xai'xais does not recognize any permit, license or tenure issued by the federal or provincial government. However it is the intent of Kitasoo/Xai'xais to develop a protocol with Business X Charter Co. that formalizes a relationship and permits certain commercial tourism activities subject to this agreement.

The Kitasoo/Xai'xais First Nation views tourism activity in two forms, these include extractive and non-extractive. Commercial tourism activities that extract natural resources from the territory will typically be discouraged.

The Kitasoo/Xai'xais First Nation wishes to develop an ecologically sustainable economy based on the land and marine resources within its Traditional Territory and will allow tourism development that respects the environment and all its life forms, preserves bio-diversity, supports the principles of

Kitasoo/Xai'xais First Nation and provides significant and meaningful economic benefit for the Kitasoo/Xai'xais First Nation.

The intent of this agreement is to provide Commercial Tourism Operators with an operating privilege in the Kitasoo/Xai'xais Territory and will serve as a permit to provide some certainty for their operations.

Both parties seek to develop a strong working relationship that respects each other's needs and interests, including their rights or privileges.

THEREFORE:

The parties have discussed a number of key issues and agree as follows:

1. Relationship

Business X Charter Co. and the Kitasoo/Xai'xais First Nation will enter into an agreement with respect to the development and use of tourism resources for the term of the agreement within Business X Charter Co.'s operating area that falls within the Kitasoo/Xai'xais First Nation's Traditional Territory as defined on the attached map.

Business X Charter Co. and the Kitasoo/Xai'xais First Nation agree to work together to develop a strong relationship that is based on trust, respect and performance, and which will provide opportunities for both parties.

Business X Charter Co. and the Kitasoo/Xai'xais First Nation agree to work together to develop mutually beneficial tourism plans. Business X Charter Co., as a tourism company operating in British Columbia, will contribute its knowledge of tourism, hospitality, and the operation of its business, and support the Kitasoo/Xai'xais First Nation in the development of locally owned tourism businesses. The Kitasoo/Xai'xais First Nation, as long-term inhabitants of the region, will contribute their experience, local knowledge and planning support.

The parties will support one another in lobbying government and private sector for funds to develop infrastructure in the area that supports the community of Klemtu and local tourism (e.g. Ferry service, cultural development, trails, cabins etc.), as well as business start-up funds and assistance in tourism marketing.

Business X Charter Co. will support the Kitasoo/Xai'xais First Nation in the development of government-to-government agreements with the Province of BC and its Crown Corporations relating to tourism planning, development, management, enforcement and tenure allocation.

2. Tourism Resource Use

Business X Charter Co. and the Kitasoo/Xai'xais First Nation agree to work to implement, the following provisions governing the development and use of Tourism Resources in the area:

- *Cultural site viewing*
- *Bear/Wildlife viewing*
- *Whale and marine life viewing*
- *Hiking and mountain climbing*
- *Sea kayaking and camping*
- *Other uses as appropriate*

Resource specific understandings and commitments will be appended to this general protocol as separate schedules. These will include:

- *Code of ethics*
- *Operating areas and/or time restrictions*
- *Guest limits*
- *Minimum impact guidelines and operating guidelines*

Business X Charter Co. and its employees assume the responsibility to minimize the impact of their activities in the Kitasoo/Xai'xais territory and educate and inform visitors about minimum impact travel in the territory.

Business X Charter Co. will inform the Kitasoo/Xai'xais First Nation of the number of use days and the intended areas of operation at the beginning of each season.

Business X Charter Co. agrees to inform the Kitasoo/Xai'xais First Nation of any proposed activities or plans which may impact the provisions of this agreement.

Business X Charter Co. will support the Kitasoo/Xai'xais First Nation to secure ongoing funding to manage, monitor, control and enforce tourism resource use in the Traditional Territory (i.e. Watchman program)

The Kitasoo/Xai'xais may support limited access to natural resources if harvested on a subsistence basis for the use and consumption of clients and staff only while operating within the territory. (Details to be discussed here where applicable)

All Kitasoo/Xai'xais Indian reserves and cultural sites must not be accessed by the operator without expressed written agreement from the Kitasoo/Xai'xais and the accompaniment of a Kitasoo/Xai'xais guide.

3. Tenure and Foreshore Rights

Business X Charter Co. recognizes that if a federal or provincial tenure is desired or currently held by Business X Charter Co. then that tenure will either be transferred to the Kitasoo/Xai'xais or applied for in the name of the Kitasoo/Xai'xais. The Kitasoo/Xai'xais will through the terms of this agreement sub-lease the tenure to Business X Charter Co. for a specified period subject to additional terms and conditions as agreed upon by the parties. If for reasons legal or otherwise, this arrangement is not possible then Business X Charter Co. agrees to not exercise it's tenure rights or obligations within the Kitasoo/Xai'xais territory without a Protocol Agreement. In this case the parties agree to work towards "sunsetting" Business X Charter Co. tenure rights and obligations, and at the end of the tenure term the tenure will be transferred to the Kitasoo/Xai'xais or applied for in the name of the Kitasoo/Xai'xais.

4. Planning

To conduct joint planning, Business X Charter Co. and the Kitasoo/Xai'xais First Nation shall communicate and preferably meet each year prior to the operating season to:

- Review the previous season's employment, training, infrastructure development, and tourism activities and determine if Business X Charter Co. has operated according to the protocol agreement.
- Determine whether Business X Charter Co. tourism operations proceed using the same goals and objectives as the previous year or whether new plans must be developed.
- Identify any adjustments to current years fees from the previous years operations.

The Kitasoo/Xai'xais First Nation agrees to consult with Business X Charter Co. where required in the development of future tourism use planning in the area.

The parties agree that Kitasoo/Xai'xais will retain paramount authority for any final decisions that may result from joint planning with Business X Charter Co. and other tourism operators

5. Employment

The parties will work towards hiring suitable and qualified Kitasoo/Xai'xais members for available employment positions

6. Tourism Guiding Contracts

Business X Charter Co. agrees to award short-term guiding contracts for tourism activities including culture and ethno botany interpretation, wildlife viewing to a Kitasoo/Xai'xais guide or Spirit Bear Adventures Ltd. based upon availability and competency (see addendum).

7. Training and Capacity Building

Business X Charter Co. and the Kitasoo/Xai'xais First Nation agree to work together in developing a training program that will provide members of Klemtu and the Kitasoo/Xai'xais Indian Band with the knowledge and skills necessary to participate in commercial tourism activities. Business X Charter Co. and the Kitasoo/Xai'xais First Nation may approach relevant agencies and organizations to secure support and funding for the program.

8. Commercial Use Fees

Business X Charter Co. agrees to pay the Kitasoo/Xai'xais First Nation a \$10.00 fee per guest day to a maximum of \$50.00 per guest based on the Business X Charter Co.'s activity volume for a given season in the Kitasoo/Xai'xais Territory. These fees will go towards supporting the Kitasoo/Xai'xais First Nation's involvement in tourism planning with Business X Charter Co. and overall tourism development and monitoring within the territory.

