The Economic Impact of the University of Oregon Athletic Department
FY2011-12

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Introduction

This report was prepared by Timothy Duy, Ph.D. economist in the economics department at the University of Oregon and Director of the Oregon Economic Forum. The report was done at the request of the University of Oregon Athletic Department. The purpose of the report is to estimate the impact of the UO Athletic department on the Oregon and Lane County economies. The methodology employed in the report, identifying sources of spending and then applying a multiplier approach to generate overall estimates of economic activity, is widely used in economic impact studies.

Summary

The University of Oregon Athletic Department packs an economic punch. In the 2011-12 fiscal year, direct spending by the Athletic Department supported $140.5 million of economic activity in Oregon, $48.9 million of household earnings, and 1,169 jobs. In Lane County, the Athletic Department supported $115.3 million of activity, $42.5 million of earnings, and 1,028 jobs.

Outside revenue powers the Athletic Department. The net economic impact of Athletic Department spending – the impact attributable to revenue from outside either Oregon – supported $66.2 million of new economic activity in Oregon, generating an additional $23.2 million of household earnings and 551 jobs. In Lane County, the impact from revenue attributable to sources outside Lane County was even greater, with Athletic Department spending contributing to $79.2 million of new economic activity, $29.2 million in household earnings, and 707 jobs.

University of Oregon athletic events generate substantial tourism activity. Additional spending of $31.8 million attributable to visitors coming from outside of Oregon supported $62.0 million of economic activity, $18.7 million of household earnings, and 698 jobs. By drawing Oregon residents into Lane County, the local effects were even greater. Locally, fan spending of $60.4 million supported $101.2 million of activity in the local economy, $32.5 million in household earnings, and 1,261 jobs.

Overall, the Athletic Department supports $128 million of economic activity in Oregon from outside revenue sources. Spending attributed to outside revenue was $63.2 million, adding $41.9 million in household earnings and 1,249 jobs to the Oregon economy. Again, the numbers are even higher for Lane County. New

spending from outside sources was $106.3 million, contributing $61.7 million of household earnings and 1,968 jobs to the Lane County economy.

The gross economic impact from all revenue sources of the Athletic Department covers $258 million of economic activity. Through outside and inside money, the Athletic Department affects $88.2 million of household earnings and 2,720 jobs in Oregon.

Methodology

The total economic impact of any organization extends beyond its direct spending on goods, services and labor. These types of spending are propagated and magnified through the economy via what economists call "multiplier effects." These effects arise because one entity's spending is another's revenue. When the Athletic Department purchases goods and services from local providers, those providers find it necessary to hire additional labor and purchase their own supplies to meet that demand. This in turn creates additional demand for other products, as well as additional spending power attributed to higher wages.

As a consequence of this chain of events, the total economic impact extends beyond the Athletic Department's initial expenditure. The spending that results from the Athletic Department's original direct expenditure is known as the indirect expenditure. The sum of the direct and indirect expenditure is the total expenditure, or total impact, of Athletic Department spending.

Moreover, the Athletic Department causes additional economic activity through visitor spending on athletic events. In particular, spectators flock to Eugene from outside Lane County to witness home football games and, in 2012, the Olympic Trials. To a lessor extent, outside visitors are drawn to Men's Basketball games and the Prefontaine Classic. While the Olympic Trials and the Prefontaine Classic are not direct activities of the Athletic Department, the resources of the Athletic Department support them heavily, particularly by the use of Hayward Field and the region's reputation for track and field that was built on University of Oregon athletics.

When conducting economic impact studies, researchers are faced with choosing appropriate multipliers. Multipliers at the local level may understate the economic impact to the state as a whole as some of the purchases will likely "leak" out of the county and into surrounding regions. In this study, we face the particular problem of separating the impact on Lane County versus the impact on Oregon as a whole. This distinction is driven by the role of visitor spending on the local economy. Visitors from outside the state contribute to both the Oregon and Lane County economies. But visitors from Portland, for example, contribute only to the Lane County economy, not the Oregon economy because it is assumed that if they did not spend their resources on a visit to Lane County, those same resources would have been spent elsewhere in Oregon. Likewise, a participant from Lane County contributes nothing additional to the Oregon or Lane County economies.

The multipliers in this study come from the Regional Input-Output Modeling System (RIMS II) developed by the US Bureau of Economic Analysis. The RIMS II multipliers are commonly used in economic impact studies, and are available at local and state levels of aggregation. To estimate the total impact of the University of Oregon, we focus on UO expenditures, using *the convention that these expenditures reflect the final demand for the Athletic Department's product*. The RIMS II multipliers for the relevant sector – spectator sports – are reported in Table 1.

Table 1. Final Demand Multipliers for Spectator Sports

	Output	Earnings	Jobs
Statewide	2.1043	0.7333	20.8606
Lane County	1.7276	0.6955	18.5897

Table 2. Direct Effect Multipliers for Spectator Sports

	Earnings	Jobs
Statewide	1.7007	1.8059
Lane County	1.4530	1.5568

The multipliers presented in table 1 represent the final demand impact to output, earnings, and jobs (per $1 million of initial spending). The RIMS II multipliers also include estimates of direct effect multipliers, through which we can estimate the total impacts of UO spending on household earnings and jobs if such data exists. Thus, we can construct alternative estimates of the economic impact of the Athletic Department not just from aggregate spending, but also on the basis of payroll and employees. The direct effect multipliers are reported in table 2.

For estimating the impact of visitor spending, we use only the final demand multipliers as we lack data on the direct earnings and jobs associated with such spending. Multipliers are composites based upon Dean Runyan and Associates (an economic consulting firm specializing in tourism and travel impacts) estimates of visitor spending patterns in Lane County.

Expenditures

Athletic Department expenditures are listed in table 3. Note that depreciation expenses are excluded as they do not represent actual cash expenditures. These are categorized as "raw" expenditures as they would overstate or understate the economic impact of spending without further adjustments. Three adjustments are necessary to properly account for local economic impacts.

Table 3. Raw Athletic Department Expenditures

Category	Expenses
Student Financial Aid	$9,361,475
Guarantees	$3,954,974
Coaching Salaries, Benefits & Bonuses	$17,562,289
Support Staff/Admin Salaries, Benefits & Bonuses	$13,419,757
Recruiting	$1,339,600
Team Travel	$4,090,003
Equipment, Uniforms and Supplies	$1,200,404
Fundraising, Marketing & Promotions	$3,473,229
Sports Camp Expense	$1,077,372
Direct Facilities, Maintenance & Rental	$24,428,059
Spirit Groups	$205,906
Medical	$1,094,513
Dues & Memberships	$78,492
Other Operating Expenses	$8,401,275
Total	**$89,687,348**

First, the category "Guarantees" is eliminated. Guarantees are payments to other teams to entice them to play a game at the University of Oregon. They represent direct transfers out of state, and as such should not be included in calculating economic impact. Note that guarantees paid to the Athletic Department are included in the revenues. These transfers in from abroad are used to support spending, and thus are implicitly included in this analysis.

Second, the category "Direct Facilities, Maintenance & Rental" includes $19.5 million of debt payments. These payments do not contribute to current economic activity. They represent spending for past economic activity in the form of capital expenditures. For example, the debt payment on Matthew Knight Arena was $14.5 million, but the economic impact of the construction occurred in previous years.

Third, the category "Team Travel" needs to be adjusted to take into account the difference between home and away games. Note that travel expenses by University of Oregon teams largely occur out of the area. But travel expenses by visiting teams are largely within the area. Away team travel expenses data, however, are unavailable. It is reasonable to assume that away teams spend as much in the region as UO teams spend in other regions. An adjustment needs to be made, however, to account for the difference in the number of away and home games. For example, in the 2011/2 season, Men's Football played 8 home games and 5 away games. Consequently, we would adjust the team travel figure higher to account for the fact that visitor team expenditures would be proportionally higher relative to UO travel expenditures.

Adjusted spending figures are reported in table 4 and are used to estimate the overall economic impact of the University of Oregon Athletics Department.

Table 4. Adjusted Athletic Department Expenditures

Category	Expenses
Student Financial Aid	$9,361,475
Coaching Salaries, Benefits & Bonuses	$17,562,289
Support Staff/Admin Salaries, Benefits & Bonuses	$13,419,757
Recruiting	$1,339,600
Team Travel	$4,594,181
Equipment, Uniforms and Supplies	$1,200,404
Fundraising, Marketing & Promotions	$3,473,229
Sports Camp Expense	$1,077,372
Direct Facilities, Maintenance & Rental	$4,943,166
Spirit Groups	$205,906
Medical	$1,094,513
Dues & Memberships	$78,492
Other Operating Expenses	$8,401,275
Total	**$66,751,659**

Impact of Direct Spending

Table 5 reports the economic impact of direct spending by the Athletic Department on the Oregon economy. The $66.8 million of direct spending by the Athletic Department supports $14.0 million of economic activity, household earnings of $52.8 million, and 1,392 jobs in Oregon.

