



June 14, 2021

Hon. Jacky Rosen  
Chair  
Subcommittee on Tourism, Trade, and  
Export Promotion  
Committee on Commerce, Science, and  
Transportation  
United States Senate  
Washington, D.C. 20510

Hon. Rick Scott  
Ranking Member  
Subcommittee on Tourism, Trade, and  
Export Promotion  
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United States Senate  
Washington, D.C. 20510

Dear Chair Rosen and Ranking Member Scott,

On behalf of the Outdoor Recreation Roundtable (ORR), thank you for your attention to the strong and growing recreation economy with your “The State of Outdoor Tourism, Recreation, & Ecotourism” hearing tomorrow. We are pleased to provide an update on tourism trends in the outdoor recreation industry, an industry that has been core to the resilience of the American economy during the COVID-19 pandemic, and one that has also been greatly impacted by necessary COVID-related closures and supply chain disruptions.

ORR is the nation’s leading coalition of outdoor recreation trade associations — made up of 34 national members, as well as other non-profit organizations and business entities — serving more than 110,000 businesses. According to the most recent data from the Bureau of Economic Analysis released last year, the recreation industry generated \$788 billion in economic output, accounted for 2.1 percent of GDP, supported 5.2 million jobs, and was growing faster than the economy as a whole in every indicator. In Nevada, the Chair’s home state, the outdoor recreation industry creates 59,000 jobs and \$5.5 billion in economic output, accounting for 3.1% of state GDP. In Florida, the Ranking Member’s home state, the outdoor recreation industry creates 511,000 direct jobs and \$49.1 billion in economic output, accounting for 4.4% of state GDP.

COVID-19 turned a spotlight on the outdoor recreation industry like never before. As Americans craved safe, rejuvenating activities during the pandemic, millions turned to the outdoors—many for the first time. 8.1 million more Americans hiked in 2020 vs. 2019 (a 16.3% increase), and the total percentage of Americans who participate in outdoor recreation rose to 52.9%, from under 50% in previous years. Many sectors within the industry saw record participation numbers in the past year: freshwater fishing added 3.4 million participants in 2020, shipments of RVs reached an all-time high in the first quarter of 2021, and retail unit sales of new powerboats in the U.S. increased by 12% in 2020 over 2019. You also may have heard about the unprecedented demand for bikes. By November 2020, bicycles, bike equipment, and bike shop services had increased 84% year-over-year. These figures capture our nation’s recognition over the past year that outdoor recreation provides significant physical health, mental health, and community benefits. Importantly, new participants in outdoor recreation are younger, predominantly female, and more diverse.

Despite these impressive statistics, certain sectors of the outdoor recreation industry related to travel and tourism were negatively impacted by the pandemic. According to a survey of ORR members, last May as many as 94% of outdoor businesses experienced drops in sales, and 88% of outdoor businesses laid off or furloughed staff. Eleven percent of businesses closed or laid off all or most of their staff. In a survey of its guides and outfitters in April, America Outdoors reported that 42% of businesses were down between 62-100% in reservation bookings, and 53% had suspended all operations. These small businesses, which provide access to boating, fishing, hiking, climbing, hunting, and so many other activities that connect Americans to public lands and waters, are the lifeblood of the outdoor industry and local economies. Additionally, national park closures in the early months of the pandemic hobbled campgrounds, marinas and concessionaires that rely on significant visitation in the beginning of the busy season. According to the National Park Hospitality Association, 50% of surveyed concessionaires experienced revenue declines of more than 60%.

Finally, last year's supply chain disruptions combined with pre-existing tariff policy limited the outdoor industry's ability to meet unprecedented demand from new participants. According to an ORR survey, 100% of outdoor businesses experienced production and distribution issues at some point during the last year, with 79% experiencing significant impacts. Concurrently, United States tariffs on Chinese exports remain elevated at an average of 19.3%. The bike industry provides a descriptive example of how these trends impact their operations. When the Trump Administration instituted tariffs on Chinese goods, many bike manufacturers moved manufacturing to countries like Taiwan and Vietnam, where production systems were less resilient to the pandemic. Now, companies like Giant Bicycles are moving production back to China, even if it means passing on the cost of tariffs in higher prices to consumers. These tariffs leave outdoor businesses with a difficult choice: seek new relationships and lower costs in less effective manufacturing countries or raise prices for consumers.

At a time when the desire for outdoor products is unprecedented, the outdoor industry supply chain is unable to match the pace of the new demand. This slowdown is stymieing growth of an in-demand sector that could provide jobs and economic growth coming out of COVID-19 in every corner of the country. Similarly, with American's newfound love and enjoyment of outdoor recreation activities, some communities and businesses are still suffering from the lack of international visitation, distance travel and closures and layoffs from last year. We hope to work with your committee in the coming months to get back to what our industry does best: support healthy people, places, communities and economies.

We hope the Senate Commerce, Science, and Transportation Committee in the 117<sup>th</sup> Congress will see us as a key partner in this work going forward.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Turner", enclosed in a thin black rectangular border.

Jessica Turner  
Executive Director