Business X Charter Co. agrees to pay ninety (90) percent of the projected guest fees before their operating season with the balance and any adjustments applied to the proceeding year. Payments will be made on June 1, annually or at the signing of this agreement.

For the 2008 season it is expected that Business X Charter Co. will conduct ___ trips within the Kitasoo/Xai'xais Territory @ ___ persons averaging ___ nights in the Kitasoo/Xai'xais Territory for a total of ___ guest nights @\$10 = a total of ___ per season. Therefore at the signing of this agreement Business X Charter Co. Will provide a cheque in the name of the Kitasoo/Xai'xais Band Council for \$ ____ The balance and any adjustments will be made prior to June 1, 2009.

9. Enforcement and Tourism Management

The Kitasoo/Xai'xais for the tourism-operating season will have a watchmen on duty who will patrol the Kitasoo/Xai'xais Territory. One of the activities of the patrolman is to ensure compliance of tourism management plans for commercial tourism operators in the area.

Operators are encouraged to provide observe, record and report information to the watchman on any commercial operator who is not in compliance with tourism management plans for the area including protocol agreements with the Kitasoo/Xai'xais.

Operators are encouraged to coordinate times (lunch, dinner etc) for the watchman to interact with their clients and provide interpretation of the Kitasoo/Xai'xais culture if they feel it will enhance there operation.

All Commercial Use fees collected from Tourism operators will be used to support the watchman program and other tourism management activities.

10. Termination of Agreement

This agreement will be null and void if Business X Charter Co. decides to terminate its operations within Kitasoo/Xai'xais First Nation's Traditional Territory. The privileges associated with this agreement cannot be sold or transferred to any other party unless agreed to by the Kitasoo/Xai'xais First Nation.

11. Contacts

The parties acknowledge the following contact persons with respect to the ongoing maintenance, development and monitoring of this agreement:

for Kitasoo/Xai'xais–

Doug Neasloss – 250 839 2346

Sean Kerrigan – 250-702-5681

Larry Greba - 250 669 9324

Clark Robinson – Kitasoo/Xai'xais Watchman 250 839 1255

for Business X Charter Co. – _____

12. Future Rights

The parties agree that the long term rights and right of use of tourism resources in the Kitasoo/Xai'xais Territory belong to the Kitasoo/Xai'xais Nation and that signing of this agreement does not provide any future right or privileges to Business X Charter Co. or the obligation of the Kitasoo/Xai'xais First Nation to provide any future rights and privileges beyond the scope and time frame of this agreement.

13. General

Business X Charter Co. will not represent itself as an agent of the Kitasoo/Xai'xais and the Kitasoo/Xai'xais will not represent itself as an agent of Business X Charter Co.

Business X Charter Co. will have an up to date Emergency Response Plan for its operations in the Kitasoo/Xai'xais territory.

Business X Charter Co. will indemnify and hold the Kitasoo/Xai'xais the Kitasoo/Xai'xais Band Council, the Kitasoo/Xai'xais Development Corporation, their officers, employees, guides, watchmen, agents and representatives (collectively "its staff") harmless against all manner of claims, actions, suits, damages, losses and costs resulting from Business X Charter Co operations in the Kitasoo/Xai'xais territory including, without limitation, negligence on the part of Spirit Bear Adventures Ltd. or its staff.

TERM OF AGREEMENT

This agreement is for the period of 2 years, effective from _____, 2008 to _____, 2010.

Agreement made this _____ day of _____ 2008

Signatures:

For the Kitasoo/Xai'xais First Nation

For Business X Charter Co.

Appendix 4

Mooring Pennants Costs

Requirements and Process

Based on a mooring system used by Washington State Salt Water Parks and British Columbia Provincial Parks, the material requirements and processes for the construction of a mooring pennant are:

- Ground tackle weighing at least 2000lbs. (Concrete highway dividers can be chained together to serve this purpose).
- A minimum of six feet of one-inch chain is then attached from the main concrete anchor to a 500 pound “Bouncer” block with swivels at each end of the chain. This secondary anchor is used to absorb shock on the main anchor and also provides the whole system with a greater surface area on the ocean floor.
- One-inch diameter synthetic rope is attached to the Bouncer Block with swivels at each end.
- The 1 inch rope extends upwards towards the water surface where it is then attached to a final length of 3/8-inch chain. The chain needs to reach to the height of the extreme high water mark.
- The chain is finally attached to a float or buoy on the surface (used tires filled with foam, bracketed between marine grade plywood with a galvanized eye bolt through the center could serve this purpose).
- The one-inch synthetic rope plus the 3/8-inch chain should provide a minimum of 3:1 scope from the Bouncer block to the surface. This system is sufficient to hold a boat of up to 45 feet in length. The scope and the weights of anchor and bouncer block can be adjusted as necessary.
- Inspection of the ground tackle, line, swivels and chains should be done at least once a year.

Costs of Mooring Pennant Installation and Materials

The following paragraphs outline the cost of the required materials and are based upon cost estimations provided by Washington State Salt Water Parks Service and British Columbia Provincial Parks Service.

	<i>Pennant Installation</i>
Barge time plus travel per day (approximately)	\$600.00
Two divers plus boat tender per day (approximately)	\$800.00
Total Cost of Mooring Buoy per Installation (Based on an average of 10 installations per day)	\$140.00

Mooring Pennant Material Cost**Cost estimates are per mooring buoy:**

1	Mooring Buoy from Topper Floats (Rubber foam filled tire)	\$125.00
20 feet	3/8 inch galvanized chain at \$2.00/foot; total	\$40.00
1	3/8 inch metal ring welded through top chain	\$ 15.00
50 feet	5/8 inch Double braided nylon rope at \$1.50/foot.	\$75.00
2	1/2 inch stainless steel shackles per mooring at \$25.00 ea	\$50.00
6 feet of	stainless steel thimbles per mooring at \$12.50 each	\$25.00
6 feet	5/8 inch galvanized bottom chain per mooring	\$60.00
3 feet	5/8 inch galvanized cement block joiner chain	\$60.00
3	3/4 inch galvanized shackles for bottom cement blocks	\$45.00
1000 lb.	cement reinforced anchor blocks with 5/8 eyes	\$175.00
4	wire reinforced plastic ties to keep shackle pins in place	\$2.00
N/A	Mooring buoy stenciling and numbers	\$30.00
N/A	Labor to splice rope into steel thimbles, per mooring	\$30.00
Total Cost of Mooring Buoy		\$730.00

Appendix 5

Protocol on the Environment

KITASOO/XAI'XAIS / XAIXAIS FIRST NATION PROTOCOL ON THE ENVIRONMENT

June 2, 2000

The Kitasoo/Xai'xais First Nation of British Columbia has controlled and managed the environment and natural resources within their territories for thousands of years. This territory takes in the southern three quarters of Princess Royal Island, mainland inlets of Altanhash, Khutze, Green, Mussel and Kynoc; Aristazabal, Roderick, Pooley and Dowager Islands, as well as the surrounding waters and outlying islands out to the middle of Hecate Strait. We share some of these lands and waters with our aboriginal neighbors. This is the area known by some people as "Spirit Bear Park" or "Great Bear Rainforest". To us it is home. We call it "Neeso Wakwis" – our lands. This area is defined on the attached map.