An alternative approach to determining the economic impact, utilizing the Athletic Department payrolls and number of employees in conjunction with the direct effect multipliers, is reported in table 5. The estimated impact of Athletic Department spending on household earnings, $45.2 million dollars, is very close to the estimate in table 5, while the job estimates is lower at 946. When estimating the impact of Athletic Department spending on earnings and jobs, I use the average of the results presented in tables 5 and 6.

Table 5: Economic Impact in Oregon of Athletic Department Direct Spending, Final Demand Multipliers FY2011-12

	Direct Expenditures	Multipliers			Total Impacts		
		Output[a]	Earnings[b]	Jobs[c]	**Output**	**Earnings**	**Jobs**
AD Direct Spending	**$66,751,659**	2.1043	0.7877	20.8606	**$140,465,516**	**$52,580,282**	**1,392**

[a] Each entry in this column represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

[b] Each entry in this column represents the total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the industry corresponding to the entry.

[c] Each entry in this column represents the total change in number of jobs that occurs in all industries for each additional 1 million dollars of output delivered to final demand by the industry corresponding to the entry. Because the original RIMS employment multipliers are based on 2010 data, these multipliers are converted to 2011 dollars to match the timing of this study.

Table 6: Economic Impact in Oregon of Athletic Department Payrolls and Jobs, Direct Effect Multipliers, FY2011-12

			Multipliers		Total Impacts	
	Earnings[a]	Jobs	Earnings[b]	Jobs[c]	**Earnings**	**Jobs**
AD Payroll	**$26,577,517**		1.7007		**$45,200,384**	
AD Employment		**524**		1.8059		**946**

[a] The RIMS definition of earnings that best matches the UO is wages and salaries plus employer cost of healthcare benefits minus employee contributions for social insurance.

[b] Each entry in this column represents the total dollar change in earnings employed by all households for each additional dollar of earnings paid directly to households employed by the selected industry.

[c] Each entry in this column represents the total change in the number of jobs within the region for each additional job in the selected industry.

Tables 7 and 8 present the impact of Athletic Department spending on the Lane County economy. Note that, as expected, some of the economic activity generated by Athletic Department spending leaks out of Lane County, with the $66.8 million of spending supporting $115 million of economic activity locally. The estimate of total household earnings in table 7, however, remains relatively unchanged compared to the overall Oregon impact reported in table 5. This result is seems unusual; some leakage from Lane County to households in the rest of Oregon would be expected in earnings as we saw in total output. Indeed, using the direct effect approach in table 8 yields a smaller estimate of the impact on household earnings in Lane County. The estimates of jobs supported are somewhat lower for Lane County than the state, again a consequence of some of the spending leaking out to other parts of the state. As in the case of the aggregate Oregon impact, estimates of the impact on earnings and jobs in tables 7 and 8 are averaged together in the final analysis.

Table 7: Economic Impact in Lane County of Athletic Department Direct Spending, Final Demand Multipliers, FY2011-12

	Direct Expenditures	Multipliers			Total Impacts		
		Output[a]	Earnings[b]	Jobs[c]	**Output**	**Earnings**	**Jobs**
AD Direct Spending	**$66,751,659**	1.7276	0.6955	18.5897	**$115,320,166**	**$46,425,779**	**1,241**

[a,b,c] See table 5

Table 8: Economic Impact in Lane County of Athletic Department Payrolls and Jobs, Direct Effect Multipliers, FY2011-12

			Multipliers		Total Impacts	
	Earnings[a]	Jobs	Earnings[b]	Jobs[c]	**Earnings**	**Jobs**
AD Payroll	**$26,577,517**		1.4530		**$38,617,133**	
AD Employment		**524**		1.5568		**816**

[a,b,c] See table 6

Table 9. Economic Impact of Athletic Department Spending, FY2011-12

	Direct Expenditures	**Output**	**Earnings**	**Jobs**
Impact of AD Direct Spending in Oregon	$66,751,659	$140,465,516	$48,890,333	1,169
Impact of AD Direct Spending in Lane County	$66,751,659	$115,320,166	$42,521,456	1,028

The economic impact estimates of Athletic Department spending summarized in table 9 include spending from locally derived revenue sources. Locally derived revenue, however, does not yield net new economic impact (unless you can identify that the spending would definitely have left the region otherwise or that it would have been spent on an activity with larger multipliers). Such revenue simply shifts the pattern of that impact. Identifying the net new economic impact requires separating out the out-of-area sources of revenue. Identifying sources of revenue, however, is somewhat challenging. Using ticket sales data, we can estimate the proportion of Men's Football and Men's Basketball sales revenue derived from out-of-state sources. Likewise, NCAA/Conference distributions are from outside of Oregon. Table 10 lists the assumptions made when trying to identify sources of revenue, while table 11 identifies the revenue by source. Note that revenues exceed expenditures due to depreciation.

I estimated that 68.7% of Athletic Department revenues are derived from outside of Lane County, while 47.1% are derived from outside of Oregon. For comparison, a study of the economic impact of the University of Nebraska-Lincoln Athletic Department identified 44% of revenue from outside the state, consistent with my estimates for Oregon. Table 12 reports the adjusted economic impact accordingly. Direct expenditures and the subsequent impact on the economy are reduced as now I count only the activity derived from revenues outside the respective area. Presumably, revenue from within the region would still support economic activity locally, but in different sectors. Note also that now the impact on Lane County is higher than the overall impact. This reflects the shifting of spending from outside Lane County to the local area. In other words, some spending supported by ticket sales to Portland residents would have supported activity elsewhere in Oregon but instead was diverted to Lane County.

Table 10. Assumptions Used to Identify Out-of-Area Athletic Department Revenue

Category	Assumption
Ticket Sales	For Men's Football and Basketball, ticket revenue adjusted to residence of purchasers, all other supports assumed to be derived from Lane County sources
Student Incidental Fees	Adjusted by proportion of nonresident students
Guarantees	Out of state revenue
Contributions	For Men's Football and Basketball, ticket revenue adjusted to residence of purchasers, all other supports assumed to be derived from Lane County sources, Legacy Fund support for debt service excluded
Sports Lottery Proceeds	In state revenue
NCAA/Conference Distributions	Out of state revenue
Broadcast, TV, Radio & Internet Rights	Out of state revenue
Program Sales, Concessions, Novelty Sales & Parking	For Men's Football and Basketball, ticket revenue adjusted to residence of purchasers, all other supports assumed to be derived from Lane County sources
Royalties, Licensing, Advertising & Sponsorship	Out of state revenue
Sports Camp Revenue	In state revenue
Endowment & Investment Income	Out of state revenue
Other Revenue	Out of state revenue

Table 11. Out-of-Area Revenue Estimates by Source

	Total	Outside of Oregon	Outside of Lane County
Ticket Sales	$23,349,642	$3,852,503	$12,328,975
Student Incidental Fees	$1,524,044	$629,430	$629,430.17
Guarantees	$2,172,741	$2,156,537	$2,100,000
Contributions	$15,745,282	$2,303,242	$8,930,565
Sports Lottery Proceeds	$951,816	$0.00	$0.00
NCAA/Conference Distributions	$14,981,000	$14,112,572	$14,981,000
Broadcast, TV, Radio & Internet Rights	$278,362	$278,362	$278,362.40
Program Sales, Concessions, Novelty Sales & Parking	$4,850,059	$321,192	$1,236,157
Royalties, Licensing, Advertising & Sponsorship	$8,193,749	$8,193,749	$8,193,749
Sports Camp Revenue	$989,400	$0.00	$0.00
Endowment & Investment Income	$146,345	$146,345	$146,345
Other Revenue	$4,683,052	$4,683,052	$4,683,052
Total	$77,865,493	$36,676,984	$53,507,636
Proportion		0.471	0.687

Table 12. Net Economic Impact of the University of Oregon Athletic Department Direct Spending, FY2011-12

	Direct Expenditures	Output	Earnings	Jobs
Impact of AD Direct Spending in Oregon, Adjusted	$31,442,035	**$66,163,474**	**$23,028,814**	**551**
Impact of AD Direct Spending in Lane County, Adjusted	$45,870,428.21	**$79,245,751.78**	**$29,219,908.77**	**707**

Visitor Spending

Ticket sales data for events in the 2011-12 season were used to generate estimates of visitor spending. Each ticket sale is linked to an address (city, state, and zip code) identifying the location of the purchaser. It was assumed that each out of area ticket sale generated a single trip to Lane County; these sales represent new economic activity in the region. Focus was given to four events with significant fan participation: Football, Men's Basketball, the Olympic Trials, and the Prefontaine Classic. Note that the Olympic Trials and the Prefontaine Classic are not Athletic Department events, but are included as they derive significant benefits from Athletic Department resources, especially the use of Hayward Field.

