

OUTDOOR INDUSTRY[®] ASSOCIATION

TESTIMONY

OF

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OUTDOOR INDUSTRY ASSOCIATION**

ON

“INNOVATIONS IN THE SCHOOL-TO-SMALL BUSINESS PIPELINE.”

BEFORE THE

**COMMITTEE ON SMALL BUSINESS SUBCOMMITTEE ON INNOVATION AND WORKFORCE
DEVELOPMENT**

NOVEMBER 22, 2019

Chairman Crow, I am pleased to submit testimony on behalf of Outdoor Industry Association (OIA), the leading national trade association of 1,300 suppliers, manufacturers, and retailers of outdoor gear and products. The outdoor recreation economy generates \$887 billion in consumer spending, supports more than 7.6 million highly skilled American jobs, and makes other significant contributions toward the goal of healthy communities and healthy economies across the United States. On behalf of our member businesses, we thank you for holding today's hearing to discuss new and innovative approaches to educate young people and create a school-to-business pipeline.

Small businesses make up the backbone of the outdoor industry. In fact, 78 percent of OIA's 1,300 members generate revenue of less than \$10 million dollars. These small businesses are especially attentive to legislation and regulations that ensure a framework that encourages economic growth, promotes outdoor recreation, conserves and grows our public lands, protects our environment, and ensures clean air and clean water for generations of outdoor enthusiasts.

We welcome the efforts being undertaken by the Committee to promote American small businesses and to create a legislative and regulatory environment where they can prosper and continue to grow. In the outdoor industry, the success of those small businesses relies heavily on a strong workforce, growth in outdoor recreation participation, access to outdoor spaces, fair and balanced trade, conservation of public lands, and protection of our climate. At OIA, we see the economic, health, and social benefits from the outdoors every day and hope to continue working with your Committee on this important topic.

Outdoor Recreation in Colorado

Colorado provides a diverse landscape for all types of outdoor recreation activities. From camping and hunting to mountain biking and skiing, there is a little something for everyone. In fact, recent statistics show that 71 percent of Colorado residents participate in outdoor recreation each year, and this number doesn't even count visitors to Colorado. It's no surprise that outdoor recreation is immensely important to this state and those who live and play here – it contributes to a higher quality of life, making people and communities happier and healthier.

The Colorado outdoor recreation industry is thriving. Colorado's outdoor recreation economy generates \$28 billion in consumer spending annually and contributes 229,000 direct jobs. Those who work in the outdoor industry have collectively earned over \$9.7 billion in wages and salaries, while those who support it have generated \$2 billion in state and local tax revenue.

Outdoor Industry Manufacturers and Employers in Colorado

Colorado is the home to many prolific outdoor brands. There are over 170 members of OIA based in the state. These include several large employers, such as VF Corporation, which recently moved to Colorado in 2018, accounting for over 500 new Colorado jobs, and Vail Resorts, which owns 37 ski areas around the world, 5 of which are located here in Colorado; small businesses, such as Topo Designs and Point 6 socks; and the North American headquarters of Fjallraven, La Sportiva and Scarpa. The outdoor lifestyle and economic strength of the state creates an excellent environment for new brands to test their products and solicit investment.

Colorado as the Hub of the Outdoor Industry

In 2018, the twice-per-year Outdoor Retailer show, the largest B2B trade event serving the outdoor industry, picked up stakes from its 22-year home in Salt Lake City, Utah, and selected Denver, Colorado, as its new home. Colorado has welcomed the show with open arms, where attendees view the latest and greatest products and trends in winter and summer outdoor recreation, while also having the opportunity to test them out in Colorado's backyard during each show's "Demo Days." It is calculated that the two-time-per-year trade show brings approximately 25,000 attendees to each show, and over \$75 million in direct and indirect impact to the state each year.

Much of the state is converting from an extraction industry economy, in many cases on public lands, to an outdoor recreation economy. Rural areas that are embracing this movement are using incentives to bring companies to their area and also creating outdoor industry start-up accelerators to foster these fledgling companies. A perfect example of such an area is Gunnison, Colorado, which is surrounded by thousands of acres of open space, 83 percent of which are public lands. Gunnison Travel and Tourism is overseeing an outdoor industry start-up accelerator at their ICELab innovation center on the campus of Western Colorado University. Start-ups of this sort that assist in the creation and launch of new outdoor-focused products are popping up all around the state. Ongoing funding from the Office of Economic Development and International Trade (OEDIT), which offers grants for start-ups as well as funding for accelerators, is an important way the state can continue to offer support for the outdoor industry and workforce development in the sector.

