

NEWS RELEASE

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Portland-area Visitor Spending Grows for Sixth Straight Year

A just-released report shows that in 2007 the Portland metro area enjoyed its sixth straight year of growth in visitor spending. According to data gathered by Dean Runyan Associates, a Portland-based firm specializing in economic and market research, travelers to the area spent more than \$3.6 billion* last year (an increase of 5.3 percent over 2006).

Portland's positive tourism picture is especially impressive when compared to that of the United States as a whole. For many destinations, 2007 was a year of little or no growth. And while the Travel Industry Association of America (TIA) had forecasted a moderate growth rate of 2 percent in leisure travel for 2007, Portland far exceeded that projection.

"People are looking for destinations that are more than just fun and affordable," said Jeff Miller, president and CEO of Travel Portland. "They also want to travel to places that reflect their values. With sustainability being top of mind for so many, it's understandable that a green city like Portland would outperform expectations."

Also performing strongly were Portland's hotels. In Portland's Central City, an area that encompasses both downtown and the Lloyd Center district, hotels ended the year with an annual average occupancy of 76.2 percent - a notable 13 points higher than the national average. Hotel occupancy in 2007 for all lodging properties in Portland averaged 70.5 percent (up nearly 1.5 points from 2006 and 7.3 points above the national average).

In 2007, visitor spending included the following: food and beverage, \$581 million (a 7.2 percent increase over 2006); accommodations, \$527 million (up 13.3 percent); retail purchases, \$393 million (an increase of 2.8 percent); and cultural activities/recreation, \$190 million (up 4.4 percent).

Easing the tax burden for local and state residents, area travelers generated \$148 million in combined tax revenues. Of that total, \$60 million was local tax revenue. Primary tax generators include the transient lodging tax levied on the rental of hotel/motel rooms, the gasoline tax, automobile rental taxes, and corporate income taxes and personal income taxes resulting from travel-supported employment.

Although the number of travel industry jobs (29,600) in the Portland area showed only modest growth (a 1.4 percent increase), employment earnings for 2007 rose to \$797 million (an increase of 4.6 percent).

The study, for the first time, also calculated the number of visitors to the region - an estimated 9.6 million person visits - as well as average daily expenditures. [Note: A *person visit* is defined as a trip to the region by an individual who may or may not have visited previously. For example, a traveler who visits in March and then again in July counts as two person visits.]

Per day, visitors spent an average of \$103 per person, excluding transportation costs. When segmented by type of travel, average expenditures ranged from \$151/person/day (travelers

staying overnight in hotels) to \$54/person/day (visitors staying with friends or family). Day travelers who did not stay overnight spent an average of \$76/person/day.

The *Economic Impacts of Travel, 2007 - Portland, Oregon* report was commissioned by Travel Portland, a private, nonprofit destination marketing association whose mission is to strengthen the Portland metro area's economy by positioning the region as a preferred location for meetings, conventions and leisure travel. To see the study in its entirety, visit www.travelportland.com/media and click on "Portland Research."

2007 VISITOR INDUSTRY FACTS AT A GLANCE

- ? Number of visitors to the Portland metro area - 9.6 million person visits
- ? Average expenditure by visitors - \$103/person/day
- ? Total visitor spending in 2007 - \$3.6 billion
- ? Total tax revenues paid by visitors - \$148 million

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Sources: Dean Runyan Associates; Travel Industry Association of America (TIA); Smith Travel Research

*All 2007 figures are preliminary estimates and may be adjusted as additional information relating to travel in the Portland metro area becomes available. Due to rounding, some details may not add to totals. Percentage increases/decreases have not been adjusted for inflation. For the purpose of the Dean Runyan study, the Portland metropolitan area is defined as Clackamas, Multnomah and Washington counties.