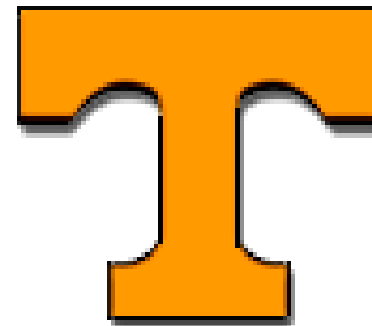


Estimated Economic Impacts of Ocoee River Whitewater Rafting on the Local Economy, 2012



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Executive Summary

- ✓ This purpose of this study is to estimate the 2012 economic impacts of visitor spending by rafters to the Ocoee River in Ocoee, Tennessee.
- ✓ The University of Tennessee was contracted by the Ocoee River Outfitters Association (with support from the America Outdoors Association) to estimate the economic impact of visitor spending by rafters on the Ocoee River for 2012.
- ✓ The University of Tennessee conducted visitor spending surveys on-site at the Ocoee River from June 8 – Sept. 20, 2012 asking Ocoee Whitewater rafters how much they spent on their trip in the local area while rafting the Ocoee River.
- ✓ Surveys included 647 completed surveys and when the number of visitors in each survey are included, the data represented the spending patterns of 3,118 rafters visiting the Ocoee River in 2012.
- ✓ The local economic impact area was identified by a 60-mile buffer ring around the Ocoee River site that included a total of 30 counties: 14 counties in TN, 10 counties in GA & 3 counties in NC (complete list of counties included in the full report).
- ✓ The visitor spending data were collected by researchers in University of Tennessee's Dept. of Retail, Hospitality and Tourism Management (under the direction of Dr. Steve Morse and Mr. Eric Beckman).
- ✓ The visitor spending data were analyzed using the IMPLAN economic impact model for the 30 county region by Agricultural Economists in the Dept. of Agricultural Economics at the University of Tennessee. (Mr. Jamey Menard, Dr. Burton English & Dr. Kim Jensen)

Executive Summary – Jobs Created

- ✓ **Jobs Created:** A total of 622 jobs are generated as a result of visitor spending on whitewater rafting trips on the Ocoee River in 2012. These 622 jobs include the sum of 477 jobs generated directly by direct visitor spending at rafting outfitters, hotels & lodging, restaurants, retail and transportation businesses plus 65 indirect jobs generated as a result of business expenditures on raw materials, supplies, and other operating expenses which help support jobs in other local businesses (hotels, restaurants, retail) plus 80 induced jobs generated as a result of the ripple effect (multiplier effect) of employee paychecks and wages generated that are spent and re-spent in the local economy.
- ✓ The total of 622 jobs are considered full-time, and full year equivalent jobs (when approximately 1,480 part-time seasonal jobs are converted to full-time, full-year equivalent jobs)

Executive Summary – Worker Paychecks & Income Created

- ✓ **Worker Paychecks & Income Created:** A total of \$14.12 million in worker paychecks and income are generated as a result of visitor spending on Ocoee River whitewater rafting in 2012.
- ✓ This \$14.12 million in total worker income generated includes \$8.73 million in direct worker paychecks in the area (generated by direct spending by visitors at rafting outfitters, hotel & lodging, restaurants, retail and transportation) plus \$2.48 million in indirect worker incomes of workers in other businesses supplying raw materials, supplies, and other operating goods and services to outfitters, restaurants, hotels, and retail, plus \$2.91 million in induced worker income generated as a result of the ripple effect (multiplier effect) of direct & indirect income being spent and re-spent in the local economies.

Executive Summary – Tax Impacts

- ✓ **Tax Impacts:** A total of \$3.57 million in state, federal and local taxes are generated in the 30 county region as a result of visitor spending on whitewater rafting on the Ocoee River in 2012.
- ✓ This total of \$3.57 million includes \$2.70 million in direct taxes generated (by direct visitors spending at rafting outfitters, hotel & lodging, restaurants, retail and transportation), plus \$319,537 in indirect taxes generated by other businesses supplying raw materials, supplies, and other operating goods and services to outfitters, restaurants, hotels, and retail, plus \$550,123 in induced taxes generated from the ripple effect (multiplier effect) of spending and re-spending.

