

**Letter to the Editor**  
**February 3, 2009**

**Colorado Tourism: A Smart Investment**

Americans across the nation and here in Gunnison County are all being impacted by the current state of the economy. As we watch financial infrastructures change and states make hard choices about spending and budget cuts, we'd be very smart to consider programs that demonstrate investments with the greatest return. Tourism promotion is one of those programs, bringing billions of dollars into Colorado each year.

Even in uncertain times, one thing is clear: Promoting tourism is a smart investment for local economies.

***DID YOU KNOW?***

- Tourism equals jobs and revenue for Colorado – it is a vital piece of our economy.
- Tourism is the second largest industry in Colorado in terms of jobs, employing 143,700 people, and nearly one in four jobs in Colorado is in the tourism sector. Overall, these employees earn some \$4 billion annually, contributing to state revenue.
- In 2007, Colorado welcomed a record 28 million overnight visitors, who spent \$9.8 billion in tourism-related expenditures; Longwoods International, *Colorado Travel Year 2007*
- Total direct travel spending in Colorado for 2007 totaled more than \$15 billion according to Dean Runyan Associates; *The Economic Impact of Travel on Colorado*
- The Colorado travel industry generated \$763 million in local and state tax revenue in 2007; Dean Runyan Associates, *The Economic Impact of Travel on Colorado*
- Without the contribution of state and local taxes from tourism, every Coloradan would pay \$157 more in taxes or \$407 per each average household. \**Total state and local taxes divided by total number of Colorado residents according to 2007 census.*
- The return on investment for tourism advertising and promotion spending is 6:1 for state taxes generated and climbs to 13:1 when including local tax generation; Longwoods International, *Colorado Travel Year 2007*
- Colorado is a “Top Ten Dream Destination” and is ranked 17<sup>th</sup> overall in market share among U.S. states.
- From 1992 to 1997, after tourism funding was eliminated, Colorado’s market share of national overnight visits dropped by 30 percent. In 1997 alone, approximately \$2.4 billion in tourism revenues and \$134 million in taxes were lost.
- In 2000, the Colorado Tourism Office was created to promote the state as a premiere tourism and travel destination. For six years, the CTO received approximately \$5 million annually to promote the state. During this time, Colorado ranked approximately 35<sup>th</sup> out of 50 states for tourism promotion budgets; other annual state tourism office budgets averaged around \$12 million.
- In 2006, HB1201 as enacted, which provided approximately \$19 million annually from gaming revenue for Colorado to promote tourism.
- The CTO received nearly \$20 million to promote state tourism in FY2008. Approximately, 82% of the budget is allocated to domestic and international tourism promotion; 16% of the budget is for research, industry outreach, heritage grant programs, and the Colorado Welcome Centers

- Two-thirds of the advertising budget is earmarked for the spring and summer seasons, 10 percent goes to fall, while 28 percent is dedicated to the winter season; all in line with visitation patterns.
- Although 2009 will be a challenging year, people will still travel, and it is important for Colorado to stay highly visible in the marketplace because competitors such as California and international destinations will continue to market themselves to the same potential travelers.

Funding for tourism promotion in Colorado is in jeopardy and now is the time for tourism industry members and friends to take action to educate and encourage our legislators about the importance of the tourism industry in the state. The latest recommendation from the Governor's Office is to cut the tourism promotion budget by almost half from 19 to 10.4 million dollars.

Despite the tough economy, people will still travel. According to a 2009 Trip Advisor Survey, travelers are considering visiting national parks, hiking and engaging in adventure activities (73% say they plan to visit a national park, up from 62% last year). Our destination has much to offer these travelers due to our close proximity to the Black Canyon of the Gunnison National Park and multitude of outdoor activities. To stay competitive, our state and destination needs a robust tourism promotion program. Tourism marketing is not an expenditure – it is an investment. If you don't put gas in the engine, you can't expect the car to go anywhere. When entities significantly cut advertising and communications in a down period, the cost to regain share of voice in the market once the economy recovers may cost four to five times as much as the cuts saved, according to the Wharton School of Business – “When the Going Gets Tough, the Tough Don't Skimp on Their Ad Budgets” November 26, 2008.

Please call or email your legislators today and tell them that “Tourism Works for All of Us” and ask them to support the full funding of tourism promotion. For contact information for Representative Kathleen Curry and Senator Gail Schwartz, visit: [www.votesmart.org](http://www.votesmart.org)

Sincerely,  
Joellen Fonken  
President  
Gunnison-Crested Butte Tourism Association