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VACATIONLAND: TOURISM IN MAINE'S EXPANDING SERVICE ECONOMY

A Look Forward

The year is 2010. In Atlanta, Georgia, 50-somethings Betty and Bill Jones are discussing their up-coming summer vacation, when they catch an eye-popping 30 second TV spot featuring moose and mountains, lobster and lighthouses, with the tag line "It Must be Maine!" Recalling the traffic jams and sweltering heat on last summer's trip to New Orleans, they decide to check out the Maine Office of Tourism's web site. There they discover Maine's stunning variety of coastal and inland landscapes, outdoor recreation opportunities, cultural and heritage attractions, and world class lodging and dining. They are amazed by what Maine offers:

- the Office of Tourism's on-line service to facilitate all their arrangements for a visit;
- The incredible "Explore Maine" transportation system, where trains, buses, vans, and ferries let visitors roam the state without putting foot-to-gas-pedal;
- diverse trails networks, ranging from wildlife watching to landscape gardens, and from mountain biking to forest history; and
- Maine's unique certified ecotourism, a public-private partnership that combines environmental education and nature conservation with premier quality services offered by sporting camps, windjammer cruises, fishing guides, and many others.

Betty ‘n Bill are hooked – their biggest challenge is deciding how to fit everything they’d like to do – plus some sheer relaxation– into a nine day trip. Time doesn’t allow a detailed recounting of their Maine itinerary, but their postcards to friends back in Atlanta’s brutal 95-degree heat highlight Maine’s cool breezes on the high speed ferry from Rockland to Bar Harbor, an Acadian fiddling contest at Calais’ Downeast Heritage Center, loons calling in the twilight at Grand Lake Stream, a whitewater rafting adventure above the Forks, a hike through Gulf Hags followed by moose steaks at the Appalachian Mountain Club’s Little Lyford Pond Camps, and the Center for Cultural Exchange’s dazzling multi-cultural arts festival on their final evening in Portland.

By the time Betty ‘n Bill board the plane back to Atlanta, they are already planning their next Maine trip– maybe for fall foliage and moose viewing in the western mountains, maybe for a few days of lodge-to-lodge XC skiing along Maine’s now famous Mahoussocs-to-Moosehead trail.

Betty and Bill’s “excellent adventure” offers a snapshot of Maine tourism as it can be in 2010, if we do things *right*. For a sense of how we can get from “heeah to theyah”, we first have to rewind the Maine tourism story to 1960 and run it forward to 2004.

Visiting “Vacationland” – A Special Kind of Export Industry

“VACATIONLAND”: for decades, Maine license plates have advertised one of our core industries. In 2001, tourist spending generated nearly 7% of Maine’s income, more than any sector save health care and forest products. And tourism’s 78,000 full time equivalent jobs made it Maine’s largest source of employment.

I call tourism an industry, but it is a peculiar sort of industry, in three important ways. First, unlike paper or banking, tourism is not a single economic sector turning out well defined products, but rather a web of thousands of businesses, most very small, that derive some or all of their income from sales to our visitors. Tourism-dependent businesses span an enormous range -- from windjammer cruises to hunting guides, from ski resorts to clam shacks, from gas stations to grocery stores.

Second, Maine tourism is essentially a natural resource-based industry. Beyond obvious natural attractions, like Sebago Lake and snowmobile trails, even the Maine tourist's experience of shopping for curios, eating lobster, or visiting museums is enhanced by beautiful natural settings. However, unlike other resource-based sectors, such as agriculture and forest products, tourism does not extract material goods from nature. Rather, its *services* flow from healthy natural systems. As Evan Richert pointed out in his lecture, tourism is organized for passive consumption of landscapes.