The same methodology was used for each event. The Ticketing Office provided a spreadsheet of ticket sales by account. Each account is identified by a city, state, and zip code. The number of tickets purchased per zip code was identified; a total of 599,667 tickets were identified. Results are presented in tables 13 and 14. Graphical illustrations of the location of ticket sales are reported in attached maps (Appendix A).

Table 13. Ticket Sales

	Men's Football	Men's Basketball	Olympic Trials	Prefontaine Classic	Total
Outside Oregon	53,922	8,508	53,970	1,178	117,578
Oregon excluding Lane County	155,743	21,689	32,264	1,728	211,424
Lane County	140,718	97,297	27,696	4,954	270,665

Table 14. Ticket Sales, Percentage of Total

	Men's Football	Men's Basketball	Olympic Trials	Prefontaine Classic	Total
Outside Oregon	15.4%	6.7%	47.4%	15.0%	19.6%
Oregon excluding Lane County	44.4%	17.0%	28.3%	22.0%	35.3%
Lane County	40.2%	76.3%	24.3%	63.0%	45.1%

Football and basketball support the largest number of ticket sales, but with very different geographical dispersions. Lane County residents accounted for 76.3% of

basketball tickets, compared to 40.2% of football tickets. A higher proportion of football tickets were sold to persons outside of Lane County. The distribution of Prefontaine Classic ticket sales was similar to those of Men's Basketball. Nearly half of Olympic Trials ticket sales were attributed to residents outside of Oregon, the remainder were split between Lane County and the rest of Oregon, 24.3% and 28.3%, respectively.

How much do fans spend when attending an athletic event? To answer this question, Dennis Howard, Phillip H. Knight Professor of Business, and I conducted a survey (Appendix B) of football season ticket holders to better understand fan behavior. We offered the survey to 12,979 season ticket account holders, and received 4,445 completed responses. We asked respondents to include the zip code of their primary residence so that we could specifically identify spending by out-of-area residents. Reporting errors, however, are common in this type of survey, especially when asking respondents to estimate spending. Consequently, we compare the results to the estimates used by Travel Lane County when calculating visitor spending. Travel Lane County estimates overnight visitors spend $166 per day, while day visitors spend $57 per day.

Reported spending is very consistent with the Travel Lane County estimates. In particular, visitors from outside of Oregon report spending average of $158.64 per person per day. Oregon residents report spending an average of $134.80 per person per day, with the difference largely attributable to higher airfare costs of non-Oregon visitors. This highlights the importance of differentiating between Oregon and non-Oregon residents when estimating economic impact. Oregon residents travelling to Lane County just for the day reported spending $81.41 per person per day, somewhat higher than the Travel Lane County estimates.

These survey results were used to estimate the impact of visitor spending as follows:

- Men's Football: Visitors from outside of Oregon spend $302.36 per person per game. Oregon visitors from outside Lane County spend $127.56 per person per game (the average spending of day and overnight visitors).
- Men's Basketball: Same as Men's Football
- Olympic Trials: Visitors from outside of Oregon spend $158.64 per person per day, the daily estimate derived from the survey of football season ticket holders. Oregon visitors from outside Lane County spend $127.56 per person per day (on the assumption that some are only in Lane County for the day, while others stay multiple days, similar to football). In addition visitor spending for 1,000 athletes for eight days is assumed at the outside Oregon rate.
- Prefontaine Classic: Same as Men's Football.

Table 15. Visitor Spending Estimates

	Spending per Trip per Person	Days per Person	Spending Per Person Per Day
Oregon Day	$81.41	--	$81.41
Oregon Overnight	$173.52	1.29	$134.80
Oregon Average	$127.56	--	--
Other Visitors	$302.36	1.92	$158.64

Table 16. Visitor Spending by Category

	Oregon Visitor Day Visit	Oregon Visitor Overnight Visit	Other Visitors
Lodging	$3.09[a]	$41.08	$31.46
Retail Shopping	$17.93	$23.55	$23.81
Food and Beverage	$25.48	$33.49	$32.59
Private Auto Expenses	$27.58	$27.16	$19.31
Rental Car Expenses	$0.77	$0.34	$5.66
Airfare	$0.07	$1.75	$37.20
Other	$6.49	$7.43	$8.60
Total	$81.41	$134.80	$158.64

[a] A few respondents entered lodging cost estimates despite answering that they did not visit overnight.

The spending of Lane County residents is excluded from the visitor spending analysis under the assumption that such spending does not yield net new economic impact within Lane County, it simply replaces other spending that would have otherwise occurred in the region. Included are estimates of the value of ticket sales to fans from outside of Oregon and outside of Lane County for the Olympic Trials and the Prefontaine Classic. These sales were not included in the Athletic Department revenue as the sales accrue to non-university entities.

The economic impacts of spending by visitors for Lane County and Oregon, respectively, are reported in tables 17 and 18. Fan spending for Athletic Department-related sports events contributed $60.4 million of direct spending to the Lane County economy, yielding a total economic impact of $101.2 million, household earnings of $32.5 million, and supporting 1,261 jobs in the County. As was earlier the case, the economic impact for Oregon as a whole is less because some of the impact in Lane County is shifted away from the rest of the state. For example, if a Portland resident attends a football game, spending is shifted from the rest of the state to Lane County. This increases economic activity in Lane County and decreases economic activity elsewhere; the net impact on Oregon as a whole is zero, but the economic impact on Lane County is positive whereas the impact on the rest of Oregon is negative. For Oregon, fan spending contributes $31.8 million, which supports overall activity of $62.0 million, household earnings of $18.7 million, and 698 jobs.

Table 17: Economic Impact in Lane County of Athletic Event Visitor Spending, FY2011-12

	Direct Expenditures	Multipliers			Total Impacts		
		Output[a]	Earnings[b]	Jobs[c]	**Output**	**Earnings**	**Jobs**
Visitors, spending excluding tickets	**$56,047,947**	1.6704	0.5254	21.0546	**$93,622,182**	**$29,445,052**	**1,180**
Visitor spending, tickets	**$4,378,600**	1.7276	0.6955	18.5897	**$7,564,486**	**$3,045,323**	**81**
Total	**$60,426,557**				**$101,186,668**	**$32,490,375**	**1,261**

[a,b,c] See table 5

Table 18: Economic Impact in Oregon of Athletic Event Visitor Spending, FY2011-12

	Direct Expenditures	Multipliers			Total Impacts		
		Output[a]	Earnings[b]	Jobs[c]	**Output**	**Earnings**	**Jobs**
Visitors spending, excluding tickets	**$29,078,702**	1.9325	0.5734	22.0578	**$56,193,832**	**$16,675,129**	**641**
Visitor spending, tickets	**$2,724,685**	2.1412	0.7333	20.8606	**$5,834,097**	**$1,998,012**	**57**
Total	**$31,803,387**				**$62,027,929**	**$18,673,141**	**698**

[a,b,c] See table 5

Total Net Economic Impact

The total economic impact of the UO Athletic Department is the combination of the impact of Athletic Department direct spending plus the impact of visitor spending. Results are reported in tables 19 and 20. The net economic impact to Oregon – the impact attributable to spending and revenue from outside Oregon – of the estimated $63.2 million of Athletic Department and fan spending is overall economic activity of $128.1 million, household earnings of $41.9 million, and 1,249 jobs. The impact on Lane County is greater as it includes the spending of fans residing in Oregon but outside of the county. Athletic Department and fan spending of $106.3 million in Lane County supports $180.4 million of economic activity, $61.7 million of earnings, and 1,968 jobs.

Table 19. Net Economic Impact in Oregon of the University of Oregon Athletic Department, FY2011-12

	Direct Expenditures	Output	Earnings	Jobs
Oregon AD Direct Spending, Adjusted	$31,442,035	$66,163,474	$23,028,814	551
Visitor Spending	$31,803,387	$61,927,388	$18,821,364	698
Total	**$63,245,422**	**$128,090,862**	**$41,850,178**	**1,249**

Table 20. Net Economic Impact in Lane County of the University of Oregon Athletic Department, FY2011-12

	Direct Expenditures	Output	Earnings	Jobs
Lane County AD Direct Spending, Adjusted	$45,870,428	$79,245,752	$29,219,909	707
Visitor Spending	$60,426,557	$101,186,668	$32,490,375	1,261
Total	**$106,296,985**	**$180,432,420**	**$61,710,284**	**1,968**

Economic Impact Including Both Inside and Outside Revenue

It is common for economic impact studies to report the impact from all spending, regardless of the source of revenue. Arguably, however, only the economic impact attributable to revenue from outside the region of interest should be considered. Spending from local revenue is simply redirected from another local use. The dollar a Lane County resident spends to attend a football game would most likely end up supporting a different entertainment option in the area in the absence of a college football game.

