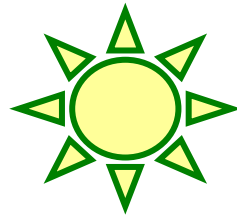




The Sustainable Tourism Stewardship Council (STSC)

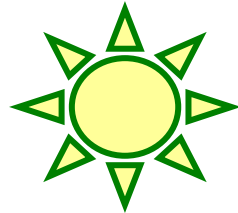
**Setting Up the Sustainable Tourism Stewardship
Council**

**Business Plan & Marketing
Strategy Presentation**

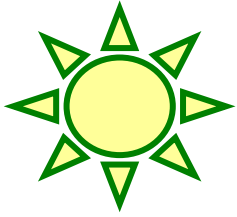


Prepared by Gordon Sillence -Lead Consultant to the
STSC Business Planning Project Jan 2007
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STSC Business Plan & Marketing Strategies



- This presentation is based on the Excel Workbook STSC Business Plan Primary Overview and related documents, which contains more detailed information.
- A full overview of the activities covered in this business plan are available in the document STSC Governance Systems, Business Plans and Marketing Strategies 2007 - 2012



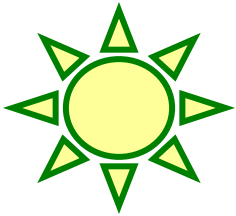
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- 2 Income and Expenditure Overview**
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- 4 Revenue by Phase**
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- 6 Breakdown of Standards Development Costs**
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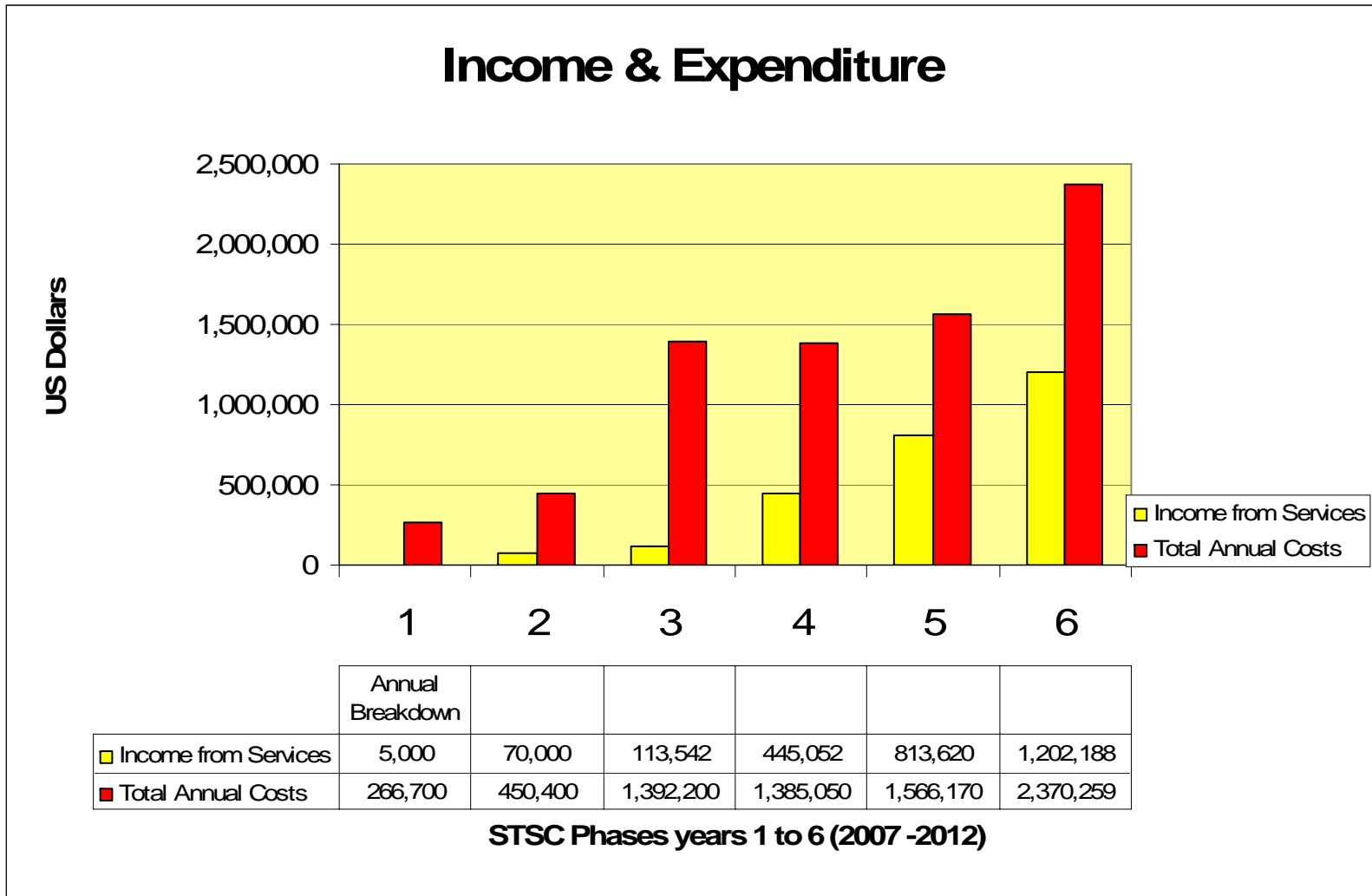
1 The Business Case for the STSC

