

Vermont Tourism Bounces Back

Visitor spending in Vermont has increased nearly 20 percent since the Great Recession of 2009, a greater recovery than other sectors of Vermont's economy -- and greater than the average for the tourism sector nationally:

Measure	2009	2011	% Change
Total Person Trips	13.7 million	13.95 million	1.8%
Visitor Spending	\$1.424 billion	\$1.7 billion	19.4%
Tax Revenue Generated	\$199.6 million	\$274.5 million	37.6%
Hospitality/Recreation Employment*	33,530	37,910	13.1%

**Includes Proprietors and Wage & Salary employment, both direct and induced by visitor spending*

Key sectors of Vermont's economy are substantially more dependent on visitor spending than the national average:

Jobs Supported by Visitor Spending	Vermont %	U. S. Average %
Eating and Drinking Places	36.30%	18.10%
Retail	6.80%	2.90%

Source: Preliminary Estimates from the Benchmark Study of the Economic Impact of Visitor Spending on the Vermont Economy 2011, Chmura Economics & Analytics, October 2012

Economic Impact of Visitor Activities in Vermont

The total amount of the visitor spending in Vermont is broken down into different categories. Prepared meals and lodging are the two largest spending items for Vermont visitors.

Estimated Direct Visitor Spending (2011)		
Category	Spending (\$Million)	Percent Total
Prepared Meals & Beverages	\$393.80	22.90%
Lodging	\$366.10	21.30%
Gasoline	\$290.50	16.90%
Groceries	\$167.40	9.70%
Shopping	\$214.30	12.50%
Entertainment and Recreation	\$122.70	7.10%
Other Transportation	\$85.30	5.00%
Other	\$78.90	4.60%
Total Visitor Expenditure	\$1,719.00	
Total Person-Trips (Million)	14	
Source: Chmura Economics & Analytics		

Economic Impact of Visitor Activities in Vermont

Compared with the 2009 Benchmark study, the importance of Vermont tourism in the overall economy increased moderately, reflecting the fact that employment in Vermont's tourism industry registered double-digit growth from 2009 to 2011, faster than the overall employment expansion.

Wage and Salaried Employment in the Tourism Industry*		
	NAICS Code	Employment
Hotel Lodging	721	10,054
Eating and Drinking	722	6,534
Recreation & Entertainment	71	1,633
Transportation	48	684
Gasoline	447	844
Retail Shopping	44,45	1,613
Total		21,362
<i>*Directly Supported by Visitor Spending</i>		

If the indirect and induced jobs are included, the tourism industry would contribute to 12.8% of total employment in the state of Vermont.

Economic Impact of Visitor Activities in Vermont

As a rural state with limited industrial clusters in manufacturing, finance, or other professional services industries, Vermont relies more heavily on the tourism industry than the national average:

Share of Total Sector Employment Supported by Visitor Spending—U.S. vs. Vermont		
	United States	Vermont
Hotel & Lodging	71.10%	92.90%
Eating and Drinking	18.10%	36.30%
Transportation	36.00%	35.70%
Recreation and Entertainment	27.50%	39.00%
Gasoline and oil	11.90%	22.90%
Retail/Retail-related	2.90%	6.60%

Source: BEA and Chmura Economics & Analytics

Vermont has substantially more reliance on visitor spending in every sector of the hospitality industry except Transportation.

Economic Impact of Visitor Activities in Vermont

The direct employment estimated for 2011 includes both wage and salary jobs as well as proprietors. Of the 26,277 direct jobs, it is further estimated 21,362 of them are wage and salary jobs. Of the total jobs (37,910) attributable to visitor spending, 7,091 of them are estimated to be proprietors.