The Kitasoo/Xai'xais First Nation holds aboriginal rights and title to all the land and resources in these territories and these rights are protected under the Canadian Constitution. No other group in Canada or elsewhere has this form of land and resource ownership and this right will be respected.

Recently, we have been forming working relationships with governments, environmental groups, companies and others to assist us in building our community and strengthening our people. This is being done by creating jobs and economic development opportunities while respecting our government, culture and environment. Some organizations do not respect our government, or our rights and title, nor our traditions and have mounted world wide campaigns without consultation with, and consent of, the Kitasoo/Xai'xais people who are the original owners of these lands and resources. We are always open to visitors and new ideas but we insist that respect will be shown for our people, our government, our environment and our resources.

THEREFORE, THE COUNCIL AND HEREDITARY CHIEFS OF THE KITASOO/XAI'XAIS FIRST NATION RESOLVE THAT:

1. The Kitasoo/Xai'xais First Nation holds aboriginal rights and title to their traditional territories defined on the attached Map.
2. The Kitasoo/Xai'xais First Nation has managed these lands, waters, resources and eco-systems in a sustainable way for thousands of years and will continue to manage these lands.
3. The Kitasoo/Xai'xais First Nation has adopted a land use plan that is shown on the attached Map that identifies:
 1. Nakami Weld Protected Areas:
Lands and resources that will be protected from logging, mining and other resources extraction and will be used by our people for food, traditional uses, trapping and tourism.

2. Integrated Use Areas:

Lands and resources that will be utilized in a sustainable way so as to create jobs and economic development opportunities for our people and revenue for our government while conserving our wildlife and fisheries.

4. Those entering Kitasoo/Xai'xais First Nation territories with the intent of exploiting our resources will adopt our land use plan and show respect for our people, our government, our environment and our resources. They will meet with our Chiefs, Councils and communities to gain our permission before any action is taken.

5. Those using our territories through media campaigns, or otherwise, with the intent of protecting and conserving our environment or to exploit our resources for tourism or other purposes will show a similar respect as outlined in 4. above and adopt our land use plan.

6. No one except the rightful Kitasoo/Xai'xais owners will use our crests, totems, dances, songs, photographs or other symbols of our culture.

7. Anyone planning to use our land based or aquatic resources for harvest, sale or any financial gain will, prior to any activities, adopt our Environmental Protocol and negotiate a management agreement with the Kitasoo/Xai'xais government.

8. Any economic development or tourism activity that is planned for our land or marine areas will be fully discussed with us and plans and agreements developed that ensure that our people are hired and trained and that economic development will benefit our community.

9. The Kitasoo/Xai'xais First Nation will discuss with Canada, British Columbia and other interest groups the most effective way to establish our Nakami Weld Protected Area that will implement our plan.

Appendix 6

Meeting with Minister Falcon – June 19, 2006

Issue: *Inadequate BC Ferry Corp. Service to Klemtu*

Background:

- Adequate/basic marine transportation is a long-standing issue with BC Ferries. 2002 Human Rights Tribunal etc.
- Has been an erosion of services over the past several decades>Union Steamships>Coast Ferries>present BC Ferry service
- Community is over 500 and growing quickly.
- There is no road access to Klemtu. Kitasoo/Xai'xais are isolated. However, Klemtu is on the Inside Passage ferry route to Prince Rupert.
- Commercial marine transportation is an essential service for Klemtu. Provides food, dry goods, mail, and safe travel. Most people do not like air travel, which is very expensive.
- Service has significant effect on health and health care of community members. Fresh produce etc. is not available in Klemtu 50% of the time, 10 months of the year due to stale dating due to lack of weekly service.
- Service has significant influence on the economic growth of Klemtu. New Ecosystem Based Management approach to forestry and tourism growth requires efficient transportation. Premier Campbell recognized the need during a February 2006 visit.
- Province receives a \$30+ million annual federal subsidy to offset costs to service northern communities like Klemtu. However, tourism drives BCF business/service model and not the basic freight and transportation for which it was intended.
- Current service agreement of BC Ferries Corp with BC Government provides for stops every 2 weeks north and south bound. Summer service is weekly but it takes up to 30 hours to travel to Port Hardy. (1 hr. by plane)
- The terminal in Klemtu was designed and built as a temporary opportunity and does not allow for stops in poor weather and cannot except larger vessels. Semi-trailer trucks are limited to 32 feet due to terminal configuration. Very inefficient transportation model.
- Northern ferry fleet is poised to be replaced by 2009. A used ship will be in service in 2007 and 2 new ships by spring 2009.
- BC Ferry Corp. does not negotiate service they provide. The service is based on agreement with the provincial government.

Solution:

- 1. Base service providing for stops once a week in both north and south direction year round. More stops if justified by business opportunities.*
- 2. Develop a safe and proper terminal in Klemtu that can receive any BC Ferry vessel operated in the north.*
- 5. Ensure that all the new vessels purchased or constructed for northern routes are designed to stop in Klemtu*

Appendix 7

Spirit Bear Eco Tour Trip Itinerary

Day One

Clients arrive in Klemtu by floatplane around 2:15pm and are greeted by Doug Neasloss. Guests and their luggage are transferred to the Spirit Bear Lodge where the Lodge Chef/Manager is awaiting them with snack. Rooms are designated and the guests are left to settle in until dinner at 6pm. Doug then meets them back at the lodge for a safety debrief, gear list and run down of what to expect in the coming days. Weather for the coming days should be discussed as well. Doug then gives a short history of the Klemtu and the inhabitants and then lets the group retire for the evening.

Day Two/Three/Four/Five/Six

After a hearty breakfast prepared by the chef, the group is meet by Doug or Vern and taken to the boat. After a safety briefing on the boat and on board protocols discussed, the guests climb aboard for the day. Doug, Vern and the boat operator have discussed where the route will take them today and any weather conditions that may affect the day's schedule. With approximately 1.5 hours on the boat between stops to travel ashore, the group explores the Kitasoo/Xai'xais territory, looking for Spirit Bears, grizzlies, wolverines, wolves, mountain goats, eagles and marine mammals. Depending on group's preference and objectives, they can travel to other areas, or if the viewing is good, stay in on area all day.

As well as wildlife viewing, the guests are able to visit ancient culture sites and the guides will interpret stories of the Kitasoo/Xai'xais peoples.

After returning to the Lodge around four or five o'clock, the guests are treated to food and hot drinks and have the time to relax before dinner. Dinner is at 7:30pm and is served in the Lodge dining room, where guest enjoy and fantastic dinner waterfront.

This day is departure day and guests are taken on a walking tour of the village, and may see the big house and museum. They are then free to explore at their own pace, Klemtu before lunch and their floatplane out to Bella Bella. Spirit Bear Tourism Staff will ensure that the guests and all their baggage is at the floatplane dock in time for them to board. Each guest is given a souvenir from Klemtu as Doug and Vern say farewell to the guests.

