



Date: 4/17/2025

Attn: Governor Scott Decision Support Team

Re: Federal Impacts on Vermont's Outdoor Sector Report

From: Kelly Ault, executive director, Vermont Outdoor Business Alliance

Vermont's \$2.1 billion outdoor economy is a broad and diversified sector that includes manufacturers, retailers, outfitters, guides, resorts, trail networks, trailbuilders, events, media, creatives, sales representatives and many others.

This sector is experiencing significant impacts and anticipating future challenges as it responds, anticipates, and reacts to federal policy changes.

Its viable economic future is at the center of multiple specific challenges created by recent actions including but not limited to an immediate decrease in tourism regionally and internationally, soaring and uncertain costs due to trade system fluctuations, and anticipated short- and long-term decreases in outdoor participation due to lack of funding and predictability for public lands and waters.

The Vermont Outdoor Business Alliance (VOBA) is a representative organization of the outdoor economy in Vermont. It includes more than 150 members from a broad range of business and organizational categories, and its mission since its founding in 2018 is to strengthen, attract and retain Vermont outdoor recreation businesses.

In the last 90 days, VOBA has been convening and fact gathering on the impacts of unforeseen federal changes to its members and industry partners across the country, and has compiled those results below. This report includes:

1. Summary of VOBA convening tactics
2. Business and organization categories contacted
3. General areas of impact reported
4. Specific areas of impact reported
5. Encouraged actions from the State of Vermont/Congressional delegation
6. Encouraged actions from the private sector
7. Stories/Voices from the outdoor business sector



1. Summary of VOBA convening tactics:

- Navigating information and resources
- Convening the sector with service providers/state government and for B2B networking
- Providing individual/group technical assistance and business support services
- Communicating impact and advocating solutions to policymakers

2. Business and organization categories contacted through VOBA recent outreach:

- Manufacturers
- Retailers/Sales Representatives
- Resorts/Facilities/Recreation Networks/Trail Construction
- Events/Media/Marketing
- Nonprofit Organizations

3. General areas of impact reported

- Volatile trade systems and higher costs
- Reduced consumer purchasing and brand boycotts
- Reduced visitation and event/tourism boycotts
- Human resource decisions and employee mental health
- Federal funding cuts and employee layoffs
- Threats to public lands
- Threats to diversity, equity and inclusion

4. Specific areas of impact reported

- *Volatile trade systems and higher costs*
 - Real time/anticipated higher costs for products (dependent on import/export geography) to be negotiated and absorbed by a combination of:
 - Manufacturers
 - Retailers
 - Facilities/Trail builders
 - Programs/events
 - Consumers
 - Changes/reduction/delays in production/inventory
 - Cash flow shortfalls and retracting lenders/investors
 - Cuts to controllable costs like marketing impacting ability to reach target audience and grow customer base



- Higher cost of construction materials (lumber/stone/equipment, vehicles) for recreation infrastructure
- Reduction/loss of clients, contracts, and grants as well as reduced profit margin due to higher expenses in delivering services
- Strained B2B/supply chain relations
- *Reduced consumer purchasing and brand boycotts*
 - Reduced purchasing, consumer behavior shift online and away from brick and mortar
 - International boycotts (Canada/Europe) because of rhetoric from Washington
 - Changes in purchasing options by businesses/organizations
- *Reduced visitation and event boycotts*
 - Cancellations/reduced hospitality reservations/event registrations
 - Unprecedented drop in summer and fall tourism planner metrics, especially from Canadian market, annually used as indicators of visitation
- *Human resource decisions and employee mental health*
 - Employee lay offs, reduced wages/benefits
 - Navigation causing distraction in productivity
- *Federal funding cuts, employee layoffs, threats to public lands*
 - Elimination/delay of grants for recreation/conservation
 - Federal employee layoffs affecting/delaying grants/services
 - Potential for sell off of national parks/expanded extraction/logging in [national forests](#)
- *Threats to diversity, equity and inclusion*
 - Elimination/delay of grants for diversity/equity/inclusion initiatives
 - Targeting of under-representated business/professionals/organizations

