

Massachusetts Golf Economic Impact Report

Leigh Bader

New England Golf Summit
2010



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Introduction

Leigh Bader

- PGA Professional since 1985
- 2X PGA National Merchandiser of the Year, Public
- President/Co-owner - Joe & Leigh's Discount Golf Pro Shop and the Pine Oaks Golf Course
- President/Co-owner - 3balls.com
- President PGA Trade-In Network
- Board Member Golf 2020
- Board Member AMGO
- Golfer for 46 years
- Economist, Not!



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Golf's Influence in Massachusetts

Leigh Bader

New England Golf Summit
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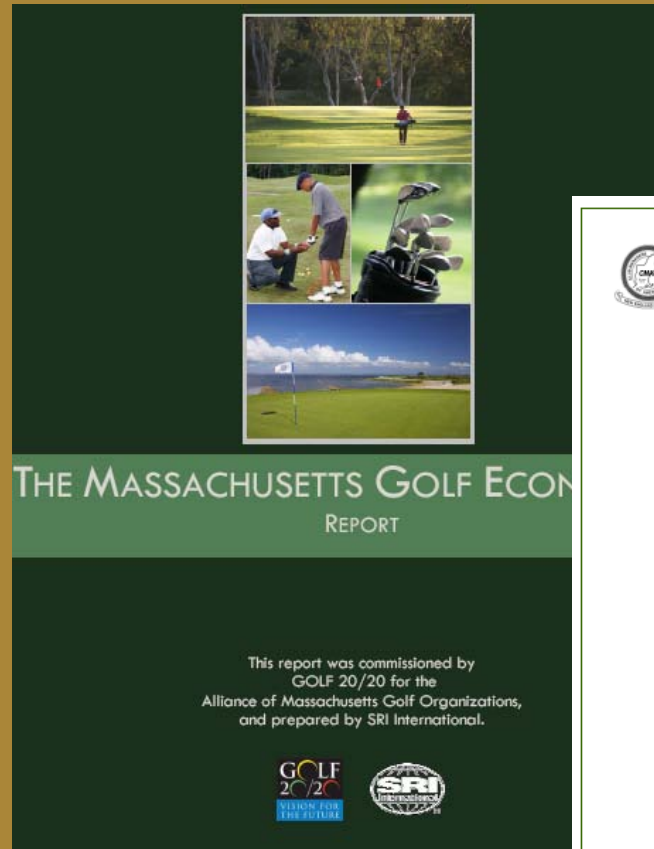


