



PADI WORLDWIDE

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20 April 2010

The Honorable Maria Cantwell, Chair
The Honorable Olympia Snowe, Ranking Member
Committee on Commerce, Science, and Transportation
Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard
United States Senate
Washington DC 20510

Dear Madam Chair and Ranking Member Snowe:

Thank you for the opportunity to provide our perspective on the potential impact that the loss of living coral reefs from ocean acidification and global warming would have on recreational diving. There are over 3 million active scuba divers and 10 million active snorkelers in the U.S. Worldwide, the estimates are 6+ million divers and 20+ million snorkelers. The opportunity for consumers to dive and snorkel on coral reefs and observe the marine life that inhabits them is the most important contributor to the health of the diving industry. As the world's largest recreational scuba diver training and certification organization, PADI dive stores, dive resorts and dive instructors train and certify almost 1,000,000 divers globally each year, over half a million of which are brand-new divers. Approximately 60% of those diving "students" who live in cold water or land-locked countries travel to tropical locations for at least a portion of their training in order to dive on coral reefs.

In addition, between 1 and 1.5 million non-divers participate in a "try scuba" experience each year while on vacation in tropical locations. The opportunity to dive on a coral reef is the primary reason why they choose to participate. At a conservatively estimated average cost of \$100 for this experience, between \$100 million and \$150 million is spent each year by non-divers to see marine life on a healthy coral reef. These vacation scuba experiences are also the major recruitment vehicle for the creation of active scuba divers, as over 50% of people who choose to learn to scuba dive had first participated in a resort "try scuba" experience.

Approximately 90% of retail dive businesses in the U.S. sell resort vacation travel to their customers, with locations in the Caribbean's tropical waters being the most popular destinations. Besides the direct revenue loss U.S. dive stores would experience if selling dive travel for coral reef diving is no longer a viable option, the entire dive industry would be in danger of significant decline. Since more than half of the people who choose to learn to scuba dive have first tried diving in a tropical location on vacation, the loss of coral reef diving would negatively impact the number of consumers who choose to become certified divers. While selling dive travel contributes an average of 12% of a U.S. dive store's annual gross income, the

decline in the quality or the disappearance of “try scuba” vacation experiences that feed new customers into U.S. dive stores once participants have returned home from vacation would likely decrease dive store (and overall dive industry) gross revenues 30 to 50% and possibly even higher.

In addition to the direct damage to the health of the approximately 1,800 U.S. retail dive businesses, the global financial impact on the dive industry from coral reef degradation or disappearance would be significant and catastrophic. Each year dive-related tourism to the Caribbean accounts for anywhere from 10-50% of those nations' annual Gross Domestic Product. One example is the Cayman Islands, one of the world's most popular dive destinations because of the quality of its coral reefs. One third of all visitors to the Cayman Islands partake in scuba diving, generating over \$16 million in direct revenue for the Cayman economy. While diving directly generates 10 percent of the Cayman Island's Gross National Product, when calculating the effect of diver spending on non-diving goods and services (e.g., hotels, restaurants), dive-related tourism accounts for 34% of the total tourist revenue for the Cayman Islands.

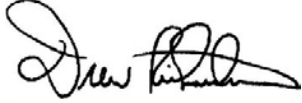
On the other side of the world, the decline of corals on Australia's Great Barrier Reef would have an equally significant economic impact. Queensland, the primary jumping-off point to the Great Barrier Reef, is a stopover for 93% of international divers visiting Australia and approximately 40% of domestic diving holidays for Australians. From there, approximately 700 scuba diving tourism operators provide tourist access to the Great Barrier Reef Marine Park. Each year almost 2 million tourists visit the Great Barrier Reef, spending more than AU\$4 billion on reef-related industries from diving to boat rentals to island resort stays.

As an organization, PADI has long been committed to public education on the importance of a healthy marine environment throughout our training courses and materials, as well as through the establishment and ongoing support of the Project AWARE Foundation. In addition, PADI was a sponsor of the 11th International Coral Reef Symposium (ICRS), held in Ft. Lauderdale, Florida, in July of 2008. This purpose of this gathering of over 3,500 coral reef scientists and conservationists from 75 countries was to provide the opportunity for all affected stakeholders to assimilate the most recent and best scientific information available about coral reefs. The outcome of the meeting was a call to action that “...coral reefs are teetering on the edge of survival and that... high levels of carbon dioxide in the atmosphere have produced a lethal combination of hotter and less alkaline seawater.”

In summary, the global recreational scuba diving and snorkeling industry is dependent upon the health of world's coral reefs for its very existence. The loss of coral reefs and the subsequent collapse in the marine ecosystems that are supported by them would eliminate the primary reason why scuba divers and snorkelers choose to participate in our industry's activity, result in the rapid decline in scuba diving and snorkeling as popular recreational activities and severely damage dive retailers and resorts, as well as the equipment manufacturers, training organizations and travel agent wholesalers that rely upon them.

Thank you again for the opportunity to contribute to the upcoming hearing how the recreational scuba diving industry is likely to be affected by continued ocean acidification.

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Richardson". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dr. Drew Richardson
President and Chief Operating Officer
PADI Worldwide