

**Statement of Tim Rout, CEO, Dyno Ventures, LLC**  
**Before the Subcommittee on Interior, Committee on Oversight and Government Reform,**  
**U.S. House of Representatives**  
**On Modernizing the National Park Service Concessions Program**  
**July 23, 2015**

Chairman Lummis and Members, Dyno Ventures is pleased to offer this testimony regarding ways to continue and improve the tradition of great visitor experiences and telling of park stories through a partnership between concessioners and the National Park Service. My name is Tim Rout and I serve as CEO of my organization. My team, originally under the Endeka Group entity, developed, implemented and operated all Wi-Fi and Internet-TV concessions on military bases for the U.S. Marine Corps, U.S. Army, U.S. Air Force, Department of Homeland Security and the FBI Academy. That innovative global project was made possible through partnerships with non-appropriated fund instrumentalities (NAFIs), such as Marine Corps Community Services (MCCS) and the Army Air Force Exchange Service (AAFES). The project was entirely funded with over \$90 million from private investors, and required zero U.S. government funding. Our team developed innovative broadband technologies that today allow hundreds of thousands of service members to roam seamlessly across military bases, worldwide, with their wireless devices. They are able to use the same broadband wireless Internet/TV service plan at all remote locations, at half the price of competing services. The NAFI partners have realized millions of dollars in revenue sharing from this service, allowing them to continue providing critical morale programs in an environment of decreasing appropriated funding (APF) budgets. The NAFI model was truly a win-win-win for service members, the military and our private investors.

For over 100 years the stewards of our public lands have walked a fine line between preserving natural wonders for all Americans and providing the kinds of services that enable access to, and enjoyment of, those lands. Our comments address our experiences and our ideas for attracting a diverse range of visitors, for using park financial resources effectively and efficiently, and for using the technical and management skills of companies like mine.

Our suggestions for improving services on public lands are as follows:

- (1) Each land management agency should establish a non-appropriated fund instrumentality (NAFI). NAFI organizations are entirely self-funded, and are tasked with partnering with commercial vendors of products and services on public lands. They do not operate under the Federal Acquisition Regulations (FAR), but use the FAR as a guideline for commercial contracting operations. Establishment of NAFIs for the National Park Service, U.S. Forest Service and the U.S. Army Corps of Engineers would greatly enhance the quality and quantity of services available to visitors to public lands and, therefore, visitation. Furthermore, it would produce significant new non-appropriated funding for other public land maintenance operations, just as it has for MCCS and AAFES. One of the first steps for a new NAFI should be to execute a comprehensive marketing survey of visitors to public land, leveraging information about their demographics, and their expectations, in the development of new services and products.

- (2) Land management agencies should establish close liaison with other NAFIs, such as MCCA and AAFES/Exchange, to take advantage of the vast experience of those agencies. For example, when writing commercial contracts for provision of services and products, NAFIs routinely list within those contracts other agencies that may utilize the same vendor. This procedure is designed to make government more efficient, with all agencies able to use the same contract vehicles, without a separate years-long procurement process. Many commercial services on public land, from hospitality and cafes to telecommunications, have been sourced, vetted and contracted by other NAFIs. Public land management agencies should leverage that institutional knowledge, even as they seek specialized solutions for their unique market.
- (3) Services and products offered on public land should adhere to the same market- segmentation practices that have proven to be effective in society as a whole; from basic amenities at low price to premium hospitality services/products at high price, offerings on public lands should attract those from a diverse socio-economic background. For example, the higher revenue from premium food and drink, or ultra-high speed Internet will assist agencies in funding more basic amenities at lower prices, or even offering them for free. A NAFI is best suited to ensuring the appropriateness and range of offerings by commercial vendors.

We continue to believe that public land management, and more diverse visitation, can best be enhanced through the provision of market-based, for-fee services. The American population increasingly expects both basic and premium hospitality amenities while on vacation, even on public land. It is critical that specialized, self-funded NAFIs oversee the quality provisioning of those services.

We thank you for allowing us to share our thoughts on how we can work in cooperation with the National Park Service and other organizations in the tourism and recreation communities to deliver great park experiences to a growing and changing America and to those who come to our nation to visit great places that tell America's stories.

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