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If I was an Economist

- 2008-AMGO, Golf 2020 and SRI International
- Calling Card

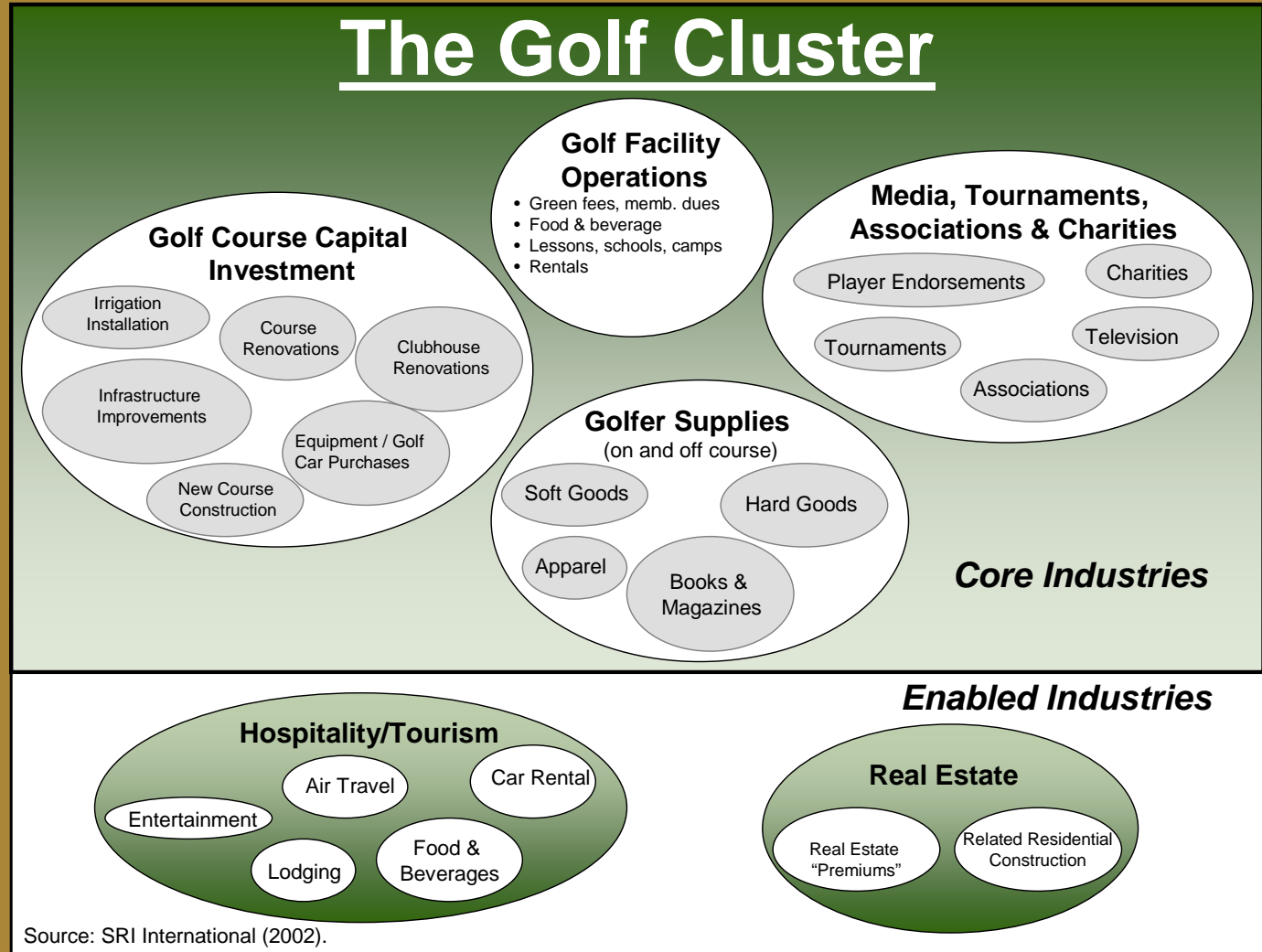


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If I was an Economist

The Golf Cluster

- Core
- Enabled
- Induced



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If I was an Economist

Size of Massachusetts's Golf Economy in 2006 by Segment (\$ million)	
Core Industries	
Golf Facility Operations	\$649.4
Golf Course Construction and Capital Investment	\$44.5
Golfer Supplies (retail margin and manufacturing exports)	\$528.2
Major Golf Tournaments and Associations	\$19.4
Total Core Industries	\$1,241.5
Enabled Industries	
Real Estate	\$70.0
Hospitality/Tourism	\$292.4
Total Enabled Industries	\$362.4
TOTAL GOLF ECONOMY	\$1,603.9








Core and Enabled
Direct



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If I was an Economist

Multiplier Impacts on State Economy						
Industry	Direct	Indirect	Induced	TOTAL OUTPUT (\$ million)	TOTAL JOBS (\$ million)	TOTAL WAGE INCOME (\$ million)
Golf Facility Operations	\$649.4			\$1,292.9	15,753	\$422.1
Golf Course Capital Investment	\$44.5			\$34.9	264	\$10.9
Golfer Supplies	\$528.2			\$1,160.7	6,139	\$267.9
Tournaments & Associations	\$19.4			\$43.1	440	\$15.3
Real Estate	\$70.0			\$122.0	925	\$38.2
Hospitality/Tourism	\$292.4			\$606.2	8,164	\$195.6
TOTAL	\$1,603.9			\$3,259.8	31,685	\$950.0

Core, Enabled and Induced



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Non Economists View

Influence

Golf's capacity... ..to be a *compelling force and produce effects* on... ..the *actions, behavior, opinions*, etc., of others.



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Outline

Areas of Golf's Influence...