This itinerary needs some adjustment for the arrival and departure days, as there has been customer feedback in regards to these. Currently with the arrival of guests at 2pm in Klemtu, the first paid day is considered a travel day. But with the price of tours reflecting a per day rate of \$500, the travel days do not give much value for the price. This travel day is a necessity with the current transportation options available. With the limited ferry and floatplane schedule the guest's options are few. And with the Spirit Bear Lodge now coming online, SBA is increasing guest capacity to ten guests, so with one floatplane arrival per day in Klemtu, the guests would not arrive all together.

Beginning the eco tour in Bella Bella is an option that must be considered. The guests would arrive the day before the tour and stay in accommodations arranged by SBA. The first day would be a boat trip up to Klemtu, with wildlife viewing and cultural interpretation along the way. Starting the tour in Bella Bella would allow SBA to control the tour right from the airport and give the clients more for their money on the first day. The clients would be well rested for the trip up to Klemtu. Being a three-hour trip in good weather, bad weather days could delay or even hamper travel to Klemtu. But this schedule makes the most sense for the eco tour product to increase the level of service and give people the experience they are paying for.

As for the departure day, the boat trip would need to get the clients to Bella Bella before the flight back to Vancouver at 2pm. This schedule would work with 7-day tours.

As for 4-day tours, the guest will have to depart on a floatplane flight from Klemtu on the Monday. Depending on the number of clients booked for 4-day tours, the Monday departures may have to be reviewed.

Appendix 8

Mussel River Focus Document

Management Issues Identified during October 2, 2008 Field Visit

Focus document for a site specific Mussel River bear viewing strategy

On October 2, 2008, BC Parks staff, Steven Hodgson and Jim Glenn, was accompanied by Klemtu Tourism operator, Doug Neasloss, and Kitasoo/Xai'xais consultant, Larry Greba, and conducted a field visit to the Mussel River. The intent of the field visit was to determine where viewing may or may not take place and ideas on potential facilities to accommodate viewing/interpretation program. There was consensus among the group that bear viewing on Mussel River, from both commercial operators and the general public, is increasing and so is the potential for human wildlife conflicts. Currently, the only literature pertaining to wildlife viewing on the Mussel River is the 1994 Bear Assessment report from Stefan Himmer. This document will be incorporated into the final report.

The Management Issues that were identified on October 2, 2008 are outlined below:

1. Recreational Activity

- a. Commercial Bear Viewing
- b. Public Bear Viewing
- c. Recreational Fishing
- d. Guided Fishing
- e. Hiking
- f. Kayaking
- g. Public Hunting
- h. Guide Outfitters

2. Access

- a. Aircraft
 - i. Helicopter
 - ii. Fixed wing
 - iii. Locations for landing, flight paths and elevations
- b. Vessel
 - i. Locations for landing
 - ii. River restrictions
- c. Commercial Operators
 - i. Potential user day restrictions
 - ii. Must access the interpretive center before entering the estuary
- d. Guide Outfitters
 - i. Must access the interpretive center before entering the estuary
 - ii. Look into timing around specific hunts
 - iii. Assess level of use in area
- e. General Public
 - i. Must access the interpretive center before entering the estuary

- ii. Review hunting regulations to assess what is appropriate and not appropriate in area
- f. Interpretation Center
 - i. Utilize existing guardian cabin for interpretation center
 - ii. Mandatory for all users to check in before entering estuary
- g. Viewing Site
 - i. Suitability/capability of each area to support viewing
 - ii. Can not jeopardize wildlife habitat features
 - iii. Gravel pad vs. viewing stand
 - iv. Consistent timing and approach much be maintained
 - v. Food and human waste needs to be addressed
 - vi. Proximity to bears
 - vii. Seasonal restrictions
- h. Human Carrying Capacity for Viewing Site
 - i. Determine appropriate number of visitors viewing bears at one time
 - ii. Determine time limits for viewing groups
- 3. Group Size
 - a. Maximum of 12 (including guides)
 - b. Minimum of 4
- 5. Pets
 - a. Not compatible with viewing area
- 6. Fees
 - a. Need to ensure consistency across commercial operations permits
 - b. Review existing use and Khutzeymateen Program to determine if fees are appropriate for public viewing
- 7. Firearms
 - a. Restrict or allow
- 8. Compliance and Enforcement
 - a. Guardian Watchmen Program
 - b. BC Parks Ranger Program – requires more integration
- 9. Park Use Permits
 - a. Review past 10 years of PUP reports and look at trends
 - b. Need to ensure consistency across permits
 - c. Length of permit
 - d. Potential user day restrictions
 - e. Applications and renewals must be consistent with site specific viewing strategy
 - f. Reporting criteria
 - g. Permit Capacity

- i. Review commercial use to identify if any new opportunities are available.

10. Zoning

- a. Identify appropriate viewing site
 - i. It was decided on October 2, 2008 that the viewing site should be established on the estuary. The site is located along the main-stem of the Mussel River and has good visual clearance and does not jeopardize wildlife habitat features.
- b. Post areas closed
 - i. No upstream access for viewing, bear hazard to great
 - ii. Identify other significant wildlife habitat features and zone appropriately

11. Consultation

- a. Ensure consultation with Heiltsuk Nation
- b. Ensure consultation with permit holders
- c. Identify and consult all other stake holders

12. BC Parks Program Plan

- a. Need to ensure consistency with plan

13. BC Parks Website

- a. Ensure that website is updated regularly and provides adequate information to general public

This document is to serve as a guide for writing the Terms of Reference (TOR) for a Mussel River Bear Viewing Strategy. The Kitasoo/Xai'xais Nation, in collaboration with BC Parks, will be hiring an experienced wildlife biologist to develop a report regarding the Management Issues mentioned above.

Prepared by:

Steven Hodgson
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Parks and Protected Areas Division

November 21, 2008

Appendix 9

Adaptive Management Strategy

Prepared by Stephen Tyler, Adaptive Resource Management Ltd (*adaptive@telus.net*)

1. Goals of Tourism Strategy

The goals of the Klemtu tourism development project are to identify tourism product potential in accordance with community need, values and integrity. Develop a strategy on how to deal with outside operators that conduct business within the Kitasoo/Xai'xais territory as well as respond to economic opportunities that exist in the marketplace.

Develop a tourism industry on Kitasoo/Xai'xais territory that provides employment and income to local people, and supports community values of integrity, respect and environmental protection.

2. Management Objectives

The Tourism Strategy articulates the following objectives intended to achieve this overall goal. The objectives can be categorized as either Tourism Management objectives (management of key strategic activities in this sector) or Business Management objectives (operational objectives for corporate business decisions).

Where to apply Adaptive Management: These two types of objectives both need an adaptive, learning-oriented approach so that managers and decision-makers can improve their implementation strategies through ongoing experience. For the “business management objectives” listed below, there is a wide range of accounting and business processes that are well suited to measuring performance in relation to bottom line financial and strategic objectives. The implementation strategies for these business objectives are defined in the Tourism Strategy sections 7, 8 and 9. Indicators for these objectives and the strategies to implement them are mostly standard business measures (volume, income, profit, etc). While there are risks and uncertainties associated with these business objectives and their linked strategies, these are familiar risks of any business operation, and can be addressed by normal risk management practices (planning, marketing, accountability, HRD, insurance, investment, etc). These practices generally don't require stakeholder participation once objectives are agreed. They are the responsibility of management, with external advisors as needed.

