

State Outdoor Business Alliance Network

# Inspiring the Future Outdoor Recreation Economy

Summer 2021



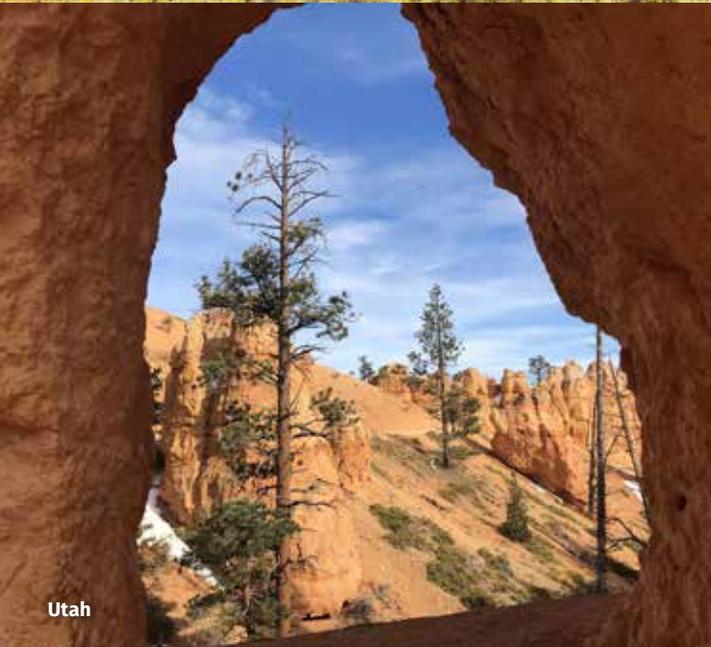
Wyoming



Idaho



British Columbia



Utah



Maine



## Outdoor business alliances across the country—from Alaska to New Mexico, North Carolina to Maine, Michigan to Idaho—have joined forces to elevate the vital importance of a thriving outdoor industry.

The State Outdoor Business Alliance Network (SOBAN) strives to strengthen America's outdoor recreation economy in ways that leverage the interlinked potential of commerce, infrastructure, and participation.

SOBAN focuses on what can best be accomplished together through collaboration on policy and advocacy, research and branding, leadership and partnerships, and sector development. Outdoor business alliances share knowledge, opportunities, and best practices, working alongside national industry partners and state offices of outdoor recreation.

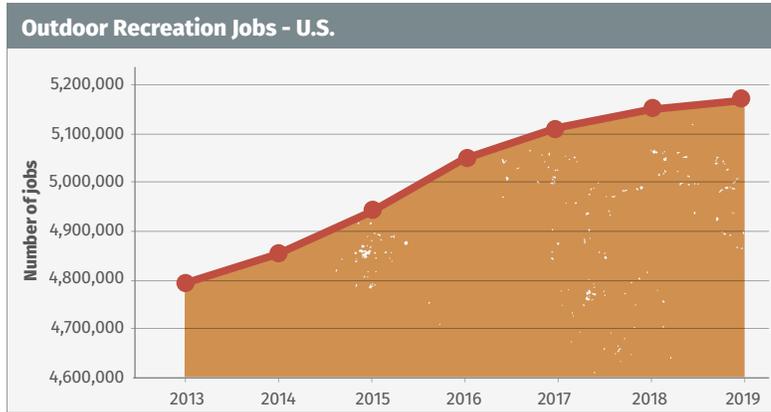
SOBAN's vision for America's outdoor recreation economy includes robust businesses, thriving outdoor places, and equitable outdoor recreation opportunities for all people. SOBAN prepared this report to inspire pathways for the outdoor recreation economy in every state.

[www.soban.org](http://www.soban.org)

Alaska

# Outdoor recreation is a large and growing employer.

Nationwide, outdoor recreation employed almost 5.2 million people in 2019 who earned more than \$226.3 billion dollars.<sup>1</sup> For comparison, outdoor recreation employs about the same number of people as are employed in the nation's hospitals, and twice the number employed in farming.



