

**Economic Impact of THE PLAYERS Championship Golf Tournament  
at Ponte Vedra Beach, Florida, March 2005**

By

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Since the early 1980s, THE PLAYERS Championship (TPC) golf tournament has been held during the month of March at the Sawgrass Stadium Golf course in Ponte Vedra Beach, Florida. This event is part of the PGA TOUR and is operated by PGA TOUR Inc. Ponte Vedra Beach is located in the north-eastern corner of St. Johns County, Florida, about 25 miles from both Jacksonville (to the northwest) and St. Augustine (to the south). Ponte Vedra is also the world headquarters of the PGA TOUR. The Food and Resource Economics Department (FRED) at the University of Florida was asked by PGA TOUR to conduct an economic impact analysis of this sports event for 2005, which took place between March 23<sup>rd</sup> and 28<sup>th</sup>. Impact analysis provides a more comprehensive assessment of how an economic event or activity interacts with different types of businesses and institutions within a region's economy, and an economy as a whole.

To obtain data on the characteristics, behaviors and expenditures of tournament attendees, the PGA TOUR contracted with EventCorp Services Inc. to conduct an on-site survey of a sample of those attendees. A total of 2,403 usable questionnaires were completed during this survey. Summary statistics on attendee place of residence, length of stay, on- and off-site expenditures and overnight accommodations were provided by EventCorp Services.<sup>1</sup> Total attendance was estimated at 180,000 by the PGA TOUR's Championship Management Division. As with all empirical analysis, the accuracy of the results depend on the accuracy of the data. Without access to raw survey data it was not possible to estimate standard errors or confidence intervals on expenditure estimates.

Information on attendees' place of residence is critical for economic impact analysis because spending by individuals from outside the region provides "new" money to the local

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<sup>1</sup> EventCorp Services Inc. "Response Data Summary Report of I Count Survey Service, conducted for the PGA TOUR Inc. at THE PLAYERS Championship" April 1, 2005.

economy. These new dollars generate additional multiplier effects as local or regional businesses purchase inputs and pay wages or salaries, owners spend earnings, and governments collect taxes. In contrast, spending by local or resident attendees within a regional economy does not necessarily constitute a change in total spending within the region. Knowledge about the type of spending that occurs is also important because spending in different sectors of the economy entail different amounts and types of labor and material inputs. If certain inputs (or employees) must be imported (or commute) from outside the region, then those expenditures represents dollars leaving the economy, which reduces the overall economic impact of an activity. Generally, business activities that are more labor and/or management intensive will generate greater regional economic impacts than those which are relatively more capital or resource intensive.

Once estimates of the types and amounts of attendee expenditures are calculated, these numbers can be entered into an input-output model of the regional economy to estimate economic impacts. Such impact estimates would include changes in output, earnings or income, profits, employment and taxes for a wide variety of business and institutional sectors of the regional economy. The Food and Resource Economics Department uses the IMPLAN PRO<sup>2</sup> (IMPLAN) software package to construct regional input-output models and calculate economic impacts. IMPLAN is licensed to the University of Florida by the Minnesota IMPLAN Group, Inc.

PGA TOUR estimated that total attendance (ticket sales) to the event over the six day period was 180,000. Respondents to the EventCorp survey indicated that the number of days they attended the event, on average, was 2.5. From these two numbers, it can be estimated that there were approximately 72,000 attendees to the tournament event (Table 1). The EventCorp survey did not attempt to determine the number of individuals (or their expenditures) who accompanied attendees to the area, but did not attend the event. Data on the number of players, caddies, officials, directors and TV crew was also provided by PGA TOUR. Statistics on attendees' place of residence, primary purpose in traveling to the area, duration of attendance, and type of overnight accommodations were derived from the survey report and are presented in

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<sup>2</sup> Minnesota IMPLAN Group (MIG), 2002. IMPLAN, Economic Impact and Social Accounting Software, and data for Florida. Stillwater, MN. [www.implan.com](http://www.implan.com). The most current release of the IMPLAN software package, which was used at the time of this analysis, was based on 2002 data.

Table 1. The right-hand column shows the reported or estimated number of attendees for each category.

**Table 1. Attendance Estimates and Categorical Survey Responses for THE PLAYERS Championship Golf Tournament, Ponte Vedra, Florida, March 2005**

<b>Statistic</b>	<b>Survey Responses</b>		<b>Estimated Attendees</b>
	<b>Number</b>	<b>Percent</b>	
<b>Total Attendance (tickets sold)</b>			180,000
<b>Average Days Attended per Attendee</b>	2.50		
<b>Estimated Number of Attendees</b>			72,000
<b>Total number of completed questionnaires</b>	2,403		
<b>Place of Residence Responses</b>	2,147	100.00%	72,000
Locals (north-east Florida residents)	1,185	55.19%	39,739
Non-locals	962	44.81%	32,261
<b>Purpose Responses (Non-locals)</b>	959	100.00%	32,261
Primary Purpose Non-locals	765	79.77%	25,735
Coincidental Non-Locals	194	20.23%	6,526
<b>Primary Overnight Stay Responses</b>	764	100.00%	25,735
Did stay overnight in area	535	70.03%	18,021
Did not stay or undecided to stay overnight	229	29.97%	7,714
Average length of stay (nights)			4.30
<b>Primary Type of Accommodation Responses</b>	532	100.00%	18,021
Stayed with family or friends	204	38.35%	6,910
Stayed in Commercial Accommodations	328	61.65%	11,111
<b>Coincidental non-local attendees</b>	194	100.00%	6,526
Who stayed overnight *	136	70.03%	4,570
And lodged at commercial facilities *	84	61.65%	2,818
<b>Participants, officials, directors, and TV crew</b>			1,267
Average length of stay (nights)			5.86

