



4/1/26

House Commerce and Community Development Committee

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Vermont Outdoor Business Alliance

Thank you Chair Marcotte and members of the Committee for inviting me to build upon the remarks of my outdoor recreation colleague on Vermont's growing outdoor economy. As you just heard, outdoor recreation contributed \$2.2 billion in 2024 to the state GDP and we would echo the importance of continuing to invest in the tools to optimize the benefits this sector affords our state.

Specifically, I'd respectfully ask for your consideration in funding two tools that can support Vermont's businesses in our local economies of our outdoor communities.

2026 Business Outlook: A Time of Unprecedented Economic Challenge

Despite a tremendous winter for outdoor recreation, insurmountable headwinds continue to hinder a promising business outlook in 2026. The ongoing cost of tariffs, decline in Canadian and international visitation, negative trends in consumer purchasing, and impacts from the four-season shifts of climate change continue to plague the industry. Without public investment in times of uncertainty, their value as revenue-generators and employers is in jeopardy.

A few examples:

- **Vermont companies paid \$110 million in tariffs in 2025.** Tariffs cost a 5 - year old Vermont manufacturer 20% of their 2025 revenues and a well-established manufacturer \$200,000, equal to their 2025 net revenue.
- Tariff-driven increases of products led a retailer to reduce full-time staff by 27%.

- January foot traffic at an independent retailer anchored in a key downtown was 330,000, down 50% from pre-pandemic levels of 660,000 customers.
- A resort saw 20% less Canadian visitors this winter, guide service saw a 25% decline in bookings, another business experienced a 50% decrease in Canadian visitors renting bicycles last year.
- **Climate change is reshaping the outdoor economy faster than businesses can keep up, affecting financial outlook while support systems lag behind.** 67% of outdoor businesses surveyed experienced climate disruptions from unpredictable seasons, flooding, and extreme weather. 56% are feeling the financial strain in revenue, operational disruptions, and rising costs
 - *For example, flooding two years ago caused \$750k worth of damage and closed an outdoor facility business during the key summer season.*

Therefore, VOBA appreciates your consideration of funding requests for two programs that we present as solutions to these challenges to our outdoor economy:

\$200,000 for an Outdoor Recreation Economic Impact Study

- Focuses on the economic development potential and gets at the multiplier effect across local communities
- Advances the economic development goals of (Vermont Outdoor Recreation Economic Collaborative (VOREC)'s Move Forward Together Vermont and VOBA's MFTV innovation and climate resilience goals.
- Prioritizes investments to stimulate economic growth and climate adaptation

\$100,000 for VOBA's Outdoor Entrepreneur Program

- To facilitate technical assistance to small- and mid- sized companies at all stages of development for strategic and financial planning, market analysis and access, and climate adaptation and resilience.

- Funding would allow VOBA to continue targeted 1:1 and small group consultations, workshops, and events, as well as coordinate commercial clusters aligned with regional development and tourism destination strategies.
- Outcomes would lead to stability and collaboration during a time of economic uncertainty.

Outdoor Recreation Economic Impact Study

VOBA endorses this study because of the multitude of benefits this data could leverage to Vermont's outdoor economies. It could:

- Advance the economic development goals of Move Forward Together Vermont
- Articulate the value of direct and indirect outdoor recreation businesses at level helpful for decision making
- Highlight the most effective climate resiliency measures to stabilize the industry during climate events and shifts

VOBA's Outdoor Entrepreneur Program

VOBA's business support services have demonstrated ROI and business growth outcomes.

Since 2024, we've supported 100 entrepreneurs through a curated service provider network of 30 business and financial advisors, trade and marketing consultants, and climate resilience planners offering specific outdoor sector expertise.

This work has leveraged resources and partnerships within the Agency of Commerce and Community Development.

The support helped businesses expand customers and retail accounts, develop supply chains, cultivate leaders of women- BIPOC-, and LGBTQ - owned businesses, create marketing assets and a brand identity around sustainability and circularity.

Specifically,

- **30 Vermont manufacturers producing gear, apparel and accessories participated in VOBA's booth at 5 regional and national trade shows,**

which also unlocked funds from the Dept of Economic Development's State Trade Expansion Program (STEP).

- **30 manufacturers participated in the Vermont Gear Maker festival** sponsored by the Dept of Tourism and Marketing and with brand positioning and promotion supported by marketing/ media experts.
- **10 businesses received 10 hours of pitchfest coaching** and presented at VOBA's Outdoor Pitchfest events.
 - *"Going forward, the pitch coaching will shape how I talk about my business, both internally and externally. It helped me refine my core message, clarify my value proposition, and develop a more compelling narrative, all of which will support stronger partnerships and growth."*
- **8 businesses participated in VOBA's 10 - week capital strategy cohort**
 - *"We were selected for VOBA's financial planning resource to educate entrepreneurs and small business owners on how to raise capital. It was an eye-opening, inspiring experience and we would not have had the opportunity were it not for VOBA."*
- **50 attended VOBA Business Agility Workshop** last April with State Treasurer Pieciak and gained advice from experts in trade, financing, legal, human resources, and marketing.
- In the climate realm, VOBA and Vermont Businesses for Social Responsibility co-hosted a ClimateReadyVT workshop.
- VOBA elevated the **adaptation strategies and investments by 5 businesses** and organizations profiled in our [*Resilient Outdoor Assessment and Management*](#) guide.
- **3 businesses received grants for climate adaptations.**

In summary, we appreciate your consideration of investing in:

- \$200,000 for the outdoor recreation economic impact study
- \$100,000 for the VOBA Outdoor Entrepreneur Program

Small investments in projects will have a positive ripple effect:

- Recommendations stemming from comprehensive economic impact data will lead to strategic investments as a state and industry
- An investment in VOBA business technical assistance will bolster the success of 40 Vermont companies

In closing, now is the best time to support VOBA and the economic impact study because of the implementation of the statewide vision and priority actions of Move Forward Together Vermont over the next five years. With a clear framework for the state and an expanded set of partners on the ground, project support can advance objectives in Climate Resiliency and Economic Development, and sector areas in Innovation, Sustainability and Career Pathways in ways that are strategic and effective.

Thank you for your consideration.