

Senator Scavello, thank you for giving us the opportunity to testify before you today. I am Michael Fehnel, Vice President & General Manager of Dorney Park & Wildwater Kingdom, President of the Pennsylvania Amusement Parks & Attractions and Chair of Discover Lehigh Valley.

It goes without saying the pandemic has been highly disruptive for the state's tourism industry, and specifically amusement parks and other attractions which I represent. I have spoken with many of the leaders of our Pennsylvania parks, including Sesame Place, Knoebel's, Hersheypark, Kennywood, Waldameer and DelGrosso's, and their stories are very similar to our own at Dorney Park.

Our business models are unique. To start, the industry's operating season is quite short, typically running from Memorial Day to Labor Day. Due to the shutdowns last year we lost over 60% of those days to the pandemic. On the days we were open, our parks operated at 25%-50% of normal capacity, forcing us to not only reduce our hours of operation, but the size of our staffs as well, including full-time layoffs and furloughs. As I mentioned at the outset, it was highly disruptive to our business and the entire industry.

In addition to the loss of jobs and reduction in revenue, our industry also faced steeper operating costs as a result of the pandemic. Signage, cleaning chemicals, cleaning mechanisms, hand sanitizer, dispensers, Plexiglas barriers and other modifications for social distancing are just a few of the significant investments we made as we strived to safely reopen to the public. Dedicated staffing to execute the enhanced cleaning protocols, health screenings and policy enforcement was also needed. By and large, the operating efficiencies our businesses rely upon for success were adversely effected due to the pandemic, and industry losses in 2020 were commonplace. Along with preserving liquidity and minimizing cash burn, a top priority was to maintain the integrity of our operating teams until we were permitted to reopen.

The amusement industry in PA gives first job experience to thousands of our younger population each year. We take great pride and responsibility in knowing that we are educating these young adults on how to be successful and contributing members to our workforce. Unfortunately, that opportunity was lost last year. According to a study by the PEW Charitable Trusts, tourism accounts for 9.5% of the jobs in Pennsylvania. By August of last year, 29% of those jobs had been lost, accounting for a reduction of nearly 170,000 jobs. The impact extends well beyond wages and earnings; the opportunity to learn real life skills was erased by the pandemic, and there really isn't a replacement for those individuals.

The effect of the pandemic will be felt by our industry for years to come. Tens of millions of dollars of capital investments into our parks were delayed or outright canceled. Some attractions were removed altogether, rather than maintained.

Let me close with this. Before the pandemic, one of our industry's primary concerns was experiencing bad weather on a Saturday when we welcome our biggest crowds. Lately, our attention has turned to the daily statistics regarding the coronavirus, praying for a massive reduction in case counts and a speedier increase in the number of vaccines administered. Speaking for our industry's leaders in the great state of Pennsylvania, we hope to never experience another pandemic so we can go back to worrying about the weather again. Thank you for your concern.