



Senate Committee on Economic Development, Housing & General Affairs
February 19, 2021

Mark Yardley, Vice President, Global Omni Channel, Darn Tough Vermont

**Testimony in Support of the Governor's proposal of \$34.8 million for the Vermont
Housing and Conservation Board**

I'm Mark Yardley, Vice President, Global Omni Channel for Darn Tough Vermont. Darn Tough is a brand of Cabot Hosiery Mills, which was founded over 40 years ago in Northfield. We manufacture our durable socks at the Nantanna mill and expanded our operations in 2020 into the former Keurig/GMCR facility in Waterbury. Our 300+ employees are like an extended family and during the pandemic, we were able to support and retain many of them. The strength of Vermont's brand and our company's story in our global markets has helped us emerge from the pandemic year in a fairly positive position, up 9% YOY.

I'm also a founding Board member of the Vermont Outdoor Business Alliance, which represents 75 outdoor recreation companies.

Thank you for having me today. I'm here to express Darn Tough's support for the Governor's proposal of \$34.8 million in Fiscal Year 2022 for the Vermont Housing & Conservation Board. We also recommend that flexibility be allowed in directing the funds to either housing or conservation purposes, in response to community needs.

We know that VHCB has a proven track record of investing in our communities and our neighbors around the state to provide affordable housing and protect working lands and natural and recreation areas. VHCB funds have resulted in 4-season, multi-use trail systems and have ensured access to many places valued for recreation by Vermonters and visitors, including those with different physical abilities.

Because VHCB funding also serves as a match for the Land and Water Conservation Fund, increasing funding in the state budget at this time will track the anticipated increase in federal funds due to the passage of the Great American Outdoors Act. Vermont will be in a better position to create more local parks, open space, trails, boat launches, and ball fields.

If you know our CEO, Ric Cabot, you know about why our business joins other employers in being deeply rooted in this state. The same values that our company is committed to are built into VHCB's accomplishments. The availability of affordable housing helps people get jobs and supports our many small businesses in finding and retaining employees. Outdoor

recreation opportunities anchor businesses that are currently located in Vermont, as well as attracts new entrepreneurs who want to start businesses here. It draws in the talent of young, passionate and innovative professionals and affords a quality of life in our rural communities that makes families want to raise their children here.

This is so important as we recover from the pandemic. We've witnessed participation in outdoor recreation soar from people seeking out mental and physical health benefits. Where I live, the Stowe Trails Partnership reported a 31% increase in trail visitors in 2020. What is being called an "outdoor renaissance" has helped outdoor recreation manufacturers and retailers stay afloat during the pandemic, including our company.

Another example is in the sales in backcountry-related equipment, which was up 76% in 2020, with snowshoes up 245%. We can look to VHCB projects in the Bolton Backcountry, at Mt Ascutney and the Catamount Community Forest to link to local places to ski and snowshoe. Vermont businesses benefit such as retailers like Outdoor Gear Exchange in Burlington, manufacturers like Dion snowshoes in Bennington, and facilities like the Catamount Outdoor Family Center in Williston. We know this growing interest in participation will continue to be a driver of our state's economic recovery.

Already, the outdoor recreation economy has been steadily growing over the years, contributing 5.2% to the state's GDP in 2019 and linked to 20,000 jobs, according to the US Bureau of Economic Analysis.

The state is experiencing relocation trends that are based on access to safe places to pursue an active lifestyle. 70% of those who sheltered in place here during the pandemic cited in a UVM study that nature and the outdoors were the top reasons to stay. The Boston Globe reported that 56 percent of travelers are looking for escapes to nature after the pandemic.

If Vermont is to continue its competitive advantage, we need the proposed investments in our housing and environmental infrastructure as the cornerstones of Vermont's brand. Importantly, it supports our employers in providing quality jobs, providing a world-class tourism experience, and diversifying an outdoor sector for the future.

That is why I'm here on behalf of Darn Tough to ask for your support of the full \$34.8 million in VHCB funding and to allow for flexibility in its application to the housing and conservation needs of our state.

We believe this is the right time to increase funding that makes the necessary investments in resilient and productive lands, which are also investments in our communities where employees want to live because of the quality of life, and in our companies that are deeply connected to the communities where they operate.

Thank you for your consideration and for the opportunity to speak with you today.