- Economic
- Human
- Environmental
- “Special”



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Economic Influence

- Played at 375 courses, 51 stand alone ranges and 48 miniature golf facilities in Massachusetts.
- Golf facilities themselves generate nearly \$650 Million in revenue. Comparable to football, baseball, basketball, hockey and soccer combined!



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Economic Influence

- Over 31,000 jobs in the Bay State with a total wage income of \$950 Million.
- Direct economic impact of \$1.6 billion.
- The total economic impact has been measured at \$3.3 billion, including direct, indirect and induced impacts.



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Economic Influence

Perspective

- Equal to semiconductor manufacturing, advertising and related services, and R&D in the physical and engineering sciences.
- Nationally, the golf industry is larger than the motion picture and video business; larger than performing arts and spectator sports; and larger than the newspaper industry.



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Economic Influence

What does this mean to you? Who...

- works in the golf industry? [direct]
- is a Real Estate agent that sells golf homes? [enabled]
- works in the hospitality, travel or tourism business? [enabled]
- works for the USPS or other freight carriers that deliver or pick up from OEM's, golf courses, retail stores, mass merchants etc [enabled]
- is a sales rep who sells products directly to golf courses and companies like Acushnet and Callaway? And indirectly to companies that they buy from? [enabled]
- owns a business whose customers work or play golf? [induced]
- Played a nickel nassau? [induced 😊]

Now that you've thought about it, by 6 degrees of separation, is your job Influenced by golf?



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Human Influence

- **Charity** - Golf generates \$67 million for charitable causes each year in the State. Funds are raised by Associations, Tournaments big and small, most all designed to benefit local causes.
- **Positive Developmental Instruction** - Golf teaches essential life skills to young people – sportsmanship, respect, integrity, honesty, self-control. These positive traits are shared with youngsters through youth development programs such as The First Tee at MGA Links at Mamantapett and junior golf programs across the State.
- **Community Assets** - Golf facilities provide a vital community service in offering a place to recreate and socialize, serving as a hub of community social interaction.



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Human Influence

What does this mean to you?

- Who has a child that plays golf?
- Who thinks their child is becoming a better person for it?
- Who came through a junior or caddy program themselves?
- Who has attended a PGA Tour Event and bought a hot dog, soda or ice cream?
- Who has children or family members with special needs?
- Who plays golf alone all the time? Companionship

Golf has influenced you.



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Environmental Influence

- Bay State golf courses provide valuable green space.
- A golf course is a healthy natural environment. The turfgrass on golf courses serves as a filter to runoff to control flooding; out of play areas offer wildlife habitat; trees and bushes filter dust and pollen; and the green space has a cooling effect on surrounding property.
- Golf courses are professionally managed by individuals who have been educated, certified and/or licensed to ensure that the golf facilities are operated in an environmentally responsible manner.
- The widespread benefits of golf course landscapes are delivered with the minimal use of water, with golf courses accounting for only one-half of one percent of U.S. annual water consumption.



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Special Influence

Something in Golf has Influenced each and every one of us to meet here today. Not economics.

I would ask you to think about how it got you here today and if you think it's been a good journey I challenge you to think how you can influence a young person and a friend to find their way to golf.



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Thank You for Playing Golf!



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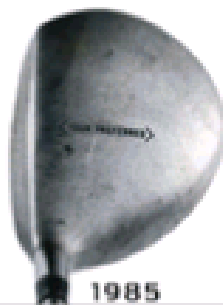
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Equipments Influence

Technology is BETTER! Golf Digest Hot List 2009

2009 HOT LIST

The Shapes: Evolution of Improvement



1985

TaylorMade Burner Plus: 144 cubic centimeters, hollow stainless-steel casting filled with foam



1997

TaylorMade Ti Bubble 2: 278cc, titanium casting with springlike effect



2003

TaylorMade R580XD: 440cc, titanium casting with separate titanium face insert



2009

TaylorMade Burner: 460cc, titanium casting with 45 percent thinner walls than Ti Bubble 2

