

8 PREFEASIBILITY ASSESSMENTS

8.1 Introduction

During the course of the project, many tourism opportunities have been identified on both the outer and inner Mid Coast. Many of these are promising, but the question is, what needs to be done next? In this section, three opportunities have been selected for further, more detailed evaluation. All three are promising, and garner considerable local support in the respective communities. They are:

- a marine cruise and canopy walk at Roscoe Inlet;
- a road tour of the Bella Coola Valley; and,
- a hut to hut guided ocean kayaking tour near Bella Bella.

The objective is to carry out a pre-feasibility assessment of each opportunity to determine -- in a preliminary fashion – whether a business based on each opportunity could provide to feasible, and whether or not to proceed with a more detailed feasibility assessment or business plan. The prefeasibility phase is also the time to weed out any showstoppers.

Pre-feasibility assessments evaluate selected opportunities in a practical and detailed fashion. The objectives are to make a “first cut” at whether or not an opportunity has development potential, and to make recommendations regarding feasibility or whether more detailed analysis is merited. The key criteria in carrying out the assessment are as follows:

- clearly define the opportunity, and the rationale behind its selection;
- provide a brief overview of key market considerations, including a competitive analysis;
- identify what amenities already exist, and what is needed to support the development of this opportunity;
- where possible, estimate order-of-magnitude potential revenues and costs;
- identify possible links with other products that could contribute to feasibility; and,
- identify any key regulatory requirements or other challenges to undertaking the development of the opportunity.

In addition to evaluating the three selected opportunities, the pre-feasibility assessment provides template for undertaking other evaluations.

The rest of this section is devoted to carrying out the three prefeasibility assessments.

8.2 Prefeasibility Assessment of a Marine Cruise and Canopy Walk at Roscoe Inlet

DESCRIPTION

The product is a motorized marine cruise day trip from Bella Bella to attractions at the south end of the Florence Peninsula near Roscoe Inlet. At the first stop, visitors will disembark at a stand of old growth cedar trees and enjoy a short hike and guided nature observation tour on elevated canopy walkways – a series of suspended cable bridges located high in the canopy of the forest. The unique perspective enables visitors to observe a wider range of wildlife and flora on the ground and in the canopy. After experiencing the canopy walk, the passengers will travel by boat to the mouth of Claje Creek for wildlife viewing opportunities, and a short forest hike. On the return trip to Bella Bella, visitors may be taken to view an ancient Heiltsuk village site.

Travel to Roscoe Inlet would be by small, motorized craft, carrying six passengers. Travel time is 1½ hours by boat from Bella Bella to the canopy walk, and another 15 minutes by boat from the canopy walk to the mouth of Claje Creek. This will be a full day trip.

Other features of the tour would include a miniature big house near the canopy walk, interpretation by the guide, lunch, and tea served in the canopy walk teahouse. Overnight stays may be possible at an existing rustic cabin in nearby Troup Passage.

Walkways can be either linear, or a circle route, with a series of lookouts surrounding the support trees. At Kakum National Park, the canopy walk is a circle route over 300 metres in length. For the Mid Coast, the walkway will likely be U-shaped in configuration, consisting of three to four bridges, lookout structures, and a canopy-level teahouse.

The Roscoe Inlet canopy walk tour can be offered as day trip, or be linked to other, longer tours such as a three day pocket cruise trip to the head of Roscoe Inlet or through nearby Johnston Channel. The canopy walk tour will be linked to other local initiatives, such as a proposed new hotel in Bella Bella, and a central reservation centre at McLoughlin Bay. By marketing the canopy walk tour on BC Ferries, and selling this and other tourism packages at McLoughlin Bay, the Heiltsuk will maximize their market exposure to Mid Coast visitors, and be able to plan and control visitation.

The Roscoe Inlet canopy walk tour will be owned and operated by the community of Bella Bella through a non-profit organization, the Heiltsuk Community Development Society. The land would be leased from a local woodlot licensee. A small number of local boat owners will sub-contract their services to the Society.

RATIONALE

There are presently six or seven “canopy walks” in the world. A canopy walkway system constructed in Kakum National Park in Ghana, West Africa, has significantly boosted the annual number of visitors to the park, and proven that the opportunity to view a forest from the canopy level is a tremendous draw for eco-tourists. In Kakum National Park, annual attendance at the park has risen from 700 visitors in 1993, to over 60,000 in 1998. Much of this increase is ascribed by park officials to the canopy walkway.

The Mid Coast region is characterized by one of the biggest intact coastal temperate rainforests in North America. There are abundant wildlife viewing opportunities in remote Roscoe Inlet – including eagles, bears and wolves, and seasonal chum and pink salmon migrations. Its outstanding viewscape and inherent qualities would make Roscoe Inlet a highly attractive destination for tourists and recreationists seeking a unique wilderness experience. The prime target markets are BC residents and international travellers willing to pay a premium to travel to the Mid Coast.

The appeal of the canopy walk product is enhanced by combining it with other activities – wildlife viewing at Claje Creek and aboriginal cultural interpretation at an ancient Heiltsuk village site. In addition, it could be linked to other types of tours in the region, such as pocket cruises. Variations may include overnight stays at the cabin at Troup Passage or -- in the longer term -- overnight stays in the canopy in converted teahouse. Tours offered during the fall salmon migration would extend operations into the shoulder season.

The canopy walk product has the potential to create positive net revenues for the local community over a long period of time. As it will be a community-owned and operated venture, almost all income will be realized at the local level. The canopy walk tour will also be instrumental in upgrading local labour force skills. Boat operators will also act as guides, and they will be required to train and obtain certification in cultural interpretation and canopy walk biology. Overall, the product would generate employment in construction, operating, guiding, maintenance and marketing throughout almost half of the year. It is entirely compatible with First Nation values, and community objectives of economic self-reliance.

This product is, in all ways, environmentally sensitive, and contributes to the long term sustainability of the tourism industry on the Mid Coast. One of the greatest merits of a canopy walkway on the Mid Coast is the media attention it would draw to the temperate rainforest in the project area, and to its preservation.

MARKET

The marine cruise and canopy walk at Roscoe Inlet will appeal to eco-tourists from within and outside BC. The experience in Ghana has shown that approximately 60 percent of visitors to the park are Ghanian, while the other 40 percent are from outside the country. The dramatic growth in visits to Kakum National Park over a five year period demonstrates that there is strong demand for a product that combines wildlife viewing with a unique, tree-top experience.

The two key markets for this product are:

- travellers and vacationers already planning to or taking a trip to the Mid Coast, who would include the canopy walk as one of their holiday activities; and,
- provincial and international ecotourists (from BC and outside the province) interested in wildlife observation and/or aboriginal culture, and who would make this a destination.