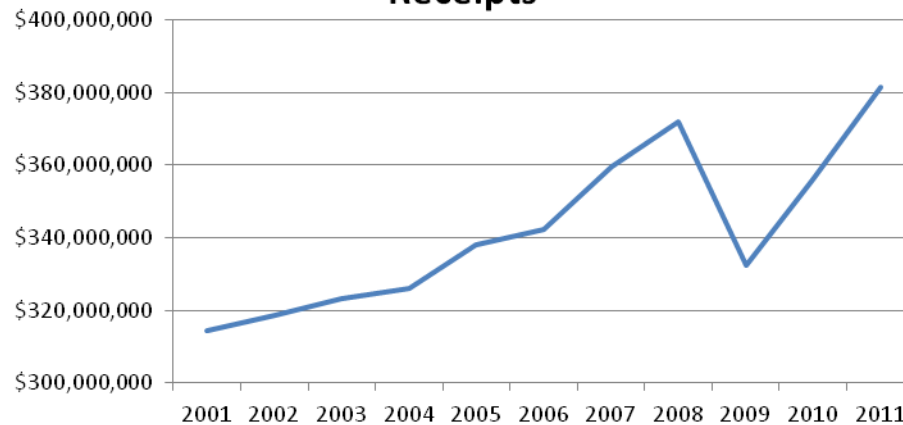
Best Estimate of Direct and Ripple Effect Jobs Attributable to Visitor Spending (2011)	
Direct Wage & Salary Jobs	21,362
Proprietors (Direct & Ripple)	7,091
Wage & Salary Jobs from Ripple Effect	9,457
Total Jobs (Direct & Ripple)	37,910

Source: Chmura Economics & Analytics

Change in Room Receipts, 2009-2011

Total room receipts (taxable and nontaxable) expanded by \$55.6 million from 2009 to 2011 in Vermont. Taxable room receipts from Vermont lodging establishments rose to reach \$381 million in 2011, eclipsing the previous peak of \$372 million in 2008. Room receipts plummeted in 2009 and have since risen quickly.

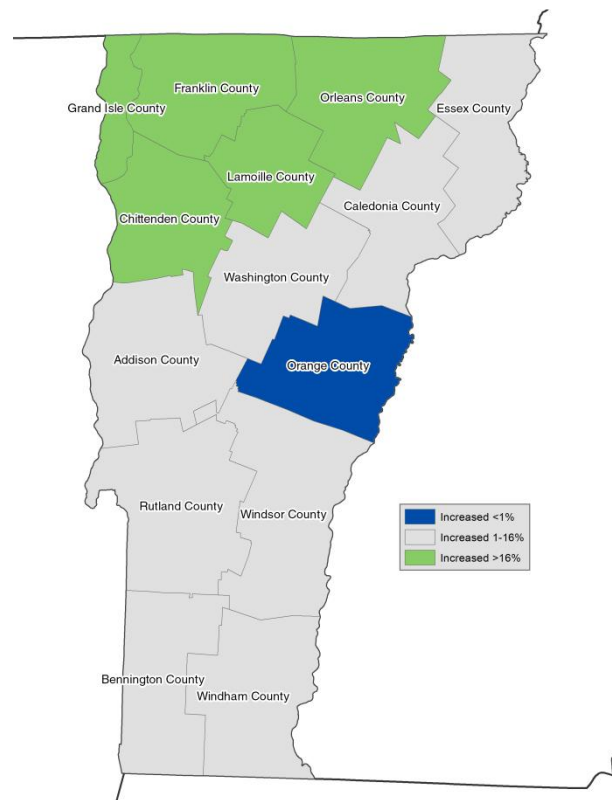
Figure 4.1: Vermont Taxable Room Receipts



Source: Vermont Department of Taxes

Change in Room Receipts, 2009-2011

Total room receipts, including nontaxable receipts, totaled \$402.2 million for Vermont in 2011. Every county in the state posted an increase in receipts compared with 2009 as receipts statewide expanded 16.0%.