Third, tourism is Maine's #2 export industry – visitors “from away” spend nearly \$4 billion dollars here each year. Yet tourism is very different from exports like potato chips or computer chips, which we ship out of state. With tourism, the customers – about 26 million a year – come to us. They share our beaches, our wilderness areas, our autumn leaves, our restaurants and boutiques, our roads and parking lots. As a result, tourism exports have pervasive side effects on “host communities” and their residents – for the better but also sometimes for the worse. This is especially true of tourism “hot spots” – those times and places where tourist concentrations come to dominate local life. Bar Harbor's “4th of July flush” (as the

locals call it), Rangeley on Snodeo weekend in January, and the Saco River's floating weekend beer parties come to mind.

These effects were already obvious back in 1974, when the Maine Travel Analysis Committee reported (quote) "lukewarm public support" for tourism and even "public resentment of crowds and congestion." (MVTAC 10) Then we had just 3 million out-of-state visitors per year – now it is 26 million.

Outline

This evening I'll offer a quick sketch of Maine tourism "the way it was" from the late 1950s and to the early 1970s. Then, tracing major continuities and changes, I'll take an extended look at today's tourism patterns, highlighting what I believe are the major problems, as well as the opportunities we may look forward to over the rest of this decade. Although parts of my message are critical, it rests on an optimistic premise: every tourism problem is a challenge and every challenge is an opportunity. Why optimism? Because tourism -- in contrast to natural resource-based sectors like commodity agriculture, ground fishing, and paper products – harbours opportunities for sustainable economic growth, contributing to rural revitalization and enhanced quality of life. The opportunity is there, but success will not be automatic: we must make a commitment and go about it cleverly.

A Look Back

First a look back. Maine has a storied history as a destination for leisure travelers. From Henry David Thoreau's time, "sports" have hired Maine guides and used remote sporting camps for their hook-and-bullet adventures in the Maine woods. Wealthy east coast urbanites turned Bar Harbor into a summer colony with the coming of the railroads after the Civil War. And by the 1890s, trainloads of

working class Boston day trippers made York and Old Orchard Beaches their holiday playgrounds. In terms of sheer numbers and economic magnitudes, Maine tourism has “always” been heavily concentrated in the summer and on the coast, a pattern that persists today despite decades of public and private efforts to market the hinterland and four season attractions.

Tourism underwent momentous changes between the turn of the 20th century and the 1960 starting point of this *Changing Maine* series. In her fascinating tourism history, *Inventing New England*, Dona Brown documents the profound impact of public road investments and automobiles following World War I. Previously, most tourists traveled to a single Maine destination, by train or steamer, and stayed put for the duration. Resort hotels and rooming houses thrived, as did seasonal homes for the affluent. All that began to change with construction of US Routes 1 and 2 in the 1920s and completion of the Carleton Bridge across the Kennebec in 1928 and the Waldo-Hancock Bridge over the Penobscot in 1932. (R. York) In 1941, the Maine Turnpike Authority was created; in 1955 the Turnpike reached Augusta and in 1965, Houlton.

Tourism, then, is a central feature of America’s love affair with the automobile. Automobile tourism to and through Maine grew rapidly, and with it two phenomena we will encounter again later: surges in short term visitors and in “site seeing” (which we now call “general touring”) – that is, visits to several attractions and destinations. From the 1920s onward, campgrounds and the now ubiquitous motels were built to meet mobile travelers’ growing demand. By 1972, general site seers were the largest single category of Maine tourists and motel users accounted for over one-third of all tourist spending. (MVTAC 6)

As signs of the changing times, Bar Harbor ferry services ended in 1932 and Maine's railroad passenger traffic plummeted 75% between 1920 and 1931. In 1964, the Maine Central ended passenger service altogether. The near monopoly of auto travel, in combination with the Great Depression's tourism bust, sounded the death knell for the old tourism model centering on lengthy summer stays at hotels and boarding houses. The grand hotels at Poland Spring, Samoset, and Kineo were sold off or torn down. (R York)

Post-World War II affluence brought tourists back to Maine in droves and enabled Mainers to increase their own leisure travel, ushering in a half century of almost continuous tourism growth. State agencies commissioned studies of tourism as early as 1959, (c.f. Hatch); but our clearest image of those times comes from an Arthur D. Little study commissioned by the Vacation Travel Analysis Committee (VTAC) and published in 1974 as the report *Tourism in Maine*. The Legislature created VTAC to overcome (quote) "the lack of knowledge concerning tourism in the State" and "to plan effectively for future tourism development." (MVTAC 1) For the next few minutes, I ask your indulgence as I draw a statistical sketch of Maine tourism three decades ago.