The Mid Coast is served by air, road, boat and ferry modes of transportation throughout the year, with particularly high volumes between July and September. This means that there is a critical mass of visitors who pass through the region during the summer months. The number of travellers to the Bella Bella/Shearwater area is estimated as follows.

Ferry traffic: BC Ferries' data shows that just over 6,600 visitors travelled by ferry to or from the Mid Coast in the summer of 2000, and that this number is relatively steady on a year to year basis. Of this, approximately 252 vehicles and 1,079 passengers arrived in Bella Bella and Shearwater in the summer of 2000. According to BC Ferries, travellers on the Discovery Coast Passage tend to be a younger market, primarily on vacation.

Air: In 1999/2000, there were 3,512 landings at the Bella Bella airport, up 200 from the previous year. Throughout the winter months, there is one scheduled flight to and from Bella Bella per day, however this increases to two flights in August and September. Based on the average capacity of the two planes flying during the summer months, and information provided by airport staff,¹ it is estimated that over 1,600 visitors travel to Bella Bella during the summer months for recreational purposes, largely sports fishing. This pertains to Pacific Coastal Airlines only. Charter companies from Vancouver, such as North Vancouver Air, generally serve forest companies and other corporate clients, although they may occasionally carry tourists.

Marine vessels: Reliable information concerning the number of privately owned craft travelling to and from the Mid Coast is scarce. The operator of the Shearwater Marina indicates that, during the summer months, they have at least 300 overnight stays – there are also many more, uncounted day visitors. In Bella Coola, about 40 to 50 boats tie up per season. No information is available for Ocean Falls, but given its location at the end of an inlet, we estimate that the numbers are on a par with those of Bella Coola. Overall, it is estimated that there are at least 400 overnight visitors annually at the principle marinas of the Mid Coast.

Altogether, it is estimated that the available market for a canopy walk tour in the Bella Bella/Shearwater area is at least 3,100 per year.² Based on the experience of a tourism operator in Bella Bella, it is reasonable to expect that, in the short to medium term, ten to fifteen percent of this market could be captured. This translates to an initial demand of at least 310 to 465.

It should be noted that many other visitors arrive annually on the Mid Coast by air, tour bus, car and boat. This includes a growing number of bus tours, elder hostels and other package tours, however it is difficult to

¹ Most passengers on evening flights are travelling to the Mid Coast for sportsfishing and other recreational activity; there is generally a mix during the daytime.

quantify. As awareness of the canopy tour grows, it is likely that a significant proportion of these visitors could be enticed to add a visit to Bella Bella and the canopy tour to their travel plans.

The foregoing discusses market potential in the numbers that already visit Bella Bella and the Mid Coast. However, there is also large, untapped potential in the global ecotourism market. The remote location of Roscoe Inlet poses a challenge of access, but it also contributes to the product's exotic image, especially to international travellers. As the canopy walk in Ghana has shown, there is a segment of the eco-tourism market that is willing to pay a premium, and travel a long distance, to learn from and enjoy a phenomenal new wilderness experience. As discussed in Section 4, Canada's share of the growing world eco-tourism market has tremendous potential to grow, and the Mid Coast will also benefit if it has the products and amenities required to attract and impress visitors. The demand potential for a canopy walk product is large, and in the long term limited only by marketing and infrastructure (such as accommodation) to support the product. To enhance its marketability, the canopy walk tour and local (or tree house) accommodation would need to be sold to long haul visitors as a package.

To summarize, the canopy walk will appeal to both holiday through-traffic on the Mid Coast and, in the longer term, the long haul eco-tourism traveller market. When targeting these two separate markets, the operator needs to be aware of the distinctly different preferences and circumstances of each.

COMPETITION

There are presently six or seven canopy walkways in the world today. Two of the most successful canopy walkways are thought to be the Kakum National Park Canopy Walkway in Ghana (winner of the 1999 Condé Nast Eco-tourism destination of the year award), and Eco-Parque de Una, Brazil. It is our understanding that there are also walkways in China and Malaysia, with varying degrees of success.

The only canopy walk in Canada is located in the Haliburton Forest and Wildlife Reserve in Ontario. It is a series of 17 bridges situated in a pine forest, with a view of a lake.

Some BC-based proponents who were involved in building the Ghana canopy walk are currently in the early process of initiating a canopy walkway on Vancouver Island.

ACCESSIBILITY AND INFRASTRUCTURE REQUIREMENTS

The marine cruise component of the Roscoe Inlet canopy walk tour is a 1½ hour motorized boat trip from Bella Bella to the landing at Roscoe Inlet. At the staging area – Bella Bella -- there are several small boats available that are suitable for this purpose. There is presently no wharf at Roscoe Inlet, but there is a rustic cabin used periodically by the Heiltsuk people for camping and fishing. At the landing points for the Claje Creek walking tour and the Heiltsuk village, there is no shoreline infrastructure. The key infrastructure required for this project is as follows.

² Note that this is conservative.

Marine cruise component:

- mooring buoys to be located at landing point near canopy walk
- pulley system to allow boat operators to pull boats onto or off of the beach
- in the longer term, larger boats with the capacity for 20 passengers – for example, de-licensed salmon seine boats -- could be used

Ground level at canopy walk site:

- trail from landing point to bluff near the canopy trees
- system of hiking trails for viewing at ground level
- miniature big house
- interpretative signs
- composting toilets

Canopy level:

- access cable bridge connecting top of bluff with canopy walk system
- series of cable bridges connecting the various trees – constructed of steel cable, ropes, and netting for safety (it is assumed that there would be 3 to 4 of these bridges)
- wooden viewing platform at each key tree
- tea house

Claje Creek:

- system of hiking trails
- composting toilets
- possible interpretive signs

Heiltsuk village site:

- dedicated trails
- interpretive signs

CONSTRUCTION COSTS

The primary tasks in developing this product will be to:

- design and obtain engineer approval for cable bridges for canopy walk;
- construct the cable bridges at the canopy level, and the bridge providing access from the ground;

- prepare the infrastructure for boat access;
- locate and ground truth the trail network;
- prepare the trail bed in accordance with Ministry of Forests and BC parks technical standards; and,
- design and construct any structures (toilets, big house, lookouts, tea house at canopy level).

The canopy walk would be located on a Ministry of Forests wood lot. While there is no cost of land acquisition, annual lease fees would be payable to the wood lot licensee.

Wherever possible, local materials will be used in the construction, and this may require the use of an on-site sawmill. Specialty materials such as steel cable and heavy ropes would be transported to the construction site via boat or barge.

All construction would be carried out by local workers. It is estimated that six workers would be required to carry out construction on the canopy walk full time for approximately 3 months. Some additional workers would be required during this time for building shoreline infrastructure and the trail system.

