

An Economic Impact Study of the Golf Industry on the State of Georgia



Prepared by:

Office of Sports Business Research

Dr. Rankin Cooter, Director
Dustin Papendick, Graduate Assistant
Nakia Washington, Graduate Assistant

Prepared for:

Georgia Section, PGA of America
Georgia State Golf Association
Georgia Golf Course Superintendents' Association
Georgia Chapter, Club Managers' Association of America

January 2003



STATE OF GEORGIA ECONOMIC IMPACT OF GOLF YEAR 2001

INTRODUCTION AND OVERVIEW

Golf reigns as Corporate America's No. 1 pastime according to a report by Business Week online. Golf is said to be the preferred sport of American business due to its ability to lend itself to the development of professional relationships. "The ability to play golf, understand its etiquette, and respect its traditions (Nelson, 2001)" may be an indicator of one's professional mannerism. Observing business associates on the golf course may provide insight to his/her behavior in the office. "Four to five hours on the golf course, and you get to know the character traits – honesty, humility, ability to handle success/failure, approach to risk, desire to have fun, etc. – of your golfing partners (Nelson, 2001)."

Golf, being considered the business of America, has replaced drab lunch and dinner meetings as the avenue for confirming business deals. The state of Georgia is home to several nationally ranked public-access courses that serve as a venue to play, discuss professional matters, have wonderful meals, and combine business and leisure. Two of Georgia's Reynolds Plantation courses have been ranked in *Golf Digest's* Top 75 Places to Entertain Clients (November, 2001); Great Waters in Eatonton is No. 63 and Plantation in Greensboro is No. 67. Three of *Golf Digest's* America's 100 Greatest Golf Courses (May, 2001) are also located in Georgia. Augusta National is ranked 3rd in America, Peachtree Golf Course in Atlanta is No. 33 and East Lake Golf Course, also in Atlanta, is No. 60.

PROBLEM STATEMENT

The purpose of this project was to determine the economic impact that the golf industry has on the economy in the state of Georgia. For the purposes of obtaining information from Georgia's golf courses, ranges, country clubs, contractors, manufacturers, suppliers, media and turf companies, the Georgia State University Office for Sports Business Research (OSBR) developed, surveyed and tabulated questionnaires, and conducted telephone interviews and surveys that support the conclusions below.

RESEARCH PROCEDURES

The Questionnaire

Each of the questionnaires utilized and attached to this report (Appendix A) were developed by the OSBR. Each questionnaire was constructed as to relevance to the target population ensuring content validity. Questions were reviewed on a consistent basis and each question was designed to obtain maximum information from the participant. Lastly, questionnaires were refined and questions deemed unnecessary were removed for the purpose of brevity and to maximize returns. The study progressed over the total timeline as follows:

Phase I Review of Literature and Comparable Studies

Economic impact studies from the states of South Carolina, Arizona, Michigan and Massachusetts were reviewed for methodology, procedures and results. A second part of this phase was to categorize the golf industry into major research categories.

Phase II Golf Courses, Clubs and Ranges

The Country Club and Golf Course questionnaire was developed and mailed to 450 clubs and courses in March, 2002. Each country club and course manager received a cover letter explaining the reasoning for the questionnaire, a copy of the questionnaire, a letter from the GGCSA, and a return stamped envelope. Of the questionnaires mailed, 37 were returned with responses, which yielded an 8% rate of return. Seven were undeliverable due to incorrect addresses.

After refining and updating the original mailing list, we proceeded during the month of June to mail a second mailing of 254 questionnaires. During the months of June and early July, 33 questionnaires were returned from the courses and clubs. After waiting for an appropriate time period, the researchers decided to personally call randomly selected club managers and professionals, soliciting their assistance. Each was faxed a questionnaire, which was to be returned by fax. Strict confidentiality was assured to all respondents. Usable data was received from a total of 154 courses, which represented a 34% return. Of the 70 identified golf ranges and centers, 17 responded with usable data for a 24% return rate.

