



The Economic Impact of Tourism in Jefferson County, Ohio



June 2016



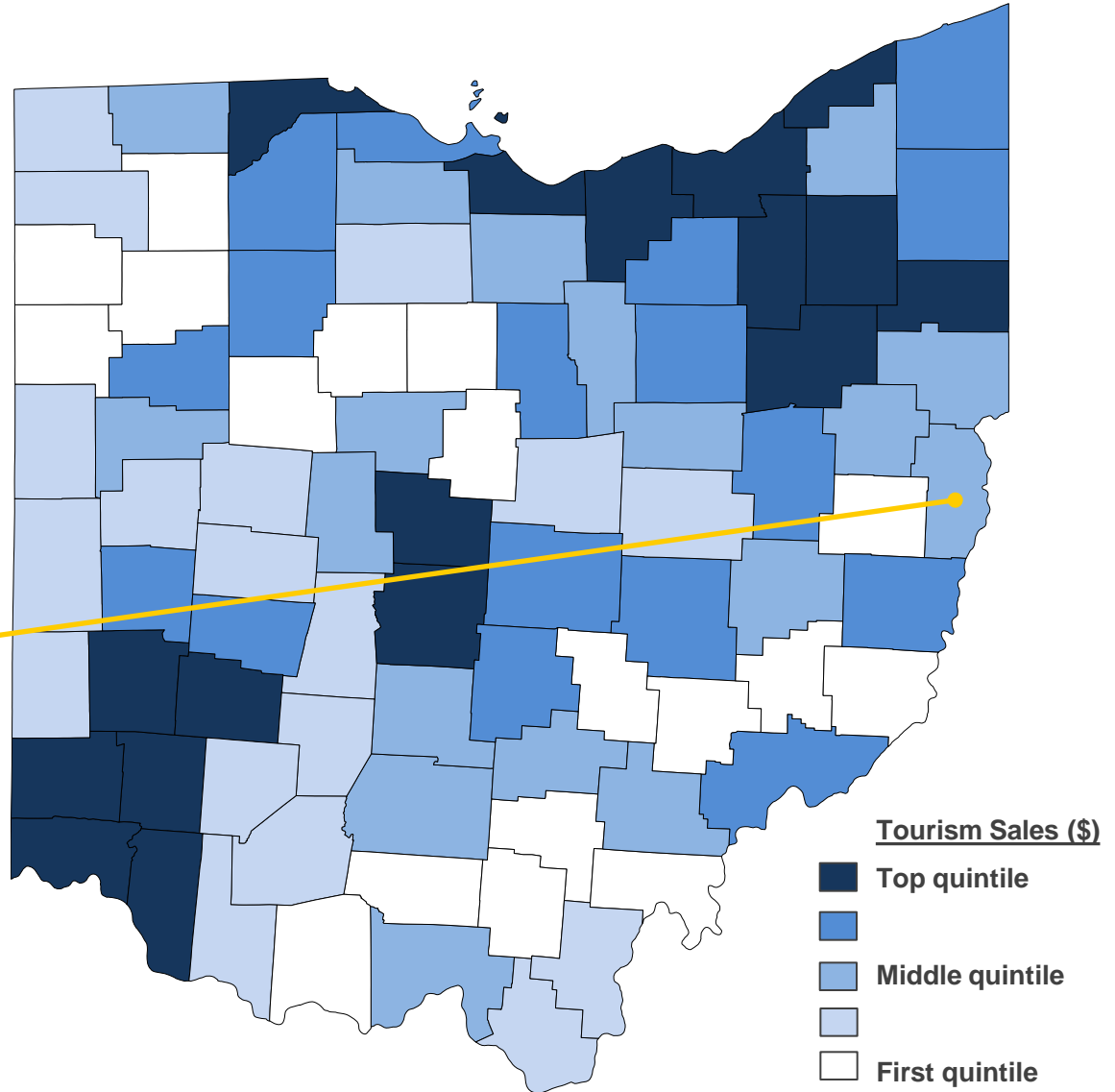
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Jefferson County tourism summary

Total Tourism Impact	
Jefferson County, Ohio	
Total Sales	\$158.5 million
Wages	\$41 million
Taxes	\$20.1 million
Employment	2,002

Jefferson
County



Overview

- Tourism is an integral and driving component of the Jefferson County economy, sustaining 8.6% of salaried employment.
- Visitors to Jefferson County generated business sales of \$158.5 million, directly and indirectly, in 2015.
- Tourism is a diverse composite of economic activities, including transportation, recreation, retail, lodging, and food & beverage sectors.

State Summary



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Key results

- Including indirect and induced impacts, Ohio tourism spending in 2015 generated \$49.7 billion in sales.
- A total of 484,263 jobs, with income of \$12.6 billion, were sustained by visitors to Ohio last year.
- Tourism employment grew 2.2% in 2015, faster than overall Ohio employment growth of 1.4%.
- Including indirect and induced impacts, tourism in Ohio generated nearly \$3.2 billion in state and local taxes and \$3.1 billion in Federal taxes last year.
- In the absence of the state and local taxes generated by tourism, each Ohio household would need to pay \$690 to fill the gap.

Key themes for 2015

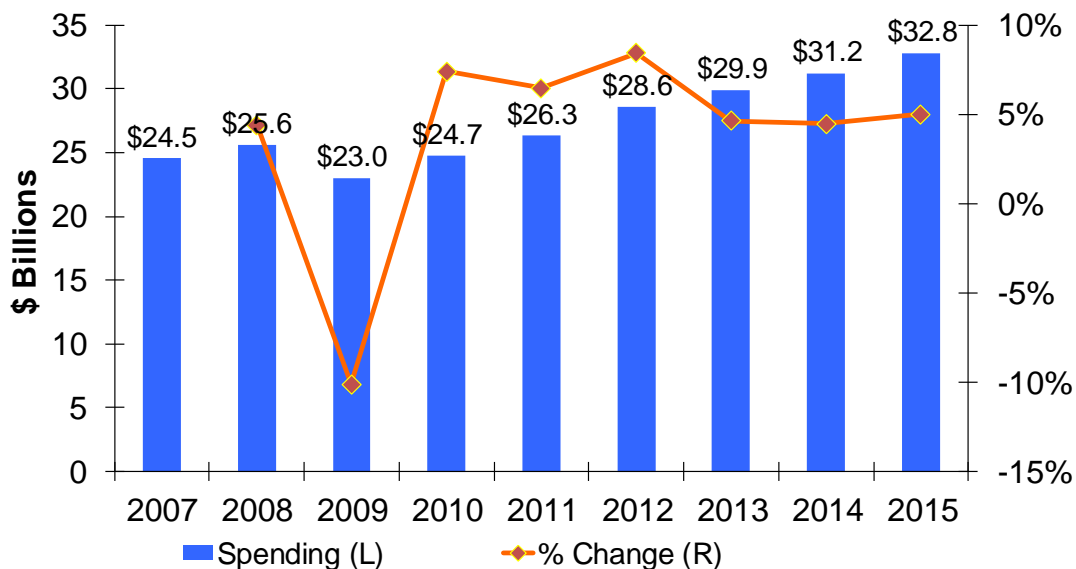
- Visits to Ohio destinations grew 3.5% in 2015 (source: Longwoods International)
- Hotel room demand grew 3.1% (source: STR)
- Average hotel rates grew 3.6% in 2015, fueling a 6.8% expansion in room revenue (source: STR)
- Employment growth in key tourism industries grew faster than total employment; lodging employment grew 3.1% and restaurant employment grew 2.8% compared to total employment growth of just 1.4%.

