



# 2020 ANNUAL REPORT

*Cayman Islands Tourism Association*



11 NOVEMBER 2020



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## MISSION

*The Cayman Islands Tourism Association provides leadership, guidance and appropriate services for the benefit of its members and so contributes to a viable and sustainable tourism industry.*

## VALUES

### **Balance**

To encourage and support growth in our industry in a well - balanced manner, all short, medium and long-term tourism goals for the Country with clear intention and consideration towards our social, environmental and economic needs.

### **Support**

We commit to support members through services, initiatives, government and community relations to foster growth and success for our tourism industry.

### **Unification**

A body in which private tourism businesses band together to speak to the issues facing our industry, share knowledge and experience for the greater good of our Country's tourism product.

### **Responsibility**

To respect and lead the members of the Association and the Tourism industry forward with responsible, sustainable practices.

### **Excellence**

To reinforce and cultivate exceptional service, and distinct performance standards by exceeding our guests' expectations.

## BOARD OF DIRECTORS (2018-19/2020)



**Theresa Leacock- Broderick,**  
President, Condominiums Director



**Kenneth Hydes,**  
Immediate Past President



**Danielle Wolfe,**  
Vice President, Condo/Villas Director,  
(Resigned May 2020) The Board deferred replacement  
given the imminent AGM as emerged from lockdown



**Julie Allan,**  
Secretary, Restaurant & Night  
Club Director



**Gary Todd,**  
Treasurer, Tourism Transport  
Operators/Airlines Director



**Matthew Bishop,**  
Allied & Land Based  
Attractions Director





**Steve Shienfield,**  
Restaurant & Night Club Director



**Ash McKnight,**  
Watersports Operators Director



**Mick Maher,**  
Sister Islands Director,  
SITA President



**CJ Moore,**  
Watersports Operators Director



**Jay Mehta,**  
Allied & Land Based  
Attractions Director



**Lawrence Haughton,**  
Condo/Villas Director



**Raymond Hydes,**  
Cruise Director,  
(resigned May 2020)



**David Carmicheal,**  
Tourism Transport Operators/  
Airlines Director



**Anne Briggs,**  
Hotel Director,  
(Resigned June 2019) In accordance with  
Articles S. 49, the Board elected John Hazard  
of Grand Cayman Marriott Beach Resort

## TOP TOURISM ISSUES



### *The impact & challenges of the pandemic for CITA & the tourism industry*

The tourism sector around the globe has been one of the hardest hit by the COVID-19 pandemic. Cayman's tourism sector has not escaped this unprecedented financial crisis.

The country's borders have been shut since March 2020, and while some inbound travel is currently allowed, the islands are not open to short-stay tourists, as a minimum 14-day quarantine is mandatory for all arrivals. With the coronavirus surging through the US, UK and certain parts of Europe, there is little confidence that it will be safe to open Cayman's borders in the medium term.

The COVID-19 pandemic has provided CITA with the opportunity to serve and represent Cayman's tourism industry in its hour of greatest need and to help drive the economic recovery that is critical to the prosperous future of these islands.

CITA entered 2020 expecting record high tourism numbers on the back of the previous year and looked forward to setting out and achieving goals for the forthcoming decade. With the outbreak of the pandemic, existing plans were set aside as we switched to a crisis response mode and contended with continued uncertainty about the future.

Under the effective leadership of our President and the Board, we convened remotely and focused on the representational function of CITA as we took part in important discussions with government surrounding pandemic response and recovery and championing our members' interests through our input into government planning and decision making. Before the end of March, we provided our first set of recommendations to government as to what policy adjustments and actions would be necessary.

Sector Directors and member leaders took advantage of opportunity to dialogue with government throughout the crisis. All sector members participated in the consultation process and a number of sector leaders were invited to participate in Special Economic Advisory Committee work. CITA organised sector specific focus groups to coordinate industry input into the Tourism Recovery Plan (Recovery Back to 500k (RB5) produced by the Ministry of Tourism.

During lockdown, CITA worked with its members to draft COVID-19 operating safety guidelines. Following, it collaborated with the Cayman Islands Chamber of Commerce and helped to produce joint sector specific Safe Reopening Guidelines. As we gradually move to lift travel restrictions in Cayman, and tourism slowly restarts in other parts of the world, CITA is well positioned to work with industry bodies, sector partners and government, to ensure health and safety remains a priority and coordinated health protocols that protect workers, our community and tourists, while supporting companies and workers, are firmly in place.

While the pandemic has had a significant impact on tourism, perhaps no other sector has faced as much uncertainty and challenge as the cruise industry. The Cruise Lines International Association — which includes cruise companies Princess, Carnival, and Royal Caribbean — recently announcement that its members had voluntarily opted to maintain the current suspension of cruise operations in the US through the end of 2020. This, together with the fact that the Cayman Islands Government had already closed the country to cruise tourism until at least 2021, means there's no returning to mass cruise tourism as we once knew it. For now, Cayman's tourism leaders must target higher value tourism, such as stay-over visitors, and look to create up-market adventure, cultural experiences, unique experiences and sustainable green tourism that appeals to the new generation of incoming travelers.