Once constructed and operational, the Roscoe Inlet canopy walk tour would create seasonal employment in maintenance and operation, guiding and interpretation, boat operation, guide training and marketing. It would also generate more employment in the local accommodation and service sector.

Order of magnitude costs for construction of the canopy walk are as follows.

canopy bridges: 4 bridges @ \$30,000C ³ each	\$120,000
big house & tea house \$20,000C each	\$40,000
moorage facilities	\$2,500
trails under canopy walk & at Claje Creek (400 metres @ \$50,000/km)	<u>\$20,000</u>
Sub-total	\$182,500

Clearly, more precise information will be required to assess construction costs at the feasibility or business plan stage.

OPERATING COSTS AND REVENUES

In the first years of operation, it is assumed that the local fleet of small boats in the Bella Bella area would be used to transport visitors to the canopy walk. Generally, these boats have a capacity of 6 passengers. In the longer term, when demand for the canopy walk swells and the venture is more profitable, larger boats (e.g., de-licensed salmon seine boats that could be fitted to have a capacity of 20 passengers) could be leased or purchased. In this analysis, we have estimated a range of operating costs for the first years of operation, based on the assumption of small six-passenger boats only. Other assumptions are as follows.

³ includes labour and capital – based on previous experience in Ghana

Ownership structure

- The operation would be owned and operated by the Heiltsuk Community Development Society, a non-profit organization. A small number of local boat owners would lease their vessels or sub-contract them to the Society, and would be responsible for paying their own insurance, maintenance, etc. This would be covered by the fee for day trips.

Revenues

- A range of revenues for the first years of operation has been estimated, reflecting either a 10 percent market share of visitors to the project area, or a 15 percent share.
- The trips are one day in duration.
- The tour would operate up to 5 months per year.
- Passengers would pay \$110 each for a guided tour, using the local fleet. Owners of private craft would pay \$30 each. These rates would allow operators to cover their basic operating costs, and earn a small working capital for the Society. They are also comparable with the rates charged in Ghana (\$25US for foreign visitors in 1998).

Costs

- Boat operators would charge \$300 per day to cover labour, gasoline, insurance, maintenance and depreciation costs.
- Annual insurance for the canopy walk attraction could cost approximately \$4,000.⁴ As the number of visitors increases, so will the potential risk and the corresponding insurance premium.
- Leasing fees would be approximately \$2,000 per year.
- Tickets sales would take place primarily at the proposed reservation centre at McLoughlin Bay. A small proportion of the operating costs of the centre are ascribed to the canopy walk tour.
- The cost of lunch per passenger is estimated to be \$10.

⁴ Ballpark estimate provided by a Vancouver insurance agency. As there are few precedents of canopy walks in the world, an insurer would require considerable information on risk, etc. before providing a specific rate.

	10% Market Share	15% Market Share
Annual Revenue		
Guided boat tours	\$31,509	\$47,146
Fees from private craft	\$1,273	\$1,910
Sub-total	\$32,782	\$49,056
Annual Costs		
Guided boat tours	\$14,322	\$21,430
Lunches/snacks @ \$10/passenger	\$2,864	\$4,286
Maintenance 1 time per week	\$1,300	\$1,300
Insurance - canopy walk	\$3,500	\$3,500
Wood Lot Lease Fees	\$2,000	\$2,000
Marketing & ticket sales	\$1,664	\$1,664
Sub-total	\$25,651	\$34,180
Net revenues	\$7,131	\$14,876

Assuming that the boats are generally at full capacity, gross revenues per year could range between \$32,000 and \$49,000 per year. . Total operating costs would range between \$25,000 and \$35,000 per year. Net revenues would therefore range between \$7,000 and \$15,000 in the first years of operation.

The foregoing analysis is based on very preliminary cost estimates and conservative forecasts regarding market potential. With effective marketing and a record of success, the canopy walk tour could generate significant demand growth, with subsequent increases in profitability.

LINKS TO OTHER PRODUCTS

As the Roscoe Inlet canopy walk tour becomes well established, it can be linked to other local tourism products in order to enhance the draw. Some possibilities are:

- overnight stay at nearby cabin or, in longer term, canopy-level teahouse that has been converted to a treehouse;
- 2 or 3-day pocket marine cruises in Johnson and Roscoe Inlets;
- kayaking expeditions, possibly with a mothership; or,
- as a supplemental activity for visitors to Mid Coast sports fishing lodges.

This will require the proponent to forge working relationships with other tourism product operators – locally, provincially and in the US.

REGULATORY REQUIREMENTS

The project proponent will need to satisfy the following regulatory requirements (note that this list is not intended to be comprehensive):

- engineer's approval of canopy walkway structure,
- obtain liability insurance for canopy walkway – there are approximately 6 insurance companies in Canada that might consider undertaking this,
- Transport Canada's approval of vessel standards,
- obtain Ministry of Forests approval for non-timber use of wood lot,
- undertake possible environmental and archaeological impact assessment.

RECOMMENDATIONS

The findings of this analysis appear to confirm that a canopy walk tour at Roscoe Inlet would generate modest but positive net revenues during the early years of operation. Given the nature of the product, it is also clearly sustainable over a long period of time. As demand grows and visits to the Mid Coast increase, the Roscoe Inlet canopy walk tour will make a significant contribution to local economic self-sufficiency. We recommend that long term cash flow be evaluated in the next stage – feasibility assessment and business plan -- as a prelude to seeking funding for the project.

The key recommendations are as follows.

- Determine if the Heiltsuk community supports the concept.
- Identify local entrepreneurs or business operators in the community that would want to pursue the development of the specific adventure tourism product.
- Become informed about the required training for local guides (e.g., cultural interpretation or canopy walk biology), and the most cost-effective way to deliver it.
- Obtain more precise information on specific cost items, such as liability insurance.
- Undertake a detailed business plan to outline the viability of the opportunity and secure financing if necessary.
- Establish partnerships with other tourism operations, such as fishing lodges, as a way of broadening the market and seeking gains from trade.
- Suggestions for marketing include the following:
 - website, with link to BC Ferries' website;
 - advertising on BC Ferries vessels;
 - advertising in selected tourism trade journals;
 - brochures in Mid Coast, Williams Lake and North Vancouver Island hotels and Visitor Information centres;

- press releases to environmental organizations – e.g., Alton Jones Foundation and other US-based organizations -- Canadian Tourism Association, World Tourism Organization;
- BC, Canadian and international media blitz⁵;
- contact with other, key tourism operators on the Mid Coast;
- contact with agents and brokers (e.g., Super Natural Adventures in Vancouver).

