



**SOUTH COAST REGIONAL TOURISM
ORGANISATION INC**

BUSINESS / MARKETING PLAN

2008 / 2009

SOUTH COAST REGIONAL TOURISM ORGANISATION

BUSINESS / MARKETING PLAN 2007 /2008

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1. EXECUTIVE SUMMARY

This Business/Marketing plan outlines the major activities proposed by the South Coast Regional Tourism Organisation Inc in 2008 – 2009. The South Coast Regional Tourism Organisation Inc last year underwent a major evolutionary change with the merger of the traditional South Coast Regional Tourism Organisation Inc with the Illawarra RTO to form a much larger representative organisation. This organisation allows for greater marketing of the entire region through pooling of resources. Moreover it will allow the organisation to enhance its lobbying and advocacy role.

The South Coast Regional Tourism Organisation Inc Marketing Plan outlined in this document totals \$738,700. It pitches to both the domestic and international markets. The activities proposed include cooperative marketing in partnership with Tourism New South Wales as well as marketing programs to be undertaken by individual Local Government tourism groups.. They include multi-media activities, e-marketing, trade shows, publications and industry recognition.

This plan outlines the mission and vision statements for the organisation and undertakes a SWOT analysis. A brand analysis is included following meetings of major players with Tourism New South Wales and its advertising agency.

The plan also examines the potential to develop new marketing opportunities.

2. INTRODUCTION

The new South Coast Regional Tourism Organisation Inc came into existence with the formal announcement by the Tourism Minister, Mr Matt Brown, MP, Member for Kiama at Gerringong on the 8th June 2007.

This document outlines the broad objectives proposed by the South Coast Regional Tourism Organisation Inc in 2008 / 2009 as well as the specific marketing programs to be implemented on both a cooperative and local government area- specific basis.

It should be noted that in view of the finite resource base and the reluctance of the South Coast Regional Tourism Organisation Inc to divert funds towards an administrative secretariat, most of the business of the RTO will be undertaken by respective tourism managers and Boards. This will continue the long standing South Coast practice of investing available funds into marketing related activities rather than administration.

3. THE SOUTH COAST REGIONAL TOURISM ORGANISATION INC

The South Coast Regional Tourism Organisation Inc is an incorporated association established to work cooperatively with members and other agencies, notably Tourism New South Wales, to promote tourism in the greater region. The organisation respects the autonomy of member organisations but also recognises that pooling of resources will allow greater market penetration. It also believes that a united, articulate, RTO will achieve more favourable outcomes in its advocacy role on the myriad of issues which affect tourism performance.

4. AREA COVERED

The South Coast RTO Inc. has the following member organisations :

- Tourism Wollongong
- Tourism Shellharbour
- Kiama Tourism
- Shoalhaven Tourism
- Eurobodalla Nature Coast Tourism
- Sapphire Coast Tourism

The area covered by the Regional Tourism Organisation is, therefore, from Helensburgh in the north to the Victorian border in the south.

5. STRUCTURE

The South Coast Regional Tourism Organisation Inc is an incorporated association under the NSW Incorporations Act of 1984.

It is run by a Board of 13 members elected annually with representatives coming from the following areas:

- Two from each Local Government Area (with one of these being the Tourism Manager)
- An independent Chairman

6. MISSION STATEMENT

To enhance the significant contribution of tourism to South Coast economies, through cooperation between its members, the tourism industry, and other relevant agencies, in harmony with social, cultural and environmental sensitivities.

7. VISION STATEMENT

To establish the South Coast as the pre-eminent regional tourism destination in NSW, consistently delivering a diversity of quality tourism experiences.

8. BRAND STATEMENT

The brand of the South Coast RTO contains the following elements:

- Attributes – Easy access from both Sydney and Canberra. Unique coastal vistas-beach. Bay, Village, Beach. Un-commercialised Coastal Village Life. Fewer people and easier access to what's on offer.
- Benefits – Time is on your side. Stop and discover. Calm down and relax. Truly connect with self and locals.
- Values – Authenticity. Natural. Welcoming.
- Personality – Warm. Charming. Dramatic. Inspiring.
- Essence – Wondrous return to Coastal Village Life.

Appendices 1 and 2 show the South Coast Brand Wheel and Brand Cube.

9. STATISTICAL ANALYSIS

The South Coast is one of the most visited region in NSW with 8,752,000 domestic and international visitors per year.