With the focus on stayover tourism for the near future, CITA must work with its members, government and industry partners to retool and retrain Caymanians previously working in local businesses, excursion and tour operations within cruise tourism.

Financially, the pandemic had a huge impact on CITA's budgets for 2020. Revenue from events such as Taste of Cayman, on which CITA relies, disappeared almost immediately. Budgets remain under strain as our members' prioritise the survival of their businesses over their ability to pay membership dues. Membership renewal will be difficult in this environment and likely will continue to be throughout the remainder of this year and into 2021.

With the recovery of the tourism industry being led by the domestic sector, there are opportunities for the industry to target their offerings to home-grown visitors, particularly as Cayman residents continue to face overseas travel restrictions. Our focus is on helping our members survive off the local economy alone. The crisis is an opportunity for us to rethink our industry and develop measures to build a more resilient tourism economy in the post COVID-19 environment. It is critical that we begin strategic plans for economic recovery and ultimately greater sustainability upon the reopening of the borders.

CITA recently took part in a program, Experience Cayman, held by the Ministry of Commerce, Planning & Infrastructure which was aimed at promoting local vendors – retail, dining, services, excursions, staycations, cultural activities, to name a few. It is through programs like this, and CITA's own recent Restaurant Month that we can work together to drive attention, support and traffic to our local businesses.

As previously mentioned, the recovery process will be predominantly driven by domestic guests, but in the meantime a sub-group of the hotel sector continues to research as the science and technology unfolds, offering all information and resources to collaborate with government in finding pathways to a safe reopening of our borders to visitors. If Cayman continues to control the virus and implement sustainable and safe travel practices across our industry, this could create new opportunities that could in turn increase demand levels.

The function of CITA in the pandemic environment is more important now than ever before. It is during this time we can make the biggest difference to help support a strong economic recovery by connecting our members, hosting collaborative events, convening local response, promoting products and businesses, people and our islands. We will continue to dialogue with government to lobby for innovative relief efforts, to waive fees, delay penalties, remove barriers and regulations to help our tourism industry get back on its feet.

The outlook for Cayman's tourism economy recovery remains uncertain for now. While domestic tourism has restarted and is helping to sustain jobs and businesses, real recovery will only be possible when international tourism returns. The Cayman Islands Tourism Association is here to serve and lead, to support our members and sectors in rebounding quickly. Ultimately, this is how we will save jobs and aid our industry's economic recovery.







## THE PRESIDENT'S REPORT

*From our last AGM in May 2018 to the present of 2020, the year 2019 is but a faint memory given the tumultuous events of 2020 to date. Nonetheless, we are indebted to recognise and report on the workings of the Association from then to the present.*

With the change in the Association's fiscal year to August 31, which would mean a 17-month fiscal period to transition, the incoming Directors knew we were in for a slightly longer term than usual anticipating an AGM in early November 2019. We didn't however anticipate the significant changes in staff and the timing of those changes, which would impact the volunteer board's capacity to administrate all involved with the annual meeting.

In meeting the challenges of recruiting and finally welcoming Jay Ehrhart as our new Executive Director in early November 2019, we recognised that with his onboarding and the onset of another record breaking high tourism season, the AGM would have to follow the end of high season and the Taste of Cayman Food & Drink Festival in April 2020. However, none of us could ever anticipate the global COVID-19 pandemic that would unfold in March 2020 and here we are today, 12-months delayed from our original plans.

From the beginning of our 2018-19 term, we knew we had to continue the work of the previous Board, which was to direct the work of the Association to matters of relevance to our membership and to better service the needs of members to reflect the evolution of the industry. We recognised the need to shift CITA's staff resources and focus from events and marketing to activities centered on advocacy and member services. Hence, we set out to complete the restructuring of staff's job roles and functions to align with new organisational objectives. As expected, there were inherent challenges to internal organisational changes and redefining roles for existing personnel. It was a difficult process and one that had a significant impact on the Executive Committee's time and energy.

In July 2019, the Board accepted the resignations of the former Executive Director and the Marketing and Operations Manager. We took that opportunity to reexamine the requisites for the Executive Director role before commencing with recruitment. With the Board having adopted the strategy to continue outsourcing events and marketing communications in order

to dedicate the majority of staff resources to advocacy and member services, the position of the Marketing and Operations Manager was deemed unnecessary.

The Board also recognised that new streams of income had to be developed to diversify financial sources so the Association would not be so heavily dependent on events for raising funds. Once again, without ever imagining the halt and lockdown that the COVID-19 pandemic would bring, we didn't comprehend how close on our heels that dependency was. The pandemic and subsequent government social distancing measures, meant our main fundraising event scheduled for April 2020, Taste of Cayman, was postponed and rescheduled to October, before being later cancelled for 2020. Taste of Cayman 2021 is scheduled for April 2021.

