

NEWS



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CONCESSIONERS URGE NEW FOCUS ON PARK VISITORS

Washington, D.C. – National park concessioners appeared at two recent hearings held by the U.S. House of Representatives focusing on the National Park Service (NPS) concessions program and new ideas for the next century of parks. The Oversight and Government Reform Subcommittee on Interior held a hearing titled ***Modernizing the National Park Service Concession Program***, and the Natural Resources Subcommittee on Federal Lands held a hearing titled ***New and Innovative Ideas for the Next Century of Our National Parks*** – both on July 23.

Rep. Cynthia Lummis (R-WY), chair of the Oversight and Government Reform Subcommittee on Interior, opened her hearing by lauding national parks for leading the way on public/private partnerships to serve visitors, with private funds building many of the park structures now providing lodging and food services to visitors since the late 1800s. She noted that those public/private partnerships are now emerging as key elements in the nation's surface transportation and water policies.

Rep. Tom McClintock (R-CA), chair of the Natural Resources Subcommittee on Federal Lands, opened his hearing with a reference to pending reauthorization of FLREA (Federal Lands Recreation Enhancement Act) and the potential to expand the bill beyond fees to other tools like the Centennial Challenge and NAFI authority.

Witnesses at the two hearings included NPHA Chairman **Terry MacRae** (CEO of Hornblower Cruises), Grand Teton Lodge Company and Flagg Ranch Company Vice President and General Manager **Alex Klein**, Historic Tours of America CEO **Chris Belland** and NPHA Counselor **Derrick Crandall**. MacRae, Klein and Belland offered expert testimony to the OGR Interior Subcommittee about the challenges and opportunities that face concessioners operating in national parks, including constraints on responding to opportunities for enhancing park experiences, especially mid-contract.

Mr. Belland spoke on the future of national park concessions saying, "While I realize the

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National Park Service is not a business per se, it is in business and its future is likely to depend more than ever on the marketplace and its ability to be relevant to the leisure industry.” He noted that tourism and recreation are a trillion+ dollar economic sector. He noted that a delay of nearly two years in approving an increase in the passengers allowed on the Dry Tortugas National Park concessions ferry deprived some 10,000 visitors of an experience in the park, while causing a substantial loss of NPS revenues as well.

Mr. Klein called for key changes in concession operations, saying, “A system designed to reward those that provide excellence in concession operations would benefit both incumbent concessioners as well as the National Park Service. Rather than challenging ourselves to innovate every time a concession contract comes up, it would encourage constant innovation and excellence in the performance of a contract.”

NPHA Chairman MacRae applauded agency efforts to encourage all Americans to visit parks. He noted, though, “Stagnant park visitation over the past two decades reflects more competing leisure choices today and reduced in-park visitor activity choices – potential visitors are choosing other destinations. There are fewer park campsites, fewer lodging rooms, fewer restaurant seats, fewer ranger-led walks, fewer tours and outings. Visitor services eliminated by NPS have not been offset by new outdoor activities and special events.”

To read more excerpts and full testimony from the hearing, and to watch the archived footage, visit <http://parkpartners.org/July-2015-Hearings.html>. Additional witnesses included Utah Office of Tourism, Film and Global Branding Managing Director Vicki Varela and NPS CFO Lena McDowell.

NPHA Counselor **Derrick Crandall** testified before the Federal Lands Subcommittee regarding new ideas for the next century of national parks. In his testimony, Mr. Crandall offered ideas for how public/private partnerships can offer world class experiences in national parks by citing Forest Service policy saying, “Sixty percent of our nation’s downhill skiing activity is provided at largely world class facilities under agreements between business partners and the Forest Service that extend 40 years or more. All investments are made by the private sector. Similar length terms for park concessions contracts would produce the needed investment in our lodges and other structures and open the door to another tool: historic investment tax credits.”

Mr. Crandall’s full testimony and video from the hearing are available at

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<http://parkpartners.org/July-2015-Hearings.html>. Additional witnesses included President and CEO of Silver Eagle Distributors, L.P. John Nau (on behalf of the National Park Foundation); Hot Springs Arkansas Chamber of Commerce President Jim Fram; and National Parks Conservation Association Senior Vice President Craig Obey.

Supplementary written testimony was provided by Pam Pitts, Secretary, California Parks Company; Forever Resorts; Gettysburg Tours, Inc. & TRF Concessions Specialists of Florida, Inc.; John King, Regional Vice President, Forever Resorts; Dave Woodside, President of the Acadia Corporation, and Tim Rout, CEO, Dyno Ventures, Inc. Their submitted testimony is available at <http://parkpartners.org/July-2015-Hearings.html>.

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About the National Park Hospitality Association:

The National Park Hospitality Association (NPHA) – is the national trade association of the businesses that provide lodging, food services, gifts and souvenirs, equipment rentals, transportation and other visitor services in the National Park System. Concessioners have played an important role in creating lasting national park memories for more than 125 years. Concessioners operate in more than 100 national park units with combined sales exceeding \$1.2 billion annually and \$100 million+ in franchise fees paid to the National Park Service each year. The in-park concessioner workforce of some 25,000 persons assists visitors an estimated 100 million times annually. Information on national park concessioners is at www.parkpartners.org.

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