5. Encouraged actions from the State of Vermont/Congressional delegation to assist the sector

- The **Congressional delegation** continues to convene and collect stories, interpret federal policy and trade processes, and advance Congressional resolutions and international responses aimed at protecting the interest of American global manufacturers and business owners
- The **Scott Administration** and the decision support team continues to assess potential effects of federal trade policy and identify mitigating short- and long-term impacts and protective actions:
 - Engagement by Governor Scott with Congressional delegation/Governors/Canadian officials to influence favorable federal policies
 - Engagement by the State Treasurer in assessing and communicating state financial implications and convening financial institutions to support Vermont businesses
- **Agencies** continue to compile information and provide capacity and resources:
 - Depts. of Economic Development, Tourism and Marketing, Forests, Parks and Recreation and Labor and the Vermont Outdoor Recreation Economic Collaborative (VOREC) continue to work with Congressional offices and other states, expand staff available to



respond to threats to the outdoor economy, outdoor destinations, conservation/recreation lands and accessible participation, provide resources such as free trade zones and trade consultants, international visitation data and marketing campaigns, and sector convenings.

- **Legislators** continue to hold committee hearings and advance policy and budget proposals that:
 - Fund business technical assistance from service providers in the economic development bill (S.122) including the Vermont Outdoor Business Alliance and others listed below
 - Leverage no/low interest financing options from lenders such as the Vermont Economic Development Authority and Community Development Financial Institutions (CDFIs)
 - Consider state tax changes/stimulus providing relief to affected businesses/nonprofits

6. Encouraged actions from the private sector to assist the sector:

- **Service providers/business associations/financial entities** continue education, strategies, and resources that:
 - Increase networking to share information and provide support from VOBA, Vermont Chamber, Vermont Businesses for Social Responsibility, Ski Vermont, and Vermont Trails and Greenways Council
 - Assist in trade negotiations, legal options and procedures with customs experts and the Vermont Small Business Law Center
 - Support contingency planning (financial, human resources, marketing, operations) with advisors from Vermont Small Business Development Center, Vermont Sustainable Jobs Fund, and Vermont Professionals of Color Network
 - Assist supply chain management from the Vermont Manufacturing Extension Center
 - Elevate buy local/visit Vermont marketing campaigns from Regional Development Corporations and downtown associations that support small businesses and strengthen ties with Canada and Europe
 - Leverage philanthropy from the Vermont Community Foundation and expand working capital from investors/lenders like VEDA and Vermont Community Loan Fund (TRAILS)
 - Provide free consultancies to assist with USMEC certificate of origin eligibility
 - Advise program/grants language to remain within DEI compliance without sacrificing program or initiative quality from community organizations



7. Stories/Voices from the outdoor business sector

MANUFACTURERS

[Burton](#), Burlington - Click link for legislative testimony on April 9

John Lacy, CEO, [Senator Welch Roundtable](#) on April 14

"We have over 800 employees around the world, including 400 based in the Burlington area from our retail store, manufacturing, sales, service, marketing - the distraction as an organization, our time across all elements of the company is being absorbed to figure out what is going on and trying to navigate the uncertainty."

"We source 2/3rds of our product from Asia, Vietnam, China and all areas of Europe and each day brings a new level of potential costs from importing, the raw materials used in manufacturing and how that is going to all add up and affect the consumer."

"We're looking at 46% - 145% increases on the cost of goods and it goes directly to the consumer. We can only absorb as much as we can - this is tough as a privately-owned company, we can't just operate on endless debt, we need to be a responsible citizen."

"We've been in production for six months for delivery to our wholesale partners and consumers - not a lot of options to pick up and move which takes 3-4 years. And, there is no safe haven."

"We recognize recession is around the corner, we've seen consumer sentiment shift downward regarding price, now this fear allows them to put their wallet back in their pants and not make purchases."

[BIVO](#), Burlington - Click link for legislative testimony on April 9

Robby Ringer, Founder

"Over 95% of stainless steel bottles worldwide are manufactured in a region just outside of Shanghai. After vetting 9 factories and doing an immense amount of research domestically I can without a doubt say there is no viable option to manufacture these bottles in the U.S. due to a lack of the necessary infrastructure, technical expertise, and quality standards."

"The impact to cash flow for small businesses is the largest threat and there is truly only one solution; raise more capital. Yet, this comes as markets plunge and both institutional and private investment is evaporating."

"Vermont's small businesses are innovative, values-driven, and deeply rooted in their communities. Support us through grants, education, and infrastructure to help us grow sustainably."