# Outdoor recreation is a large contributor to GDP.

The Bureau of Economic Analysis (BEA) estimates the contribution of outdoor recreation in terms of its contribution to Gross Domestic Product (GDP). In 2019 the value-added contribution of outdoor recreation to the U.S. economy was \$459.8 billion, representing 2.1% of GDP.<sup>1</sup>

**OUTDOOR RECREATION:  
\$459.8 BILLION  
VALUE-ADDED  
CONTRIBUTION TO GDP<sup>1</sup>**

	<b>OIL AND GAS DEVELOPMENT: \$193B<sup>2</sup></b> OUTDOOR RECREATION IS 2.4X BIGGER
	<b>MOTOR VEHICLE MANUFACTURING: \$164B<sup>2</sup></b> OUTDOOR RECREATION IS 2.8X BIGGER
	<b>AIR TRANSPORTATION: \$147B<sup>2</sup></b> OUTDOOR RECREATION IS 3X BIGGER
	<b>MOTION PICTURE INDUSTRY: \$88B<sup>2</sup></b> OUTDOOR RECREATION IS 5X BIGGER

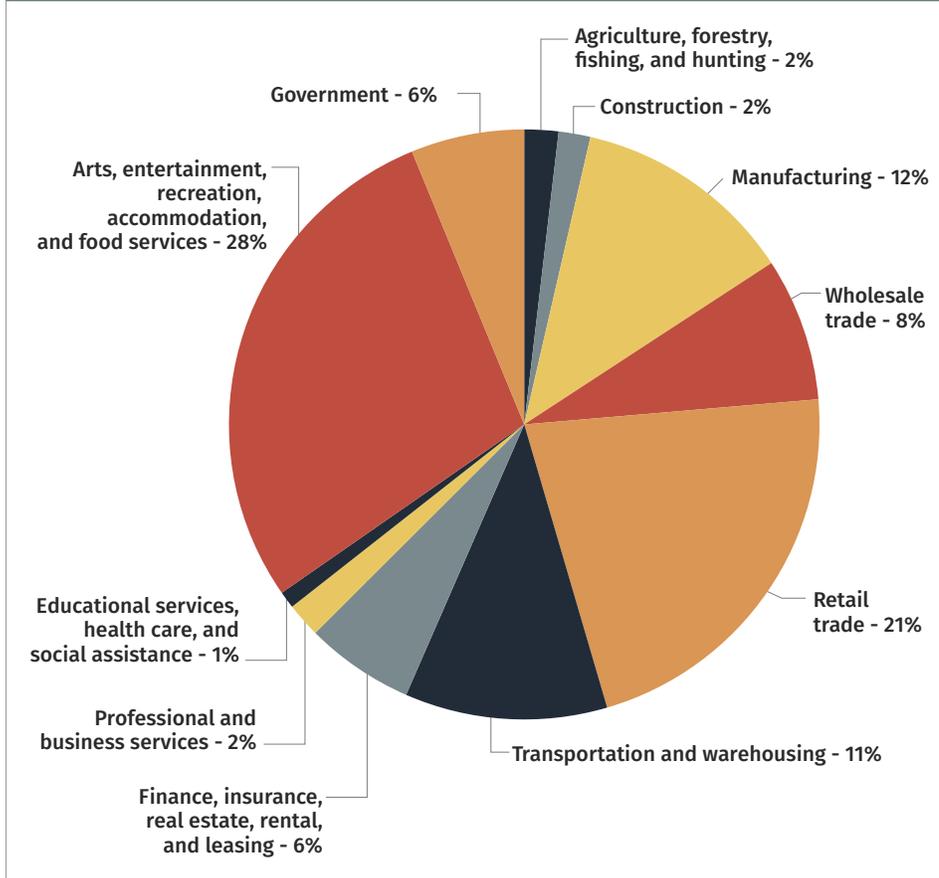


*"I've seen first-hand what the outdoor industry can accomplish when we stand together. We have the opportunity to make incredible strides for the long-term health and success of our people and our communities by getting people to go outside."*  
 - Jennifer Pelkey, Board of Directors, **California** Outdoor Recreation Partnership

# Outdoor recreation exists in a variety of industries.

Value-added contributions from arts, entertainment, accommodation and food services (28% of total), retail trade (21%), manufacturing (12%), transportation (11%) and wholesale trade (8%) are among the largest contributors.<sup>1</sup>

Total value-added contribution from outdoor recreation in 2019: \$459.8 billion



Michigan

**Nineteen states, including Arizona, Michigan, Pennsylvania, and Washington, have more than 100,000 people employed in outdoor recreation.<sup>1</sup>**