Phase III Golf Manufacturers, Wholesalers and Retailers

Two hundred thirty-three (233) manufactures and suppliers were initially identified from *The Sports Market Place* (2001) as companies who were located or conducted business in the state of Georgia. Specially designed questionnaires were mailed in April to the 233 companies. After a second mailing in June, only 14 responses were received for a 6% rate of return. At this point of the study a new list was compiled from *The Real Yellow Pages* of golf manufacturers and retailers in major population centers throughout the state of Georgia. Phone numbers were obtained from Atlanta, Rome, Dalton, Augusta, Savannah, Columbus, Albany, Macon, Valdosta and Brunswick. All major Georgia manufacturers (N=7) were identified, key persons identified and all were called, fax numbers obtained, and a letter, information sheet and questionnaire were faxed to all identified companies. Secondary companies were randomly selected and called. The same research procedures were utilized for this group.

In a likewise manner, major wholesalers & retailers were identified in each population center and surveyed; minor retailers were sampled and data obtained. A total of 120 golf specialty retailers were identified.

NOTE: No data was obtained from general retailers or general sporting goods chains such as Kmart, Wal-Mart, Target, or Sports Authority. A comment regarding this data is included in the study limitations and conclusions.

Phase IV Specialty Golf Events

Seven special events were identified for 2001 and the economic impact from each was utilized to contribute to the total. Data from studies conducted by the Augusta Chamber of Commerce, the Atlanta Sports Council, and the individual Tournaments were utilized for these values. The Masters Tournament, the PGA Championship, the BellSouth Classic, LPGA Chick-fil-A Charity Championship, the Buick Southern Invitational, the USGA Amateur Tournament, and the Walker Cup were all included for this phase of the study.

Phase V Organizations, Associations and Publications

Twenty-six organizations and associations and the appropriate publications were included in this phase of the study. Total personnel and revenues were collected from direct information provided by each agency.

Phase VI New Golf Course Construction / Turf Product and Sales

Eight new golf courses were identified as being completed in 2001. Data was gathered on all eight courses as to total construction costs. The University of Georgia (UGA) completed a study of the economic impact of urban agriculture in Georgia where they included earnings and revenue of the turfgrass industry. However, from this data, golf turf product and sales were very difficult to separate from total turf sales. Therefore, fragmented results were omitted from the study and considered a delimitation.

Scope (Delimitations)

The scope of the study was determined to be a review and calculation of total revenues, number of employees, taxes paid, and salaries generated through golf courses/clubs and their operational costs; golf manufacturing and distribution; golf equipment and apparel sales; golf organizations and associations; specific golf events and tournaments; and golf course construction and design. From these data, the total estimated economic impact of golf in Georgia was compiled.

Limitations

The study did not attempt to gather data on all aspects of golf in the Georgia economy because some data was deemed to have a minor influence, some was deemed inappropriate, and some was impossible to obtain because data was unavailable or businesses chose not to participate.

1. **Tourism Implications**

The impact of golf on tourism income is difficult to separate from other types of attractions and impact. In fact, many textbooks indicate that this area should not be included because golf is actually an extension of a trip or visit and usually not the cause of an expenditure of motel, airfare, or food expense.

It was concluded that in Georgia, except in rare instances, golf is an extension of visitation and revenue from tourism.

2. Turf Industry

Turf revenue attributable to golf is very difficult to measure and separate from other turf and sod business or revenues. According to a UGA study, the turfgrass producers in rural Georgia earn \$52.1 million annually and Georgia nurseries have an average revenue of \$139 million. It is evident that these businesses are viable revenue producers for the state of Georgia, but the golf portion of these revenues was not obtainable or significant to the total economic impact. For the purposes of this study, it was excluded.

3. Construction Improvements / Additions

Improvements to courses and clubhouses were included by some clubs/courses in their data, but separate information was not obtained with the exception of new course construction.

4. Large Retailers and General Sporting Goods

Large retailers such as Kmart, Wal-Mart, Target and Sports Authority do not collect or provide golf-specific data. Therefore, this data was unavailable.

5. Computer Generated Special Services/Products

Entities such as Golf Club Exchange and Last Minute Tee Times (LMTT) were deemed not to produce large incomes toward economic impact and were therefore not surveyed.

6. Questionnaires from golf course architects were not returned. Therefore, data was not included directly, but new golf course construction was inclusive of some architect participation.

LITERATURE SUMMARY

According to BusinessWeek online, the business of America is golf. “The ability to play golf, understand its etiquette, and respect its traditions can boost a career.” You may ask why golf is the preferred sport of American business. The answer is relationships. Observing a business associate on the golf course can give important insight to his or her behavior in the office. “Four to five hours on the golf course, and you get to know the character traits – honesty, humility, ability to handle success/failure, approach to risk, desire to have fun, etc. – of your golfing partners. That translates into a successful business relationship.” If your associate would cheat you in golf, would you really want to do business with them?