In 1972/73, Maine hosted just over 10 million (10.2 m.) leisure and business travelers – up about 50% from 1960.

- 3.1 million tourists came from out of state, which means that Maine's million residents made 7 million tourist trips -- an average of 7 per person.
- Most non-resident visitors were drawn from a fairly narrow base of nearby states and provinces: 30% from Massachusetts alone and 65% from 5 northeast states.

- Fully three quarters (7.7 m) of all tourist trips were day trips – with implications for the economy and for seasonal congestion that I’ll explore later.
- Over half of all trips (53%) were concentrated in the three summer months.

Direct tourist expenditures then were about \$1.1 billion (in 2003 dollars), less than one-fifth of today’s level (\$5.8 b. in 2001).¹

- Although non-residents made only about 30% of tourist trips, they accounted for four-fifths of total spending: a fact with important economic and marketing implications.
- Maine’s spectacular nature and unique culture and heritage may have been prime tourist attractions, but since they were largely un-priced public goods, their *direct* economic contribution was relatively small. Nearly 90 cents (\$0.87) of every tourist dollar was spent on the “big four” services: lodging, dining, transportation, and shopping.
- It is not clear whether LL Bean was already Maine’s largest tourist destination, as it is today; but shopping – with 15% of all tourist spending – was already taking off as a tourist activity.
- The income and state revenues generated by tourism (\$550 m in 2003 \$) amounted to just over half of total tourists’ spending. This means that half of each tourist dollar did not benefit Maine’s own economy, but rather, “leaked” out of the state, in the form of business purchases of inputs produced elsewhere -- for example restaurant equipment, insurance fees, vehicles, and fuel.

¹ Because of price inflation over time, comparison of past and present monetary magnitudes requires a conversion of past values to current (2003) dollars. Conversions have been made using J. McCusker, “Comparing the Purchasing Power of Money in the United States from 1665 to Any Other Year”, Economic History Services, 2001, URL: <http://www.eh.net/ppowerus/>

- Tourism's direct contribution to Maine's gross state product in 1972/73 was roughly 5% (\$490 million in 2003 dollars), compared to 7% today.
- These days, the state boasts about the tax *revenues* generated by tourism. The VTAC study, in contrast, also estimated the state government's direct and indirect *costs* of supporting tourism -- from road maintenance to marketing. They found that more than half of the state's \$120 million in tourism revenue (2003 \$) was absorbed by its costs (\$61 million). (MVTAC Appendix C)

In 1972/73, tourism and recreation generated roughly 21,000 fulltime equivalent jobs, or 6.5% of the state's employment, compared to nearly 11% today.

- The VTAC study offers an early indication of a serious social and economic problem – tourism's low average wages. While tourism accounted for 6.5% of Maine employment, tourism workers received only 4% of our total wages and salaries. (page refs)

With some tweaking, VTAC's data offer intriguing glimpses into seasonal and regional tourism patterns that have evolved dramatically since 1972/3. Back then, well over one million people (1.142 m) participated in hunting and (fresh water) fishing, a number that has shrunk steadily in recent decades. For interior regions, the \$69 million a year spent by fishers and hunters (2003 \$) was the prime source of tourism income and jobs in spring, summer and fall. (P. 98) To be sure, there were some bus tours for fall foliage viewing, but "leaf peeping" was still a minor market segment. (Guide Downeast)