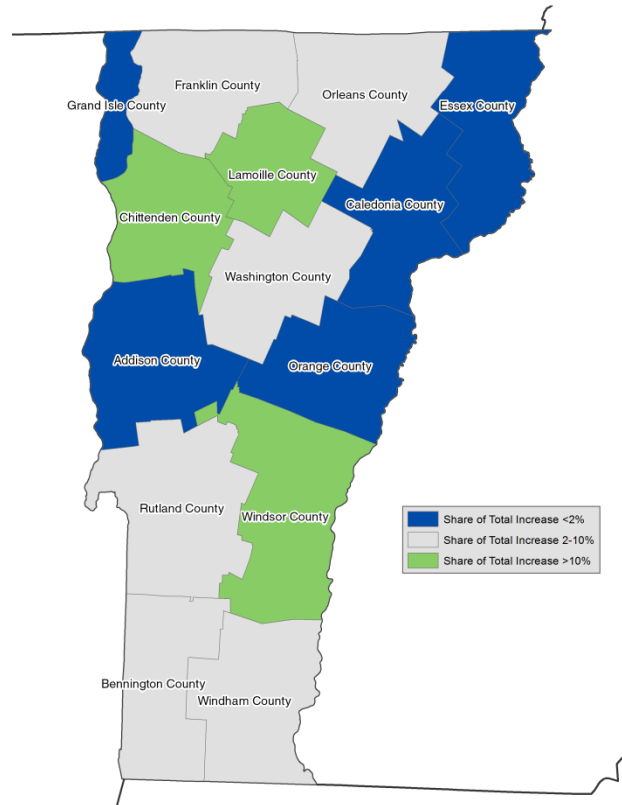


Change in Room Receipts, 2009-2011

Total Rooms Receipts (Taxable and Nontaxable)			
County/State	2011	2009	Change
Addison	\$12,393,115	\$11,724,701	5.70%
Bennington	\$33,044,670	\$29,310,683	12.70%
Caledonia	\$7,698,391	\$7,091,232	8.60%
Chittenden	\$99,741,540	\$84,474,702	18.10%
Essex	\$692,952	\$660,769	4.90%
Franklin	\$10,139,062	\$8,508,236	19.20%
Grand Isle	\$3,310,739	\$2,772,030	19.40%
Lamoille	\$60,258,223	\$48,146,053	25.20%
Orange	\$4,471,227	\$4,461,711	0.20%
Orleans	\$11,812,894	\$6,775,589	74.30%
Rutland	\$42,063,250	\$39,033,853	7.80%
Washington	\$23,737,096	\$21,653,512	9.60%
Windham	\$38,921,962	\$34,644,246	12.30%
Windsor	\$53,943,890	\$47,404,955	13.80%
Vermont	\$402,229,011	\$346,662,272	16.00%
Note: Figures may not sum due to rounding.			
Source: Vermont Department of Taxation			

Change in Room Receipts, 2009-2011

Two counties accounted for nearly half the growth in Vermont room receipts from 2009 to 2011: Chittenden (27.5%) and Lamoille (21.8%). The only other state county with more than a 10% share of the growth was Windsor which accounted for 11.8% of the increase in room receipts



Taxable Meals Receipts, 2009 vs. 2011

- ❖ **Meals receipts rose 6.25%** in Vermont between 2009 and 2011. Every county saw an increase in meals receipts during this period, with the smallest increase being a 0.79% gain in Windham.
- ❖ **Alcohol receipts rose 9.8%** in Vermont over the same period, reaching \$149.9 million in 2011.