Golf is viewed as corporate America’s number one pastime and has replaced the sometime boring lunch or dinner meetings as “deal sealers.” Georgia is home to several nationally ranked public-access courses “where anyone can get in a round or two, take in a great meal, discuss a little business, and generally enjoy a wonderful mixture of work and play.” Two of Georgia’s Reynolds Plantation courses rank in *Golf Digest*’s Top 75 Places to Entertain Clients (November 8, 2001). Great Waters in Eatonton is ranked #63 with Plantation, located in Greensboro, following close behind at #67. Georgia is also home to three of *Golf Digest*’s America’s 100 Greatest Golf Courses (May, 2001). Augusta National Golf Course is listed at #3, Peachtree Golf Course in Atlanta holds the #33 position with East Lake Golf Course, also in Atlanta, placing 60th.

Golf is a growing industry and should no longer be considered only as a recreation entity. According to the National Golf Foundation (NGF), golf is expected to become a \$40 billion-a-year industry in the U.S. by the year 2006. These numbers may, in fact, be conservative if the golf industry continues to grow at its current pace.

Four recent economic impact studies on golf have been reported in four states. In the state of South Carolina, golf is reported to generate more income than any other single entertainment recreation activity. According to a 1998 study, South Carolina’s 335 golf courses generated an estimated total annual economic impact of \$1.226 billion. Additionally, this economic activity of the golf industry produced approximately 24,400 jobs resulting in \$424 million in personal income. The industry also generated \$94 million in federal, state, and local taxes. A second 1997 study conducted by the NGF in Arizona found that the golf industry employed nearly 16,900 people and produced \$306 million in wages. Arizona’s golf activity produced \$962 million in sales (output) and contributed \$69 million in state and local taxes. Therefore, the total impact of golf was over \$1.2 Billion annually. A third 2000 study published by the NGF confirms golf as a large and successful business entity in the state of Massachusetts. The golf industry in Massachusetts contributes \$1.6 billion in direct sales (output), employs over 19,000 people and adds \$400 million in wages to the state’s economy annually. The fourth and last study was conducted in Michigan by the Sports Research Institute, Ltd. in 1997. The research was much broader than an economic impact study but did reveal that the total economic impact annually would range from \$950 Million to \$1.7 Billion.

It is apparent that the impact of golf on Georgia’s economy is significant and is probably greater than the \$1.0 to 1.6 Billion annual contribution in the four previous states since there are 450 courses and clubs, seven major manufacturing companies (95% of all golf carts are produced in Georgia), and over 150 golf retail outlets.

RESULTS

Interpretation

When reading and interpreting economic impact research and resulting data, it is imperative for the reader to understand that collected information is to be interpreted as **broad economic data** and **projected data** from samples taken from the total population. Economic impact studies are not exact, but are generalized predictions based upon data collected and projections of impact which are partially based on a “ripple effect” of multipliers.

Multipliers

The “ripple effect” is a simplified version of economic factors which reflect the infusion of dollars into a region or state based on direct dollars infused and the re-spending of those dollars by employees and by reallocation of tax dollars. Thus, an economy is affected by direct, indirect or induced income. The GSU Office for Sports Business Research (OSBR) utilized conservative multipliers from IMPLAN-Type II originally developed by the USDA Forest Service.

Terminology and Specifics

- A. Economic Impact is defined as the net economic change in the host community that results from spending attributed to a sport, event or facility.

- B. Defining Direct Impact, Indirect and Induced Impact
 - a. *Direct Impact*: The first-round effect of spending; that is, how much the golf courses, manufacturers and retailers who received the initial dollars spent on goods in the local economy and pay employees who live in the jurisdiction.
 - b. *Indirect Impact*: The ripple effect of additional rounds of recirculating the initial golf business dollars.
 - c. *Induced Impact*: Further ripple effects caused by employees of impacted businesses spending some of their salaries and wages in other businesses in the state.

C. Calculating the Multiplier Coefficient

Direct, indirect and induced impact must be calculated (estimated) to determine the multiplier coefficient. This formula is critical to the accuracy of predicted economic impact.

The formula shown below is commonly used and would be most applicable in this case:

$$\frac{\text{Direct, Indirect and Induced Income}}{\text{Direct Income}}$$

D. Multiplier Models

The IMPLAN Type-II system of input-output models for all states and counties was used for deriving a multiplier. These were obtained from the GSU Economic Forecasting Center and conservative multipliers were used in all cases of analysis.