Continued growth in visitor spending

- Visitation growth and improving consumer confidence supported spending growth of 5.0% in 2015.
- Visitor spending reached \$32.8 billion in 2015.
- Visitor spending has averaged 5.6% per annum over the past five years.

Ohio Visitor Spending

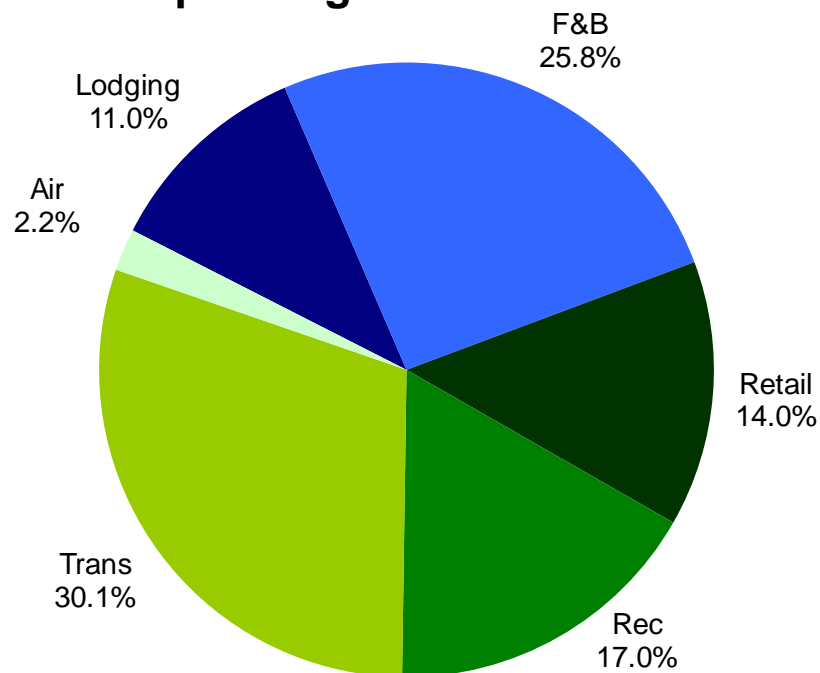
US\$ Billions



Sources: Longwoods International, NTTU, Stats Can, Tourism Economics

Visitor spending by sector

Ohio Visitor Spending



Sources: Longwoods International, NTTU, Stats Can, Tourism Economics

- With recovery in both occupancy and room rates, the share of the visitor dollar spend on lodging has grown to 11.0% in 2015.
- The share of visitor spending on recreation increased 0.5 points in the last two years to 17.0%.
- F&B spending represents more than a quarter of all visitor spending.

Total tourism sales

Tourism Sales				
(US\$ Million)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	271.4	100.8	372.2
Construction and Utilities	-	528.2	211.2	739.4
Manufacturing	-	2,038.9	919.7	2,958.5
Wholesale Trade	-	82.6	58.1	140.6
Air Transport	726.4	11.2	10.1	747.6
Other Transport	3,226.0	474.4	198.4	3,898.8
Retail Trade	4,583.5	250.4	1,006.6	5,840.5
Gasoline Stations	5,465.7	16.8	62.0	5,544.5
Communications	-	506.5	217.8	724.2
Finance, Insurance and Real Estate	1,163.7	1,714.3	1,136.9	4,014.9
Business Services	-	2,152.5	637.7	2,790.2
Education and Health Care	-	7.2	1,553.7	1,560.9
Recreation and Entertainment	5,560.7	155.8	132.1	5,848.6
Lodging	3,612.7	53.4	44.5	3,710.5
Food & Beverage	8,453.7	139.5	393.2	8,986.4
Personal Services	-	218.7	371.6	590.3
Government	-	182.5	1,031.1	1,213.6
TOTAL	32,792.4	8,804.1	8,085.4	49,681.9
Growth Rate	5.0%	4.4%	4.3%	4.8%

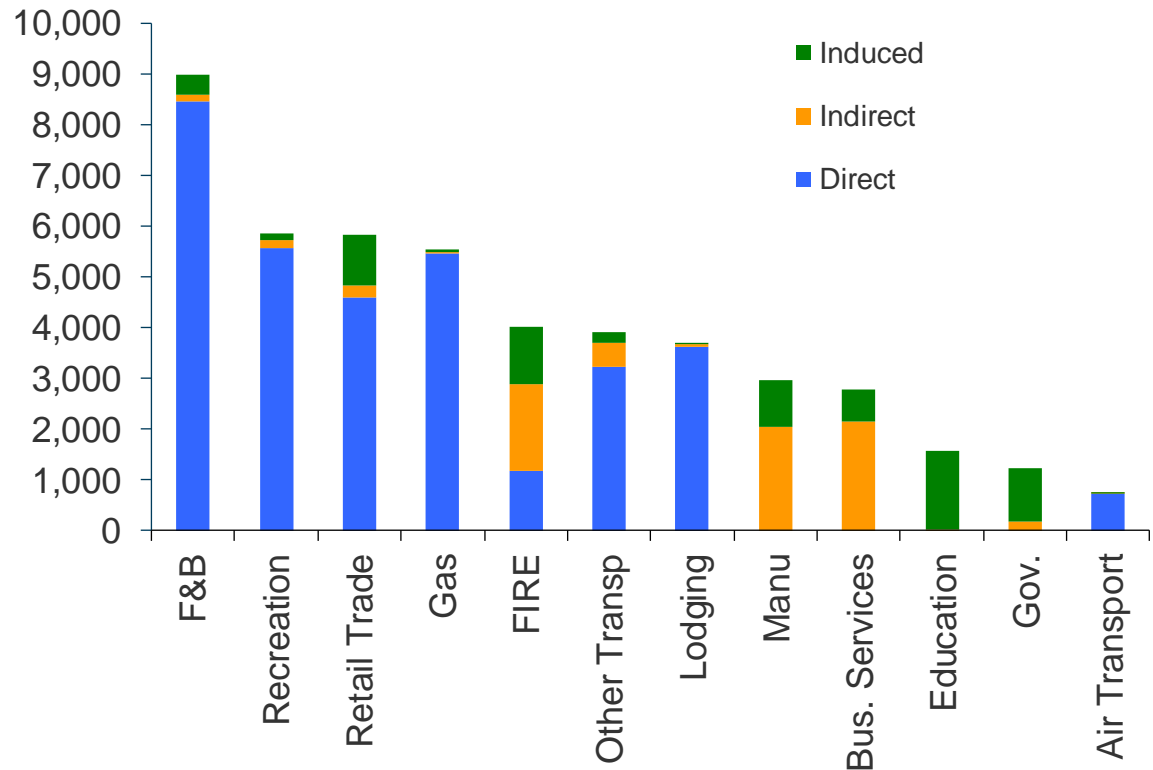
Visitor spending of \$32.8 billion generated a total economic impact of \$49.7 billion in 2015 as tourism dollars flowed through the Ohio economy.

