

Project Outline (Confidential)
“Village DreamBoats”
by Latitude Paradise, Lautoka



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Management Summary

With the proposed project “**Village Dreamboats**”, Latitude Paradise offers selected Fijian villages throughout Fiji the opportunity to run a micro-tourism business in their villages thus generating funds for the whole community.

Latitude Paradise provides fully equipped houseboats which will be anchored near a village. Tourists visiting Fiji will be able to experience and savour the *real* Fiji: the natural beauty of the environment, the friendliness of the people, their rich Fijian culture, delicious food, and being able to participate in the day-to-day activities of an ordinary villager.

The village – as the franchise partner and host of one or several houseboats – provides manpower, edutainment, entertainment and all food for the guests (tourists and locals) of these houseboats.

For their contributions the village will receive **50%** of the sold accomodation nights.

Marketing, booking and administration is done by Latitude Paradise. A dedicated World Wide Web site will provide all necessary background information. Pollution-free energy generation and human waste recycling will safeguard and protect the environment.

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The Idea

Around 18 months ago, Reginald Dowell – the founder of Panel Pak Industries (Fiji) Ltd, a manufacturer of housing components and pre-fabricated steel homes – went on a tour throughout the Western part of Viti Levu. While visiting several villages and outer islands in the Yasawa and Mamanuca group, he observed that their natural surroundings combined with the village hospitality could make an interesting mixture for small-scale tourism.

Why not to build house-boats, anchor them in front of villages and let the Fijian villagers play the hosts to their guests?

In that way, tourists could experience the *real* Fiji and still having a place where they can retreat and enjoy a certain kind of comfort.

But what about the village and its people? What would be the dangers for their life-style? What would be the benefits?

During his previous extensive travel throughout Fiji, it always occurred to Reg that the benefits for villagers next to resorts and hotels were minimal. Sure, some would find a job there, or be invited to do musical performances, an occasional traditional dance.

The visiting tourist, on the other hand, were confined to an environment which, although quite often very beautiful, gave them the impression that Fiji did not differ from other tourist destinations in the world. Sun, beaches, sea, friendly and smiling people, wild and sea life – all well, but you would find that elsewhere, too. At even cheaper prices. Bures and huts excluded, what's the difference between at home and here surrounded by the four walls of a hotel room? *Is that the Pacific way of life? Where is the adventure? Where the exotic thrill?*

As a result, Reg visited several villages again and proposed his idea to village chiefs, elders and Mataqali and Tokatoka members. The response from the vast majority was very positive, even enthusiastic. All they need to do is to be *themselves*, to provide some services like cleaning, guarding and cooking. And share their *native* foods with the guests. Let the visitors, if they want, participate in their daily or nightly activities which they *anyway* are doing: farming, fishing, hunting, producing mats and handicrafts, singing, drinking kava, and all the rest.

The success of such a venture would depend, to a large part, on the ability of the village population. *They* would have the responsibility to make feel their guests welcome, happy and comfortable. Thus, a *failure* of the venture in a certain village could barely be blamed on somebody else.

For the allotment of manpower and food, the village – and not the individual – would get 50% (plus or minus, based on the actual investment and operating cost of the project) of the revenue arising from such a venture. The reminder would go to the company doing the administration, the promotion and marketing and providing the infrastructure. In addition, villages could *add value* to a holiday package by providing further services like sea and land transport, selling local and imported food, beverages and basic necessities, and offering handicrafts.

It is then up to the village chiefs and elders to make sure that the money received would be spent fairly and wisely.

A nice side-effect of the venture, as the discussion showed, would be the resulting *cultural interaction*. Village members could learn something about the ways the guests are living in their countries. And the tourists can broaden their horizon by experiencing the lifestyle of the *indigenous* population of Fiji.

Since each Fijian village throughout the islands of Fiji has its own *identity, cultural background, and different natural environment*, the choice of the visiting guest where to stay may create some encouraging competition.

It was when Reg received this overwhelming support and interest, that he decided to pursue the idea further and turn it into reality.

The Concept

As derived from the ideas mentioned above, the concept is

To give interested Fijian villages throughout Fiji the opportunity to earn money on a continuous basis by providing *manpower* and essential *food items* to visiting houseboat guests, either overseas tourists or locals

Since it is planned to involve as many Fijian villages as possible, the project is structured as a **franchise venture** between any participating village and Latitude Paradise as the entity responsible for construction, marketing and administration.