⁵ Canopy walk in Kakum National Park was featured in an edition of National Geographic (check with John)

8.3 Prefeasibility Assessment of A Road Tour in the Bella Coola Valley

DESCRIPTION

This product is a road tour of the Bella Coola Valley, with the option of including “the Hill” portion of Highway 20. It would be a small, “personalized” tour with no more than six guests, using a minivan. While there are a number of routes possible, it is generally assumed that the tour would begin and end in Bella Coola, and travel to a number of attractions throughout the Valley and possibly “the Hill” on Highway 20.

The road tour would be offered during the summer months, on the days that the ferry arrives in or departs from Bella Coola. It would be of four to six hours duration, and include a snack or light lunch at a local lodge or bed and breakfast establishment (or at a picnic site, if the weather is favourable) as part of the package. The operator could offer a variety of tours, such as the following:

- **Extreme Bella Coola (six hours)** -- Starting in the morning, the tour would go through the Bella Coola Valley with at least one stop to view eagles and wildlife (e.g., Klonnick Creek); drive up the Hill to the viewpoint at the eastern boundary of Tweedsmuir Park to see Rainbow Mountains; lunch on the return trip; short hike along Bella Coola River; return to Bella Coola.
- **Historical Bella Coola Valley (four hours)** -- Tour begins with a visit to the museum (45 minutes), then a walking tour of the town (one hour); leisurely drive up the Bella Coola Valley with stops to view various historical or cultural sites; lunch or snack; return to Bella Coola
- **First Nations Tour (four hours)** -- This would require the involvement of the Nuxalk First Nations, and the services of a Nuxalk guide. The tour could originate in Bella Coola in the afternoon, with stops at the Thorsen Creek Petroglyphs, the culturally modified tree at Walker Island, other key Nuxalk cultural sites (possibly including the proposed new administrative centre), and the band school at Four Mile Subdivision. All interpretation would be by a Nuxalk guide. The tour could culminate at a display of native food and art in the Nuxalk Village or band school; return to Bella Coola. Guests could purchase art or salmon dinner (if available).
- **Bella Coola Valley by Air (four hours)** – Originating in Bella Coola, this would be a road-air circle tour. It should be offered in the morning, when the air is most calm for flying. One group of passengers would travel to Anahim Lake by road early in the day. A second group of passengers (no more than five) would fly later in the morning from Bella Coola to Anahim, and take a mini van back. The first group that had arrived by van would fly to Bella Coola.

The first three tours are likely more feasible in the short term. The road/air tour holds considerable potential, but should be regarded as a future consideration. As it is the most costly of the tours, it would need to be marketed more extensively, and pre-booked if possible, as it could only be profitable if the plane and van were at full capacity. Weather and flying conditions would also govern whether this tour could proceed on any given day.

The road tours could be offered as half day trips, or linked to other tourism products such as river rafting or drifting on the Bella Coola River, short boat tours, or air tours of the Monarch Glacier, Hunlen Falls, the Rainbow Range, and other local sites. This would enable the operator to utilize the vehicle on a year round basis.

The operator could also offer other, customized tours on the request of visitors. In addition, the operator could provide hospitality services or shuttle/transportation services throughout the Bella Coola Valley.

RATIONALE

While several conventional bus tours travel through the Bella Coola Valley every summer, these tours are generally offered as part of a much longer route (e.g., circle routes out of Vancouver, Victoria, and the US). Presently, there is no local road tour offered to those travelling independently to the Bella Coola Valley. Moreover, there is no taxi or bus service in the Bella Coola Valley, and independent visitors are generally required to learn about the historic and cultural and sites of the area on their own.

What this points to is the need for a service that transports visitors to the many attractions and interesting sites of the Bella Coola Valley, and provides the information and interpretation that will enhance the visit.

A road tour product, in and of itself, is likely to be modestly profitable. However, a well-run road tour could also generate broader economic benefits in a number of ways.

- By informing and entertaining visitors to the Bella Coola Valley, a road tour product would educate a broad audience about the history and attractions of the area, and stimulate greater interest in BC and abroad. The Bella Coola Valley is a “well kept secret” that needs to be told to the world.
- It could be marketed to provide links with other tourism products such as air tours, river drifts, marine tours, short hikes or First Nation culture, thereby spinning off benefits to other operators and to the regional economy.
- In the longer term, it could stimulate demand for more road and marine tours, and other activities.

A road tour product in the Bella Coola Valley could serve as a central contact point between visitors and the many features and products available to them. It could also be an integral component of a marketing campaign that sells the Valley as a region.

MARKET

As discussed in Section 6.6, touring comprises a major component of the North American tourism market, and it is expected to grow. Touring is a broad category, however, that encompasses many niches, ranging from conventional 47-seat bus tours to small, more active experiences with no more than 6 passengers. A review of the bus tours offered on the Internet reveals the diversity of what is available in BC. Tours can be short (1/2 day) or multi-day including overnight accommodation in a series of hotels; activities range from sightseeing on

a luxurious coach, to transporting and accommodating backpackers.⁶ The one characteristic of road tours that unites all travellers is the desire to learn and understand more about the places they are visiting.

In terms of demographics, the road tour market can generally be split into two categories:

- mature market, ages 55 to 74 – generally prefer comfort, and less strenuous activities; and,
- younger market, under age 55 – likely seeking a more active experience.

The latter group is most likely to be attracted to a small road tour, particularly if it can be customized to their interests. While the tour market is growing overall, the small, customized tours appears to be particularly promising.

When structuring a road tour, the operator needs to consider what market s/he is trying to reach. In our view, tours of the Bella Coola Valley or First Nations heritage/culture would be appealing to both mature and younger visitors. Tours, however, that involve hikes (say, to the Thorsen Creek petroglyphs) or links with river drifts or marine cruises are likely to attract younger clientele. Therefore it will be important to plan and customize to the needs of the clients.

It is estimated that approximately 8,500 visitors travel to and from the Bella Coola Valley every summer by ferry/car. Because there is no tourism information centre, visitors generally must seek out activities and interesting sites on their own. Those not motivated to do so are inclined to visit Bella Coola briefly, shop a little, and then depart to Williams Lake or on the ferry.

A local tourism operator indicates that visitors travelling from Williams Lake are more inclined to stay in Bella Coola and seek out things to do, while those disembarking from the ferry are a harder market to capture. A well-marketed road tour could disseminate new information to new visitors, and keep them longer. It is not unreasonable to expect that a good tour operation could capture at least two percent of this market in the first years, and more in the longer term.