Total tourism sales

- All business sectors of the Ohio economy benefit from tourism activity directly and/or indirectly.
- Sectors that serve the tourism industry, like business services, gain as suppliers to a dynamic industry.

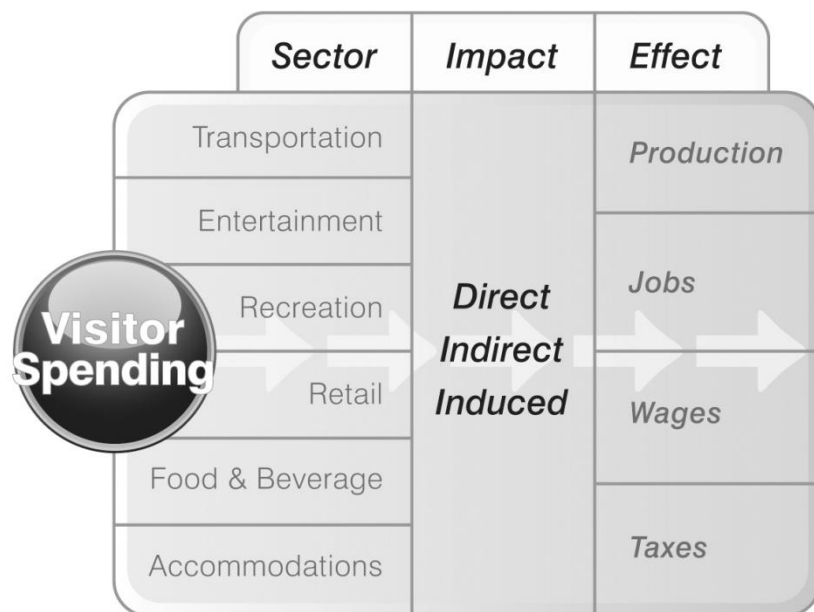
Tourism Sales by Industry

\$ million



How visitor spending generates impact

- Travelers create direct economic value within a discrete group of sectors (e.g. recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
- Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts.



- Lastly, the induced impact is generated when employees whose incomes are generated either directly or indirectly by tourism, spend those incomes in the Ohio economy.

How visitor spending generates impact

- An example helps to understand how direct visitor spending has other benefits in the regional economy:
 - Consider a local restaurant. When visitors buy food and beverages at the restaurant, this is direct spending and benefits the restaurant.
 - However, the benefits to the economy do not stop there. In order to make those direct sales, the restaurant must get inputs from its suppliers in other industries, such as food, energy, and any other materials or services that it needs in order to do business. This impact on upstream industries is the indirect effect.
 - Finally, employees who work at the restaurant earn wages and spend those wages in the local economy on food, consumer goods, and other personal services. This is the induced effect.

Total tourism employment

Tourism Economy Employment				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	3,631	1,256	4,887
Construction and Utilities	-	1,884	386	2,270
Manufacturing	-	4,339	1,794	6,133
Wholesale Trade	-	331	238	568
Air Transport	3,395	50	46	3,491
Other Transport	33,168	4,745	1,775	39,687
Retail Trade	44,770	3,235	12,961	60,966
Gasoline Stations	12,192	190	694	13,077
Communications	-	1,892	652	2,544
Finance, Insurance and Real Estate	7,240	9,192	5,509	21,941
Business Services	-	18,708	5,783	24,491
Education and Health Care	-	99	16,441	16,540
Recreation and Entertainment	68,454	3,500	2,139	74,093
Lodging	40,705	691	538	41,934
Food & Beverage	152,108	2,651	7,426	162,184
Personal Services	-	2,369	5,654	8,023
Government	-	926	509	1,435
TOTAL	362,032	58,434	63,798	484,263

- The tourism sector directly and indirectly supported 484,263 jobs, growing 2.2% in 2015. Total employment in Ohio grew just 1.4% in 2015.

Tourism personal income

Tourism Labor Income (Compensation)				
(US\$ Million)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	61.4	26.7	88.1
Construction and Utilities	-	154.8	52.8	207.6
Manufacturing	-	250.1	112.5	362.5
Wholesale Trade	-	23.6	16.9	40.5
Air Transport	237.5	3.9	3.5	244.9
Other Transport	867.0	213.3	77.6	1,157.9
Retail Trade	915.6	92.3	365.7	1,373.6
Gasoline Stations	296.1	4.9	17.7	318.6
Communications	-	120.2	43.4	163.6
Finance, Insurance and Real Estate	170.3	330.8	233.1	734.3
Business Services	-	895.1	279.2	1,174.3
Education and Health Care	-	3.2	712.9	716.0
Recreation and Entertainment	1,679.7	63.8	50.1	1,793.6
Lodging	1,151.9	18.5	14.4	1,184.9
Food & Beverage	2,580.7	43.5	122.0	2,746.2
Personal Services	-	73.2	133.8	207.0
Government	-	47.9	26.5	74.4
TOTAL	7,898.7	2,400.6	2,288.8	12,588.1

Tourism tax generation

Tourism-Generated Taxes

(US\$ Million)

	2011	2012	2013	2014	2015
Federal Taxes	2,587.8	2,741.0	2,802.2	2,965.2	3,092.7
Corporate	465.2	499.3	483.4	536.2	554.8
Indirect Business	236.3	253.6	265.6	278.1	291.4
Personal Income	791.6	834.3	861.6	902.6	942.7
Social Security	1,094.7	1,153.8	1,191.6	1,248.3	1,303.7
State Taxes	1,604.8	1,714.3	1,749.8	1,811.6	1,889.9
Corporate	396.2	425.2	411.6	456.6	472.4
Personal Income	320.3	337.6	348.6	314.2	328.1
Sales	758.9	814.5	852.8	893.1	935.8
State Social Security	57.9	61.0	63.0	66.0	68.9
Excise and Fees	71.6	76.1	73.7	81.8	84.6
Local Taxes	1,118.2	1,151.9	1,175.0	1,221.8	1,272.0
Personal Income	32.0	33.8	34.9	36.5	38.1
Sales	138.0	148.1	155.1	162.4	170.1
Property	726.3	730.6	730.6	730.6	757.5
Admissions	23.6	23.8	25.3	27.1	28.7
Lodging	131.8	144.3	160.1	188.7	198.3
Other Taxes and Fees	66.5	71.3	69.1	76.6	79.2
TOTAL	5,310.8	5,607.2	5,727.0	5,998.6	6,254.6

- Taxes of \$6.25 billion were directly or indirectly generated by tourism in 2015.
- State and local taxes alone tallied \$3.2 billion, growing more than \$125 million in 2015.
- Local governments received \$1.3 billion in revenue from tourism related activity.
- Each household in Ohio would need to be taxed an additional \$690 per year to replace the tourism taxes received by state and local governments.