Confidentiality

The integrity of the sponsoring agencies and the OSBR must be maintained along with the guaranteed anonymity of the respondents and their data. All attempts have been made to insure that both confidentiality and anonymity have been maintained and all data is presented in a format to afford the reader with maximum information without compromising any individual company/manufacturer or golf course in a highly competitive environment. This concept may also assist in the cooperation of the golf community with future research or joint efforts.

Data

The data is presented primarily in tabular form for simplicity and to maximize clarity. The primary focus of the research project was directed toward obtaining data from golf courses and ranges. Priority two was the seven primary manufacturers, with wholesalers, retailers, special golf events, and organizations & associations being prioritized in order of focus. Graph 1 reflects the partial contribution of each of the contributory segments.

Graph 1: Segment Contribution to Overall Economic Impact

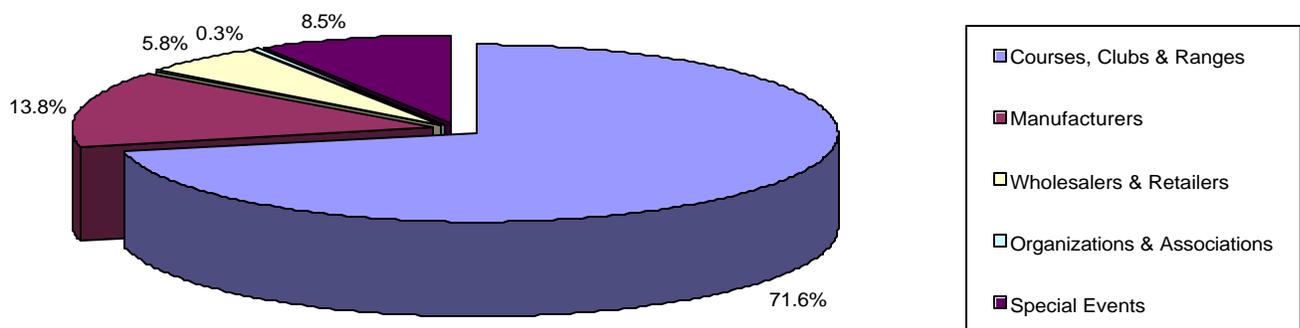


Table 1 reveals the 450 golf courses and 70 ranges which produced an estimated \$1.84 billion annual impact and provided approximately 17,000 full-time and 11,000 part-time jobs. Salaries totaled \$432.66 million with almost \$40 million in taxes paid for the year 2001.

Table 1: Golf Courses & Ranges

	<i>Estimated Impact</i>
Number of Golf Courses & Ranges	520
Revenue Economic Impact ¹	\$1.84 Billion
Number of Employees	
Full Time	16948
Part Time	10874
Salaries	\$432.66 Million
Taxes ²	\$39.56 Million

¹ Economic impact data includes direct, indirect and induced multiplier

² Includes Federal, State and Local taxes

Table 2 presents a combination of the seven major golf manufacturers, smaller manufacturers, golf wholesalers and retailers in the state of Georgia. The total number of results was generated from a total of 127 companies. The revenue impact was estimated at \$504 million with almost 4000 full-time employees being paid \$200 million in wages annually. Reported taxes paid for 2003 by these agencies totaled \$25 million.

Table 2: Golf Manufacturers, Wholesalers & Retailers

	<i>Estimated Impact</i>
Number of Manufacturers, Wholesalers & Retailers	127
Revenue Economic Impact ¹	\$504 Million
Number of Employees	
Full Time	3826
Part Time	Incomplete ²
Contract	363
Wages	\$200 Million
Taxes ³	\$25 Million

¹ Economic impact data includes direct, indirect and induced multiplier

² Information provided by surveys were deemed inadequate to estimate part-time employment figures

³ Includes Federal, State and Local taxes

In Table 3, golf special events were comprised of seven (7) tournaments which contributed significant economic impact on the state of Georgia. The estimated impact was \$217 million with wages over \$1 million annually. Full-time employees were minimal and part-time employees were also minimal. These tournaments’s success resides primarily on a high volume of volunteers for event success. See Graph 2 for the relative contribution of each event.