BC Ferries indicates that, compared to their other routes, Route 40 appears to draw a younger crowd. (Note that if the proposed change to the ferry service replaces the Queen of Chilliwack with a vessel that has cabins, this could change in the longer term.) Many of these travellers want to know more about the history and interesting sites of the Bella Coola Valley. A short tour of approximately four hours that involves interpretation, some walking and several viewpoints would fill this need, and provide visitors with an interesting and enjoyable experience in a beautiful setting.

⁶ Selected websites include: www.cityscape.bc.ca, www.vancouversightseeing.com/summer_tour3.html. A word search for “bus tours” on the Internet yields many more websites through BC and North America.

ACCESSIBILITY AND INFRASTRUCTURE REQUIREMENTS

It is recommended that the tour operator start the business with an air-conditioned, 7-seat minivan. Over time, the operations could expand to include more minivans, or even larger buses. Other necessary infrastructure for road tours may include:

- bathrooms at selected viewpoints;
- possible turnaround(s) on the Hill; and,
- interpretative signage at important viewpoints, such as the Hill stop at the eastern border of Tweedsmuir Park.

If light or bag lunches are served as part of the tour, these could be taken at a picnic site, or at a local lodge or bed & breakfast establishment.

REGULATORY REQUIREMENTS

A road tour on Highway 20 through Tweedsmuir Park would require a park use permit if it goes off-road into the park. This costs \$107 per year, and the operator would need to submit an application to BC Parks. However, if the tour is on paved road only, and just using viewpoints, there are no fees.

CONSTRUCTION AND START-UP COSTS**Infrastructure**

The purchase price of a minivan is variable, depending on whether it is new or used. A new minivan will likely range in price from \$25,000 to \$45,000. Leasing is another option, and it requires a much smaller initial capital outlay. Again, this varies by the vehicle and how much down payment is made. A typical arrangement for a Pontiac minivan is \$268 per month for 48 months, with \$4,600 downpayment. The lease payments for a Dodge Caravan or 4 wheel drive SUV are higher.

Other possible costs related to the start up of a road tour include the following.⁷

- *Outhouses:* Low end is \$12,000 to \$15,000 including the cost of pumpout vault tank, if digging conditions are favourable. If conditions are difficult or rock excavation is required, the cost of an outhouse is at least \$18,000.
- *Signs:* Will vary according to size, materials, colours, etc. Small interpretative signs (2' X 3' in size) can cost as much as \$5,000 to \$10,000 – this includes the cost of conceptual design, materials, graphics. Small road signs (4' X 8', aluminum, 2-colour) may cost \$500 to \$600 each, excluding the cost of posts. The

⁷ Unit costs provided by a GVRD park planner, March 2001.

operator will find it more cost effective to provide its clients with handouts, however it may be possible to obtain provincial government funding for signage in the longer term.

Marketing

A new road tour venture will need to begin marketing seven to eight months in advance of its first trip dates. In the early days of the new venture considerable effort needs to be directed towards marketing with the objective of building up a critical mass of clientele before the start of the season. While there are several sound approaches to establishing a client base, the initial marketing expenditures will be critical. The new venture will need to overcome three market challenges, specifically:

- establishing visibility;
- reaching the target market; and
- establishing sales contacts.

Approximately \$10,000 would be needed to effectively market in the first year to start to develop the visibility of the new venture. This would cover the cost of market research, creating industry contacts, print and website advertising and distribution, and travel to trade shows.

Administrative Expenses

Start-up administration costs will include (but not necessarily be limited to):

- legal;
- start-up administrative supply purchase; and
- possible permit application and purchase.

OPERATING COSTS AND REVENUES

Costs

The key operating costs associated with operating a small road tour product are as follows.

Staffing – It is assumed that the tour operator would drive the minivan, however, it would be necessary to hire First Nations guides for any tours of Nuxalk cultural/historical sites such as the Thorsen Creek Petroglyphs. Assuming an hourly wage of \$10, the labour cost of each First Nation tour would be approximately \$40. So if two First Nations tours are offered per week for 14 weeks, associated labour costs would be at least \$1,100. This does not include payments by the employer to WCB, CPP, UIC, etc. Generally speaking, labour is the largest cost item in most types of tourism ventures.

Leasing payments (if vehicle not purchased) – This varies with the type of vehicle and downpayment. Minimum lease payments are likely to be \$3,000 per year.

Vehicle and liability insurance – This can range from \$2,000 and higher.

Fuel and maintenance -- This will vary with the number of trips made per season, and the condition of the vehicle. If the average trip is 150 km, and the tour is at full capacity (i.e., five trips per week, for 14 weeks) it is estimated that fuel and oil would cost about \$1,200.

Annual permits -- \$107 per year for provincial park use permit, if tour goes off-road.

Meals – If a light meal is included as part of the tour, the average cost per person is estimated to be \$8. With a 2.5 percent market share, this would be approximately \$1,700 per season; at 5 percent market share (full capacity), meal costs would be \$3,400 per season.

POTENTIAL REVENUES

A range of potential annual gross revenues has been estimated, based on different assumptions about market share. For the first years, at least, a five percent share of the ferry market is an optimistic goal.

Approximately 8,500 passengers are transported to/from the Mid Coast every season – five percent of this is 425 passengers. This is approximately the number of clients that would be served if the road tour operates once per day, five days per week, for 14 weeks.

A more conservative estimate for the start up years is a 2.5 percent market share, or 210 passengers per season. This means that the minivan would generally be at less than full capacity, or that the service would be offered less than five days per week.

It is assumed that each passenger would pay \$50 for a half day tour, a rate comparable with small road tours elsewhere in BC.

2.5 percent market share (210 passengers per season)	\$10,500
5 percent market share (425 passengers per season)	\$21,000

The foregoing gross revenue estimates exclude the following:

- revenue from other services, including customized tours, hospitality services, or general transportation; and,
- any benefits realized from linkages to other products (e.g., air tours, river drifts, marine cruises), or secondary benefits to the local service/retail sector.

RECOMMENDATIONS

While further work is required to evaluate the viability of a road tour product in the Bella Coola Valley, the results show that in the first years, modest profitability can be expected. In the longer term, as the operations

expand and certain economies of scale are achieved, profitability would likely improve. We recommend that, if someone chooses to undertake this initiative, they carry out a more detailed feasibility assessment and business plan in order to achieve funding.

Other recommendations for an entrepreneur considering the development of a road tour product are as follows.

