



Kia Ora,

Firstly, I would like to take this opportunity to send out our support and condolences to all of you caught up in the Christchurch Earthquake. We are all touched by this tragedy in some way either directly or indirectly, please let us know if there is anything we can do to help either specifically in relation to Qualmark business or in any other way you feel we may be able to assist.

A warm thank you to everyone I have had the pleasure of meeting with over the past few months during my industry consultation on the New Direction for Qualmark. One extremely compelling industry desire has come out of these meetings and subsequent feedback, and that is to see Qualmark succeed. Collectively the industry have assured me they can see the importance and value that Qualmark can deliver, and sincerely wants to see us succeed in delivering quality assurance to New Zealand's Tourism industry. There is overwhelming support for the need for change and enthusiasm for how the new business model will benefit the industry in the coming years by truly allowing us to assure quality for New Zealand Tourism industry.

I understand for many of you the launch of the New Direction for Qualmark, came at the busiest time of year, putting pressure not only on your inbox, but also on your ability to read and absorb the changes. Please be assured this was not intentional, we were in a position had we left it any longer we would have compromised our opportunity to be able to engage with the industry prior to the launch of stage one on 1st April, 2011. I have therefore taken this opportunity to summarise the changes for you.

The principal focus behind the new direction is to ensure we are fully focused on quality assurance. Seven major areas of change to our business plan are involved; including new processes for ensuring assessment criteria are kept relevant; new assessment options including the requirement for all licence holders to complete a pre assessment enabling us to introduce an unannounced visit to our assessment options. This is a critical change allowing us to assure quality with confidence knowing that we are seeing what the consumer sees.

A new pricing structure; including rewards for long tenure and loyalty, has been introduced.

Please see revised pricing table below;

Sector	Application Fee	Available Rewards		Base Fee	Variable Fee	Multiple criteria, branch and/or brands
		Long Service	Loyalty			
Backpacker	\$650	3-10%	10%	\$400	\$3.00 per bed	\$200
Guest & Hosted	\$650	3-10%	10%	\$450	\$27.00 per room	\$200
Holiday Home and Group Head Office	\$650	3-10%	10%	\$480		\$275
Hotel	\$650	3-10%	10%	\$800	\$6.00 per room	\$200
Self Contained & Serviced	\$650	3-10%	10%	\$450	\$10.00 per room	\$200
Student Accommodation	\$650	3-10%	10%	\$500	\$3.00 per bed	\$200
Venue	\$650	3-10%	10%	\$450	\$1.50 per PAX	\$200
Visitor Activity, Service, Transport	\$650	3-10%	10%	\$600	\$20.00 per FTE (full time equiv. staff)	\$200
Exclusive		3-10%	10%	\$1600		
				Size of Park*	Annual Fee	
Holiday Park	\$650	3-10%	10%	1-99	\$470	\$200
				100-149	\$695	
				150-249	\$855	
				250-449	\$1175	
				450+	\$1605	

* Size of Park Calculation		
Powered/non powered tent sites	Divide by 2	= Total A
Site vans, standard cabins, kitchen cabins, lodge/group accommodation	Multiply by 5	= Total B
Ensuite, self contained and motel units	Multiply by 10	= Total D
Size of Park	A+B+C	= Total

Application Fee

- Applies to all new licence holders only without exception.

Multiple branch/criteria and/or logo

- Applies to multiple branches & endorsed licences that have more than one activity we have to assess.

Available Rewards – Apply to on time payment only.

Long Tenure Reward

- Rewarded for maintaining licence consistently – applies after 3 years (3%) through to maximum of 10 years (10%);
- Conditions to maintain Long Service Reward in the event of a sale of the business
 - 30 day grace period given to new owner of an existing Qualmark licenced business;
 - 12 months 'holiday' given to an owner that sells and buys or develops another business and signs up again.

Loyalty reward

- A 10% reward will be offered to
 - Marketing Chains who show a commitment to achieve 100% participation;
 - Dual Licence Holders.

The independent establishment of the Enviro Award has involved the removal of the full Enviro assessment from the quality assurance criteria, however to ensure we continue to support good sound sustainable business practice the minimum requirements remain part of the quality assurance assessment.

A common concern that came out of the industry consultation was the pending charges for the Enviro Award. We are extremely proud as an organisation of what we are collectively achieving with the Enviro Award, and almost three years after its initial launch we are still achieving 5% growth of licence holder's month on month. We are very aware of the risk of losing this positive momentum and the resulting benefits we are bringing to the tourism industry. With this in mind we have made a decision to subsidise the costs of the award. Please find below the revised pricing;

\$150 application fee New Licence Holders (Includes 1st year licence) - Effective 1st April, 2011

\$150 per annum licence fee Existing Licence Holders - Effective 1st July, 2011

To ensure the successful implementation of all these changes a comprehensive review of our terms and conditions; and policies and procedures; has also been completed.

A complete brand review and evaluation has resulted in the revision of the Qualmark brand; we are currently undergoing the last stages of industry and consumer research into the proposed new brand. Proposed launch date is 1st May, 2011. As important as the 'new look' is, so is how it is used, the revised branding will be supported by the establishment of robust brand standards, to ensure consumer expectation is managed and brand integrity is upheld. I will keep you updated with our brand progress and the development of our strategic marketing plan.

Our sole focus as an organisation is and must be quality assurance in New Zealand's tourism industry, these changes will allow us to deliver just that to all Qualmark licence holders, travellers, shareholders and the industry alike. I look forward to meeting many more of you over the coming months as I work my way around the country.

Warm Regards

Paula McCallum
General Manager
Qualmark®

New Zealand tourism's official mark of quality
147 Victoria Street West, PO Box 1448, Auckland, New Zealand
Fax: +64 9 377 2132 | Main: +64 9 377 2130

Please consider the environment before printing this email.