Table 3: Golf Organizations & Associations

	<i>Estimated Impact</i>
Number of Organizations & Associations	26
Revenue Economic Impact ¹	\$8.9 Million
Number of Employees	
Full Time	30
Contract	20
Wages	Included ²
Taxes ³	N/A

¹ Economic impact data includes direct, indirect and induced multiplier
² Employee wages included in economic impact
³ Organizations are primarily non-profit and therefore do not pay taxes

Graph 2: Individual Golf Special Event Contribution to Overall Economic Impact

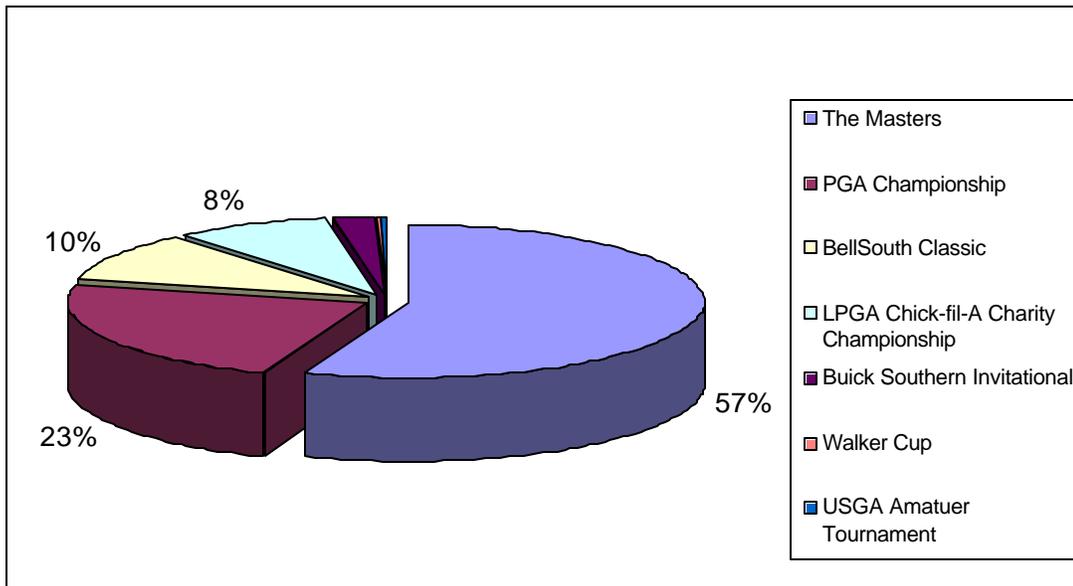


Table 4 presents data for golf organizations and associations in Georgia. They collectively contribute \$8.9 million economic impact toward the Georgia economy with 30 full-time, 20 part-time and many volunteers. We would be remiss if we did not recognize the collective non-economic benefit and service that these agencies provide to the golf industry which are not reflected in dollars. They are commended for their efforts and professional income to all aspects of the golfing world.

Table 4: Golf Special Events

	<i>Estimated Impact</i>
Number of Special Events in 2001	7
Revenue Economic Impact ¹	\$217.8 Million
Number of Employees	
Full Time	13
Part Time	Volunteers
Wages	\$1 Million
Taxes ²	\$10 Million

¹ Economic impact data includes direct, indirect and induced multiplier

² Organizations are primarily non-profit and therefore do not pay taxes

Table 5 summarizes the data from all parts of the golf industry to show an economic impact of \$2.57 billion, not including the golf course construction from 2001. Including the \$117 million economic impact of golf course construction, the golf industry in Georgia has a total economic impact of \$2.69 billion (see Table 6).

Table 5: Golf Industry Summary

	<i>Full-time Employment</i>	<i>Part-time Employment</i>	<i>Wages</i>	<i>Taxes¹</i>	<i>Economic Impact²</i>
Organizations & Associations (26)	30	20	Included	N/A	\$8.9 Million
Special Events (7)			\$1 Million	\$10 Million	\$217.8 Million
Manufacturing, Wholesale & Retail (127)	3826	Incomplete ³	\$200 Million	\$25 Million	\$504 Million
Courses, Clubs & Ranges (520)	16948	10874	\$432.66 Million	\$39.56 Million	\$1.84 Billion
Total	20804	10894	\$633.66 Million	\$74.56 Million	\$2.57 Billion

¹ Includes Federal, State and Local taxes

² Economic impact data includes direct, indirect and induced multiplier

³ Information provided by surveys were deemed inadequate to estimate part-time employment figures

Table 6: Golf Industry Summary

	<i>Economic Impact¹</i>
Golf Industry Segments	\$2.57 Billion
Golf Course Construction	\$117 Million
Total	\$2.687 Billion

In comparison with economic impact studies completed in four other states, Georgia far exceeds the published data (See Table 7).