\* Based on proportion estimated for Primary non-locals

For purposes of the survey and this analysis, the region or local study area was defined as north-east Florida, which consists of seven counties including Baker, Clay, Duval, Flagler, Nassau, Putnam and St. Johns. Details on the size and distribution of population, employment and personal income within this seven county region are provided in Appendix Table A1. An estimated 1.6 million people were residents of this region in 2004. The regional economy generated over 900,000 jobs and personal income in excess of \$47 billion in 2003. It is notable

that over three-quarters of the region's population and economic activity occur in just two of the seven counties, Duval and St. Johns.

Individuals residing within these seven counties were deemed to be locals and all others as non-locals. Nearly 45 percent or 32,261 of the event's attendees were estimated to reside outside the study area (Table 1). If non-local attendees came to the area primarily to attend the tournament, then all of their off-site, as well as their on-site, expenditures were included in the estimation of economic impacts. About 80 percent of non-local attendees came primarily to attend the golf tournament. Non-local attendees who came to the area for other reasons, were classified as "Coincidental" attendees. In this case, the inclusion of off-site expenditures was limited to the average length of days attended (2.5), instead of the average length of overnight stays (4.3), so that average off-site expenditures of coincidental attendees staying overnight were estimated at  $2.5/4.3$  or 58 percent of the expenditures estimated for primary attendees who stayed overnight. Lodging was included in off-site expenditures for the proportion of non-local attendees staying overnight in commercial facilities. It was assumed that coincidental non-local attendees stayed overnight and stayed in commercial facilities in the same proportions as primary attendees (Table 1).

Details of the estimation of on-site expenditures by locals and non-locals at the event are provided in Table 2. For on-site expenditures, the survey questionnaire asked respondents to select from nine different ranges of expenditures incurred per day for themselves and separately for others in their party. EventCorp routinely adjusts the results for these questions downward because they have found that with certain types of events that respondents frequently confuse the difference between spending on themselves and others and consequently over-report their actual expenditures. In the case of THE PLAYERS Championship, average on-site expenditures were not adjusted because the composition of attendees to the tournament was not as family oriented as events that EventCorp used to calibrate their adjustment procedure.

**Table 2. Estimated On-site Expenditures by Attendees and Participants of THE PLAYERS Championship Golf Tournament, March 2005.**

<b>By Locals <sup>1</sup></b>	
Estimated local attendees	39,739
Avg. number of days attended per attendee	2.5
Total attendance days (attendees x 2.5)	99,348
Average on-site expenditures per attendee day	\$77.37
<b>Total by locals</b>	<b>\$7,686,203</b>
<b>By Non-locals</b>	
<b>Primary attendees <sup>2</sup></b>	
Estimated primary non-local attendees	25,735
Avg. days attended per attendee	2.6
Total attendance days	66,910
Average on-site expenditures per attendee day	\$77.37
<b>Total by primary non-locals</b>	<b>\$5,176,601</b>
<b>Coincidental attendees <sup>3</sup></b>	
Estimated coincidental non-local attendees	6,526
Avg. days attended per attendee	2.2
Total attendance days	14,358
Average on-site expenditures per attendee day	\$77.37
<b>Total by coincidental non-locals</b>	<b>\$1,110,796</b>
<b>Participants, officials, friends and others</b>	
Number	1,267
Avg. days attended per attendee	5.9
Total attendance days	7,422
Average on-site expenditures per attendee day	\$77.37
<b>Total by participants etc.</b>	<b>\$574,214</b>
<b>Total by non-locals</b>	<b>\$6,861,612</b>
<b>Total On-site expenditures (all sources)</b>	<b>\$14,547,814</b>

Source: PGA TOUR (Championship Management Division) and EventCorp Services Inc.

1. Local attendees' home residence was located in the seven county region of northeast Florida.
2. Primary attendees are non-local attendees whose primary purpose for traveling to the area was to attend the event.
3. Coincidental attendees are non-local attendees whose traveled to the area for some other reason than to attend the event.

Based on the survey results, on-site expenditures for all types of attendees averaged \$77.37 per day. The average number of days attended varied among respondents. Coincidental non-local attendees attended 2.2 days on average, compared to an average 2.6 days for primary non-locals and 2.5 days for local attendees. Total on-site expenditures were estimated by multiplying the average daily expenditures, by the average number of days attended, by the estimated number of attendees for each classification, and then summing the class sub-totals. Approximately 54 percent, or \$7.68 million (Mn.) of total on-site expenditures were estimated to originate from local attendees, compared to \$6.86 Mn. from non-local attendees and participants (Table 2).