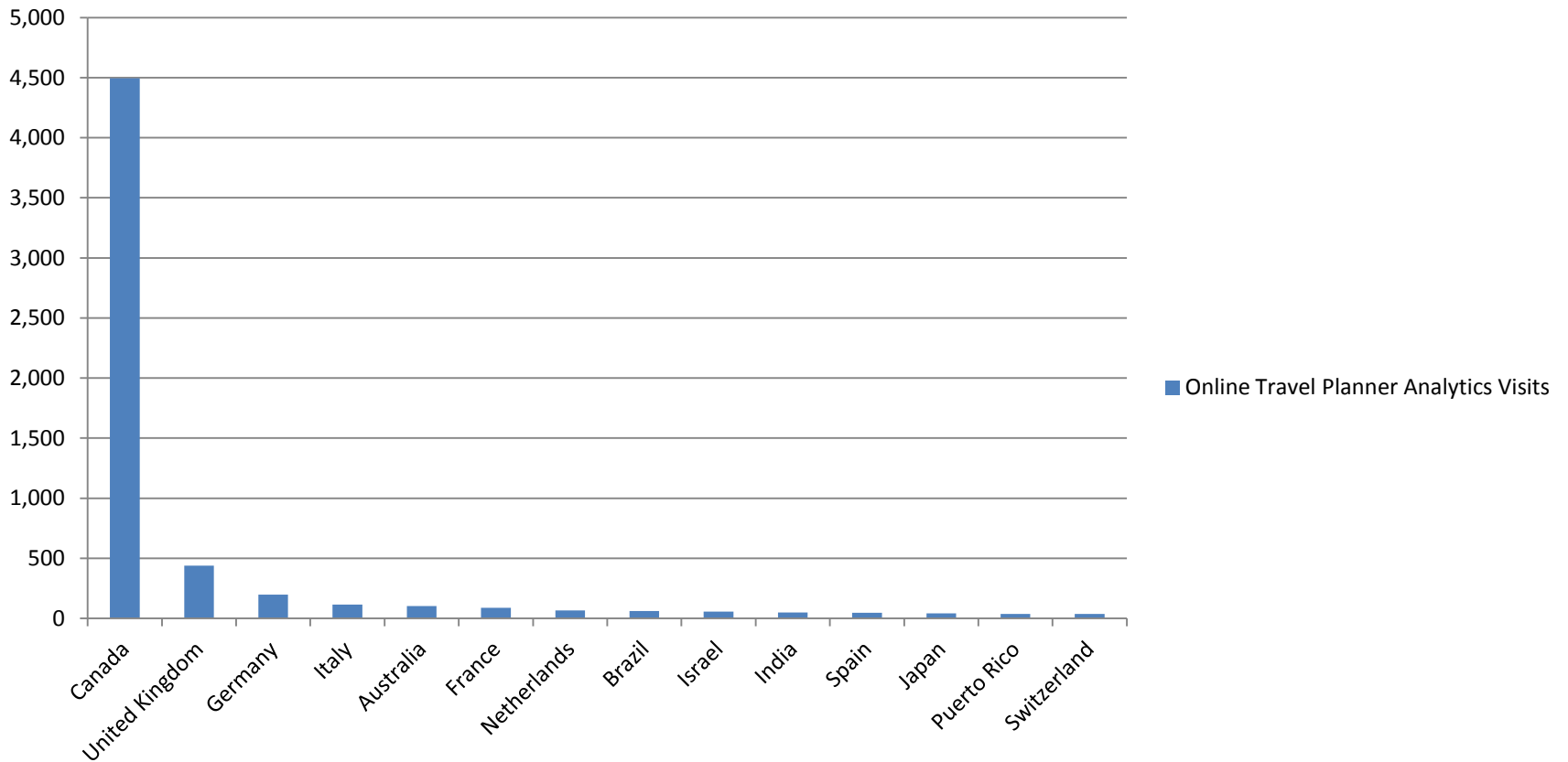
Total Meals Receipts			
State/County	2011	2009	Change
Addison	\$31,693,116	\$28,953,044	9.46%
Bennington	\$52,975,543	\$50,512,198	4.88%
Caledonia	\$25,048,841	\$24,657,283	1.59%
Chittenden	\$254,579,950	\$234,102,198	8.75%
Essex/Orleans	\$26,031,199	\$25,380,159	2.57%
Franklin/Grand Isle	\$33,511,311	\$30,806,744	8.78%
Lamoille	\$48,065,126	\$41,573,852	15.61%
Orange	\$13,063,502	\$12,673,577	3.08%
Rutland	\$77,117,979	\$73,861,129	4.41%
Washington	\$75,970,538	\$71,436,972	6.35%
Windham	\$66,334,110	\$65,815,649	0.79%
Windsor	\$67,860,022	\$63,788,746	6.38%
Other	\$61,337,463	\$60,993,072	0.56%
Vermont	\$833,588,702	\$784,554,621	6.25%

