



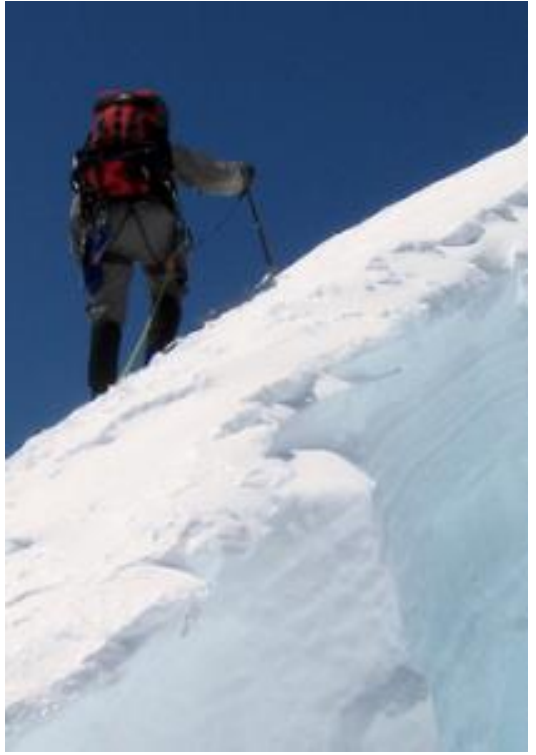




Washington Tourism Alliance

House Committee on Community and Economic Development

January 12, 2021







washington tourism alliance

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Washington Tourism Alliance History

- Washington State languished at or near the bottom of all state budgets for several years
- On June 30, 2011, the state tourism office was closed by the legislature
- The tourism industry came together and founded the Washington Tourism Alliance
- Seven years of tourism advocacy followed
- Finally, in 2018, a new tourism program was established





Tourism Marketing Bill Calls For:

- A contract with a non-profit statewide tourism marketing organization in existence on the date of enactments whose sole purpose is to increase tourism visitation and expenditures

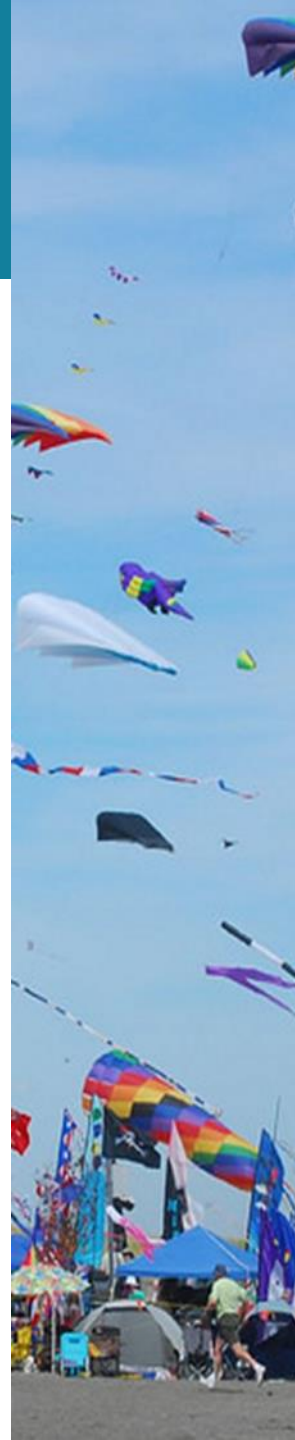
- Focus on (but not limited to)
  - Rural tourism-dependent counties
  - Natural wonders
  - Outdoor recreation
  - Attraction of international tourists
  - Assistance for tourism areas adversely impacted by natural disasters
  - Cooperation with local tourism organizations





Funding – No New Taxes

- Total of $3 million - $3 million from state to dedicated account and a $6 million private match over a biennium
- 0.2 percent of **existing** general sales taxes collected on retails sales of lodging, restaurants and rental cars will be deposited into the Statewide Tourism Marketing Account
- Deposits are limited to $3 million per biennium
- Release of funds contingent upon 2:1 industry match
- Example: $20,000 investment to WTA for an international trade show would release $10,000 from state.
- Industry match may include some forms of in-kind contributions





Washington Tourism Marketing Authority

- Comprised of a diverse selection of tourism professionals from around the state, appointed by the Governor
- Contracts with an entity to market Washington as a tourist destination
- Defines what can be used for match funding
- Measure the return on investment of the marketing program







Contract Signed

- December 2018: WTA signs contract with the WTMA and the Department of Commerce to market Washington State as a tourism destination

- July 2019: State funding begins





The WTA *is* the Tourism Industry

- Destination marketing organizations
- Economic development organizations
- Attractions
- Arts/culture
- Lodging
- Resorts
- Wine/beer/spirits
- Retail
- Restaurants
- Transportation
- Tribes
- Adventure/recreation
- Education





