

TESTIMONY OF SUTTON BACON, NANTAHALA OUTDOOR CENTER, INC.  
UNITED STATES HOUSE OF REPRESENTATIVES  
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REP. ROB BISHOP, CHAIRMAN  
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TESTIMONY SUBMITTED BY SUTTON BACON  
CHIEF EXECUTIVE OFFICER  
NANTAHALA OUTDOOR CENTER, INC.  
BRYSON CITY, NORTH CAROLINA

### Introduction

Mr. Chairman, Ranking Member Grijalva, and members of the Committee, thank you for the opportunity to testify before you today. My name is Sutton Bacon and I am the Chief Executive Officer of the Nantahala Outdoor Center. Established in 1972, the NOC is an employee-owned outdoor recreation company located at the intersection of the Appalachian Trail and the Nantahala River in Swain County, North Carolina. Originally a roadside inn, the company has evolved into one of the largest outdoor recreation companies in the nation and is one of Western North Carolina's largest employers.

Over 500,000 guests visit NOC annually to embark on a diverse collection of over 120 different river and land-based itineraries predominantly on public lands, learn to kayak at NOC's world-renowned Paddling School, travel abroad to foreign countries with NOC's Adventure Travel program, shop at one of our flagship retail stores, or enjoy NOC's resort amenities including our three restaurants and multi-tiered lodging. Each year, NOC guests paddle over one million river miles, enough for two voyages to the moon and back.

NOC has recently been recognized as "The Nation's Premier Paddling School" by *The New York Times*, "Best Place to Learn" by *Outside Magazine*, and as "One of the Best Outfitters on Earth" by *National Geographic ADVENTURE*. In addition, 22 Olympians including two Gold Medalists have called NOC home.

Through our programming, we strive to educate and engage adventure-seekers through dynamic, world-class instruction and tours on some of the world's most beautiful whitewater rivers and landscapes. We are committed to sharing our passion for the outdoors and our penchant for exploration with our guests. Our employees share a common vision of keeping NOC a dynamic, enjoyable, and successful place to work and of participating actively, considerately, and sustainably in the communities in which we operate. We firmly believe in the triple bottom line of people, planet, and profits.

### Rural Economic Development

The economy in our region of Southwestern North Carolina continues to suffer from the loss of traditional manufacturing jobs to international outsourcing, as textile, garment, and furniture plants continue to close. Swain County suffers from one of the highest unemployment rates in North Carolina (18.1%) and an equally-disturbing rate of poverty

(18.3%). A recent study indicated that 19.9% of Swain residents faced “food insecurity,” in other words, not knowing from where their next meal would come. Approximately 88% of Swain County is federally-owned, such as the Great Smoky Mountains National Park and the Nantahala National Forest. Some might say that our current economic situation is exacerbated by these large federal land holdings diminishing our tax base. However, nothing could be further from the truth. In fact, the public lands and waters in our region are the pathway to a growing and sustainable prosperity – a type of prosperity that cannot be outsourced overseas and is rooted in the value of experiencing these places directly.

Whereas extraction and manufacturing industries have come and gone, our public lands boast a wealth of waterways, trails, and recreation areas, making Swain County a popular destination for outdoor enthusiasts. In fact, while our local manufacturing base continues to contract, the region’s outdoor-based tourism economy has seen exponential growth, as has interest in tourism re-development, the enhancement of existing public-private tourism product, and the utilization of tourism-related natural resources in an environmentally-sensitive manner. Human-powered outdoor tourism is the backbone of our future.

A study was recently conducted by researchers at Western Carolina University to provide estimates of the economic impact of the Nantahala Outdoor Center and outfitting activity on the Nantahala River on the surrounding eight westernmost counties in North Carolina. The direct impact of payroll expenditures, other operating expenditures, capital expenditures and attendee spending was determined to be \$61,918,474. The indirect and induced effects of payroll expenditures, other operating expenditures, capital expenditures and attendee spending were determined to be \$11,415,792 and \$12,052,223, respectively. As a result, whitewater recreation on the Nantahala annually contributes a total of \$85,386,489 to the local economy. It also represents a total of 1,061 jobs. Furthermore, the researchers opined:

*The Nantahala Outdoor Center has a substantial and valuable effect on the surrounding Carolina Smokies region. This study is specifically designed to quantify the tangible impact of the Nantahala Outdoor Center on the region in terms of dollars and cents. However, NOC also provides intangible benefits to the community that are essential to regional community development. For example, the Nantahala Outdoor Center contributes to the cultural life and reputation of the region as a tourism destination. These contributions reinforce the attractiveness of the region as a family-friendly tourism locale.*

In a time filled with such economic uncertainty nationwide, instead of hunkering down, NOC has been boldly embarking on a number of new initiatives we firmly believe will transform our company, all reinforcing our outfitting operations on federal lands. For example, at the height of the recession, NOC opened an 18,000 sq. ft. LEED-certified flagship retail store and adventure center at the entrance to the Great Smoky Mountains National Park in Gatlinburg in order to promote NOC’s human-powered recreational activities in the park. We will soon be opening a similar LEED-certified activity concierge concept in Asheville for activities in the Pisgah and Nantahala National Forests. To support both initiatives, we have launched a host of new excursions across multiple outdoor disciplines – including paddling, fishing, and hiking – all permitted on federal lands.

As a result of these and other business expansion initiatives, NOC has created 81 new full and part-time jobs during 2009 and 2010 with plans to increase employment again in 2011.

None of this economic and civic revitalization would happen without our cherished public lands and waters. Our guests travel from all over the world to experience our mountains, rivers, and forests in a direct and meaningful way. The jobs created by using our natural resources to provide experience rather than extraction cannot be outsourced. As long as the health and integrity of our lands and waters are maintained, these jobs will never go away.

### Youth Outreach in the Context of Job Creation

As Richard Louv writes in his book, *Last Child in the Woods*: “Developers and environmentalists, corporate CEOs and college professors, rock stars and ranchers may agree on little else, but they agree on this: no one among us wants to be a member of the last generation to pass on to its children the joy of playing outside in nature.”

I was first introduced to the outdoors at summer camp in Western North Carolina, growing up paddling on its many rivers and streams as a young boy. I can personally attest to the value of being introduced to the outdoors as a child, which has led to a lifelong passion for nature and genuine passion for curing “nature deficit disorder” in today’s youth. I applaud President Obama, Interior Secretary Salazar, Agriculture Secretary Vilsack, and the federal government’s efforts to promote enhanced opportunities for wilderness and outdoor experiences for our country’s youth, in part, to help combat “nature-deficit disorder” and the childhood obesity epidemic that our nation faces. However, the success of these initiatives is wholly dependent on linking them to job creation and economic development.

The Nantahala Outdoor Center has long created a sustainable business and job growth model around delivering affordable and healthy outdoor experiences to youth and underprivileged populations. NOC takes over 100,000 children under the age of 18 on outdoor excursions each year, which, for comparison, is more than NOLS and Outward Bound combined. We supply these children with environmentally-enlightening and life-altering outdoor experiences on public lands.

Providing outfitting services for youth and underserved populations requires specific skills and exceptionally high levels of training. For example, one of our most popular programs is a collaboration with the “Adventure Amputee Camp,” which invites disabled children from a wide geographical area to participate in rafting, kayaking, and other group initiatives such as a high ropes course. The guides dedicated to this program are our most-trained guides and are considered leaders in innovative activities for children with disabilities.

Programs like this and many others collectively serve as a business case that small companies across the country can capitalize on youth development initiatives, change lives, and make a difference for our two most precious resources – children and the environment – all while fostering economic growth and job opportunities

### Economy and Public Lands Stewardship Intertwined

America’s outdoor recreation economy is an increasingly strong and vital part of our nation’s economy, especially in rural areas like Western North Carolina that are blessed with healthy public lands. The Outdoor Industry Association (OIA), a national outdoor industry trade association upon whose board I sit, completed the outdoor industry’s first study quantifying the contribution of active outdoor recreation to the nation’s economy. The study indicated that active outdoor recreation and our outdoor industry contribute \$730

billion annually to the United States economy and support nearly 6.5 million jobs across the country. North Carolina's share of this economic impact is substantial. Active outdoor recreation contributes more than \$7.5 billion to North Carolina's economy, supports 95,000 jobs and generates \$430 million in annual sales tax revenue.

