With its white sand beaches, crystal clear water, and year-round sunshine, it is no wonder the Caribbean remains a vacationer’s paradise. While overloading the senses with breathtaking scenery, the Caribbean also offers its own unique history, heritage, and cultural diversity that transports visitors to another world. Its proximity, reputation for safe travel, and cultural familiarity with American vacationers has made the Caribbean a premier destination sought by first-timers and loyal returnees year after year.

ARDA-Caribbean was formed in 2008 to answer the high demand as a travel destination for timeshare developers and owners. ARDA-Caribbean’s core mission is to work with national and regional level public and private sector tourism organizations, fostering and promoting the proper legislative and legal environment for the timeshare industry and the hospitality industry as a whole. The group also conducts relevant public and media relations.

2011 has been a year of success for the committee across the board for legislative matters, government compromises, strategic partnerships, and new growth opportunities.

Bringing Our Own Sand
As the leading global timeshare trade association, ARDA works collaboratively with government to ensure they have the proper tools to develop and maintain a healthy timeshare marketplace. One of the most important tools is appropriate timeshare laws and regulations to establish a framework for the growth of the industry while also protecting an owner’s purchase.

Bahamas
In the Bahamas, for example, ARDA-Caribbean and the Bahamas Vacation Ownership Committee (BVOC) worked together to recommend proposed changes to the 1999 Bahamas Vacation Plan and Timesharing Act. If enacted, these changes would modernize the timeshare regime, effectively bringing our own sand to the beach.

“Without ARDA-Caribbean and the BVOC’s collaborative efforts in developing the proposed Bahamas timeshare draft, this highly anticipated legislation would still be light-years away,” said Bert Blicher, CEO of Blue Water Resort and past chairman of ARDA and member of the BVOC. “This partnership has produced comprehensive draft legislation that, if passed, will attract high quality brands and timeshare companies to the Bahamas resulting in greater benefits to the region.”

As of the publishing date of this article, the draft legislation was submitted to the Minister of Tourism and Aviation, the Minister of Finance, and the Attorney General for consideration and formal introduction. ARDA-Caribbean wishes to acknowledge and thank the leadership of the BVOC—as well as ARDA members with interests here—for their hard work and financial support of this initiative.
**D.R.**
The government of the Dominican Republic is also taking measures to grow and protect their timeshare industry by engaging private counsel to draft proposed timeshare legislation. ARDA-Caribbean has offered to lend its support to the drafting team by providing comments and recommendations to the proposal.

**Teamwork: Just Another Day at the Beach**

**USVI**
This past year, ARDA-Caribbean built upon many important partnerships with tourism organizations throughout the region. For instance, in January, the partnership with the United States Virgin Islands Hotel and Tourism Association (USVI-HTA) became critical, when Governor de Jongh Jr., proposed a 2% transient occupancy tax (TOT) increase and a $10 per day timeshare rental and exchange fee.

Facing a shared legislative threat, ARDA-Caribbean and the USVI-HTA joined forces to protect the interests of the hotel and timeshare sectors. ARDA-Caribbean supported the USVI-HTA’s position regarding the proposed 2% transient occupancy tax (TOT) increase from 8% to 10%, based upon a statutory or regulatory guarantee that additional tax revenues will be used solely for tourism promotion and marketing of the Islands and also with the understanding that the TOT will be applied only to transient rentals of timeshares. Working collaboratively, both organizations successfully opposed the proposed $10 per day timeshare rental on transient stays and exchanges.

Following this legislative victory, ARDA-ROC hosted a reception/presentation in June for Members of the 29th USVI Legislature. Director of State Government Affairs Keith Stephenson used the opportunity to make the case that new taxes and regulations on the hospitality industry would only hurt the territories’ already shrinking GDP, ultimately resulting in less overall tax revenue collections. Stephenson also educated the senators on what a timeshare is, how it works, and its value. Special thanks to ARDA-ROC for sponsoring the event and to the HOA, local resort operator, property manager, resort developer, and exchange company representatives who attended.

The relationship between the two associations continues to grow after many years of working together.

“The USVI Hotel & Tourism Association is proud not only to have the timeshare industry as a part of our membership but also to have representation on our Board of Directors...In the true spirit of partnership, ARDA recently made a $5,000 contribution to the Hotel Association’s Scholarship Fund,” said Lisa Hamilton, president of the USVI-HTA. “We have worked closely with ARDA-Caribbean on timeshare industry issues and look forward to a long term alliance.”

**St. Maarten**
This past February saw the temporary closing of the Simpson Bay Resort and Marina and the Villas at Simpson Bay Resort and Marina (formerly known as Pelican Resort Club and Pelican Marina Residences) in St. Maarten. While this could have been a major setback for the island’s tourism market, the St. Maarten Timeshare Association (SMTA), working with its members, were quick to execute a proactive solution.

During the time of the closing, timeshare owners were provided alternate accommodations at timeshare resorts and hotels. Exchange companies also stepped in and timeshare owners lost no weeks or points. St. Maarten has had timeshare consumer legislation since 2003, but in the wake of the short-lived crisis, elected officials reacted by calling for improvements.

