

LETTER FROM THE PRESIDENT

JUST TWO YEARS AGO,

the Pennsylvania Association of Travel and Tourism ("PATT") was founded through the hard work and financial commitment of a visionary group of travel and tourism professionals. The investment made was in support of a mission to unify and lead the commonwealth's travel and tourism industry, thus presenting one voice on public policy while serving the needs of a diverse collaboration of investors.

PATT's primary focus continues to be on protecting and strengthening the local room tax dollars at the local and county levels, advocating for "sustainable" statewide tourism funding and supporting the Pennsylvania Tourism Partnership (PTP) and its public-private initiatives around marketing and branding for the commonwealth (see *related story...*).

Tourism is an "investment" in Pennsylvania's economy, not an expense. Investments in the visitor economy drive broader economic growth. I just recently read a study done in November 2014, by Oxford Economics, entitled "*Destination Promotion: An Engine of Economic Development.*" This study really makes an excellent case for why travel and tourism is a key partner in Pennsylvania's economic growth.

I wanted to share with you a few of the key findings of this study that are relevant to Pennsylvania.

The visitor economy warrants investments in destination promotion:

- As incomes rise, consumer spending on travel and tourism has grown at a faster rate and employment in this sector has led growth during the economic recovery.

Destination promotion drives economic development through several channels:

- Building transportation networks.
- Raising the destination profile.
- Economic development through public conventions.
- Raising the quality of life.

Growth in the visitor economy drives growth in other areas of the economy:

- Destinations with higher concentration of visitor-related industries tend to grow faster than average over the last decade.
- Econometric tests show that employment shifts in the visitor economy are followed in subsequent years by sustained changes in growth in other parts of the economy.

Economic development can be more effective through coordination with destination promotion:

- The building and adoption of a brand should be coordinated between Destination Marketing Organizations (DMOs) and Economic Development Associations (EDAs).
- EDAs and DMOs should maintain a platform for regular communication.
- EDAs' coordination with DMOs results in better pitches and they can also jointly leverage strategic conferences and trade shows.

These findings highlight PATT's belief that travel and tourism in Pennsylvania needs to be re-positioned as a partner with economic development. We create jobs, we support communities and we make significant investment in new or expanded infrastructure projects that are significant to the commonwealth. To read the full Oxford Economics report, visit PATT's website, www.patrandtourism.org and click on resources.



There is much critical work to be done in Pennsylvania and I urge you to get involved with PATT and become an investor in the future of travel and tourism in the commonwealth. Become an investor in an organization that is leading the charge to elevate Pennsylvania's tourism product by advancing legislation — working closely with legislators, the administration and industry leaders to ensure consistent branding, cohesive and aggressive marketing and support of an industry that leads the commonwealth's economy.

As with any investment, your return on investment is not always a quick profit. Investments need time to develop and grow and return the desired results. Investors see the long term opportunity to reach their goal.

Although we have seen great progress in a very short time, there is more to be done. If you are a current investor of PATT, thank you. Please consider increasing your investment. If you have not yet committed, please join us. There is so much we can accomplish together. 🇺🇸

Yours in hospitality,

A handwritten signature in blue ink, appearing to read "Rob Fulton".

Rob Fulton
President/CEO
Pennsylvania Association of Travel and Tourism