An estimate of the economic including revenue from both inside and outside sources, the gross economic impact, is helpful for comparability. To obtain this estimate, begin with the unadjusted estimates of Athletic Department spending reported in tables 5 to 9. Visitor spending is estimated as spending is for all fan spending from outside of Lane County (table 17), adjusted for higher overall Oregon multipliers. Results are reported in tables 21 and 22.

In terms of the gross economic impact, activities related to the University of Oregon Athletic department affected $258 million of economic activity in Oregon, $88.2 million in household earnings, and 2,720 jobs. For Lane County, the figures are $216.5 million of economic activity, $78.9 million of household earnings, and 2,502 jobs. For comparison, a recent study of the economic pact of the University of Washington Athletic program impact concluded that the Husky athletic program supported 2,558 jobs, $211 million of economic activity, and $83 million of labor income. These are very similar to the estimates for the University of Oregon that are reported in this study.

Table 21. Gross Economic Impact on Oregon of the University of Oregon Athletic Department, FY2011-12

	Direct Expenditures	Output	Earnings	Jobs
AD Direct Spending	$66,751,659	$140,465,516	$52,580,282	1,392
Visitor Spending	$60,426,557	$117,525,103	$35,589,625	1,328
Total	**$127,178,216**	**$257,990,619**	**$88,169,907**	**2,720**

Table 22. Gross Economic Impact on Lane County of the University of Oregon Athletic Department, FY2011-12

	Direct Expenditures	Output	Earnings	Jobs
AD Direct Spending	$66,751,659	$115,320,166	$46,425,779	$1,241
Visitor Spending	$60,426,557	$101,186,668	$32,490,375	$1,261
Total	**$127,178,216**	**$216,506,835**	**$78,916,154**	**2,502**

Intangible Benefits

Beyond the economic impact related to spending by institutions and fans, collegiate athletics offers other benefits to universities and their broader communities. See summaries of previous work in Castle & Kostelnik (2011) and Pope & Pope (2009). For example, school spirit and sense of pride for students, alumni, and the general public are examples of intangible benefits derived from college athletic programs. Sports programs may influence college attendance decisions, although this is certainly just one of many variables such as academic reputation, costs, distance from primary residence, etc. The exposure from successful sports teams may also improve the quality of the applicant pool. Moreover, college athletics clearly serve as a marketing tool for universities. The University of Oregon receives a 30-second commercial spot during televised games, which provides substantial external exposure. For example, the 2012 Rose Bowl game between Oregon and Wisconsin garnered 17,557,585 million viewers.

That said, identifying quantifiable outcomes of college athletics has remained elusive. On the low side, some studies find no impact. See, for example, Bremmer and Kesselring (1993), who find no impact on SAT scores. On the opposite side of the spectrum, Pope & Pope (2009), using multiple data sets, find that top football and basketball schools see an increase in applications between 2% and 8%, with private school application gains outpacing that of public schools by two to four times. They also find that gains in applications occur among students with both low and high SAT scores, offering the possibility to improve overall student quality. They also note, however, that the benefits of sports success is short-lived.

Moreover, it is important to note that even if sports success does yield positive impacts on enrollment and student quality, this does not necessarily argue for spending additional funds on college athletics. It may be the case that similar results

could be obtained by better academic marketing or scholarship offerings at a lower cost than comparable gains from athletic spending. In other words, seeing a benefit of collegiate athletics on admissions, etc., does not necessarily mean that spending on athletic programs is the most efficient type of spending.

In short, collegiate athletics provide important, intangible benefits for students, alumni, and the general public that are not traditionally captured in economic impact studies of athletic programs. And while some evidence suggests that collegiate athletics have a positive impact on quantity and quality of student applications and attendance, that literature does not speak to the relative efficiency of spending among other options in higher education.

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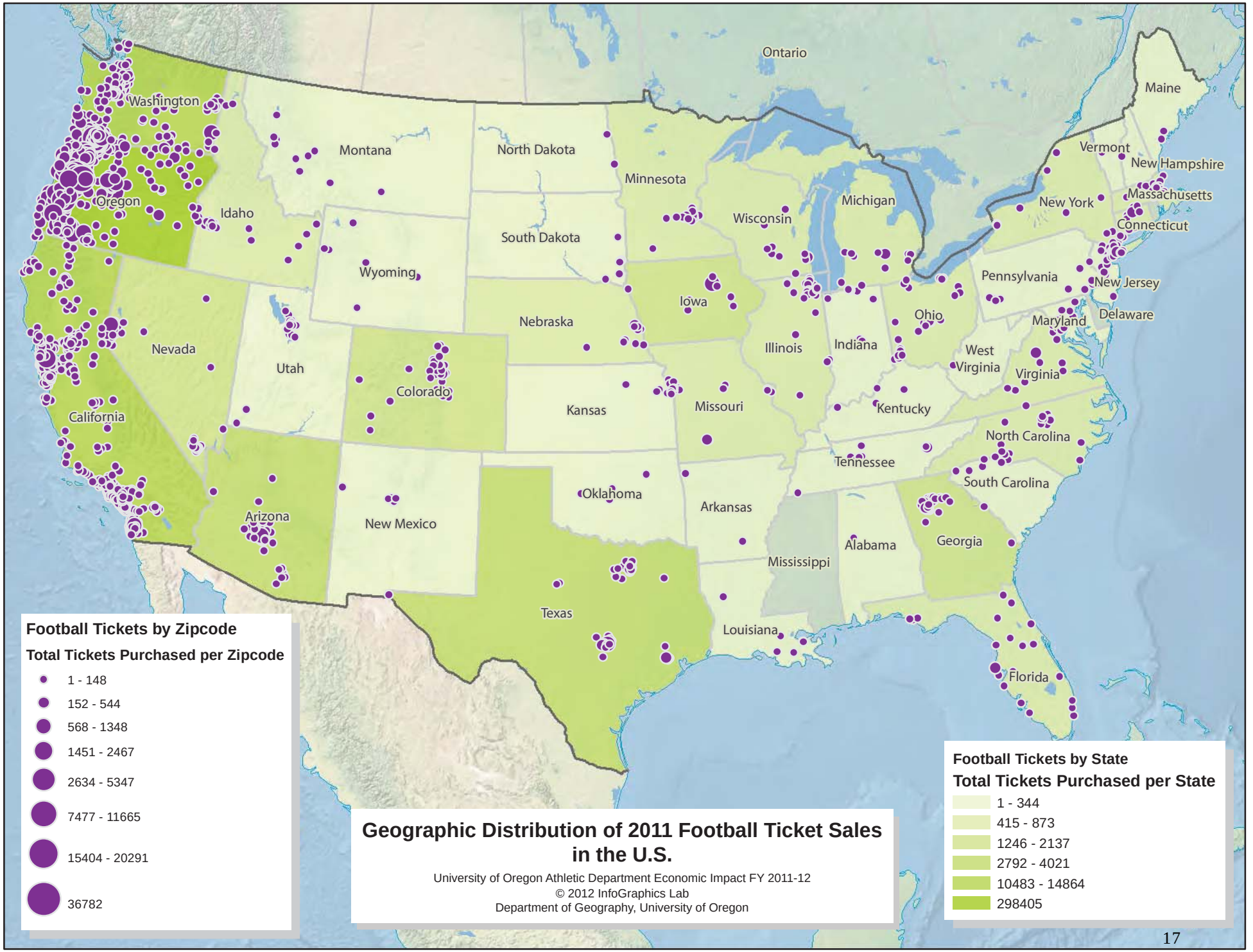
Appendix A

