



Monterey County Tourism Faces Devastating Impact

Short-term loss estimated to be \$400 to \$500 million in first 90 days of COVID-19 pandemic

Monterey, Calif., March 24, 2020 – Nationwide, the travel industry has been dramatically affected by the COVID-19 pandemic due to travel restrictions and event cancellations and postponements. Monterey County has been feeling these impacts since February – first with international visitation and now with domestic travel. The Monterey County Convention & Visitors Bureau (Monterey County CVB) has been working with tourism industry organizations and the local hospitality community to begin determining the overall impact to the County.

The Monterey County hospitality community generates nearly \$3 billion in annual visitor spending and employs 25,000 people. Given recent events, these numbers will be drastically impacted as the community sees over a dozen hotel closings and significant lay-offs. Currently the destination faces an estimated loss of \$400 to \$500 million in visitor spending in the first 90 days of this crisis. This is a rough, point-in-time estimate as situational factors escalate daily.

“Our community and industry have never seen anything like this,” said John Turner, Monterey County CVB board chair and general manager of the InterContinental The Clement Monterey. “We are dealing with both a global health crisis and a dire economic emergency at the same time.”

Using Dean Runyan’s Monterey County Travel Impact reporting, Smith Travel Research and public information from County jurisdiction investors, the Monterey County CVB modeled potential countywide impact over a three month period. The model factored Monterey County hotels projecting 40 to 80 points of occupancy loss based off an average occupancy of 73% from March through May in 2019.

“The projected impact is changing daily, but the best information we have at this time indicates a substantial and continuing drop in economic activity in the next few months,” said Rob O’Keefe, interim president and CEO at Monterey County CVB. “One slight positive – over 60% of conferences and many marquee events are postponing rather than outright canceling, which means that revenue generated should be deferred to later this year and into 2021.”

Monterey County’s impact mirrors national projections. According to Oxford Economics, the United States travel industry is expected to see a 31% decline in travel economic impact for the entire year, including a 75% drop in revenue in the next two months and losses totaling \$355 billion in travel spending. It also reported 4.6 million jobs will be lost across the U.S., as well as a loss of \$55 billion in associated tax revenue.

-more-

Though the industry has slowed to an extraordinary level, the community and Monterey County CVB continue to actively deal with the situation and plan for the recovery. “Our hotels and restaurants are innovating as best they can – and our team is working with travel and meeting planners who are eagerly planning to return when the time is right,” said O’Keefe. Adding, “In our destination and across the country, our industry will respond to this unprecedented crisis with an unprecedented recovery.”

For more information on Monterey County CVB and its economic reports, visit www.SeeMonterey.com.

###

ABOUT MONTEREY COUNTY CONVENTION & VISITORS BUREAU

The Monterey County Convention & Visitors Bureau (Monterey County CVB) is a 501c6 organization that drives tourism for Monterey County. Tourism is the largest industry on the Monterey Peninsula and the second largest in the County. The MCCVB is a partnership of the hospitality community and local governments that aims to drive business growth through compelling marketing and targeted sales initiatives that maximize the benefits of tourism to our guests, members and the community. Travel spending in Monterey County was \$2.98 billion in 2018, representing a 5.8 percent increase from 2017. This \$2.98 billion in visitor spending supported 25,190 jobs, contributed \$271 million in total taxes and generated \$135 million local tax dollars that directly benefited the community. For more information, visit www.SeeMonterey.com and follow us on [Facebook](#), [Instagram](#) and [Twitter](#).

MEDIA CONTACT

Rachel Dinbokowitz

rachel@seemonterey.com

831-657-6434