- Work with the various interests of the Bella Coola Valley to plan and prepare road tours. This includes the following.
 - Confer with Bella Coola Museum about developing a walking tour of the community.
 - Seek opportunities to elicit the interest and involvement of the Nuxalk people, particularly for the First Nations tours. It is our understanding that some of the Nuxalk already provide interpretive and guide services.
 - Learn from locals, the Tweedsmuir Lodge and BC Parks about short hikes on the route – distance, safety, carrying capacity.
 - If viewpoints or road turnarounds are required, or bathroom facilities near viewpoints, confer with the Ministry of Transportation and Highways or with BC Parks on how this can be expedited, and at what cost to whom.
- Establish partnerships with other tourism operations in the Bella Coola Valley – e.g.,
 - Tweedsmuir Lodge and other river operators, air tour operators such as Bella Coola Air to establish product linkages;
 - BC Ferries, hotel/lodge operators throughout the Mid Coast to establish outlets for brochures, advertising, and to disseminate information about the tour.
- Assess whether training is required for local guides and, if so, arrange to provide it. Sources of training include the Nuxalk Nation, regional colleges and other tourism operators. Information on history and wildlife can also be obtained by knowledgeable locals.⁸
- Obtain more information on specific cost items, such as liability insurance.
- Begin marketing the road tour product well in advance, at least seven to eight months before the beginning of the next summer season. The objective is to build up reservations as much as possible before the season commences, thereby ensuring a basis of revenue.
- Enlist a range of marketing strategies, including:
 - creating a website, with link to BC Ferries' website for the Discovery Coast Passage service;

⁸ An example is Al Elsey, former guide outfitter in North Tweedsmuir and Dean Channel. His videotapes are frequently shown on the Queen of Chilliwack, and he is now making a documentary film with Capilano College.

- advertising on BC Ferries' vessels;
- preparing brochures for distribution on ferries, hotels, Visitor Information Centres, and airports;
- disseminating information to travel agents and brokers;
- attendance at trade shows.

The year 2003 is the 50th anniversary of The Hill. This important event should be incorporated into the marketing strategy for a road tour product.

- Work with the appropriate provincial government ministries (Ministry of Transportation and Highways) to obtain funding for highway signage that commemorates the 50th anniversary of the completion of The Hill.

The foregoing list of recommendations is by no means comprehensive, but is intended to give new entrepreneurs some idea of the next steps for implementation. In our view, the road tour product is a promising opportunity, and we encourage locals to actively pursue it.

8.4 Prefeasibility Assessment of Hut to Hut Ocean Kayaking Tour Around Bella Bella

DESCRIPTION

The Heiltsuk hut-to-hut touring product would utilize some of the existing huts that have been built through a partnership of Heiltsuk organizations lead by the Heiltsuk social development department in Bella Bella. There are currently a series of huts that have all been constructed in the last three years. These huts are used for a variety of purposes by the Heiltsuk including healing camps, youth programs, and for local family outings. These activities take place primarily in the summer months. In the winter months, local commercial clam diggers and kelp collectors also use the huts.

The huts are rustic in nature; they typically have six bunks each, and are simply furnished with tables and chairs. Each hut also has a wood stove. The cabins are set back in the forest but have windows that face out towards the ocean with nice views of the surroundings.

From the adventure tourism perspective, the huts could be used to support two different wilderness experiences in two rather distinct geoclimatic zones. The first hut-to-hut tour would be known as the **Inland Fiord tour** and would focus on a route to Roscoe Inlet and area. This tour would have a one way distance of approximately 45 kilometres. The Fiordland tour would highlight exceptional nature viewing activities including:

- large coastal first growth trees;
- salmon spawning areas;
- large land mammals (including bears); and
- a variety of marine birds.

The second hut-to-hut tour would be known as the **Outer Beaches tour**, and would focus on the outer beaches in the Dufferin Island area. Dufferin Island is approximately 20 kilometres from Waglisla and the total tour around the islands would be approximately 100 kilometres. This series of huts would offer a mixture of Heiltsuk culture and wildlife viewing opportunities including:

- the inter-tidal area of the BC west coast;
- untouched west coast beaches;
- an old Heiltsuk village site;
- fishing weirs and pictographs;
- a variety of bird life;
- sea lion rookery; and
- a variety of marine wildlife including whales.

For the summer of 2001 the ferry to Waglisla arrives either early in the morning or late at night. For the late night arrivals the tour group would overnight in Waglisla and begin its tour the following day. For the early

morning arrivals they could begin their tour later on the arrival day. Both tours would begin with an orientation session at the traditional big house that will soon be constructed at McLoughlin Bay. During this orientation the tour group will also be given an introduction to the Heiltsuk culture. These orientation sessions will occur early on the morning of the first day of the tour.

Once the orientation is done, the tour group would have lunch and then begin its hut-to-hut adventure, departing for either the west coast **Outer Beach tour**, or the **Inland Fiord tour**. Each route could accommodate a group of between four and six on any one trip. This would be from the point of view of the capacity of the cabins and also from the prospective of maintaining the remote experience that would be promoted.

For the **Inland Fiord tour** the possible route could include a four or five day trip that would feature the following itinerary.

- The tour group would depart on the first day after the orientation and paddle by either ocean canoe or sea kayak for approximately four to six hours to a hut located on the inside of True Pass.
- The second day would see the tour group undertake an approximate six hour paddle to the second hut located at the entrance to Roscoe Inlet in Shack Bay. This leg of the journey would offer many opportunities to view pictographs, harbour seals and other coastal wildlife along the way.
- Day three would be spent exploring the Roscoe Inlet area. There are rapids in the area and other significant wilderness features that could be visited. There is also a high likelihood of spotting bears and other large woodland wildlife during the day. The group would spend a second night at the Shack Bay cabin or at a second cabin located in close proximity.
- On day four the group could begin a one or two day return trip to Waglisla with two route options possible:
 - the first route could include following Roscoe Inlet over to Return Channel and head southwest along Chatfield Island before heading south across Seaforth Channel and back to Waglisla; or
 - straight south along Johnson Channel, following the eastern side of Cunningham Island. At the end of Cunningham Island, the group would head west between Cunningham Island and Denny Island through Fisher Channel, back to Waglisla.

At this point the tour would be complete and the touring group would either depart for home or could have the option of participating in the **Outer Beach** tour route. The **Outer Beach tour** would be a day or two longer than the Inland Fiord tour and could include the following itinerary.

- Day one (after orientation) would be a two or three hour paddle northwest up Seaforth Channel from Waglisla to Strum Bay. Strum Bay is a sheltered bay and the site of an old Heltisulk village site. The area also has a nice camping area and the first night would be spent in tents.
- On day two the tour group would paddle to the mouth of Gayle Passage and spend the night in a cabin located in this area.
- Departing from the cabin at the mouth of Gayle Passage the tour group would move leisurely down the pass between Athonlone Island and Dufferin Island on day three. During this trip there would be several

stops along the numerous sandy beaches in the area. The group would then set up base camp at a cabin located in Thompson Bay on Kwunoot Island.