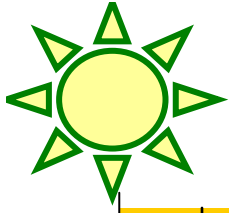


1. The tourism sector needs to be sustainable in the both the short and long term, which means ensuring that businesses can be competitive without having negative environmental and social impacts.
2. Certification is a tool to achieve this. In the global market place, national or regional certificates need an internationally recognisable, trustworthy set of sustainability criteria. The creation of the STSC makes this possible through a multi-stakeholder effort that can effectively determine a common standard, and distribute the costs of setting up a global accreditation system among those who will benefit.
3. The STSC knowledge network is a cost efficient way of being in contact with others for the purposes of data gathering, information exchange, revenue generation and acquiring knowledge and building partnerships for joint actions.
4. A successful STSC can improve certificate end-user numbers as well as helping sustainable businesses develop a good profile on the global market-place.
5. Self-sufficient operation of the STSC by 2017 is possible, and provides a clear argument itself for the business case for a global accreditation service focused on sustainable tourism.



2 Income and Expenditure Overview

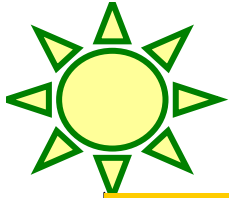




3. STSC Costs by Phase

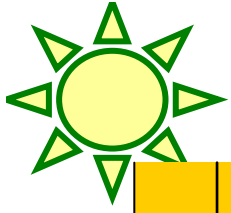
	STSC Business Plan Overview 2007 -2012	Network Phase Total	Partnership Phase Total	Accreditation Phase Total	STSC 3 Phase Total
	Summary by Phase	Costs US \$	Costs US\$	Costs US\$	Costs US\$
	Staff Salaries		105.000	1.966.628	2,071,628
	Employer's costs			786.651	786,651
	(total staff costs)	0	105.000	2.753.279	2,858,279
	Third Party, Consultant & Marketing Fees				0
	Audit Fees		0	70.000	70,000
	Legal Fees		20.000	255.000	275,000
	Trademark registration costs		10.000	40.000	50,000
	Staff training		2.000	20.000	22,000
	IT - external support	20.000	50.000	240.000	310,000
	Design work	10.000	55.000	265.000	330,000
	Printing and publishing	10.000	95.000	644.000	749,000
	Translation	2.000	20.000	200.000	222,000
	Administration	5.000	40.000	630.000	675,000
	(Total 3rd Party Consultants/Marketing)	47.000	292.000	2.364.000	2,703,000

(Continued ...)



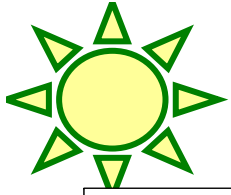
3a STSC Costs by Phase (cont'd)

	STSC Business Plan Overview 2007 -2012	Network Phase Total	Partnership Phase Total	Accreditation Phase Total	STSC 3 Phase Total
	Summary by Phase	Costs US \$	Costs US\$	Costs US\$	Revenue & Costs US\$
Travel and accommodation					
	STSC staff and consultants	15.000	116.000	407.000	538,000
	event travel and accommodation	20.000	84.000	944.000	1,048,000
	(Total Travel and Accommodation)	35.000	200.000	1.351.000	1,586,000
Office costs					
	Rent	0	12.500	96.000	108,500
	Phone, fax, internet	4.000	8.000	28.800	40,800
	Office Supplies	1.200	6.200	9.800	17,200
	Miscellaneous Office costs	0	1.200	0	1,200
	Computer Equipment	0	5.000	110.800	115,800
		5.200			
	(total office costs)		32.900	245.400	283,500
	B Total Costs	87.200	629.900	6.713.679	7,430,779