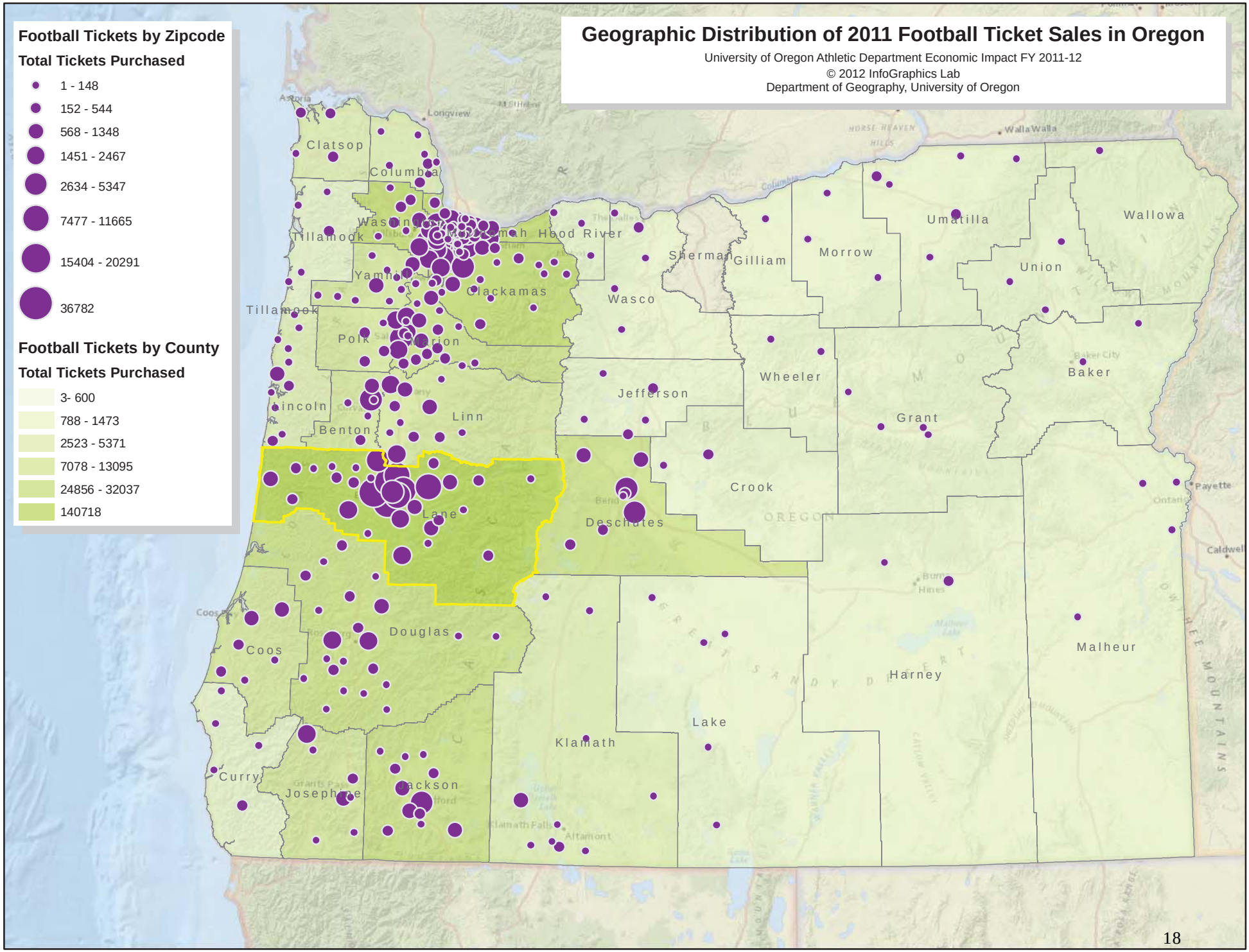
Maps illustrating ticket sales. Special thanks to Ken Kato, Associate Director Campus GIS Program Coordinator at the University of Oregon for preparing these maps.

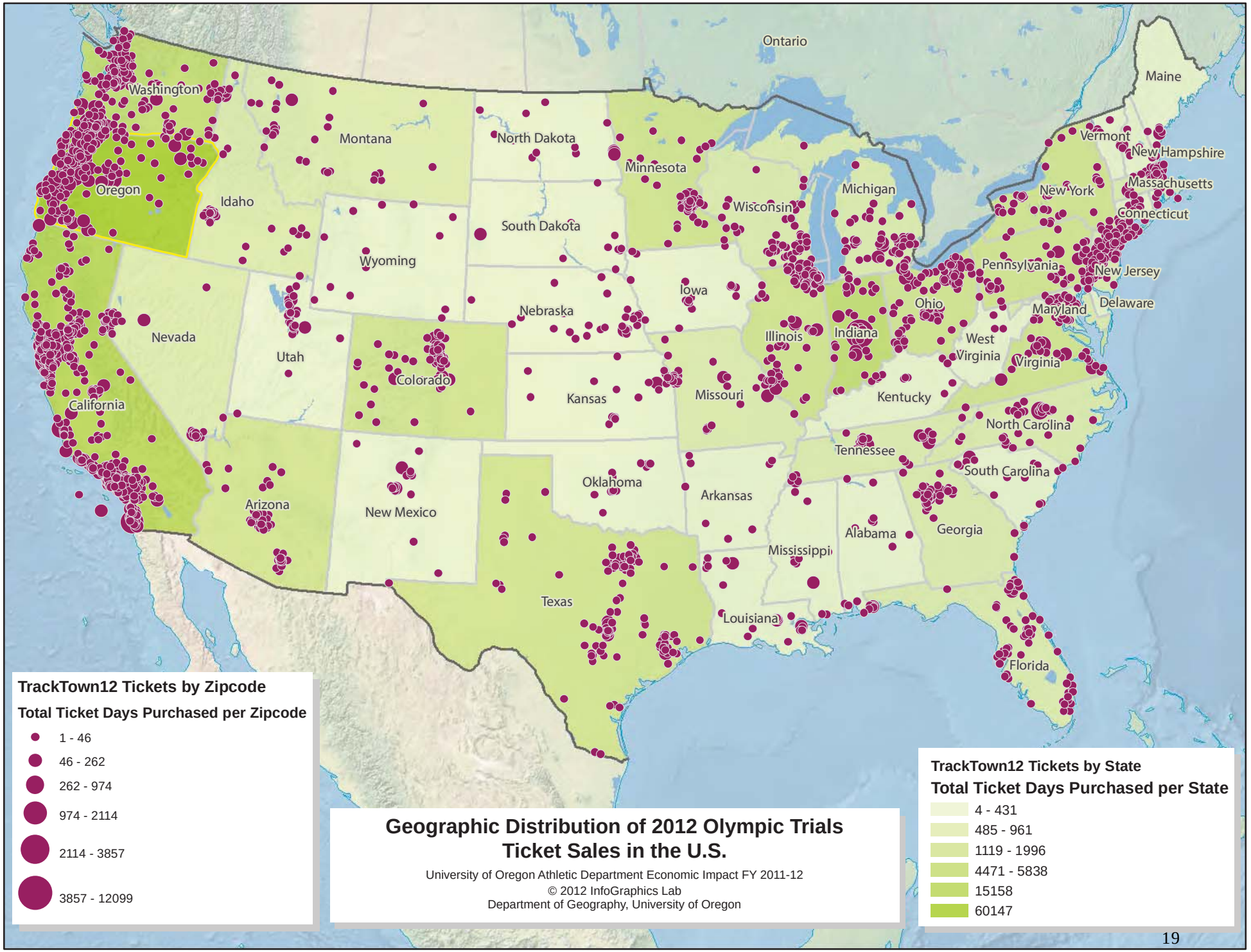


Geographic Distribution of 2011 Football Ticket Sales in the U.S.

University of Oregon Athletic Department Economic Impact FY 2011-12

Department of Geography, University of Oregon


Geographic Distribution of 2011 Football Ticket Sales in Oregon
University of Oregon Athletic Department Economic Impact FY 2011-12
© 2012 InfoGraphics Lab
Department of Geography, University of Oregon
Football Tickets by Zipcode
Total Tickets Purchased
1 - 148
152 - 544
568 - 1348
1451 - 2467
2634 - 5347
7477 - 11665
15404 - 20291
36782
Football Tickets by County
Total Tickets Purchased
3- 600
788 - 1473
2523 - 5371
7078 - 13095
24856 - 32037
140718
Clatsop
Columbia
Tillamook
Washington
Multnomah
Hood River
Yamhill
Clackamas
Polk
Marion
Lincoln
Benton
Linn
Lane
Douglas
Coos
Curry
Josephine
Jackson
Klamath
Lake
Deschutes
Jefferson
Wasco
Sherman
Gilliam
Morrow
Umatilla
Wallowa
Union
Baker
Wheeler
Grant
Crook
Harney
Malheur
Payette
Caldwell
OREGON


