

Comments for the Tourism and Recreational Development Committee Meeting:
9/14/2010

I want to first thank the members of this committee for their commitment and dedication to our industry. Hundreds of thousands of our fellow Pennsylvanians welcome tens of millions of guests to our State each and every year. They provide great experiences for tens of thousands of families from all over the United States and the world and are great ambassadors for our nation. We owe them a great deal. As you know, the hospitality industry is a labor of love and our colleagues are hard working and committed to providing the best services and experiences at a value.

I also want to thank you on behalf of the 700 members of the PA Dutch Convention and Visitors Bureau for your support of the Tourism Funding programs. Not only do we thank all of you for the TPA direct grant and regional funding initiatives, but also the support of the DCED Office overseeing tourism marketing led by Deputy Secretary Rowley and his fine staff. DCED staffers have been great partners for all of us in the past eight years as the tourism landscape has changed dramatically.

As you know the PA Dutch Convention and Visitors Bureau represents diverse hospitality interests within and to a lesser degree outside of Lancaster County. Our 700 members employ over 40,000 residents and host 11.3 million guests each year. It is estimated that tourism generates \$1.3 billion in direct wages and millions more in taxes for Lancaster County.

As recently as 2007, the PA Dutch CVB received approximately \$900,000 dollars in support through the TPA grant program. Our current 2010-2011 TPA Grant is \$170,000. At this point I should note that our yearly budget is approximately \$5 million dollars. On average we have spent close to 75% of our total budget on advertising, sales and public relations expenses. These funds have been spent to attract guests from New York, Philadelphia, Baltimore and Washington DC. We have invested heavily in the mediums of radio and television and print a yearly map and visitors guide. The web continues to be a growing and ever more important advertising tool. We have invested over \$200,000 in that tool over the last two years alone.

Since 2000, our CVB has invested over \$10 million dollars in electronic media to establish the PA Dutch County brand in the markets outlined above. This was made possible in large part because of support from the TPA grant program. This investment made possible the continuing employment of 40,000 Lancasterians and the solid growth that our market has experienced over the last eight years. Keep in mind that the last year (2009) hobbled growth due to the crippling recession.

Primarily, I wanted to take the opportunity to relate to you the importance that continued funding will have in maintaining our position as a viable destination. More importantly, I wanted all of you to know that many small business owners rely upon our CVB to provide them with the marketing support to establish their businesses and to grow them over time. What do I mean? Just a few cases in point.....

The Amish and Mennonite communities are one of the many reasons why Lancaster County is a frequently visited destination. We currently have many members who are either Amish or Mennonite. By virtue of their beliefs they do not maintain web sites for advertising purposes. They depend upon us to do that for them. In essence our CVB website is their main method of communication with the outside world. We currently service 37 members who do not have websites. Most of our communication with them is through US Mail. They use our website to communicate and garner customers.

One such member is Zook's Roadside Stand. At Zook's Roadside Stand you can drink some of the best tasting root beer you've ever had. It goes down really well, especially on some of the hot days that we have had this summer. The family uses this stand to supplement their yearly income. Roadside stands are an integral part of the guest experience when visiting Lancaster County and we always have guests wanting to patronize these stands and observe the Amish way of life first hand.

In hospitality segment as well as in many other industries, small business is a indispensable incubator. I can cite numerous examples of many going concerns in Lancaster County that started as simple small roadside stands. The Willow Valley Doubletree Resort is just one such example. The resort now boasts 300+ sleeping rooms, meeting space and multiple restaurants that service thousands of guests per year.

We (Lancaster County) have invested in maintaining our position as one of the most visited destinations in the Commonwealth over the many years by using the TPA funding provided very wisely. Our fear as an industry is that the lack of a continuing investment will erode our top of mind presence with our guest and inhibit our capability to generate new guests. Other destinations are investing and are realizing that tourism creates jobs.

Finally, the simple fact of not knowing whether or not a funding stream exists has caused many TPA's to delay marketing plans and executions or cancel them all together. This within itself has hurt us from a competitive prospective.

We understand that on a daily basis you are confronted with many difficult choices. Tourism funding does provide a return on investment. We are a proven creator of jobs. These jobs produce tax revenues and bring in dollars to the Commonwealth from not just all over the United States but the whole world.

We greatly appreciate your willingness to hear our voice and consider alternative funding methods for the future. We cannot succeed without your support and partnership and are grateful for it. We would hope that from time to time you will log on to PATOURISMEQUALSJOBBS.com for industry updates and statistics that can further expand upon my comments.

Thank you for your time.