Table A-1. Management Objectives

Objectives	Description
Tourism Management Objectives	
Exercise rights and title	The Kitasoo/Xai'xais seek to exercise planning oversight and co-management responsibility over their traditional territory, both terrestrial and marine. They hope to ensure that other users of the territory respect their uninterrupted occupancy and use, and recognize their management responsibilities when using the territory.
Increase tourism activity and local value added	The community seeks to increase local tourism activity, but also recognizes that they do not have the resources to provide diverse tourism services on their own. Therefore, they wish to explore partnerships of various kinds with experienced tourism service operators already active along the coast in order to add value to these existing operations.
Protect sensitive ecosystems	Marine and terrestrial conservancies have been established with the intent of co-management with other government organizations to allow for low-impact tourist use in selected areas. A particular interest is bear viewing, and management strategies will be needed to protect bears and related ecological features from impacts caused by viewing parties.
Adapt tourism to local culture and values	Tourism activities in the territory should reflect traditional First Nations values and be sensitive to local cultures and lifestyles. At the same time, the community also needs to understand tourism development plans and make some accommodation to new tourism activities in their midst.
Business Management Objectives	
Increase employment	The operating businesses are re-structured to provide more local opportunities for seasonal employment in the tourism sector, as well as support for training and HRD.
Recruit qualified manager(s)	Existing business will be operationalized under new management personnel, with a mandate to develop detailed business plan and expand.
Business expansion	Expansion of existing businesses (guiding, lodge, other services) through investment in internet marketing and branding, product development, recruitment, training and HRD and promotional linkages to other operators to increase visitor numbers and stay duration.
Develop SBeco as flagship	Strategic development of other tourism services around SB Ecotours / bear viewing / adventure tourism as the unique product niche

On the other hand, the objectives identified under Tourism Management Objectives in Table A-1, and the associated strategies mostly outlined in sections 10 and 11 of the report, are qualitatively different. These objectives involve uncertainties related to lack of ecological knowledge, to lack of knowledge about tourism operators and potential value-added opportunities, and related to a range of social, cultural and policy variables that may be difficult to predict. Some strategies to influence those variables are articulated in the report, while others are under study (e.g. provincial bear viewing management report) and some may need additional study. The indicators for measuring progress or achievement of objectives are not as clear as for the business objectives, and it is not obvious how success might be simply measured in some cases. In most cases there are feasible choices, or options, about what kind of strategies to implement to achieve these objectives, and these can be changed over time. There are multiple stakeholders involved in achieving these objectives, and results cannot be controlled solely by

Kitasoo/Xai'xais tourism managers. For these objectives, a more formal effort at Adaptive Management may serve to better define objectives, strategies and indicators; help measure and inform management efforts over time; and serve as a way to engage other stakeholders in collaborative learning to contribute to achieving the objectives.⁹

For these reasons, the remainder of this appendix focuses only on the Tourism Management objectives.

3. Key management strategies and implementation indicators

The list of objectives from Table A-1 is presented in Table A-2 along with strategies identified from the report. Relevant sections of the report are referenced in the table to provide further description of the strategies. In addition, specific indicators of strategy implementation and management targets are suggested to guide managers in implementing the strategies. The indicators and targets provide direction to managers by identifying ***what action needs to be taken and how much***. Monitoring of these implementation indicators demonstrates that agreed management strategies have been implemented (“did we do what we said we would?”).

⁹ If they are not already familiar with the terminology and process of adaptive management, readers should review the Adaptive Management Guidebook (“Key Adaptive Management Terms”, p. 16), prepared for the EBM Working Group.

Table A-2 Tourism Management Objectives, Strategies and Indicators

Objectives	Strategies	Report section	Indicator / Minimum Target to achieve objective
Exercise rights and title	Develop protocols with existing tourism operators	10.3, Appendix 4	Proportion of operators signing protocols / 90%
	Guardian Watchman program	10.4, 11.1.5, 11.2.2	Staff trained and funded for full time year-round operation / Yes
	Conservancy co-management agreements with province	4.1.1, 11.1.6, 11.1.7	Number of conservancy co-management agreements negotiated / 4
Increase tourism activity and local value added	In non-core business areas, develop joint marketing and service delivery agreements with experienced outside tourism sector companies (e.g. pocket cruising, kayaking, water taxi, scuba diving, corporate retreats, etc)	7.1.3, 7.2.3	Number of service agreements with outside tourism companies / 6
Protect sensitive ecosystems	Bear viewing management plan for Princess Royal (Spirit Bear Conservancy)	11.1.7	Management plan / complete and approved by stakeholders
	Bear viewing management plan for Mussel River (Fjordlands Conservancy)	11.1.6	Management plan / complete and approved by stakeholders
Adapt tourism to local culture and values	Growth management system (permits)	10.5, 11.1.2,	Proportion of tourism activities regulated by permits / 90%
	Growth management system (monitoring)	10.5, 11.1.2	Watchmen and operators submit regular monitoring reports / weekly
	Communications program to build local support	3.2, 10.5.1	Frequency of reports by tourism managers to community / semi-annually (before + after season)

Interpreting this table: the objective (left column) is determined by community policy makers. Strategies are suggested by managers or management experts and approved by policy makers. The indicators identify the action to be taken and the targets suggest the minimum level acceptable to achieve the objective. For example, to adapt tourism to local values and culture, one strategy is growth management. To implement this strategy, tourism activities would be regulated by permits (the management action is to issue permits for tourism activities). A minimum target for success is 90% of all tourism activity holding valid permits.

4. Effectiveness indicators: are the objectives being achieved?

Another set of indicators is needed to determine whether the intended objectives are being achieved. These indicators, sometimes referred to as *effectiveness indicators*, can be qualitative or quantitative (i.e. they could be measured by numbers or by “Yes / No” or “Large / small” as satisfactory measures of success). These indicators provide a measure of whether or not, or perhaps to what extent, the objectives have been achieved. Note that failure to achieve an objective could occur for a variety of reasons. It is usually an indication that strategies are not performing as expected. This could be because the relationship between the objective and proposed strategy is poorly understood (lack of knowledge); or it could be due to intervening constraints that were not originally anticipated. Either case usually suggests the need for further study.

Table A-3: Objectives and indicators

Objectives	Effectiveness Indicators
Exercise rights and title	Existing and new operators contact Kitasoo/Xai'xais to sign protocols before doing business in territory. Government officials invite discussion and seek stance from Kitasoo/Xai'xais on new tenure applications. Guardian Watchman observing, recording and reporting leads to better enforcement of provincial laws.
Increase tourism activity and local value added	Lodge visitor numbers increase by 50% per season for the next 3 years to 80 clients / season. Fees based on industry standards and operator feedback. Requests from outside tourism operators for joint service agreements are managed through the Tourism Services office according to best practices in the industry.
Protect sensitive ecosystems	Wildlife populations increase in conservancies (grizzly, Spirit Bear, other indicator species) Threatened species populations increase Visible evidence of human impact minimized (structures, trails, litter, etc)
Adapt tourism to local culture and values	Tourism operators respect environmental and cultural protocols in territory (number of monitored violations declines) Community support for tourism remains strong with increasing number and visibility of tourists.