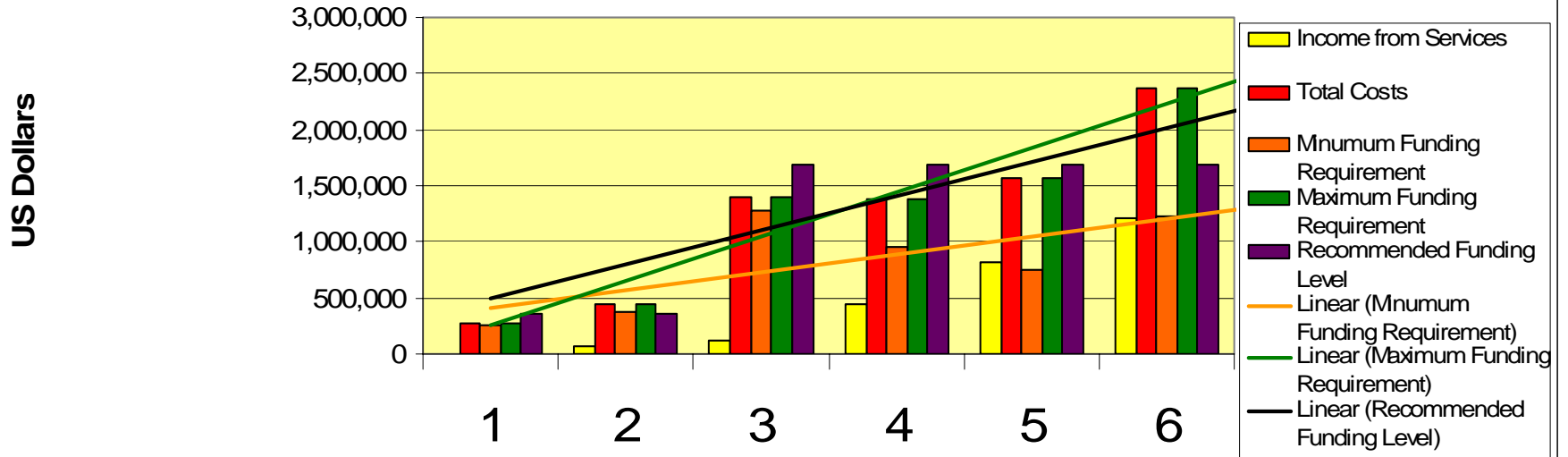
4 STSC Revenue by Phase

	STSC Business Plan Overview 2007 -2012	Network Phase Total	Partnership Phase Total	Accreditation Phase Total	STSC 3 Phase Total
	Funding Revenue				
	Donations - Core	87.200	376.900	2.447.585	2,911,685
	Donations - Project Specific		24.000	501.681	525,681
	Sponsorship of STSC events		154.000	1.258.000	1,412,000
	Sub-Total A1	87.200	554.900	4.207.266	4,849,366
	Revenue from Services				
	KN Membership fees			0	20,000
	Membership fees		20.000	714.844	714,844
	Other Services			0	0
	Royalties/commissions on STSC standards use			0	0
	Accreditation Fees - Maximum estimate			80.000	80,000
	Training Fees			537.500	592,500
	STSC Trademark Marketing Fees		55.000	1.313.542	1,313,542
	Subtotal A2		75,000	2.574.401	2,649,401
	A Total Revenue	87.200	629.900	6.781.667	\$7,498,767



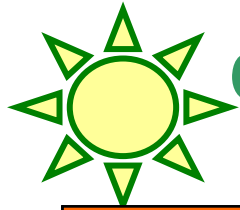
5 Minimum and Maximum Funding Requirements

Minimum & Maximum Funding Requirements



	Annual Breakdown					
Income from Services	5,000	70,000	113,542	445,052	813,620	1,202,188
Total Costs	266,700	450,400	1,392,200	1,385,050	1,566,170	2,370,259
Minimum Funding Requirement	261,700	380,400	1,278,658	950,000	752,549	1,226,060
Maximum Funding Requirement	266,700	450,400	1,392,200	1,385,050	1,566,170	2,370,259
Recommended Funding Level	358,550	358,550	1,695,417	1,695,417	1,695,417	1,695,417