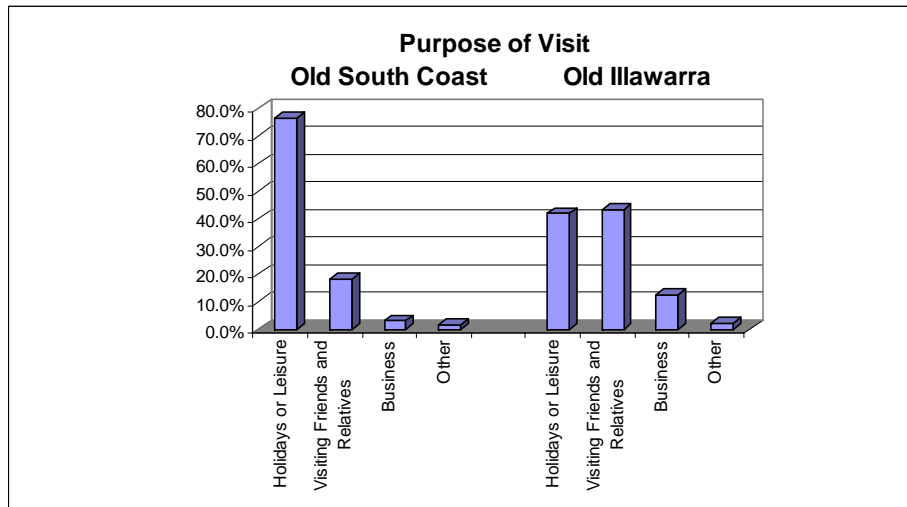
The following table indicates visitor numbers and visitor expenditure for the South Coast compared with NSW as a whole in 2007.

Year Ending December 2007	South Coast (6 LGA's)	NSW Including Sydney
Number of Domestic Overnight Visitors	2,958,000	24,200,000
Number of Domestic Visitor Nights	10,142,000	83,200,000
Number of Domestic Day Visitors	5,675,000	48,500,000
Expenditure-Domestic Overnight visitors	\$1,124,208,000	\$11,980,800,000
Expenditure by Day Visitors	\$525,746,000	\$4,898,500,000
International Visitors		
Number of Visitors	119,000	2,800,000
Number of Visitor Nights - unreliable data	1,526,000	57,300,000
Number of Day visitors - unreliable data		
Expenditure by International Overnight Visitors	\$113,930,000	\$5,443,500,000
Expenditure by International Day Visitors		
Totals	\$1,763,884,000	\$22,322,800,000
Total Expenditure by all Visitors	\$1,800,000,000	\$22,000,000,000

Domestic Visitor Nights for the 6 Local Government Areas					
Domestic Visitors		Rank in Regional NSW	Domestic Visitor nights		Rank in Regional NSW
Shoalhaven (Incl JBT)	1,111,000	1	Shoalhaven (Incl JBT)	3,697,000	1
Eurobodalla	611,000	8	Eurobodalla	2,292,000	6
Bega Valley	422,000	17	Bega Valley	1,922,000	9
Wollongong	611,000	7	Wollongong	1,479,000	13
Kiama	222,000	28	Kiama	628,000	28
Shellharbour	67,000	65	Shellharbour	222,000	65

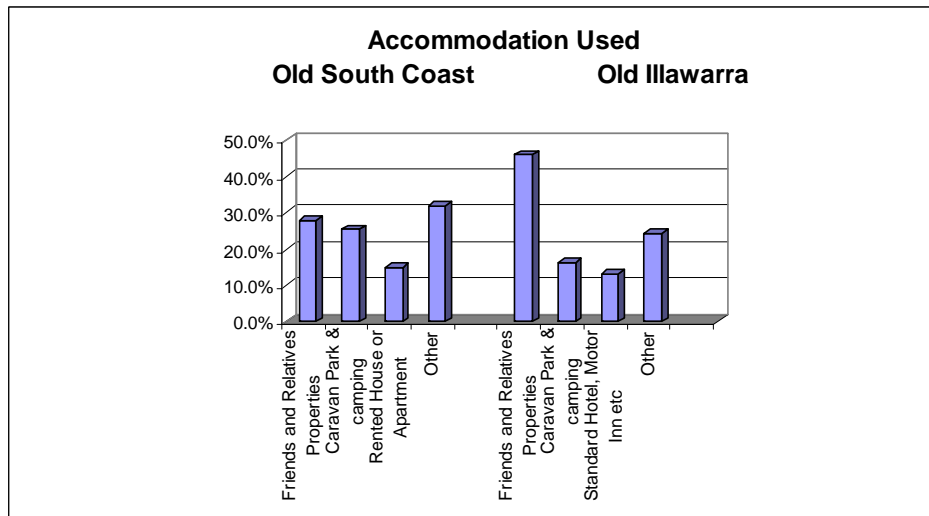
a) Purpose of Visit

Domestic visitors visit the South Coast for:

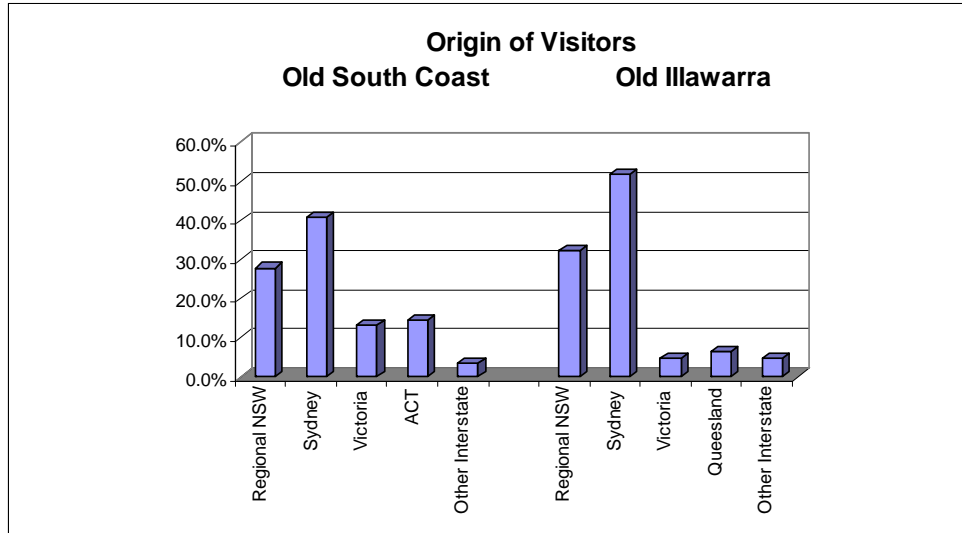


b) Accommodation

The main accommodation used by visitors in 2007 was:

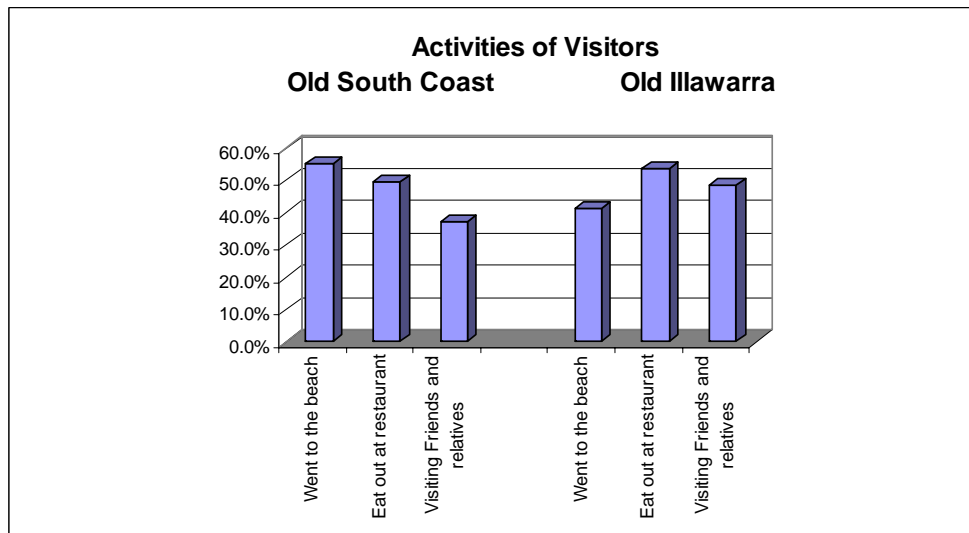


c) **Origin of Visitors – 2007**



d) **Visitor Activities**

Major visitor activities include:



10. **SWOT ANALYSIS**

Strengths

- 1) Established tourism region within reasonable distance of Australia's two largest cities and its national capital, Canberra.
- 2) A diversity of tourism experiences and accommodation options.
- 3) A spectacular and relatively undeveloped coastline with rugged scenic hinterland varying from farming lands to wilderness.
- 4) Large tracts of National Parks and State forests.
- 5) Scenic route between Sydney and Melbourne.
- 6) Supportive approach to tourism by (most) Local Governments in the region as well as (generally) an appreciation of the importance of tourism by local communities.
- 7) A strong artistic and cultural heritage.
- 8) Large number of heritage and seaside villages.
- 9) A reasonably experienced, innovative and "switched on" tourism industry.
- 10) A wide variety of picturesque rivers, lakes and estuaries.
- 11) Excellent opportunities to observe wildlife.
- 12) Diversity of Aboriginal and European cultural experiences.
- 13) Renowned fresh seafood, dairy products and emerging wine region.
- 14) Good spread of basic and discretionary shopping facilities.
- 15) An innovative and active RTO which encourages cooperation between members and the tourism industry.
- 16) A well developed and professional Visitor Centres network with websites and online booking systems.
- 17) A large number of well run events with strong attendance at signature events.
- 18) In general good provision of tourism- related sports facilities e.g. golf courses, lawn bowls clubs, launching ramps etc.
- 19) The region has a temperate climate which generally avoids the extremes of heat and cold. It is seen as a warmer destination for the Victorian market but still has the benefit of seasonal experiences – from the beach to open fires.

Weaknesses

- 1) Need to develop one accurate, motivational and cohesive brand for the whole region
- 2) Large variations in visitor numbers across seasons – huge peaks in summer, low troughs in mid winter

- 3) Large variations in service quality across tourism and retail sector
- 4) Some built attractions and accommodation establishments are tired and in need of investment/overhaul
- 5) Lack of business knowledge by some operators
- 6) Given economic importance of tourism to the region still a lack of funds for cooperative promotion
- 7) Limited transport links – limited rail and airline services – and large dependence on roads
- 8) State of Princes Highway is an issue – also major feeder roads e.g. Kings Highway, Moss Vale Road/Nowra Road need significant work
- 9) Opportunistic over-pricing by some operators may tarnish the image of the region as a destination
- 10) Still few international tourists and limited business tourism (MICE)
- 11) Some limitations in supply of accommodation at top end of market
- 12) Still some areas of poor basic infrastructure – roads, sewerage, storm water etc.
- 13) Poor communication infrastructure in many parts of the region – lack of mobile phone coverage, slow internet speeds etc.
- 14) Some fragmentation within the tourism industry and entrenched levels of parochialism between towns
- 15) Need for expanded and improved boating facilities across the board
- 16) Need for rationalised websites / booking / reservation systems
- 17) There is still a strong perception – particularly in the Sydney market – that the climate is cold
- 18) There is still a limited amount of international ready product across the whole region

Opportunities

- 1) Market the whole South Coast under a single banner and provide a coherent, trusted brand to existing and prospective visitors
- 2) Further develop tourism experiences in national parks and state forest – the hinterland experience
- 3) Develop a region-wide strategy to increase the number of international visitors
- 4) The new Gateway Visitor Centre at Bulli Tops provides an excellent new opportunity to showcase the whole South Coast
- 5) The development of the Grand Pacific Drive provides an exciting opportunity to promote the whole of the South Coast to the international and domestic market

- 6) Expand the product manual for international marketing, particularly through the Sydney – Melbourne Coastal Drive promotion/Sydney-Melbourne Touring.
- 7) Develop a more cohesive approach to marketing the region as a conference and meetings destination
- 8) Encourage the development of better quality sporting and recreational facilities with benefits to local communities and improved opportunities to host events
- 9) In an increasingly more environmentally – conscious world, stress the relatively undeveloped and uncrowded nature of the region, the quality of its beaches, waterways, hinterland and wildlife
- 10) Develop better networks throughout the industry to understand the depth of product available and the potential to develop complementary packages and itineraries
- 11) Further develop the appreciation of the food and wine experiences available
- 12) Further emphasise the unique heritage and seaside village themes into brand marketing
- 13) Develop a region-wide approach to tourism research needs and use resulting data to lobby for increased marketing resources
- 14) Re-build on the cruise ship marketing already undertaken to examine the potential for expansion of this market
- 15) Examine the potential for a regional charter or quality assurance program for tourism product
- 16) Develop relevant niche (sub) markets such as golf touring, gardens, wildlife, bushwalking, 4WD touring and heritage tours
- 17) Harness the opportunity provided by new Marine Parks to enhance the environmental credentials of the region.
- 18) Promote and Market Nautical Tourism

Threats

- 1) Reduction in discretionary funds of our traditional visitors due to increased mortgage rates and increased petrol prices.
- 2) The rapid escalation in petrol prices and the likelihood that they will continue to remain high could be a disincentive to touring holidays and self-drive generally
- 3) Huge competition from overseas, interstate and other regions, many with much greater resources and allure
- 4) Increasing competition in domestic and international airfares will make more distant (and glamorous) destinations more accessible.
- 5) The strong Australian Dollar makes Overseas travel by Australians more attractive.