Montana

**California and Florida have more than 500,000 people employed in outdoor recreation.<sup>1</sup>**



Vermont



Pennsylvania



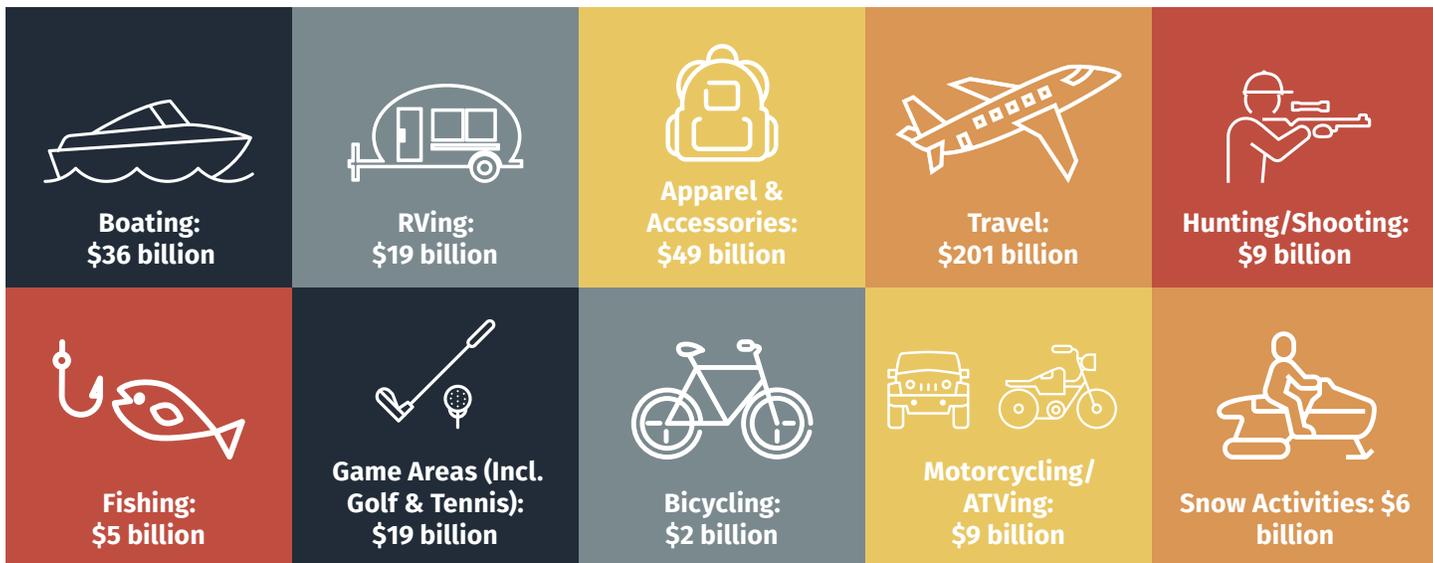
Oregon

*“The outdoor recreation industry diversifies our economies and has a significant impact in local communities. Manufacturing and engineering also attracts talent from all over the world to Colorado, and we are proud to contribute to that.”*

*- Doug Dragoo, Mayfly Outdoors, Montrose, Colorado*

## Outdoor recreation consists of many activities.

Value-added (or GDP) contribution by activity in 2019.<sup>3</sup>





**Bicycle sales**  
**+121%<sup>5</sup>**



Michigan

**Boat sales**  
**+70%<sup>6</sup>**

## Outdoor recreation continues to grow.

Participation in all forms of outdoor recreation continues to grow, from 151.8 million participants in 2018 to 153.6 million in 2019 and 160.7 million in 2020. Participation grew by 1.2% from 2018 to 2019. In contrast, from 2019 to 2020—in the midst of the coronavirus pandemic—participation grew by 4.6%. New participants are younger and have more racial, ethnic, and gender diversity.<sup>4</sup>

### In 2020:



**Camping**  
**+28%<sup>7</sup>**



**Hiking**  
**+16%<sup>9</sup>**



**Fishing**  
**+12%<sup>8</sup>**



**RV sales**  
**+11%<sup>7</sup>**

**Hunting**  
**+8%<sup>9</sup>**



New Hampshire

## Investments in outdoor recreation pay dividends.

Investments in workforce development – like **New Mexico’s** Youth Conservation Corps and Biddeford, **Maine’s** Pepperell Mill revitalization to retrain textile workers – help to build a skilled workforce for the next generation.

Investments in infrastructure like trails, fishing access, and boat launches bring visitor spending that directly supports many types of jobs, businesses, and local governments. In the Methow Valley, **Washington**, the extensive summer and winter trail system supports economic activity resulting in \$6 in salaries for local workers for every \$1 spent to develop and operate the trails.<sup>15</sup>

Expenditures by Americans on gear, supplies and services purchased while recreating outdoors generates \$65.3 billion in federal tax revenues and \$59.2 billion in state and local taxes.<sup>16</sup>

In **Montana**, recreational fishing is big business, and the state has invested heavily in developing access to its 170,000 miles of rivers. More than \$50 million have been spent to build fishing access points, a significant return on investment given the \$900 million spent per year in the state by anglers.<sup>17</sup>

For 56 years, the Land and Water Conservation Fund has provided critical funding for protecting parks, wildlife refuges, and recreation areas at the federal, state, and local levels. LWCF funds have helped protect iconic outdoor spaces in all 50 states in communities large and small. The 2020 Great American Outdoors Act fully funded LWCF for the first time, investing \$900 million annually into the program.<sup>18</sup>

