

## High gas cost not slowing Yellowstone tourism

For Californians, fuel costs here might seem like a relief

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Even with gas on a trajectory toward \$4 a gallon this summer, Montana may seem like a travel bargain to visitors from states where it's already approaching that dreaded threshold.

"One of our big markets is California," said Rick Hoeninghausen, marketing and sales director for Xanterra, the concessionaire at Yellowstone National Park. "We keep hearing year after year that Montana and Wyoming are a price relief from what they are finding at home."

### Rising prices

On Tuesday, AAA reported gas prices at a national average of \$3.73 a gallon. In Billings, the average was \$3.58. In New York City, the price was \$3.98. It was \$3.97 in Chicago, \$3.94 in San Francisco and \$3.82 in Seattle.

Reservations for Yellowstone, the keystone of tourism in both Montana and Wyoming, are slightly higher than the record pace set last year, he said. That, plus coming off the best winter season in 13 years, keeps Hoeninghausen's optimism level high.

When the economy slumps and gas prices soar, people still go to national parks and travel domestically, though they may stay closer to home, he said.

"Every year we have a new record price per gallon," he said. "It's a lot more this year, but it doesn't appear to be showing up in our reservations. In the big picture, when you're on a vacation the price of gas doesn't amount to very much."

Americans may cut back on a lot of things as their salaries shrink in relation to the cost of living, but they don't sacrifice their vacations, said Betsy Baumgart, administrator of the Montana Promotions Division.

"They are again feeling that their vacation is a right," she said.

Advance bookings across the state remain strong, Baumgart said, especially at Yellowstone and Glacier parks. Hoteliers and event organizers have not reported unusual numbers of cancellations.

### 'A strong season'

"Our feeling is it's going to be a strong season," she said.

Some of the strength may come from the weakness of the U.S. dollar against foreign currency, including the Canadian dollar, Baumgart said. All along the 500-mile border and ever deeper into Montana, Canadians will likely be taking advantage of cheaper fuel and bigger buying power.

In Calgary, Alberta, the price of gasoline earlier this week was the equivalent of about \$4.20 per gallon, according to GasBuddy.com.

Mike Gast, vice president for communications at KOA, the international campground company headquartered in Billings, said he expects a boom in foreign visitors. In the Billings area, large numbers of Europeans have reserved RV rentals to explore Yellowstone, he said.

"But it's not going to be just Europeans," he said. "I think Canadians are just going to pour across the border this summer."

Although the Canadian dollar is down a little in May, it still remains on par with the U.S. dollar. The euro, the currency of most of Western Europe, has climbed to a value of \$1.56.

The strong euro makes it so expensive for Americans to go abroad that they may instead choose a domestic vacation, Baumgart said. Travel Montana, the state's tourism arm, has been targeting Chicago, Atlanta and Dallas as key markets and is continuing promotions in Minneapolis-St. Paul and Seattle.

Most of the 10 million tourists who visit Montana come by car, which would seem, on the surface, a harbinger of hard times in the tourism industry here. But as fast as gasoline prices are rising, the cost of travel by air - with higher ticket prices and additional charges for baggage and food - is climbing faster. Throw in a high-priced hotel and hundreds of dollars a day for the family to visit an overcrowded theme park in Orlando or San Diego, and a drive to Montana may look like a more attractive alternative.

Big RVs aren't likely to be mothballed as the price of fuel goes up, Gast said. People have too much invested, and camping has become a lifestyle for many. June reservations at KOA campgrounds in Montana are up about 10 percent, he said. Nationwide, the numbers are down just a little.

"One trend we're seeing nationally is that people are holding back a little," he said. "They're going anyway, but they're waiting longer to see what's going to happen."

The way people are camping is also changing and campgrounds are adjusting. People are traveling shorter distances and staying longer in one place, Gast said.

"Suddenly, some of our campgrounds are becoming destination campgrounds," he said. "People aren't just staying one night and moving on. We have to have a lot more for people to do in campgrounds."

Baumgart said the trend toward staying closer to home may mean more Montanans will be exploring the state. She's also optimistic that good winter snow in Montana's mountain ranges will translate to less danger of wildfire, at least in Western Montana. Nationally televised images of smoke-filled skies and flame-throwing trees can be discouraging for travelers choosing their destination.

John Brewer, executive director of the Billings Chamber of Commerce, expects a good year. There won't be huge conventions like the Gold Wing riders Wing Ding that welcomed thousands of visitors in years past. But a lot of medium-size conventions with a few hundred to 1,000 participants are scheduled, he said. The Big Sky State Games always brings a big crowd, which could be even larger this year in the absence of Wyoming state games, Brewer noted.

"I think we'll see more regional travel," he said. "Hopefully we'll be able to provide people in Eastern Montana and Wyoming lots of reasons to travel to Billings."

A nationwide study conducted in April by the Travel Industry Association showed that 60 percent of Americans currently planning a trip will not change their travel plans even if the price of gas continues to rise. Of those who said they would alter their plans, most said they would take vacations closer to home, take fewer trips or spend less while traveling.

The study also showed that 16 percent of those expecting a tax rebate as part of the economic stimulus package approved by Congress intend to spend their rebates on a trip. Results indicated that \$12.1 billion of the tax rebate will be spent on travel.