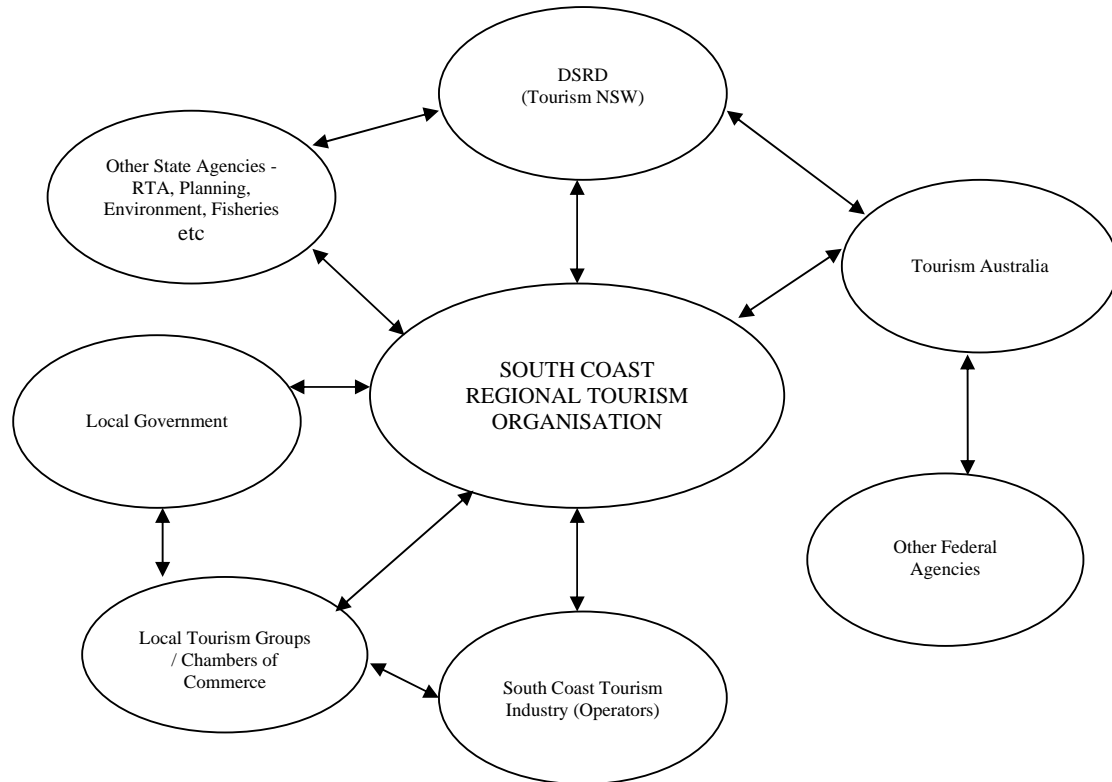
- 6) Changes to workplace regulation may see trade-offs in leave entitlements. Corporate culture often works against employees taking more than “short breaks”
- 7) The development of more and more touring routes will compete with the Sydney – Melbourne Coastal Drive
- 8) Future policy changes in land management could see public lands – e.g. National Parks, become less accessible or only available at a fee
- 9) Increasing costs of public liability for tourism operators and event organisers could mean fewer events.
- 10) Incompatible industrial development could threaten the region’s environmental credentials
- 11) Inappropriate urban development could compromise rural landscapes and natural vistas
- 12) Changes to weather patterns through global warming could increase the frequency of dramatic weather events including storms, floods and drought - will have a negative impact on travel.
- 13) Adverse changes in prevailing economic conditions could negatively affect the discretionary tourism spend of Australian households e.g. interest rate increases

11. KEY PARTNERSHIPS

The South Coast Regional Tourism Organisation Inc will have 2 major partnerships – with Tourism New South Wales and with Local Government Area Tourism Organisations.

Member organisations have vital links with the local tourism industry, town and area tourist groups, Chambers of Commerce and, most importantly with Local Government. The contribution of Local Government in terms of planning, infrastructure provision and finance should not be underestimated.

There will also be interaction with many other agencies at State and Federal level from time to time.



12. MAJOR ACTIVITIES

a. Product Development and Enhancement

One of the major challenges facing the South Coast is the need to attract investment in quality new tourism product. This applies to accommodation, attractions and touring opportunities.

Both individually and collectively, Tourism Managers will continue to identify product gaps and encourage potential investors to consider opportunities in the region.

This may involve working with agencies such as local government, State and Regional Development and the Department of Lands to develop a "prospectus" of investment opportunities. In some cases, directly lobbying proven operators to consider entering the market will take place.