About three-quarters, or \$5.18 Mn., of on-site spending by non-locals, came from primary non-local attendees. Coincidental attendees contributed around 16 percent of non-local on-site expenditures, with the remaining 8.4 percent (\$0.57 Mn.) coming from players, caddies, officials, directors and their family and friends. All together, estimated on-site expenditures from local and non-local sources totaled approximately \$14.55 Mn. (Table 2).

The composition of on-site expenditures was not solicited by the survey questionnaire except with respect to whether they occurred for “yourself” or “others with you”, for “food, beverage, admission, parking and merchandise”. For purposes of estimating the economic impacts, the \$14.2 Mn. in on-site expenditures was equally divided between “Sporting Goods, Hobby, Book and Music Stores” (NAICS 451)<sup>3</sup>, “Food Services and Drinking Places” (NAICS 722) and “Spectator Sports” (NAICS 7112) equivalent industry sectors in the IMPLAN input-output model.

The magnitude and composition of off-site expenditures by non-local attendees are itemized in Table 3. Off-site expenditures by local attendees were not solicited in the survey questionnaire, because such spending could not be directly attributed to the occurrence of the tournament event. Estimated off-site expenditures by non-local attendees totaled slightly over \$36.0 Mn. for the tournament. Over 88 percent, or \$31.9 Mn. of these expenditures were made by attendees who visited the area primarily to attend the event. Non-locals who attended the

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<sup>3</sup> NAICS is the North American Industry Classification System: see <http://www.census.gov/epcd/www/naics.html> for details.

**Table 3. Estimated Off-site Expenditures by Non-local Attendees of THE PLAYERS CHAMPIONSHIP Golf Tournament, March 2005.**<sup>1</sup>

<b>Expenditure Category</b>	<b>Expenditures Per Attendee</b>	<b>Number of Attendees</b>	<b>Total Expenditures</b>
<b>Primary non-local attendees<sup>2</sup></b>			
<b>Expenditures</b>			
Commercial lodging	\$424	11,111	\$4,710,932
Restaurants, bars and lounges	\$313	25,735	\$8,054,947
Food stores	\$182	25,735	\$4,683,707
Retail stores	\$226	25,735	\$5,816,032
Transportation	\$175	25,735	\$4,503,565
Other recreation	\$160	25,735	\$4,117,545
<b>Total</b>			<b>\$31,886,728</b>
<b>Coincidental non-local attendees<sup>3</sup></b>			
<b>Expenditures<sup>4</sup></b>			
Commercial lodging	\$217	2,818	\$611,225
Restaurants, bars and lounges	\$160	6,526	\$1,045,098
Food stores	\$93	6,526	\$607,693
Retail stores	\$116	6,526	\$754,608
Transportation	\$90	6,526	\$584,320
Other recreation	\$82	6,526	\$534,236
<b>Total</b>			<b>\$4,137,181</b>
<b>Total off-site expenditures by non-locals</b>			<b>\$36,023,908</b>

Source: PGA TOUR (Championship Management Division) and EventCorp Services Inc.

1. Non-Local attendees' home residence was located outside the seven county region of northeast Florida.
2. Primary attendees are non-local attendees whose primary purpose for traveling to the area was to attend the event.
3. Coincidental attendees are non-local attendees who did not travel to the area primarily to attend the event.
4. Expenditures by coincidental non-local attendees were estimated at 51.16% of expenditures by primary non-locals.

tournament coincidentally contributed only about 11.5 percent, or \$4.1 Mn., to total off-site expenditures. This was mainly because there were substantially fewer non-locals who attended the event coincidentally and it was assumed that their length of stay (days attended) was the average for all attendees (2.5 days) instead of the average stay for primary non-local attendees staying overnight (4.3 days).

Expenditures by players, caddies, rules officials, TV crews and PGA directors also contributed to the economic impact of the event. Since no specific data or estimates on

expenditures made by this group were available for the event, estimated average daily expenditures for primary non-local attendees were used instead. PGA TOUR, Inc. was able to provide data on the number and length of stay for different types of participants. With these data and estimates, total expenditures by participants for lodging, restaurants, retail stores, transportation and other recreation were calculated by multiplying the total number of days all participants stayed at the event by the average daily expenditures estimated for primary non-locals (Table 4). The value of expenditures for participants and tournament associates was estimated to be \$2.66 Mn. using this method.

**Table 4. Estimated Off-site Expenditures by Non-local TPC Participants and Tournament Associates**

<b>Expenditure Category</b>	<b>Expenditures Per Day <sup>1</sup></b>	<b>Participant Days <sup>2</sup></b>	<b>Total Expenditures</b>
Commercial lodging	\$98.60	7,422	\$731,844
Restaurants, bars and lounges	\$79.77	7,422	\$592,034
Food stores	\$44.88	7,422	\$333,127
Retail stores	\$54.19	7,422	\$402,169
Transportation	\$43.72	7,422	\$324,497
Other recreation	\$36.74	7,422	\$272,715
<b>Total</b>	<b>\$357.91</b>	<b>7,422</b>	<b>\$2,656,386</b>

1. Per-day expenditures by participants were based on average daily expenditures by primary non-local overnight attendees who used commercial lodging.