- For days four and five the cabin at Thompson Bay would serve as base camp. For the next two days the group could explore the extensive intertidal life and marine wildlife in the area including seals, sea otters, and the occasional whale. Day trips could be made to the McMillian Group and Goose Island.
- On day six the group would begin heading back towards Waglisla following the narrow passage between Dufferin Island and Horsfall Island and then heading down Seaforth Channel to Waglisla. The paddle home would be one or two days making the Outer Beach route a six or seven day excursion.

RATIONALE

The Heiltsuk marine hut-to-hut venture would combine Heiltsuk cultural activities with marine wilderness viewing into a unique experience currently not offered on the coast. This type of adventure product would focus on the participants in the ocean-kayaking sector.

The Heiltsuk hut system would allow the visitor to explore one of the largest intact coastal temperate rainforests in the world. There is abundant wildlife viewing opportunities in remote Roscoe Inlet – including eagles, bears and wolves, and seasonal chum and pink salmon migrations. Both the Outer Islands route near Waglisla and the Inland Fiord route to Roscoe Inlet offer outstanding viewscape and inherent qualities that would make these areas attractive destinations for tourists seeking a remote and unique wilderness experience. The prime target markets are BC residents and international travelers willing to pay a premium to undertake a remote ocean kayak venture on the Mid Coast.

The hut-to-hut marine-touring product has the potential to create positive net revenues for the local community of Waglisla for a long period of time. While the actual hut system would generate a small amount of revenue, it will be an important component in diversifying the local adventure tourism products in the community could eventually offer. Through local development of the venture, almost all income generated will be realized in the community. Currently the Heiltsuk have a network of huts in place in the Bella Bella area and the hut infrastructure would not be a barrier. These huts are strategically placed so that a comfortable kayaking experience could be developed between huts. Overall, the product would generate employment in guiding, maintenance and marketing for approximately four or five months of the year. It could be developed in a manner that would be compatible with the Heiltsuk values, and community objectives of economic self-reliance.

As well, the hut-to-hut system would likely lessen the human footprint left on the land and would ensure the environment is respected, thus contributing to the long term sustainability of the tourism industry on the Mid Coast.

COMMUNITY PARTICIPATION

The Heiltsuk hut system has been developed and is operated through the participation and cooperation of several groups in the community. These groups have participated in the fund raising efforts and have

contributed volunteer labour to the building of the huts. The community also provides on-going maintenance for the up keep as well.

The Heiltsuk social development department and other community groups schedule numerous activities for the huts throughout the year. The summer months are the most active time for the hut usage. Therefore, the use of the huts for adventure tourism purposes would have to be closely coordinated with the community groups. Overall, the adventure touring use of the huts will be confined to specific periods that would fit with the community's overall use of the huts.

MARKET

The market potential for a marine hut-to-hut product is probably significant, judging from the increasing demand for hut stays in Alaska. The Heiltsuk hut-to-hut system would be tied to nature viewing and cultural interpretation but would likely be centred around sea kayaking and ocean canoeing. A recent survey in the US estimated 2.6 million people participated in kayaking (whitewater and kayak touring) in 1994/95 and that the participation level continues to grow.

Currently, there are almost no ocean kayaking businesses in the Mid Coast. It is understood that there is a seasonal guide out of Bella Coola, and a shuttle operator in Bella Bella who will transport kayakers to remote islands. Presently, kayakers destined for the Mid Coast must either undertake self guided tours or participate in a guided tour originating on the North Vancouver Island or a mother ship. It is estimated that there are approximately three large kayaking companies based outside the Mid Coast who come to the area for kayaking.

In total it is estimated that between self guided kayakers arriving on the Queen of Chilliwack and guided tours that currently less than 800 ocean kayaking clients come to the Mid Coast each season. However, this will likely grow as popular kayaking areas in southern BC become increasingly crowded and kayakers look for more remote experiences. A Mid Coast kayaking tour may also attract some part of the Alaska hut system market. With proper promotion, it is realistic to assume that the Heiltsuk hut-to-hut tour could capture 10 to 15 percent of the current market, which would initially represent 80 to 120 clients.

COMPETITION

There are approximately 15 businesses offering backcountry wilderness experiences featuring either huts or small lodges in BC. As well, the community of Hartley Bay is in the process of completing a lodge in Cornwall Inlet on Princess Royal Island. However, there are only four businesses in BC that have the infrastructure to support a hut-to-hut experience and none of these are focused on a marine type experience. However, the primary competition for the marine hut-to-hut type experience will come from the established hut systems in Alaska. Here the United States Forest Service and private businesses offer a wide range of locations and rustic accommodations in a marine wilderness setting.

Overall though, the Heiltsuk marine hut-to-hut associated with ocean kayaking and sea canoe will find their main competition from the established ocean kayaking ventures operating in BC. Currently there are an estimated 150 operators who actively participate in guided ocean kayaking ventures in BC. Of this number

approximately 30 to 40 larger ocean kayaking companies operate in the province. The larger companies are characterized by certified guides and have operating guidelines in place and undertake active marketing campaigns.

In addition, there are five very large expeditionary ocean kayaking companies. These companies employ 10 guides or more during the summer months. Two of these five companies are based on Vancouver Island, two more are based in Washington State, and one company is based out of Vancouver. In the Mid Coast at least three of the larger ocean kayaking companies operate mothership ocean kayaking experiences and one of these has a venture that starts from Bella Bella.

In BC, kayakers and tour operators are concerned about the availability of suitable campsites due to growing numbers of kayakers. By providing secure accommodation and a dry place to stay after a day on the ocean, the Heiltsuk hut system will contribute to a safe venture that participants are more likely to enjoy.

ACCESSIBILITY AND INFRASTRUCTURE REQUIREMENTS

The marine hut system would be accessible by water and the current hut system creates a route that would represent a two to six hour paddle by ocean kayak between huts each day. Therefore, the required infrastructure is in place to support this venture. However, over time it may be necessary to add additional huts. On the Outer Beach route the addition of one or two huts would eliminate the need to camp out in specific locations and allow for the development of an alternative route around the outer islands. Along the Inland Fiord route an additional hut could provide a new base camp further up Roscoe Inlet.

REGULATORY REQUIREMENTS

The operator will be required to obtain the applicable CR tenure from BC Assets and Lands

DISCUSSION OF START-UP COSTS

The ocean kayaking adventure tourism business would need to consider several key costs during the start-up phase of the operation. The proposed adventure tourism opportunity is described as a local private business that would form a partnership with the Heiltsuk community for use of the hut system. Several of the start-up costs are discussed here but a detailed business plan would need to be undertaken by the entrepreneur or business interest before undertaking the venture.