[Renoun, Burlington](#) - Click link for legislative testimony on April 9

Rob Golden, CEO

"Renoun has utilized Utopie, in Quebec Canada to manufacture our skis. There are no contract manufacturers in the US, so Renoun has to go outside the borders to have our skis made. It would cost greater than \$30M to build a factory that would equal Utopie's capability."

"The unit costs of our finished products will rise by 22% since our Canadian factory currently imports some raw materials from the US (steel edges, plastic sidewalls).

Estimated compounded net impact in 2026 could be between \$150,000 to \$225,000 in increased costs that may or may not be passed on to customers (the price of our skis would go from \$950 to \$1180) – either lowering demand or making us vulnerable to competition."

"We need to clearly understand and make decisions around our options to reduce or be granted an exemption. Technical assistance and financial assistance/grants could lessen the impact of tariffs."

JSkis, Burlington

Sells 4,000 pairs of skis/annually/internationally/online working with a small Quebec family factory. This year's order of approximately \$1m has already been placed and potentially facing an additional \$200k in costs when the order is shipped.

Jason Levinthal, Owner, Senator Welch Roundtable on April 14

"I'm very proud to have been working with our factory over the border for over a decade."

"We sell about 40% of our product in Nov and Dec so we really don't know how it's going to affect us until it's essentially too late for the year end."

"The recession, the lack of consumer confidence that is coming, we need to hedge our bets and are already planning on cutting 70% of our marketing. There really is no other choice, we know we are going to have to pay 10% - 25% more for our product."

"It's a catch 22, where am I going to get that money? I need to cut my costs and that means people or marketing. We can't sell more products to make more money to cover the taxes."

Darn Tough, Waterbury and Northfield

Sells socks in 25 countries and anticipates tariffs negatively affecting international business. US business potentially affected by anticipated price increases for imported yarn (except for military yarn). Concerns about international retailers stepping back from orders in response to international consumer boycotts of American outdoor products companies.

Gordini, Essex Junction

Constant change of what will have a new tariff and what won't is making it difficult to plan out all aspects of the supply chain, including higher prices for materials and finished goods.

**Turtle Fur, Morrisville**

Imports manufactured goods from China, currently subject to stacked tariffs of 145% with many resourced to be sustainable materials. Concerns about the impacts on the outdoor industry by the defunding of national parks, public lands and ignorance of climate emergency.

Hootie Hoo, Burlington

Currently facing 145% in stacked tariffs on children's technical outdoor wear that is 100% produced in China, concerned about retailers raising wholesale prices. Disruption to the business is hard for small businesses.

Thuja, Williston

Concerned about the potential impact on material costs for local apparel production and potential downturn in sales if consumer sentiment continues to drop and non essentials get left on the shelf.

Mavic, Waterbury

Mavic - North America imports wheels and parts from France where Mavic - FR will absorb some tariffs and some increased costs passed onto dealers. Footwear, helmets and apparel from Asia could cost more. Costs for retailers that repair and build wheels could go up on purchases of parts from all wheel manufacturers.

RETAIL/SALES

[Outdoor Gear Exchange, Burlington](#) - Click link for legislative testimony on April 9

Marc Sherman, Founder

"85% of our goods are made overseas or from component parts that come from abroad. We have already begun to see costs and MSRP price increases coming through from our vendors in real time with more expected for Fall goods that will begin landing in May and June and ship to us in July and August. Costs per unit will go up to us and be passed on to customers."

"We're likely to reduce the breadth of offerings to be able to maintain a critical depth in the products we do stock. Reduced spending expectations on behalf of customers will reduce our total gross profit dollars and reduce our ability to maintain and/or create jobs (as well as limiting our ability to increase wages to our existing employee base)."

"At our scale we have a minimum payroll to operate effectively and if sales won't support that, then we can't continue to operate indefinitely."



Waterbury Sports and Power Play Sports

Two retail businesses that thrive on Canadian tourists, vendors in China have already absorbed increases in recent years and don't have the capacity to absorb more, those costs continue to get passed onto the consumer where it could go up more past where it is a viable purchase.

Caleb Magoon, Owner, Senator Welch Roundtable on April 14

"My biggest concern is the supply chain. As a general sporting goods store, I work with over a hundred vendors from literally around the world."

"Some vendors are pausing the shipping of products, so we are worried about availability. If I don't have the product, I can't sell it, you can't buy it, and I can't make money."

"We are all craving certainty."