Table 7: Economic Impact Study Comparison

	<i>Georgia</i>	<i>South Carolina</i>	<i>Massachusetts</i>	<i>Michigan</i>	<i>Arizona</i> ³
Sales Revenues	\$2.687 Billion		\$1.6 Billion		\$962 Million
Number of Employees					
Full-time	20,817	24,397	19,000	10000 ¹	16,900
Part-time	10,894			15000 ¹	
Wages Paid	\$633.66 Million	\$424 Million	\$400 Million	\$1.84 Million*	\$306 Million
Taxes	\$74.6 Million	\$94 Million	\$113 Million		\$69 Million
Total Overall Contribution	\$3.395 Billion	\$1.23 Billion	\$2.1 Billion	\$950M - 1.75B²	\$1.337 Billion

¹ Michigan only includes daily fee facilities

² Michigan's total estimated economic impact estimated between \$950 million and \$1.7 billion annually

³ Arizona figures do not include construction

SUMMARY AND CONCLUSIONS

The economic impact of golf in the state of Georgia's economy for the year 2001 was \$2.69 Billion.

- Golf is a large economic impact engine in the state of Georgia. It is at least 60% larger than any of the four states with comparable data.
- Golf courses, clubs and ranges (N=520) produce a \$1.84 billion economic impact on the Georgia economy through sales and services.
- Golf manufacturing, wholesale and retail generated \$504 million impact for 2001.
- Individual golf tournaments produced a \$217.8 million impact on the Georgia economy.
- The golf industry collectively utilizes over 20,804 full-time employees.
- Part-time employees totaled 10,894.
- Results revealed that \$633.66 million in wages were paid.
- Approximately \$74.56 million were paid in taxes. However, several agencies did not provide this information producing a deflated value.
- New golf course construction accounted for \$66 million in direct investment, which resulted in a multiplier economic impact of \$117 million.
- Psychic and social impact of the game of golf is evident by its contribution to the quality of life of the citizens of Georgia in addition to the economic impact.

APPENDIX A

Cover Letters & Questionnaires

- A.1 Cover Letter sent with questionnaires
- A.2 Legislative Waters Letter
- A.3 Cover Letter sent with questionnaires
(Second Mailing)
- A.4 Golf Country Club and Course
Questionnaire
- A.5 Golf Foundations, Organizations &
Associations Questionnaire
- A.6 Golf Manufacturers, Suppliers, &
Contractors Questionnaire (same for
Media, Turf and Construction)

Sample Form A.1

(Date)

Dear *(type of organization)*:

The Georgia Section of the PGA, the Georgia State Golf Association and the Georgia Golf Course Superintendents Association are collectively sponsoring a statewide economic impact study to determine the estimated dollars spent on golf in Georgia annually. The Georgia State University Office for Sports Business Research (OSBR) is currently collecting and analyzing data regarding the number of jobs created, the federal, state and local taxes paid, and general revenues and expenditures generated by the industry. All information provided will be combined with other information and kept strictly confidential.

Why is the research essential?

All states are currently reviewing the integrity of streams, the environmental impact, and the general use of water in their respective states. The state of Georgia is currently studying its use of water and is forming a priority list for future use. It is critical that the golf industry, its governing agencies and golf organizations collectively make a solid effort to answer questions and provide data to the state of Georgia. If we can show that golf is indeed an industry generating jobs, paying taxes, and producing a significant economic contribution, golf will be classified as an industry in addition to a recreational entity.

Please take the time to complete the brief questionnaire and mail the information in the provided envelope by *(date)*. Thank you in advance for your assistance.

Sincerely,

G. Rankin Cooter
Georgia State University
Director of OSBR

Endorsing Organizations:

John Bryan, Exec. Director, Ga. Section PGA
Zack Platek, President, Ga. Chapter, CMAA
Dick Schulz, President, Ga. Chapter, NGCOA
Mike Waldron, Exec. Director, GSGA
Tenia Workman, Exec. Director, GGCSA

Enclosure

Legislative Waters Affecting Your Golf Course Georgia Golf Course Superintendents Association

One of Georgia's major political issues in 2001, which will continue into 2002 is water – whose is it, and who will get it?