The winter season lagged, with just 11% of Maine's annual tourists, but it was poised to take off. Alpine skiing was at the start of a three-decade surge, with the

opening of Sugarloaf's first rudimentary facilities in 1955. Recreational snowmobiles were introduced in 1954, and in 1972/73 the state was just beginning to broker the landowner--snowmobile club collaboration that eventually shaped an exceptional 13,000 mile trail network. Then as now, winter sports participants were mostly Mainers: 61% of skiers and 94% of sledders. Their combined 1972/73 revenues of \$42 m (2003 \$) were just 4% of total tourism spending. Today each is a \$300+ million dollar activity, and together they generate 10% of Maine's tourism spending – on a par with fishing and hunting.

In many ways, the VTAC's analysis of Maine tourism's problems and its recommended solutions read as if they were written in 2004, not 1974. Looking at the big picture, they stress that (quote) “congestion is the primary cause of serious social and environmental impact ... Maine suffers from seasonal congestion (summer) and locational congestion (most notably the southern coast).” These concerns echoed the alarm previously raised by a 1966 Bowdoin College conference on coastal congestion. (Hatch 35)

To address these and other issues, VTAC urged Maine to adopt a concerted tourism development strategy, backed by special state initiatives to boost interior Maine's limited and highly seasonal tourism. In a sign of the times, the VTAC report expressed grave concern about the vulnerability of Maine's car-dominated tourism's to energy shortages, a reaction to the 1973/74 Arab oil embargo and US energy crisis. From a 2004 vantage point, their alarm about gas price spikes might seem irrelevant -- or maybe it is prescient.

Many VTAC recommendations still resonate in 2004. I will highlight two clusters: one focusing on regional tourism development, and another on the need for a leading state role. [other emphs: site seeing & business/convention travel etc.]

The authors viewed Maine's western lakes and mountains as a prime focus for tourism growth, based on four season attractions. The big drawing cards would be ski resorts in winter and lakeside second homes in the summer and fall. Expansion in the 1960s had created precedents for both. VTAC recommended creation of a Rangeley-Flagstaff development authority to design and direct the western mountains strategy. (MVTAC 110) Interestingly, in that era of "rogue snowmobilers", VTAC had serious reservations about the spread of snowmobiling, and other motorized backcountry recreation: These vehicles, it stated, "create pollution of all types – air, water, noise, and visual." (MVTAC 10)

The VTAC proposals came at a time when several grandiose recreational development schemes were afoot in Maine. One proposed a string of ski resorts running from Saddleback to Bigelow. Another would have carved a million acre recreation complex out of the upper St. John and Allagash watersheds. (Judd and Beach xxx) The specter of such mammoth north woods developments gave rise to a conservationist backlash and contributed to formation of the Land Use Regulation Commission (1971) and protection of Bigelow Preserve (1982). **

check dates

In VTAC's vision, the state's Department of Commerce and Industry (ancestor of today's DECD) would have been assigned a far more pro-active role in tourism planning and development, including more state support for community and regional development efforts, like the prototype proposed for Rangeley-Flagstaff.

VTAC also urged that the state's skimpy tourism promotional role be strengthened and rationalized by creating a "quasi-governmental" organization much like today's Office of Tourism. (VTAC 12-13) In the event, Governors Ken Curtis and Jim Longley and successive Legislatures in the 1970s chose *not* to make major, new state investments in tourism development, promotion, or organizational infrastructure. *** **fact check this**

Given our limited time this evening, I'm going to make a quarter-century leap from this snapshot of Maine's tourism -- and our tourism non-policy in 1974 to the present day. This does not imply that nothing new happened in Maine tourism in the intervening years. On the coast, for instance, we saw the establishment and growth of whale watching, cruise ship visits, and sea kayaking. In the interior, a moose hunt was introduced; white water rafting took off; and skiing, snow mobiling, and fall leaf peeping emerged as major tourism "season extenders." Shopping, already a big deal in 1974, became a billion dollar-a-year piece of the tourist economy, with LL Bean's the state's most popular tourist destination.