2. Equals 1,267 (participants and affiliates) times 5.86 (average length of stay in days).

Expenditures by all types of attendees and participants are summarized in Table 5. Total expenditures from all types of attendees and participants are estimated at slightly more than \$53.2 Mn.. Approximately \$14.5 Mn. or 27.3 percent of total expenditures occurred on site, while off-site expenditures amounted to nearly \$38.7 Mn., dominating on-site expenditures by more than 2.6 to one. Total expenditures originating from attendees residing in northeast Florida summed to nearly \$7.7 Mn., but this was dwarfed by spending from non-local attendees and participants, which totaled over \$45.5 Mn.. Approximately 86 percent of all spending associated with the Tournament originated from outside the region. This high proportion of outside or new dollars is notable because these expenditures generate additional economic activity through multiplier effects within the region.

**Table 5. Summary of Expenditures by Attendees and Participants in The Players Championship Golf Tournament**

<b>Category</b>	<b>Amount</b>	<b>Percent</b>
<b>On-site expenditures</b>		
by local attendees	\$7,686,203	14.44%
by non-local attendees and participants	\$6,861,612	12.89%
<b>Total on-site expenditures</b>	<b>\$14,547,814</b>	<b>27.33%</b>
<b>Off-site Expenditures</b>		
by non-local attendees	\$36,023,908	67.68%
by non-local participants & associates	\$2,656,386	4.99%
<b>Total off-site expenditures</b>	<b>\$38,680,294</b>	<b>72.67%</b>
<b>Total expenditures by locals</b>	<b>\$7,686,203</b>	<b>14.44%</b>
<b>Total expenditures by non-locals</b>	<b>\$45,541,906</b>	<b>85.56%</b>
<b>Total expenditures of all types</b>	<b>\$53,228,108</b>	<b>100.00%</b>

To estimate the economic impacts of the Tournament on the seven county region of northeast Florida, an input-output model of the region was constructed using IMPLAN software and associated databases. This model included institutional sectors for households, state, local and federal government, and capital accounts which allows the estimation of social accounting matrices and multipliers. The expenditures calculated in Tables 2, 3 and 4 were then allocated to the appropriate IMPLAN sectors and entered into the impact analysis module of the software. The allocations of expenditures to IMPLAN sectors are shown in Table 6.

The first three columns of Table 6 show the economic sector name and number assigned to each expenditure category. The Expenditure Value column (column 4) shows the total expenditures estimated for each sector. It should be noted that transportation expenditures estimated from the survey were divided equally among three related IMPLAN modeling sectors; Transit and Ground Passenger Transportation, Automotive Equipment Rental and Leasing, and Gasoline Stations. Similarly, on-site expenditures were allocated equally between Spectator Sports, Sporting Goods, Hobby, Book and Music Stores, and Restaurants, Bars and Lounges. Since spending by local residents does not generate multiplier effects for the local economy, only the direct impacts resulting from these expenditures were included in calculating the total economic impacts. More detailed IMPLAN impact modeling parameters are provided in Table A2 and associated narrative in the Appendix of this report.

**Table 6. Allocation of Attendee Expenditures to Industry Sectors for THE PLAYERS Championship Golf Tournament, March 2005.**

Industry Sector Name	Sector Numbers		Expenditure Value
	IMPLAN	NAICS	
<b>Spending by locals</b>			
Sporting goods, hobby, & book stores	409	451	\$2,562,068
Spectator sports	472	7112	\$2,562,068
Restaurants, bars and lounges	481	722	\$2,562,068
<b>Sub-total</b>			<b>\$7,686,203</b>
<b>Spending by non-locals</b>			
Transit & ground passenger transportation	395	485	\$1,804,127
Food and beverage stores	405	445	\$5,624,527
Gasoline stations	407	447	\$1,804,127
Sporting goods, hobby, & book stores	409	451	\$2,287,204
Miscellaneous store retailers	411	453	\$6,972,809
Automotive equipment rental and leasing	432	5321	\$1,804,127
Spectator sports	472	7112	\$2,287,204
Amusement, gambling, & recreation	478	713	\$4,924,496
Hotels and motels, including casino hotels	479	7211	\$6,054,001
Food services and drinking places	481	722	\$11,979,283
<b>Sub-total</b>			<b>\$45,541,906</b>
<b>Total</b>			<b>\$53,228,108</b>

## Results

A summary of the estimated economic impacts for THE PLAYERS Championship golf tournament is shown in Table 7. Output, value-added, labor income, indirect business taxes and employment impacts are given in individual rows of the table. The table columns separate the direct, indirect, induced and total economic impacts. Direct impacts are those directly attributable to the revenues generated by businesses that serve visitors, basically measuring the value of production or services. For the Tournament, direct impacts result from both local and non-local attendee expenditures, but only non-local expenditures generate indirect and induced impacts. Indirect impacts count the expenditures made by directly impacted businesses to purchase inputs, and the increased output and purchases of their suppliers. Induced effects include the economic impacts from the increased spending by households of employees and owners of directly and indirectly affected businesses. The total impact is the sum of the direct,

indirect and induced effects and measures the complete impact of an activity as it ripples throughout the regional economy. All results are stated in current (2005) dollars.