*“Biddeford, Maine is creating manufacturing jobs and providing on the job training for a new generation of skilled textile workers. Outdoor recreation not only delivers real, direct economic value to our state, but the success of companies like Hyperlite Mountain Gear also fuels the growth of vibrant economic hubs and creative centers across Maine.”*

*–Mike St. Pierre, CEO, Hyperlite Mountain Gear, Biddeford, **Maine***

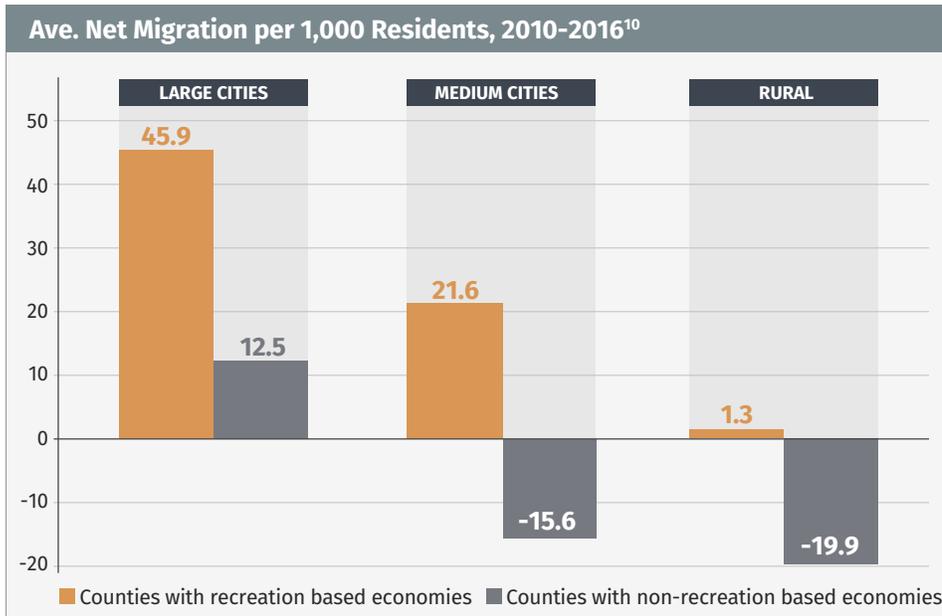


Vermont

**The tourism sector contributed \$373 million in tax revenue in 2019 in Vermont, the equivalent of \$1,420 tax savings for every household in the state.**

# Recreation counties attract new residents.

Across the U.S., the economies of rural places, small cities, and large metros that depend on outdoor recreation outperform their peers, on average. After the 2008 Great Recession most rural counties with recreation amenities gained population, while most rural counties without recreation amenities lost population.<sup>10</sup> This difference is particularly significant as population loss threatens the future of many rural places.



Maine

**Outdoor recreation will help lead economic recovery after the pandemic.**

During the pandemic, participation in outdoor recreation increased significantly, despite the challenges felt around the globe with production, distribution, and maintaining workforce.<sup>13</sup> As the world recovers from this pandemic, outdoor recreation will continue to grow and drive the recovery. Communities will return to hosting large sports gatherings such as bike, trail, and ski races. These opportunities will bring back lost jobs and revenue important to local businesses.<sup>14</sup>

Retirees, business leaders, and entrepreneurs who move to outdoor recreation communities support many economic sectors like health care, construction, and retail.<sup>11</sup> Many of these new residents first visited as tourists.<sup>12</sup> People moving to recreation-dependent communities have, on average, higher incomes than people moving to communities that are not dependent on recreation.

*“When I was considering moving, **Vermont** fit the parameters of what I wanted in a home best—access to world-class recreation opportunities, rural landscape, small towns, resilient ecosystems, community support, and local agriculture.”*

*—Claire Polfus, GIS professional, Sheffield, **Vermont***



Maine



California



Michigan

*“Our community understands that the key to wealth is diversifying our economic base. Energy, tech, healthcare, and manufacturing jobs are crucial to economic vibrancy on the Western Slope. And these industries have a workforce that demands access to recreation and the outdoors—both of which the Grand Valley has in abundance.”*

