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CULTURAL TOURISM AND COLLECTIVE TRADEMARKS: THE CASE OF BYBLOS AND SAIDA, LEBANON

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Cultural Tourism and Collective Trademarks: The Case of Byblos and Saida, Lebanon

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The cultural tourist development in Lebanon and the use of collective trademarks has been discussed in meetings at the Ministry of Tourism, the Ministry of Economy and Trade, and with the representatives of IDAL, Kafalat, SRI, the Social and Cultural Development Association-INMA, the Association of Lebanese Industrialists, the Association of Travel and Tourist Agents in Lebanon, the Syndicate of Owners of Restaurants, Cafes, Night Clubs and Pastries in Lebanon and local tour operators. We thank very much all of our kind partners.

1. Introduction

1.1 *Foreword on Intellectual Property Rights and Tourist Industry*

"The mission of the World Intellectual Property Organization is to promote the protection of intellectual property worldwide, and to help extend the reach of the benefits of the international Intellectual Property system to all its Member states."¹

Fostering Intellectual Property (IP) as a means for economic, cultural and social development lies at the core of the World Intellectual Property Organizations (WIPO's) vision and strategic orientation. As a specialized UN agency, WIPO seeks to put the UN Millennium Development Goals² into practice by acknowledging the importance of the protection of works of the human mind. WIPO holds that IP should be of benefit to all peoples and, in this sense, views IP protection as leading to intellectual property opportunities.

The basic ingredients that drive the knowledge economy and feed the IP system – creativity and innovation – are found all over the world. However, a general lack of awareness of the enabling possibilities of IP systems along with the unfortunate view that IP is a merely esoteric field of law seems to have led many countries away from taking full advantage of IP regimes. What this view neglects is that an actively managed IP – that is, an IP system established with the needs of the country in mind and managed in the best interests of the country – can substantially contribute to the local economic development and the welfare of human beings all over the world (Santagata, 2002, 2006).

To bridge the divide that currently exists in the use of the IP system, WIPO is actively seeking to bring knowledge about the appropriate use of IP to countries and to develop jointly with Member States strategies for wealth creation based on the use of IP. In doing so, WIPO builds on three decades of technical assistance through which it has sought to enable potential IP owners to become high performers. The present study falls squarely within WIPO's approach and should be of relevance to stakeholders in the field of collective intellectual property rights all over the world (Ghafele, Gold and Hilman, 2006).

While most will agree that IP is a legitimate concern in Research & Development activities, few make the connection between IP and a sector like tourism. When talking about IP, people think mainly about patents and copyrights, hence research, technology, innovation, ideas and cultural expressions. However, that the term IP comprises much more is often forgotten. For instance, in the case of the tourism industry it will be shown that IP rights play an important role, especially collective rights such as collective trademarks, or "third party" certification marks.

¹ Available on-line at: <http://www.wipo.int/about-wipo/en/dgo/pub487.htm>

² The UN Millennium Development Goals are available online at: <http://www.un.org/millenniumgoals/>.

The Cultural tourism industry has been only recently considered in terms of local systems, made of micro-small firms producing tourist goods and services. In contrast to Research and Development which requires several prerequisites which developing countries find many times challenging to meet, managing successful tourism is much easier to attain. This is mainly because it does not require a particularly sophisticated workforce, or a high level of technological expertise.

In particular, many tourist systems tend to develop into Tourist Cultural Districts in which local culture, broadly defined, represents one of the main attractions. Targeting tourist cultural districts may be considered a suitable proposal for social, economic and cultural development because they provide agglomeration economies and other positive externalities which -coupled with the positive effects generated by the assignment of collective property rights- can induce a new start of local take-off.

While it may be obvious to most professionals in the field that tourists are attracted by traditional forms of culture, most will hardly associate these historically evolved forms of cultural expression as preparatory to the collective IP system. Yet, it is exactly this pool of creativity, of know-how and century old wisdom that form the basis of the collective IP system. Leveraging this pool of traditionally evolved forms of culture may translate into a range of different forms of IP protection.

Both cultural and tourist capital can be enhanced through the creation of an IP framework. This is especially the case with collective goodwill or reputation as embodied in collective intellectual property rights.

More precisely the main economic effects of collective IP rights may benefit the tourist sector in many ways.

- By signalling the reputation of the tourist destination, collective IP rights contribute to diffusing information about the quality of the Tourist Cultural District. Transaction costs for consumers are reduced and a safeguard against the illegal copying of goods, ideas, tags, labels, or logo is created.
- Collective IP rights optimize access to funding since they help to improve the tourist cultural district's position in the market (through protection against unfair competition and illegal copying, enhancing local identities, and building reputation). They enhance investor confidence since the establishment of collective IP rights helps to minimize risk and gain trust among the investors.
- Collective IP rights enhance the quality of goods and services provided by introducing rules, standards, inspections and mechanisms for business development into a local area. Setting quality standards in turn implies maintaining a particular level of cooperation, marketing and monitoring among the local micro and small enterprises.

1.2 Core Question

The core question to be addressed deals with the potential for local economic development produced by the junction of two phenomena: the assignment of collective IP rights and the cultural district nature of tourist sites.

As far as IP is concerned, theoretical and empirical analyses will be used to prove the strategic role of *collective* property rights, an issue which has been given very little consideration in the mainstream literature on international finance and economic development. By means of examples and theoretical arguments it will be shown how the assignment of collective property rights may introduce to a geographical area effective rules, mechanisms and institutions for business development; and, how setting standards about the quality of the products and services implies the development of co-operation, marketing and monitoring activities. This in turn may influence the position the tourist cultural district enjoys in the market. Investor confidence will boost since levels of trust increase and the image and reputation of the tourist cultural district increases. Attracting further investment then becomes much easier with a better perception in the market. In return investors may find that risk becomes better manageable and that better and more reliable information on the potential investment is available.

A tourist cultural district will be examined as a system in which high-medium-low level hotels, small and micro hotels and bed and breakfast may coexist. A tourist cultural district is in fact a mighty conglomeration of natural, historical and social resources. Amenities and cultural experiences are integrated into the tourist space. In a tourist cultural district, small and micro sized enterprises are working in an industrial atmosphere, freely exchanging technical, practical and marketing information. The range of the local activities could be very large, spanning from hotel and restaurant services, arts and crafts, to tourist cultural events, to healing services or performing arts.

It may be noted that when the tourist industry is conceived as a tourist cultural district, the type and nature of the required investment also takes on a different meaning. The local stakeholders need coordinated investments, and not merely investments for great projects. They need investments in all the sub-sectors involved in the tourist cultural district: training, arts and crafts, performing arts, traditional knowledge, communication, infrastructure, and the environment.

1.3 The aim of this study

The aim of this study is to explore the role of collective IP rights in supporting the economic start-up of tourist cultural systems. Considering that a tourist system is based on the culture and the *savoir faire* of a community and on its capacity to protect the beauty of its natural sites, the study will focus in particular on collective trademarks which encapsulate the special collective and social nature of the tourist product.

The idea of making a conjunction between tourism and collective marks is not new. St. Maurice in Switzerland, Venice in Italy, for instance, and many other big and small cities are recent examples of how a collective mark has been used to promote a tourist region and to ensure the production of its traditional goods and services. These cases also show that the key to a successful use of a collective mark in tourism is good management and governance. Only filing a collective mark is not enough.

The Tourist Cultural Districts of Saida and Byblos have been selected for launching a local development strategy based on the assignment of collective trademarks. Yet developing countries are the natural scenario for further applications because they have excellent destinations, significant expressions of traditional culture. To enhance the tourist

industry is, thus, for them a primary sustainable strategy. In 2004, the economic activity worldwide generated by travel and tourism has been 10.6% of the total GDP; it created 8.3% of total employment or 221 millions jobs (WTTC, 2005). In Lebanon the share of travel and tourism to the GDP is estimated at 12.8% (WTTC, 2005). In the Middle East only Jordan, Bahrain, and Qatar have a greater relative tourist activity.

After a short presentation of the tourist industry in Lebanon, section 2 will deal with the role and characteristics of collective trademarks. Section 3 will analyse the relation between the tourist product and collective trademarks. The notion of tourist cultural district along with a special procedure for developing collective trademarks will be discussed in sections 4, 5 and 6. Section 7 will present the case for implementing collective trademarks in Saida and Byblos. Policy recommendations will conclude this study.

2. Cultural tourism and collective trademarks

The purposes served by intellectual property rights as well as their intrinsic characteristics offer a strong basis for determining about the role of intellectual property rights in sustainable tourist development. In this study the focus is upon collective intellectual property rights, whose wide and articulated notion encompasses that of a *third party* certification marks, i.e. “a non-company specific symbol”, collective trademarks, eco-labels and certification schemes, i.e. voluntary initiatives on the part of entrepreneurs, denominations of origin, geographical indication³, etc. There is some overlapping among the existing collective trademarks, certification systems and eco-labels for sustainable tourism, and country regulations differ significantly. So, when adopting collective intellectual property rights it should always be considered the alternative between collective

³ A *geographical indication* “... is a sign used on goods that have specific geographical origin and possess qualities or reputation that are due to their place of origin” (WIPO, 2005a). While a collective trademark is a sign used to distinguish the goods and services of the members of one association from those of other associations or enterprises, a geographical indication tells consumers that “a product is produced in a certain place and has certain characteristics that are due to that place of production. It may be used by all producers who make their products in the place designated by a geographical indication and whose products share typical qualities” (WIPO, 2005a). An *appellation of origin* is, according to WIPO, “a special kind of geographical indication, used on products that have a specific quality that is exclusively or essentially due to the *geographical environment* in which the products are produced. The concept of geographical indication encompasses appellations of origin” (WIPO, 2005a). In other words the appellation of origin “... is the geographical name of a country, region or locality, used to designate a product that originates there, and that has quality and characteristics that are due exclusively or essentially to the geographical environment, including human factors” (ITC/WIPO 2003, p.10). A geographical indication and an appellation of origin are signs used to guarantee that a good is specific to a given place: they underline the geographical origin of the good or service, which qualities, reputation and characteristics are rooted in the original place; they guarantee that its only that place which is capable of supplying those human and natural factors that make the good or service unique.

trademarks, certification marks and the other IP collective rights. In what follows we deal with collective trademarks, but the same rationale holds, *mutatis mutandis*, for certification marks.