Educational Resources in Colorado Relating to the Outdoor Industry

Despite the incredible growth and contribution to the state's economy, the outdoor industry lacks a traditional on-ramp for recruiting and seeking new talent in the workforce. There are no job fairs, very few degree programs, and a lack of awareness that the outdoor industry is a viable career path for all aspects of business skills and training. OIA is working to change all of that and proactively attract and retain a continuous stream of a qualified and diverse workforce. An important step in this process is working with the state's educational institutions.

Given the impact of this sector on the state, it is no surprise that several prominent colleges and universities in Colorado have begun to focus on degree programs and educational opportunities in outdoor recreation, including the following, to name just a few:

- University of Colorado, Boulder, has a Masters of the Environment Program (MENV) focusing on public lands and climate change
- Western Colorado University in Gunnison has the first of its kind in the nation Outdoor MBA
- Colorado State University offers a degree in Adventure Travel and Tourism
- Colorado Mountain College offers a diverse range of outdoor degrees and certificates on all of their 11 campuses throughout the state

Workforce Development and Recruitment in the Outdoor Industry

To help link the state educational institutions to companies in the outdoor industry, OIA developed an Educators Working Group at each of the Outdoor Retailer trade shows. This group convenes industry HR professionals with approximately 10 to 15 colleges and universities from around the state and around the country. The goal is to determine how colleges and universities can refine or update their curriculum to give companies in the outdoor industry the skilled workforce that they require in this ever-expanding sector. OIA has convened these groups at the past three trade shows, and each time, the number of HR professionals and the number of higher learning institutions increases.

In addition, OIA has expanded the workforce resources on its website offering visibility to internships, job postings, and in the near future, direct links to college career centers so students can view outdoor industry opportunities along with other jobs posted via their university.

In January 2020, OIA will launch the Outdoor Industry Business Certificate program, the first of its kind outdoor industry, online, continuing education platform with three university partners. Two of these partners are here in Colorado: CU Boulder and Western Colorado University in Gunnison. The certificates will assist individuals who are looking to enter the outdoor industry from college or from other industries by creating a curriculum that will educate them on subjects important to success in our industry such as sustainable product design, public lands management, and general outdoor industry business principles, all of which are crucial to the success of an outdoor industry professional, as well as the small businesses who employ them.

OIA will promote the certificates via a new online career center and via college and university career centers, HR professionals, LinkedIn, trade shows, and through nationwide outdoor industry media.

Given the power of the sector and the draw to the industry, OIA's business certificates are not only designed for first time pathway seekers into the industry but also for seasoned professionals from other sectors looking for a new career opportunity, and they offer scholarships to students from under-resourced communities and veterans looking for opportunities in the outdoor industry. Our hope is that these certificates will create the on-ramp needed into our growing sector and allow people to combine their personal passions with their professional pursuits.

In addition to working to get people into the industry via workforce development and a continuing education platform, OIA also helps outdoor companies to develop the future leaders of the outdoor industry through the Skip Yowell Future Leadership Academy. This academy selects 36 individuals each year to participate in a six-month long mentor-mentee educational program for middle-level professionals, already in the outdoor industry. Participants learn about management styles, mentorship, leadership, and issues important to the future growth and success of their careers, as well as issues important to the outdoor industry: diversity, equity and inclusion, climate, a balanced trade agenda and sustainability.

Although our history is rooted in hiking, camping, canoeing, backpacking, skiing, rock climbing, and many other sports, it takes skilled professionals in sales, marketing, finance, HR, IT, and manufacturing to bring those products to market and make those companies a success. We hope these programs will allow us to recruit and retain a strong workforce.

Closing

I want to thank Representative Crow for having this critically important hearing on ways to better recruit and prepare the workforce of tomorrow. OIA is proud of the various initiatives we are leading and are thankful to be included in this conversation. We look forward to continuing to work with you to determine if there are ways that Congress can support these important efforts.