



OREGON
WINE
BOARD

October 17, 2018

To Whom It May Concern:

The Oregon Wine Board (OWB) is writing to express our support for the return of commercial air service to Salem, Oregon. Oregon's wine economy is a critical element in our state's economy generating annual economic impact of \$5.6B and 30,000 jobs. Related wages topped \$1B, which led to over \$155M collected by the state in taxes.

Oregon's wine regions are a strong attraction for tourists and the upscale demographics of wine consumption ensure that many wine tourists spend more than the average visitor, boosting restaurant and hotel revenues. Growth was propelled by the exponential effect of an increase in visitors to Oregon, an increase in the proportion of them that were tourists or "leisure visitor," and an increase in the percent who visited wineries. Total revenue was almost \$787M, up from \$295M in 2013, a 162% increase over three years. The Salem area is in the epicenter of our state's most widely acclaimed grape growing region and the Willamette Valley is recognized now around the world for some of our industry's most sought after wines.

The visitor industry in the Salem region is stronger than ever, generating a record \$593.1 million in estimated visitor spending and an additional \$4.5 million in lodging tax revenue. * Commercial air service will further boost the economic impact of the industry, making direct travel to and from the area easier and more accessible to the millions of people who visit our area each year.

In addition, the Salem area generates 1.1 million passengers to Portland International Airport (PDX) and has a population of 530,000 people who live within a 25-mile radius of Salem. ** As traffic congestion in the Portland area and the Mid-Willamette Valley continues to increase, having commercial air service in Salem will mean significantly less travel time to and from the Portland airport and reduced mileage/fuel costs. Also, a large number of room nights are lost in the Salem area due to travelers who book a room near PDX on the final night of their visit when they have an early flight the following morning. Having commercial air service in Salem would allow us to capture the room and lodging tax revenue that is currently being lost.

Salem is a "destination gateway" to culinary adventures, natural treasures and unique cultural experiences as well as a key entry point to other Oregon Wine Country adventures. Bringing commercial air service back to the region will bolster both leisure and business travel, which will in turn generate more dollars in direct visitor spending, lodging tax revenue and job creation. We fully support commercial air service in Salem and look forward to the return of this vital service.

Sincerely,

President, Oregon Wine Board