Furthermore, tourism showed its vulnerability to big forces outside Maine's control -- not the escalating gas prices VTAC had feared, but two national economic recessions in the 1980s, when tourist spending stagnated, followed by a drop in Canadian visitors in the 1990s, when the falling Canadian dollar priced many of our northern neighbors out of the Maine market.

[Written essay: time series data and something on the mid-1980s tourism policy review.]

Maine Tourism Today: Some Patterns

The overwhelming impression one gets by comparing Maine's past and present tourism statistics is one of dramatic growth. Today's 45 million yearly tourist trips are more than four times the number reported for 1972/73, when, you'll recall, summer coastal congestion was already considered a serious problem. [The average yearly increase has been nearly 5%.] Our 26 million non-resident visitors are eight times the 1972/73 number. Fourteen million – more than half – are now day trippers from Massachusetts.

Tourist spending has grown five-fold to some \$6 billion/year and tourism's share of gross state product (after netting out leakages) has risen from 5% to nearly 7%, dwarfing all of Maine's resource-based industries except for paper. Tourism employment, now pushing 80,000 (FTE), has jumped from one of every fifteen Maine workers to one-in-nine.

In many rural communities, tourism growth has been met with mixed reactions; nonetheless, it has been the main buffer against the longterm decline of our traditional resource-based and manufacturing industries.

Tourism growth has been uneven, as have its benefits and its costs. Unevenness, and what we can do about it, will be my focus for the rest of this talk.

With lobsters, lighthouses and LL Bean, coastal Maine down east to Mt. Desert has a potent brand image in national as well as regional markets. (43% of overnight visitors really do eat a lobster and LL Bean's 3.5 m customers each year make it Maine's most visited destination.) The coast's diverse and closely-spaced attractions play well in this era of growing general tourism. The coastal problem,

as all know who live there, continues to be severe summer congestion – the danger that we are “loving it to death.”

Maine has no coherent state or regional strategy for growth management, and shoe-horning 22 million tourists into a narrow strip of land for ninety days each year inevitably has consequences. These include the obvious: crowded parking lots, boat ramps, beaches, restaurants, and public rest rooms, and bumper-to-bumper Sunday traffic. But there are also less obvious impacts: soaring real estate prices that cause the loss of working waterfronts and affordable housing, increased strip development and sprawl, a higher incidence of crime, and stress on host towns’ public services and budgets. No wonder, then, that many residents continue to be “lukewarm” (in VTAC’s terms) toward tourism and react skeptically to any plan for its further expansion. [what some towns are doing: K.port]

92% of non-resident visitors arrive by car (compared to 78% nationally). Easy I-95 access from the south, and the practical lack of alternative transportation modes, has led to an explosion of summer day trippers, who not only intensify road and parking congestion compared to longer term visitors, but also contribute less than half as much spending per-day to local economies (an average of \$61/day compared to \$136/day). (TIAA 2002) A recent *Sunday Telegram* feature story, on that ageing tourist magnet, Old Orchard Beach, chronicled its downward drift on what analysts euphemistically call the “tourism development cycle.” (ref)

A sign that coastal tourism is nearing a saturation point is Maine’s stagnant share of the national overnight tourist market, and our declining share of the Northeast market. (ref) Tourism also continues to be vulnerable to outside forces, as seen in

the sector's sluggish performance over the past three years, in the wake of a national economic slowdown and the tourism chill following 9/11.

Interior Maine also has a share of renowned tourist destinations and even some hot spots – the crowded summits of Mount Katahdin and Tumbledown in August, Kennebec whitewater and Allagash campsites in peak season, and parts of the ITS snowmobile network over Presidents' Week come to mind. In contrast to the coast, however, *underutilized* capacity, not congestion, characterizes most interior tourist attractions, most of the time: not one of Maine's top ten destinations is in the interior. (** fact check).