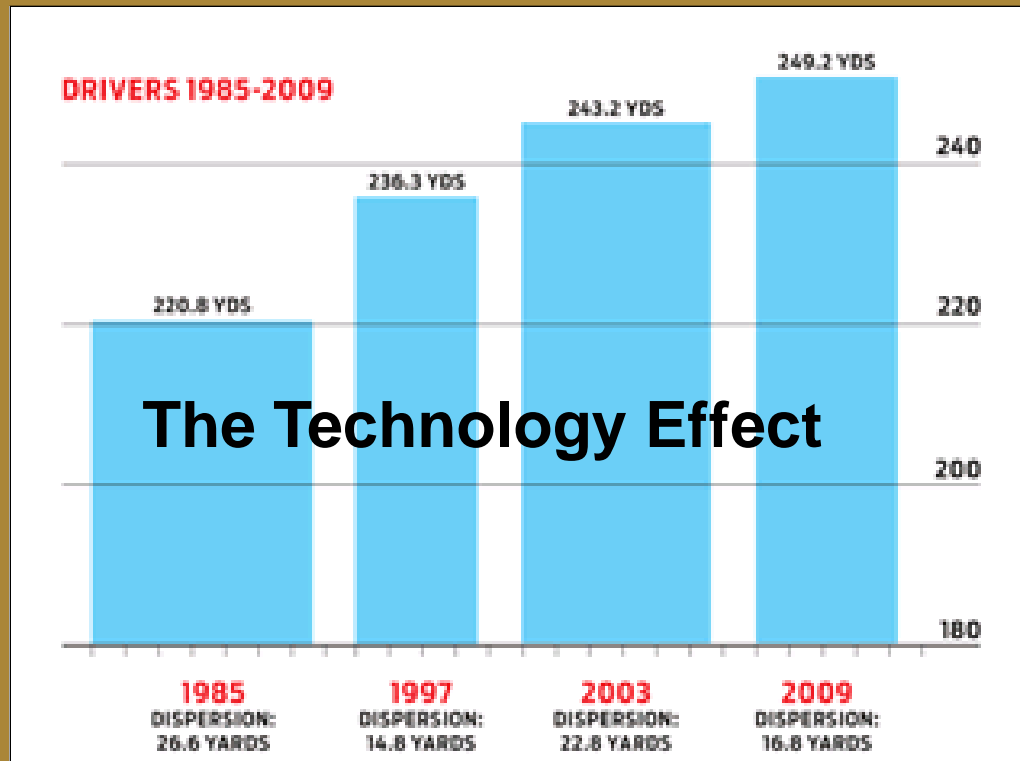


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Equipments Influence

Longer, Straighter and Higher! Golf Digest Hot List 2009

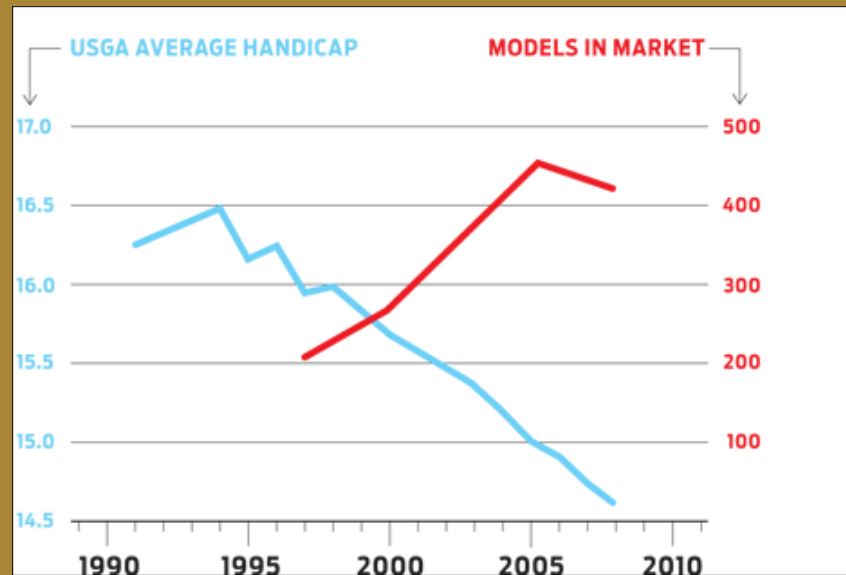


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Equipments Influence

Lower Handicaps! Golf Digest Hot List 2009



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