Consistent with this more aggressive approach, efforts will be made to raise the standards of existing operators through education, and training, exposure to accreditation opportunities and encouragement to join relevant professional associations and industry bodies and establish regional networks. The RTO will also encourage tourism operators to enter Regional and State Tourism Awards.

The RTO needs to maintain its formal representation in issues directly affecting operators, such as tourism signage.

b. Destination Development Workshops

The South Coast Regional Tourism Organisation Inc formed a partnership with Tourism NSW and conducted four Destination Development Workshops throughout the region during 2007. These were held at Merimbula (15 May 2007), Batemans Bay (17 May 2007), Nowra (22 May 2007), and Shellharbour (13 June 2007).

Preceding each Workshop, a Field Trip was undertaken by Tourism NSW Personnel.

Local Stakeholders and Tourism Operators attended the Workshops.

A series of recommendations have been developed from these Workshops. The South Coast Regional Tourism Organisation Inc will examine these and extract the high level strategic recommendations for possible (depending on resources) implementation.

c. Lobbying and Advocacy

Overtime, the new RTO will find itself in a much stronger position to influence bigger picture issues affecting longer term tourism development in the region and elsewhere.

These may include aspects such as transport links, especially the state of the Princes Highway and other major roads, the development of boating facilities and marina development and communications issues e.g. internet, mobile phone coverage. Regular discussions will take place with Tourism New South Wales regarding major infrastructure issues.

The potential of the organisation to link with other more progressive regions to develop strategies to improve the State Government's appreciation of the importance of tourism and its funding commitments, should not be underestimated.

d. Cooperative Relationships

There is increasing scope for the larger RTO to build on its already strong links with Tourism New South Wales and other agencies. These relationships should be developed as a partnership and not in any subservient role.

The importance of agencies responsible for national parks and state forests is vital to the South Coast and demands continuing attention.

While the direct interface with local government is mainly the responsibility of LGA's, there may be situations where information sharing and mutual

support could deliver positive outcomes e.g. the current situation in Bega Valley Shire with respect to the funding of tourism services.

e. Industry Support and Cooperation

Tourism is about business performance and the South Coast Regional Tourism Organisation Inc recognises that its role is to foster the success of tourism businesses throughout the region. It will encourage cooperation through packaging of complementary product and mutually supportive marketing, as well as facilitating participation in relevant product manuals, regional brochures and web-based data bases.

The South Coast Regional Tourism Organisation Inc will also be active in developing opportunities for individual businesses to be aware of industry trends, new marketing concepts, the diversity of product in the region and latest research into consumer expectations. A minimum of two industry forums will be held each year.

f. Visitor Centre Network

The South Coast Regional Tourism Organisation Inc has an important resource in its existing Visitor Information Centre network. For the RTO to be cohesive and truly regional in outlook, efforts will need to be made to educate VIC staff regarding the key attractions and experiences available in the broader area. The potential to develop web links and cooperation between booking systems will also be explored.

The South Coast Regional Tourism Organisation Inc has developed a program for VIC staff to learn about regional product and “get to know each other”. This will continue.

A new initiation is being examined to work with TAFE also to provide formal qualifications for front counter staff.

An important development is the new “Gateway” VIC at Bulli Tops. Its role as an entry point to the whole South Coast will be vital to the success of the new RTO and customer appreciation of the magnitude and diversity of the region. Similarly the future role of the VIC at Eden will be important to opening up the whole region to north bound travellers.

g. Tourism Awards

The RTO will run annual Regional Tourism Awards covering the whole South Coast.

The Awards will be a vehicle to showcase the best of tourism product, set standards for the industry to aspire to, provide a focus for regional appreciation of the importance of tourism, encourage increased media attention and act as a celebration of tourism and the important contribution it makes to the Regional and State economy.

The South Coast Regional Tourism Organisation Inc will adopt the State Guidelines, categories and processes such that winners at the regional level will automatically progress as finalists at the State level.

All South Coast tourism businesses will be encouraged to enter the State Awards.

h. Communications

Part of the success of the RTO will be its ability to communicate effectively with its “constituency”. Regular e-blasts, forums and educational seminars will be conducted. Given the size of the new RTO careful consideration will be given to maximise operator participation. Existing LGA communications networks will also be harnessed.

LGA`s issue regular newsletters and media releases which will also be shared with Tourism New South Wales.

The RTO will also communicate a summary of industry performance, including major new product developments, to Tourism New South Wales on a monthly basis. It will also communicate the results of any cooperative marketing campaigns to Tourism New South Wales in a timely manner.