Output impacts represent the total value of sales and revenues for goods and services generated by the region’s businesses. The direct output impacts generated by the tournament totaled \$42.31 Mn. (\$6.18 Mn. from expenditures by locals, plus \$36.13 Mn. due to spending by non-locals). Indirect output impacts were slightly over \$11 Mn. Induced output impacts were the largest of the three effects, totaling \$42.44 Mn. The total output impact of the Tournament for northeast Florida is the sum of the direct, indirect and induced output impacts, and is estimated to be \$95.78 Mn. in 2005 dollars.

Value-added impacts represent labor and management income, business profits, other property related income and indirect business taxes that are generated by the event. This measure of economic impact on northeast Florida as a result of the Tournament was estimated to total \$59.89 Mn. for 2005. The labor income component of the value-added impact was estimated to equal \$40.71 Mn. Indirect business taxes are estimates of how much excise, property, and sales taxes, as well as business and licensing fees were generated as a result of the TPC. This does not include taxes on income or profits. It is estimated that the Tournament resulted in an increase of nearly \$6 Mn. in indirect business tax revenues for all forms of government in 2005. Employment impacts estimate the number of full and part-time jobs created by an economic activity based on industry-average output per worker statistics. A total of 1,398 jobs were estimated to be created through the direct, indirect and induced effects of the Tournament in northeast Florida.

**Table 7. Economic Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005. <sup>a</sup>**

Impact Type/Level	Units	Impacts from Local Revenues	Impacts from Non-Local Revenues			Impacts from All Revenues
		Direct	Direct	Indirect	Induced	Total
<b>Output</b>	<b>\$ Million</b>	6.18	36.13	11.03	42.44	95.78
<b>Value Added</b>		4.02	21.80	6.73	27.33	59.89
<b>Labor Income</b>		3.35	14.64	3.78	18.93	40.71
<b>Indirect Bus. Taxes</b>		0.47	2.98	0.57	1.95	5.97
<b>Employment</b>		<b>Jobs</b>	122	693	99	484

<sup>a</sup>Total impacts equal the sum of direct, indirect and induced impacts. Output, value added, labor income, indirect taxes and employment represent different measures of economic activity and cannot be added together.

More detailed economic impacts by two digit NAICS sector codes are provided in Appendix Tables A3 through A7, for output, value added, labor income, indirect business taxes and employment in northeast Florida. The four largest two-digit NAICS sectors impacted by the Tournament were Retail Trade, Arts, Entertainment and Recreation, Accommodation and Food Services, and Government (Table A3). Accommodation and Food Services were the biggest beneficiary of this golf event, garnering 23.5 percent or more than \$22.51 Mn. of its total output impacts. Retail trade came in second with 13.5 percent or \$12.71 Mn. in output impacts, followed closely by Arts, Entertainment and Recreation at \$10.50 Mn., and Government at \$9.84 Mn.

The distribution of value added impacts across industry sectors is similar to output, with the same top four sectors, but is not so dominated by Accommodations and Food Services (Table A4). This sector captured 20.5 percent or \$12.3 Mn. in value added impacts, compared to 16 percent for Retail Trade and just under 15 percent or \$8.9 Mn. for government sectors value added impacts. Because labor income comprises about two-thirds of value added impacts for this analysis, it is not surprising that the distribution of these impacts are quite similar to those for value added (Table A5). For indirect business taxes, the Retail Trade sector generates the largest amount of government revenues, \$1.88 Mn., as a result of taxes on retail sales associated with the TPC (Table A6). This represents 31.5 percent of the total indirect business taxes generated from the event. The Accommodations and Food Services sector provided over 24 percent, or \$1.46 Mn., of the total indirect tax impacts from their Tournament associated business. The third and fourth largest indirect tax impacts came from Arts, Entertainment and Recreation, and, Wholesale Trade respectively. Four-hundred and eighty-five jobs or nearly 35 percent of the total employment impacts associate with the TPC occurred in the Accommodation and Food Services sector (Table A7). The next largest employment impact took place in Retail Trade, which was responsible for creating 271 additional jobs (19.4 percent of the total) in the region. Arts, Entertainment and Recreation, and Government had the third and fourth largest employment impacts resulting from the Tournament.

Looking at the distribution of impacts across the direct, indirect and induced effects, it is notable that indirect effects comprise less than 12 percent of the total impacts for all forms of economic impacts. This implies that expenditures by TPC attendees do not generate a large demand for material inputs, or conversely that TPC related sales are more service or value-added

in nature. Events or industries that generate more value added impacts often have higher overall multiplier effects within a regional economy. This is because it is unlikely that a region such as northeast Florida would produce a large proportion of the material inputs needed to supply sales for a golf tournament. This is confirmed in Table 8, where the implicit multipliers for non-local expenditures associated with the Tournament are presented. Direct multipliers are equal to one by definition and total multipliers are equal to the sum of the direct, indirect and induced multipliers. Here, it can be seen that the induced multipliers are from three to five times larger than the indirect multipliers. This is another way of showing that the most important form of economic impacts from the TPC occur as households of employees and business owners spend the earnings and profits derived from the business it generates in the region.

