

## *In My Opinion . . .*

### TOURISM IS A VERY PROFITABLE BUSINESS

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The Commonwealth of Pennsylvania invests approximately \$30 million a year in state and local tourism marketing, including advertising, interactive, and development. This, in turn, helps fuel some \$12 BILLION a year in spending in the state that otherwise might not occur.

That makes tourism a huge business in Pennsylvania and Centre County. Some people say it's our second largest industry after agriculture. Others say it's become even more important than farming. The argument is somewhat futile and unnecessary when you consider what you see with your own eyes in Centre County on a Penn State football Saturday or during the annual Arts Festival. It's big! It's important!

What isn't there to like about tourism?

It generates jobs and, if we're careful – as we are in Centre County – we can grow the tourism industry without harm to the environment while actually enhancing our own quality of life. It doesn't pollute. In the case of Centre County's small-town and rural tourism attractions, it actually demands that we preserve open space and green vistas. After all, that's what we're selling – "Happy Valley."

It's certainly a business sector that offers plenty of entry-level opportunities. But more importantly, the hospitality industry also offers more than its fair share of middle and high income jobs for those with appropriate education and training. For instance, enrollments in Penn State's School of Hospitality Management and Department of Recreation, Park and Tourism Management are booming.

Most of all, though, it is the one sector of our economy that is the most responsive to marketing. Invest a dollar at the top of the pyramid to help run a TV or radio spot, newspaper or magazine ad or post a billboard, and down at the bottom, you see more people spending more money participating in the activity you were advertising. The return on the investment is almost instantaneous.

That means that state advertising and marketing investments to increase local tourism have positive results the same year – more jobs, more people spending more money, more tax revenues.

What's more, when the Commonwealth invests state tax dollars in the local tourism promotion matching grant program, they're attracting two or three or sometimes more dollars in local investment. That means that the state's investment is going to be returned – almost dollar for dollar – in the form of increased state sales tax revenues and personal and corporate income tax revenues.

This year, tourist promotion agencies, friends and supporters are going to be asking the General Assembly to increase the budget item for local tourism matching fund grants for the first time since 2001-02. In truth – because advertising costs have increased more than 30 percent since the last time the Commonwealth added funds to the matching grant program – local sources have met the need for larger ad budgets in recent years. New funds from the state will ease that burden while providing new dollars to attract new tourists.

What we in the travel and hospitality industry can pledge to citizens of the Commonwealth is that our goal will require no increase in taxes and, in fact, will be largely repaid in the form of increased tax revenues – in large part paid by people from out of state.

We think it's a plan that makes really good sense for the Commonwealth.

*Betsey Howell is currently president of the Pennsylvania Association of Convention and Visitors Bureaus.*