Ontario
Maine
Washington
Montana
North Dakota
Minnesota
Vermont
New Hampshire
Massachusetts
Oregon
Idaho
Michigan
New York
Wisconsin
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Wyoming
Pennsylvania
New Jersey
Iowa
Ohio
Delaware
Maryland
Nebraska
Nevada
Illinois
Indiana
West Virginia
Virginia
Utah
Colorado
Kansas
Missouri
Kentucky
California
North Carolina
Tennessee
South Carolina
Oklahoma
Arkansas
Arizona
New Mexico
Alabama
Georgia
Mississippi
Texas
Louisiana
Florida
TrackTown12 Tickets by Zipcode
Total Ticket Days Purchased per Zipcode
1 - 46
46 - 262
262 - 974
974 - 2114
2114 - 3857
3857 - 12099
Geographic Distribution of 2012 Olympic Trials Ticket Sales in the U.S.
University of Oregon Athletic Department Economic Impact FY 2011-12
© 2012 InfoGraphics Lab
Department of Geography, University of Oregon
TrackTown12 Tickets by State
Total Ticket Days Purchased per State
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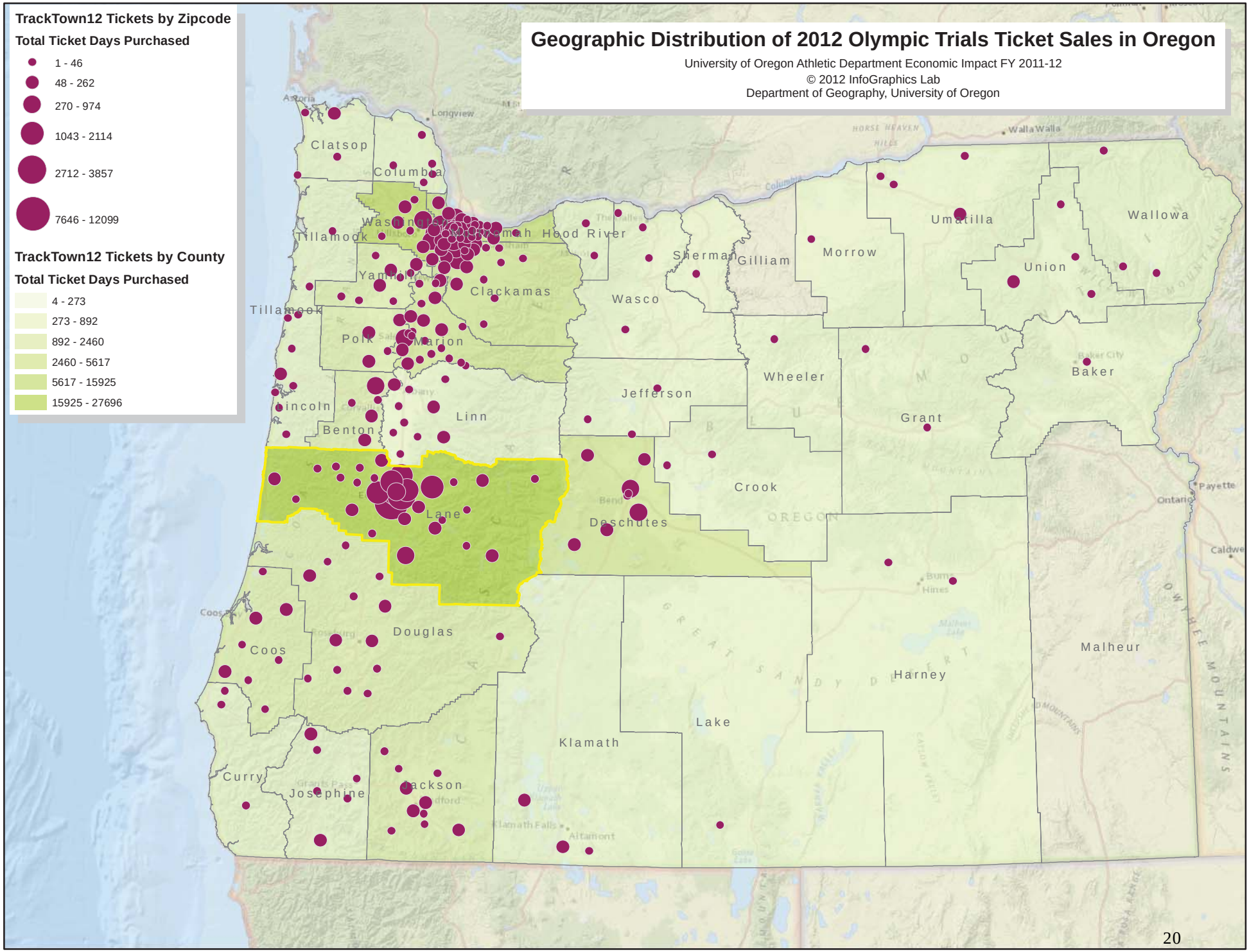
485 - 961
1119 - 1996
4471 - 5838
15158
60147


TrackTown12 Tickets by Zipcode
Total Ticket Days Purchased
1 - 46
48 - 262
270 - 974
1043 - 2114
2712 - 3857
7646 - 12099
TrackTown12 Tickets by County
Total Ticket Days Purchased
4 - 273
273 - 892
892 - 2460
2460 - 5617
5617 - 15925
15925 - 27696
Geographic Distribution of 2012 Olympic Trials Ticket Sales in Oregon
University of Oregon Athletic Department Economic Impact FY 2011-12
© 2012 InfoGraphics Lab
Department of Geography, University of Oregon
Clatsop
Columbia
Tillamook
Yamhill
Clackamas
Polk
Marion
Lincoln
Benton
Linn
Lane
Douglas
Coos
Curry
Josephine
Jackson
Klamath
Lake
Deschutes
Jefferson
Wasco
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Morrow
Umatilla
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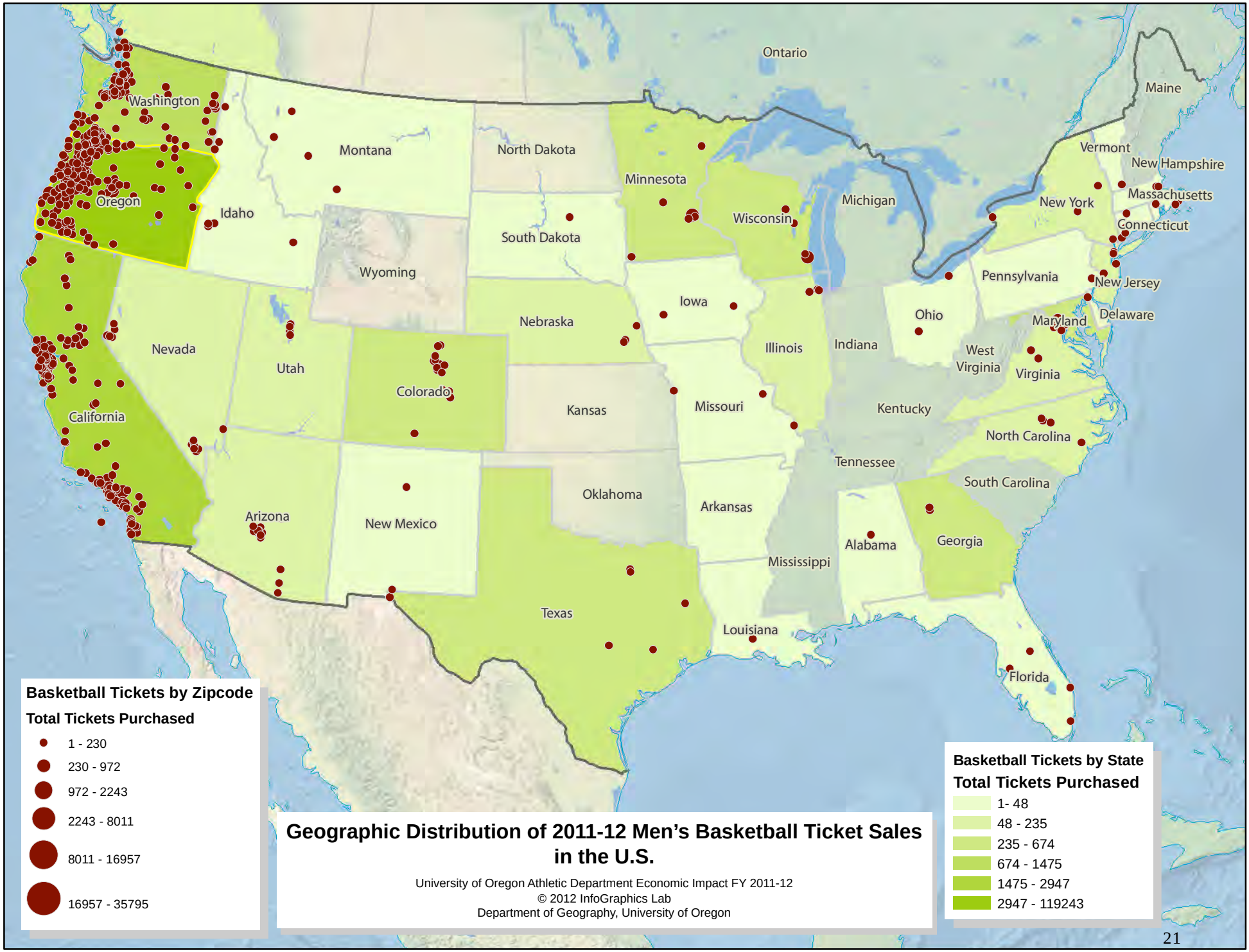
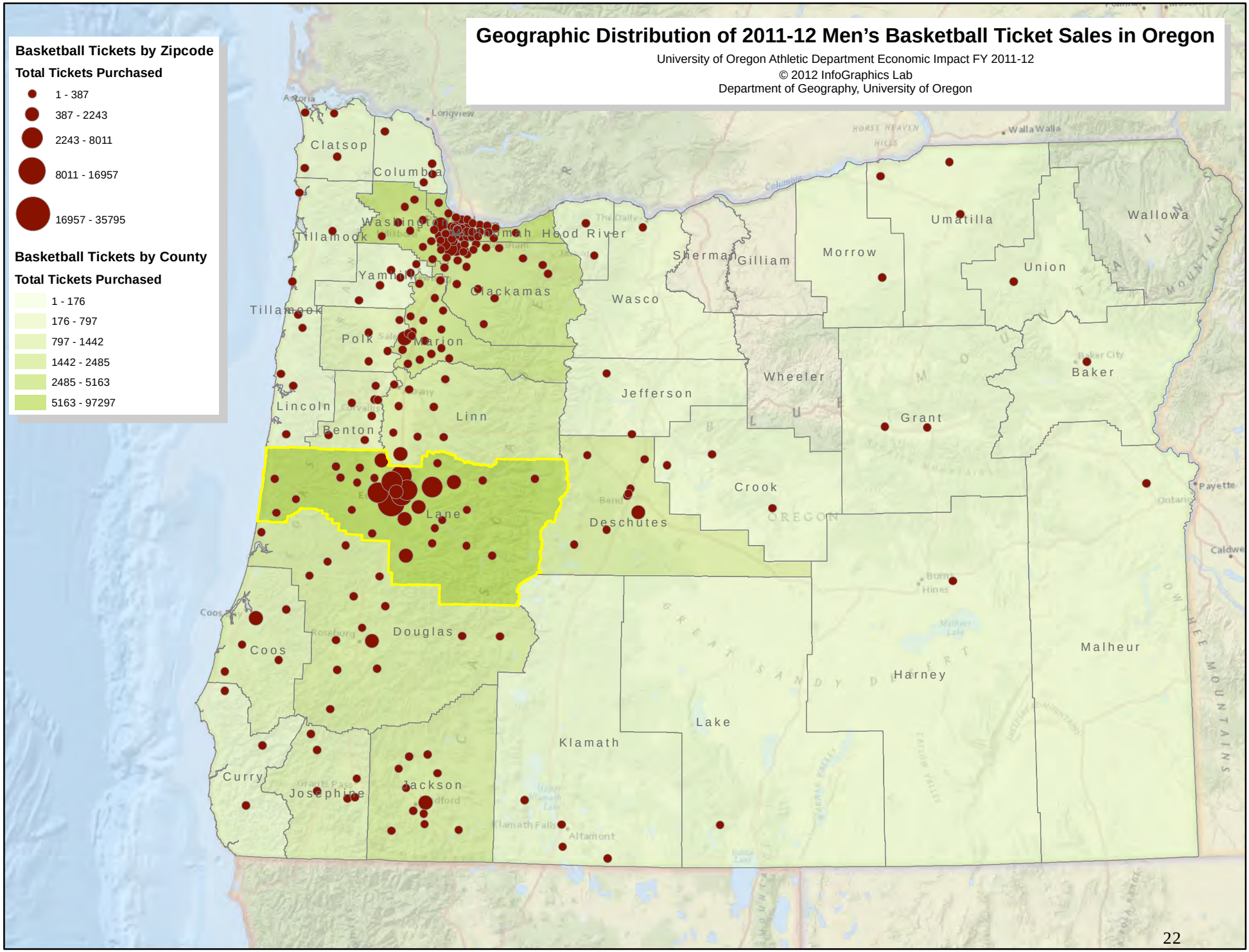
Union
Baker
Wheeler
Grant
Crook
Harney
Malheur
OREGON