13. MARKETING

a. Market Opportunities

In developing future opportunities to enhance visitor growth, the South Coast RTO recognises that the South Coast is already established as a successful domestic, self-drive, holiday destination. The market is, however, characterised by strong seasonal fluctuations in visitor numbers with summer and school holiday periods as peaks and winter/spring down times. It is also under threat from the rapid escalation in fuel prices.

The South Coast Regional Tourism Organisation Inc will therefore look to develop long-term strategies to encourage market diversification in the following areas:

- **Events**

There are already an exciting number and variety of events held throughout the region. Many of the individual tourism organisations actively encourage and assist event organisers – some also provide direct financial support.

Events provide great opportunities to increase visitor numbers at non-traditional holiday times. They can also showcase the strengths of the South Coast in terms of cultural and heritage attributes, sport and recreation pursuits and food and wine.

The South Coast Regional Tourism Organisation Inc will continue to encourage existing and new events through advice with organisation and marketing, with particular emphasis on those events which are held at quieter times of the year and can demonstrate tangible tourism outcomes.

Major events will be built in to key marketing activities such as brochures and print advertising. The South Coast Regional Tourism Organisation Inc will consider the production of an Events Calendar which will include all major events held in the region which have meaningful tourism impacts.

In addition, the South Coast Regional Tourism Organisation Inc will assist event organisers in the preparation of submissions aimed at accessing additional sources of funds such as the Regional Flagship Events Program and other programs.

- The Conference Market

The South Coast region is well placed to develop the “business tourism” sector, being close to Sydney and Canberra. The Eurobodalla Coast Convention Bureau has existed for many years and has achieved some success in growing this market. Wollongong has also been active.

There are a number of suitable facilities and venues to access this market right along the coast and the potential to host conferences in the local government field alone is enormous. The keys to growth would appear to be in educating venue operators about the expectations of the market and developing a more aggressive approach to identifying conference leads and following up with professionally presented bids.

The South Coast Regional Tourism Organisation Inc will consider the production of a conference facilities guide for the whole region. It will also consider being represented at relevant trade shows and the hosting of “educationals” for venue operators.

- Food and Wine Touring

While the South Coast is still an emerging wine region it has some excellent wine producers, especially in the Shoalhaven region.

The South Coast is also well regarded for its local produce, especially seafood and dairy products. There are also a growing number of specialty producers in fields as diverse as olives and olive oils, chilli products, smoked fish and meats, gourmet pies and quality fruit and vegetables. The oyster industry’s potential to link with tourism is still relatively untapped.

The South Coast Regional Tourism Organisation Inc will investigate the interest of growers in joining forces to produce a Gourmet Trails brochure, not dissimilar to the "Glovebox Gourmet" guide produced by Eurobodalla Coast Tourism some years ago.

- Cultural / Heritage

Another strength of the South Coast is its flourishing artistic communities and the rich history, both indigenous and since white settlement.

These subjects have wide appeal and lend themselves to the marketing of cultural experiences, villages, galleries and artists studios, historical sites and museums.

- Nature Tourism

The outstanding flora and fauna of the region provides excellent opportunities to develop tours for nature-lovers and bushwalkers. The Eurobodalla/Sapphire Coast Nature Tourism guides provide an example of what can be achieved by cooperation between agencies and different levels of government. The whale watching, dolphins, penguins and seals of the region together with world-class birdlife on the coast and in the forests are natural assets which lend themselves to further marketing opportunities.

The Shoalhaven has produced a specialised brochure for Bird Watchers. This could be used as a model for the whole South Coast.

- Sport and Recreation

This is a specialised aspect of the events field. Its potential to increase visitations outside peak holiday time is enormous.

The need for local government to recognise the linkage between quality sporting facilities and tourism performance should be addressed. Despite a shortage of quality sporting facilities in some areas there are natural advantages for certain sports which may partly compensate.

Consider surfing, yachting, mountain bike riding, orienteering, triathlon, dragon boat racing, fishing and road cycling as just some examples.

The South Coast Regional Tourism Organisation Inc, through its local government tourism managers, will investigate opportunities to forge closer alliances with leading sports administrators with a view to hosting more regional, state and where appropriate, national events in

the region. It should be remembered that these events do not have to be at open level. Junior events can still have big tourism impacts.

- International Tourism

The growth of inbound tourism to the South Coast is still in its relative infancy. The South Coast Regional Tourism Organisation Inc will continue to build on the efforts to date of the Sydney – Melbourne Coastal Drive and its marketing agents. A close liaison will also be maintained with Canberra Tourism.

Under the stewardship of Tourism Wollongong the Grand Pacific Drive (GPD) project has made some serious inroads in the international arena. The GPD Project will get enthusiastic and financial support from the South Coast Regional Tourism Organisation Inc.