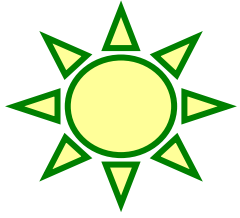
STSC Phases years 1 to 6 (2007 -2012)



6 Breakdown of Standards Development Costs

Accreditation Phase		Total	2009 - Year 3	2010 - Year 4	Year 5	Year 6
Standards Programme						
Standards Projects Cost Summary		US\$	US\$	US\$	US\$	US\$
	Staff Costs	613,204	138,600	145,530	160,524	168,550
	Third Party and Consultants	24,000	6,000	6,000	6,000	6,000
	Travel and Accommodation	483,200	120,800	120,800	120,800	120,800
	Total Cost	1,166,724	285,200	281,170	296,164	304,190
STANDARDS WORK PROGRAMME PROJECTS						
1	Standard Project Staff and Overhead	750,724	181,200	177,170	192,164	200,190
2	International Tourism Standards Committee	208,000	52,000	52,000	52,000	52,000
3	Accreditation Standards Support Committee	208,000	52,000	52,000	52,000	52,000
		\$1,166,724				

NB Costs of Network and Partnership phases should be added to gain a true picture of standards development costs

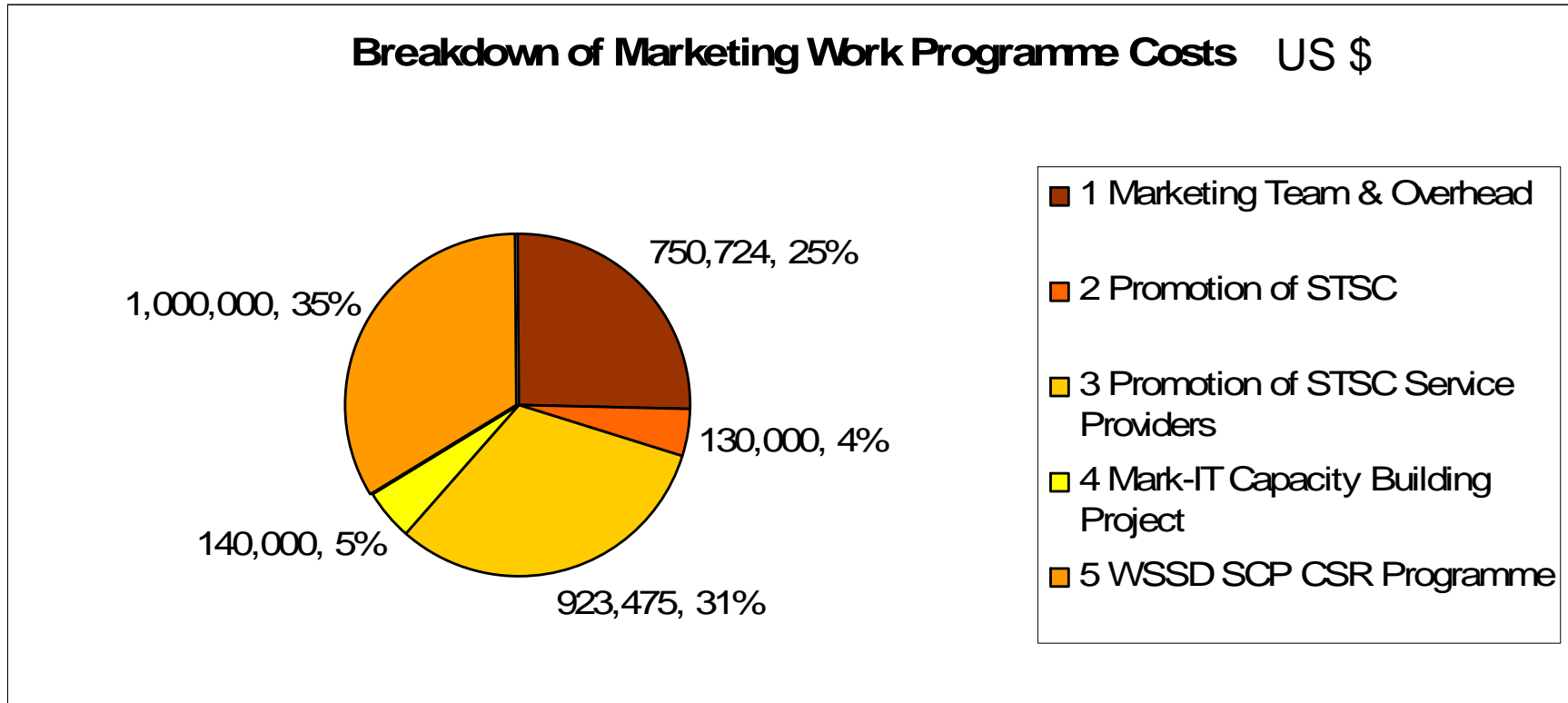


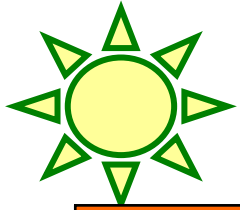
7 Breakdown of Marketing Program Costs

Accreditation Phase	Total	Year 3	Year 4	Year 5	Year 6
Marketing Programme					
Marketing Projects combined totals	US\$	US\$	US\$	US\$	US\$
Marketing Total Expenditure	2,944,199	407,400	486,370	636,864	1,413,565
Marketing Programme Projects					
1 Marketing Team & Overhead	750,724	181,200	177,170	192,164	200,190
2 Promotion of STSC	130,000	40,000	30,000	30,000	30,000
3 Promotion of STSC Service Providers	923,475	136,200	219,200	234,700	333,375
4 Mark-IT Capacity Building Project	140,000	30,000	30,000	30,000	50,000
5 WSSD SCP CSR Programme	1,000,000	20,000	30,000	150,000	800,000



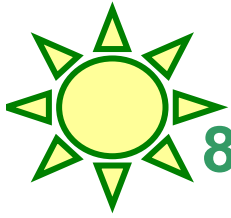
7a Breakdown of Marketing Programme Costs (cont'd)