Source: Vermont Department of Taxation

International Markets

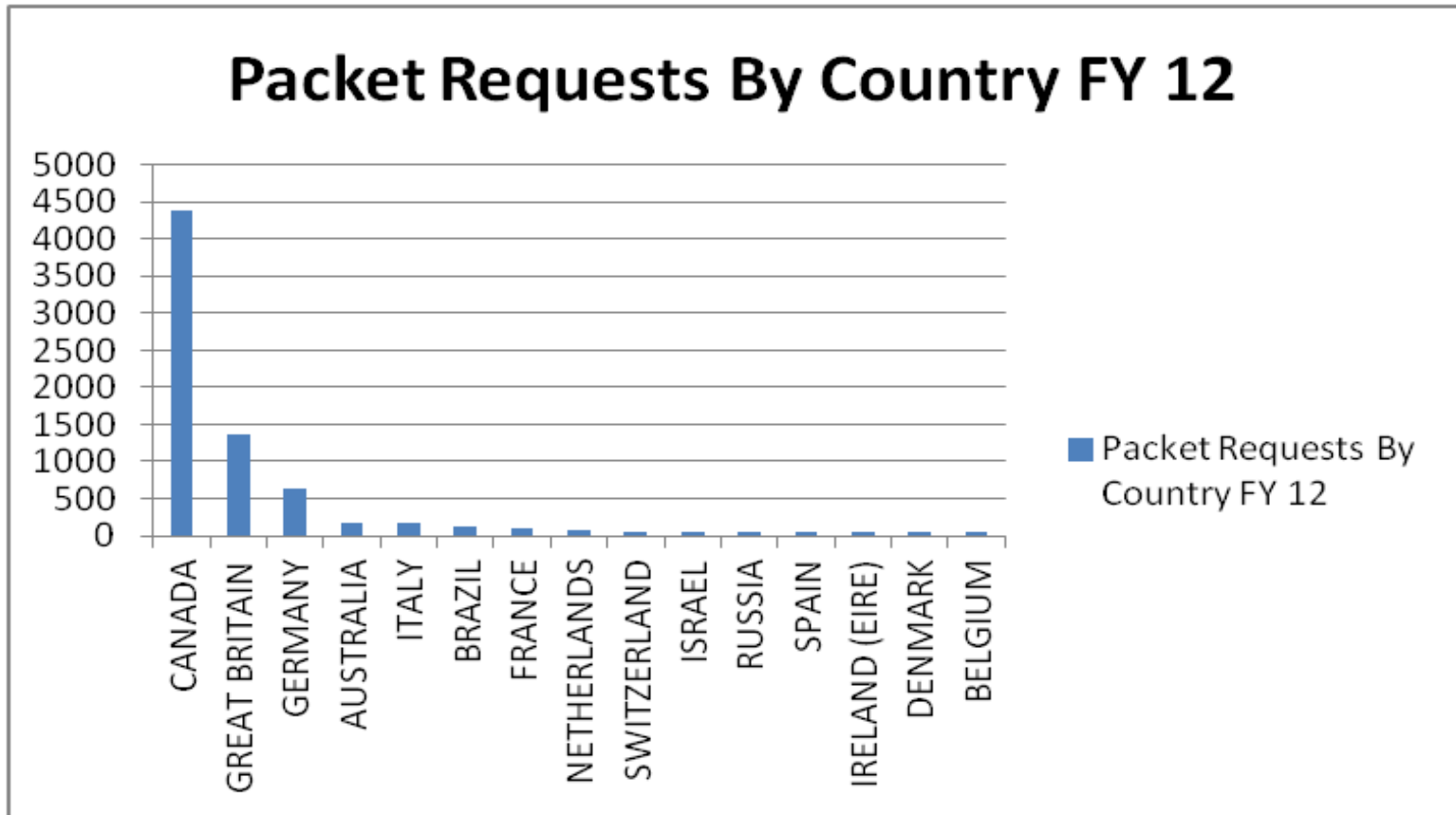
The chart below shows the geographical distribution of Travel Planner activity of VermontVacation.com

