

POCONO MOUNTAINS

VISITORS BUREAU

UPDATE ON CORONAVIRUS (COVID-19) FOR TRAVEL/TOURISM INDUSTRY

Everyone,

The **PMVB** wants to keep you all abreast of the latest as it pertains to the coronavirus outbreak. The following is a synopsis of two calls with **U.S. Travel** & the **CDC** on *Wednesday, March 4*.

The federal government, its agencies and tourism industry leaders are constantly monitoring the situation. The situation **changes by the day** and there's a lot of information out there so rely on the following for guidance (*updates weekly on Tuesdays*):

Resources

- U.S. Travel Toolkit
- <u>CDC Guidance</u>

The Update - March 4, 2020

- Right now, **13 states and territories** have **confirmed** cases in the U.S. California and Washington are hot spots and attributed to community spread, not travel.
- At greatest risk are the elderly (80+) and those with underlying illnesses.
- The CDC has transitioned to a community mitigation phase trying to **delay the spread**.
- COVID-19 (coronavirus) has affected South Korea, Japan and northern Italy as well as Iran **the worst** after spreading from Wuhan, China.
- Customs and Border Patrol has **screening operations** for the virus in place that adapt as the situation changes.

What we can do:

- Transmission happens mostly in households with person-to-person contact
- Washing hands regularly and providing sanitizer can significantly combat the spread, keep hands away from your face
- It's unlikely there will be a vaccine available in less than 18 months
- Human resources department: ensure employees know they should stay home if sick, it will benefit both the workforce and customers
- Do not attend mass gatherings if your health is vulnerable
- Get a flu vaccine to combat that virus as well this year the vaccine is highly effective.
- It is crucial to go on about our daily lives, that is the most important thing!

Expected Economic Impacts

- The U.S. economy was already weakened, and this outbreak has disrupted supply and demand, so a **downturn is expected**, however *not* severe and the travel industry has *proven resilient* in the past (post SARS outbreak 2004)
- There has been a pullback in discretionary spending, businesses are investigating contingencies and some major events have been cancelled but primarily **international travel** is the biggest impact
- The domestic travel market has seen airlines redeploy to handle domestic routes
- This indicates **9 million trips** are up for grabs, so a transfer to domestic travel could **offset international losses**
- Recommendation from <u>Adam Sachs at Tourism Economics</u>: Look at some short-term ways to market to opportunities due to fall in travel but stay in your main markets
- This will impact **large destinations** most. 1/4 rooms are booked by groups in the U.S. and that could go down
- We're looking at a **U-shaped recovery**, rather than V-shaped. ***If*** it comes to a *full lockdown*, the U.S. would face a **recession** but as it stands right now, we will see domestic **GDP growth** of *slightly more than 1%*. The Fed *lowering interest rates* is a positive tailwind to the U.S. economy right now.
- COVID-19 has **devastated travel in Asia** as well as threatened to *decrease* Chinese GDP which is now **16% of the global economy** (4x bigger than it was during the SARS epidemic)

Please contact <u>pr@poconos.org</u> if you would like to be connected with additional useful information. Members can also find more information on the Extranet.

Thanks for your help in putting health first for our region and for our millions of visitors each year.

Sincerely, Chris Barrett President & CEO Pocono Mountains Visitors Bureau