

# UTAH'S Economy

A monthly report produced for COMMERCE REAL ESTATE SOLUTIONS by Jim Wood, Bureau of Economic and Business Research University of Utah

ISSUE 74 JANUARY 2011

To receive this newsletter by e-mail, please contact Luane Cutler at 801-303-5445 or [lcutler@comre.com](mailto:lcutler@comre.com)

## THE BUSINESS OF SPORTS IN UTAH

One upbeat sector in the Utah economy over the past few years has been the sports industry. In 2009 spending on sports activities, including attendance, participation and retail purchases, totaled \$2.5 billion.

### Some other highlights:

- Attendance for collegiate sports events is at an all-time high. In the most recent season the combined attendance for football, basketball and women's gymnastics totaled 1.6 million spectators.
- In 2009 attendance at professional sports events was 2.28 million, the third highest attendance year ever.
- With the completion of the \$110 million Rio Tinto Stadium the value of sports venues in Utah, including golf courses, collegiate facilities and professional sports team stadiums, hit \$3.2 billion in 2010.
- Sporting goods store reported nearly \$500 million in retail sales in 2009, recovering from a very weak 2008.
- The number of skier/snowboarder days in Utah was 4.0 million in 2010, near the record level of 2008, *Table 1*.

Utah's ski industry contributes more than any other sports activity to the economic growth of the state, *Table 2*. The most recent impact analysis shows that in 2007-2008 over a billion dollars was spent in Utah by skiers. What makes skiing particularly important to economic activity is spending by nonresidents. Nonresidents spend money on lodging, car rental and travel, all of which contributes to economic growth. Eighty percent of all skier/snowboarder spending is done by nonresidents. This \$858 million

**Table 1 Skier/Snowboarder Days in Utah**

Season	Number of Skier Days
1997-1998	3,101,735
1998-1999	3,095,347
1999-2000	2,959,778
2000-2001	3,278,291
2001-2002	2,984,574
2002-2003	3,141,212
2003-2004	3,429,141
2004-2005	3,895,578
2005-2006	4,062,188
2006-2007	4,082,094
2007-2008	4,249,190
2008-2009	3,972,984
2009-2010	4,048,153

Source: Utah Ski Association.

in nonresidents spending creates 18,000 jobs and \$441 million in income in Utah.

Ranked second to skiing, in terms of economic impact, is the manufacture of sports equipment. There are about

This report is commissioned by  
**Commerce Real Estate Solutions**  
[info@comre.com](mailto:info@comre.com) • 801-322-2000

**COMMERCE**  
 REAL ESTATE SOLUTIONS • COMRE.COM

An independently owned and operated member of the  
**CUSHMAN & WAKEFIELD**  
 ALLIANCE

**Table 2 Economic Impacts of Skiing and Snowboarding in Utah, 2007–2008** (Millions of Dollars)

Impact	Amount
Total Spending	\$1,060
Nonresident	\$ 858
Resident	\$ 178
On-Hill Spending	\$ 386
Income Generated	\$ 441
Jobs Generated	18,000



Source: Utah Ski Association.

50 companies in Utah manufacturing a wide range of sports equipment. These companies employ 5,000 people with wages of \$174 million. Applying the economic impact multiplier to these direct jobs and wages raises the total economic impact of sporting goods manufacturing to 15,800 jobs and \$432 million in wages. The largest sporting goods manufacturer in Utah is ICON Health and Fitness, a home grown company founded in 1977 that now employs 2,700 people at their manufacturing facilities in Cache Valley. ICON's principal products are treadmills, exercise bikes and ellipticals. Other sporting goods manufacturers with at least 100 employees include: Action Target (portable firearm target systems), Black Diamond

(ski and rock climbing gear), Easton Technical Products (tent products), Hoyt USA (archery equipment), Lifetime Products (outdoor basketball and playground systems), Smith Sports Optics (swim and protective goggles).