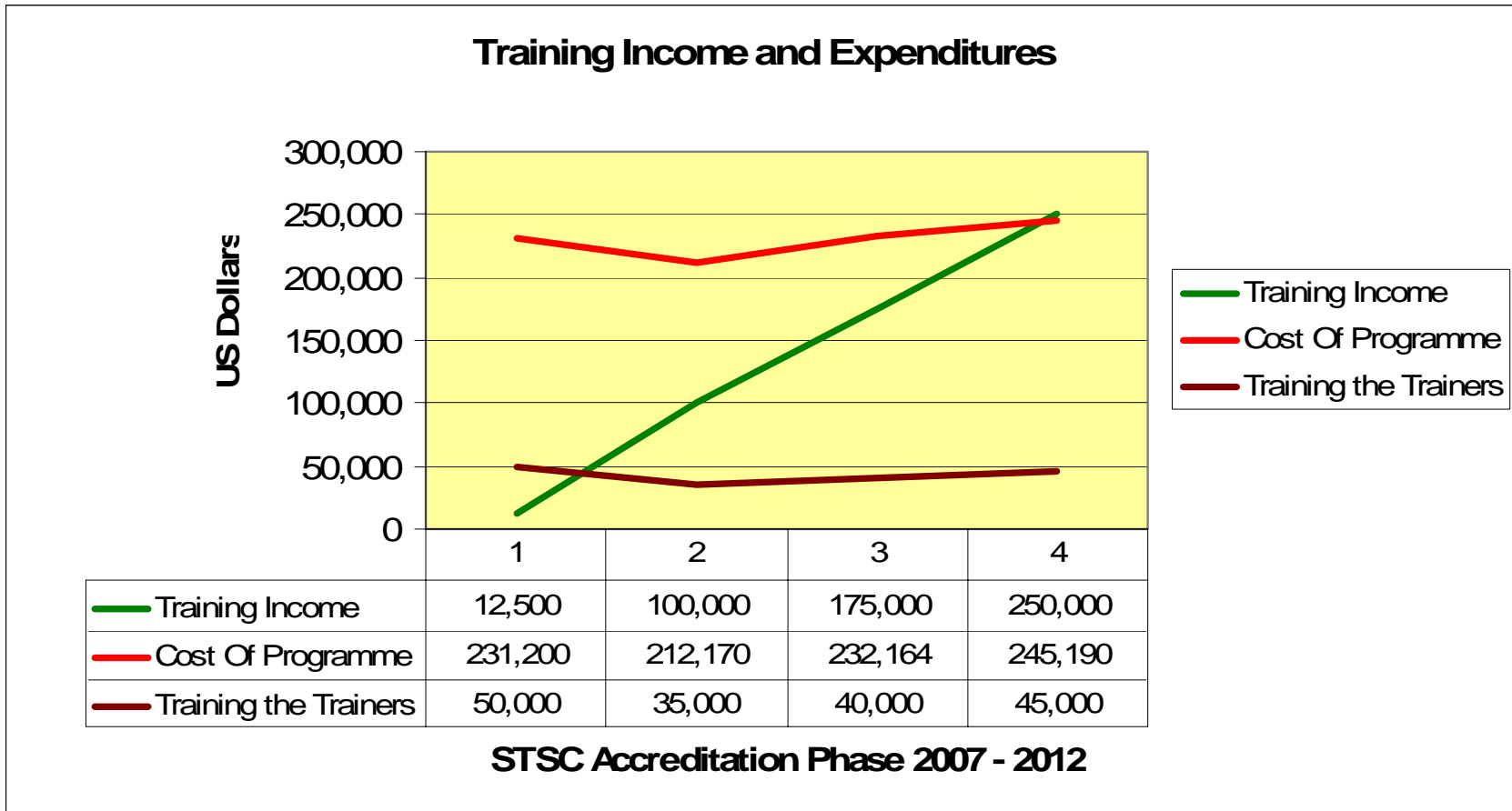


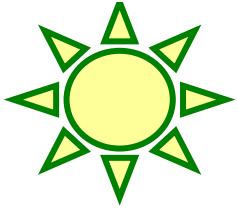
8 Breakdown of Training Program Costs

Accreditation Phase	Total	Year 3	Year 4	Year 5	Year 6
Training Programme					
STSC Training Programme Set Up	US\$	US\$	US\$	US\$	US\$
Revenue					
Training Fees	537,500	12,500	100,000	175,000	250,000
Total Revenue	537,500	12,500	100,000	175,000	250,000
Establishment Costs					
Staff costs	613,204	138,600	145,530	160,524	168,550
Third party and consultants	194,000	56,000	41,000	46,000	51,000
Travel and accommodation	67,200	16,800	16,800	16,800	16,800
Office costs	46,320	19,800	8,840	8,840	8,840
Total costs	920,724	231,200	212,170	232,164	245,190
Training Work Programme Projects					
1 Core staff and general overheads	750,724	181,200	177,170	192,164	200,190
2 STSC Training for Trainers Program	170,000	50,000	35,000	40,000	45,000
Total Balance	-383,224	-218,700	-112,170	-57,164	4,810



8a Breakdown of Training Program Costs (cont'd)