Regional Summary

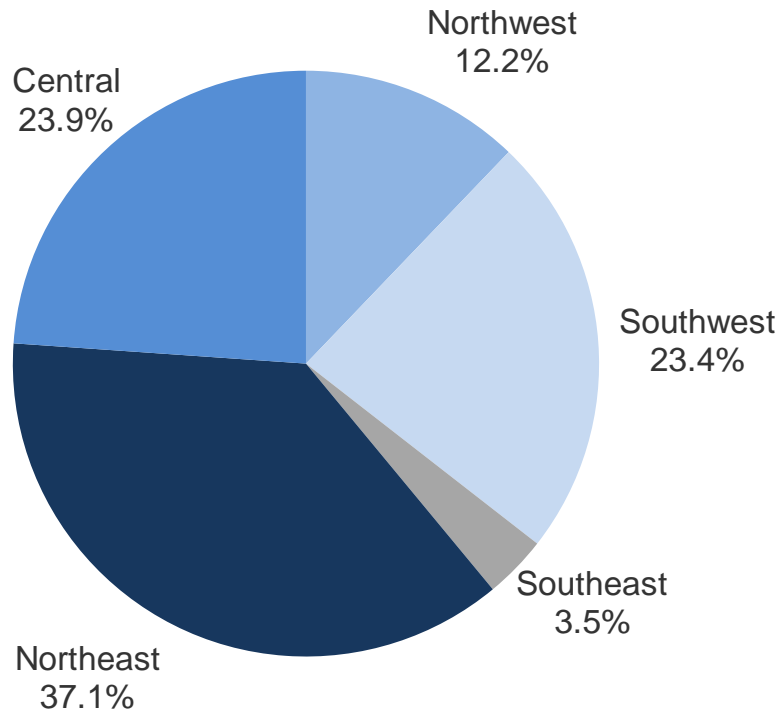


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Tourism sales

Tourism Sales by Region

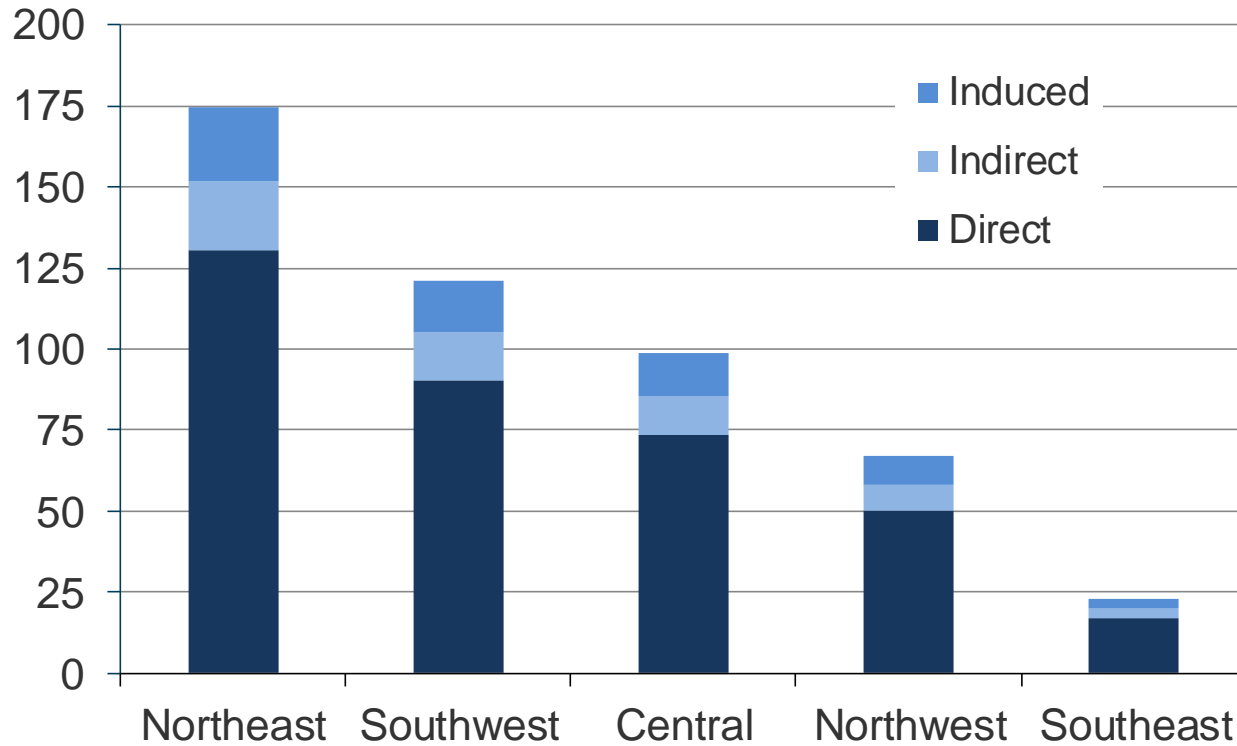


- Cleveland (Northeast), Cincinnati (Southwest) and Columbus (Central) are anchors which influence the distribution of the tourism economy across Ohio.
- Relative to the size of their economies, tourism is still of significant importance to the Northwest and Southeast regions.