The magnitude of the implicit multipliers for the total impacts of the Tournament range from 2.563 for value added, to 1.841 for Employment. Generally multipliers greater than two are considered favorably in terms of relative economic impacts and would indicate events or activities that should be prioritized by local governments and civic leaders. Clearly THE PLAYERS Championship golf tournament is an important event for northeast Florida, and one that has significant and widespread economic benefits for it.

**Table 8. Implicit Multipliers for Economic Impacts of Non-local Expenditures Associated with THE PLAYERS Championship Golf Tournament, March 2005.**

<b>Impact Type/Effect</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<b>Output</b>	1.000	0.305	1.175	2.480
<b>Total Value Added</b>	1.000	0.309	1.254	2.563
<b>Labor Income</b>	1.000	0.258	1.293	2.551
<b>Indirect Business Taxes</b>	1.000	0.193	0.654	1.847
<b>Employment</b>	1.000	0.143	0.698	1.841

Economic impact analysis allows a more comprehensive assessment of how an industry or economic event affects a regional economy, beyond its direct impacts (gross revenues or sales). Not only can economic impacts be estimated for specific types of businesses and institutions in the region, but additional impacts (indirect and induced) can be estimated as these revenues filter out or multiply through the economy. This occurs as businesses purchase inputs and pay their employees, and as owner and employee households spend their earnings from those businesses. Output, value added, income and jobs are basic units for measuring economic activity. Estimating the size of these economic indicators makes it possible to evaluate and

compare the impact of THE PLAYERS Championship Golf Tournament to the whole economy and other industries or sectors within that economy.

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[http://en.wikipedia.org/wiki/PGA\\_TOUR](http://en.wikipedia.org/wiki/PGA_TOUR)

<http://www.tpcsawgrass.com/>

## Appendix

**Table A1. Population, Employment and Personal Income for the Seven Counties of Northeast Florida, 2003/2004.**

	Estimated Population 2004	Percent of Area	Employment 2003	Percent of Area	Personal Income 2003	Percent of Area
County	Population	Percent	Employment	Percent	\$1,000s	Percent
Baker	24,019	1.50%	7,844	0.86%	\$484,769	1.03%
Clay	164,394	10.24%	52,851	5.81%	\$4,251,985	9.01%
Duval	821,338	51.15%	584,839	64.32%	\$24,541,928	52.00%
Flagler	69,005	4.30%	18,716	2.06%	\$1,500,222	3.18%
Nassau	63,157	3.93%	23,524	2.59%	\$1,974,829	4.18%
Putnam	72,511	4.52%	23,346	2.57%	\$1,462,141	3.10%
St. Johns.	391,449	24.38%	198,117	21.79%	\$12,978,585	27.50%
<b>Total</b>	<b>1,605,873</b>	<b>100.00%</b>	<b>909,237</b>	<b>100.00%</b>	<b>\$47,194,459</b>	<b>100.00%</b>

Sources: U.S. Dept of Commerce, Census Bureau, Population Division. <http://www.census.gov/popest/estimates.php>

U.S. Dept of Commerce, Bureau of Economic Analysis, Regional Economic Accounts  
<http://www.bea.doc.gov/bea/regional/reis/default.cfm#a>

**Table A2. IMPLAN Sector Allocations and Modeling Parameters for THE PLAYERS Championship Golf Tournament Attendee Expenditures, March 2005.**

IMPLAN Sector Name	IMPLAN Sector Number	NAICS Sector Number	Expenditure Value	Basis	Margin	Deflator
<b>Spending by locals</b>						
Sporting goods, hobby, & book stores	409	451	\$2,562,068	Commodity	0.378	1.091
Spectator sports	472	7112	\$2,562,068	Industry		1.062
Restaurants, bars and lounges	481	722	\$2,562,068	Industry		1.070
<b>Sub-total</b>			<b>\$7,686,203</b>			
<b>Spending by non-locals</b>						
Transit & ground passenger transportation	395	485	\$1,804,127	Industry		1.080
Food and beverage stores	405	445	\$5,624,527	Commodity	0.275	1.080
Gasoline stations	407	447	\$1,804,127	Commodity	0.278	1.080
Sporting goods, hobby, & book stores	409	451	\$2,287,204	Commodity	0.378	1.091
Miscellaneous store retailers	411	453	\$6,972,809	Commodity	0.410	1.062
Automotive equipment rental and leasing	432	5321	\$1,804,127	Industry		1.104
Spectator sports	472	7112	\$2,287,204	Industry		1.062
Amusement, gambling, & recreation	478	713	\$4,924,496	Industry		1.047
Hotels and motels, including casino hotels	479	7211	\$6,054,001	Industry		1.093
Food services and drinking places	481	722	\$11,979,283	Industry		1.070
<b>Sub-total</b>			<b>\$45,541,906</b>			
<b>Total</b>			<b>\$53,228,108</b>			

The Basis modeling parameter shown in the fifth column of Table A2 is either Industry or Commodity. A Commodity basis is usually applied to expenditures on merchandise goods that undergo little or no transformation at the point of sale and are produced predominately by one sector. In this case Food and Beverage Stores, Gasoline Stations, Sporting Goods Stores and Miscellaneous Store Retailers were given a commodity basis. Typically, commodity based purchases are “margined”, which assigns the appropriate proportion (less than 100 percent) of expenditures that are used to purchase products from the manufacturers, with the remainder allocated to transportation and trade sectors. It is assumed that all of the expenditures for the Industry based sectors occur to that specific sector within the region.

