



*“Outdoor Recreation: Vast Impact of the Great
Outdoors”*

Testimony of the Recreation Vehicle Industry Association

before the House Energy and Commerce Committee,

Digital Commerce and Consumer Protection Subcommittee

April 27, 2017

James Landers, Vice President of Government Affairs

The Recreation Vehicle Industry Association (RVIA) is the national trade association that represents the manufacturers of family camping vehicles, including motorhomes, travel trailers, fifth wheel travel trailers, folding camping trailers, park models and truck campers, collectively known as recreation vehicles (RVs), and their component part suppliers. RVIA's members produce approximately 98 percent of all RVs manufactured in the United States. A majority of these members are small business entities.

The RV industry has become an economic powerhouse and contributes \$50 billion annually to the U.S. economy, as measured by RVs Move America, the economic impact study of the industry. A copy of the national level findings is attached as Appendix A to this testimony. On the interactive website, rvsmoveamerica.org, state and congressional district economic impact fact sheets are also available.

The RV industry currently supports 290,000 American workers and we're creating jobs faster than we can fill them. Our industry was hit hard during the "Great Recession" in 2008 and subsequently in 2009 posted our worst year since 1991. The unemployment rate in Elkhart, IN, where most RV manufacturing is centered, climbed to almost 20%.

However, I'm excited to report that we've come roaring back and are growing exponentially. In 2016, the RV industry posted its best year since the late 1970s with nearly 431,000 new RVs shipped, and the unemployment rate in Elkhart, IN has now dropped to 3.1%. Furthermore, we're already seeing significant growth in 2017!

So, what are the factors contributing to the significant growth of the RV Industry? First and foremost, the RV industry offers convenience, contemporary amenities, comfort, fun, adventure, and a chance to experience premier tailgating opportunities, exciting road trips, modern camping accommodations, family bonding and countless unforgettable memories.

We're engaging with current and potential RVers and recreation-minded individuals in new and unique ways through the industry's state-of-the-art Go RVing advertising campaign. We're promoting the RV and outdoor recreation lifestyle across digital and social media channels, as well as through conventional media outlets. Last year alone consumers engaged and interacted with 105 million total impressions with 763 thousand total followers creating 3.2 million Facebook video views, 13.3 million touches via Twitter and 900,000 interactions via Facebook Live events.

Other factors include: wholesale and retail lending is readily available; interest rates are low and consumer sentiment is solid; gas prices are reasonable; the desire of American citizens to stay in the U.S. and experience our iconic lands and waters versus going abroad; and demand from Baby Boomers retiring as well as demand from a diverse mix of Millennials and urban resident flocking towards the amenities and comforts the RV lifestyle provides.

RVIA, along with leaders of the top outdoor recreation trade associations, made an unprecedented move earlier this year to join forces in creating the Outdoor Recreation Industry Roundtable (ORIR). The Roundtable is comprised of America's leading outdoor recreation trade associations. Collectively, Roundtable members represent the thousands of U.S. businesses that

produce and provide equipment, gear, apparel, vehicles and services for the 142 million Americans who enjoy our nation's parks, waterways, and byways every year. The coalition spans outdoor recreational activities such as boating, fishing, hunting, camping, archery, shooting sports, trail sports, snow sports and powersports, and includes the various recreational vehicles, outdoor equipment, and clothing used to pursue these activities. ORIR is dedicated to:

- ensuring the primary drivers of the outdoor recreation economy across the U.S. are recognized;
- bolstering sustainable domestic job growth;
- changing the mindset of federal agencies so recreational access and visitor experience are prioritized;
- removing barriers that hinder private investment from being made on public lands and waters; and
- enacting the necessary policy reforms and collaborating with federal agencies to enable the outdoor recreation economy to reach its full potential.

But there are some challenges creating a bumpy road ahead for the RV industry.

Industry research shows that 89% of consumers purchase RVs to go camping. So that means 383,000 of the 431,000 RVs shipped JUST last year will roll up to many federal campgrounds this year, not counting the other 9 million RVers already traveling the country visiting the iconic lands and waters managed by the federal land agencies.

However, RV-associated stays within National Park Service campgrounds have declined from nearly 4.5 million overnights in the 1980s to less than 2 million overnight stays in 2013, which represents the worst year for RV overnight stays in National Park Service facilities in decades. This is occurring even though RV shipments and sales have grown dramatically, and state and private campgrounds are reporting significant increases in RV overnight stays.

Many campgrounds operated by federal agencies were constructed half a century ago and no longer meet the needs of the current and next generations of RVers. Campground modernization, particularly as it relates to RV camping, is needed throughout the federal campground system.

The RV industry and the Outdoor Recreation Industry Roundtable want to be a resource and partner with the Department of Interior, Department of Agriculture and other federal agencies to modernize campgrounds, streamline processes and offer suggestions to create additional revenue that can be used to address the backlogged maintenance and the deteriorating campground infrastructure.

The RV industry has outlined various factors that we believe have contributed to the drastic decline in RV overnight stays at National Park Service campgrounds which include, but are not limited to: a short camping seasons even though demand is high; the desire for RV camping sites far exceeds capacity in some locations; limiting access to where RVers can camp; a lack of amenities including broadband/Wi-Fi coverage, that current and next-generation RVers desire; in many instances the inability to reserve RV sites online hinders reservations; and small outdated RV sites can no longer accommodate modern RVs.

Removing barriers that prevent private companies from being able to invest in, modernize, and manage campgrounds is imperative. Public-private partnerships can be utilized more frequently as mechanisms -- many being budget neutral -- for increasing recreational access, addressing backlogged maintenance, and modernizing deteriorating assets.

For example:

- Campground operation is not an inherently federal responsibility and should be put out to bid to successful campground operators and concessionaires which will modernize assets, increase revenue, and provide a more enjoyable experience for all visitors.
- Contract length should be extended so concessionaires can amortize their investments.
- Approval process should be streamlined to less than 30 days so concessionaires can implement efficient and effective business decisions.
- Expanding broadband and wi-fi coverage, completely digitalizing the reservation and fee collection system, streamlining campground fee collection to prevent “honor system” revenue loss, allowing fee flexibility based upon site location and peak/non-peak season, extending the camping season based upon economic demand and weather, and capitalizing on revenues generated through RV camping will all greatly benefit federal campgrounds and the American people.

- The current process in place for registration is manual and inefficient. Having a system where an RVer can pick a campsite, reserve a campsite, pay for a campsite, and fill in all necessary information, so when they arrive to the campground all the staff has to do is simply scan a bar code and they capture all required information from the camper instantaneously and guarantee that payment has been processed is vital.
- Digital boards at the entrances to parks that show how many campsites are available will prevent campgrounds that have open sites from being shown as “full” on a hanging wooden board.
- No Department recreation asset that is simply lacking funding or behind in maintenance should be closed before a request for proposal has been submitted to the public to maintain, improve, or fund said asset. The public should have at least 60 calendar days to submit a proposal.
- A system is needed for the Department to be able to receive unsolicited proposals from for-profit companies, non-profits, volunteers, and individuals to rehabilitate, maintain, modernize, fund and/or expand existing or underutilized areas for improved visitor recreation experiences.

Ultimately, the RV industry and Outdoor Recreation Industry Roundtable are standing tall ready to partner with the Committee, Congress, the Department of Interior, Department of Agriculture and other federal agencies. We are committed to supplying innovative solutions and partnerships to advance our shared vision of increasing access to modern recreational opportunities and enjoyable experiences for all visitors on federal lands.