To understand the seriousness of Georgia's water situation, some background information is necessary:

Georgia's drought began in May 1998. This has been Georgia's longest drought since the mid 1950s. Water sources for Georgia originate in Georgia, with the Chattahoochee River Basin supplying 80% of the water for Atlanta. The Chattahoochee River Basin is one of the smallest river basins in the United States and is too small to sustain Atlanta's growth, and by 2030, Atlanta will have outgrown the Lake Lanier/Chattahoochee system. In north Georgia we have small streams, no natural lakes, limited ground water and high water demands. In south Georgia, salt water intrusion is the major concern.

From a political viewpoint, golf courses are viewed as large land masses that waste a tremendous amount of water. The golf course industry overall has done a very poor job of self-promotion and showing the importance of the golf industry to legislators through environmental protection and benefits of water cleansing through filtration, green space, wildlife sanctuaries, tax revenues, real estate values, tourism, jobs, construction, recreation and history.

The golf industry is dealing with basically two water issues. First, golf courses may potentially be moved to the "end" of the water receiving line and placed in the "recreational" category – the same category as a recreational ball field. In the current draft of the State Drought Management Plan, golf courses were singled out, with only "misting on greens and tees exempt from restriction, while others such as sod producers, ornamental growers, car washes, power-washing, etc. were totally exempt from state-mandated water use restrictions. Secondly, golf courses will soon be mandated, if feasible, site-specific, to accept treated wastewater (water from water treatment plants).

Currently, golf courses are placed in the same water allocation category as agriculture (crops). There are many strong-voiced water rights activists who insist that golf courses are strictly for recreation and serve no other purpose. If the true picture of the benefits of golf courses is not presented loudly and quickly, it is likely that the water rights of your golf course will be taken away – even if the water on your course comes from your own property! This will be voted on next year before Georgia's legislature. Bottom line, metro Atlanta courses will suffer first, but all Georgia golf courses will soon be affected.

The second issue deals with golf courses accepting treated wastewater. Currently Georgia has treated wastewater that needs to go somewhere, and considering the land mass of golf courses, they are easy targets. Wastewater can be very positive, but only if the quality meets golf course specifications. The Water Resources Division of the Georgia Environmental Protection Division has been very open to comments from the Georgia Golf Course Superintendents Association on the set guidelines, but it will be up to the various golf courses and the individual water treatment plant to determine specifics. If the drought continues as we expect, golf courses will be required to use treated wastewater, if feasible. The term "feasible" has yet to be determined.

What Can the Golf Course Industry Do?

The allied golf associations of Georgia – the GA Club Managers Association, the soon-to-be-formed GA Club Owners Association, The GA Golf Course Superintendents Association, the GA Professional Golfers Association, and the Georgia State Golf Association have been meeting over the past several months to determine a plan of action to protect the golf courses of Georgia.

An economic impact survey is a must to determine the estimated dollars spent on golf in Georgia annually. The Georgia State University Office for Sports Business Research (OSBR) is currently collecting and analyzing data for the survey to show that golf is indeed an industry generating jobs, paying taxes and producing a significant economic contribution so golf can be classified as an industry rather than a recreational entity. A survey will be arriving at your club shortly from the OSBR. Please complete the brief questionnaire and return it by *(date)* to expedite our efforts.

Sample Form A.3

July 9, 2002

Dear Georgia Golf Associations and Organizations:

The Georgia Section of the PGA, the Georgia State Golf Association and the Georgia Golf Course Superintendents Association are collectively sponsoring a statewide economic impact study to determine the estimated dollars spent on golf in Georgia annually. The Georgia State University Office for Sports Business Research (OSBR) is currently collecting and analyzing data regarding the number of jobs created, the federal, state and local taxes paid, and general revenues and expenditures generated by the industry. All information provided will be combined with other information and **kept strictly confidential**.

Why is the research essential?

Many states are currently reviewing the integrity of streams, the environmental impact, and the general use of water in their respective states. **The state of Georgia is currently studying its use of water and is forming a priority list for future use.** It is **critical** that the golf industry, its governing agencies and golf organizations **collectively** make a solid effort to answer questions and provide data to the state of Georgia. If we can show that golf is indeed an industry generating jobs, paying taxes, and producing a significant economic contribution, golf will be classified as an industry in addition to a recreational entity. This will be critical for the state's future allocations of water.