Each *franchise* is a *priviledged contract* between two parties whereby one party (Latitude Paradies) provides:

- house-boat vessels, fully furnished and equipped
- infrastructure on land (e.g. eating bure, toilet facilities, etc.)
- communication equipment
- marketing of project locally and internationally
- organisation of bookings
- organisation of transport of clientele to the boats and back
- administrative project supervision

while the other party (the Fijian village) provides:

- hands-on services (cooking, house-keeping, entertainment, guest activities)
- security for both guests, their belongings and infrastructure on sea or land
- food
- entertainment
- and all the necessary traditionals that make up the *Fiji Way of Life*

In other words, Latitude Paradise provides the means, the tools – while the villages provide the the basic Fijian food plus the manpower for providing services.

The house-boats will be given to interested Fijian villages throughout the whole Fiji Islands, starting with coastal areas around Viti Levu. The boats and infrastructure on land will be erected by Lattitude Paradise and remain property of the company.

Infrastructure on land erected by the Fijian village remains the property of the village itself.

Some infrastructure may need to be set in place in a join-partnership of the two partners.

The Fijian village has to make *no financial commitments* apart from agreeing to conditions in the franchise contract.

The *franchise contract* – a documented mutual protection for both parties – will include:

- conditions for supplying the means for supplementing the traditional way of Fijian life by introducing paying visitors from overseas, resulting in monetary gains for the entire village population

- dividing of all revenue between both parties according to a mutual agreed percentage factor
- “rules of conduct and protocol” in regard to the visiting tourists
- “rules of conduct and protocol” to be respected by visiting tourists in regard to host village
- definition of goods and services to be provided by the village
- definition of goods and services to be provided by Latitude Paradise
- define way of communication channel between the two parties
- definition of activities to be undertaken by the village in case of accidents, natural disasters (eg. hurricanes, torrential rain), etc.
- define ways of problem-solving
- define guest rates for services provided by the village not included in the basic meal/accommodation package
- suggestions for entertainment and guest activities
- penalties resulting from breach of franchise contract or conditions not respected (scalable depending on type of misconduct); ultimate penalty is withdrawal of franchise and associated infrastructure plus confiscation of accumulated funds

The way a Fijian village hosts the tourists during their stay, is entirely up to the village. Apart from prerequisites mentioned in the franchise contract, Latitude Paradise will make suggestions only.

Since Latitude Paradise provides the marketing and administration, it also collects the money from the guests. Monies owed to the village for its contributions will be administered in a fund, giving the right for withdrawals to the head of the village, mataqali or committee.

Apart from money due to the village for provided services and products, the village will not be allowed to ask the guest for additional costs. However, this does not mean that the village cannot provide value-added services or products like:

- food and other items sold in a village shop
- providing costly activities, like boat transport to remote islands
- renting of diving gear and other water-sport equipment
- handicrafts

Features of house boats

Ultimately, each house boat may have a different design – at least as far the look from outside is concerned.

We envisage the production of 3 types:

- a) low-budget boats with 8 curtain-curtailed bunk beds
Boat size: 10 x 4.8 meters
- b) medium-budget boats with 6 twin cabins
Boat size: 12.6 x 5.4 meters
- c) family boats with 1 twin cabin and 4 bunk beds
Boat size: 7.2 x 4.8 meters

While the design of the final house boats is still under consideration, the prototype currently under construction will offer the following:

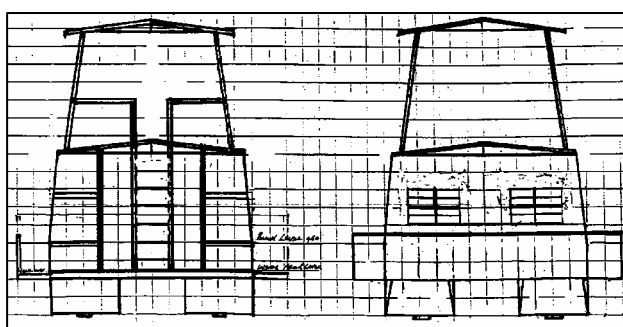
- Boat size (base deck): 9 meters long x 4.8 meters wide (including walkways)
- Covered sun deck: 6 meters long x 3 meters wide
- Pontoon and hull structure: galvanised steel with polyvynil fibreglass exterior
- Mosquito-screen louvre windows and lockable steel door
- 8 bunk beds: each 1.95 meters long x 0.90 meters wide; curtains, pillows, matrass
- One locker per bed; additional locker space underneath beds
- Lounge area with sofas/chairs and TV/radio (video on rental at certain locations)
- Dining area with table/chairs
- Small built-in kitchen with sink, gas stove, fridge, and kitchen utensils
- Impregnated timber floor on base deck
- Two water tanks with total 500 litres each
- Biological toilet (waste recycable to soil-like humus)
- Shower facility
- Solar panels installed as cover for sun deck: providing low-voltage electricity
- VHF radio communication with mainland (mobile phones on rental at certain locations)
- Portable BBQ grill
- Steel/fibreglass dinghi
- Life-saving gear
- Emergency diesel generator
- Desalination/distillation equipment for producing daily supply of drinking water

On the shore of each houseboat site, an amenity block consisting of:

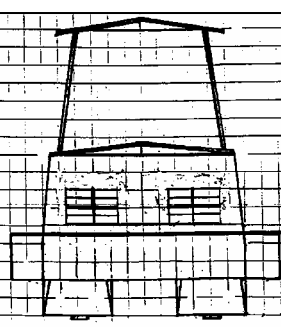
- toilet and shower facilities with septic
 - open-structure but covered dining/entertainment *bure*
- will be erected.



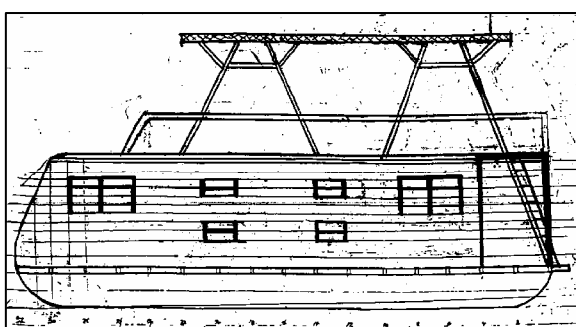
Figure 1 Houseboat prototype currently under construction



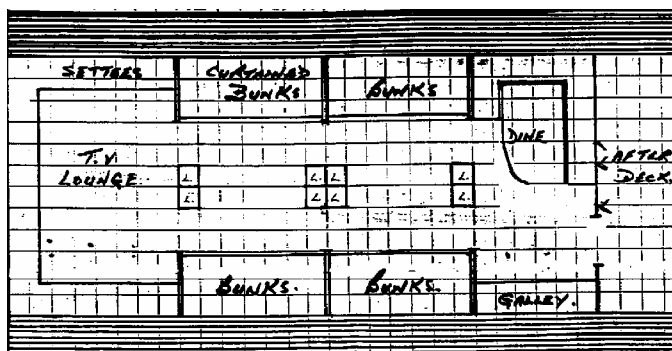
stern elevation



bow elevation



side elevation



lower deck floor plan

Environment policies

Both Latitude Paradise and Fijian villages as franchise partners see the natural beauty of their village and surrounding as one of the main attractions to tourists and guests. It is the intention of all involved parties – including guests – to preserve this environment on a *sustainable* basis.

As a result, each houseboat will have a bio-recyclable toilet. Onshore, the toilet and shower wastage will be collected in a septic tank.

All energy required for the operation of the houseboat amenities will be produced from solar panels installed on top of the sun deck.