Executive Summary – Total Economic Impact

- ✓ **Total Economic Impact:** As a result of spending by visitors rafting on the Ocoee River in 2012, the total economic impact on the area defined as 60 miles from the Ocoee River rafting site (which includes a total of 30 counties – 14 TN counties, 13 GA counties, and 3 NC counties):
- ✓ **A total of \$43.83 million in economic activity** was generated in 2012 as a result of visitor spending on trips to raft the Ocoee River.
- ✓ This total of \$43.83 million includes **\$26.83 million in direct visitor spending** on rafting outfitters, hotels & lodging, restaurants, retail and transportation, plus **indirect economic activity of \$7.93 million** in indirect spending arising from business expenditures on raw materials, supplies and other operating expenses to run rafting, hotels, restaurants, retail and transportation businesses in the area, plus **\$9.07 million in induced spending** as a result of the ripple effect (multiplier effect) of spending and re-spending of worker incomes in the area.
- ✓ The total economic impact multiplier for the 30 county region is estimated by the IMPLAN model to be 1.63. In other words, for every \$1 spent directly by visitors rafting the Ocoee River, an additional \$0.63 in economic activity is generated throughout the 30 county study region.

Area used in Study: Counties within a 60 mile buffer ring of Ocoee River Whitewater Site



Economic impact area included 30 counties in the 60 mile area around the Ocoee River Site

14 Tennessee Counties

included:

Polk Co.
Bradley Co.
Hamilton Co.
Marion Co.
Monroe Co.
McMinn Co.
Meigs Co.
Rhea Co.
Bledsoe Co.
Van Buren Co.
Cumberland Co.
Roane Co.
Blount Co.
Loudon Co.

13 Georgia Counties

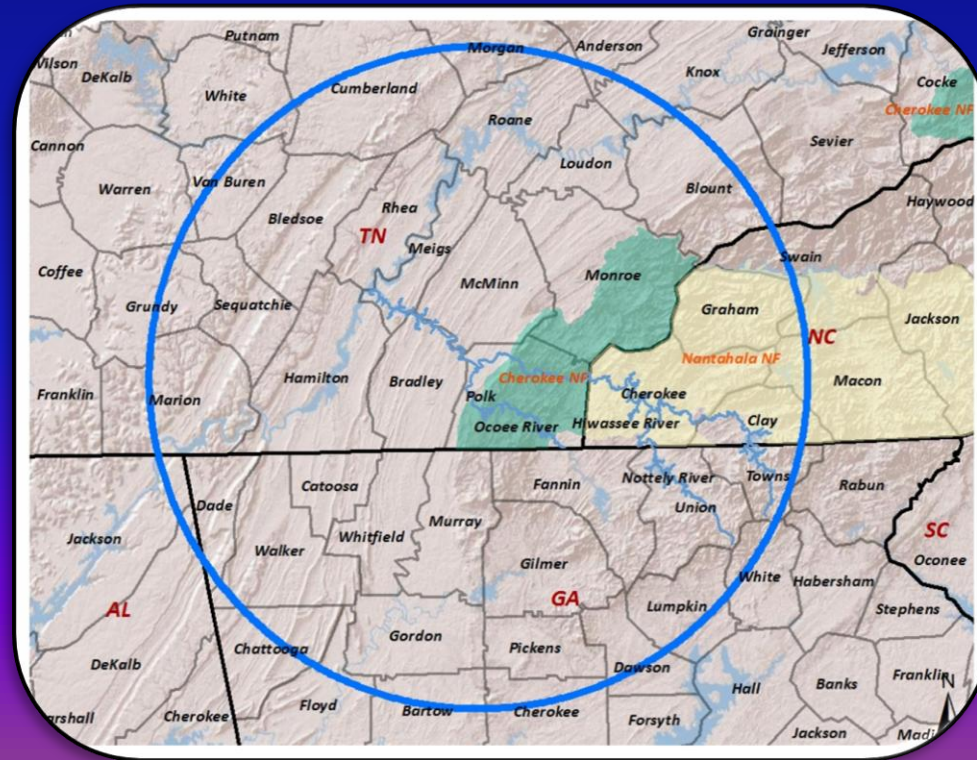
included:

Murray Co.
Fannin Co.
Union Co.
Towns Co.
Gilmer Co.
Lumpkin Co.
Dawson Co.
Pickens Co.
Gordon Co.
Whitfield Co.
Catoosa Co.
Walker Co.
Dade Co.