Effectiveness indicators need to be monitored if either or both of these conditions holds:

- 1) decision-makers or donors require evidence of performance in order to approve continuing operations or funding for tourism management strategies;
- 2) managers are uncertain about the effects of management strategies (“do they really help or not?”), especially when these strategies are costly.

5. How the strategies should work: what we know and what we don't know (Structuring Knowledge about Tourism Management strategies)

Adaptive management does not have to be a comprehensive process, involving all management strategies. The effort can start with strategies that are of greatest immediate concern to managers. Other elements can be added if the process is judged to be worthwhile. For planning purposes, we focus the remainder of this description on four management strategies that were judged to be of greater strategic importance to the success of the Tourism Management Strategy. These provide a starting point for adaptive management and a guide for adding additional strategies later if desired.

The four strategies, and related objectives, are listed in the table below.

Table A-4 Strategies and Implementation Indicators

Objectives	Strategy	Implementation Indicator	Proposed Target
Exercise rights and title	Develop protocols with existing tourism operators	% of operators signed protocols	90%
	Conservancy co-management agreements reached with province	Conservancies and protected areas covered by agreements	4
Increase tourism activity and local value added	Joint marketing and service delivery agreements with experienced external tourism operators	Number of agreements implemented	6
Protect sensitive ecosystems	Management plan for bear viewing in Spirit Bear Conservancy	Plan agreed and implemented	Yes

This structure assumes that the objectives have been approved by policy decision-makers, and that if these strategies are implemented (in some cases with other strategies) the objectives can be achieved. In each case, an implementation indicator is proposed as part of the strategy. By measuring the implementation indicators, which are simple to track, managers demonstrate that they are implementing the agreed strategy. So the main question remaining is: if the strategy is implemented, will it result in achieving the objective? The targets specify the degree of implementation necessary to achieve the objective. Our judgment is that anything less than this amount might not achieve the objective to the extent intended.¹⁰

To simplify the adaptive management priority-setting process, only objectives that have a high influence on the overall goal (see first page of appendix) have been selected. All of these objectives are fundamental to achievement of the overall goal of KITASOO/XAI'XAIS tourism development. If even one of these objectives is not achieved, the goal is not likely to be reached.

The descriptions below explain the various strategies for each of these objectives, in order to determine what kinds of adaptive management approach would be most useful to address them.

¹⁰ The proposed targets can be modified. The actual values of the targets are not crucial to the AM plan but they will be important to managers.

This description and AM prioritization process follows the procedure recommended in the Adaptive Management Framework for the Central and North Coast.¹¹ Note that the contents of this section do **not** represent new knowledge: this is simply a summary of what is already known, presented in a format that helps identify the appropriate type of adaptive management action.

5.1. Objective: Exercise rights and title

Explanation of relationship between objective and strategies: Exercising rights and title means that other resource users and managers recognize the rights and responsibilities that the Kitasoo/Xai'xais hold in relation to the resource base. These recognitions should be accompanied by changes to historical patterns of tourism activity, resource management and permitting. The central role of the Kitasoo/Xai'xais government in planning, decision-making, and monitoring resource use and management, as well as sharing the benefits from resource use, will be reflected in new standard procedures by which it reviews and approves resource based activities, setting reasonable conditions for such activities, and undertakes joint planning with the provincial government to ensure such activities are managed consistently with the philosophy and values of the Kitasoo/Xai'xais. The strategies proposed to achieve the objective are implementing tourism operator protocols and negotiating co-management agreements with other governments.

Influence of strategy on objective: These two strategies both have high influence on the objective of exercising rights and title through tourism development, because they deal with the two most important external agents in relation to tourism use of the Kitasoo/Xai'xais territory – external tourism operators and the provincial government. In order to achieve the objective of exercising rights and title in the tourism sector, both of these strategies must be implemented effectively.

Strategy: Tourism operator protocols

Description of strategy and relation to objective: The purpose of the strategy is described in section 10.3 of the strategy report. Part of this purpose is to provide a mechanism through which tourism operators recognize the resource rights of the Kitasoo/Xai'xais, and part of the purpose is to provide a mechanism through which the Kitasoo/Xai'xais can exercise their management responsibilities. Both elements are important parts of the objective of exercising rights and title.

Probability of success and uncertainty at different levels of implementation: How likely is this strategy to succeed if not all the tourism operators sign protocols? In practice, if 90% of the operators (including ALL the large operators) sign protocols with the Kitasoo/Xai'xais, this amply demonstrates recognition of rights and title (probability of success is high). At the current level of 80% of operators having signed protocols, this might not provide sufficient demonstration of recognition for rights and title and commitment to the protocols could weaken over time (probability of success is moderate). While it would be desirable for 100% of operators

¹¹ Daust, D., K. Price and S. Tyler. 2009. Guide to the Knowledge Summary and Prioritization Procedure, report prepared for the EBM Working Group; and Price, K., S. Tyler, D. Daust and C. Soto. 2009. Knowledge Summary: Information Used for Estimating Probability of Success and Uncertainty for EBM Strategies, report prepared for the EBM Working Group (see particularly Part 2: Human Well Being).

to sign protocols, and managers would strive to achieve that level of support, the strategic objective of exercising rights and title can be achieved at a lower level of support.

There is no question that the objective will be achieved if 100% of operators sign. At a level of 90%, there is some uncertainty because, even if the largest operators have signed, others who continue to flout the requirements may undermine support for recognition of rights and title. This uncertainty is low. If the level of support drops to 75% or lower, or if several large operators do not sign or renew their protocol agreements, this would not be an acceptable demonstration of exercising rights and title, and the objective would not be achieved (low uncertainty).

Factors affecting uncertainty, relative importance and ease of resolving: The uncertainty about the success of this strategy is relatively low. If a high proportion of operators sign the protocol that is very likely to demonstrate the exercise of rights and title. However, one remaining issue is that the indicator used (% of operators), while easy and useful, may not be the best one for demonstrating success. The links to rights and title may turn out to be more closely related to the proportion of visitor-days covered by protocols, for example. That kind of measure would weight the larger operators more highly, but is more difficult to monitor. The higher the percentage of operators who have signed, the less difference this makes. The objective (exercising rights and title) reflects changes in attitudes as well as practice and legal agreements. For these reasons, it is difficult to measure and verify, so remaining uncertainties are difficult to resolve.

Strategy: Co-management agreements

Description of strategy and relation to objective: The strategy is to negotiate co-management agreements with other governments (especially the province of British Columbia) for 11 protected areas and 5 conservancies. Successful co-management agreements demonstrate the practical ability of governments to collaborate on resource management from equal positions of authority. The role of the province in resource management may remain important in enforcement and technical support, so their commitment to shared management objectives in conservancies is important. Long term tourism growth is unlikely if there is continuing conflict between Kitasoo/Xai'xais and province over management approaches. The Province represents interests of a broader public: a co-management agreement makes it less likely that other groups might find fault with the conservancy management strategy. It may not be essential to have co-management agreements in order to exercise rights and title, but without them, the commitment of the province is always in doubt, and provincial commitment to recognizing rights and title is very important.