On a positive note, we were pleased on many levels that in past two months, we were able to resume meeting the objective of outsourcing events, with Silverlight creating the 1st CITA Coca-Cola Golf Tournament and Tower facilitating Restaurant Month on our behalf. Both were successful fundraising events that served the interests of sector members and the promotion of the Association.

Unfortunately we were unable to hold the esteemed Stingray Tourism Awards in 2020. After a record breaking number of nominees and attendees at the 2019 awards gala, we hope to regain momentum in 2021 and to be able to honor and celebrate the stalwarts and heroes of the 2020 tourism industry amongst our membership.

In regards to membership, we continued to break barriers and build membership. It wasn't as stellar as desired but it has been a small and steady increase of 3% in 2018 and another 4% in 2019, to take us just shy of 300 members to date. The year brought an upsurge in participation as we engaged in an open door - or rather, an open Zoom - policy, to be inclusive of all members regardless of good standing, to respond to the challenges of the COVID-19 lockdown. Unfortunately but not surprisingly, we have had a dip in membership dues paid as a result of the pandemic's economic impact on our member businesses. As the Association rebuilds and serves its members, the Board of Directors is likely to review membership fees for 2021.

In the area of advocacy, despite the controversy and uncertainty riddling cruise tourism, we were encouraged by the progress of the National Tourism Plan. We had high expectations for the outcome of our consultations on the Tourism Law and Public Transport Law and were optimistic about the work of the Planning Department with Plan Cayman. We observed the slower pace of the Public Lands Commission in particular with regard to public beaches. The Association and its Directors, like the community at large, were polarised over the proposed Cruise Berthing Facility. Therefore, the Board of Directors remained neutral in its position on the project, and

instead advocated for members to make informed individual decisions on the matter. As citizens and mandated organisations exercised their rights and challenged the democratic process, we were all, regardless of individual positions, anxious as to the outcome. Then almost in an instant, years of cruise port controversy was over-shadowed by the coronavirus pandemic.

It has been these ominous moments of this year of COVID-19 that we have come together as an industry - mostly through Zoom. Like never before, advocacy has been synonymous with member services, as Directors and members alike, have worked together to identify and advocate for interim policies and much needed assistance, to establish and share new operating protocols to enable us to reopen for domestic business. With the resources and fortitude of our member organisations to research and innovate, we continue to work together to find a pathway that will be acceptable to eventually safely reopen for overseas business. Ironically, it is through the unpromising outlook for tourism throughout this pandemic that sparks a promise of a naturally emerging balance between cruise and stayover tourism for the future.



As I reflected on my preparations to serve as President and Chairman, I recall reading and learning that the role of Chairman of the Board is to facilitate, not dictate. As chairperson, or facilitator, I had the responsibility to ensure the voices of others were heard. I took that responsibility seriously and, in so doing, have developed tremendous appreciation and respect for my fellow Directors. They are to be commended for their personal commitment, in terms of time, energy, integrity and duty of the office held. They placed the Cayman Islands tourism industry, their Sectors and the Association's interests above their individual personal or business interests during very challenging times and controversial issues. I am also indebted to Tim Adams and Rod McDowall for their council and guidance. Both honorable gentlemen have a long history of service to the Association and again served as the Ethics and Policy Committee.

As I consider the line-up of nominees for the new Board of Directors, I am encouraged and confident in the future. From discussions with these good people and many who considered standing for election, I've realised that for most of our industry business leaders, it has become either a matter that you have nothing to lose or, you stand to lose everything. These are powerful circumstances that call for powerful leadership. I trust that with membership support they are up for the task.

In ending my term, my belief and trust in "due process" and the force of time, has been reaffirmed from this past year's events. Be it political, judicial or the forces of nature, we should know the importance of honoring and protecting due process and, above all, to know that there's a time for everything.

As I close my term of presidency as we approach the end of 2020 and the eve of 2021 and what will be CITA's 20th anniversary, it's timely that the organisation is at its core, shedding what no longer works and freer to rebuild and shape the future of the Association for a new era of tourism. There is much work to be done for the Association and the industry, just as it is for our country, as we survive and reemerge from the pandemic to shape the future of tourism with a deeper understanding of what tourism truly means for us and the people of the Cayman Islands. It has been an honor and privilege to work with and for you. I thank you for your involvement, your engagement and, in many cases, what has become your friendship; after all, it is through relationship that we work, achieve and must remain ...Together for Tourism.

***Theresa Leacock- Broderick***

*President, Cayman Islands Tourism Association*







## THE TREASURER'S REPORT

**The Cayman Islands Tourism Association (CITA) ended the 2020 financial year with total assets of CI\$283,688 and net loss of CI\$51,887.**

2020 has been a challenging year financially for CITA as it has been for many of our members. COVID19 restrictions resulted in the cancelation of CITA's main fundraising event, Taste of Cayman for 2020, as well as heavy reductions in revenue from the Kittiwake attraction which has been a strong revenue earner in years past. CITA has taken cost reduction measures including reduction of staff, a salary reduction and closing of its physical office space.