2.1 *The two basic functions of collective intellectual property rights*

In principle, collective intellectual property rights serve two main functions.

▪ *Information function*

Intellectual property has an *information function*. Identifying the owner of the mark and signalling his/her reputation contributes to diffusing information about the quality of the goods produced or the services provided. This fundamental role serves to reduce transaction costs for consumers. It also acts as a safeguard against the illegal copying of goods, ideas, tags, labels, or logo. The latter function must be enforced and it is costly (Landes and Posner 1987).

▪ *Managerial function*

Intellectual property, mainly the collective one, has a *managerial role* to play, which is primarily related to the enhancement of the quality of goods and services provided through the introduction of rules, standards, inspections and mechanisms for business development into a local area and to a community or association of producers.

Setting standards about the quality of the products in turn implies maintaining a particular level of cooperation, marketing and monitoring among the local micro and small enterprises. In this sense collective trademarks can be assets for sustainable economic development by attracting investments, marketing the tourist product, and developing trust and cooperation.

2.2 *Individual and collective intellectual property rights*

Intellectual property rights can be individual or collective. Among the collective intellectual property rights most important for our study are collective trademarks, geographical indications and appellations of origin.

A *collective trademark* is a trademark which a collective entity - the owner of the right, for example, an association or a cooperative - allows members to use while excluding others from using it. The trademark must be indicative of the source of the goods and consumers must be able to distinguish it from other marks. The owner of the collective trademark must file an application for its registration. As WIPO (WIPO, 2005a) puts it, "Associations of SMEs may register collective marks in order to jointly market the products of a group of SMEs and enhance product recognition. Collective marks may be used together with the individual trademark of the producer of a given good. This allows companies to differentiate their own products from those of competitors, while at the same time benefiting from the confidence of the consumers in products or services offered under the collective mark."

As far as the distinction between developing and developed countries is concerned, it should be noted that while the information role and the individual intellectual property rights are particularly relevant for developed countries, in case of developing countries, the

managerial role and the collective rights are more relevant. In developing countries, one of the main problems is to ensure an environment which provides efficient institutions, namely collective rights, for the economic start-up of potential industrial districts of micro and small firms producing culture-based goods and services.

This study on tourist cultural districts in Lebanon will focus upon the managerial role of collective intellectual property rights and aims to pioneer a new procedure to apply and use them in order to foster local economic development.

2.3 *Collective intellectual property rights and tourist destinations*

As far as a tourist destination is concerned, which is the more appropriate collective right to be used?

There may not be a clear-cut answer to the above question, but we could argue that a collective trademark has some comparative advantages. Usually a collective trademark is owned by an association whose members are local producers, local public institutions and cooperatives. The cultural identity of the local community is fostered by the ownership of the right. In this respect a collective trademark mirrors the identity essence of a territory better than a third party certification mark. Even if the third party owner of the certification mark is a local public authority, the collective trademark has the advantage of not showing any separation between the local society and the management of IP.

Moreover it should be considered that a collective trademark communicates a local image, while a geographical indication is mainly based on the existence of a single production process typical of a region. In the case of tourism there is a unique location, but products and services are not primarily based on peculiar technologies or production processes. A tourist destination needs more to promote its image than the protection of a local technological process of production.

With respect to the appellation of origin, it is used for distinguishing a product grounded on the special characteristics of a place, natural and human, such as in the wine, olive oil or cheese industry. But in certain cases an unfavourable view prevails against it in terms of a fear of losing discretionary power in managing the right⁴.

It is important to note that the tourist product is a composite product and that the collective trademark distinguishes a bunch of integrated activities carried out by all the local agents. For this reason, we may argue that a collective trademark is more appropriate in the protection and promotion of a tourist product. Since what has to be protected is an agglomeration of goods and services which is unique and provided in a specific location, a hierarchical system of collective trademarks may be imagined. In fact, a tourist system or a tourist cultural district can be identified by a general collective sign and by other collective

⁴ For instance, the case of Cumbe trademark (WIPO, 2005b). "We do not want an appellation of origin; our village does not want one because it is said that with appellations of origin the State is the owner, and it is the State that authorizes use, and that is why we are saying no. We do not want the State to be the owner of the 'Cumbe' name, because we have been working with it for a great many years. Since the time of our grandparents all have been investing a great deal of effort, and we are not prepared to ask you for permission to use our 'Cumbe' trademark"(WIPO, 2005b).

marks that can be assigned to single goods and services. For instance, “Sida is for culture” could be thought as the general collective mark of the tourist destination and in a sort of cascade can be specified “Sida is for culture /Traditional soap”, or “Sida is for culture/Heritage”; or “Sida is for culture /The Souk”. In this sense a cascading system of collective trademarks can be created with reference to different aspects of the tourist product.

In conclusion, we may say that when goods and services are well identified in a tourist cultural district, collective trademarks are the proper rules for protecting and governing all the registered producers in a given place. Individuals accept a supra-individual authority vested with the ownership of the right and the trademark becomes a local public good.

The assignment of collective trademarks entails a set of incentives and challenges. We look at the incentives first. These property rights create a monopolistic privilege through product differentiation; at the same time they allow an increase of prices and of yields, contributing to a substantial accumulation of capital. This generates further incentives for producers to invest in maintaining their reputation and the high quality of their products, often based on a long cultural tradition. This in turn leads to better control of the productive and distributive process, with a high potential for improving the quality of the products.

However, improving access to information through collective marks may have some drawbacks. Here we consider two potential failures. As public goods theory asserts, the first failure relates to free-riding behaviour. The collective mark has the function of signalling the quality corresponding at least to the minimum standards required by the rules of registration. Sharing this signal and keeping constant the level of reputation implies a significant collective investment in spreading information and enhancing product quality. Low-quality producers can free-ride in order to get the benefits from the collective trademark, but in the long run their non-cooperative behaviour will reduce the positive effects derived initially from the assignment of the collective right. The second failure is concerned with “moral hazard” that may arise if periodic inspections on the quality are not carefully carried out. In this case a local producer could decide to attach the collective sign to products of lower quality, confident that consumers will not appreciate the difference. Also this strategy will produce a lowering of the average quality of the product until more experience and information eventually reverses consumer behaviour.

3. Tourist product and collective trademarks

In this section we deal with new aspects of tourism which go beyond the usual understanding of tourism, i.e. to those aspects related to the concepts of tourist cultural districts and collective trademarks. What is a tourist product? Why improving quality implies high coordination processes? Which natural or anthropological image stands at its origin? How to promote and sell its image? What is the general role of collective marks? In which sense tourism is a composite good? What are the relevant types of tourism and associated public policies in case of Lebanon?

3.1 *The tourist product as a composite good*

While the economics of *outdoor recreation* (Clawson and Knetsh, 1969) focused on a single tourist experience based on travel to and from a holiday destination, the tourist product is currently defined as a complex and systemic experience (Brent Ritchie and Goeldner, 1994; Candela and Figini, 2005; Lundberg, Krishnamoorthy, Stavenga 1995) involving many activities and satisfying relevant individual and collective preferences. More precisely, the *tourist product* of a destination is a composite good made of a very rich variety of activities. They can be described as follows:

- *Travel services* (transport facilities, tour operators, carriers, etc.)
- *Accommodation services* (hotels, motels, B&B, camping, apartments for rent, restaurants, cafés, etc.)
- *Local tourist services* (information services, internet booking, banking services, security services provided by private and public operators, tour guides, golf clubs, yachting clubs, congress centres, night clubs, etc.)
- *Local intangible heritage goods* (traditional expressions of culture, religions, social beliefs, festivals, landscape, performing arts, sport, etc.)
- *Local tangible heritage goods* (museums, monuments, heritage, art and design shopping, ‘souk’ and ‘khan’, thermal baths, parks, wineries, etc.)
- *Primary natural resources* (friendly access to sea-sides, mountains, countryside, lakes, deserts, savannah, etc.)

Tourist industry is a good example of a joint production in which the quality of the final product depends on the quality level of each factor or intermediate good. The resources used by each factor of the tourist product will vary according to the type of tourism considered; for example, business tourism will use more hotel resources than adventure tourism; and, cultural tourism will consume more heritage resources than congress tourism.

We can present this perspective using a table (matrix) where the columns represent the main factors of the tourist product and the rows, the usual types of tourist destinations. Each cell of the table (X_{ij}) shows the monetary value of the resources of the tourist product, defined in the j column, to be supplied to the type of tourism defined in the i row. For instance, X_{11} is the value of travel services involved in the functioning of the seaside tourism; X_{36} is the value of primary natural resources spent for tours in the desert. The matrix can be further articulated taking finer details of the column and row headings. The last column is the total value of each component of the tourist product; the last row is the total value of each type of tourist destination.

Let’s imagine that the regional tourist product is composed of 7 primary items and that the market is made of 5 typologies of tourism destinations (seaside, mountain, desert, culture, and a generic typology representing all the other logical possibilities). The table n. 4 shows the interdependencies in the production of a tourist product defined by these characteristics.

