

2008 Canadian Travel to the Capital Region USA

Arrivals

Canadian travelers took 965,400 person-trips* to the Capital Region USA in 2008. This was an 8.6% increase compared to 2007. The number of person-trips to each individual area was:

| | |
|-----------------|--------------------------|
| Virginia: | 558,300 (8.8% increase) |
| Maryland: | 238,300 (5.0% decrease) |
| Washington, DC: | 168,800 (35.1% increase) |

Visitation to the Capital Region USA in 2008 represented 5.1% of the total 18.9 million person-trips Canadian travelers took to the U.S. during the same time period. This regional share of total U.S. visits provides a gauge of the region's relative position in the U.S but is not a true share of the U.S. because of cross-visitation among CRUSA members. The total U.S. visitation estimate of 18.9 million, which does not include cross-visitation, represents an increase of 6.5% from 2007.

The average number of nights Canadians spent in the region varied by area. The average for DC was 3.9 nights, compared to 3.2 nights in VA, and 3.7 nights MD. The average for the CRUSA region, not accounting for cross-visitation, was 3.5 nights while the national average was 7.8 nights. Historically, the U.S. average has been highly influenced by four states, Florida, California, Arizona, and Hawaii, where large numbers of Canadians stay for periods that average two to three weeks. The averages for these states include the influence of "snowbirds" that may stay for several months during the winter. Multiplying total person-visits by average length of stay produces the number of total person-nights. More than 3.3 million person-nights were spent in the CRUSA region in 2008, an increase of 14.9%.

*A person-trip is defined as any time a Canadian traveler visits Virginia, Maryland, or Washington, DC. A person that visits both Maryland and Virginia on a single trip would count as two person-trips.

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Popularity of Trip Activities

Table 1 shows the relative popularity of numerous types of activities in which Canadian visitors to the U.S. participated during their trip. Shopping, sightseeing, visiting friends or relatives and participating in sports/outdoor activities were the most popular activities. The popularity of activities in 2008 is consistent with those of 2007 and earlier.

| Table 1 | Percentage of Canadian Travelers Including Activity on U.S. Trip |
|---|---|
| Go shopping | 72% |
| Go sightseeing | 44% |
| Visit Friends or relatives | 37% |
| Participate in sports/outdoor activities | 32% |
| Got to a bar or night club | 22% |
| Visit a historic site | 21% |
| Visit a national or state nature park | 17% |
| Visit a museum or art gallery | 16% |
| Attend cultural events (plays, concerts) | 13% |
| Visit a theme or amusement park | 12% |
| Got to a casino | 12% |
| Visit a zoo, aquarium, or botanical garden | 11% |
| Golfing | 9% |
| Attend a sports event | 9% |
| Attend a festival or fair | 8% |
| Boating - motor/sail boat/kayak/canoe/other | 6% |
| Downhill skiing or snow boarding | 2% |
| Fishing | 2% |
| Hunting | 0% |
| No activity stated | 10% |

Spending

Total Canadian visitor spending in the Capital Region USA was \$285 million in 2008. The estimated spending by Canadian travelers in VA was \$122 million, compared to \$97 million in DC and \$66 million in MD. The 2008 regional total represents 2.3% of the \$12.2 billion Canadian travelers spent in the U.S. in 2008. The U.S. total spending was up 13% while the regional total increased 19.6%. The Canadian dollar posted a slightly stronger exchange rate in

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2008 meaning Canadians could spend less of their own currency to purchase the same value of American goods compared with the year before.

The average per-person per-day spending – which takes into account total spending, party size, and length of stay – varies by area. MD's average of \$74 and VA's average of \$69 compare to DC's average of \$146. The 2008 U.S. average per-person per-day spending was \$83.

Mode of Transportation

Canadian visitors to the region traveled predominantly by automobile (72%). Twenty-four percent traveled by airplane, 2% by bus, and 2% by rail, boat and other modes. Arrivals to the region by airplane increased 28% from 2007 to 2008, while travel by automobile increased 5.1%. sixty-nine percent of the travelers to DC arrived by airplane with only 25% arriving by automobile. The percent of airplane travelers to DC increase substantially from 2007 when 59% of Canadian visitors to DC arrived by air. This figure also contrasts with travelers to VA and MD who arrived predominantly by automobile, 83% and 77%, respectively, and 13% and 18%, respectively, by airplane. Rail, boat, and miscellaneous other modes represented very small percentages.

Type of Lodging

Hotel/motel was the predominant type of accommodation used by Canadian travelers to the region (based on survey respondents who stated their accommodation type). Hotel/motel lodging represented 72% of the person-visits in the region in 2008 - with some variation among the three states. Staying with friends and/or relatives represented 12% and camping represented 6% of the total person-visits in the region. Other types of lodging represented a small share of visits.

Trip Purpose

Traveling for vacation was the primary trip purpose for 61% of the travelers to the region in 2008. However, the purpose of travel varied across the region. Holiday/Vacation represented 70% of total visits to VA, compared to 61% to MD, and 34% to DC. Business travel represented 15% of visits to the region, but varied for each CRUSA member: 8% to VA, 13% to MD, and 42%

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to DC. Visits to friends or relatives represented 12% of the regional person-visits. Eleven percent of all person-visits were for other purposes.

Season of Travel

Table 2 shows the seasonal pattern of visitation to the three regions of CRUSA. The first quarter was the most visited for the region as a whole while the remaining quarters received similar overall visitation. Washington, DC and Maryland both showed an increase in first quarter visitation compared with historical visitation while Virginia showed a decrease. Washington, DC showed a large increase in fourth quarter visitation and a large decrease in second quarter visitation in 2008 compared with earlier trends.

| | 1st (Jan - Mar) | 2nd (Apr - Jun) | 3rd (Jul - Sep) | 4th (Oct - Dec) |
|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| US | | | | |
| 2008 | 28 | 24 | 25 | 23 |
| 1999 - 2008 average | 22 | 25 | 33 | 21 |
| CRUSA | | | | |
| 2008 | 25 | 21 | 28 | 26 |
| 1999 - 2008 average | 28 | 27 | 23 | 22 |
| Virginia | | | | |
| 2008 | 28 | 26 | 24 | 21 |
| 1999 - 2008 average | 31 | 28 | 21 | 21 |
| District of Columbia | | | | |
| 2008 | 25 | 21 | 28 | 26 |
| 1999 - 2008 average | 20 | 30 | 29 | 21 |
| Maryland | | | | |
| 2008 | 29 | 21 | 26 | 24 |
| 1999 - 2008 average | 26 | 24 | 24 | 26 |

Province of Residence

The Canadian provinces of Ontario and Quebec were the origins for approximately 86% of the visitors to the region. Ontario represented 58%, and Quebec provided 27% of the 2008 visitation to the region. Ninety-one percent of VA visitors came from these provinces compared to MD (87%) and DC (67%). Canada's other ten provinces represent the remaining sources of visitors to the region. For perspective, 62% of U.S. visitation came from these two provinces.

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For more information

Please contact Vice President of Sales & Promotions, Diane Béchamps at (804) 545-5542 for further information about this report and how to access the international marketing opportunities.