

Chairman Williams, Ranking Member Gluesenkamp-Perez, I am delighted to stand before you today and share my story. My name is Josh Phillips, and I am the owner and President of Spawn Fly Fish, a thriving fly shop located in Ilwaco, Washington. This quaint town over 2000 miles away embodies the essence of rural America, where challenges are plentiful. However, my company has committed to not only achieving success in our own community but also inspiring success in rural communities nationwide, despite the obstacles we face.

Having grown up visiting Ilwaco my entire life and moving there full time several years ago, I have personally witnessed the struggles endured by its community. Limited housing, scarce job opportunities, and the subsequent talent drain from rural areas are all too familiar to us. Driven to make a difference, I embarked on a journey to bring a growing e-commerce business to Ilwaco, showcasing the power of hard work and determination.

While our venture focuses on fly fishing, it is our unwavering passion for community that has garnered recognition and success in rural America. Recognizing the need for stability in rural communities, I seized the opportunity to create a foundation of support and empowerment using the tools at hand. Spawn Fly Fish was born out of a deep commitment to providing exceptional products and fostering a sense of community among fly fishing enthusiasts.

To ensure the success of our business, we made a commitment to rural America by building a thriving community around our brand through a brick-and-mortar storefront. We understand the significance of supporting local economies and generating job opportunities within our community. By sourcing materials locally and collaborating with other small businesses in the area, we not only bolster the regional economy but also forge strong relationships that contribute to the overall growth and vitality of rural America.

In addition to our dedication to the local community, we are also advocates for environmental sustainability. Recognizing the delicate balance of ecosystems and the importance of preserving the natural resources that enable outdoor recreation, Spawn Fly Fish is dedicated to preservation. We donate a percentage of profits to conservation groups and aim to create lifelong stewards of the environment.

Through our unwavering commitment to our rural community, Spawn Fly Fish has emerged as more than just a thriving business. We have become a beacon of hope, fostering a strong sense of community and inspiring success. Our entrepreneurial spirit exemplifies the resilience and determination that define our great nation, serving as an inspiration for others in rural communities. By demonstrating that success can be achieved outside of urban centers, our small fly shop paves the way for the revitalization of rural economies and the empowerment of local talent.

However, life as a small business owner in a rural community is incredibly challenging. After six years, we are still completely owner-operated without any employees. The lack of available housing makes it difficult for us to attract talented staff, and this housing issue also affects us as owners. To address this, I had to advocate with the city council to allow single-floor occupancy in

the commercial district, enabling one of my partners to move to Ilwaco and help operate our business together.

The obstacles we face go beyond housing. Our financial situation is a constant battle, as rural communities often experience high turnover of businesses and lack local banking options. Securing simple lines of credit and business loans becomes a lengthy and challenging process, forcing us to rely on credit cards for operating expenses.

In addition, essential services such as gas, water, groceries, internet, and health services are all limited and come at a premium cost in rural communities. This further strains our financial resources.

Many rural communities like ours rely on tourism, and many of these communities' tourism opportunities, including ours, involve outdoor recreation. At the forefront of recreation in Ilwaco is fishing. The need for funding and proper management of these fish populations and the watersheds that they live and access to them is vital to our community's survival. Not only are recreational activities like fishing experiencing limitations through shortened seasons, but the places where these activities occur – public lands - is also being restricted. Limited access to public land has become more of an obstacle, hindering our ability to fish and recreate in the places we love. When someone visits our community to recreate every single person in this community wins.

Despite all the challenges, we remain committed to the future of rural communities. We understand that if we lose the people who care about these areas, our rural communities will lose their essence and vibrancy. Therefore, we persist in our efforts to overcome these obstacles, seeking solutions and support to ensure the long-term sustainability of our business and the well-being of our community.

In closing, I extend my gratitude to the committee members for your time and consideration. It is an absolute honor to have the opportunity today to share my experience and offer insights into what it takes to build, sustain, and inspire small business success in rural America. I am ready to answer any questions you may have and continue to champion the prosperity of rural communities.