*—Sarah Shrader, Owner, Bonsai Design, Grand Junction, **Colorado***

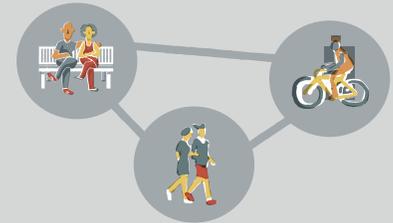


New Mexico

# Outdoor recreation attracts new businesses.

Access to outdoor recreation is leveraged by many areas to attract new businesses and employees, even in sectors unrelated to the outdoors. A survey of the 50 fastest growing businesses in **Utah** revealed “Utah’s outdoor lifestyle and access to a variety of outdoor recreation opportunities were among the most frequently considered factors when deciding to locate their business in Utah or to expand.”<sup>19</sup>

Other areas use their access to outdoor recreation to attract outdoor gear manufacturers, highlighting their natural amenities as a way to recruit skilled employees and test products in companies’ backyard. Places with a history of manufacturing, and the skilled labor force and infrastructure to accompany it, build on that capacity to capitalize on outdoor recreation.<sup>20</sup>



## Building robust communities through partnerships and planning.

Communities that successfully expand their outdoor recreation economy often face challenges that can be mitigated through strong partnerships, robust community engagement, and proactive planning.

- **Diversify economy.** Connections with local economic development entities can leverage the recruiting power of outdoor recreation to diversify the economy beyond tourism.
- **Anticipate housing pressure.** Outdoor recreation businesses can support local solutions through partnerships with local governments and nonprofits engaged in social services and housing.<sup>21</sup>
- **Create inclusive access:** Developing infrastructure that reflects how different abilities, cultures, and ages recreate can encourage more inclusive participation in outdoor recreation.<sup>22</sup>
- **Reduce natural resource impacts.** Long-term planning with scientists can help protect sensitive areas and minimize the impact of infrastructure.



The long history of outdoor gear development in Steamboat Springs, Colorado (pop. 13,214) has led to employees who then become entrepreneurs starting new businesses, creating a hub for innovation and entrepreneurship.



In Asheville, North Carolina (pop. 92,870) more than 45 outdoor industry businesses that span manufacturers, outfitters, retail, educators, and nonprofits have joined together to raise the industry’s profile in the area.



Hunting and fishing gear manufacturers Sitka and Simms are based in Bozeman, Montana (pop. 49,831), using the area’s world class hunting and fishing access as a test lab.



Robust mountain bike networks and backcountry ski zones for all abilities has not only made Randolph, Vermont (pop. 4,778) an outdoor destination and economic hub, but has cultivated a new generation of skiers and riders.

# Outdoor recreation supports diverse goals.



## Public health:

Outdoor recreation improves the mental and physical health of residents,<sup>23,24</sup> particularly among young, elderly, and low-income residents, who are those usually the most difficult to reach.<sup>25</sup> In **Colorado**, the Mesa County Public Health Department hired a full-time trails coordinator to encourage more locals to use the trails network.



## Equity:

Access to outdoor recreation—including parks and trails and other small, informal green spaces—has been shown to improve the health and quality of life for groups that historically have been marginalized.<sup>26,27</sup> **New Mexico's** Outdoor Equity Fund provides grants to allow all youth equitable access to the outdoors, with a particular focus on kids from underserved backgrounds.<sup>28</sup>



## Transportation alternatives:

Improved infrastructure for bike and pedestrian travel has been shown to reduce traffic congestion, improve air quality,<sup>29</sup> and help avoid injuries to cyclists and pedestrians.<sup>30</sup> In **Washington**, the Mountains to Sound Greenway is a 100-mile corridor connecting the Seattle waterfront to Ellensburg, featuring trails for both recreation and transportation.



## Resilience to natural disasters:

Several communities have used recreation infrastructure to mitigate flood risk. They include a bike path and park in Lincoln, **Nebraska** and a greenbelt along a bike path in Fargo, **North Dakota** where water can flow during floods. Sports fields, like some in Tulsa, **Oklahoma**, also function for water retention during extreme events.<sup>31</sup>



New Mexico

# A call to action

The vision for America’s outdoor recreation economy that includes robust businesses, thriving outdoor places, and equitable outdoor recreation opportunities can be realized in every state. This report describes pathways to success and the economic benefits that result from investment.

To continue making progress, the outdoor sector needs:

<p><b>1</b> Infrastructure development and funding for parks, trails, transportation, education, and related needs to maintain healthy lands and waters and ensure access for all people;</p>	<p><b>2</b> Business support that fosters collaboration, sustainable growth, and innovation;</p>	<p><b>3</b> Talent pipelines to build a skilled workforce for the future jobs and careers in rural and urban communities; and,</p>	<p><b>4</b> Marketing resources that drive economic activity to outdoor recreation destinations and ensure quality and equitable experiences in the outdoors.</p>
---	--	--	---