The cancelation of our main fundraiser highlights the need for CITA to diversify its revenue sources moving forward. On this front, CITA has already begun to make progress for the next fiscal year. In September we held our first golf tournament, which was a great success, with hopes of making it an annual event. Other fundraising events are also being planned for late 2020, early 2021.

While finding new diverse sources of revenue will be a priority for 2021, CITA leadership recognises that we must do so without compromising resources allocated to its advocacy role and member services. Moving forward, CITA plans to continue working on ways to outsource fundraising and marketing initiatives such as we have done with Tower and Taste of Cayman, which will allow us to increase and maintain more revenue streams while CITA's time and resources are allocated to our core objectives of serving the needs of our membership.

**Gary Todd**

*Treasurer, Cayman Islands Tourism Association*



# FINANCIAL STATEMENTS

*Unaudited for the Fiscal Year: September 1, 2019 - August 31, 2020*

## Balance Sheet

	Year Ended 31st August 2020	17 Months Ended 31st August 2019	Year Ended 31st March 2018	Year Ended 31st March 2017	Year Ended 31st March 2016	Year Ended 31st March 2015
<b>ASSETS</b>						
Cash and Cash Equivalents	220 986	265 557	358 729	403 138	378 949	299 688
Accounts receivable	26 857	54 884	89 625	15 768	48 324	91 105
Inventory Asset	1 763	3 263	111	1 374	4 391	3 659
Fixed Assets and Leasehold Improvements	-	-	-	-	-	56
Deferred Costs	34 082	2 430	6 963	17 047	2 775	13 848
Prepaid Rents	-	11 250	2 833	1 833	1 833	21 833
<b>Total Assets</b>	<b>283 688</b>	<b>337 383</b>	<b>458 261</b>	<b>439 160</b>	<b>436 272</b>	<b>430 189</b>
<b>LIABILITIES &amp; EQUITY</b>						
<b>Liabilities</b>						
Accounts Payable	951	1 834	1 634	9 141	1 170	2 279
Payroll Liabilities	-	-	1 971	1 757	766	1 617
Deferred Income	33 447	33 273	70 399	29 475	26 725	-
Trust/Special Projects Funds	287 574	288 674	302 574	315 030	320 248	330 248
<b>Total Liabilities</b>	<b>321 972</b>	<b>323 782</b>	<b>376 578</b>	<b>355 403</b>	<b>348 909</b>	<b>334 144</b>
<b>Equity</b>						
Retained Earnings	38 285	13 602	81 683	104 033	87 363	96 045
<b>Total Equity</b>	<b>(38 285)</b>	<b>13 602</b>	<b>81 683</b>	<b>83 757</b>	<b>87 363</b>	<b>96 045</b>
<b>Total Liabilities and Equity</b>	<b>283 688</b>	<b>337 383</b>	<b>458 261</b>	<b>439 160</b>	<b>436 272</b>	<b>430 189</b>

## Statement of Income and Retained Earnings

<b>INCOME</b>						
Taste of Cayman	-	37 000	577 881	527 703	216 794	281 317
Special Events Income	5 048	87 227	59 174	69 255	57 490	28 655
Kittiwake Attraction	27 947	135 636	108 562	112 865	134 015	142 676
Annual Dues	102 651	141 080	91 344	83 075	72 715	104 728
Publications Income	-	30 750	40 750	18 200	24 600	8 200
Mobile Apps Income	-	-	-	2 000	5 951	-
Other Income	3 576	1 240	1 424	470	1 335	3 264
<b>Total Income</b>	<b>139 222</b>	<b>432 933</b>	<b>879 135</b>	<b>813 568</b>	<b>512 900</b>	<b>568 840</b>