Tourism employment

Tourism Employment by Region

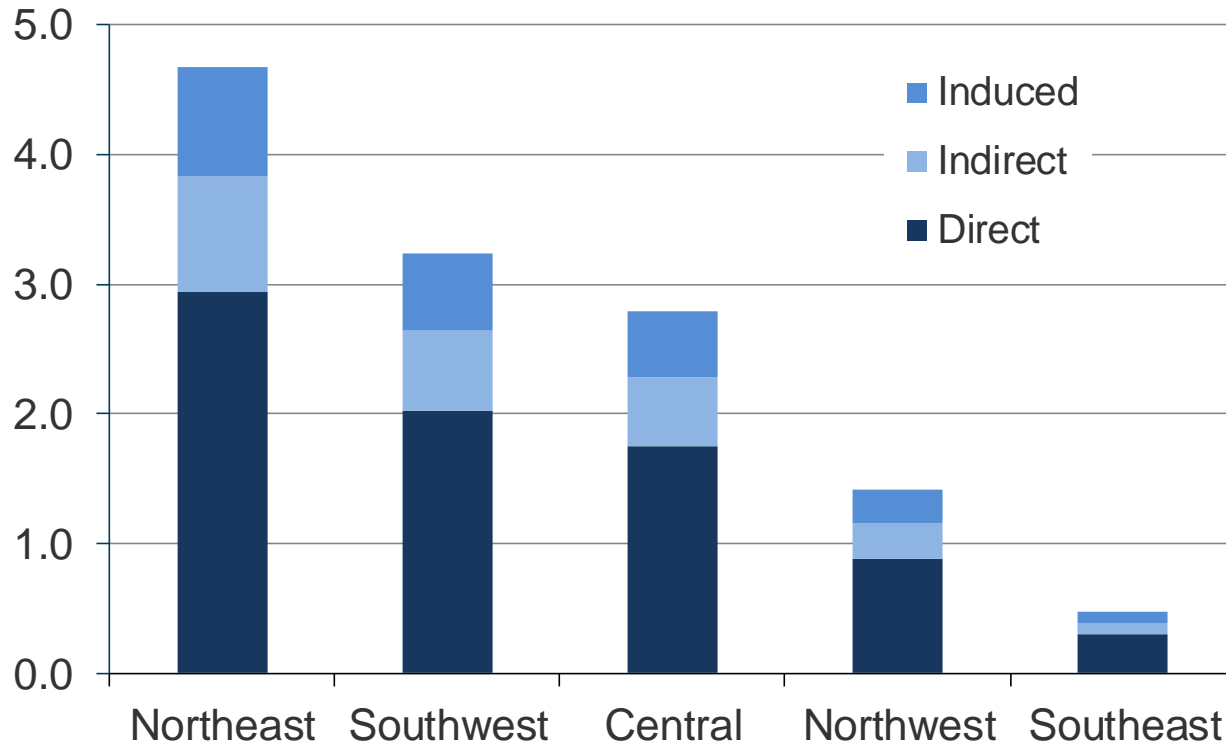
Thousands



Tourism wages

Tourism Wages by Region

\$ Billions



Northeast Ohio Detail



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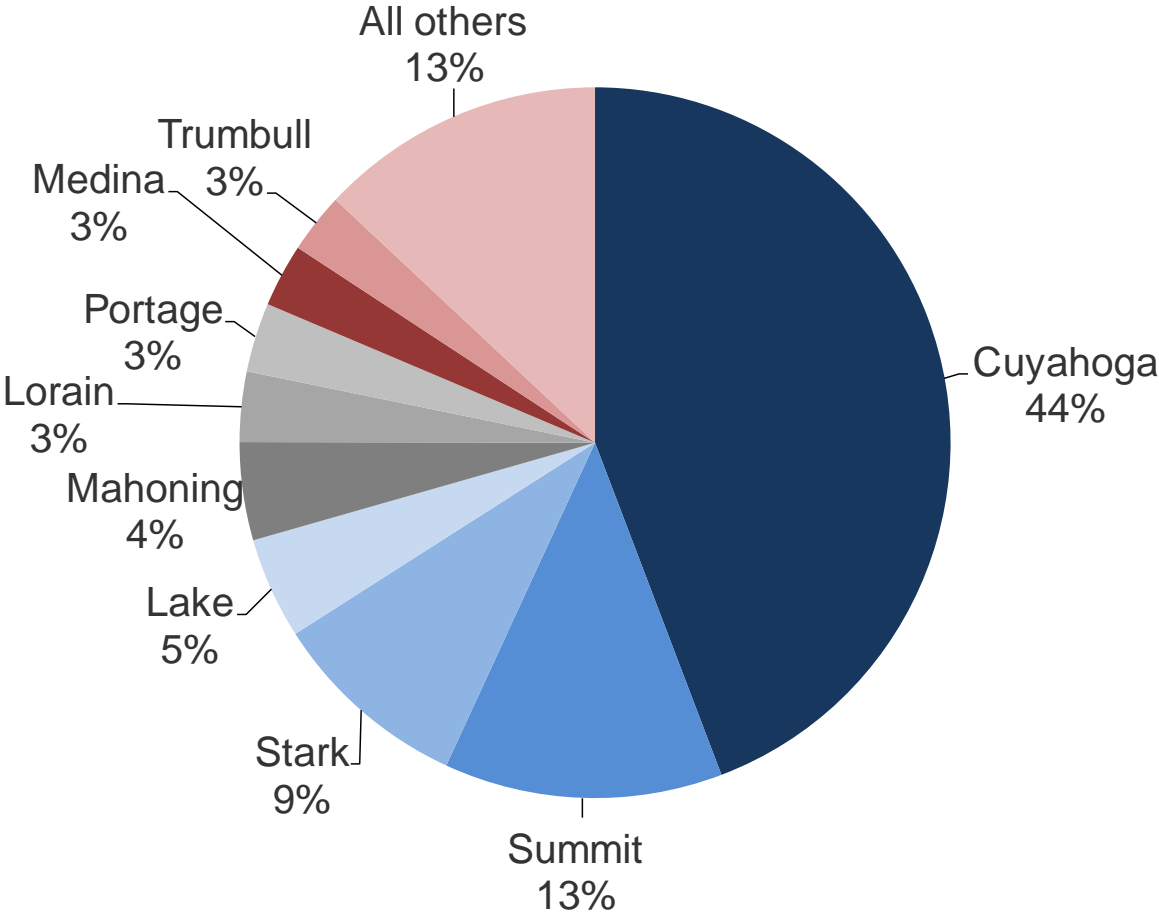
Northeast Ohio tourism impact

Total Tourism Impact				
County	Sales (\$mils)	Employment	Wages (\$mils)	Tax Revenues (\$mils)
Ashland	156.1	1,570	33.5	19.1
Ashtabula	434.6	3,390	69.8	50.9
Carroll	97.0	919	20.4	11.7
Columbiana	187.4	2,366	41.5	23.4
Coshocton	52.3	759	14.1	6.8
Cuyahoga	8,149.9	65,865	2,380.1	1,044.7
Geauga	191.4	2,776	53.3	24.6
Harrison	13.0	206	2.6	1.6
Holmes	164.0	1,703	36.7	20.2
Jefferson	158.5	2,002	41.0	20.1
Lake	849.4	9,146	199.1	105.5
Lorain	588.5	8,681	178.0	75.8
Mahoning	821.7	9,553	191.1	102.8
Medina	529.1	6,054	133.1	66.3
Portage	581.3	5,317	111.3	70.0
Richland	304.2	4,432	86.0	39.9
Stark	1,676.1	14,279	301.5	197.5
Summit	2,333.7	22,810	531.2	283.7
Trumbull	504.6	6,288	123.4	63.3
Tuscarawas	397.6	3,592	69.3	47.3
Wayne	243.7	3,038	61.9	30.4
Region total	18,434.1	174,747	4,678.7	2,305.5

Northeast Ohio tourism sales

Tourism Sales by County: Total \$18.4 billion

- Total tourism sales tallied \$18.4 billion in Northeast Ohio in 2015, up 4.4% from 2014.