Table n. 4 The tourist product as a composite good

Tourist product, main factors								
	1. <i>Travel services</i>	2. <i>Accommodation services</i>	3. <i>Local tourist services</i>	4. <i>Local intangible heritage</i>	5. <i>Local tangible heritage</i>	6. <i>Primary natural resources</i>	7. <i>Others</i>	TOTAL
Types of Tourist product								
1. Seaside	X ₁₁	X ₁₂	X ₁₃	X ₁₄	X ₁₅	X ₁₆	X ₁₇	X1.
2. Mountain	X ₂₁	X ₂₂	X ₂₃	X ₂₄	X ₂₅	X ₂₆	X ₂₇	X2.
3. Desert	X ₃₁	X ₃₂	X ₃₃	X ₃₄	X ₃₅	X ₃₆	X ₃₇	X3.
4. Culture	X ₄₁	X ₄₂	X ₄₃	X ₄₄	X ₄₅	X ₄₆	X ₄₇	X4.
5. OtherTypes	X ₅₁	X ₅₂	X ₅₃	X ₄₅	X ₅₅	X ₅₆	X ₅₇	X5.
TOTAL	X.1	X.2	X.3	X.4	X.5	X.6	X.7	

Some X_{ij} can be zero, signalling the lack of flows between a single factor and a given typology, but when X_{ij} are positive they show the current distribution of the tourist resources among the possible uses. This matrix is essential to design policies fostering the variety (heterogeneity) and the quality of each tourist product. The matrix reveals where the economic inputs are lacking and what the constraints are in terms of local culture and natural resources. In addition, the matrix is *per se* the quantitative description of each type of tourist product and in general of a tourist cultural district, with its economic, natural, cultural, institutional and social systems supporting the provision of a special tourist product.

It is important to note that even if a tourist product can be broken into its detailed components, its unity is fundamental. This unity shows a strong superior representation, whose symbolic value is strategic for the international and national success of a destination. This image or icon is general and transcendent because it is not just the sum of its components, but something more closely connected with the identity of the place.

3.2 *Tourist destinations and their cultural image: motivation and identity*

At the root of a tourist product there is a basic motivation which draws a tourist to a certain place or to certain experiences. This motivation stems from both *tangible* and *intangible* phenomena. A historic monument, beautiful handicrafts and their 'souk', a city and its museums, an itinerary of wineries, for example, are tangible phenomena; whereas, a local culture, a music festival, a dance festival, the traditional expressions of local folklore, a landscape, a territory, a community lifestyle, the *savoir faire* are intangible phenomena.

The initial motivation which draws a tourist to a place can therefore be its inheritance from the *past*, which is well preserved throughout the times, such as its natural environment, traditions, cultural heritage; or it could be something more contemporary, such as arts and crafts, performing arts, and food and traditional cuisine. This community of tangible and intangible heritage may give rise to band-wagon effects. Imitation ("do as the others do") and mouth to mouth communication shape how successful a tourist place is. It is well known that from a psychological and sociological point of view tourists are susceptible to

personal suggestions, since by accepting them they enter a social identification process: “those that go to Byblos” and “those that are always discovering the last genuine expression of a lost culture”, for example. Travel then becomes a way to acquire social status.

A lot of places have convincing motivations to attract in tourists, but scarcity of time and income inevitably lead to competition among potential destinations. The final choice is the result of a finely-tuned mental process in which a host of variables come into play: the international recognition of the site, the travel costs, the number of stars signalling the quality of hotels and restaurants, and not the least, the band-wagon effects. Modelling tourist choices is beyond the scope of this study; nevertheless, we would like to draw attention to the ‘identity’ factor and the role it plays.

The identity of a place lies at the root of traveller motivation, because it represents the essence of the tourist experience. This identity can have a lot of faces, according to the special nature and attraction of the place: culture, amenity, nature, adventure, food, sport, ‘souk’ and ‘khan’, etc. Recognizing the ‘true’ identity of a destination is a necessary condition to its projection and sale in the tourist market.

The identity of a place can, of course, also deteriorate and limit the sustainability of a tourist local economy. This could be the result of congestion costs generated by overcrowded areas, by excessive anthropic pressure on the sites, of new opportunities not harnessed, or more simply the effect of bad restorations of monuments, a deterioration of the natural environment, or even new and unexpected competition from similar places nearby. Moreover, damages to the natural environment could be irreversible and non reproducible. The phenomenon of negative “*cumulative causation*” (Myrdal, 1957) can increasingly limit tourist development, leading to a crisis in the local economy and identity.

3.3 *The tourist product as a coordination game*

Because of the heterogeneous composition of the tourist product, tourism is a highly coordinated industry. All the components of the tourist product are interconnected, so the final outcome depends on the capability of coordinating such a complex system toward a set of common goals.

First of all, who will be the coordinator? In principle, the answer depends on the local political set-up and the tourist market. In practice, the coordinator – be it a single person or a local committee -- should take into account that coordination is a double-edged process. On the one hand, it is spontaneous in nature because many economic activities are private and are subject to the market mechanism (e.g., hotels, restaurants, tour operators, and other agents) which do not require, as a rule, any external coordination. On the other hand, coordination entails a public intervention because some activities imply the provision of public goods (collective image, restored monuments, or security). Moreover, in the case of tourism as a system of private activities some costs can arise and ask for superior coordination. In fact, a fragmentation of property rights is typical of a tourist cultural district, where a host of restaurants, hotels, tourist operators, or museums are owned by so many different agents coping with significant coordination costs.

The extent to which the economic actions of independent agents have reciprocal effects determines how crucial coordination is in reaching the common economic goal of a place.

The good performance of one restaurant in one district has a positive impact not only on its own business, but also on that of others located in the district. Each of the other firms benefits not only from the good image derived by virtue of its location in the place renowned for the presence of a good restaurant but also for being a place, a community and a territory that produces high quality goods and services. These positive effects of a single firm, the restaurant, over the whole district are called positive externalities or positive external effects. Externalities are not intentional, but the result of the institutional assignment of property rights.

The example discussed above illustrate that coordination is not only necessary, but also that it should be oriented towards the attainment of common quality standards. Reciprocity is the better way to make cooperation the best individual strategy because in a tourist district the product is a composite good. The main costs of a general coordination policy are legal costs, information costs and enforcement costs.

3.4 *The tourist space and the rule of quality*

The concept of ‘tourist space’ can be helpful in understanding why quality is so important in defining the commercial success of a tourist cultural district. The tourist space can be defined as the special configuration of a given place: i.e. that special conglomeration of tourist and cultural activities that characterizes the site and establishes its reputation.

Let’s take an elementary form of a tourist cultural district of the lower class. It has one hotel (H); one restaurant (R); and one archaeological site (A). The lower classes could correspond to a One Star Hotel for H, a cheap eating-place for R, and a minor archaeological site for A. Even in this most elementary form, the tourist product is complete only if the three basic factors are co-present.

If we consider three possible levels of quality: high (H), medium (M), and low (L), the coordination policy should indicate how to reach the final result among all the possible outcomes. Table n.2 shows all the possible outcomes of the tourist space defined in a setting with three agents and three levels of quality for three low classes. In other words the class can be of high, medium and low quality, and also in each class there are three levels of quality. HL, RL, AL is the bottom configuration of this classes of tourist space.

The main policy goal is to increase the quality

- i. of the classes, moving from a one-star hotel to a two-stars hotel;
- ii. within the classes moving from a one-star hotel of low quality to a one-star hotel of a higher quality

Let’s consider that increasing the quality can result in an improvement within a class or, attained a given threshold, in a move to the upper class. The variety of the district is respected, and the overall quality can increase without reduction of the variety of supply.

Table n.2

The tourist space of low class hotel, low class restaurant and low class museum

HH	RH	AH	HM	RH	AH	HL	RH	AH
HH	RH	AM	HM	RH	AM	HL	RH	AM
HH	RH	AL	HM	RH	AL	HL	RH	AL
HH	RL	AH	HM	RL	AH	HL	RL	AH
HH	RL	AM	HM	RL	AM	HL	RL	AM
HH	RL	AL	HM	RL	AL	HL	RL	AL
HH	RM	AH	HM	RM	AH	HL	RM	AH
HH	RM	AM	HM	RM	AM	HL	RM	AM
HH	RM	AL	HM	RM	AL	HL	RM	AL

Example: A tourist cultural district made of 3 activities: H - hotel, R - restaurant, and A - archaeological site; 3 low classes; and 3 modalities of quality- High (H), Medium (M), Low (L)

Using the tourist space concept we can identify different general configurations of tourist cultural districts. Each cell of the table shows, given the example, a possible configuration of a tourist district. The same matrix will be repeated for all the classes of the three activities.

A policy consideration that can be drawn from a careful analysis of the tourist space concept applied to a tourist cultural district is that moving towards higher quality is a necessary condition for generating overall positive incentives to cooperate and develop.

In other words in the model of tourist cultural district the problem is how to increase the quality of the multitude of the services provided.

In a tourist cultural district all the different parts of the composite product can be supplied by a final firm, that is one producing final goods and services for consumers: the hotel, the restaurant, the box office of a music festival, the craftsman shop, etc. In the tourist cultural district the final firms are interdependent and the economies of scope are working. If you are at the restaurant which also has a crafts shop in its vicinity, the probability to buy handicrafts increases or decreases according to the coordination of the two activities (a luxury shop in a low quality, low price restaurant does not work, neither the opposite).

This means that it is a well-functioning cluster that makes or breaks the success of a tourist place. Business environment is everything in tourism. An outstanding hotel in a tourist place with polluted beaches, low quality cafés or a ruined old city is a place worth much less than one with activities of similar quality.

In a dynamic context when some agents have no incentives to improve their quality, it is difficult to cooperate: different are the mentality, the plans, the social responsibility towards the territory and the local community.

To develop coordination, clear objectives and procedures are required. The main objective is improvement in the quality of the tourist product, that is, how to be rated as a higher quality tourist cultural district. As we will see later, a potential procedure is based on the assignment of collective trademarks. Coordination in a tourist cultural district should be developed along with the setting up of a collective trademark. In fact, as we will see while discussing the proposed procedure, the goals of the coordination activity and of collective trademarks converge in the search for better quality.

4. Tourist cultural district

What are the fundamentals of a Tourist Cultural District? A tourist cultural district arises at the confluence of two phenomena: localization of the economic activities and the cultural or idiosyncratic nature of the tourist product. When these two essential factors are brought together into a receptive economic environment, the basic conditions for a potential tourist cultural district are satisfied.