WTA Regional Representation

- **Northwest:** San Juan, Island, Whatcom and Skagit Counties
- **Olympic Peninsula**: Clallam, Jefferson, Grays Harbor and Mason Counties
- **Southwest:** Pacific, Lewis, Wahkiakum, Cowlitz, Clark and Skamania Counties
- **North Puget Sound**: Snohomish and King Counties
- **South Puget Sound:** Pierce, Kitsap and Thurston Counties
- **Northeast:** Okanogan, Ferry, Stevens, Pend Oreille, Lincoln and Spokane Counties
- **Southeast**: Adams, Whitman, Garfield, Asotin, Columbia and Walla Walla Counties
- **North Central:** Douglas, Chelan, Kittitas Counties
- **South Central**: Yakima, Klickitat, Grant, Franklin and Benton Counties

brings us closer to nature.



Industry Impact & WTA Recovery Programs





Travel and tourism Industry disproportionately hurt by COVID-19

U.S.:

- 9 times more damaging to the tourism industry than 9/11
- Full industry recovery projected to take 3-5 years

Washington State:

- 75% reduction in visitor expenditures (more than $8 billion) since March 1
- 42% of all unemployment related to the pandemic





Tourism Industry Impact on State Economy

"Because such a large share of job losses are related to travel, an economic recovery can only come through a restoration of travel to and within Washington State."

- Adam Sacks, President of Tourism Economics





State DMOs Critically Impaired

State's network of 20 non-profit destination marketing organizations severely limited by pandemic funding shortfalls:

- 50-70% loss of budget since March
- More than half of employees laid off or furloughed
- Projected DMO funding from lodging tax revenue expected to be seriously reduced in 2021







Tourism industry: segmented but synergistic

Destination Marketing Organizations (DMOs) – stimulate demand, support jobs

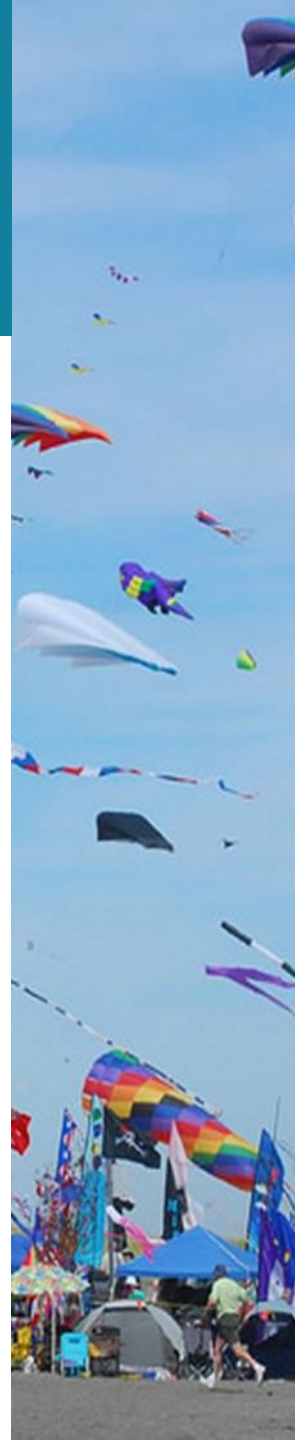
Tours and transportation – Bring visitors

Hotels and restaurants (hospitality) – accommodate and serve visitors
Meetings and events – generate economic impact and lodging taxes

Outdoor recreation – disperses visitors around the state

Cultural institutions – offers heritage and history
Tribal attractions – educate visitors, sustain tribal operations

Attractions – exhibits/events lure visits
Retail shops – increase expenditures and tax receipts





Washington Tourism Alliance Priorities

Industry Recovery and Development

Serving:

- Rural and underserved communities
- BIPOC, small and micro businesses (80% of industry)

Relief Programs:

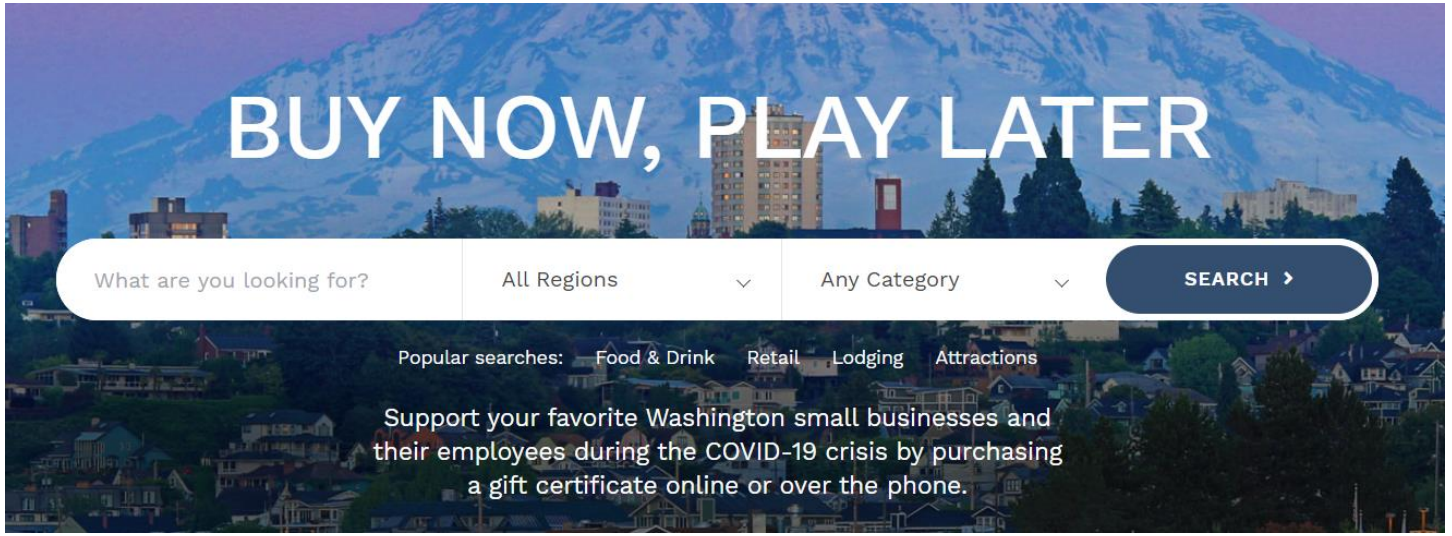
- Grants
- Technical assistance
- Industry training and education
- Wrap-around services

Long-term Economic Recovery and Resiliency

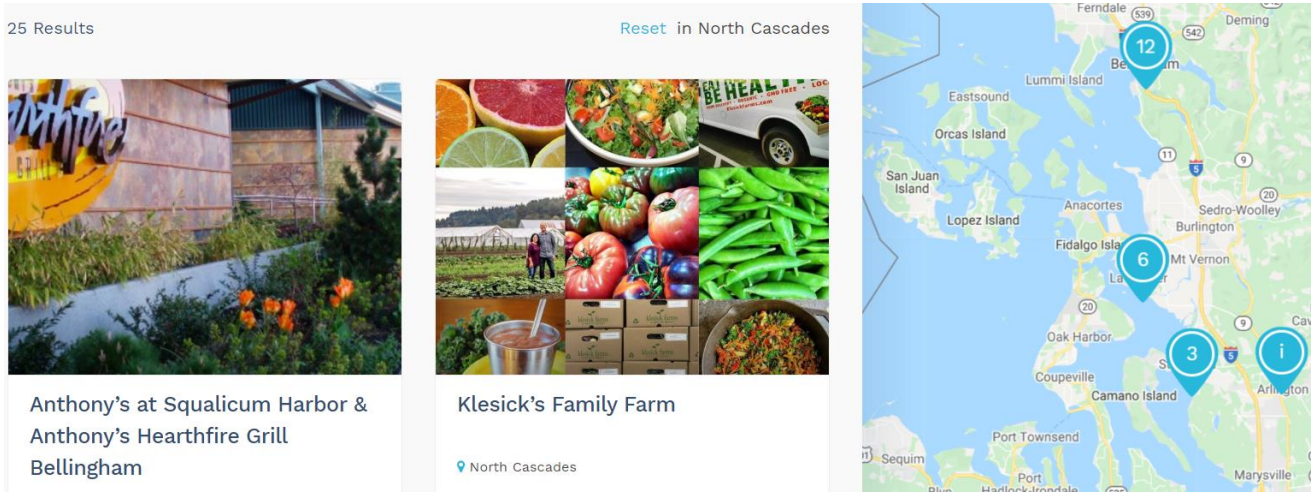
- Stimulate visitor expenditures
- Generate tax receipts
- Re-generate tourism jobs



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WTA is Re-Investment in Tourism Industry

- Co-op programs at low and no-cost to the industry:
  - Sales leads to state businesses
  - Travel trade marketplaces
  - Consumer data/analytics
  - Marketing tools and collateral
- Recovery campaigns for communities and small businesses
- Industry recovery/resource site
- Destination research +39 county reports, consumer analytics





WTA Public-Private Partnership in Recovery

- 2018 enabling legislation with 2:1 private/public matching program - $3 million per biennium:
  - Industry matching funds from every state region
  - Washington State general funds
- WTA membership/partnership funds to date - $2.6 million
- New partnership with Port of Seattle - $1.5 million in 2021
- Pursuing EDA grant for industry recovery
- Pursuing corporate support for industry development/marketing





Critical Factors in Industry Recovery

- Industry request for $12 million in WTA programs that help restore the state's hardest-hit industry:
  - Generate tourism demand for Washington communities and businesses
  - Sustain recovery market share with competing Western states
  - Attract future private sector/corporate investment by demonstration of a successful tourism marketing program



Thank you!



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