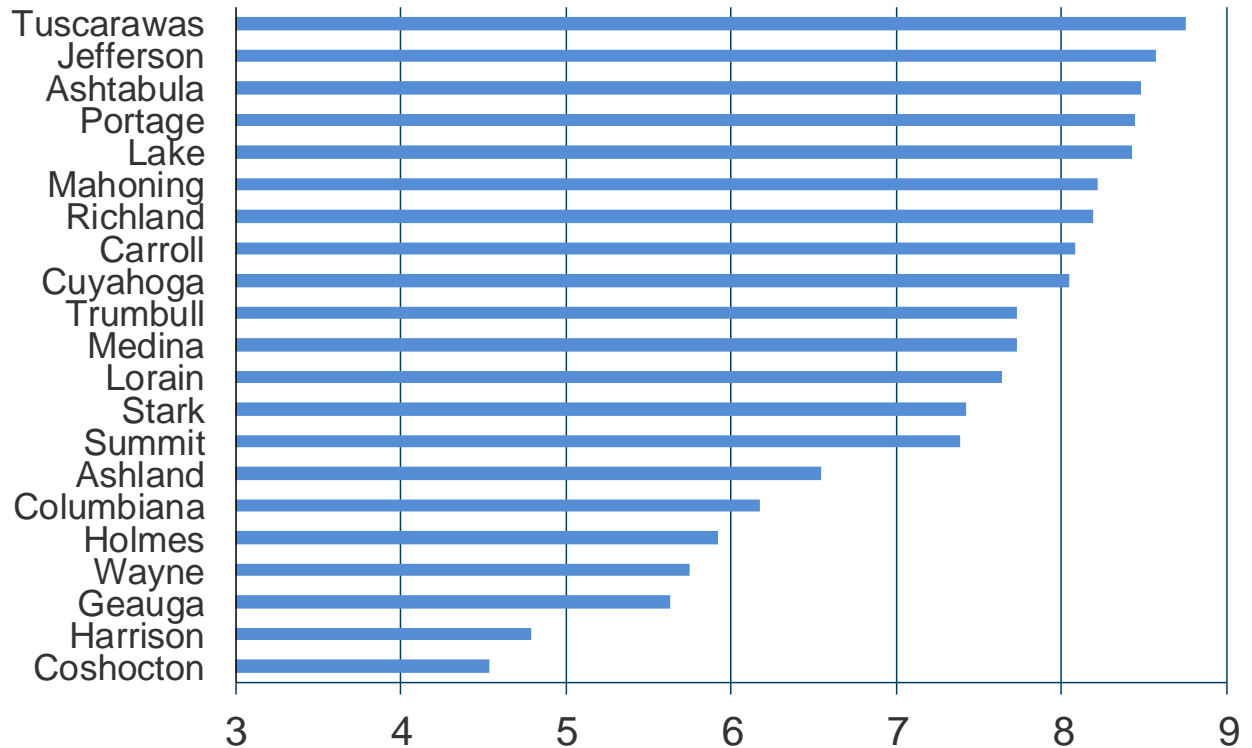


Northeast Ohio tourism employment

- Tourism is an integral part of the Northeast Ohio economy, at more than 5% of employment in nearly all counties in the region.

Tourism Share of Employment

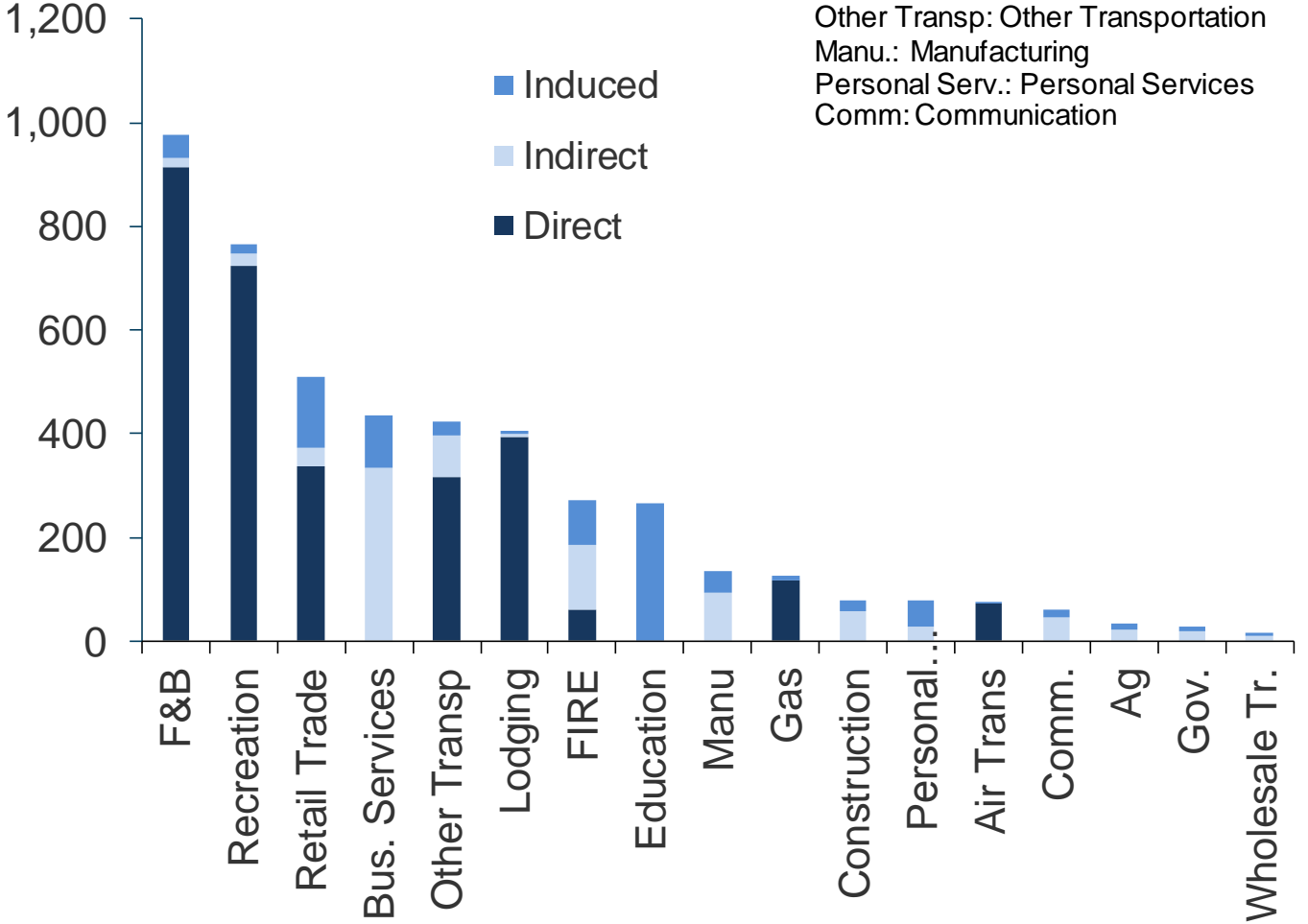
Share of total employment, %



Northeast Ohio tourism wages

Wages by Industry

\$ millions



F&B: Food and Beverage
 FIRE: Finance, Insurance, Real Estate
 Bus. Services: Business Services
 Gas: Gasoline Stations
 Other Transp: Other Transportation
 Manu.: Manufacturing
 Personal Serv.: Personal Services
 Comm: Communication

Jefferson County Detail



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Tourism sales trend

Recent Trends in Tourism Sales (Output)			
	2013	2014	2015
Jefferson County Direct Sales Trends:			
Sales volume (\$mils)	94.3	100.5	104.6
Sales growth, % change	3.2%	6.6%	4.1%
Sales trends for the wider region and state:			
Northeast Ohio sales growth, % change	5.8%	4.1%	4.6%
Ohio sales growth, % change	4.6%	4.6%	4.9%