Localization of economic activities

A tourist cultural district is a system in which all the economic activities cooperating to produce the tourist product are agglomerated in a destination outstanding for its natural beauty and culture. This system is qualified not only by good practices of reception and accommodation, but also by private and public programs for revitalizing villages, natural parks, historic sites, local cultures and local production of handicrafts. Hence, a tourist cultural district is a mighty conglomeration of natural, historic, social resources and cultural experiences.

In a tourist cultural district, small and micro sized enterprises producing goods and services are working in a stimulating industrial atmosphere (Marshall, 1919) freely exchanging traditional, technical and marketing information. The range of the traditional activities is very large, spanning from arts and crafts, to tourist cultural itineraries, to health services, to performing arts, and to cultural heritage.

One of the most meaningful characteristics of a district is the interdependency of its usually small and micro firms: frequent interaction between them favours the exchange of specialized inputs, and continuous and repeated transactions cause information to circulate. Within the tourist districts it is easier to find contractors, to verify the quality of goods and services and to sign standardized contracts. The social habitat of the tourist district tends to be made up of large families and of firms where the whole household is employed. Tacit knowledge (Polanyi, 1958), mutual trust and the accumulation of social capital are other pervasive traits of a local society and culture (Santagata, 2002, 2006; Cuccia & Santagata, 2004; Moreno, Santagata & Tabassum, 2005).

Local culture

The second essential component of the theory of tourist cultural districts derives from the idiosyncratic nature of the cultural factor. Most local cultures have originated from longstanding social and political communitarian traditions whose specific content depends

on local resources, both tangible (beaches, lakes, water, etc.) and intangible (folklore, customs, art and crafts, religion, etc.). In other words, the presence of appropriate natural and institutional resources together with the heritage may be at the origin of an idiosyncratic culture, i.e. peculiar to a community and transmissible between generations.

Culture is a strong endowment sustaining the district because of its embeddedness into the local artifacts and services. There is culture in the traditional services of the hotels (traditions and hospitality) and restaurants (traditional food and cuisine). The style characterizing the reception, the design of buildings and furniture, the special services provided, for example, are rooted in the local culture. Jewellery, glass, carpets, leather products are based on old traditions and are appreciated mainly for representing the cultural heritage of a place. All the cultural elements embedded in goods and services are the signature of a place: its inimitable brand.

Main characteristics of the tourist cultural districts

As in the case of the industrial clusters of the European tradition, the main characteristics of a tourist cultural district are the following:

- a local community that is cohesive in its cultural traditions and in the accumulation of technical knowledge and social capital (trust and cooperation);
- a dense interaction between the tourist site and the surrounding country, the source of a flexible and skilful local labour market;
- a significant development of increasing returns to scale and increasing returns to scope;
- accumulation of savings and the presence of strongly entrepreneurial cooperative local banking;
- a bent towards open international markets;
- public financial support along the entire chain of the creation of value;
- a high rate of new firms, often of household size, as a result of social capability and interactive learning;
- a high rate of creativity, and
- the ability to produce positive externalities in the field of design, technological innovation, managerial organization, labour market flexibility and commercial distribution.

In economic terms, these characteristics mean that within a cultural district the costs of the use of the market are lower than anywhere else because of the intense creation of positive externalities, tacit knowledge, the high rate of innovation, easy networking and the cost-free diffusion of information.

If the tourist industry is conceived as a tourist cultural district, i.e. as an integrated destination, the type and nature of the required investments change of meaning. Coordinated investments are needed. Investments, not merely for huge projects, but those which address all the sectors involved in the tourist cultural district: training, arts and

crafts, performing arts, traditional knowledge, communication, infrastructure, environment, etc.

Creativity and Tourist cultural districts

Creativity can assume two forms: the creativity embedded into the objects (mainly aesthetical, technological and committed to product innovation) and the creativity referring to organizations (i.e. the development of actions and rules that make the presence of the firm stronger in the market). A tourist cultural district acts as a source of creativity in both these aspects, i.e. for the objects as well as the economic organizations.

At the outset, therefore, a tourist cultural district could be a great source of creativity. The entrepreneurial atmosphere that develops in a tourist cultural district generates the best incentives to be creative. Factors such as collective and free information about innovations, marketing of the tourist product, implementation of new organizational structures governing the micro and small enterprises, and information about the evolution of tourist demands produce strong incentives for creativity.

Thus, creativity in a tourist cultural district means to specialize and differentiate the goods and services supplied, to increase the intellectual component of the local products, and favor the intergenerational transmission of creativity and *savoir faire*. The last point is strategic and needs to be accompanied by good training schools in tourism.

5. The collective trademark solution: from potential to effective tourist cultural districts

The essential conditions for establishing a tourist cultural district (as defined in the earlier section) are difficult to be found. They do not naturally exist anywhere. This is because the foundation of a tourist cultural district is driven by the dynamics of a local socio-economic context and the evolution of a tourist cultural district is usually the result of a long and often socially painful incubation period, during which the process of setting up is spontaneous, market oriented and subject to “trial and error” feedbacks. In other words, its development involves a process of long duration. There is no one *specific factor* that causes or assists the appearance of entrepreneurial spirit. No one explicit start-up of the district exists. This is the strategic and political limitation to the construction of a tourist cultural district.

Nevertheless it is not uncommon in developing countries to find traces of tourist industry based on clusters of activities variously framed and linked to the local cultural heritage. But this is something *less* than a tourist cultural district. There may be local

economic forces, one or more pioneers in the hotels and restaurant sector, in arts and crafts manufacturing, in producing events in the performing arts, etc., local and external demands, labor skills, learning effects, but what is commonly lacking there is a system of incentives driving the main economic actors of such a place towards more efficient ways of investing, trading, communicating and marketing their products. In other words, *good institutions* (mainly intellectual property rights) and *good governance* (mainly efficient regulations) are lacking. Therefore, the main problem for developing countries build up efficient institutions and turn existing tourist *potential* districts so into make them *effective* tourist cultural districts.

The localized social and economic environment cannot be constructed *ex ante*. What can be done, however, is to influence some of the mechanisms governing a potential cultural district according to well designed plans so as to modify the individual economic incentive structure. This is the case for *institutional* cultural districts. Here, local institutions may be capable of transforming a long and spontaneous process into a real and accomplished economic phenomenon. Collective property rights can serve as a vehicle for setting quality standards, increasing prices, generating income, and raising the rate of competitiveness of the potential district.

So, the essential characteristic of an *effective* tourist cultural district is its grounding in formal institutions that allocate intellectual property rights to a restricted area of production. In this sense, they legally protect the cultural capital of a community in a given area and allow local producers to stay in business.

Beyond the original functions shown above, a collective trademark:

- i) fosters the tourist cultural district identity through a clear and attractive image linked to local culture and nature;
- ii) creates an economic and social environment rich in positive externalities on the demand and the supply side;
- iii) improves the institutional capacity of the local authorities and favours international openness and the intergenerational transmission of creativity;
- iv) reduces coordination costs of complementary small and micro enterprises by favouring exchanges and cooperation in a situation of highly fragmented property (the 'anti-commons effect' described by Heller, 1998).

However, there may also be some drawbacks over time. The choice of using collective property rights depends on both individual incentives and collective behaviour. This means that if collective trademarks are permanently assigned, the individual adherence to those rights may be temporary because of the exit option. The main function of a collective property right is to signal the average quality of the collective trademark, so those producers who make higher quality products or services are induced to take the exit option, while those with lower quality stay outside. In other words, there is a dynamic in the functioning of the collective marks which has a bottom line: under a certain quality threshold, signalling of a collective mark offers no advantage (not even to free-riders) and is thus not chosen. The exit option seems to be the phenomenon observed mainly in developed countries, whereas in developing countries the low-quality scenario may be a deterrent to the assignment of these rights. This is why an increase in the quality of the

tourist goods and services is one of the first goals of the following procedure developed to foster the managerial function of collective marks.

In developing countries other possible disadvantages can be paradoxically linked to the success of cultural networks. First of all, these countries often lack local enforced regulation on the use of land and landscape. Excess demand creates congestion costs leading to deterioration of tourist attractions: too many visitors, too many unregulated buildings. Second, external forces, such as powerful multinational companies, can destroy the local culture through new localizations for production, often unrelated to the local culture, and through unfair competition and exploitation of the local reputation. Globalization can endanger indigenous cultures; it has already led to the destruction of some. These cultural invasions can be limited only by developing policy instruments that protect local culture and the related economic activities.

Box no. 2

The state of IP in Lebanon

A new Copyright Law number 75 was enacted on April 3, 1999 in Lebanon, and entered into force on June 13, 1999. Originally, copyright protection was available to literary and artistic works, but it has now been extended to computer software, video, films and all kinds of audio-visual works (Ministry of Economy and Trade). The Ministry of Economy and Trade indicates that the new “law provides stiffer penalties for offenders and better compensation to the persons whose rights have been infringed.”

The Ministry of Economy and Trade states, “any inventor of a drawing or a design, or those who have rights thereto, shall alone have the right of usufruct thereto, and to sell, or offer it for sale, and to authorize its sale, provided that such drawing or design is, previously filed.” Moreover, the Ministry of Economy and Trade specifies that, “according to an assessment conducted by the World Intellectual Property Organization (WIPO) on July 2002, the Patent Law [in Lebanon] is in complete conformity with the TRIPS Agreement.” Finally, the Ministry states, “Trademarks are provided protection under the Regulations and Systems of Commercial, Industrial, Literary, Artistic and Musical Property in Lebanon (the 1924 law). The 1924 Law does not explicitly protect notorious trademarks and geographical indications. However, those are provided protection via Lebanon’s membership to the Paris Convention and the Madrid Agreement respectively. Moreover, geographical indications are provided protection under the provisions of the new Law on Customs, the Law on Fraud Control and the Criminal Law.