Deflators, shown in the far right-hand column, are used to bring the value of the spending estimates into alignment with price levels on which the input-output model is based. The current version of IMPLAN is based on economic data for the year 2002. Consequently, all expenditures estimates were deflated to 2002 values at the rates specific to each sector. To make the results meaningful, the estimated impacts are “re-inflated” to 2005 prices.

**Table A3. Two-digit Aggregate Sector Output Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005.**

<b>IMPLAN Sector</b>	<b>NAICS Sector</b>	<b>Industry</b>	<b>Direct (dollars)</b>	<b>Indirect (dollars)</b>	<b>Induced (dollars)</b>	<b>Total (dollars)</b>	<b>Rank</b>
1	11	Ag, Forestry, Fish & Hunting	0	99,946	137,159	237,105	19
19	21	Mining	0	599	3,777	4,376	20
30	22	Utilities	0	312,072	435,406	747,478	17
33	23	Construction	0	195,558	5,529,965	5,725,523	5
46	31-33	Manufacturing	0	987,869	1,671,022	2,658,891	12
390	42	Wholesale Trade	0	1,018,860	1,909,619	2,928,480	11
391	48-49	Transportation & Warehousing	1,804,128	685,813	1,140,601	3,630,542	9
401	44-45	Retail trade	8,289,031	380,816	4,038,946	12,708,793	2
413	51	Information	0	857,021	1,059,456	1,916,477	14
425	52	Finance & insurance	0	963,821	2,995,805	3,959,625	8
431	53	Real estate & rental	1,804,128	1,784,527	2,110,689	5,699,344	6
437	54	Professional- scientific & tech srvcs.	89	963,901	2,051,538	3,015,528	10
451	55	Management of companies	0	568,616	386,093	954,709	16
452	56	Administrative & waste services	0	734,669	991,315	1,725,984	15
461	61	Educational services	0	4,873	338,796	343,669	18
464	62	Health & social services	0	3,881	4,648,427	4,652,308	7
475	71	Arts, entertainment & recreation	9,773,768	321,723	406,726	10,502,217	3
479	72	Accommodation & food services	20,595,350	230,378	1,685,242	22,510,970	1
482	81	Other services	0	368,123	1,649,891	2,018,014	13
495	92	Government & non NAICS	43,929	544,303	9,251,971	9,840,203	4
		<b>Total</b>	<b>42,310,422</b>	<b>11,027,368</b>	<b>42,442,443</b>	<b>95,780,234</b>	

**Table A4. Two-digit Aggregate Sector Value-added Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005.**

<b>IMPLAN Sector</b>	<b>NAICS Sector</b>	<b>Industry</b>	<b>Direct (dollars)</b>	<b>Indirect (dollars)</b>	<b>Induced (dollars)</b>	<b>Total (dollars)</b>	<b>Rank</b>
1	11	Ag, Forestry, Fish & Hunting	0	38,502	63,491	101,993	19
19	21	Mining	0	345	2,013	2,358	20
30	22	Utilities	0	217,598	300,846	518,444	17
33	23	Construction	0	96,591	2,161,997	2,258,588	7
46	31-33	Manufacturing	0	306,726	557,395	864,121	15
390	42	Wholesale Trade	0	737,651	1,382,557	2,120,207	10
391	48-49	Transportation & Warehousing	911,544	383,994	584,802	1,880,340	11
401	44-45	Retail trade	6,241,774	286,533	3,038,762	9,567,069	2
413	51	Information	0	388,017	561,796	949,813	13
425	52	Finance & insurance	0	582,339	1,588,173	2,170,512	9
431	53	Real estate & rental	592,265	1,280,303	1,408,566	3,281,135	5
437	54	Professional- scientific & tech srvcs.	69	703,069	1,520,586	2,223,724	8
451	55	Management of companies	0	389,331	264,358	653,688	16
452	56	Administrative & waste services	0	432,178	608,541	1,040,719	12
461	61	Educational services	0	2,412	190,137	192,549	18
464	62	Health & social services	0	1,515	2,788,997	2,790,511	6
475	71	Arts- entertainment & recreation	6,684,632	226,491	241,275	7,152,398	4
479	72	Accommodation & food services	11,358,443	124,135	820,391	12,302,969	1
482	81	Other services	0	145,101	777,038	922,139	14
495	92	Government & non NAICS	31,891	389,875	8,470,392	8,892,157	3
		<b>Total</b>	<b>25,820,617</b>	<b>6,732,705</b>	<b>27,332,113</b>	<b>59,885,433</b>	