In terms of participation hunting, fishing and golfing are the most significant activities. Hunters and anglers spend over \$700 million on their sports. However, most of the participants are local residents therefore reducing the economic impact. U.S. Fish and Wildlife estimates there were 375,000 anglers in Utah in 2006 fishing some 3.5 million days, and 166,000 hunters racking up 1.7 million days of hunting. The number of rounds of golf played in Utah each year is around 3.5 million.

Attendance at professional sports games is near its all-time peak. In 2009 nearly 2.3 million spectators paid to attend professional sports events, *Table 3*. The Utah Jazz captured 40 percent of these spectators with a total attendance in 2009 of 898,941. The best attendance year ever for the Jazz was in 1998 when the team went to the NBA finals, which pushed total attendance numbers to 1.0 million. The Salt Lake Bees ranked second in total attendance in 2009 with 519,027 spectators followed by Real Salt Lake with 294,459.

The combined attendance for Utah's five major football programs hit 818,469 in 2010, the highest on record. BYU and University of Utah sold out their stadiums and Utah State had the best attendance year since 2001, *Table 4*.

**Table 3 Attendance for Professional Sports Teams**

Team	2005	2006	2007	2008	2009
Utah Jazz	808,630	802,375	1,000,272	985,531	898,941
Real Salt Lake	306,737	314,326	251,616	300,069	294,459
Salt Lake Bees	437,686	470,398	478,143	513,326	519,027
Utah Blaze	(1)	123,895	114,314	116,118	(1)
Utah Grizzlies	192,024	138,394	152,029	165,390	143,141
Ogden Raptors	131,371	134,961	130,260	140,114	145,469
Orem Owlz	76,784	104,088	114,344	116,212	100,056
St. George Roadrunners	(1)	(1)	25,120	37,632	45,703
Utah Flash (first season was '07-'08)	(1)	(1)	(1)	92,415	77,248
Miller Motorsports Park	(1)	54,925	50,219	63,107	59,359
Total	1,953,232	2,143,362	2,316,317	2,529,914	2,283,403

(1) Not operating. Source: Survey of teams.



**Table 4 Attendance at Collegiate Football Games in Utah**

Year	Brigham Young University	Southern Utah University	University of Utah	Utah State University	Weber State University	Total
1999	391,111	23,657	195,853	87,199	42,966	740,786
2000	363,711	20,362	231,225	99,549	42,043	756,890
2001	362,699	31,811	170,347	108,922	32,738	706,517
2002	373,055	NA	178,419	84,145	NA	635,619
2003	369,003	27,946	210,801	74,604	50,995	733,349
2004	350,849	19,195	264,670	78,000	NA	712,714
2005	349,222	13,056	249,215	54,482	50,757	716,732
2006	363,146	26,110	259,675	56,800	35,976	741,707
2007	386,980	20,706	255,557	65,656	20,460	749,359
2008	384,613	24,427	273,250	88,418	41,461	812,169
2009	385,416	24,609	270,929	79,857	32,500	793,311
2010	368,283	35,603	272,754	107,265	34,564	818,469

Source: NCAA website.

The investment in sports infrastructure is significant. The value of venues is estimated at \$3.2 billion. Ski resorts ranked first in infrastructure value at \$975 million followed by golf courses at \$852 million, *Table 5*.

Utah’s sports industry is a thriving sector, providing jobs and wages for several thousand workers. In addition to these direct economic benefits, the leisure and recreation opportunities provided by the sports sector enhance the state’s quality of life, thereby making Utah a more attractive location for new and expanding businesses.

**Table 5 Replacement Value of Sports Venues in Utah**  
(Millions of Dollars)

Type of Facility	Replacement Value
Collegiate Facilities	\$ 263.7
Olympic Venues	\$ 225.2
Spectator Sport Facilities	\$ 308.5
Ski Resort Infrastructure	\$ 975.0
Public Recreation Facilities	\$ 538.5
Golf Courses	\$ 852.9
Total	\$3,163.8



Source: Division of Facilities and Construction Management, Office of Planning and Budget, Cooperating Colleges and Universities.