In Practice

Lebanon remains on the United States’ “priority watch list” of nations that are offenders on copyright infringement. Moreover, Lebanon still lacks adequate protection for intellectual property. Though there are intellectual property laws, they are not enforced.

The Intellectual Property Protection Office is located at the Ministry of Economy and Trade in Beirut. The Intellectual Property Protection Office includes 12 employees. The

Office performs several tasks related to the registration of trade marks, industrial designs and patents. A detailed applicant's guideline is available on line, under the website of the Ministry of Economy and Trade, listing the various steps and documents required for executing any of the above mentioned issues (www.economy.gov.lb).

6. Setting up a procedure for developing collective trademarks

A bootstrap procedure for establishing collective trademarks within a cultural tourist district can be articulated as follows,

Step 1: Setting up the organization owning of the collective mark

The collective mark representing the identity of the tourist cultural district concerns in principle all the local economic agents involved in the production function of the tourist product. So, the owner of the collective mark should be an organization such as an association, a non-profit foundation, or a cooperative.

All the accredited members of the association have the exclusive right to use the collective trademark according to the stated regulations. Members can be private companies, foundations, non-profit organizations, or local government bodies which accept to be inspected periodically on the quality of their goods and services.

Step 2: Nominating a steering committee

This is a crucial step since the rationale behind the management of a collective trademark requires establishing a steering committee for controlling access to the mark and the quality level of the members. The members of the association which owns the collective mark have to nominate a steering committee. The committee should have jurisdiction over all the tourist activities implemented in the territory of the tourist cultural district.

The major tasks of the steering committee include selecting a logo to be proposed for the approval of the association and determining how to attribute the logo to the local stakeholders.

The steering committee may be seen as a self-regulatory body comprising various representatives of the tourist cultural district: local authorities, the tourist industry companies, hotels and restaurants, cultural heritage authorities, art and crafts companies, commercial fairs organizations, festivals and performing arts. Each activity involved in the production of the tourist product must be represented because any agent is in principle entitled to use the collective mark. In practice, this will depend on the quality level of the goods/services provided and on the success of the accreditation procedure.

Step 3: Identifying an image

The next step involves identifying an image that adequately represents the tourist cultural district as a tourist destination. This image should be clear-cut and appealing. It must communicate information not only about the site but also stimulate the motivation for tourists in search of a holiday experience. The image will be stylized and reduced to a collective mark, which at the same time can be articulated in a logo, a design, a music, a label, and a slogan. This task should be assigned to a specialized company (ideally, an internationally recognized design and advertising company) which will provide a number of versions suitable to be used in different contexts (such as in advertising in newspapers, on web pages, or on the radio); in labelling products and services; and in information and communication practices.

Step 4: Filing the selected collective mark

This is a technical step. To protect the collective trademark the future owner needs to file an application for registration with the national Intellectual Property Office. The mark has to comply with the elementary rules set by the examination process of the Intellectual Property Office for its acceptance. In most countries the applicant for a collective mark must supply a copy of the regulations governing the use of the mark which must indicate who is authorized to use the mark, the conditions of membership of the association that owns the collective mark, and sanctions against misuse.

Step 5: Decisions within the association should be based on compromise

The members of the steering committee are representative of all the economic and political forces working in the tourist cultural district. As in any social and economic body, conflicts can arise and the decision making process has to be protected from crossed vetoes. This is why the compromise rule should be preferred to that of majority rule. The decision process should include discussions and analyses of costs and benefits of each decision, allowing each member to clearly understand what is at stake.

If the compromise rule prevails over the majority rule, nobody is excluded from a contrary decision, because to reach a compromise all parts have to renounce some claim and the deal is closed by a general unanimous agreement. No minority will oppose a collective choice. The search for a compromise safeguarding the rights of those who constitute a 'weak' link in the decisional process is the road towards cooperative behavior.

However, if every agent is given the veto power, the decision making process could prove to be inefficient. So, it is essential to have members who enjoy high authority in the steering committee for exercising moral suasion.

Step 6: Selecting minimum quality standards

The steering committee must identify the list of criteria or standards to be met by an individual company or firm to be entitled to use the collective mark. The standards have to be set for every good produced and service provided in the tourist cultural district.

The committee would also monitor the extent to which the set criteria/standards are being met by the individual firm wishing to use the logo. If the firm meets the quality requirements, it is entitled to the use of the collective trademark. If it does not meet the necessary requirements, it is not turned down, but put in the waiting list until it meets the required standards.

A core problem which the committee has to deal with is defining the minimum standard of quality for every good and service provided in the tourist cultural district. How are these standards defined?

On the one hand, the quality level is defined within a specific category of goods and services. In the case of hotel services for example, a list of main characteristics associated with several indicators of quality defining the standards, for instance, for personal security, rooms dimension, front office, breakfast service, etc. (see Box no. 3). The objective then is to select a level which is coherent with a reasonably good image of the hotel service. A standard set too high would exclude too many hotels from the use of the collective mark; a standard set too low would discourage potential tourists from that destination.

On the other hand, the quality level could refer to the overall image of the tourist cultural district, that is, to the general tourist product. In this case, the steering committee has more degrees of liberty in its choices because what counts is the 'average' image of the district and if some sectors do not meet this criterion, they could be made to wait and be induced to achieve improvements in their quality levels.

BOX no. 3

An example of Hotels classification

*****	<i>De Luxe</i>
****	<i>First Class</i>
***	<i>Middle Class</i>
**	<i>Comfortable</i>
*	<i>Simple</i>

Minimal norms for 1-5 Stars Hotels.

For example, the required minimal Double Room dimension

Five Stars:	23 m ²
Four Stars:	17 m ²
Three Stars:	14 m ²
Two Stars:	12 m ²
One Star:	12 m ²

Items:

- *Personal Security in the room and in the perimeter of the hotel*
- *Night Service/Personal Security*
- *Rooms dimension with hall (minimum for 70% of rooms)*
- *Front office with reception space*
- *Breakfast service*
- *Drinks service*
- *Catering service*
- *Replacement of table linen*
- *Possibility of eating in house*
- *Telephone in rooms*
- *Suites*
- *Arrangement of rooms*
- *Sanitary comfort*
- *Reception articles in the bathroom*
- *Frequencies of replacement of the linen*
- *Washing and Ironing the clientele linen*
- *Safe-box and security*

Other general norms are established to evaluate the state of the building, of the room equipment, bathrooms, lounges, dining rooms and other common spaces and public toilets. The criteria consist of: quality, the state and maintenance of the equipment.

Source: Swiss Society of Hotel Keepers, January 2000, adapted for Lebanon.

Step 7: No turning down, but registration and accreditation

After the Association/Organization fixes the standards for assignment of the collective mark, it begins to check periodically the compliance of its members with those standards. A number of problems may arise.

The Association has the right to say “no” to those companies whose products and services are below the required standards. If the quality level is too low the applicant is not allowed entry into the trademark club and this may create conflicts and non-cooperative behaviour.

The political costs of being the guardians of the tourist cultural district quality may be too high for some institutional bodies, so a more flexible and constructive strategy is needed. As a matter of fact there is a softer/gentler way to say “no”. This involves a double step procedure. The first step should ensure that the registration for membership is fully open, that is, all the applicants are accepted as potential members of the Association. The minimal requirement to be satisfied by any applicant is an active involvement in the tourist activity within the district. The registration then opens a procedural path that begins with an initial assessment of the quality level of the goods and services provided by the new entrant. If the minimum quality standards are met, the accreditation follows and as an official member of the Association the new entrant is entitled to use the collective trade mark. If the quality level is under the fixed minimal norms then through an interactive practice the applicant is led to meeting those required norms. This is done through periodical inspections, advice, and institutional support. In this way the accreditation is built upon cooperative behavior that leads to attaining a ‘good’ average quality for the tourist cultural district.

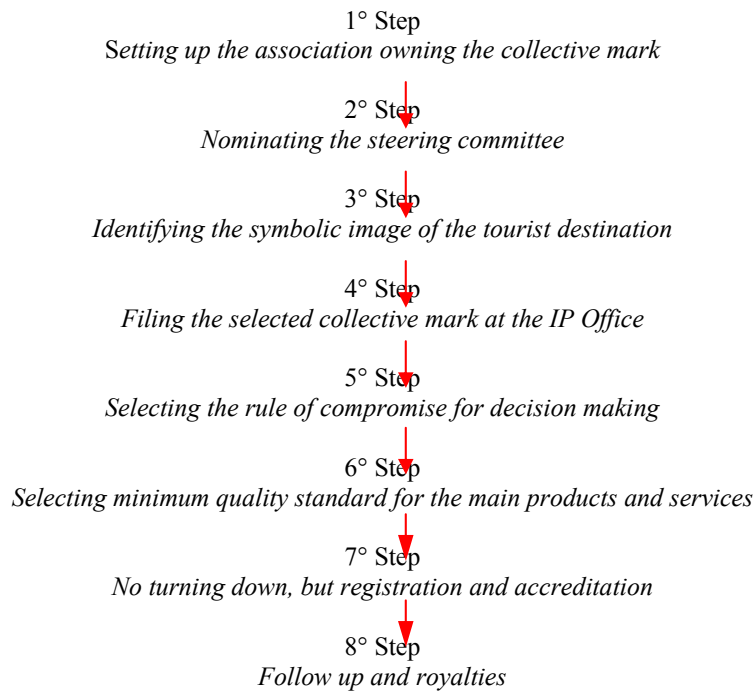
Step 8: Follow up and royalties

The management of the collective trademark can be made sustainable in economic terms from the royalties collected from the sale of labels or tags to be put on the objects sold or presented when services are provided by the member firms.

If the role of the collective trademark is appreciated and backed by the local community a positive willingness to pay for it is expected both from producers and consumers. This willingness to pay can be used to setting up a fund to cover the administrative costs of the collective trademark which involves promoting the tourist cultural district at the national and international levels.