Geographic Distribution of 2011-12 Men's Basketball Ticket Sales in the U.S.

University of Oregon Athletic Department Economic Impact FY 2011-12

Department of Geography, University of Oregon


Geographic Distribution of 2011-12 Men's Basketball Ticket Sales in Oregon
University of Oregon Athletic Department Economic Impact FY 2011-12
© 2012 InfoGraphics Lab
Department of Geography, University of Oregon
Basketball Tickets by Zipcode
Total Tickets Purchased
1 - 387
387 - 2243
2243 - 8011
8011 - 16957
16957 - 35795
Basketball Tickets by County
Total Tickets Purchased
1 - 176
176 - 797
797 - 1442
1442 - 2485
2485 - 5163
5163 - 97297
Clatsop
Columbia
Tillamook
Washington
Multnomah
Hood River
Yamhill
Clackamas
Wasco
Sherman
Gilliam
Morrow
Umatilla
Union
Wallowa
Polk
Marion
Jefferson
Wheeler
Grant
Baker
Lincoln
Benton
Linn
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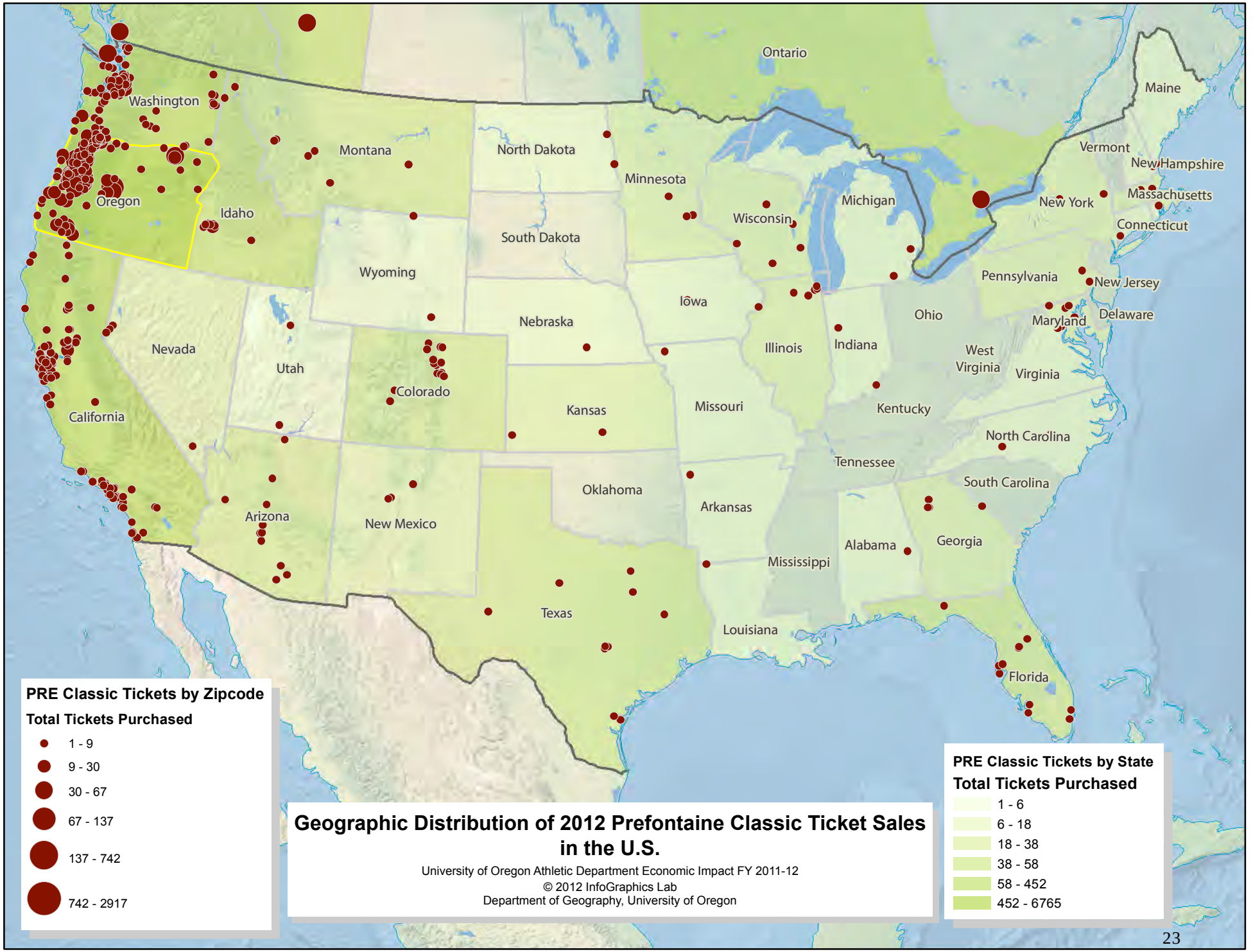
Deschutes
Lane
Douglas
Coos
Curry
Josephine
Jackson
Klamath
Lake
Harney
Malheur
Payette


