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Business

New England tourism industry enjoying rebound

Vacation area businesses have high hopes after a strong start to the season

By Jay Fitzgerald | GLOBE CORRESPONDENT MAY 29, 2013



GRETA RYBUS FOR THE GLOBE

Erik Lindblom, at the Captain Jefferds Inn in Kennebunkport, said, “It seems like the economy is finally working for us, not against us.”

Not even the rainy and chilly weather last weekend could dampen a growing optimism that the New England tourism industry is nearly fully recovered from the Great

Recession and on its way to busy summer season.

From Maine's Old Orchard Beach to Cape Cod's Yarmouth Port, hotels, restaurants, and other tourism-related businesses said they had a strong Memorial Day weekend, and expect the rest of the summer to be even better as improving job, housing, and stock markets lift consumer confidence and spending.

"It seems like the economy is finally working for us, not against us," said Erik Lindblom, who with his wife, Sarah, owns the 15-room Captain Jefferds Inn in Kennebunkport, Maine.

The Captain Jefferds Inn was booked solid over the weekend — and not one guest canceled a reservation, despite the nasty weather on Saturday, in an apparent sign that people are determined to enjoy summer vacations this year.

"So far this month, we're up 50 percent in bookings," said Sarah Lindblom. "We're very optimistic about the summer."

The summer is the most important season for tourism in much of New England, accounting, for example, for about 40 percent of annual visitors in Massachusetts and New Hampshire, according to tourism officials.

In Portsmouth, N.H., tourism officials expect hotel occupancy to continue to climb this summer after rising above prerecession levels last year. The outlook is bright enough that Colwen Management Inc. is pushing ahead with a new, 120-room hotel, now under construction as part of a mixed-used development in the city's downtown.

Bookings at the three other hotels Colwen owns in Portsmouth are above last year, said Mark Stebbins, a partner Colwen, which owns 24 hotels in New England and New York.







"All our hotels are doing better," said Stebbins. "The economy has improved, and it's definitely helped a lot

On Cape Cod, hotel occupancy rates hit lows, respectively, of 65 percent and 81 percent in July and August of 2009, the worst year of the recent economic downturn, according to the Cape Cod Chamber of Commerce. But hotel occupancy rates on the Cape last year steadily climbed back, hitting 84.8 percent and 92 percent in July and August last year, pushing occupancy rates and prices above their prerecession levels, according to data.

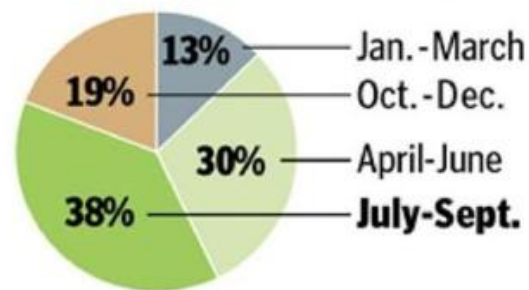
Meanwhile, advanced summer bookings are ahead of last year in many cases, leading some to believe the Cape could experience a tourism boom this summer — as long as the weather holds up, said Wendy Northcross, chief executive of the Cape Cod Chamber of Commerce.

"We're crossing our fingers," Northcross said.

Average monthly summer tourism-related employment.

	2012 (in thousands)	
Conn.	151.9	
Maine	76	
Mass.	354.9	
N.H.	73.5	
R.I.	57.3	
Vt.	34.4	

Seasonal share of visitors to Mass.



SOURCES: US Labor Dept., Mass. Office of Travel and Tourism GLOBE STAFF

But sometimes, even the weather isn't a deterrent. On Saturday, the Old Yarmouth Inn restaurant in Yarmouth Port was packed with customers, despite the raw weather. Business was up 20 percent over the holiday weekend compared with the same time last year.

"There are three things people do on the Cape when it rains: They shop, they go to the movies, or they go out to eat," said Arpad Voros, the restaurant's co-owner.

"It was a great start to the summer. All indications are we're going to see a strong season."

For some Cape businesses, improvement is coming more slowly. Retailers say consumers remain cautious about spending. Jerry Swartz, a manager at the Glass Half Full, a popular liquor and cigar store in downtown Provincetown, said customers were mostly buying bottles of wine in the \$10 range when the economy was at its weakest a few years ago; today he's seeing more people requesting slightly finer wines in the \$15 to \$25 range.

"We're still not at the 'give me the best' stage of people buying wine," said Swartz.

"The recovery has come in fits and starts. But it's getting better."

In New Hampshire, the data also point to improving trends. Last year, the number of summer visitors to New Hampshire was about 13.5 million, up from about 12.9 million in 2006, while summer spending hit about \$1.8 billion last year, up from \$1.6 billion in 2006, said Mark Okrant, a professor of tourism management at Plymouth State University.

As a result, many business owners are optimistic. "It could be huge, an extraordinarily busy summer," said Evan Mallett, owner of the 68-seat Black Trumpet Bistro in downtown Portsmouth.

In Portsmouth, the 150-seat Oar House restaurant had to close its outdoor patio due to



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Carol Savard of Massachusetts shopped in Portsmouth, N.H. Tourism officials there expect hotel occupancy to continue to climb this summer.

Saturday's unremitting rain and strong wind gusts.

But Juliet Introcaso, the general manager, viewed that as a short-term setback.

"You can just sense people feel better about the economy," she said.

"It will pick up. We're hopeful about the season. Very hopeful."