<u>Statement of Income and Retained Earnings</u>	Year Ended 31st August 2020	17 Months Ended 31st August 2019	Year Ended 31st March 2018	Year Ended 31st March 2017	Year Ended 31st March 2016	Year Ended 31st March 2015
<b>EXPENSES</b>						
Taste of Cayman **	-	-	514 095	471 656	172 525	211 847
Special Events	1 640	72 317	67 108	58 872	57 116	39 145
Kittiwake Attraction	32 800	73 380	51 072	59 316	64 095	70 330
Dues & Membership	-	1 086	-	328	-	-
Caribcert	-	-	-	-	-	-
Salaries and Benefits	108 857	239 046	158 848	139 950	136 563	123 411
Rent, Utilities & Telephone	21 917	56 511	33 785	35 115	32 021	36 332
Community Relations/Donations	-	-	-	-	-	-
Training	-	550	-	1 000	1 275	413
Meetings/Tradeshows/Conferences	242	3 342	1 733	1 715	1 573	3 328
Office Expenses	13 193	25 425	39 423	34 236	33 874	21 635
Scholarships/Sponsorships	-	500	750	975	1 360	900
Membership Marketing	1 223	23 805	2 316	7 825	2 993	6 062
Other	-	12	-	-	-	-
Legal and Professional	9 845	1 532	2 106	2 465	1 074	3 195
Bank Charges	1 392	2 922	2 155	2 389	3 228	3 648
Write Off's (Previous Years)	-	587	-	815	14 346	-
Amortization and depreciation	-	-	-	-	56	880
Kittiwake - Transfer to Trusts Funds	-	-	-	-	-	4 970
<b>Total Expenses</b>	<b>191 108</b>	<b>501 016</b>	<b>873 390</b>	<b>816 657</b>	<b>522 099</b>	<b>526 096</b>
<b>Net (Loss)/Income for Year *</b>	<b>(51 887)</b>	<b>(68 082)</b>	<b>5 745</b>	<b>(3 089)</b>	<b>(9 199)</b>	<b>42 744</b>
<b>Retained Earnings at beginning of Year</b>	<b>13 602</b>	<b>81 683</b>	<b>83 757</b>	<b>86 846</b>	<b>96 045</b>	<b>53 301</b>
<b>Retained Earnings at end of Year</b>	<b>(38 285)</b>	<b>13 602</b>	<b>81 683</b>	<b>83 757</b>	<b>86 846</b>	<b>96 045</b>
* Audit adjustment on Income to correctly aembership dues invoiced for 2018						
** Taste of Cayman - The financial reporting f2018 includes all services donated in-kind						
** Taste of Cayman - Net Proceeds per Year	-	37 000	63 786	56 047	44 269	69 470

# AUDITOR'S REPORT 2018-2019

For the 17 Months transitional Fiscal Year: April 1, 2018 to August 31, 2019



## **RELLIM INTERNATIONAL LIMITED**

P O BOX 751, GRAND CAYMAN, CAYMAN ISLANDS KY1-1103

02 July 2020

The Executive Committee  
Cayman Islands Tourism Association  
P O Box 31086  
1320 West Bay Road

Dear Sirs

### AUDIT REPORT 1 APRIL 2018 TO 31 AUGUST 2019

#### BACKGROUND

We have conducted a full and thorough review of the accounting records of the Cayman Islands Tourism Association for the period 1 April 2018 to 31 August 2019 including but not limited to:

1. A 100% vouching of cheque payments from cheque counterfoils to the General Ledger together with a representative random verification of cheque counterfoils to the payment source records.
2. A 100% vouching of the Vendor Transaction Listing to the General Ledger together with a representative random verification to the Vendor Transaction Listing of Vendor invoices.
3. A 100% vouching of bank deposits from bank deposit slips to the General Ledger
4. A 100% vouching of the Customer Transaction Listing to the General Ledger together with a representative random verification of the Customer Transaction Listing to Customer invoices.
5. A 100% vouching of Credit Card entries to the General Ledger.
6. A 100% vouching of all additional General Ledger entries to verify their authenticity and accuracy.

As a result of the above vouching certain accounting re-allocations were determined, tabulated and presented for amendment/correction. All entries were satisfactorily processed and revised Trial Balance, Profit and Loss Account and Balance Sheet produced and forwarded for our verification.

The reconciliation of the CI\$, US\$ and Credit Card statements were verified monthly to the General Ledger and the reconciliations of each account as at 31 August 2019 agreed.

All questions and requests put to management during the course of the audit review were satisfactorily answered.

#### FINANCIAL RESULTS

The Net Deficit for the period of US\$68,081.37 summarized as follows is in our opinion a true reflection of the results of the trading period 1 April 2018 to 31 August 2019 of the Cayman Islands Tourism Association.



**Auditor's Report continued...**

	\$
<u>Income</u>	
Kittiwake Attraction	62,256.84
Lionfish Hunts	2,200.00
Taste of Cayman	36,979.52
Membership	117,275.37
Stingray Tourism Awards	8,938.56
Restaurant Month	4,791.72
Royalties and Publications	29,750.00
Other Income	1,240.00
Total Income	<u>263,432.01</u>

<u>Expenses</u>	
Operating Costs	92,205.79
Employment Costs	239,295.85
Other Expenses	11.74
Total Expenses	<u>331,513.38</u>
<u>Net Deficit</u>	<u>68,081.37</u>

The Net Assets total of \$302,275.84 as at 31 August 2019 summarized as follows is in our opinion a true reflection of the Net Worth of the Cayman Islands Tourism Association as at 31 August 2019.

	\$
<u>Assets</u>	
Cash and Bank	265,557.05
Accounts Receivable	17,884.33
Prepayments	13,679.55
Inventory	3,262.51
Other Assets	37,000.00
Total Assets	<u>337,383.44</u>
<u>Current Liabilities</u>	
Accounts Payable	1,247.30
Accrued Expenses	587.16
Deferred Income	33,273.14
Total Current Liabilities	<u>35,107.60</u>
<u>Net Assets</u>	<u>302,275.84</u>
<u>Trust Funds and Equity</u>	
Trust Funds	288,674.00
Equity and Retained Earnings	81,683.21
Deficit for Period	<u>- 68,081.37</u>
Total Trust Funds and Equity	<u>302,275.84</u>

**Auditor's Report continued.**

**CASH FLOW**

The Cash Flow Statement for the period is as follows.