A bootstrap procedure for Collective Trademarks

A practical procedure for establishing Collective Trademarks can be articulated in eight steps:



7. The State of Tourism in Lebanon⁵

“The strategic position of Lebanon, its mild climate and natural beauty consisting of snow capped mountains, valleys and Mediterranean sea, make it a natural tourist attraction” (Ministry of Tourism, CD, 2004). Lebanon seduces wealthy tourists with its casinos, luxury hotels, shops, and its international festivals to places such as Baalbeck, Byblos and Beiteddine; it attracts visitors to its famous heritage sites and religious monuments; it lures travellers in summer time and in winter time, to Mount Lebanon as well as to the pleasant hills on the coast. The rich cultural expressions and local traditions of Lebanon underlie the symbolic icon that makes Lebanon one of the most attractive destinations in the Middle

⁵ This paragraph has been written with the valuable assistance of Information International SAL, Beirut.

East. Its natural and historic sites are worldwide celebrated: Baalbek, Byblos, Tyre, Jeita and the Saint Valley of Quadisha have been awarded by UNESCO and admitted to the *World Monument List*.

Lebanese Institutions for Tourism

The Ministry of Tourism has been established since 1966, with the main objective to promote tourism and market the image of Lebanon as a cultural, tourist, historical and business centre in the Middle East.

In addition, several other public and private institutions, such as the Ministry of Economy and Trade, IDAL, Kafalat, SRI, the Social and Cultural Development Association- INMA, the Association of Lebanese Industrialists, the Association of Travel and Tourist Agents in Lebanon, the Union of Owners of Restaurants, Cafes, Night Clubs, and Pastries in Lebanon, tour operators as well as other institutions have developed a line of activity in favour of the tourism industry and the tourist satisfaction . Their missions are shown in Box no.1.

Box no.1

Main Lebanese Institutions for Tourism

1. The Ministry of Tourism

The main goals of the Ministry of Tourism are:

- promotion of tourism outside and inside Lebanon through exhibitions, fairs, and promotional campaigns to market the image of Lebanon as a cultural, tourist, historical and business center of the Middle East;
- exploitation of tourist and archaeological sites;
- granting permits to hotels, furnished apartments, restaurants, cafes, night clubs, tour operators and car rental agencies;
- organizing educational trips to Lebanon for tour operators and the trade press; and,
- collection of relevant statistical information

2. The Ministry of Economy and Trade (www.economy.gov.lb)

The main goals of the Ministry of Economy and Trade include:

- conducting necessary measures to reinforce trade;
- deciding to participate in fairs and trade markets conducted outside Lebanon; and,
- following up on Intellectual Property affairs and related agreements

3. IDAL

IDAL was established in 1994 by a decree from the Lebanese Council of Ministers to spearhead Lebanon's investment promotion efforts. On August 16, 2001, IDAL's role was reinforced by the enactment of the Investment Development Law 360, regulating investment promotion of domestic and foreign entities and striving to stimulate Lebanon's economic and social development as well as enhancing its competitiveness.

4. Kafalat (www.kafalat.com.lb)

Kafalat is a loan guarantee company, established by the Lebanese government in 1999 to support the activity of small and medium sized enterprises (SMEs). Kafalat provides financial guarantees for loans granted by commercial banks to SMEs.

Kafalat guarantees up to 75% of the loan value with a ceiling of LL 300 million.

5. SRI International

Tourism is one of the focuses of the projects undertaken by SRI International. SRI is working with key public and private stakeholders to put Lebanon on the map as a world class destination.

Marketing, Promotion, and Product Development:

- Introduce the “Hidden Lebanon” concept to promote rural regions as tourist destinations
- Work with the private sector, to launch “Discover Lebanon Tours”
- Enhance rural tourism assets through community projects

Build Tourism Information Infrastructure:

- Create www.DestinationLebanon.com
- Produce “Promenade” Brochure to document tourism attractions in rural areas (in collaboration with INMA)
- Develop Archaeological Brochures for major sites
- Develop Reserves Brochures for the various natural reserves in Lebanon.

6. The Social and Cultural Development Association (INMA)

INMA is a non-profit non-governmental organization founded in 1997. INMA’s scope of activities is based on servicing clusters of villages and specific neighbourhoods throughout Lebanon. The Tourist Program includes developing along with SRI International the following:

- A. “Promenade” Brochures of the major Lebanese cities
- B. “Archaeological Promenade” Brochures
- C. “Nature Reserves Promenade” Brochures

7. The Association of Lebanese Industrialists (ALI) (www.ali.org.lb)

Founded in 1943, the Association of Lebanese Industrialists is a Lebanese economic organization grouping industrialists from all over Lebanon. ALI advocates a policy of balanced industrial development for all Lebanese regions.

8. The Association of Travel and Tourist Agents in Lebanon (ATTAL)

ATTAL is the national body representing the Travel and Tourism Industry. It speaks and acts for travel agents on the Lebanese stage, as well as the regional and the international ones.

9. The Union of Owners of Restaurants, Cafés, Night Clubs and Pastries in Lebanon

Established in 1946, the Union includes 800 members as of May 2005.

10. Saad Tours

Saad Tours is a leader in the field of travel and tourism in Lebanon. With 70 years of experience, it has developed a comprehensive array of travel and tourism services of a high standard and quality. Saad Tours is the sole Lebanese member of the World Association of Travel Agencies (WATA) and is affiliated to several other international organizations including the ASTA, UFTA, WOI, MOA and ATTAL.

The services of Saad Tours include a wide variety of touring options specializing in circuit programs covering Lebanon, Syria and Jordan with possible extensions to Egypt and Turkey.

11. Wild Discovery

Wild Discovery Travel and Tourism has been established since 1997 with an aim to provide a large choice of travel services to outgoing passengers. The vision of Wild Discovery is to become the leading and preferred travel and tourism operator in terms of quality, services, choices and competitiveness. Wild Discovery offers the widest choice of incoming packages, competitive pricing and high quality of customized services.

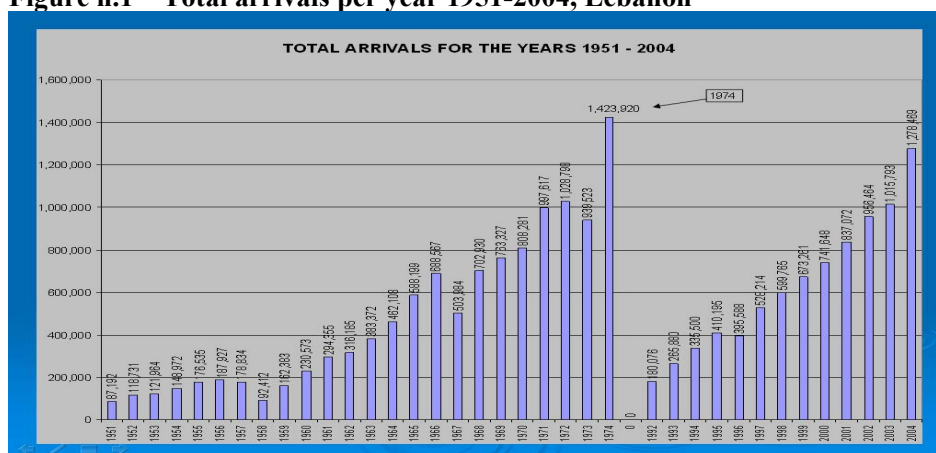
In addition, the committees of the Tourism Festivals in Byblos, Baalback, Beiteddine and Tyre play a significant role in promoting the country as a tourist destination through organizing performances by local and international artists, thus attracting tourists from many neighbouring countries.

Market Size, Trends and Historical Development

Lebanon has had a long tradition as a tourist destination. Unfortunately the 1975 civil war that brought bloodshed to the country tarnished this accumulated capital of tourist reputation. The recent assassination of former Prime Minister Rafic Hariri on February 14, 2005 and the Lebanese/Israelis war in summer 2006, however, have again disrupted the socio-political fabric of the country and guaranteeing the security of tourists is a key challenge for the tourist sector today. Tourists are highly sensitive to *socio-political instability* and natural *disasters*, which makes tourist demand volatile and subject to abrupt drops. This can be seen in Lebanon's case.

In 1974, the number of tourists totaled 1.449.940. Out of those 896.203 were from the Middle East. Earnings in tourism reached 676 million USD, or 19.4% of GDP. There were 632 hotels across the country, which provided 28.835 beds. Furnished apartments numbered 3.091 with 5.422 beds. After the civil war, tourist arrivals declined. Growth began to pick up slowly after the war, but arrivals have yet to reach pre-war levels. In 2004 the number of arrivals in Lebanon was still below the 1974 record (see figure 1). Arrivals in 2004 were at 1.278.000, recovering gradually from as low as 80.000 arrivals recorded in 1992, the first year of the post-war period.⁶

Figure n.1 Total arrivals per year 1951-2004, Lebanon



Source: Ministry of Tourism, 2005

In 2003, the tourist industry constituted 7% of Lebanon's GDP, that is, more than 11 billion USD, and it stands now at 8-9%. Roughly 3.5% of loans are allocated to tourism related projects (INMA, 2004). The average tourist expenditure in Lebanon was 400 USD per day in 2003 and 333 USD in 2002. According to Lebanon's National Employment Agency, the tourism

⁶ It may be noted that the total number of arrivals may not fully reflect the number of tourists visiting Lebanon. Not all persons entering Lebanon can be classified as tourists. It has been estimated that about 10-15% of arrivals are Lebanese residents abroad visiting their relatives. Also, many visitors are accommodated in private non-registered houses. So, if we adopt a strict standard international definition, the effective number of tourist arrival in Lebanon is about 550.000.

sector employed 24.000 people in 1999-2000, representing 4% of the total labor force; this figure rose to 32.000-37.000 in 2003-04 (Ecomleb, 2005). According to the Ministry of Tourism, the tourist industry is growing steadily by 20-25% per year (Ministry of Tourism, CD, 2004).