3 North Carolina Counties

included:

Cherokee Co.
Graham Co.
Clay Co.



Average spending per person
\$112.42

<u>Category</u>	<u>Per Person Spending</u>
Rafting Trip & Fees (per person)	\$38.60
Lodging (per person)	\$27.45
Food & Beverage (per person)	\$21.80
Transportation (per person)	\$15.27
<u>Retail, souvenirs, etc.</u> (per person)	<u>\$9.30</u>
TOTAL (per person)	\$112.42

Direct spending by visitors whitewater rafting in 2012 was \$26.83 million injected into the 30 county local economy

- Representing mostly direct spending for:
 - Rafting & associated Fees
 - Lodging, hotels, cabins, campgrounds
 - Food & Beverage
 - Transportation
 - Retail spending, souvenirs

Ocoee River Economic Impacts by the Numbers, 2012

229,542 Visitors to the Ocoee River

Total number visitors rafting on the Ocoee River in 2012, and the spending from these visitors generated ...

622 Jobs

Total number of full-time, full year jobs generated by visitor spending rafting the Ocoee River

\$43.83 million

Total economic activity generated by visitor spending rafting the Ocoee River

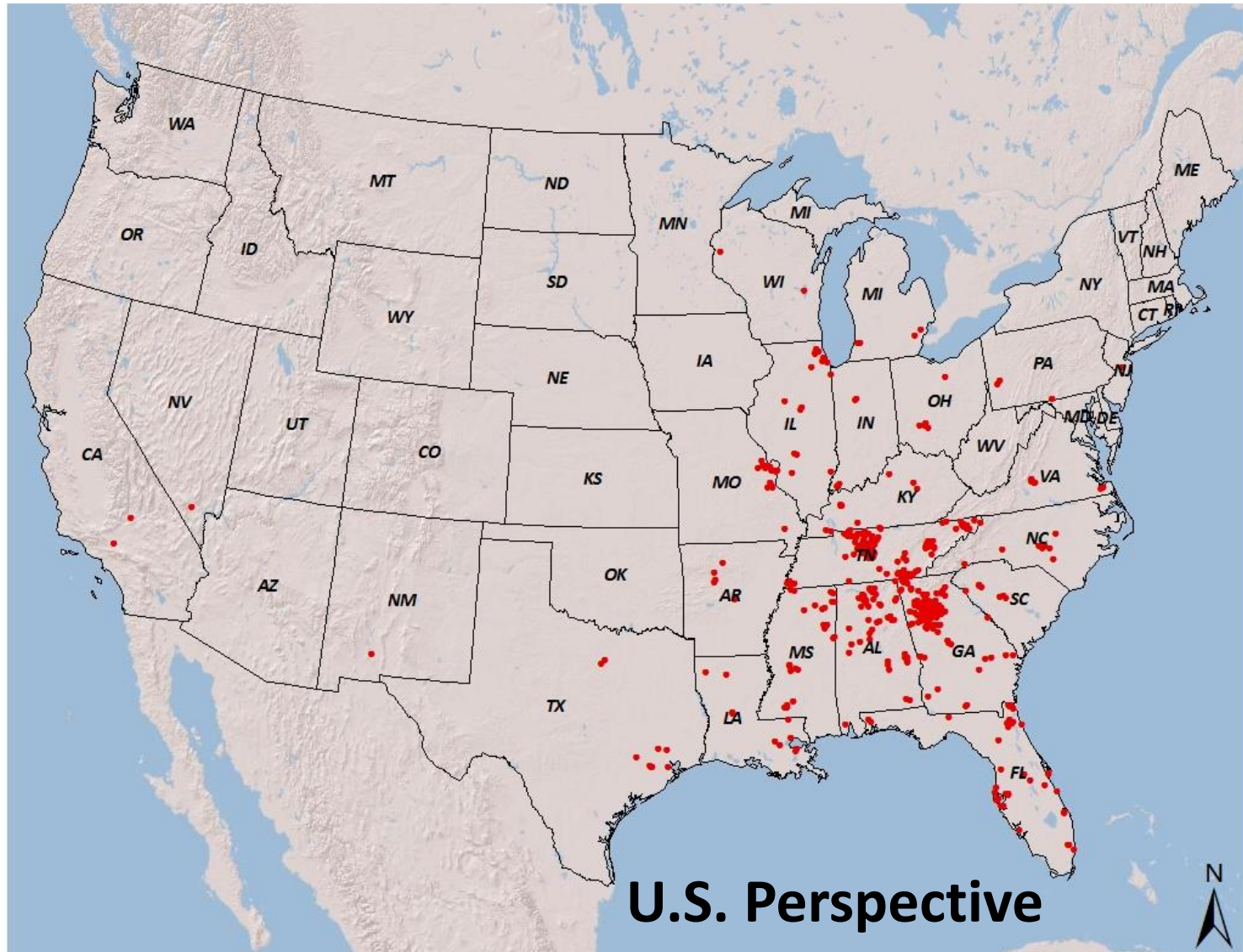
\$14.12 million

Total worker paychecks generated by visitor spending rafting the Ocoee River

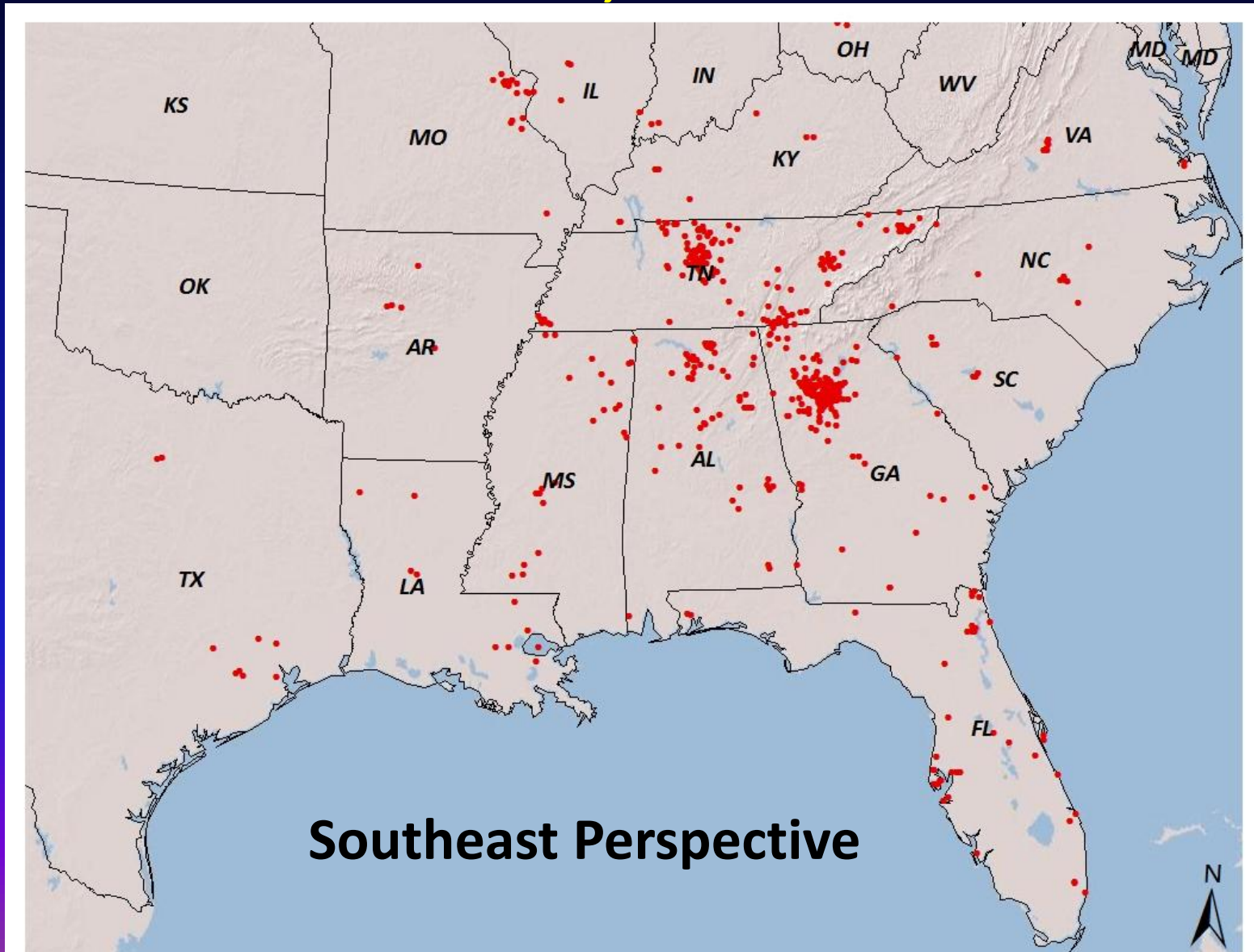
\$3.57 million

Total fed, State & local taxes generated by visitor spending rafting the Ocoee River