Cash and Bank Balances 31 March 2018	358,829.16
Changes in Operating Assets and Liabilities	
Accounts Receivable	71,640.92
Prepayments	- 4,883.42
Inventory	- 3,151.80
Other Assets	- 36,000.00
Accounts Payable	1,247.30
Accrued Expenses	- 1,047.01
Deferred Income	- 37,125.86
Other Current Liabilities	- 1,970.87
Increase in Trust Funds	- 13,900.00
Net Deficit for Period	- 68,081.37
Cash and Bank Balances 31 August 2019	265,557.05

Sincerely



ANTHONY JOHNSON FCCA ABCS  
Consultant  
Rellim International Limited

Professional Assistance Guaranteed Tel: 345-947-0747 [www.rellimintlcyman.com](http://www.rellimintlcyman.com)

## SECTOR REPORTS



### ACCOMMODATIONS

#### **Hotel sector & condo/villa sector combined**

The accommodation sector is proud to anchor our Cayman tourism industry and help channel business to our partners across the other sectors. With that reality, the accommodation sector was the first consulted by government in their initial decision to close the airport. Since that moment, we have been proactive to address the avalanche of devastating implications for our industry.

The HR professionals of the big four SMB hotels serving on the CITA HR Advisory Committee quickly responded and shared their expertise with all Board Sector Directors. The immediate initial assessment of the looming situation gave rise to CITA crafting before the end of March, its first wave of recommendations to government as to what policy adjustments and actions would be necessary. Sector Directors and member leaders have taken advantage of any opportunity for dialogue with government throughout the crisis. All sector members participated in the consultation process and a number of sector leaders were invited to participate in Special Economic Advisory Committee (SEAC) work.

The hotel sector harnessed and shared expertise and resources to lead the development of sanitation and safety protocols for reopening. A sub-group of the hotel sector led the charge for developing possible pathways to reopening, starting with the concept of a safe haven for high

net worth long-stay visitors. The group then developed a comprehensive reopening protocol based on best practices from around the world and reached agreement with the Programme Board for the Safe Reopening of Our Islands headed by the Deputy Governor. The condo/villa sector has also joined this effort.

The accommodation sector firmly believes that if there is a willingness to reopen to visitors, there are proven pathways to do so safely. If there is a will, there is a way. Many of our regional neighbours have already demonstrated this. As the only major tourist destination in the Caribbean without an announced plan for reopening, we stand ready to work with government and other stakeholders to rebuild the tourism industry of our Islands.



## RESTAURANTS

### **Restaurant Month**

Restaurant Month has become a popular event for CITA and the promotion has shown steady growth over the past two years. This year, with so many in our industry hit hard by the pandemic, we decided against charging a fee for restaurant participation. Our marketing partners, Tower, were contracted this year to help run the event. We are grateful for the on-going sponsorship support of Hurley's Media Ltd, Cayman Good Taste, and Home Gas and were pleased to welcome many new sponsors including RBC Wealth Management, Cayman Islands Chamber of Commerce, SteppingStones, Cayman Islands Centre for Business Development, Ministry of Commerce, Planning and Infrastructure, and the Ministry of Health, Environment, Culture and Housing.

Despite not charging a fee for restaurant participation, we were still able to show a profit from the event due to the donations of our generous sponsors.



We continue to receive positive feedback from participating restaurants as well as their guests who took advantage of the great promotions on offer. We are confident this is an event that will be ongoing and successful with room for further growth. We welcome feedback and ideas from all CITA members to make this event even more successful.

### ***Taste of Cayman Food & Drink Festival***

In 2019 January, the scheduled Taste of Cayman was postponed to April 6 due to weather forecasts of high winds. The festival could not safely take place in the predicted elements and the decision had to be made a week out in order to provide adequate notice to vendors and event partners. The festival was held in April as scheduled, with the Taste of Cayman committee together with event partner, Tower producing a successful event once again. The entertainment was one of our most popular years, with local acts and Simply Queen taking the main stage. Following a survey of vendors and discussion amongst the Board, it was agreed by the Taste of Cayman committee that the April date worked well, so we announced April 4 as the date for 2020 and moved forward with the organisation of the event. However, following the spread and impact of the global COVID-19 pandemic, on March 13 we announced the postponement of the event due to the government's restrictions limiting gatherings to 50 people. The event was rescheduled to October 24, however was later cancelled due to the restrictions limiting gatherings to 500 people. We now remain positive and hopeful that in April 2021 we can host Taste of Cayman once again, if even on a smaller scale or in a re-imagined manner.