The nation's outdoor recreation economy depends primarily on the integrity, protection and stewardship of our natural resources, but it also depends on fundamental recreational infrastructure, including parks, trails and open spaces necessary to enjoy places both remote and close to home. As a businessman, I know it would not be possible for NOC to exist without the dramatic land conservation efforts that designated the Nantahala and Pisgah National Forests, which recently celebrated their 100<sup>th</sup> birthday. Back then, Western North Carolina's forests had been devastated by timber operations that left much of the land clear-cut and burned. The Forest Service has resuscitated the Nantahala and Pisgah National Forests by replanting forests, restoring watersheds, and creating campgrounds, trails, and access areas. Today, Western North Carolina enjoys 1.1 million acres of national forest land, with 178,000 acres identified as roadless. Over 10 million visitors visit our region annually because of our natural resources with the intent to experience them in their natural settings.

As you can see, we have had quite an evolution here in Western North Carolina. At first, we leaned heavily on our natural resources to drive our industrial economy. Previous generations used the resources from our forests, rivers, and mountains to build and power homes, farms, and factories. We created a tremendous amount of wealth and benefit to the nation. Thankfully, we also had the subsequent wisdom and vision to nurture these places back to health and maintain a balanced approach to our public lands. It took a very long time to get simply where we are today, and I acknowledge that it very much is still a journey and not a destination. I believe it is our responsibility, with the leadership of Congress and this Subcommittee, to maintain this balanced approach into the future.

This responsibility is fraught with challenge. Indeed, the Nantahala National Forest faces enormous threats from sprawl and development, given the intensity of second-home development in our region. Our forests may face pressure from future water, energy, and resource extraction to fuel the growth of nearby metropolises like Atlanta and Charlotte. Because our public lands are managed for multiple uses, I believe that we can, if we are mindful, find a sustainable path forward. Whereas some public land should be developed in a traditional manner, this development should not and must not occur everywhere.

Through the wealth of public lands and waters in Western North Carolina, NOC is able to provide a spectrum of recreational opportunities, from world-class extreme whitewater rivers to relaxed, family-oriented float trips to wilderness-oriented wild and scenic. In all cases, a pristine, natural setting is the main attraction. Swain County, and particularly NOC, needs open space, healthy forests, mountain ecosystems and free-flowing rivers if it is going to have an economy that will continue to grow and thrive.

The wide diversity of NOC's trip portfolio indicates that indeed our guests are actively looking for a wide spectrum of opportunities and experiences on public lands, conducted in a variety of settings, from river trips to hiking to biking. The goal of this subcommittee should be to foster that spectrum of opportunities, services, and experiences on federal lands and waters while providing them in a sustainable manner that recognizes, nurtures, and supports regional and national recreation economies.

To this end, the outstanding recreational values of some of our most prized river and trails, wilderness areas, and wild and scenic rivers – the very foundation of the recreation economy described above – must not only be protected through thoughtful legislation and careful management (including, for example, forest planning and travel management) but also be supported by the necessary funding to the federal land management agencies, such as the Department of Agriculture and Department of Interior, so the vitality of the active outdoor recreation economy can continue here in North Carolina and across the nation.

### Conclusion

In these trying economic times, Americans need more than ever the physical, emotional, and psychological benefits that human-powered outdoor recreation provides. Another OIA research project showed that 80% of Americans feel that they are happier, have better family relationships and less stress in their lives when they engage in outdoor recreation. Anecdotally, during the recession, we have seen more hikers pass through NOC on the Appalachian Trail than we have in years.

Our own internal research over the last 40 years indicates whenever there is economic uncertainty or a precipitous rise in gas prices, our guest numbers increase. This affirms the importance of human-powered outdoor recreation during difficult times. We take this charge seriously and appreciate our guests' confidence in our ability to deliver these authentic outdoor experiences.

Similarly, I truly appreciate this invitation to speak with you today. Thank you for your attention, and I would be pleased to answer any questions you may have.