Due to the SMTA’s proactive stance, for which SMTA credits the ARDA philosophy, the industry is in a position to offer credible alternatives. The SMTA hosted a legislative session on August 17, 2011. Stephenson and other ARDA members represented ARDA-Caribbean and will participate in future meetings.

“While we have been active in our legislative issues, we welcome ARDA’s expertise, support, and active participation in this process,” said Jim Rosen, SMTA’s Vice-Chairman. “It’s a simple matter of getting the best talent to work.”

**Aruba**
The Aruba Timeshare Association (ATSA) and ARDA-Caribbean began strengthening their partnership back in early 2009. Since then, both groups have kept in close contact, sharing best practices and relevant regional legislative and legal information. In early 2011, local taxing authorities started studying the application of income taxes on local timeshare association reserves. The ATSA has kept ARDA-Caribbean well briefed on the issue, since it also impacts members of ARDA. As of the publishing date of this article, ATSA continues to work with its membership to determine a consensus position on the tax issue that will be recommended to Aruba taxing authorities on behalf of local industry.

“The timeshare segment has been the backbone of the Aruban hospitality industry,” said Andy Osbourne, president of Directors...In the true spirit of partnership, ARDA recently made a $5,000 contribution to the Hotel Association’s Scholarship Fund,” said Lisa Hamilton, president of the USVI-HTA. “We have worked closely with ARDA-Caribbean on timeshare industry issues and look forward to a long term alliance.”

ARDA will showcase its international commitment during ARDA World (the 2012 Convention) April 1-5, 2012, at The Venetian Resort Hotel & Casino in Las Vegas. This event will convene more than 3,000 attendees from over 35 countries—including industry from the Caribbean region.

Don’t miss this ARDA World opportunity! For more details, see www.arda.org.
of the ATSA. “The resurgence of ARDA-Caribbean has been a very welcome development for the Caribbean region as a whole, and we look forward to continuing our positive liaison with them in the future.”

Setting a Course: New Horizons
The future looks bright for the timeshare industry in the Caribbean. In fact, many national governments around the region are becoming more interested in learning how timeshare can enhance and diversify their tourism marketplace, provide employment for their citizens, and increase the economic impact of tourism dollars. One such destination is Jamaica.

Jamaica
Jamaica is one of the most popular tourism destinations in the region, which is why its Ministry of Tourism is eager to push forward new timeshare legislation. At the Ministry’s request, Keith Stephenson and Rob Webb (ARDA Treasurer and partner at Baker Hostetler) spoke to public and private tourism leaders at the Ministry of Tourism’s Annual Tourism Outlook Seminar in April about the many benefits timeshare provides.

Webb believes a designated timeshare law will take the island to the next level by attracting more developer companies.

“ARDA-Caribbean is excited to support the Jamaican government as they work to develop new timeshare legislation. We believe Jamaica has all the necessary elements to pass an enlightened bill that will benefit both the region and the industry in a powerful way,” said Webb. Ministry representatives have asked for ARDA-Caribbean’s involvement when they are ready to move forward with legislation.

Barbados
Barbados is another destination looking to grow its timeshare market. The Barbados Tourism Authority (BTA) is looking to increase tourism traffic by developing and enacting new timeshare legislation. ARDA-Caribbean is eager to assist the BTA on the development of such legislation.

Turks & Caicos
On the Turks and Caicos front, draft legalization on fractional ownership is in the latter stages of being considered and is high on the government’s agenda. Fractional ownership is a lucrative growth market for the territory and compliments recent improvements that have been made, such as increased airlift and the addition of new, upscale tourist developments.

Turks and Caicos is one of the first destinations in the Caribbean to propose this unique type of fractional law, making it an investment destination as well as a place to vacation. ARDA-Caribbean supports this exciting legislation that will open the market to more developers and provide consumer protections to those who want to own a piece of this paradise.

Invisible Hand of Globalization
“Our experience in the Caribbean has given us proof of ARDA’s ability to impact the timeshare industry outside the borders of the United States. Whether it’s U.S. travelers and developers working abroad or international visitors and developers coming to the United States, it’s all part of the global tourism picture,” said Howard Nusbaum, president and CEO of ARDA. “Our goal is to continue to grow timeshare as a better way to vacation throughout the world—tourism is truly the global village.”

ARDA’s 2012 Annual Convention and Expo will focus on the key theme of “ARDA World,” looking at how the vacation ownership industry functions in a global marketplace. The success of ARDA-Caribbean exemplifies ARDA’s global commitment and can serve as a model platform for ARDA’s international advocacy and partnership efforts.

Looking Ahead
2012 is already shaping up to be a busy year, given the ongoing legislative issues—but ARDA-Caribbean and its tourism partners will stay on top of all matters impacting timeshare developers and owners in the region.

For more information regarding the ARDA-Caribbean Committee, please contact Keith Stephenson at 407-245-7601, ext. 22, or kstephenson@arda.org. You also may visit www.arda.org/caribbean.