



POCONO MOUNTAINSSM

VISITORS BUREAU

Testimony of Christopher S. Barrett
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Senate Veteran Affairs and Emergency Preparedness Committee Hearing – June 15, 2017

Good afternoon Mr. Chairman, and Senators. Thank you so much for this opportunity to speak with all of you concerning the tourism industry in the Pocono Mountains. I especially appreciate you're interest regarding the Eric Frein manhunt and its impact upon the collective tourism/hospitality economies of the counties of Carbon, Monroe, Wayne and Pike.

We know that you are dealing daily with issues of great gravity. Areas of safety and security, human services and education are so important. Those voices need to be heard and their concerns and needs evaluated. We understand this and respect it. It must place all of you in difficult positions to say the least.

My objective today is to outline for all of you some of the economic facts as they relate to tourism and hospitality sectors in the Pocono Mountains. I would ask for your indulgence just for a few minutes as I list them:

- Since 2012 the Pocono Mountains has seen an increase in the number of visitors to the region of 6%, from 25 million visitors during 2012 to 26.6 million guests during 2016. *
- Some overall statistics for the Pocono Mountains from 2016*
 - Overnight trips in market generated \$1.5 billion in spending
 - The average number of nights stayed was 2.3
 - The average travel party size was 3.5
- Travelers spent over \$3.2 billion in the Pocono Mountains region during 2015 – the fourth highest of the state's 11 tourism regions. The region's 8.2% spending growth rate from 2014 was the strongest rate of increase among the regions and the third highest amount of increase in dollar terms on record. ^
- The Pocono Mountains region had the highest proportion of traveler dollars spent on shopping and the fourth highest on lodging among the state's 11 tourism regions during 2015. ^
- Our region's share of travel supported labor income topped 50% in 2015 — increasing to 53.2%, while the employment share grew to 36.3% of the region's economy. ^

- As in prior years, the Pocono Mountains region continued to have, by far, the highest proportion of labor income and employment supported by travel of the state's 11 tourism regions.
- The source of growth for the Pocono Mountains can be attributed to its member properties and attractions marketing efforts combined with the PMVB.
- The funding for the Pocono Mountains Visitor Bureau stems mainly from a 3% hotel tax. The marketing budgets from our properties and attractions have continued to grow because of this investment and our member's vision to expand the market themselves as well as the destination.
- The PMVB has spent regularly close to 75% of its total budget on marketing efforts. This funding has been spent in the New York and Philadelphia markets along with other markets throughout the US.

I have provided these statistics as a basis for my next series of statements related to the information that you are seeking. First, I would note that the PMVB has asked its over 500 members twice in the last few months to provide data concerning the affect of the manhunt upon their businesses.

- Members reported that actual business in the form of lodging reservations especially were cancelled short of the guest stay. When queried, the guests cited the man hunt as the reason, and noted that they feared for their personal safety as well as their families
- School groups did cancel educational trips citing safety
- The time of year that the man hunt took place was one of the most active for the Pocono Mountains as a destination...especially the outdoor aspects which are pristine
- Many retail restaurant based locations noted that business was off as much as 30% when compared to previous years
- Many business reported a general "loss of momentum" ending the year in a negative light

The last point is the one which is the most disconcerting and the one which should bring the most focus. What will be the long term damage to the Pocono Mountains, or the Poconos brand? When one thinks of the Poconos it elicits a feeling of peace, calm and safety. The enjoyment of nature and getting away from it all is key. Pike and Wayne counties are some of the beautiful county in the United States. We do not say that lightly...it is with belief and conviction. In the long term how will this event affect our guests selection of a place to vacation with their families? Some of these questions are yet to be answered.

We will continue to position our wonderful and truly American brand positively and aggressively. In the spirt of this hearing, we would like to make a recommendation. In the future, please consider adding someone from the affected destination marketing organization (DMO) to liaison in these situations as it can serve two functions. First, we could be a positive communications conduit to one of the largest industries in the Commonwealth. In our destination alone, we employ over 38,000 residents. Second, we can help communicate the message at the direction of the PIO and offer assistance as needed. We can post to our website and offer the prospective guest up to date and accurate information about the crisis.

On behalf of the Pocono Mountains, we thank you for your interest and concern.

I would be happy to answer any questions that you may have.

* Longwoods International research study developed for the Pocono Mountains 2016

^The Economic Impact of Travel in Pennsylvania for 2015 by Tourism Economics