

Testimony of Travis Campbell, Owner & CEO, Eagle Creek
May 30, 2025 Senate Committee on Small Business and Entrepreneurship Hearing

Beyond the Trailhead: Supporting Outdoor Recreation in an Uncertain Economy

Chair Ernst, Senator Hickenlooper, and distinguished members of the Committee:

Thank you for the opportunity to testify today about the impacts of current trade and tariff policy on the outdoor recreation economy. My name is Travis Campbell, and I am the owner and CEO of Eagle Creek, a 50-year old small business based in Steamboat Springs, Colorado. We design and sell adventure travel gear around the world.

We are the kind of small business America should be proud of: We pay our taxes. We comply fully with our duties and regulations. We strive to be a responsible employer, a committed partner to our customers, and a steward of the planet. Yet, in the wake of newly announced tariffs, it feels as though our country is systematically working against businesses like ours – raising our costs dramatically while fueling consumer anxiety that suppresses demand.

Eagle Creek – and the vast majority of the \$1.2T outdoor industry, which is responsible for over 5 million American jobs – depends on a complex global supply chain to manufacture the highly technical products we sell. These goods require years of skill and specialization to produce, and those capabilities do not exist in the U.S. at scale. Building that capacity domestically would take years, if it were even possible to do.

When the new reciprocal tariffs were announced on April 2, we had about \$1.8 million in outstanding purchase orders placed with our factories and due to ship within the next four months. Normally, we would expect to pay around \$260,000 in duties that are already priced into our business model. But with the new tariffs, we faced an additional \$580,000 in unexpected costs. That kind of shock is simply unsustainable for a business of our size.

In our 50th year of operations, we could be put out of business by our country's ill-planned trade policies.

Eagle Creek has taken dramatic steps to stay afloat. We froze salary increases that had just been implemented. We halted the hiring of two exceptional candidates. We cut spending across the board – on vendors, on travel, and on investments in growth. And we've revised our sales forecast significantly downward. In short: lower wages, fewer jobs, and less spending in the economy.

The current pause in tariff implementation gives us some breathing room, but only barely. We are still paying 57% more in tariffs today than when this trade war began. The uncertainty and instability continue to wreak havoc on our business, and our people, as we plan and re-plan our outlook beyond July 9th.

It's important to understand that outdoor products are not interchangeable with general consumer goods. These are technical, complex items built to withstand extreme conditions and

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there is very little US manufacturing supporting our industry. Yet technical outdoor goods are among the most heavily taxed imports. The trade-weighted duty average for outdoor gear is over 14%, compared to just 2.7% for other consumer goods. Products like waterproof backpacks and footwear are especially hard hit.

Historically, the outdoor industry has had bipartisan, Congressionally-approved tools like the Generalized System of Preferences (GSP) and the Miscellaneous Tariff Bill (MTB) to provide relief for products that aren't made in the U.S. But both programs expired at the end of 2020. Since then, the outdoor industry has paid over \$2 billion in duties that were not accounted for when sourcing decisions were made years ago. Eagle Creek alone has paid over \$4 million in additional duties since GSP expired. If we had that \$4 million back, we would be in a much better position to weather this current trade storm.

This is not just a matter of cost – it's about predictability. Our production cycles span 12 to 24 months. Right now, we're planning for the Spring 2027 retail season. Changing suppliers or shifting operations requires lead time, capital, and careful planning. We cannot adapt overnight to rapidly shifting policy.

Let me be clear: U.S. importers, not foreign manufacturers, are the ones paying these tariffs. And with many businesses still recovering from COVID-era disruptions, we simply do not have the financial cushion to absorb these shocks.

So, what are our options? We can try to renegotiate costs with our suppliers – but even a 10% discount, which would be extraordinary in normal times, barely dents our new tariff burden. Or we can raise prices and pass the cost onto consumers, which will reduce demand, hurt our customers, and ultimately harm our bottom line.

This is not a sustainable path forward.

I am here today to ask for your leadership. Small businesses like mine cannot fix this alone. We need long-term, stable trade policies that recognize the realities of modern supply chains – not punitive tariffs and uncertainty. And we need programs like GSP and MTB restored to give businesses like ours the tools to survive and grow.

The outdoor industry stands ready to work with you. Our company is prepared to be part of the solution, but we need a clear plan. Because what we're doing now isn't working.

Thank you for your time. I welcome your questions and the opportunity to share additional details.