"Skiing and snowboarding is an expensive sport but it's for everyone and one that a lot of people enjoy. It makes me sick to my stomach to think that some kids won't be getting into the sport because of the cost."

Analog Cycles, Tanglefoot Cycles, Poultney

Imports business frames and parts from Taiwan designed locally, uncertainty changing approach to the year.

Mountain Road Outfitters, Stowe

North American flagship store for Maloja, technical apparel manufactured in Germany and other countries. Concerned about paused retaliatory tariffs from the EU and other countries .

West Hill Shop, Putney

Concerned about the future of the outdoor industry, retirement, Anticipate cost increases by the bike industry for imports from China and Asia.

Green Mountain Pro Tune, East Burke

Much if not most of the bike industry relies on Taiwan for manufacturing. Suspension Service is 95% of our revenue. With all parts and service kits increasing in cost by 35% we will be forced to raise our prices by the same amount. As a third party service, our small business will compete against manufacturers that have a much higher margin on their service parts and will be able to keep the customer price much lower.

Woodstock Inn & Resort

Increase in cost of retail merchandise in the outdoor center.



Footwear supplier to Vermont retail

Facing tariffs increases from 16% to 145% for leather shoes imported from China. Potential tariffs on shoes manufactured in India, Vietnam, and Cambodia. Will be raising prices for our wholesale accounts as well as for consumers who purchase directly from websites and stores. Inevitably, higher prices will lead to lower demand, as consumers with limited discretionary income will buy fewer shoes along with other products affected by price hikes. Since these tariffs impact all major shoe-manufacturing countries, other footwear companies will raise their prices.

Pinnacle Outdoor Group, Middlesex

Manufacturer reps are in a unique position in the industry, in the middle of manuf & retailers.

RESORTS/FACILITIES/RECREATION NETWORKS/TRAIL CONSTRUCTION

[Kingdom Trail Association](#), East Burke - Click link for legislative testimony on April 10

Jay Peak Resort, Jay

Steve Wright, General Manager, legislative testimony on April 10.

Deteriorating relationship with Canada is a threat to the business as it makes up 50% percent of top line revenue. 2026 Canadian season pass sales are off 80%, several hundred Canadian golf groups have canceled, Canadian summer and fall reservations dropped by 40% at this point compared to year over year, reduced Canadian hockey teams every weekend.

Petra Cliffs Climbing Center & Mountaineering School, Burlington

Building a new climbing gym and anticipating price increases of steel and plywood which typically come from Canada, wary of an economic recession limiting the amount of money people have to spend on recreation.

Timber & Stone, East Calais

Seeing increased costs of construction in lumber, stone, equipment, vehicles, gas.

Apex Trailworks, Randolph

Seeing federal funding cuts affecting trail building and maintenance projects on public lands and changing budgets on RFPs/contracts, increased costs in lumber, materials, crushed stone & rock.

EVENTS/MEDIA

Vermont Gran Fondo, Bristol

Experiencing a 30% drop in Canadian registrations after a long history of attending events. Others are reluctant to spend on 'luxury' events. Re-considering options for purchasing goods.



VT Ski + Ride and Vermont Sports Magazines, Middlebury

Paper and printing costs have skyrocketed. Event attendance is down reducing advertising

NON-PROFIT ORGANIZATIONS

Trust for Public Land, Montpelier

Facing delays to federal grant funding commitments to conservation projects, reduced federal agency capacity constraints and policy ambiguity causing delays to timelines.

Kelly Brush Foundation, Burlington

Possible slowdown in the manufacturing of adaptive sports equipment and potential price increases to consumers.

Northern Forest Canoe Trail, Waitsfield

Expect reduced revenues on multiple levels as a result of a global economic downturn and potential federal grants freeze and reduced purchasing options for supplies.

Vermont Community Foundation, Middlebury

Anticipate cuts in or holds on federal grants to non profit and for programs that include educational programs (and language like inclusion or accessibility or equity)

Vermont Housing and Conservation Board, Montpelier

Concerned about federal cuts to conservation, natural areas and national parks, USDA supporting rural development programs, cuts to other federal programs will put more pressure on state budget which could result in reallocations from conservation

Dept of Forest Parks and Recreation

A third of staff are fully or partially funded with federal dollars, Federal outdoor recreation grant programs are vulnerable and are losing administrative staff (Rec trail, LWCF).

END OF REPORT