In general, nature-based tourism in the Northern Forest and Downeast Lakes regions continues to be a compatible secondary use of working landscapes. This land use complementarity is perhaps most vividly seen in snowmobiling's eleven-fold growth into a \$300 million-a-year "business" since 1972/73. Sledding is now a key to winter social and economic vitality in towns from Fryeburg in the west to Fort Kent in the far north. Over 90% of Maine's 13,000 mile trail network runs across private lands. (Vail 2003) Unfortunately, tourist activities may be vulnerable to dramatic land ownership changes now taking place in the Unorganized Territories.

In these vast, remote landscapes, tourism's growth potential is constrained more by limits to demand than to supply capacity -- although I would emphasize that weaknesses in the quality and variety of interior Maine's current tourism offerings are certainly one reason for its limited appeal. Growth in tourist numbers and spending inland and upland appear to be limited by several main factors:

- Long driving distances coupled with the national trend toward shorter day and weekend trips;
- Declining participation in traditional backcountry activities such as fishing, hunting and wildlife watching.(1991 – 1.22 million; 2001 - .96 million. USFWS 2003)
- Limited development and promotion of activity “packages” that can compete effectively in the growing general tourism market; and
- Capacity limits at high profile adventure attractions, such as whitewater rafting and climbing Katahdin;

In sum, the Northern Forest region and Washington County lack what tourism analysts call “destination drivers,” that is, prime attractions, backed by the outstanding promotional effort that could give them a marketing edge over effectively “branded” competitors, such as the White Mountains, the Adirondacks, and the Rockies.

Finally, we must face the job quality problem. As mentioned, Maine tourism involves thousands of businesses, most very small and many seasonal. Our “best practice” businesses -- outfitters, inns, hotels, craftspeople, farm B&Bs, restaurants etc. – offer top quality goods and services, and have awards to prove it. However, the “average practice” among tourism businesses falls well short of “best practice.” Certainly tourism offers thousands of rewarding and well-compensated career opportunities, in occupations as wide-ranging as fishing guides, executive chefs, whale watch captains, ski instructors, motel managers, museum curators, and crafts people; and thousands of young tourism workers seek no more than seasonal or part-time employment.

Nonetheless, median earnings in tourism are very low. The tourism occupational mix and employees' generally low productivity are key underlying causes. An assessment of wages and benefits across the major tourism occupations, which are dominated numerically by dining, lodging, and retail sales, suggests that at most 40% of tourism workers earn a "livable wage," compared to 67% of all Maine workers. (The Maine Economic Growth Council's standard, which was over \$10/hour in 2003). Furthermore, just one-in-four hospitality sector workers receives employer-paid health benefits. Many also face high commuting costs because they cannot afford housing near tourism centers. And many must hold multiple jobs to make ends meet.

So a picture emerges: tourism has been a powerful job creation engine for decades, but not a very potent source of quality, livable wage jobs. (c.f. Vail and Kavanaugh 2000)

Trends and Challenges

Time allows only this snapshot of Maine tourism today, and I've omitted lots of exciting new tourism developments. To mention just a few:

- Widespread cultural and heritage tourism initiatives;
- The spread of agri-tourism and local farm sales to inns and restaurants;
- Downeaster train service to Portland;
- Cruise ships as a fall season extender for both Bar Harbor and Portland;
- Development trails networks, ranging from local walking tours to the Maine Island Trail, the Maine landscape garden trail, mountain biking trails, and the Mahoussocs-to-Moosehead XC ski trail; and of course

- Exciting state, community and land trust land investments in land purchases and conservation easements.

Despite all these innovations and investments, Maine today faces stiff competition from other states, provinces, and nations, all seeking to lure the same tourist groups. In this era of global market integration and Internet communications, the high-spending, overnight traveler can choose from literally thousands of competing destinations.

