



Golden Globe

Earlier this year, a popular North American city renewed a cherished tradition by welcoming the world and awarding some gold. I'm not talking about Vancouver—I'm talking about Hollywood.

Broadcast to more than 160 countries, the 67th Annual Golden Globe® Awards honored the year's achievements in U.S. film and television but didn't invite a single American to cast a vote. The awards are presented by the Hollywood Foreign Press Association®, comprised of leading entertainment journalists from around the world.

Aside from adding hardware to stars' mantles and promotional pop to studios' marketing efforts, the glitzy spectacle reminded viewers of a few truisms: (1) a long acceptance speech is compelling only to people mentioned in the speech; (2) "who" you're wearing is as important as "what" you're wearing; and (3) international business is *big* business.

Clearly, the foreign influence on Hollywood's awards season is more than ceremonial. It's evidence that Tinseltown is only as strong as its international appeal. Consider that the highest-grossing film of 2009 made more than two-thirds of its money overseas. Left with its domestic take alone, the eye-popping epic would have barely turned a profit.

So what does this have to do with us? Like profitable filmmakers, successful resort developers are turning to foreign markets to boost their bottom line. The pages ahead will explore the reasons behind the strategy, and there are many.

Take the economic recession, for example. While global, the downturn in some parts of the world has been less dramatic than in the United States, and discretionary spending in those markets has, in turn, remained stronger.

Many of these markets are home to consumers, who make more cash purchases of vacation ownership products than we're used to in the States. This diminished

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reliance on capital markets for financing has allowed developers in these regions to forge ahead with resort projects that would have proven difficult or even impossible in domestic markets.

The fact is, the United States represents only a small piece of the proverbial pie. As Interval Leisure Group's Craig Nash discloses in one of this magazine's feature stories, nearly 75 percent of Interval's resort affiliations in 2009 were international. In that same feature, RCI's Geoff Ballotti cites aggressive development activity in places like Brazil, Mexico, India, and China.

Everywhere you look, you're reminded of our industry's global potential. Europe remains the most visited region on the planet. South Africa is emerging as a diverse and appealing vacation destination. Australia's tourism sector is expected to achieve significant growth in the decades ahead, thanks in part to increased visitation from Asia. Some Australian markets enjoy hotel occupancies reaching 99 percent, and many are completely void of vacation ownership options. In St. Maarten, where timeshare units actually outnumber hotel units, rabid demand for resorts continues to make the Caribbean an attractive market.

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capital, our industry's greatest growth opportunities don't rest on U.S. soil. Even resorts that *do* fly the stars and stripes are relying heavily on visitors from abroad. I, for example, am filing this column from Tokyo, as Disney Vacation Club plans sales strategies for our upcoming resort in Hawaii, a favorite destination for Japanese travelers.

Of course, with great opportunities come great challenges. Do emerging markets offer the industry regulations we need to maintain the integrity of our product? Have international lawmakers developed the necessary consumer protections? Are foreign vacationers even aware of the benefits of timeshare ownership? And if travelers in emerging markets are aware of our industry, might they share the negative perceptions that plagued our U.S. operations in their infancy?

These are just a few of the issues experts will explore in this edition of *Developments* magazine. Enjoy this issue, and I look forward to meeting many of you at the 2010 ARDA Convention in Vegas this month! **D**

A handwritten signature in black ink that reads "Jim".

James M. Lewis,
Chairman