



IOWA GOLF'S ECONOMIC IMPACT

Executive Summary

The game of golf drives significant economic activity across the State of Iowa. This impact includes not only direct operational expenditures and capital investments made by Iowa's 395 golf facilities, but also golf-related manufacturing and retail spending, golf tourism, and new golf-related residential construction.

Key Findings

In 2015, Iowa's \$606.1 million golf economy expenditures supported total statewide economic impact of:

- \$817.5 million of direct, indirect, and induced economic output;
- 11,435 direct, indirect, and induced jobs;
- \$280.2 million in compensation; and
- \$72.3 million in state and local tax revenue.

Figure 1 shows growth in golf's economic impact since the last time an economic impact study was performed in 2006.¹

Study Highlights

- Cedar Falls-based Standard Golf is a nationally leading golf course accessories manufacturer alongside Minnesota-based Par Aide.
- The PGA TOUR Champions event, the Principal Charity Classic, attracted 83,389 spectators to the Wakonda Club in Des Moines in 2016.
- New residential golf community developments are occurring across the state at Copper Creek, Wakonda Living, and the Greens at Woodland Hills, all in and around Des Moines; Otter Creek, just north of Des Moines in Ankeny; and the Willow Creek, Whispering Creek, and The Ridge developments, all near Sioux City.

Figure 1 Iowa Golf's Economic Impact 2006 and 2015

	Output (\$M)	Employment	Compensation (\$M)	Taxes (\$M)
2006	\$791.6	10,653	\$237.6	--
2015	\$817.5	11,435	\$280.2	\$72.3



Source: TEconomy Partners, LLC, 2015 calculations. SRI International, 2006 calculations.

¹ SRI International (2007). *The Iowa Golf Economy 2006*.



Table 1. Iowa's Golf Economy Expenditures in 2006 and 2015 by Industry Segment (\$ millions)

	2006	2015	CAGR (%)
CORE INDUSTRIES			
Golf Facility Operations	\$183.8	\$225.9	2.3%
Golf Course Capital Investments (investment and new construction)	\$27.1	\$27.9	0.3%
Golf-Related Supplies (retail and manufacturing)	\$85.4	\$107.8	2.6%
Major Golf Tournaments and Associations	\$4.8	\$8.4	6.5%
Golf Charitable Events	\$22.3	\$28.7	2.9%
Total Core Industries	\$323.3	\$398.8	2.4%
ENABLED INDUSTRIES			
Golf Real Estate (new construction and realized premium)	\$60.9*	\$38.1	-5.1%
Golf Tourism	\$124.4*	\$169.2	3.5%
Total Enabled Industries	\$185.3*	\$207.3	1.3%
TOTAL GOLF ECONOMY	\$508.6*	\$606.1	2.0%
TOTAL DIRECT IMPACT FOR IMPACT ANALYSIS	\$405.6*	\$480.1	1.9%

Table 1 shows that Iowa's golf economy expenditures grew from \$508.6 million in 2006 to \$606.1 million in 2015, representing a compound annual growth rate of 2% over this nine-year period. The state's largest sectors were:

- Golf Facility Operations (\$225.9 million),
- Golf Tourism (\$169.2 million), and
- Golf-Related Supplies (\$107.8 million).

During this period, Iowa experienced net closures in golf facilities, with the state's total number of golf facilities decreasing from 415 to 395. This nine-year period is notable for the major economic recession of 2008-2010, which negatively impacted new golf course and new golf home construction.

Charitable Impact

Iowa golf facilities hosted charitable events that generated \$28.7 million in net proceeds and in-kind contributions for beneficiary organizations, up from \$22.2 million in 2006. TEconomy's survey found that Iowa facilities host 6 to 11 charitable events each year. These range from smaller, but highly impactful events that raise \$2,000 to \$10,000 per event for local fire departments, hospitals, food banks, and youth programs to major events like the Annual City of Hope Golf Outing that raised \$465,000 for cancer research or the \$1.4 million raised by the Principal Charity Classic for local children's charities.

* Revisions to previous calculations. See full report for methodology and explanations of underlying data and calculations at <http://www.golf2020.com/research/economic-impact-reports.aspx>