## PHOTO CREDITS

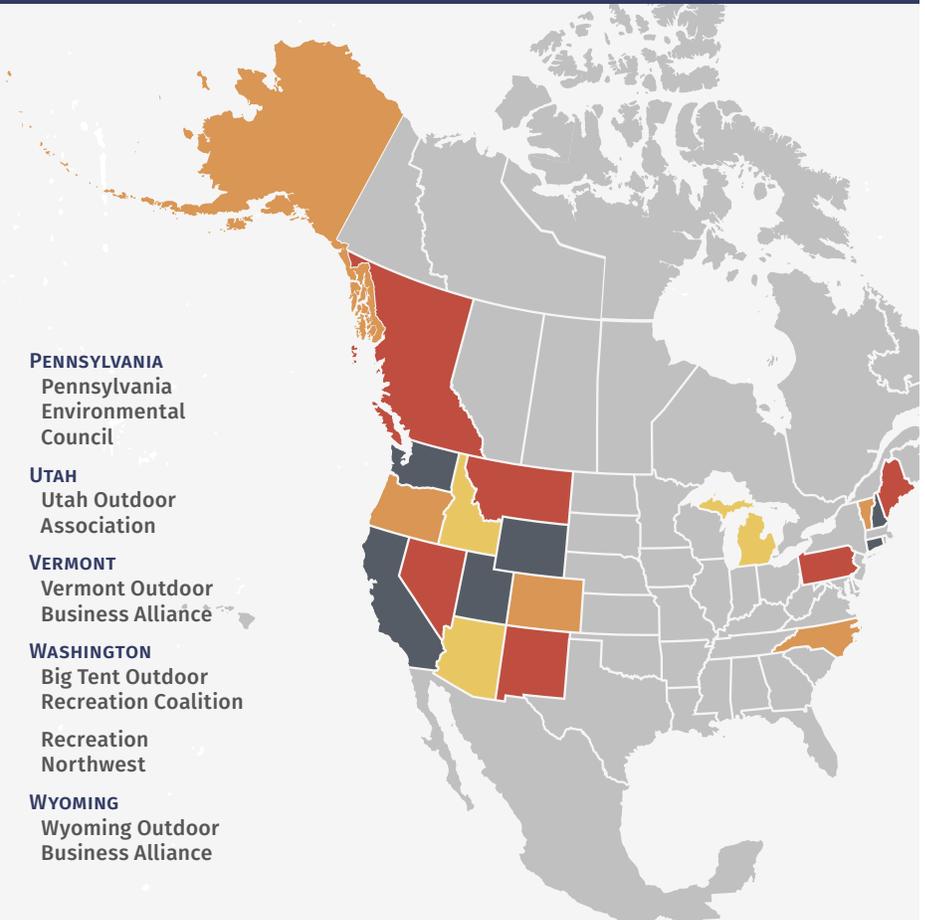
Cover: WY Outdoor Business Alliance, KORE, Old Town Canoes & Kayaks, Dustin Cederholm; p. 2: Rich Loftin; p. 3: Threlkeld Outdoor; p. 4: Darn Tough Vermont®, Josh Vanderhaar, Grizzly Outfitters, Jarrod Bunk; p. 5: T. Nolan Imagery; p. 8: Land of Outsider,s; p. 9: Roderick Russell, Joe Klementovich; p. 10: Flowfold Manufacturing; p. 11: NM Outdoor Equity Fund, Land of Outsiders; p. 13: Dustin Berg; p. 14: Travis Tuttle, Jamie Walter; Old Town Canoes & Kayaks, Land of Outsiders; p. 16: Gaylon Wampler