Is There a Tourist Strategic Plan?

There is no official government tourist strategic plan in Lebanon. The lack of an official and well-ordered plan to promote tourism has been ascribed to the meager financial resources set aside for the Ministry of Tourism. Its budget in 2004 did not exceed 9 million US Dollars. However, since 2001 the government spent a significant amount on marketing Lebanon as a tourist destination. (In 2001 around 10 million USD, 2002; 5.5 million USD, 2004 5 million USD). Among the government's efforts to reinforce the tourism sector was the launching of law number 402 dated 12-1-1995. This law exempts hotels from several constraints related to construction, thereby facilitating the establishment of hotels in the last few years, mainly located in Beirut and Mount Lebanon.

In addition, the Development Plan 2000-2005 formulated by the Council for Development and Reconstruction (CDR) included several items related to fostering tourism in Lebanon. Moreover, a ministerial declaration of the government established in July 2005 included several items related to tourism. It states that the government will work towards developing the service-based sectors in order to create new job opportunities, as well as to improve the image of Lebanon outside the country. It also states that the government will strive towards preserving the archaeological heritage of Lebanon. In addition, the Lebanese Government has signed several agreements with a number of other countries (Russia, Bulgaria, Romania, Morocco, Tunisia, and Jordan) in order to promote tourism and facilitate transportation.

Tourist Cultural District model vs. "Five Stars Hotel" model

As the Lebanese case clearly illustrates tourism can take many faces depending on resources and tourist preferences. Tourism in Lebanon is primarily based on the following models:

"Five Stars Hotel Tourism": It mainly attracts tourists from the Gulf who want to have fun and enjoy the entertainment in Lebanon. The excellent accommodation is primarily designed to attract high-income tourists.

"Tourist Cultural District": This type of tourism seeks to attract tourists who are interested in discovering the cultural heritage, the performing arts and the local way of life. It is also known as "soft tourism". The two models also differ with regard to investments needed. While luxury tourism needs huge national and international investments, the development of "tourist cultural districts" is based on the mobilization of local resources and the involvement of local stakeholders. As a small country with high prices and estimated 15,600 rooms in 2003 (Ministry of Tourism 1996, Figuié, 2005), mass tourism may not be the most suitable model for Lebanon.

- A recent survey suggests that tourists coming to Lebanon may be attracted to the tourist cultural district model. The table below suggests that tourists primarily come to

Lebanon because of the weather, the cuisine, nature, archeological sites and the general hospitality.

Table n. 1 Features Especially Liked

Features	Frequency	Percent
Weather	78	41.7%
Food quality	69	36.9%
Nature	66	35.3%
Archeological sites	62	33.2%
Hospitality	61	32.6%
Restaurants	51	27.3%
Night life	33	17.6%
Short distances between areas	18	9.6%
Museums	18	9.6%
Culture	15	8.0%
Casino	13	7.0%
Openness	12	6.4%
Shopping	2	1.1%
People are well educated	1	0.5%
Sample Base	187	---

Another survey by the Ministry of Tourism (figure n. 2) confirms that cultural activities, (tours of museums, cultural events, national parks, sightseeing, etc.) constitute an important factor of the tourist decision.

Figure n.2 Tourist activities
Survey of more than 1000 tourists



Source: Survey by the Ministry of Tourism, Lebanon

We may note from the Table n.3 that if we exclude the tourists from Arab countries, the arrivals from Europe, America and Asia in 2004 constitute 51.8% of the total. These tourists can be generally considered as more inclined towards activities on culture, adventure, agro-tourism, and nature.

Table n. 3 Total arrivals by world regions, Lebanon several years (values in %).

	1951	1960	1974	1992	2000	2004
<i>Arab countries</i>	43.6	34.1	62.8	33.8	40.4	42.6
<i>Europe</i>	28.7	17.7	18.0	27.2	30.8	26.4
<i>America</i>	17.2	12.5	8.3	14.4	12.1	11.9
<i>Asia</i>	10.3	5.2	9.5	13.3	10.1	13.5

Source: Ministry of Tourism, 2005

It follows therefore that the tourism industry perspective in Lebanon can have two main national tourist priorities:

- a) supplying *Luxury Services* to high margin clients, mostly from Arab Gulf countries;
- b) developing *Cultural Tourist Districts* based on local communities, culture, folklore and pleasant natural sites, such as in the case of Byblos and Sida, and attracting European, American, Asian and Arab tourists.

In other words, to go beyond the around 2 million arrivals per year and to attract non-Arab tourists from Europe, America and other continents it would seem relevant to increase the value of other images of Lebanon, more related to its preserved environment, its culture, its *savoir faire*, including local cuisine and agro-industrial products.

Undoubtedly, there is a growing interest for tourism targeted towards Europeans, Asians, and Americans who seem more oriented towards a cultural and environmental form of tourism. To satisfy this new target new tourist products are needed: tourist packages and itineraries including Lebanon and its neighbours, Syria and Jordan; travelling in the country in search for adventure,; exploiting oral traditions, festivals, expressions of folklore and art and crafts and the old *souk* atmosphere.

In addition, while the Five Stars Hotels model is based on huge national and international investments, the tourist cultural districts are mainly based on the mobilization of local resources. Thus, Lebanon has to invest in its local culture and traditional knowledge while at the same time improving the quality of its local products and services. To succeed in this newly emerging tourist approach, a new policy should be formulated. While the current policy is based on private agents selling tourist services to customers asking for quality hotels, entertainment and fun, the new one fitting the cultural district model will require coordination of many different activities, coordination of a multitude of rational economic and intergenerational agents, the mobilization of all indigenous resources, and the preservation of the existing values of the local community and cultural heritage.

Thinking of tourism as a local system or district means taking advantage from good governance, economies of agglomeration, entrepreneurship and creativity, trust and cooperation embedded in a social local structure and the institutional municipal and regional settings.

8. Case Study: Byblos and Saida⁷

This section analyses the potential of two prospective tourist cultural districts in Lebanon, Saida and Byblos. Byblos and Saida are quite distinctive places with regard to their geographical location, cultural heritage and religion.⁸ Saida's population is primarily muslim, while Byblos is mainly catholic. Both cities play a major role in the Lebanese tourist industry.

Saida has a wide variety of tourist attractions to offer that may well lend themselves to the establishment of a tourist cultural district. Saida has several archaeological monuments such as the sea castle, the earth castle, the Eshmoun temple, as well as old mosques, churches, turkish baths and an old souk. Moreover, Saida is close to a sandy coast (5 km away) which is considered one among the most beautiful in Lebanon. The small port of Saida is another attraction, where fishermen organize daily trips to nearby islands.

As for Byblos, it ranges among the oldest cities in the world. It is characterized by several archaeological monument such as the Crusader's Citadel, the Roman theatre, as well as clean sandy beaches, various restaurants, pubs, night clubs and a small port. It is said that the alphabet was invented in Byblos. In the case of both Byblos and Saida, the use of a collective trademark identifying the tourist cultural district is recommended as a tool for developing a co-operative spirit and improving the quality of goods and services provided to tourists.

A. Byblos

Byblos as a potential cultural district

In Byblos, the main factors for developing a potential Tourist Cultural District are at work: outstanding cultural heritage, beautiful natural resorts, strong local traditions, entrepreneurial oriented companies, adequate infrastructure and easy accessibility. Byblos is one of the top contenders for the "oldest continuously inhabited city in the world" award. Byblos is recorded in the UNESCO *World Monument List*.⁹ Byblos is a modern town with a very old history, offering

⁷ This paragraph has been written with the valuable assistance of Information International SAL, Beirut.

⁸ This chapter has been written with the valuable assistance of Information International SAL, Beirut.

⁹ According to Phoenician tradition, Byblos was founded by the god *El*, and even the Phoenicians considered it a city of great antiquity. Modern scholars say that the foundation of Byblos goes back at least 7,000 years. The words "Byblos" and "Phoenicia" would not be recognized by the city's early inhabitants. For several thousand years the city was called "Gubla" and later "Gebal," while the term "Canaan" was applied to the coast in general. The Greeks, sometime after 1200 BC, called the city "Byblos" (meaning "papyrus" in Greek). Today, Byblos (Jbeil in Arabic), located on the coast 37 kilometers north of Beirut, is a prosperous place with glass-fronted office buildings and crowded streets. But within the old town,

a mix of sophistication and tradition. In addition to its archaeological sites, its excavated remains, the Crusader castle and church and the old market area, Byblos is known for its Wax Museum near the castle, which reproduces scenes from the history and rural life of the country. With its many restaurants, snack bars, souvenir shops and hotels, Byblos is well prepared to welcome tourists.

Mainly tourists from Europe, the United States of America and Japan stay in Byblos. Tourists from the Gulf usually go through Byblos on their way to other tourist destinations. Approximately 55.000 tourists come to Byblos per year. There are no official statistics on the number of people employed in tourism in the area. Tourism is however profitable business in Byblos, the Castle alone generates around 66.000 USD per year. The hotels (Byblos sur Mer and Ahiram) are usually full during the peak summer season.

The production of cultural events is one of the features of a tourist cultural district. Byblos hosts every year the “Byblos Festival”, where international and local artists perform. Traditional cuisine from the region is served on the streets of the old city. Artisinal goods made in Tripoli (soap, bronze, wooden boxes) and Amchit (stroll basket) is sold in Byblos.

In addition, the tradition of worshipping *Aquilina the Martyr Saint of Byblos* is maintained. Certain *carnevals* are also organized by the cedars Scout of Lebanon in order to promote the city and create summer activities for children. The old Souk of Byblos constitutes the historic commercial center of the city.

Tourism development in Byblos and the use of collective trademarks

Marketing efforts in Byblos are based on a good level of cooperation between the local tourist industry and the local/international tour operators. The tourist industry is strongly interested in cooperating with tour operators and any institution that may help to market the area. The tourist industry in Byblos is most willing to introduce a collective trademark, but this step would have to be accompanied by a training seminar on the management of collective trademarks.