We thank all our Taste of Cayman vendors and sponsors for their participation, patience and partnership. We couldn't host this event without your support. A big shout out also to our volunteers, many of whom are CITA members. Year after year we see the same faces, and are so grateful for your time and efforts.

### ***Advocacy***

CITA continues to liaise with government regarding the issues facing tourism. Although the legislation was not passed in time for this year, we had asked government to waive liquor license fees as a small token of help for Cayman restaurants and bars during this unprecedented difficult time. The fees will be waived in 2021.

For now, we sincerely hope all our restaurant members can survive off of the local economy and we look forward to the country's borders opening in the near future. In the meantime, please reach out to us with thoughts, ideas, any input, as we are always happy to listen and help where possible. Stay safe.



“ Our past doesn’t define who we are. It just gives us a starting point for who we are going to be.

## WATERSPORTS

2020 has taken the watersports industry from thriving to surviving, but the creativity and the re-tooling of the way we have done things in the past has brought new opportunities for those innovative thinking companies.

Our number one priority is always the safety of our staff and our guests. With advice from companies such as PADI, Divers Alert Network, CITA and our own Department of Environmental Health, we believe we have handled the impact of the COVID-19 pandemic well. While our borders remained closed, we have had to reshape and re-strategise for our business continuity - and that we have done very well. The Aggressor has provided successful staycations for the local market, including day dive trips from Grand to the Brac and Little Cayman. Twelve-mile Bank has enticed a few operators to show our resident guest something new in the world of diving. Many of the North Sound operators have taken their time to improve by obtaining their boating and captain licenses. There have been no shortages of catch for our fishermen. Many newly scuba certified residents are now realising that Mother Nature went all out in creating Cayman’s extraordinary ocean playground. The younger generation has been included with kids snorkeling camps on the North Sound and the introduction of kids after-hour dive programs. Just think if we had done all of this business on top of our old standard things!

Life has changed so as watersports operators we must also change, as we have been doing.

Communication with relevant stakeholders remains key with issues such as renegotiating store rent, dock space, refinancing a bank loan, or reworking contracts. As watersports operators we also need to maximise the use of our government support and policies. Many of our operators took advantage of first a \$3,000 government grant, then a further \$10,000 for some. Low interest bank loans are on offer and Caymanian employees are receiving \$1,000 a month assistance. The Department of Tourism is retraining employees in all tourism sectors including watersports.

Many of our forefathers were pioneers in the watersports industry and are now inductees in the International Scuba Diving Hall of Fame. Just like them, it's now our turn to take action and be pioneers in building resilience in preparation for this new normal in our industry.

The Eco Diver Reef Foundation coral reef management program has made amazing progress in the 2019-2020 season. The current program involves primary nurseries at Don Fosters,





Divetech, Jackson Point and Sunset House. In addition to these primary nurseries, they have also expanded to create an additional eight mini-nurseries across the entire Western coastline of Grand Cayman. Together, these 12 sites were able to spawn in the Summer of 2020 and will have blanketed the nearby reefs with new coral life. Combined, these sites cover roughly ten miles of coastal area and are being monitored for new coral growth starting this year. Observations during the past three years at the Sunset House and Divetech sites offer a promising view of the results we can look forward to. A pleasant dive between the Sunset House and Don Fosters sites offers an easy opportunity for divers of all skill levels to view the abundance of Staghorn provided through the spawning focused program. CITA opened the Kittiwake to all that wanted to dive the site without needing a token, and this will continue as long as Cayman's borders are closed to regular commercial flights.

The Cull-Cayman United Lionfish League has been busy and has completed its 32nd tournament on October 10-11, 2020 - unfortunately the lionfish in Cayman's waters did not take a break during the COVID-19 lockdown. Thankfully, nor did other ocean critters with various operators reporting the sightings of many wonderful creatures.

In mid-October the Cayman Islands Department of Environment met with various watersports stakeholders alerting us to the presence of the deadly Stony Coral Tissue Loss Disease. In-water activities have now been banned from Bear's Paw at the edge of West Bay and Delia's Delight off the North Side. With the help of volunteers, watersports operators and DOE we hope to find a solution to stem the spread of this disease. The recent events at Eden Rock where a tugboat pushed a lot of sand on the reef, showed an outpouring of concern from Cayman's community for the health of our reefs.

There is no hiding the fact that this pandemic has been hard on everyone. Those who are constructive, adaptive and positive will advance as the surviving population.







## 2020, WHAT A YEAR!

### *A message from the Executive Director*

I started as the Executive Director of CITA at the end of 2019 with high hopes. Tourism arrivals were up, and for all intents and purposes, 2020 was going to be a banner year for the industry. The COVID-19 pandemic reared its ugly head in March and immediately changed the face of travel across the globe.

Like many of our members, the economic impact of the pandemic on CITA was severe. With plans already underway to move out of our office on West Bay Road in April, we did our best to minimise costs by moving the office to a room in my home and rearranging CITA's storage unit to hold essential furniture and documents until a new office can be found. I am currently the only employee of CITA and following my recommendation to the Board, the Executive Director position was given a twenty percent pay reduction to help save expenditures.