# References

1. U.S. Department of Commerce, Bureau of Economic Analysis. (n.d.). Outdoor Recreation Satellite Account, U.S. and Prototype for States, 2019. Retrieved from <https://www.bea.gov/data/special-topics/outdoor-recreation>
2. U.S. Department of Commerce. (2020). Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Retrieved from <https://headwaterseconomics.org/apps/economic-profile-system/>
3. U.S. Department of Commerce, Bureau of Economic Analysis. (n.d.). Outdoor Recreation Satellite Account, U.S. and Prototype for States, 2019. Retrieved from <https://www.bea.gov/data/special-topics/outdoor-recreation>. "Value added" (or GDP) is the value of outdoor recreation goods and services produced minus the value of expenses incurred for their production. Travel is counted as "Trips and Travel" plus "Local Trips and Travel." Boating is counted to include "Other Boating" but not "Fishing." Hunting/Shooting includes "Trapping."
4. Outdoor Industry Association. (2019, 2020, 2021) Outdoor Recreation Participation Reports for participation in 2018, 2019 and 2020. Retrieved from <https://outdoorindustry.org/oia-participation/>. Participation is measured as Americans ages 6 and over. Diversity figures from Outdoor Industry Association. (2021) Special Report: New Outdoor Participants (COVID and Beyond). Retrieved from <https://outdoorindustry.org/resource/2021-special-report-new-outdoor-participant-covid-beyond/>
5. Weaver A. (2020, May 29). Bikes have won big in pandemic equipment sales. Snews. Retrieved from <https://www.snewsnet.com/gear/bikesales-during-the-pandemic>
6. Aning AK. (2020, June 27). Pontoon and power boat sales are up as families cancel vacation plans. Milwaukee Journal Sentinel. Retrieved from <https://www.jsonline.com/story/money/business/2020/06/27/wisconsinites-scramblebuy-boats/3157577001>
7. RV Industry Association. (2020). RV Shipments in June 2020. Retrieved from <https://www.rvia.org/news-insights/rv-shipments-june-2020>
8. American Sportfishing Association. (2020). National/Regional Sportsman Participation dashboard. <https://asafishing.org/data-dashboard/>
9. Outdoor Industry Association. (2021, February 10). Forthcoming reports from Outdoor Foundation and Outdoor Industry Association to provide unprecedented insight into trends in outdoor participation. Retrieved from <https://outdoorindustry.org/press-release/forthcoming-reports-outdoor-foundation-outdoor-industry-association-provide-unprecedented-insight-trends-outdoor-participation/>
10. Headwaters Economics. (2019). Recreation Counties Attract New Residents and Higher Incomes. Bozeman, Montana: Headwaters Economics. Retrieved from <https://headwaterseconomics.org/wp-content/uploads/recreation-counties-attract-report.pdf>
11. Lawson M, Rasker R, & Gude P. (2014). The importance of non-labor income: an analysis of socioeconomic performance in western counties by type of non-labor income. *Journal of Regional Analysis and Policy*, 44(2), 175-190.
12. Headwaters Economics. (2018). Economic diversification and outdoor recreation in Bonner County. Bozeman, Montana: Headwaters Economics. Retrieved from <https://headwaterseconomics.org/wp-content/uploads/report-bonner-county-economic-diversification.pdf>
13. Outdoor Recreation Roundtable. (2020). Member survey shows pandemic's catastrophic impact on outdoor recreation. Retrieved from <https://recreationroundtable.org/orr-member-survey-shows-pandemics-catastrophic-impact-to-outdoor-recreation-industry/>
14. RV Industry Association. (2021, March 1). RV Shipments Projected to Reach Record High in 2021. Retrieved from <https://www.rvia.org/news-insights/rv-shipments-projected-reach-record-high-2021>
15. Resource Dimensions. (2005). Economic Impacts of MVSTA Trails and Land Resources in the Methow Valley. Gig Harbor, WA: Resource Dimensions. Retrieved from [https://headwaterseconomics.org/wp-content/uploads/Trail\\_Study\\_65-methow-valley-trails.pdf](https://headwaterseconomics.org/wp-content/uploads/Trail_Study_65-methow-valley-trails.pdf)
16. Outdoor Industry Association. (2017). The Outdoor Recreation Economy. [https://outdoorindustry.org/wp-content/uploads/2017/04/OIA\\_RecEconomy\\_FINAL\\_Single.pdf](https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf).
17. Testimony of Ray Rasker, Headwaters Economics, U.S. House Committee on Small Business Hearing on "Force of Nature: The Power of Small Businesses in America's Recreational Infrastructure." October 30, 2019. <https://headwaterseconomics.org/economic-development/trends-performance/outdoor-recreation-economy-by-state/>.
18. Great American Outdoors Act, Pub. L. No. 116-152, 134 Stat. 682 (2020). Retrieved from <https://www.congress.gov/116/plaws/publ152/PLAW-116publ152.pdf>
19. Christensen M & Ball S. (2018). Utah Outdoor Partners Survey of Businesses. Salt Lake City, Utah: Kem C. Gardner Policy Institute at the University of Utah. Retrieved from <https://gardner.utah.edu/wp-content/uploads/2018-Outdoor-Partners-Report-FINAL.pdf>
20. U.S. Department of Commerce, Bureau of Economic Analysis. (n.d.). Outdoor Recreation Satellite Account, U.S. and Prototype for States, 2019. Retrieved from <https://www.bea.gov/data/special-topics/outdoor-recreation>
21. Atlanta Land Trust. (n.d.). What We Do. Retrieved from <https://atlantalandtrust.org/what-we-do/>
22. Outdoor Industry Association. (2020). Outdoor Recreation Participation Report 2020. Retrieved from <https://outdoorindustry.org/oia-participation>
23. Celis-Morales C, Lyall D, Welsh P, Anderson J, Steell L, Guo Y, Maldonado R, Mackay D, Pell J, Sattar N, & Gill J. (2017). Association between active commuting and incident cardiovascular disease, cancer, and mortality: prospective cohort study. *BMJ*, 357: j1456.
24. Marselle M, Irvine K, & Warber S. (2014). Examining group walks in nature and multiple aspects of well-being: A large-scale study. *Ecopsychology*, 6(3): 134-147.
25. Brownson R, Housemann R, Brown D, Jackson-Thompson J, King A, Malone B, & Sallis J. (2000). Promoting Physical Activity in Rural Communities: Walking Trail Access, Use, and Effects. *American Journal of Preventive Medicine*, 18(3): 235-242.
26. Mitchell R & Popham F. (2008). Effect of exposure to natural environment on health inequalities: an observational population study. *The Lancet*, 372(9650): 1655-1660.
27. Wolch J, Jerrett M, Reynolds K, McConnell R, Chang R, Dahmann N, Brady K, Gilliland F, Su J, & Berhane K. (2011). Childhood obesity and proximity to urban parks and recreational resources: a longitudinal cohort study. *Health & Place*, 17(1): 207-214.
28. New Mexico Economic Development Department. (2020, September 15). NM Outdoor Recreation Division announces Outdoor Equity Fund recipients. Retrieved from [https://gonm.biz/uploads/documents/pressReleases/OEF\\_Awards\\_Sept\\_2020.pdf](https://gonm.biz/uploads/documents/pressReleases/OEF_Awards_Sept_2020.pdf)
29. Gan WQ, Koehoorn M, Davies HW, Demers PA, Tamburic L, Brauer M. (2011). Long-term exposure to traffic-related air pollution and the risk of coronary heart disease hospitalization and mortality. *Environmental Health Perspectives*, 119(4): 501-7.
30. Ragland D, Pande S, Bigham J, & Cooper F. (2014). Ten years later: examining the long-term impact of the California Safe Routes to School program. Presented at the Transportation Research Board 93rd Annual Meeting, Washington DC. Retrieved from <https://escholarship.org/uc/item/8m59g6vx>
31. Headwaters Economics. (2020). Building for the Future: Five Midwestern Communities Reduce Flood Risk. Bozeman, Montana: Headwaters Economics. Retrieved from [https://headwaterseconomics.org/wp-content/uploads/FloodCaseStudies\\_LowRes.pdf](https://headwaterseconomics.org/wp-content/uploads/FloodCaseStudies_LowRes.pdf)