The local stakeholders believe that the introduction of the collective trademark would help them define a clear image of the place abroad and also contribute to enhancing the quality of goods and services provided in the tourist sector. With regard to the procedural steps necessary to set up a collective trademark, Byblos would have to emphasize on setting up a steering committee. Possibly the municipal authorities and several hotel owners could form this body. Furthermore a certain level of cooperation among stakeholders should be fostered. The field trip to Byblos clearly showed that companies rather tend to compete against each other and a common will to foster the image of Byblos as a whole is lacking. This could be overcome by the introduction of a collective trademark. Furthermore a consensus would have to be reached how the quality of goods and services is defined and what the respective criteria are to be part of the “quality cartel” created through the collective trademark.

medieval monuments are continuous reminders of the past. Nearby are the extensive excavations that make Byblos one of the most important archaeological sites in the area. The *Citadel*, under control of the Lebanese Direction Générale des Antiquités, was restored in 2002. (*Promenade Series 2004/2005*)

B. Saida

Saida as a potential Cultural Tourist District

Saida is the third most important Lebanese city with 37.500 inhabitants. It hosts the government for the district of southern Lebanon.¹⁰ Saida attracts European as well as Middle Eastern tourists. Saida also attracts a significant number of local schools which come to visit the historic monuments of the city.

While there are no official statistics on the number of tourists visiting the city, a rough estimate can be made by using the data from various tourist sites of the city. The Soap Museum reported 50.000 visitors in 2004, the Sea castle was visited by 14.700 people in the same year, the Khan Al Franj palace reported 37.780 visitors and the Debbané Museum 14.000 visitors in the same year. We hence estimate that roughly 50.000 people visit Saida in a year. Using the same approach it can also be said that tourists primarily come from Europe. (France 42%, Germany 11%, UK 8%, Spain 3%, Italy 3%, others 33%). There are no official statistics, however, related to the number of people employed in tourism in Saida. We believe that this is an important market potential that can be further expanded by approaching tourism in a structured way.

The tourist cultural scenario in Saida comprises 2 Castles, 6 Khans (Caravanseria), 5 Zaouiat, 5 Hamams, 13 old Palaces and Houses, 16 Religious Monuments (including Mosques, Churches, Synagogues), 6 Squares and Gardens, 2 Restaurants, 60 Cafes, and 2 Hotels. Saida offers tourists a rich cultural heritage, cultural events, traditional handicrafts and a very old souk. It is very different from Byblos in terms of its historical, cultural and religious traditions. The Castle, the maze of the souk, the old palaces, the khan, the hammam are a remaining testimony of the Crusaders and the Fakherddine reign. Moreover, the presence of high profile cultural institutions, like the Hariri and Audi Foundations, is a real asset for Saida. Its rich history combined with the variety of monuments offer a strong basis to develop a tourist cultural district.¹¹

Tourism development in Saida and the use of collective trademarks

Since Saida is only 40 km away from Beirut, tourists tend to go the city for a day trip. Saida has however the potential to attract tourists for more than a day. To do so, the current hotel

¹⁰ Saida owes its name to the ancient god "Saidoun" but at the beginning of the Arab period the city was known as "Erbel". Named "Saidoon" by the Phoenicians, "Saida" by the Arabs and "Sagette" by the Crusaders. This city had its golden age under the reign of Emir Fakherddine who made it his winter home.

¹¹ The old port and the remainings of the temple of Eshmoun are *Phoenician*. Belonging to the *Crusaders* period are the Great Mosque as well as the Land Castle and the Sea Castle, a fortress built in the early 13th century on a small island connected with the mainland by a fortified bridge. Both castles were built by the Crusaders. The Debbaneh castle and the Maani Palace were built in the *Fakherddine* period. Many *Hammam* are hidden in the souk. They reveal the Turkish influence. The *medina* of Saida is a maze of streets, alleyways, covered passages and little squares that amount to a labyrinthine route of 14 kilometers. However, under the apparent chaos of the souk, a kind of order prevails: the alleyways are divided by commercial or handicraft activities, and the location of trades on the ground floor and dwellings on the upper floors transform the district into a "place of all exchanges". This legendary quarter of 300 hectares houses 15,000 inhabitants and is the center for many commercial activities and of traditional artisans. Saida is famous for a variety of local sweets that can be seen being prepared in the shops of the old souk as well as in the newer shopping areas.

capacity would have to be expanded. The local authorities are aware of that need and have so far taken impressive steps to promote the city. Several summer festivals, expositions, and concerts are planned every year to promote tourism in the area. In addition, the local Foundations are collaborating closely with the municipality to promote the area. The *Hariri Foundation* is playing an important part in urban planning. The Hariri Foundation is committed to restoring and maintaining the cultural heritage of Saida. The *Audi Foundation* and the *Debbané Foundation* have equally an important role in valorising the social and cultural capital of the city. In contrast to Byblos, where tourist development is mainly driven by the private sector, in Saida the municipality and the various foundations are the main forces behind the promotion of tourism. The Mayor of Saida is a strong advocate of a collective trademark strategy and the local authorities along with the three cultural foundations can reasonably be assigned with the task of setting up the association responsible for the management of the collective trademark.

In conclusion, it may be said that Saida offers a strong potential for the development of a tourist cultural district. All marketing efforts will however not bear fruit if an adequate urban infrastructure is not developed. Culture and heritage without adequate accommodation can of course coexist, but the local economy does not benefit from this form of one day trip tourism.

8. Conclusion and Next Steps

This study aimed to foster tourism in Byblos and Saida by introducing a collective trademark and in a more broader way to assess the country's potential in tourism and to gain a clear understanding of how the concept of collective trademarks can be introduced in this sector.

The core idea of the study was that connecting collective trademarks to tourism may be a suitable formula to develop local areas. We believe that raising overall quality would attract more- especially high income- tourists to come to these places.

Collective trademarks rule the actions of individual firms. They are owned by a committee that reserves the right to attribute the collective trademark to those companies that comply with the standards and prerequisites required by the committee. Overall this raises the quality of goods and services offered by the tourist region since those participating in the collective trademark have to meet a range of criteria before obtaining the collective trademark.

Saida and Byblos have been chosen for this project since both regions are similar in size, vary however with regard to cultural and religious heritage. Further tourist regions can subsequently be introduced in the project, once the bases are set in these two clusters. Possibly Lebanese could spread the idea themselves, in a sort of snowball effect. It would hence mean a "train the trainers" approach. The trained persons would then be in a position to share their knowledge with others in the country.

We believe that this pilot study may help the selected tourist regions to boost the local economy. If taken seriously, we may expect a boost in tourism provoked by an overall increase of quality, standards and maintenance of public resorts, such as beaches and the old town. Adequately approached, the marketing strategy may attract further tourists and both regions may climb up the value chain.

From Ideas to Practice

Joining collective trademarks to tourist promotion essentially requires three steps: On the one hand side the mark has to be set up and managed, on the other the superior value proposition of the tourist region needs to be communicated to tourists. These actions can best be achieved through effective public private partnerships.

1. Setting up the collective trademark & managing it

The collective mark needs to be designed (ideally by an internationally recognized designer) and trademark protection needs to be filed with the Lebanese IP office.

The local municipalities need to set up a committee that manages and attributes the logo to stakeholders. The committee may be seen as a self-regulatory body. Consisting of the respective industry representatives themselves the committee may be divided in various sub-committees, e.g. a hotels committee, a restaurants committee.

The committee would identify the list of quality criteria that need to be met before an individual business can receive the collective logo. The committee would also control to which extent these criteria are being met by the individual firm wishing to obtain the logo. If the firm meets the quality requirements, it receives the logo. If it does not meet the necessary requirements, it is not being turned down, but put in the waiting list until it meets the required standards.

2. Communicating superior value

Tourists like to relax at places that make them feel safe. Going into a restaurant and knowing one won't get ill or that can be advised in his or her choice by a well-trained waiter is a very assuring feeling that strongly contributes to the recovering element associated with holidays.

This message needs to be given to tourists. Tourists, tour operators, travel agencies, Lebanese tourist promotion agencies need to be made aware of the new collective logo and need to understand what it stands for. A public awareness campaign should be launched among public officials, local authorities and private stakeholders that focuses on both national and local images for Lebanon as a holiday destination as well as the tourist cultural districts, such as Sida or Byblos, for their particular attractions..

In the end, tourists need to be able to recognize the logo and associate it with quality and safety. A strong marketing strategy would position the two sites as places of superior quality, clean beaches, safe streets and a well maintained ancient city. Possibly this may be joined to a slogan that summarizes in a few words the essentials of the place.

3. Reinforcing effective public private partnerships

In order to successfully leverage collective trademarks in tourism, the most various stakeholders need to cooperate. The ministry of Economy and Trade may consider further fostering its links with the Ministry of Tourism. In projects such as Colibac - Conseil Libanais Accreditations, the EU Quality Program, the E-commerce project, or the Eco-Tourism project the Ministry of Economy and Trade has already demonstrated its capacity in cooperating with the most various actors.

Equally, the municipal authorities may consider deepening its linkages with the private sector and providing an apt framework for the tourist sector to operate.

The public authorities may further seek to:

- Identify the best image for tourist purposes and promote it internationally.
- Stimulate university programs and masters on intellectual property in general and collective trademarks in particular
- Provide local authorities with procedures for quality control of the tourist services. In doing so it may take the UNIDO project about quality standards for restaurants as an example
- Supply the necessary tourist infrastructure

The private sector again may consider the following steps:

- Take the role of lead agents in the implementation of a tourist cultural district.
- Invest or attract investments from abroad in increasing the quality of the tourist service (through the foundation of a tourism academy, for example).
- Invest or attract investments from abroad in tourism infrastructure (for example, hotels and restaurants, entertainment, like festivals, art expositions and other cultural events).

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