9 Breakeven Point Targets and Timetable

Target Client figures for services

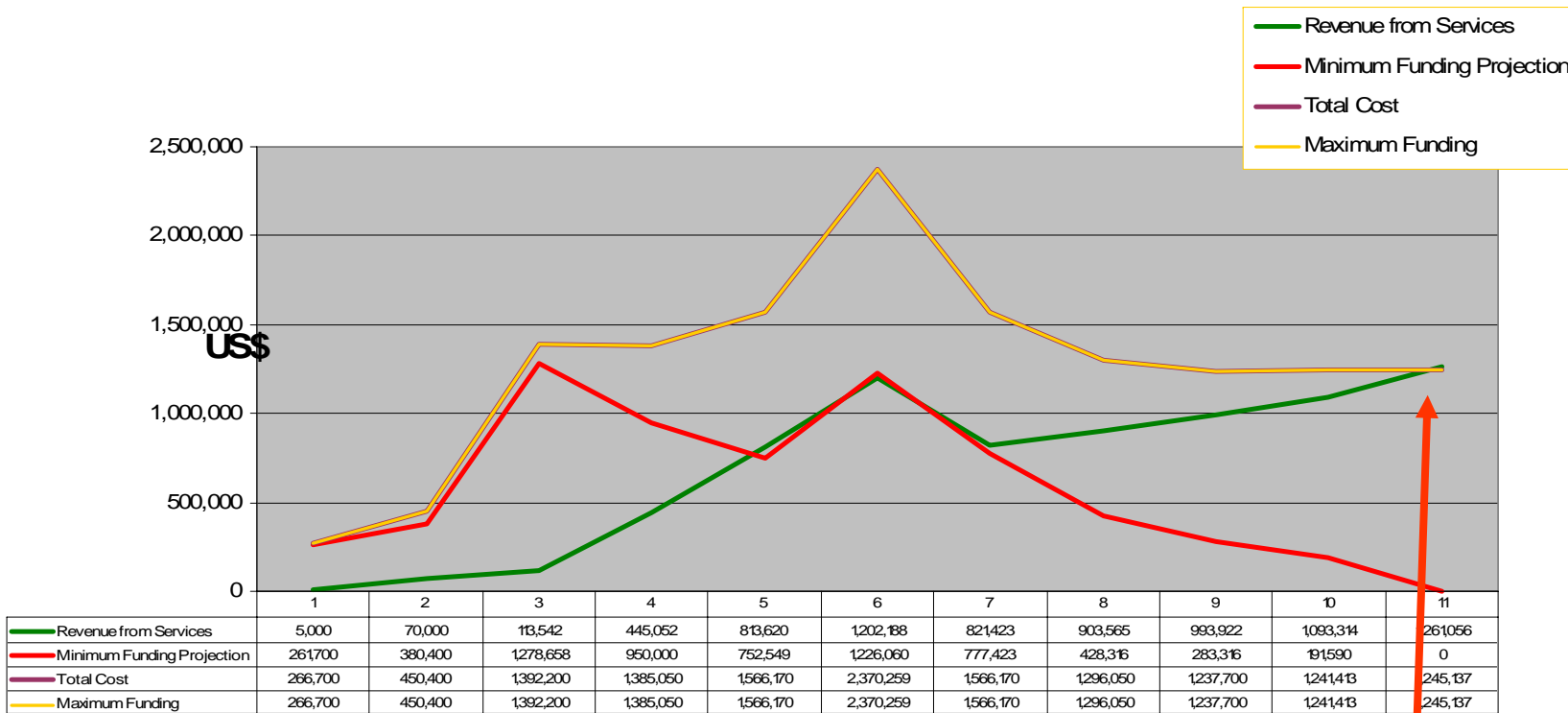
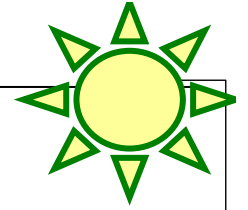
	2013	2014	2015	2016	2017	2017 Projected Income
STSC Self sufficiency Estimates of End-Users						US\$
STSC Members	207	227	250	275	303	249669
Training Events	1049	1154	1269	1396	1536	383933
Number of Accreditations	6	4	4	2	2	4,000
Accreditation renewals	28	30	32	32	32	32,000
Trademark Marketing Fees	490	539	593	652	717	591454
A Total Income	821423	903565	993922	1093314	1261056	1,261,056
EXPENDITURE						
Staff costs	721,770	650,650	652,602	654,560	656,523	656,523
Legal, Technical, Design	468,000	351000	352,053	353,109	354,168	354,168
Travel & Events	328,000	246000	184500	185,054	185,609	185,609
Office Costs	48,400	48,400	48,545	48,691	48,837	48,837
B Total Costs	1,566,170	1,296,050	1,237,700	1,241,413	1,245,137	1,245,137
Profit- Loss Projection (A – B)	-744,747	-392,485	-243,778	-148,099	15,918	15,918

Estimate of cost of provision of services

Break-even
Point 2017

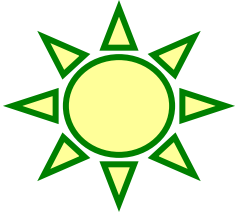
Self Sufficiency calculations show the business plan extending over a ten year period before it breaks even in 2017