Tourism sales

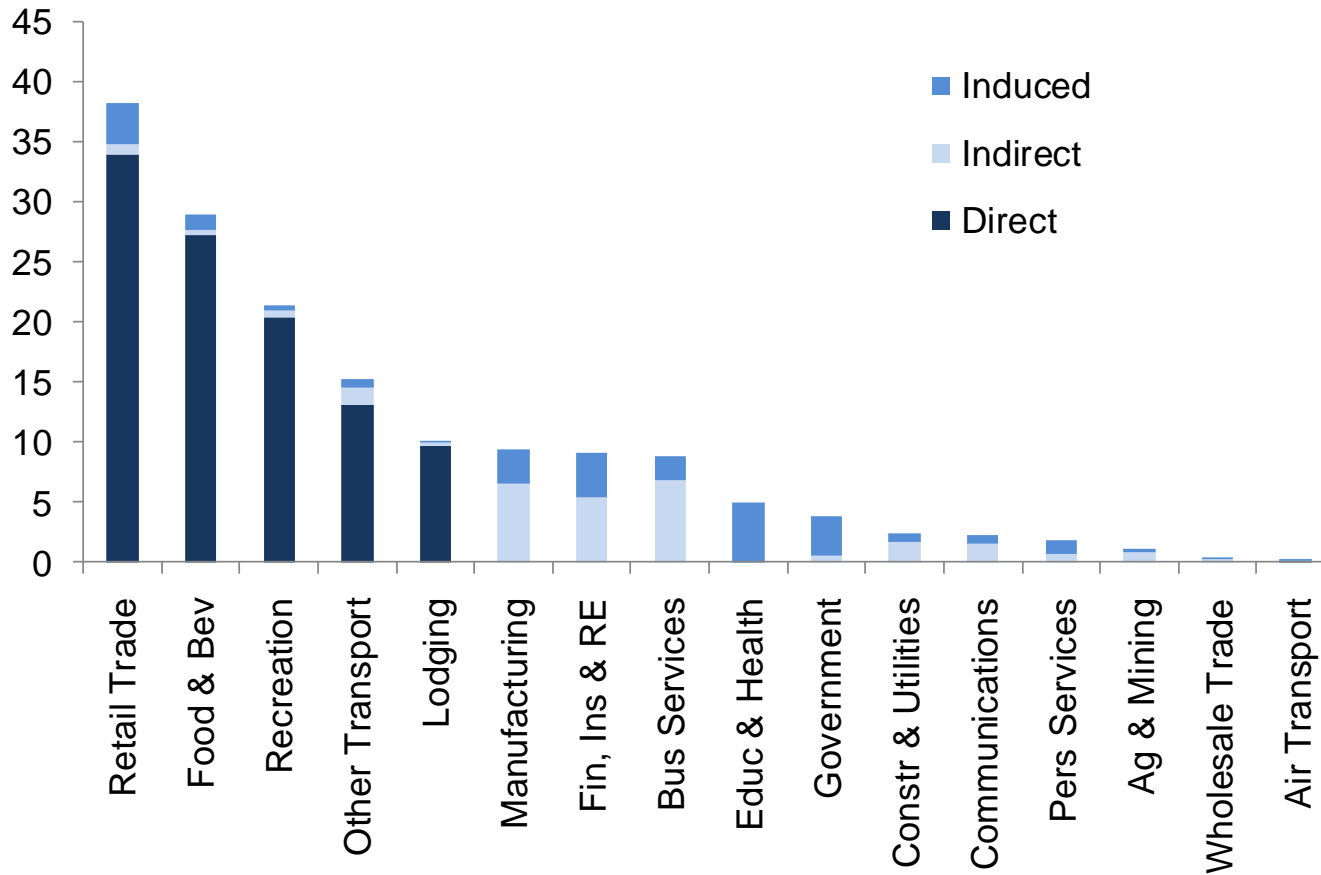
Tourism Sales (Output)				
(US\$)				
	Direct*	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	866,006	321,650	1,187,656
Construction and Utilities	-	1,685,466	674,005	2,359,472
Manufacturing	-	6,505,849	2,934,522	9,440,371
Wholesale Trade	-	263,453	185,346	448,800
Air Transport	137,667	35,605	32,072	205,344
Other Transport	13,073,759	1,513,784	633,011	15,220,554
Retail Trade	33,973,861	852,321	3,410,040	38,236,221
Communications	-	1,616,156	694,858	2,311,014
Finance, Insurance and Real Estate	-	5,470,158	3,627,641	9,097,799
Business Services	-	6,868,435	2,034,844	8,903,279
Education and Health Care	-	22,937	4,957,700	4,980,638
Recreation and Entertainment	20,424,631	497,145	421,498	21,343,274
Lodging	9,758,486	170,409	141,837	10,070,732
Food & Beverage	27,269,215	445,076	1,254,666	28,968,956
Personal Services	-	697,986	1,185,758	1,883,744
Government	-	582,345	3,290,183	3,872,528
TOTAL	104,637,619	28,093,131	25,799,632	158,530,382

- Visitors generated \$158.5 million in business activity in Jefferson County in 2015.