**Table A5. Two-digit Aggregate Sector Labor Income Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005.**

<b>IMPLAN Sector</b>	<b>NAICS Sector</b>	<b>Industry</b>	<b>Direct (dollars)</b>	<b>Indirect (dollars)</b>	<b>Induced (dollars)</b>	<b>Total (dollars)</b>	<b>Rank</b>
1	11	Ag, Forestry, Fish & Hunting	0	18,725	32,036	50,761	19
19	21	Mining	0	195	1,277	1,472	20
30	22	Utilities	0	73,831	106,285	180,116	17
33	23	Construction	0	93,620	1,922,654	2,016,275	6
46	31-33	Manufacturing	0	207,303	356,376	563,679	14
390	42	Wholesale Trade	0	410,498	769,384	1,179,882	10
391	48-49	Transportation & Warehousing	626,960	294,021	436,719	1,357,700	8
401	44-45	Retail trade	3,991,112	173,347	1,822,979	5,987,439	2
413	51	Information	0	230,527	262,436	492,962	15
425	52	Finance & insurance	0	317,738	920,951	1,238,689	9
431	53	Real estate & rental	394,531	262,591	355,273	1,012,396	11
437	54	Professional- scientific & tech srvcs.	42	579,886	1,321,009	1,900,937	7
451	55	Management of companies	0	266,538	180,981	447,519	16
452	56	Administrative & waste services	0	361,740	506,009	867,749	12
461	61	Educational services	0	2,187	172,524	174,710	18
464	62	Health & social services	0	1,320	2,482,445	2,483,765	5
475	71	Arts, entertainment & recreation	5,189,896	194,043	178,765	5,562,703	4
479	72	Accommodation & food services	7,780,694	86,876	630,693	8,498,262	1
482	81	Other services	0	125,701	715,758	841,460	13
495	92	Government & non NAICS	9,267	82,729	5,756,798	5,848,794	3
		<b>Total</b>	<b>17,992,502</b>	<b>3,783,417</b>	<b>18,931,350</b>	<b>40,707,267</b>	

**Table A6. Two-digit Aggregate Sector Indirect Business Tax Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005.**

<b>IMPLAN Sector</b>	<b>NAICS Sector</b>	<b>Industry</b>	<b>Direct (dollars)</b>	<b>Indirect (dollars)</b>	<b>Induced (dollars)</b>	<b>Total (dollars)</b>	<b>Rank</b>
1	11	Ag, Forestry, Fish & Hunting	0	\$1,201	\$1,912	3,112	19
19	21	Mining	0	32	160	192	20
30	22	Utilities	0	32,192	43,609	75,802	10
33	23	Construction	0	1,160	24,859	26,019	14
46	31-33	Manufacturing	0	10,287	13,152	23,438	15
390	42	Wholesale Trade	0	168,318	315,474	483,792	4
391	48-49	Transportation & Warehousing	31,081	15,365	31,208	77,653	9
401	44-45	Retail trade	1,232,841	55,584	596,045	1,884,470	1
413	51	Information	0	27,871	58,842	86,714	8
425	52	Finance & insurance	0	31,847	77,072	108,919	7
431	53	Real estate & rental	23,760	158,331	196,596	378,688	6
437	54	Professional- scientific & tech srvcs.	0	11,226	26,281	37,508	11
451	55	Management of companies	0	6,178	4,195	10,373	17
452	56	Administrative & waste services	0	12,313	17,059	29,372	13
461	61	Educational services	0	47	3,698	3,745	18
464	62	Health & social services	0	28	34,398	34,426	12
475	71	Arts, entertainment & recreation	789,728	22,675	26,025	838,428	3
479	72	Accommodation & food services	1,369,743	14,399	77,513	1,461,655	2
482	81	Other services	0	3,800	17,329	21,129	16
495	92	Government & non NAICS	3	548	381,896	382,448	5
			0				
		<b>Total</b>	<b>3,447,156</b>	<b>\$573,403</b>	<b>\$1,947,323</b>	<b>5,967,883</b>	

**Table A7. Two-digit Aggregate Sector Employment Impacts of Attendee Expenditures from THE PLAYERS Championship Golf Tournament, March 2005.**

<b>IMPLAN Sector</b>	<b>NAICS Sector</b>	<b>Industry</b>	<b>Direct (jobs)</b>	<b>Indirect (jobs)</b>	<b>Induced (jobs)</b>	<b>Total (jobs)</b>	<b>Rank</b>
1	11	Ag, Forestry, Fish & Hunting	0	1	1	2	18
19	21	Mining	0	0	0	0	20
30	22	Utilities	0	1	1	2	19
33	23	Construction	0	2	49	51	7
46	31-33	Manufacturing	0	5	8	13	14
390	42	Wholesale Trade	0	7	13	20	13
391	48-49	Transportation & Warehousing	36	8	11	55	6
401	44-45	Retail trade	198	6	67	271	2
413	51	Information	0	5	5	10	15
425	52	Finance & insurance	0	6	17	22	12
431	53	Real estate & rental	12	11	16	39	9
437	54	Professional- scientific & tech srvcs.	0	12	24	36	10
451	55	Management of companies	0	4	3	6	17
452	56	Administrative & waste services	0	15	20	35	11
461	61	Educational services	0	0	7	8	16
464	62	Health & social services	0	0	57	57	5
475	71	Arts, entertainment & recreation	128	6	7	141	3
479	72	Accommodation & food services	441	5	39	485	1
482	81	Other services	0	5	35	40	8
495	92	Government & non NAICS	0	2	106	107	4
		<b>Total</b>	<b>815</b>	<b>99</b>	<b>484</b>	<b>1,398</b>	