The Huts

Since the Heiltsuk have already established a network of huts in the region, there would be minimal construction requirements for the hut system to be utilized for adventure tourism purposes. If the Heiltsuk hut system could be utilized for ocean kayaking ventures, a significant barrier for the hut-to-hut adventure tourism activities would be overcome. To construct the hut infrastructure could cost the new venture approximately \$40,000 a hut, and a modest hut system of six cabins (the number need to support the two tours outlined above) could cost in excess of \$240,000.

As mentioned earlier, the Heiltsuk community already owns and operates the hut system. Therefore a possible arrangement that may be considered would be to have a community based adventure tourism operator(s) rent the huts for periods of time as part of their packaged tourism experience. This would contribute significantly to the overall viability of a new venture and also generate revenues, with the community retaining the responsibility for maintenance and up keep of the hut system.

Initial Equipment Purchases

The new venture would need to consider several key capital outlays to start-up their ocean kayaking business. Some key areas of equipment purchases would include:

- Establishment of an office;
- Boats;
- Repair equipment;
- Safety equipment; and
- Cooking and support materials.

The purchase of six kayaks and other required materials such as spray skirts, paddles, bailing pumps, life jackets (need to cover range of weights), accessory cord, paddling jackets, emergency signalling kits, repair kit, dry bags, rain hats, etc just to outfit the kayak will cost a minimum of \$50,000 alone.

Marketing

The new venture will need to begin marketing seven to eight months in advance of its first trip dates. In the early days of the new venture considerable effort will need to be directed towards marketing. While there are several sound approaches to establishing a client base the initial marketing expenditures will be critical. The new venture will need to overcome three market challenges, specifically:

- establishing visibility;
- reaching the target market; and
- establishing sales contacts.

A minimum of \$10,000 would need to be considered in the first year to start to develop the visibility of the new venture.

Administrative Expenses

There would be a range of start-up administration costs to consider including:

- legal;
- start-up administrative supply purchase; and
- licensees and permit purchases.

DISCUSSION OF OPERATING COSTS AND REVENUES⁹
Potential Key Variable Costs

Accommodation – If the Heiltsuk huts were charged to the tourism operator at a rate similar to the United States Forest Service in Alaska, a price of approximately \$50 per night per cabin would be charged for each night a cabin was rented. The summer would be the peak season for the use of the hut system for tourism purposes with rentals also likely in June and September. The main issue with the hut system will be the coordination of the various community, youth, and family uses and events with tourism activities. For this reason two scenarios are developed that look at various use constraints.

Scenario 1 – Given the alternative use of the huts for other community activities, this scenario assumes that the cabins would be available for only five trips on each of the two routes over the four month summer season. The tourism operation is able to accommodate a maximum of 60 clients in this scenario.

Scenario 2 -- In this scenario it is assumed that tourism operations could occur once a week on each route for the entire four month summer period. The tourism operation is able to accommodate 120 clients in this scenario.

	Scenario 1 (5 trips per route)	Scenario 2 (10 trips per route)
Inland Fiord Route (4 night rental on 4 day trip)	20 days	40 days
Outer Island Route (4 night rental on 6 or 7 day trip)	20 days	40 days
Total Rental Days:	40 days	80 days
Rental Rate (\$50 per cabin per night)	\$50	\$50
Total Cost for Cabin Rentals	\$2,000	\$4,000

Staffing –It is estimated that the new ocean kayaking venture would need a minimum of one certified guide and one assistant guide. While the industry standards for wage levels for guides and assistant guides are not that high, staffing arrangements for accommodation and meals are often arranged. As well, the employer will also need to make WCB, CPP, UIC and other related payments on behalf of the staff. Scenario 1 would require approximately 22 weeks of staff employment or based on two employees for 11 weeks, while Scenario 2

⁹ While this section discusses the costs and revenues associated with the venture it does not prove the viability of the opportunity. This can only be done by undertaking a detailed business plan. Only some of the preliminary costs and revenues are discussed here.

would require approximately 42 weeks. Therefore wages and benefits would likely range from \$27,000 to \$50,000.

Food and Supplies – Guests would anticipate good quality food and supplies. Based on expenditures of \$30 per guest per day as a ballpark figure and without designing a menu, food and supplies would be estimated at between \$10,000 and \$20,000 per season.

Insurance and Permits -- Operating and liability insurance is likely to be in the range of \$2,500 to \$3,500 per year. Acquiring a BCAL ocean kayaking tenure would cost at least \$250.

Potential Revenues

Ocean Kayaking Revenues – The key economic activity that would be developed for the community through the hut system would be to support the diversification of the local tourism products offered locally. The main direct tourism opportunity for the Heiltsuk would be the development of an ocean kayaking venture.

The prices currently charged for guided ocean kayaking in the Mid Coast vary. Discovery Expeditions offers a seven day kayaking tour entitled Great Bear Rainforest kayaking tour. This is a tour based from the mothership MV Blue Fiord. This tour begins and ends in Bella Bella and the seven day trip is priced at \$2,750 CAN.¹⁰ Other mothership trips in the Mid Coast range in length from five days to nine days and are priced from \$1,300 CAN to \$2,500 CAN.

If the hut-to-hut experience can offer the service and quality of the mothership experience it is likely they will be able to charge similar prices. However, using a conservative pricing scheme below the current pricing of the mothership ocean kayaking tours and considering scenarios 1 to 2 for the number of trips that could be scheduled the following table outlines some potential gross revenues.

	Scenario 1 (5 trips per route)		Scenario 2 (10 trips per route)	
Outer Island (6 or 7 day kayak trip charged at \$1,500 CAN per person)	30 clients	\$45,000	60 clients	\$90,000
Inland Fiord Route (4 or 5 day trip charged at \$1,000 CAN per person)	30 clients	\$30,000	60 clients	\$60,000
Total:	60 clients	\$75,000	120 clients	\$150,000

RECOMMENDATIONS

¹⁰ Source: www.orcasekayaking.com/kermode_index.htm

The results of the preliminary investigation of the hut-to-hut ocean kayaking touring activity around Bella Bella suggest that there is merit in further exploring the Heiltsuk hut-to-hut ocean kayaking venture. However, the venture will need to undergo several key steps before it can be determined that the community is supportive of this venture and that the venture is viable. Some of the recommended tasks that need to be considered for this adventure tourism opportunity include the following.

- Determine if the Heiltsuk community supports the use of their hut system to develop a local ocean kayaking venture.
- Determine if there is enough available time to support an adventure tourism operation with the existing hut system without impacting community use of the huts.
- Identify local entrepreneurs or business operators in the community that would want to pursue the development of the specific adventure tourism product.
- Undertake a detailed business plan to outline the viability of the opportunity and secure financing if necessary.