Ontario
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Montana
North Dakota
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Vermont
New Hampshire
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Michigan
New York
Massachusetts
Wisconsin
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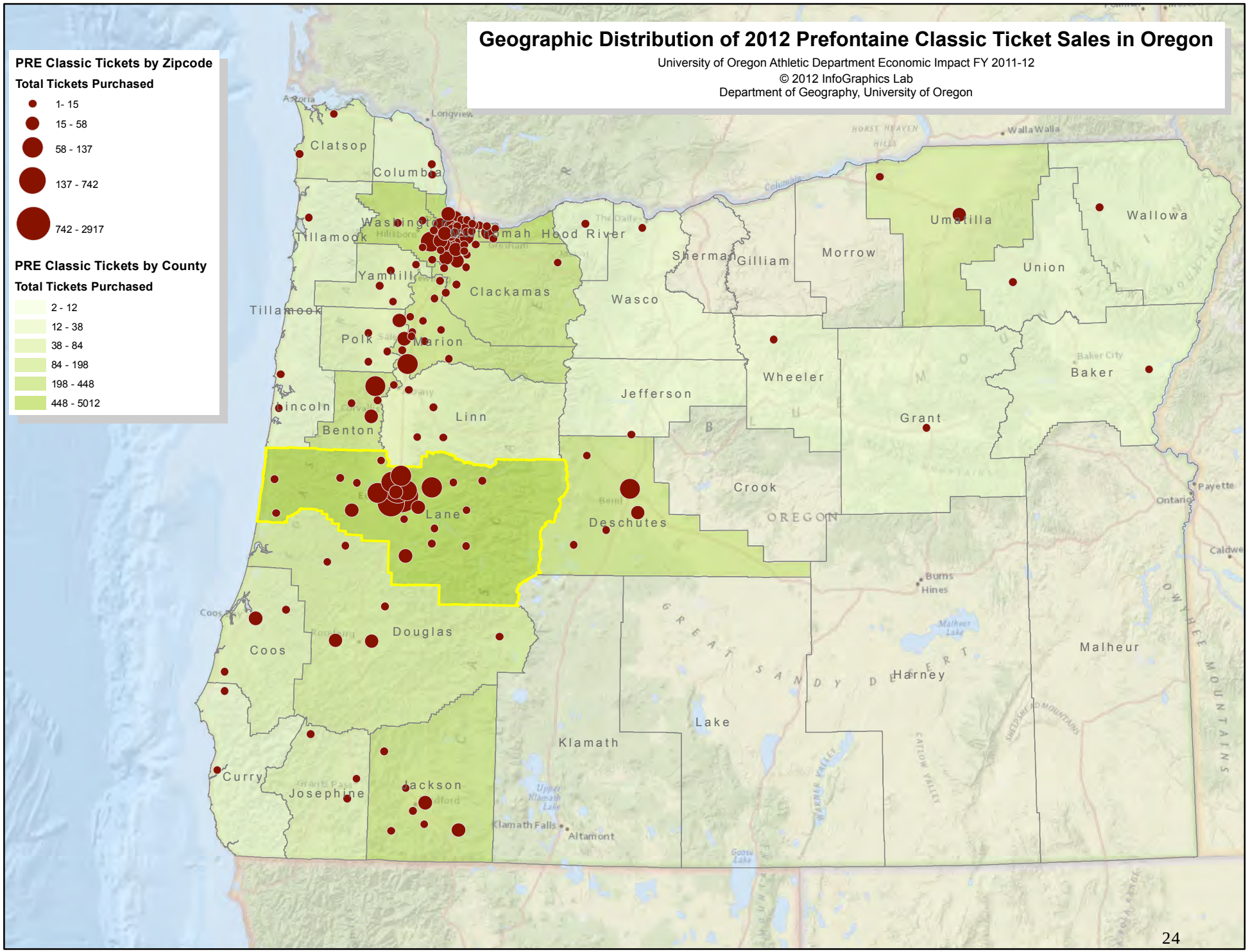
South Dakota
Wyoming
Pennsylvania
New Jersey
Iowa
Ohio
Maryland
Delaware
Nebraska
Nevada
Illinois
Indiana
West Virginia
Virginia
Utah
Colorado
Kansas
Missouri
Kentucky
California
North Carolina
Tennessee
Oklahoma
South Carolina
Arkansas
Arizona
New Mexico
Alabama
Georgia
Mississippi
Texas
Louisiana
Florida
PRE Classic Tickets by Zipcode
Total Tickets Purchased
1 - 9
9 - 30
30 - 67
67 - 137
137 - 742
742 - 2917
Geographic Distribution of 2012 Prefontaine Classic Ticket Sales in the U.S.
University of Oregon Athletic Department Economic Impact FY 2011-12
© 2012 InfoGraphics Lab
Department of Geography, University of Oregon
PRE Classic Tickets by State
Total Tickets Purchased
1 - 6
6 - 18
18 - 38
38 - 58
58 - 452
452 - 6765

Geographic Distribution of 2012 Prefontaine Classic Ticket Sales in Oregon

University of Oregon Athletic Department Economic Impact FY 2011-12

Department of Geography, University of Oregon



Appendix B

University of Oregon Football Season Ticket Holders Survey

Note: This survey was co-authored with Dennis Howard, Phillip H. Knight Professor of Business at the University of Oregon. We will be doing subsequent analysis with the survey results beyond that presented in this report.

Default Question Block

Thank you for your loyal support as a University of Oregon football season ticket holder! Your generous support enables our coaches and student-athletes to achieve at the highest level and is greatly appreciated. In an effort to learn more about fan behavior while visiting the Eugene-Springfield area for Oregon football games, we have developed the survey below. The data collected in this survey will assist the University of Oregon in studying the economic impact of Oregon football on the local economy. The survey should take just a few minutes of your time and your responses will be confidential.

Additionally, by completing this brief survey you will be entered into a special drawing for an Oregon Football Helmet signed by Head Football Coach Chip Kelly.

Thank you again for your time and support and Go Ducks!

Sincerely,

Rob Mullens

What is the ZIP code of your primary residence?

For each of this seasons' home games, could you please provide the following information:

	Attended or plan to attend?		People traveling in party.	Overnight stay in Eugene/Springfield area?	
	Yes	No	(Number)	Yes	No
Arkansas State	○	○		○	○
Fresno State	○	○		○	○
Tennessee Tech	○	○		○	○
Arizona	○	○		○	○
Washington	○	○		○	○
Colorado	○	○		○	○
Stanford	○	○		○	○

During your travel to and from each game, is it customary for you spend the night in Eugene or Lane County?

- ○ Yes
- ○ No

Please select the lodging option that best describes your usual overnight accommodation?

- ○ Hotel/Motel
- ○ Stay with friends/family
- ○ RV/Motor Home
- ○ Other

Please select the length of usual overnight stay?

- ○ 1 night
- ○ 2 nights
- ○ 3 nights
- ○ 4 or more nights

How do you travel to home games?

- ◯ Private Vehicle
- ◯ Rented Vehicle
- ◯ Motorhome
- ◯ Commercial Plane
- ◯ Private Plane
- ◯ Other

Which of the following services do you typically use in Eugene or Lane County when attending games?

	Yes	No
Dine out at local restaurants, bars, etc.?	◯	◯
Rent a car from local auto rental agency	◯	◯
Go retail shopping (clothing, souvenirs, gifts)	◯	◯
Pursue other entertainment or recreation opportunities?	◯	◯

If you typically dine out at local restaurants, how often, on average, during a trip?

- ◯ 1 to 2 times
- ◯ 3 to 4 times
- ◯ 5 or more times

One reason for our survey is to better understand the economic impact of Oregon football games on the local economy. We are interested in finding out the approximate amount you and the other members of your immediate travel party spent during your time in Eugene-Springfield as part of attending an Oregon football game. We understand that this may be a difficult question, but please do your best to estimate the amount your travel group spent in each of the following categories (enter numbers only):

	Amount Spent
Lodging (motel, hotel, etc.)	$
Retail Shopping (e.g., UO Duckstore, Valley River Center, etc.)	$
Food & Beverages (restaurants, bars, grocery stores, etc)	$
Private Auto Expenses (e.g., gas, parking fees, repairs)	$
Rental Car Expenses	$
Airplane Travel Expenses (private plane or commercial airline fare)	$
Other Expenses	$

If you would like to be entered in a drawing for a free Oregon Football Helmet signed by Head Football Coach Chip Kelly, please provide the following information:

Name

Address 1	
Address 2	
City	
State	
Postal Code	
Phone	