Benefits to the Fijian village as franchise partner

- Stream of regular monies arising from the village's manpower and food contributions
- interaction and cultural exchange possibilities
- some 'prestige'
- opportunity for self-involvements of village individuals in a communal project

Involvement of villages

- information gathering in January 1998
- disseminate project goals and benefits to villages to villages, mataqalis and/or provincial councils
- draft-up of possible guest activities at each village taking part in the franchise system
- draft up "code of conduct" for villagers in regard to guests
- meal plan
- service/security/guest activities rosters
- compulsory attendance of village elders and/or village project supervisor(s) of a seminar "How to make your guests happy, feeling comfortable and wishing to rebook again?"
- after the seminar, the participants will inform/train the entire village population

Products/Services to be supplied by villages

- Three meals per guest per day (using available local ingredients)
- Cleaning and house-keeping of house-boat
- Security of guests
- Protection of both off-shore and shore infrastructure
- Nightly entertainment of guests (e.g. music, meke, lovo feast)
- Arrangement of guest activities (e.g. spear-fishing, handicraft production, bush-walking, horse-riding, watersport, sight-seeing, etc.)
- Management of first-aid kit
- Management of rental equipment (video, tapes, Vodaphone, diving gear, books, etc.)

- Environmental-friendly disposal of waste
- Responsibility for food/water/fuel supply
- Undertake minor repairs on infrastructure
- Maintaining guest log-book
- Notifying Latitude Paradise of faults, break-downs and other problems
- Optional: management of village store (e.g. water/drinks, basic food and toilet items, sun-protection cream, cigarettes, etc.)

Possible anchor locations

Since it is planned to disperse houseboats throughout *all* Fiji islands, a preference for a certain *anchor spot* at this point in time is not possible. The location for the mooring of the *prototype houseboat* will depend on the outcome of negotiations with various interested villages.

Generally, an *ideal anchor location* for the initial phase would have the following features:

- Is within eye-sight of the village
- Has access to beautiful sandy or rocky beach
- Is in an lush tropical environment
- Chief, elders and majority of village population is *enthusiastic* about the franchise project
- Village and surrounding area offers options for land and river/sea activities
- Village can regularly supply both manpower *and* local fruits and crops
- Strong relations within the village community with a good potential for problem-solving
- Village can offer security to guests (no burglary, violence, rape attempts, etc.)
- Access to drinking water an advantage
- Is within reasonable travelling distance or transfer services from Nadi Airport
- Has daily and *regular* transportation facilities to the mainland of Viti Levu
- Off-shore anchor spot needs to be sheltered and shallow inside a reef
- Shop available or village ready to start one
- Telephone communications or within reach of Vodaphones

Company description Latitude Paradise

It is planned that an existing limited liability company called “Woodcraft (Fiji) Ltd” be name-changed to “Latitude Paradise” and used for the purpose of the corporate legalities. Currently, Woodcraft is owned by the principals of Panel Pak Industries (Fiji) Limited. It allows for additional shareholding expansion, which will actively pursued once the viability of the project justifies it.

Should the project prove to be as successful as the project founders anticipate, the requirement for additional funds arising from expansion and number of house-boats would be an investment opportunity for Fijian villages, mataqalis, co-operatives and/or provincial councils.

Marketing Strategy

Initially, the advertisement of the final product and the availability on the pilot (prototype) houseboat will be on a yet to be designed Web page on the WWW/Internet. Interested people browsing the Web pages can electronically ask for further information and get in touch with Latitude Paradise for direct bookings.

Apart from that, a small product leaflet (probably black/white or spot colours) will be printed and distributed with additional marketing material to selected tour operators, airlines and travel agencies in Fiji.

With the availability of more houseboats (envisaged four, giving 32 beds), a full-colour brochure will be produced. A translation of the first product flyer into:

- German / French / Italian / Japanese

would be arranged should a potential in countries with these languages arise. In addition, the Web pages on the Internet will be translated into above languages.

The product will be internationally launched by informing larger overseas travel agencies, the affiliates of the Fiji Visitors Bureau, etc. by:

- direct mail (offering a substantial commission during the launch period)
- attractive display stand for travel fairs
- informing South Pacific travel book agencies about the new product
- trying to get the next “load” of overseas travel agency representatives and/or travel writers to visit/test the product
- supplying “niche” magazines (eg. wedding, travel, diving) with product information and/or photo story
- probably advertising in respective publications in selected overseas countries

In the local media, sporadic “getaway specials” will appear in the local media targeting the resident expatriates and middle/upper-class locals. Special “party-boats” might be made available in Suva, Nadi and/or Lautoka.

Future Options

An expansion of the house-boat project with interested villages in other South Pacific nations is envisaged.

Draft Budgets: Houseboat / Operating Budget

See Appendix

Implementation Timetable

See Appendix