

FDFA and members prepare for future, including the first convention since 2019



FDFA Executive Director Barbara Barrett is amazed by the strength of the industry and the resilience of FDFA members, saying: “What other industry could face a 20-month closure and return to take on new challenges? We also learned that with a strategic and bold advocacy plan, that despite our size, we can accomplish great things.”

Canada’s border stores went through quite a time, to say the least, with over 2.5 years in total of strict border regulations — from complete closure with enforced isolation for citizens to expensive and invasive testing requirements once the border reopened. Throughout most of that time, these border stores saw sales drop from -95% to -100% what they’d been in 2019.

Throughout, the country’s Frontier Duty Free Association (FDFA) worked extremely hard on its

members' behalf, and the association's efforts enabled these border stores to survive a crisis of unimaginable proportions.

Constant pressure

"Our work with the Coalition of Hardest Hit Businesses helped our stores become included in Wage and Rent subsidy relief measures, and being named as one of only 20 industries in Bill C-2 — the extension of these relief measures," says Barbara Barrett, Executive Director FDFA. "As things were opening domestically and Canadians were enjoying domestic travel and tourism, our stores were left behind. It was imperative for FDFA to get the border open, despite there being no signs of it being considered."

The association therefore put continuous pressure on political leaders to get the border open and back to normal. And it wasn't just the Canadian duty free stores suffering the brunt of the restrictions; border communities in the US and Canada and businesses within those communities were being disproportionately affected by the closure that, according to Barrett, no longer made scientific sense.

"We at the FDFA organized political leaders — mayors, congressmen and Members of Parliament on both sides of the border to do public and media panels and apply the pressure to their own parties, which was covered widely by US and Canadian media. Federally and at the grassroots level across Canada, FDFA did not let up," Barrett says. "Our work resulted in the government dropping testing, opening the border and remarkably, dropping the need for the use of the ill-designed ArriveCan app, allowing our land border duty free stores to finally step on the road to recovery. So yes, our members did make it through and proved that duty free business is strong and resilient."

FDFA has more work to do as residual effects from the long closure continue, according to Barrett, but the association continues to make its voice heard and its members remain optimistic. "Duty free may be a small industry, but we have proven our mightiness."

FDFA has always maintained close relationships with groups like the Tourism Industry Association of Canada. "Through the pandemic, it was an essential connection. Post-pandemic, there is still much advocacy work to be done in the tourism space and where our goals overlap, we will work together to reach them. An example of that would be the call for the return of the Visitor Rebate Program. Our strong relationships and coordinated advocacy plans are what will bring this to fruition," she says.

The future is here

Thankfully, Canada's border stores are now on the road to recovery, but store traffic has yet to reach pre-pandemic levels. "FDFA is working with government and tourism groups on ways to increase the rubber tire travel and to encourage our American neighbours to return to Canada, and moreover, ensure that such a closure never happens to our border again," says Barrett.

And now, after a four-year hiatus, FDFA's convention is back. "We are very eager to bring our partners together in our original convention format, providing a platform to share ideas and visions that will ultimately grow their businesses while building relationships and brands," says Barrett. "We believe that by working with our partners, together we can build a thriving industry, which inspired our theme this year; *Canadian Duty Free - Building Tomorrow*. The convention will take place from November 27 - 30, 2023 in Toronto, Ontario."

According to Barrett, FDFA staff were thrilled by the immediate response after registration opened in mid-June. "Our supplier members were extremely motivated and enthusiastic to secure their participation," she says. "We have also received a very positive reaction from the border store operators. These early indications are leading us to anticipate extraordinary attendance this year,

which is very welcome after the last few trying years. We look forward to giving everyone a warm Canadian welcome in Toronto!”

Current work

While the long-term effects of the pandemic continue, with the fully reopened border FDFA’s focus going forward is removing any barriers to success the industry faces. “This includes advocating for the removal of unnecessary, illogical domestic red tape on such things as domestic labeling regulations, and seeking a clear understanding among all federal departments that we are export only and thus removing any inclusion in domestic regulations,” Barrett says. “Long term we will also be advocating for the re-instatement of the Visitor Rebate Program, and we will continue our work with border community mayors to protect our border and ensure it is never closed again.”