U.S. Perspective: Origin of Residence of Ocoee River Whitewater Rafter, 2012



Southeast Perspective: Origin of Residence of Ocoee River Whitewater Rafters, 2012



Ethnicity of Ocoee Whitewater Rafters in 2012 User Survey

<u>Ethnicity</u>	<u>Percent</u>
White/Caucasian	84.5%
African American	7.6%
Hispanic	4.5%
Asian	2.5%
<u>Other</u>	<u>0.8%</u>
TOTAL	100%

Gender of Ocoee Whitewater Rafters in 2012 User Survey

<u>Gender</u>	<u>Percent</u>
Female	52.7%
<u>Male</u>	<u>47.3%</u>
TOTAL	100%

Age of Ocoee Whitewater Rafters in 2012 User Survey

<u>Age</u>	<u>Percent</u>
18-25	33.9%
26-35	23.9%
36-45	17.8%
46-55	18.4%
<u>Over 55</u>	<u>6.0%</u>
TOTAL	100%

Education of Ocoee Whitewater Rafters in 2012 User Survey

<u>Education</u>	<u>Percent</u>
Some school	4.5%
High School grad or equiv	14.5%
Some College (includes 2 yr degree)	23.4%
College (4 yr degree)	36.5%
<u>Grad or prof degree</u>	<u>21.1%</u>
TOTAL	100%

Origin Distance of Ocoee Whitewater Rafters in 2012 User Survey

<u>Origin Distance</u>	<u>Percent</u>
Day trip originating from <u>within</u> 60 miles of Ocoee River	11.4%
Day trip originating from <u>outside</u> 60 miles of Ocoee River	47.2%
<u>Overnight</u> trip & stayed within 60 miles of Ocoee River	41.4%
TOTAL	100%

Location of Stay of Ocoee Whitewater Rafters in 2012 User Survey

<u>Where stayed overnight</u>	<u>Percent</u>
In hotel/motel (\$)	40.2%
In rented cabin/house (\$)	30.4%
With friends & relatives (no cost)	20.5%
<u>In public or private campground (\$)</u>	<u>8.9%</u>
TOTAL	100%

Household Income of Ocoee Whitewater Rafters in 2012 User Survey

<u>Household Income</u>	<u>Percent</u>
Less than \$20,000	11.6%
\$20,000 - \$39,999	12.6%
\$40,000 - \$59,999	14.7%
\$60,000 - \$79,999	14.4%
\$80,000 - \$99,999	12.4%
\$100,000 - \$119,999	11.1%
\$120,000 - \$139,999	6.9%
\$140,000 - \$159,999	3.1%
<u>\$160,000 or more</u>	<u>13.2%</u>
TOTAL	100%

Ocoee River Economic Impacts by the Numbers, 2012

229,542 Visitors to the Ocoee River

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622 Jobs

Total number of full-time, full year jobs generated by visitor spending rafting the Ocoee River

\$43.83 million

Total economic activity generated by visitor spending rafting the Ocoee River

\$14.12 million

Total worker paychecks generated by visitor spending rafting the Ocoee River

\$3.57 million

Total fed, State & local taxes generated by visitor spending rafting the Ocoee River

About the Report's Author

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Steve Morse, Ph.D., is an economist and Associate Professor in the Dept. of Retail, Hospitality and Tourism Management at the University of Tennessee, in Knoxville, TN. Dr. Morse tracks and analyzes tourism spending patterns and impacts of tourism on area economies.

He teaches Hospitality Revenue Management, Price Strategy & Hotel Operations, and Tourism Economic Analysis. He earned his B.S. from the University of Georgia, and the Ph.D. from the University of Tennessee.

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