Online Travel Planner Analytics



International Markets

Requests for Vacation Planning Packets closely parallel the geographic distribution of online searches. For better or worse, hard copy endures!



MRA Taxable Receipts Comparison

Despite a challenging winter season when much of the state had minimal snow fall, Meals, Rooms and Alcohol (MRA) receipts more than held their own through the first two quarters of calendar 2012:

1st Qtr. Taxable Receipts: % Change 2012/2011/2010					
	Meals	Rooms	Alcohol	MRA Total	Est. Revenue
2012	\$ 212,322,770	\$ 107,038,989	\$ 41,959,400	\$ 361,321,159	\$ 32,938,498.31
2011	\$ 201,203,870	\$ 110,636,390	\$ 40,737,104	\$ 352,577,364	\$ 32,139,333.80
2010	\$ 196,607,620	\$ 99,412,306	\$ 39,436,475	\$ 335,456,401	\$ 30,585,440.84
2012/2011	5.53%	-3.25%	3.00%	2.48%	2.49%
2012/2010	7.99%	7.67%	6.40%	7.71%	7.69%

2nd Qtr. Taxable Receipts: % Change 2012/2011/2010*					
	Meals	Rooms	Alcohol	MRA Total	Est. Revenue
2012	\$ 203,888,841	\$ 68,745,205	\$ 33,381,534	\$ 306,015,580	\$ 27,875,217.54
2011	\$ 192,650,583	\$ 61,810,992	\$ 31,571,043	\$ 286,032,618	\$ 26,058,646.05
2010	\$ 189,315,059	\$ 57,728,743	\$ 31,206,461	\$ 278,250,263	\$ 25,354,588.28
2012/2011	5.83%	11.22%	5.73%	6.99%	6.97%
2012/2010	7.70%	19.08%	6.97%	9.98%	9.94%
<i>*Preliminary (75 Day Report)</i>					

Source: Vermont Tax Department/Vermont Dept. of Tourism & Marketing

MRA Taxable Receipts Comparison

The preliminary reports for June and July, the first two months of the summer season, show a strong start for Vermont's hospitality industry:

June Taxable Receipts: % Change 2012/2011/2010*					
	Meals	Rooms	Alcohol	MRA Total	Est. Revenue
2012	74,424,513	30,966,910	12,542,689	117,934,112	\$ 10,739,497
2011	69,726,439	28,128,630	11,438,554	109,293,623	\$ 9,950,812
2010	67,720,565	26,193,868	11,216,450	105,130,883	\$ 9,573,944
2012/2011	6.74%	10.09%	9.65%	7.91%	7.93%
2012/2010	9.90%	18.22%	11.82%	12.18%	12.17%
July Taxable Receipts: % Change 2012/2011/2010*					
	Meals	Rooms	Alcohol	MRA Total	Est. Revenue
2012	81,598,608	43,777,538	14,229,104	139,605,250	\$ 12,706,764
2011	80,628,792	41,193,662	13,821,240	135,643,694	\$ 12,346,145
2010	79,042,628	36,809,118	13,378,104	129,229,850	\$ 11,764,468
2012/2011	1.20%	6.27%	2.95%	2.92%	2.92%
2012/2010	3.23%	18.93%	6.36%	8.03%	8.01%
*Preliminary (75 Days)					

Source: Vermont Tax Department/Vermont Dept. of Tourism & Marketing