



Nov. 6 – 12, 2001 (Issue 628)

Local timeshare firm tries different tack

West Coast Timeshare Ltd. uses combination of industry contacts and unique point system to spur sales in tough market

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A seven-year-old Vancouver timeshare operator hopes it has the keys to unlock demand for what has traditionally been a hard-sell industry.

West Coast Timeshare Ltd. is using a combination of links with an industry heavyweight and a points -- as opposed to time -- system to lure local customers to its holiday offerings.

So far, the plan has met with moderate success. In his initial business plan, West Coast co-CEO **Johnny Saldat** expected his revenues to hit \$20 million by 2001. Although he's fallen short of his goal, West Coast had \$3-million in revenues last year and now has 600 members and 50 employees, which includes a 20-person call centre.

"We had seen ourselves growing at a more rapid rate based on a couple of our larger corporate competitors. But we also found that because we weren't a large corporate entity we wanted to move more cautiously," he said, noting that marketing costs were a big consideration.

However, Saldat said that despite the failure of **Intrawest**, **Fairmont Hot Springs** and **Pacific Shores Nature Resort** sales offices in Vancouver, he expects West Coast to succeed marketing its own timeshare units located in Vancouver, Victoria and Whistler to a primarily local clientele.

West Coast differs from most other operators in that instead of selling blocks of time to timeshare members it sells points that can be exchanged for time at any one of its units in B.C., or accommodation and services offered through New Jersey-based **Resort Condominiums Int'l LLC (RCI)**. It has more than 3,500 affiliated resorts in more than 90 countries and is an important part of Saldat's sales strategy.

Saldat explained that a points system is attractive because it isn't restrictive. While traditional timeshares bind people to spending a week at a property, a point system offers a quantity of points valid for a given period that people can use as they please.

Saldat and Walker knew from marketing timeshares in Whistler during the 1990s that timeshare owners wanted greater flexibility. They took their lead from what **Intrawest Corp.** was doing with its **Club Intrawest** points and Bellevue, Washington-based **Vacation Internationale Ltd.** It sold points-based timeshares for 23 years before being acquired by **Signature Resorts Inc.** in 1997 for approximately US\$24.3 million.

"It was all in response to our members in Whistler saying, 'Don't want to always go by the week, don't want to always go by the week,'" he said.

West Coast's average sale is 35,000 to 36,000 points for \$14,000 plus \$300 in annual maintenance fees.

But **Angus Wilkinson**, president of **Tyne Hospitality Services Ltd.** in Vancouver, said the market for timeshares in the Lower Mainland, and particularly among B.C. residents, is limited.

"The demand in Canada for timeshare locations is probably fairly limited to places like Whistler and possibly Tofino -- but nobody's done it yet," he said. "There's maybe a limited demand for urban locations."

Wilkinson said London and San Francisco might be suitable locations for urban timeshares, but even a development in Canmore, Alberta, the bustling satellite of Banff, hasn't been successful. The fact that Canada is not among what he terms the "sun, sand and sea destinations where the weather conditions are constantly good" is also a determining factor.

Even so, Saldat says West Coast plans to expand its current total of 16 units -- six in the **Rosedale on Robson Suite Hotel**, eight in a heritage building it redeveloped in Victoria and two in Whistler.

"We're just adding to our property base in Vancouver, in Victoria, in Whistler and then we have another location that we want to bring on as well within the next 12 months," he said, noting that future growth will be through acquisition in Vancouver and Whistler, and new construction elsewhere.

Approximately 90 per cent of the company's marketing efforts are aimed at B.C. residents, with the remainder focused on residents of the I-5 corridor as far south as Portland, Oregon.

Saldat, who cofounded West Coast in 1994 and is co-CEO with **Tom Walker**, believes the company -- operated since 1998 as **Point to Point Destinations** -- differs from others in eschewing the hard sell.

"Their marketing techniques weren't addressing local client needs, and local client needs are treat the client properly, give them a good experience and they'll become members,

and even if they don't, they'll send their friends," he said during an interview at the company's 5,000-square-foot headquarters on Hamilton Street.

"We're really building on a referral network."

West Coast expects just under \$8 million in revenues this year.

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