Probability of success and uncertainty at different levels of implementation: Co-management is a new process, and it will take some time to agree on effective practices. It may not be necessary to have co-management agreements in place for all 11 protected areas and 5 conservancies in order to demonstrate that rights and title are effectively exercised. As long as the Kitasoo/Xai'xais have a strong voice in management decisions and practices, formal agreements for all designated areas may not be necessary.¹² On the other hand, with no formal agreements in place at all (the current situation), the precedents for active consultation are weak, and there is little leverage for the Kitasoo/Xai'xais voice in management (i.e. probability of

¹² With reference to the Kitasoo/Xai'xais Statement of Claim, 1982.

success is low). In order to ensure that the objective of exercising rights and title is met, a minimum of 4 protected areas and / or conservancies should have co-management agreements in place. The fewer agreements are in place, the lower the probability that rights and title can be effectively exercised.

Uncertainty about these results is highest when the number of agreements in place is low, and declines as the number of agreements increases. With few agreements, they may be highly effective in demonstrating rights and title, and serve as important precedents, or they may not. A higher number of agreements mean less uncertainty because the principles of rights and title will be more widely recognized and put into practice. At the target level of 4 agreements, uncertainty will be low.

Factors affecting uncertainty, relative importance and ease of resolving: The scope and contents of co-management agreements are not yet known, because none have been finalized yet. Especially if there are only a small number of agreements, their contents and processes may not provide sufficient voice for the Kitasoo/Xai'xais to effectively exercise rights and title in these ecological preserves. Even if the contents of the proposed co-management agreements are comprehensive enough to address such concerns, implementation remains uncertain. The implementation of the agreements by the province may be fragmentary or otherwise undermine Kitasoo/Xai'xais efforts to exercise rights and title. If the province does not act to implement and support an agreement, the objective may still not be achieved. These factors have high importance (i.e. they play a big role in the uncertainty about this strategy), and are not easily resolvable except by experience.

5.2. Objective: Increase tourism activity and local value added

Strategy: Joint marketing and service delivery agreements

Relationship between objective and strategy: This is only one of many strategies to boost tourism activity and value added. However, most of the others are straightforward business management strategies (marketing, recruitment, developing business plan, investment, etc). Those strategies are largely within the authority and responsibility of SBA to undertake on its own. This strategy, by comparison, requires seeking collaborative outside partners, and then relies heavily on them for successful delivery. This strategy is important to achieving the objective because it offers a way to expand and leverage the local benefits from tourism investment without requiring SBA to develop the expertise and investment needed to operate in a wide range of tourism services. This strategy expands the tourism “menu” for SBA with minimal investment, and helps generate demand for baseline accommodation and tour offerings of SBA as well as for ancillary services in the community. This strategy will also help outside business partners better understand Kitasoo/Xai'xais tourism management, its motivating principles, decision-making and operating practices, in order to build better future relationships.

Influence of strategy on objective: The influence of this strategy is High. If successful, this strategy could lead to rapid and significant increases in tourism visits (e.g. from cruisers, corporate retreats, kayaking tours, etc).

Description of strategy and relation to objectives: The strategy is described in sections 7.1.3 and 7.2.3 of this report. The idea is to negotiate agreements with experienced tourism service providers to ensure mutual benefit: the Kitasoo/Xai'xais (through SBA) will offer local tourism services that complement and increase the value of products offered by external operators. These services could include accommodation, meals, guiding, ecotours, cultural tours, and general services or provisioning. The main benefit to the Kitasoo/Xai'xais will be from the increased demand for these complementary services, as client numbers for each of several specialized tour operations increase (e.g. kayaking, diving, cruising). This would directly contribute to the objective.

Probability of success and uncertainty at different levels of implementation: The achievement of this objective depends on increasing the amount of local services provided through SBA, which will increase local employment and business revenue. The increase in service demand could come from an increase in the activity of a single outside operator (e.g. an additional 5 pocket cruiser stops during the season from the same company that currently makes one or two). Or the increase in demand could come from an increase in the number of agreements with different operators, providing similar or different kinds of service arrangements (such as kayaking or diving in addition to pocket cruisers). In general, the level of activity of each operator is dependent on its own market demand, which is probably not very flexible in the short term. So there are limits to how much increase in demand for local services can come from expansion of activity with a small number of operators. For this reason, there is a higher probability of success in achieving the objective by negotiating similar kinds of agreements with multiple operators. By dealing with operators who offer different kinds of tourism products already, the Kitasoo/Xai'xais can tap into a wider range of tourist demand, and increase the profile of their own services and products to a broader audience.

Negotiating agreements with a diverse array of 5 or 6 operators with multiple or varying services that complement the core SBA business operations would significantly increase the reach of SBA marketing and product demand. At this level of implementing the strategy, there is a high probability that the objective can be successfully achieved.

However, there is a high level of uncertainty at all levels of implementation, for a variety of reasons. Agreements with external operators do not necessarily translate into activity. Success still depends on the external operators bringing in customers. There is also uncertainty about the ability of SBA to deliver their part of the agreement, i.e. to provide satisfactory quality of services to complement those offered by external operators (lodge stays, cultural tourism, ecotours). If SBA services do not meet the expectations of partner clients, the agreements will not be sustainable.

This is a tricky business decision, because providing services of suitable quality will require investment on the part of SBA, but the returns on this investment are not under SBA control. They depend on the marketing and promotional efforts of the external partners with their own client groups. The objective will not be successfully achieved if SBA fails to achieve a return on its investments to respond to agreements with external partners.

Finally, there is some uncertainty about how many external agreements, and of what type, represent a sustainable target. While 5 or 6 may be sensible from a business perspective, can this many different activities be comfortably absorbed by the community and the environment with minimal impact? We don't know the answer.

All of these uncertainties mean that at any level of implementation, our confidence about the actual success of the objective is low (i.e. uncertainty is high).

Factors affecting uncertainty, relative importance and ease of resolving: The uncertainties described above are affected by the implementation of business strategies recommended in this report. If other business strategies go ahead, this one has higher certainty. This factor is highly important. This factor can be resolved by management commitment and consistent implementation. These uncertainties are also affected by uncertain general economic and market conditions. This factor is also of high importance, but cannot be resolved.

Another factor, of medium importance, is the perceived attractiveness of these arrangements to external tourism partners. If this kind of joint / complementary tourism services model in Kitasoo/Xai'xais territory is perceived by outside operators (e.g. Kayak tour operators, or dive operators) as an attractive and appealing one, they are more likely to invest their own marketing and promotional efforts. This uncertainty can be resolved in part through promotion and discussion with potential partners, and in part through experience.

The impact of additional tourism activities on the community and the environment will depend on the type of activity and how it is managed. These factors contribute to the uncertainty about sustainability of these activities, but they can be resolved through studies to monitor community and environmental responses.