I would like to thank our members for working diligently on the reopening documents that CITA supplied to the government. You are the experts in your industry and we could not have completed those tasks without your knowledge and skill.

Taste of Cayman Food & Drink Festival was postponed twice in 2020. At this point in time, it is unclear if the event will be able to take place in 2021 under the current Public Health (Prevention, Control and Suppression of Covid-19) Regulations 2020.

Restaurant Month in October was able to move forward and is considered a win for that sector of the industry. In addition, the first CITA Coca-Cola Open Golf Tournament took place and both sponsors and players said it was a resounding success. Both events earned much-needed funds for CITA.

There is reason for optimism for the industry moving forward. A recent survey caught my eye that stated over 70% of leisure travelers plan to spend at the same levels or higher when travel opens again. Additionally, a recent survey by the Cayman Islands Economic and Statistics Office stated that 84.9% of residents leaving the islands during the emergency flights in March planned to return to the jurisdiction. I am confident that when the borders reopen for vacationers, the Cayman Islands will still be their destination of choice.

**Jay Ehrhart**

*Executive Director, CITA*



## ACKNOWLEDGEMENTS

The Board of Directors extend appreciation to Tim Adam and Rod McDowall who provided guidance on matters of Ethics and Policy and to Ken Hydes, the Association's Past President who provided some continuity in the operational affairs during transition period and thereafter as needed.

We acknowledge Dione Belafonte, the Administrator Assistant, and Leanna Jarvis, Member Services Coordinator for working through very difficult times to unfortunately, an unceremonious end as we faced the unsustainable financial situation.

We also recognise and thank Julie Arnall, our independent accountant, who is the longest serving contracted service provider or employee in the Association's history. She has been a tremendous support and source of information over the transitions.

As the other contracted service provider, we recognise and thank "Team Tower", that is the leadership and the talents of the staff at Tower that have provided event management and the associated on-going marketing communications for Taste of Cayman and most recently, Restaurant Month.

Thanks to Tower and Silverlight along with a multitude of private enterprise sponsorships and the Cayman Islands Government. We restarted the work of rebuilding CITA'S financial resources.

We thank Jay, our Executive Director, for his fortitude and willingness to roll up his sleeves, rally support, to relocate the office, reorganise storage, and weather the storm. His journalism, communications and hosting talents has served the Association well these past ten months of navigating through what we now know is the first year of the pandemic. We thank him also for his efforts these past few weeks and last few days for all the organising and coordinating skills he could muster as well as for his ability to rally the support of others required to execute this AGM.

There are many others who have contributed to the Association's success. For those not mentioned here, we thank you for your continued support of our industry and CITA.



## THANK YOU

*Thank you to all of those members of the community that support the ongoing efforts of CITA through its various events and programs.*

### TASTE OF CAYMAN SPONSORS

**2019:** Hurley's Media; AI Rentals; Tower; Camana Bay; Flava; Cayman Airways; Hews Janitorial; Sharkeez; Home Gas; Hyperion; Cayman Spirits; Bon Vivant; CUC; Flow; Security Centre; CEL; Fast Signs; DHL; Cayman Islands Department of Tourism; Caribbean Club; Yello; Grandview Condos; High Impact; Office Supply; Tourism Attraction Board; Majestic Tours.

**2020:** RCCL; Hurley's Media; AI Rentals / Save The Date; Tower; Camana Bay; Britcay; Sharkeez; Hews Janitorial; CUC; Yello Media Group; Office Supply; Subway; Best Dressed Chicken; Island; Heritage; CDG; Cayman News Service; Caymanian Times; High Impact Media; CEL; Bon Vivant; Home Gas; Marriott Beach Resort, Grand Cayman; Ministry of Health, Environment, Culture and Housing, Cayman Islands Government.

### RESTAURANT MONTH SPONSORS

Ministry of Commerce, Planning & Infrastructure, Cayman Islands Government; Cayman Islands Centre for Business Development; Cayman Good Taste Magazine; Hurleys Media Ltd; Home Gas; Stepping Stones; Ministry of Health, Environment, Culture & Housing, Cayman Islands Government; The Cayman Islands Chamber of Commerce; RBC Wealth Management; Fidelity.

### STINGRAY TOURISM AWARDS SPONSORS

The Ritz-Carlton; Grand Cayman; Cayman Islands Department of Tourism; Ministry of District Administration; Tourism & Transport; The Westin Grand Cayman; Seven Mile Beach Resort & Spa; Explore Cayman; Hurley's Media Ltd; EventPro; Picture This Studios; Tillie's; Caymera International; Marriott Beach Resort, Grand Cayman; Celebrations; Island Art & Framing.

### CITA GOLF TOURNAMENT

Coca-Cola; CIBC First Caribbean; Engle & Volker; Elite Marble and Granite; Home Gas; Living.KY; Campbells; Trac; Ritz-Carlton; Silverlight; Yello.