10 Breakeven Point Projection



Year of Operation 2007 -2017

Breakeven Point 2017

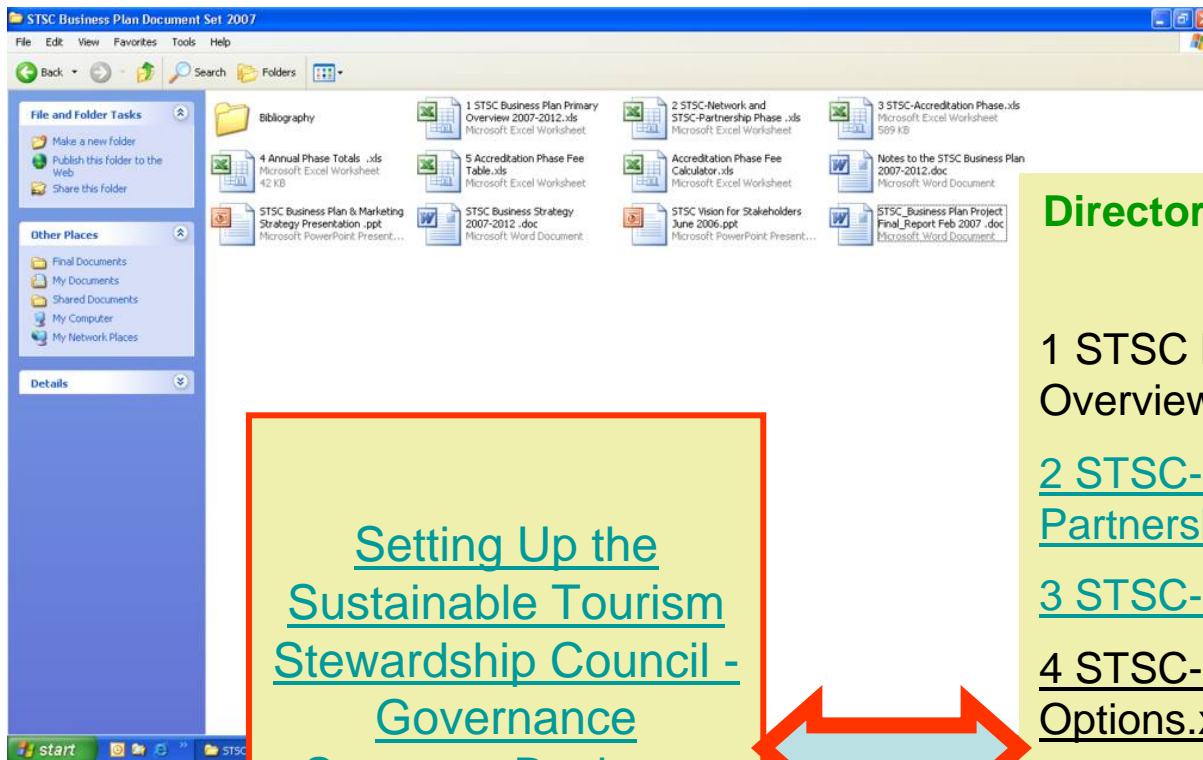
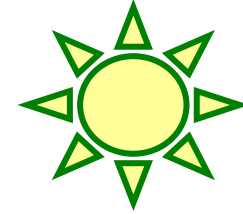


10 Funding Request Recommendations

Funding Implications	US \$	US \$
Recommended Levels for Request for Funds		
Funding Level Recommendations	Total	Annual Average
Network Phase (6 months)	87,200	358,550
Partnership Phase (18 months)	629,900	358,550
Accreditation Phase (4 years)	6,781,667	1,695,417
Post Funding Review 2012 (5 years)	1,680,645	336,129
Total 2007 -2017	\$9,179,412	

1. The STSC should find the Networking and Partnership phase funding separately from final STSC-Accreditation phase funding.
2. The STSC should look for donors to pay US\$1.7 million per annum for the four year start up period to 2012.
3. The funding review in 2012 should deal with the final five-year declining funding requirements.

STSC Governance Systems, Business Plan and Marketing Strategy Document Set



Directory of workbooks linked to the Main Document:

1 STSC Business Plan Primary Overview.xls

[2 STSC-Network and STSC-Partnership Phase .xls](#)

[3 STSC-Accreditation Phase.xls](#)

[4 STSC-Accreditation Phase Options.xls](#)

[5 Annual Phase Totals .xls](#)

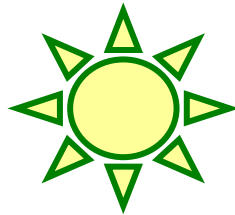
[6. Accreditation Phase Fee Table.xls](#)

[7. Accreditation Phase Fee Calculator.xls](#)

[Notes on Underlying Budget Spreadsheets.doc/.pdf](#)

[Setting Up the Sustainable Tourism Stewardship Council - Governance Systems, Business and Marketing Plans 2007 – 2012](#)
[\(word or Pdf file\)](#)





**This presentation has been prepared as part of the development of the STSC's
Governance Structures, Business Plans and Marketing Strategies 2007- 2012**

www.stsc.org

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