# State Outdoor Business Alliance Network

<b>ALASKA</b> Alaska Outdoor Alliance	<b>MAINE</b> Maine Outdoor Brands	
<b>ARIZONA</b> Get Outdoors Arizona	<b>MICHIGAN</b> Land of Outsiders	
<b>BRITISH COLUMBIA</b> BC Apparel and Gear Association Kootenay Outdoor Recreation Enterprise Initiative	<b>MONTANA</b> Business for Montana's Outdoors	
<b>CALIFORNIA</b> California Outdoor Recreation Partnership Outdoor Embassy	<b>NORTH CAROLINA</b> Growing Outdoors Partnership North Carolina Outdoor Recreation Coalition	<b>PENNSYLVANIA</b> Pennsylvania Environmental Council
<b>COLORADO</b> Colorado Outdoor Business Alliance Pikes Peak Outdoor Recreation Alliance	<b>NEW HAMPSHIRE</b> Granite Outdoor Alliance	<b>UTAH</b> Utah Outdoor Association
<b>CONNECTICUT</b> Connecticut Outdoor Recreation Alliance	<b>NEW MEXICO</b> endeavOR New Mexico	<b>VERMONT</b> Vermont Outdoor Business Alliance
<b>IDAHO</b> Idaho Business for the Outdoors	<b>NEVADA</b> Nevada Outdoor Business Coalition	<b>WASHINGTON</b> Big Tent Outdoor Recreation Coalition Recreation Northwest
	<b>OREGON</b> Oregon Outdoor Alliance	<b>WYOMING</b> Wyoming Outdoor Business Alliance



## SOBAN: Collaborating to grow the outdoor recreation economy.

### State Outdoor Business Alliance Network

Our vision for America's outdoor recreation economy includes robust economies, thriving outdoor places, and inclusive outdoor recreation opportunities for all people.

The State Outdoor Business Alliance Network (SOBAN) shares knowledge, opportunities, and best practices to strengthen commerce, infrastructure, and participation in the outdoors.

For more information on how your outdoor business alliance can get involved, go to [www.soban.org](http://www.soban.org).



Colorado



This report was produced by Headwaters Economics, an independent, nonpartisan, nonprofit research group. <https://headwaterseconomics.org>