Please take the time to complete the brief questionnaire and mail the information in the provided envelope by **July 23, 2002**. If you have any questions please call (404)651-1896. Remember, all data will remain anonymous. Thank you in advance for your assistance.

Sincerely,

G. Rankin Cooter
Georgia State University
Director of OSBR

Endorsing Organizations:

John Bryan, Exec. Director, Ga. Section PGA
Zack Platek, President, Ga. Chapter, CMAA
Dick Schulz, President, Ga. Chapter, NGCOA
Mike Waldron, Exec. Director, GSGA
Tenia Workman, Exec. Director, GGCSA

**Georgia State University
State of Georgia Economic Impact of Golf
Georgia Golf Foundations, Organization & Associations
Year 2001**

Please complete the survey as thoroughly as possible. The data is critical to the future of golf in Georgia and possible state categorization of golf as a business and therefore the allocation of fresh water in the state of Georgia. Your answers will be kept confidential and will be used as state of Georgia combined data only. **To complete the survey below, please circle or fill in the appropriate answer.**

4. **Name of organization:** _____
5. **2001 Annual Income:** _____
(from Dues, Grants, Donations, Tournaments, Fees, etc.)
6. **2001 Expenditures for:** (include benefits) **Number** **Wages/Benefits (in \$)**
- | | | |
|-------------------------|-------|-------|
| Full-time Employees: | _____ | _____ |
| Part-time Employees: | _____ | _____ |
| Consultant/Contractual: | _____ | _____ |
4. **2001 Operational Expenses:** _____
5. **Taxes Paid** (if applicable):
- | | |
|---------|-------|
| State | _____ |
| Federal | _____ |
| Local | _____ |
6. **List other income and/or expenditures:**

Please return this survey in the enclosed envelope by (date).

Thank you very much for your assistance!

Georgia State University
State of Georgia Economic Impact of Golf
Year 2001
Golf Manufacturers, Suppliers and Contractors

Please complete the survey as thoroughly as possible. The data is critical to the future of golf in Georgia and possible state categorization of golf as a business and therefore the allocation of fresh water in the state of Georgia. Your answers will be kept confidential and will be used as state of Georgia combined data only. **To complete the survey below, please circle or fill in the appropriate answer.**

7. **Company Name:** _____

8. **Type of company:**

	Golf Manufacturer	Golf Sales/supplier
	Golf Service	Contractual
	Turf Sales (supply)	Other _____
	Golf Course Development	

9. **Total 2001 in Georgia:**

Sales/company income	_____
Services	_____
Products/Merchandise	_____
Contractual	_____

10. **Employees: If you have personnel dedicated to the state of Georgia or are located in Georgia, please complete the following:**

a) **Number of employees:**

Full time: _____	Part time: _____
Contractual: _____	Other: _____

b) **Total 2001 Georgia salaries paid (including benefits):** _____

11. **Georgia 2001 taxes paid in 2001:**

	Federal	_____
	State	_____
	Local	_____

12. **Company supplies/materials purchased for redistribution in Georgia for 2001:**

13. **Other dollars not listed above:**

Dollars generated in Georgia:	_____
Dollars spent in Georgia:	_____

Please return this survey in the enclosed envelope by (date).

Thank you very much for your assistance!

APPENDIX B

Literature Review References

B.1 References

B.1 References

“America’s 100 Greatest Gold Courses.” [BusinessWeek.com](#). May, 2001.

Gardner, Wayne and Gil Landry. “Water Task Force Update.” Georgia Urban Agriculture Coalition. September, 2001.

The Georgia Center for Urban Agriculture. [Urban Agriculture](#). University of Georgia College of Agriculture and Environmental Sciences. 1997.

National Golf Foundation. “The Economic contributions of the Golf Industry to the Massachusetts Economy.” February, 2000.

National Golf Foundation. “Economic Impact of Golf Industry on Arizona’s Economy in 1996.” November, 1997.

Nelson, Mark. “Golf and Business: A Perfect Couple.” [BusinessWeek.com](#). November 8, 2001.

South Carolina Department of Parks, Recreation & Tourism. “Report on Golf Recreation & Tourism In south Carolina.” October, 1998.

“Top 75 Places to Entertain Clients.” [BusinessWeek.com](#). November 8, 2001.

White, Karen. “Legislative Waters Affecting Your Golf Course.” 2001.