5.3. Objective: Protect sensitive ecosystems

Strategy: Develop bear viewing management plans for sensitive and popular bear viewing sites in the Spirit Bear Conservancy.

Relationship between objective and strategy: Bear viewing is a foundation of the tourism strategy, and because the objective of protecting ecosystems is fundamental, we have to get this right. If bear viewing causes harm to the bears, or to the ecosystems on which they depend, it will not be a sustainable tourism practice. At the same time, it is important to ensure the safety of guests. Serious injury from bear/human interaction could be a public relations blow to the business.

A different objective: business revenues

A bear viewing management plan may also have an impact on business operations, depending on whether limits to party size, location or distance have too much impact on customer satisfaction or overhead costs. This objective is different from protecting ecosystems. While the same management strategy (viewing management plan) will affect BOTH objectives, they have to be considered separately to avoid confusion about what managers are trying to do. Adaptive management can provide useful information about the achievement of each of these two objectives, but will require

Influence of strategy on objectives: High. This strategy will shape the way that many visitors impact the most valuable ecosystems from a tourism perspective, so it has a strong influence on the objective of ecosystem protection.

Description of strategy and relation to objectives: A bear viewing management plan is needed to ensure that the expansion of tourism activity, particularly the high-value, popular Spirit Bear viewing tours, will not result in harmful effects on the bears or on other key ecosystem elements. The management plan should identify key ecosystem values to preserve and include suggestions for site selection and access; location and design of blinds or observation platforms; limitations on timing and frequency of visits and / or party size; restrictions on related activities (such as boating, hiking, fishing etc); management of food, litter and client behaviour; and client awareness. Any of these factors may negatively affect sensitive ecosystems that are both accessible and frequented by bears (e.g. stream mouth, estuarine wetlands, streambeds). The management plan should consider the best available scientific and local knowledge. It should identify areas of uncertainty in this knowledge base and suggest measures to address these.

Probability of success and uncertainty at different levels of implementation: The proposed implementation indicator for this strategy is qualitative (Yes / No). Either we have an agreed plan or not. If we have one, we assume it can be implemented. If we don't have an agreed plan, the probability of success is lower (i.e. likelihood of ecological damage is higher). There is uncertainty about these probabilities in either case: without a plan things still may turn out OK, and even with a plan there may be some ecological damage. Overall the uncertainties are moderate, in both cases.

A crucial issue in this case is that the objective seeks to avoid ecosystem impacts as activity levels increase. But we are not sure if damage is already occurring because careful studies may not yet have been completed. With no management plan, uncertainty about the actual probability of success is currently moderate.

Factors affecting uncertainty, relative importance and ease of resolving: The issue here is not the uncertainties inherent in any management plan, but rather the uncertainty about whether a plan (this strategy) is needed to achieve the objective. This uncertainty is low (i.e. we are pretty confident that a plan is needed to ensure the objective is successfully achieved). The factors

affecting the uncertainty are the limited knowledge about how bears (and other ecosystem elements) will respond not only to tourist presence, but also to combinations of other factors occurring simultaneously: e.g. salmon run decline, climate change. In the face of this limited knowledge, technical advice in the plan may not be of much value. Another uncertainty related to this strategy is implementation: even if the science is accurate and the plan recommendations good ones, they may not be implemented well. Just because the plan is in place (i.e. the strategy target level is achieved) does not mean that the objective will be reached. Both of these factors can be monitored over time to help resolve uncertainty, but there is little that can be done to address these at the outset.

6. Conclusions: What should be monitored, and what we would expect to learn

We summarize the information presented in the previous section in Table A-5. This is a greatly simplified version of the table formats presented in Tyler (2008), and follows the general prioritization process cited above.¹³ Note that in this case the prioritization between different adaptive management tasks across many different management sectors is simplified if only one sector is being addressed, and particularly if only a small number of objectives within that sector are judged to be important enough to monitor carefully. The more comprehensive prioritization process (see Daust et. al. 2009, *op. cit.*) is needed to compare large numbers of management objectives across multiple objectives.

¹³ Tyler, Stephen. 2008. Tables of Monitoring Priorities for Human Wellbeing. Report submitted to EBM Working Group, Dec. 22; Daust et. al. (2009) *op cit.*

Table A-5: Summary of Risk and Uncertainty for 4 Tourism Management Strategies

Strategy	Indicator / target	P(success) at current indicator level	P(success) at target level +/- uncertainty	Priority to reduce uncertainty	Priority to detect consequences	Type of study
Protocols with tourism operators	% operators / 90%	M	H +/- L	3	-	Implementation monitoring
Co-management agreements	Number of agreements / 4	L	H +/- L	3	-	Implementation monitoring
Joint service agreements	Number of partner agreements / 6	L	H +/- H	1	-	Business partner surveys, promotion, evaluation of experience
Bear viewing management plan	Plan approved	L +/- M	H +/- M	2	2	Research into impact of bear viewing and influence of management parameters

Explanation: The first 4 columns summarize information in the previous section. Column 5 ranks the different strategies according to the need to reduce uncertainty about management strategies at current or target levels of implementation. Column 6 ranks the strategies by the need to monitor consequences (effectiveness indicators), based on the current probability of success. The final column explains types of studies that would respond to the identified AM requirements.

Interpreting the table: The table uses what we know about these strategies to assess what kinds of monitoring are needed to provide management with high-value information. Of course, much additional data could be collected, but we identify here *only information needed for managers to ensure that the strategies they implement achieve the desired objectives*.

For the first two strategies, both intended to achieve the objective of exercising rights and title, the only monitoring action needed is to monitor implementation. In the case of protocols with tourism operators, this means monitoring the proportion of operators who have signed agreements. In the case of co-management agreements, this means the number of agreements in place. Both require zero budget. If the knowledge summarized here is accurate, by demonstrating these activities have been implemented, managers can have high confidence that the objective of exercising rights and title has been achieved. No further studies are needed, because we are confident of the implications of these actions.

For the strategy of developing joint tourism service agreements with experienced operators to deliver complementary services, managers would be well advised to undertake studies and complementary management actions to reduce the uncertainties associated with this strategy. Those actions include effective implementation of core SBA services, along with more detailed study of suitable partners, promotional investments, and market assessments. Experiences should be carefully monitored to ensure there is sufficient attention to building positive business relationships, and to ensure that financial and business objectives are being met. Lessons from this effort will include best prospects for partnership agreements, better understanding of demand and complementarity with other tourism services, and evidence of business opportunity.

For the bear viewing management plan, any plan is likely to increase the probability of success. But whether or not a plan is agreed, there is moderate uncertainty about its effect. To address this uncertainty, studies of impact and effectiveness would be advisable. These should be carefully designed with local experts and scientists. Monitoring programs should demonstrate the effect of management options and measure ongoing environmental parameters (including bear behaviour). These could be costly, even if they rely partly on the knowledge and data provided by staff (tour guides and leaders), but they should result in better knowledge about bear behaviour, effective control of viewing situations, and other key ecosystem vulnerabilities linked to bear viewing. These studies will provide evidence for good practice and standards for operators and regulators that can be incorporated into future bear viewing management plans, reducing the current uncertainties.

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