Barring major changes in Maine's tourism development strategy – and barring unforeseen shocks to the national economy, to energy prices, or to national security -- the broad patterns I've described are likely to hold for the remainder of this decade. Summer congestion will limit coastal tourism growth, and raise further the social and environmental costs of more tourists. In Northern Forest and Downeast regions, the lack of potent "desination drivers" or a unique and compelling "brand image" will constrain growth. Many small tourism businesses will fall short of the service quality, resource productivity, and marketing support they need to grow, prosper, and offer high quality jobs.

The November 2003 Blaine House Conference on Natural Resource Industries addressed these and other challenges facing Maine tourism. Governor John Baldacci's Maine Woods initiative and his 2004 State of the State address pick up on several of the Conference recommendations. The recommendations -- with a few of my pet ideas added -- offer an agenda of policy initiatives and public investments that will convince Atlanta's Betty and Bill Jones (from my introductory story) to choose Maine for their vacation in 2010. They will put

Maine on a path toward economically, socially, and environmentally sustainable tourism growth.

First, we need to establish a tourism planning and development capacity within the Maine Office of Tourism. Its current efforts are devoted almost entirely to marketing and promotion. This capacity would put tourism on a par with our other resource industries – agriculture, forestry, marine resources –that already have state agencies dedicated to their long term management and development. Since tourism spans so many diverse activities, depends on so many of Maine’s natural resources, and interacts with so many other resource industries, effective tourism planning will require a high level of inter-agency and public-private collaboration.

Second, if Maine seeks to compete for high-end tourists by offering world-class services, the University and Community College Systems must offer degree programs that go beyond the current, limited (and shrinking) hospitality and recreation offerings. Moreover, helping existing tourism firms move toward best business practices will require significant research and extension efforts, perhaps based on the University of Minnesota’s successful Tourism Center. (ref) And if we adopt quality job creation as a priority goal, then the Community College System’s successful employee training programs must do more to target tourist services.

Third, “where the rubber hits the road” (or the tourist hits the beach), our local communities and regions will need better analysis as well as more effective policy instruments to plan and manage local tourism growth. The State Planning Office, working with the University System and the Maine Tourism Commission’s Natural Resources Committee, must develop user-friendly tools for community assessment of tourism’ social and environmental carrying capacities. Development of a

convenient multi-modal tourist transportation network, like the DOT's visionary "Explore Maine" plan, is imperative if we are to cope with severe summer traffic congestion. [cite MDI's bus service.]

Fourth, we need a sharply focused effort to brand the Northern Forest and Downeast Lakes region as attractive four season destinations, particularly for two fast growing demographic groups -- general tourists and outdoor adventure seekers. This entails developing powerful marketing themes and investing much more in promoting these regions. But an even bigger challenge is to develop and "package" the clusters of tourist attractions that will make Maine destinations stand out from their many competitors. Some exciting ideas currently under discussion include:

- Weaving natural attractions together with cultural and heritage resources, and with outstanding lodging and dining; [cite ME Mtn Heritage]
- Developing an ecotourism certification program, to raise the profile of Maine's outstanding environmentally friendly tourism services;
- Developing major summer events that will attract thousands of first time visitors (the Pfish concerts and National Folk Festivals come to mind as prototypes); and perhaps most important,
- Creating a recreational strategy around the vast array of old and newly acquired state lands, trust lands, and conservation easements. An outstanding example is the outdoor recreation strategy being framed for the region connecting Moosehead Lake with Baxter State Park and including the 100 Mile Wilderness, Katahdin Iron Works, Gulf Hagas, Little Lyford Pond camps, the Debsconeags, and other attractions.

[Essay: revenue sources.]

The Blaine House Conference recommendations and their affirmation by Governor Baldacci give me confidence that we are beginning to “get it”:

- to understand Maine tourism’s tremendous economic importance and its untapped potential;
- to recognize tourism’s downside and how to mitigate it; and
- to combine our promotional efforts with farsighted planning and public investments.

If all this is accomplished, we will pass on to our children and grandchildren a Maine that is both an exceptional place to live and an exceptional “VACATIONLAND” for visitors like Betty and Bill Jones from Atlanta.