

// The 2005 Golf Economy Report valued golf's direct economic contribution to the U.S. economy at \$76 billion

Golf and the Economy | Joe Steranka

# Golf: more than just a game



**Joe Steranka**

Now in his fifth year as The PGA of America's chief executive officer, Joe Steranka's dedication and service to the Association's 28,000 PGA Professionals as well as the global golf industry includes his role as Chair of the World Golf Foundation and member of the leadership teams for the World PGA Alliance and the International Golf Federation's Olympic golf bid.

The golf industry has a profound, positive impact on America's economic, environmental and social agendas. With one million jobs directly connected to golf, our sport has a substantial impact beyond the competitive and recreational benefits of participation. Job creation, tax generation and tourism activation are all impacted by your local golf course. Yet many people are unaware of golf's major contributions to the American economy.

In 2005, the Gulf Opportunity Zone Act was passed. This Act allocated tax benefits and relief for businesses that had been affected by Hurricane Katrina. However, the bill specified that tax benefits would not apply to golf courses or country clubs, grouping those facilities in with massage parlors, hot tub facilities, tanning salons, liquor stores and gambling establishments as businesses that would receive no benefits. Golf courses that were in the disaster zone were denied access to tax breaks that included accelerated depreciation, deduction of demolition and clean-up costs, operating loss carryback and employee retention tax credit.

The Gulf Opportunity Zone

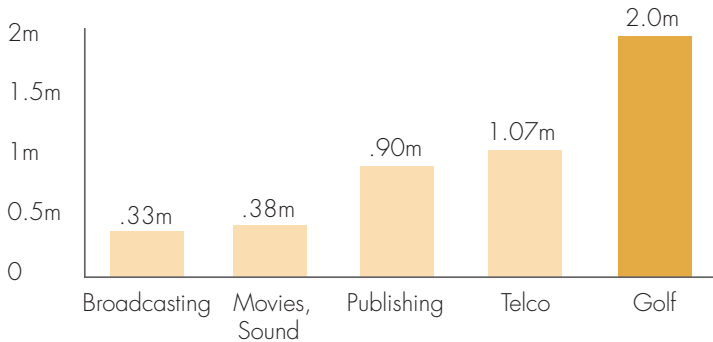
Act pointed out to golf's national associations that we could no longer solely focus on the promotion of the sport of golf, but instead needed to put some of our resources toward promoting the industry of golf. So, we worked with Golf 20/20 (which is run by the World Golf Foundation) to design a comprehensive analysis of golf's contributions to the U.S. economy that would show how golf benefits society.

In conjunction with research partner SRI International, Golf 20/20 released the 2005 Golf Economy Report, which was unveiled in 2008. The report valued golf's direct economic contribution to the U.S. economy at \$76 billion, its benefits including the provision of two million jobs and a wage income of \$61 billion. That is larger than newspaper publishing, performing arts and spectator sports, and the motion picture and video industries.

Additionally, 22 state golf economic studies have been completed by SRI to date, with additional state studies currently being conducted. The tremendous impact golf has on the economy has been consistent across every economic study that has been completed. The economic reports being

## Major employer

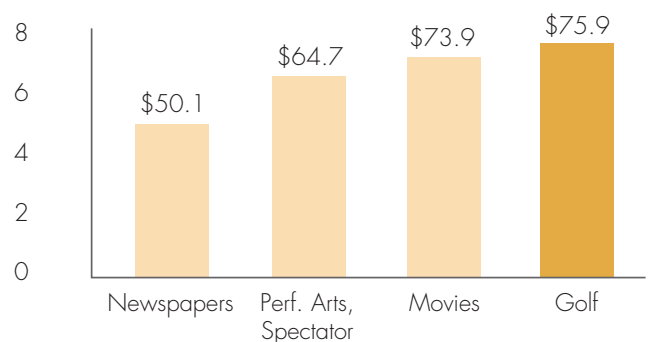
Golf is responsible for two million jobs in the United States



Source: [www.wearegolf.org](http://www.wearegolf.org)

## Economic boost

Golf contributed more to the US economy than the movie industry



Source: [www.wearegolf.org](http://www.wearegolf.org)

used at the local, state and national levels are eye-openers for elected officials, media and business leaders alike. When Florida Governor Charlie Crist attended the 2010 PGA Merchandise Show, he marveled at the fact that one in 85 Floridians over the age of 18 have jobs that are connected with golf.

Is the state of Florida any different than Wisconsin, New York or Connecticut? Not according to Golf 20/20 state economic impact reports that we have released this year. For example, the Connecticut Golf Economy Report showed the state's golf industry generated a total economic impact of \$1.1 billion, supporting nearly 11,570 jobs with wage income of \$336.6 million in 2008.

The numbers also were impressive in the New York Golf Economy Report, showing the size of the Empire State's direct golf economy to be \$2.9 billion, generating \$5.3 billion of direct, indirect and induced economic output. The sport accounted for nearly 56,600 jobs and \$1.6 billion in wage income in the state, and the economic activity supported by golf was on par with the architectural services industry (\$2.7 billion).

At the 92nd PGA Championship in August, we were joined by Wisconsin

Gov. Jim Doyle in announcing that golf generated a total economic impact of \$2.4 billion, supporting more than 38,400 jobs with \$771.5 million of wage income in 2008. That makes golf comparable to revenues generated by other key industries in the state, such as medical device manufacturing (\$2.4 billion), corn production (\$1.7 billion), and even breweries (\$851.3 million)!

In each of these states, and in every other state surveyed thus far, golf is a key industry contributing to the vitality of the state's economy and it is important that this is seen by the country's elected officials. To accomplish this, the golf industry has come together in an unprecedented way to form the We Are Golf coalition to educate policy-makers on golf's contributions to communities across the country when they are developing and advancing important legislation—just as all small businesses want.

We Are Golf also is working to share information within the golf industry so that the members of the coalition are better informed on issues of concern.

We are in a time of unprecedented government involvement in the business sector, with a seemingly endless amount of legislation and regulation impacting the golf industry and small businesses.

Golf must have a seat at the table as those policies—tax, environment, workplace, trade, trademark, health care—are being developed and implemented, because the industry has something valuable to add to the dialogue and can benefit from, and avoid harm by, engaging in the debate.

The coalition's Web site, [www.wearegolf.org](http://www.wearegolf.org), plays an integral role in information and advocacy efforts and features the true 'faces of golf,' the men and women whose livelihood depends on golf. This is about the PGA professionals, wait staff, golf course clubhouse staff, maintenance workers, golf course architects, superintendents, and equipment company employees—it runs the gamut of the business of golf.

With the two million total U.S. jobs generated by the multi-billion-dollar industry, the nearly 16,000 golf facilities and more than 28 million people who play the game, We Are Golf hopes to utilize golf's vast grassroots network in communities nationwide to improve the understanding of golf's multifaceted benefits to the economy, environment and our personal health. That spreads the positive message of We Are Golf and the vital impact of the golf industry. ●