The South Coast Regional Tourism Organisation Inc will conduct educational forums so that product manuals are more representative of the quality and diversity of tourism product.

The South Coast Regional Tourism Organisation Inc will continue to monitor the level of commitment to the Sydney – Melbourne Coastal Drive and take necessary steps to protect its investment to date and its pre-eminent position on the drive as required.

It is noted that most of the marketing activity will be under the umbrella of Sydney Melbourne Touring.

Agents representing the Sydney Melbourne Coastal Drive and Sydney Melbourne Touring will attend a number of major trade events in 2008- 2009, including:

- Oz Talk, North America
- Oz Talk, New Zealand
- Corroboree North America
- ATEC 09, Melbourne
- Regional Trade Mission NZ
- UK/Europe Sales Mission

In addition, visits from overseas product managers from UK / Ireland, Netherlands, Scandinavia and Germany will be hosted to familiarise them with the touring route. Visits from overseas travel media will also be conducted. The South Coast Regional Tourism Organisation Inc will work closely with the International Unit at Tourism New South Wales on these famils/visits.

Sydney Melbourne Touring will also coordinate brochure production, online marketing campaigns with significant travel agencies, travel agent training and the publication of a new product guide.

A copy of the draft Project Plan for Sydney Melbourne Coastal Drive 2007 – 2008 is attached at Appendix 4.

In addition to the Sydney Melbourne Touring international activity, Wollongong Tourism will be involved in considerable international marketing activity including being represented at trade missions to Hong Kong, China, Korea, Taiwan, India, Singapore, Malaysia and New Zealand. It will also be represented at ATE in 2009.

- Nautical Tourism

The term 'Nautical Tourism' is rapidly increasing in popularity, particularly in Europe and Central America much like what happened to the growth of the term 'Eco-Tourism' over the past 20 years. However, at present Nautical Tourism is relatively unknown in Australia.

The \$1.5 billion (AUD) Shell Cove Project is being positioned to be a pioneer in Nautical Tourism in Australia. It is the largest tourist/residential project ever developed by Local Government Authority in Australia.

Shell Cove is a unique 'Nautical Tourism' package which provides many new examples of innovation which may inspire other areas to grasp tourism as a catalyst for economic growth.

Shellharbour and the South Coast

To date Shellharbour is the only region or state in Australia who has focused on packaging and marketing a product under the theme 'Nautical Tourism'. This has provided Shellharbour and the South Coast of New South Wales with an outstanding opportunity.



The South Coast has ideal conditions for nautical tourism with a great number of advantages such as a beautiful coastline, pristine environments and the establishment of the Jervis Bay and Batemans Marine Parks.

The region has made major advances in tourism over the past five years with significant increase in visitor numbers each year from both the domestic and international sectors.

The first major boost was the now internationally recognised Grand Pacific Drive which incorporates the unique Sea Cliff Bridge.

The Shell Cove Project

The major catalyst for this push into Nautical Tourism was a decision made by Shellharbour City Council some 20 years ago. With record unemployment caused by a restructure of the nearby steel industry, the Council made a decision to refocus the city towards tourism by creating a new town with a new inshore boatharbour/marina as its major attraction.

Shellharbour City Council has championed this project in order to provide a catalyst for economic development and employment generation for both the city and the region.

The \$1.5 billion (AUD) Shell Cove Project is the largest tourist/residential project ever developed by Local Government in Australia and is being positioned to be a pioneer in Nautical Tourism in Australia.

Shell Cove which is within easy sailing or driving distance from Sydney, is destined to become a centre piece of Tourism for the South Coast, anchored by its harbour precinct/marina and an adjacent marine reserve and State Park.

Shell Cove is a new town that will house approximately 10,000 permanent residents as well as a large tourist component.

The project has now been underway for 10 years with over 1200 housing sites sold, and an 18 hole championship golf course completed.

The Project uses the cash flow from the sale of residential housing sites to pay for the infrastructure needed to create the boatharbour/marina precinct.

Preparatory construction work for the \$100m boatharbour/marina commenced in 2007 with major works being undertaken between 2008 to 2012.

Council's program is to have the boatharbour/marina, retail village and the hotel operational in 2012.

The South Coast Regional Tourism Organisation Inc will be enthusiastically supporting Shellharbour City Council in this project.

14. OPERATING BUDGET FOR 2008 - 2009

See Appendix 3

15. MARKETING BUDGET AND ACTIVITIES FOR 2008 - 2009

See Appendix 4

16. **LIST OF APPENDICES**

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