Tourism sales

Tourism Sales By Industry

\$ Millions



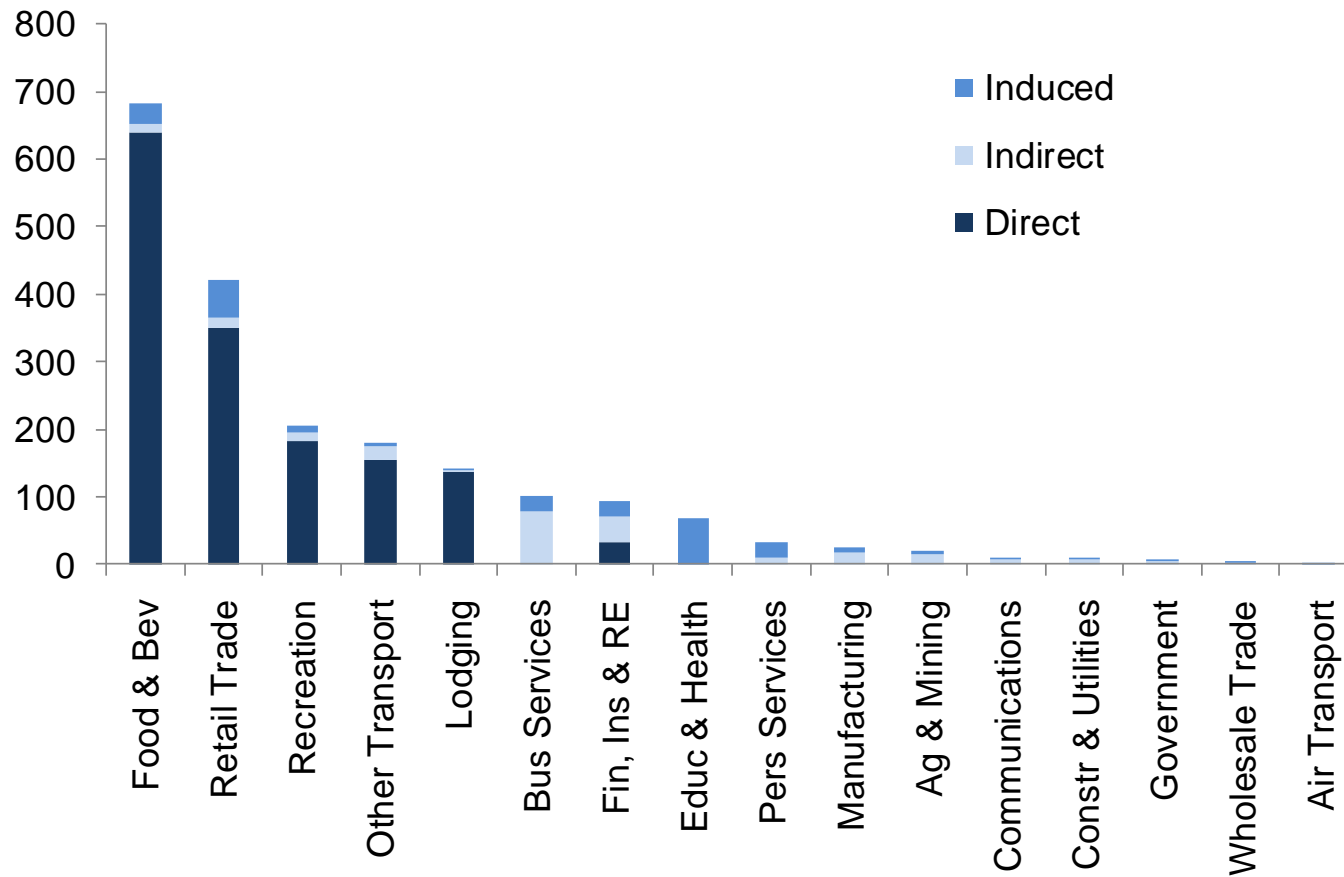
Tourism employment

Tourism Employment				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	15	5	20
Construction and Utilities	-	8	2	9
Manufacturing	-	18	7	25
Wholesale Trade	-	1	1	2
Air Transport	-	0	0	0
Other Transport	154	20	7	181
Retail Trade	350	14	56	421
Communications	-	8	3	11
Finance, Insurance and Real Estate	34	38	23	94
Business Services	-	77	24	101
Education and Health Care	-	0	68	68
Recreation and Entertainment	181	14	9	205
Lodging	137	3	2	142
Food & Beverage	640	11	31	682
Personal Services	-	10	23	33
Government	-	4	2	6
TOTAL	1,497	242	264	2,002

- Tourism supports 1 in every 12 jobs in Jefferson County.

Tourism employment

Tourism Employment By Industry



Tourism income

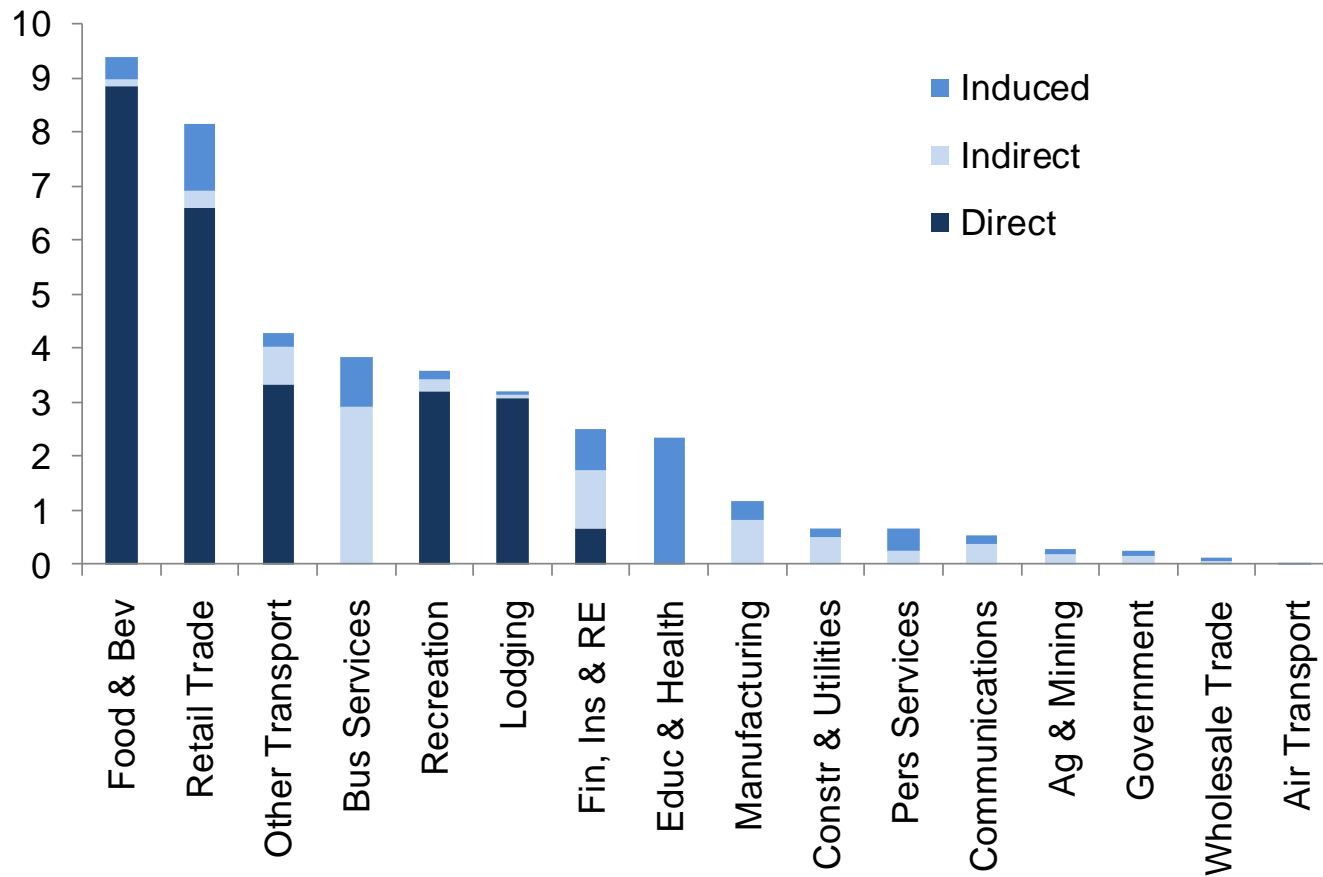
Tourism Income (Compensation)				
(US\$)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	199,914	86,936	286,851
Construction and Utilities	-	504,276	171,950	676,225
Manufacturing	-	814,589	366,315	1,180,905
Wholesale Trade	-	77,003	55,048	132,051
Air Transport	-	12,685	11,421	24,106
Other Transport	3,324,059	694,814	252,909	4,271,782
Retail Trade	6,587,389	316,595	1,248,720	8,152,704
Communications	-	391,396	141,431	532,828
Finance, Insurance and Real Estate	673,976	1,077,582	759,396	2,510,953
Business Services	-	2,915,508	909,539	3,825,047
Education and Health Care	-	10,330	2,321,970	2,332,300
Recreation and Entertainment	3,217,341	207,782	163,287	3,588,411
Lodging	3,090,072	60,402	46,894	3,197,368
Food & Beverage	8,835,642	141,832	397,310	9,374,784
Personal Services	-	238,588	435,773	674,360
Government	-	156,049	86,419	242,468
TOTAL	25,728,479	7,819,347	7,455,317	41,003,143

- Tourism generated personal income of \$41.0 million in 2015.

Tourism income

Tourism Earnings By Industry

\$ Millions



Tourism tax generation

- The tourism industry generated \$20.1 million in taxes in 2015.
- Tourism generated \$10.2 million in state and local taxes.
 - \$6.0 million in state taxes
 - \$4.1 million in local taxes

Tourism-Generated Taxes	
(US\$)	
Total	
Federal Taxes	9,899,303
State Taxes	6,049,322
Local Taxes	4,129,412
TOTAL	20,078,037

Methodology notes

- Visitor spending data are derived from several sources including:
 - Longwoods International survey of travelers
 - STR data on hotel metrics including room demand, revenues, and occupancy rates
 - Statistics Canada data on spending in Ohio
 - Office of Travel & Tourism Industries estimates of overseas visits to Ohio
 - Sales tax data on lodging, retail, recreation sectors available from the Ohio Department of Taxation
 - Local lodging tax data collected directly from the counties.
- Economic data are compiled by industry from the Bureau of Economic Analysis and Bureau of Labor Statistics. These provide industry detail on employment, value added, and wages by industry.
- The economic impact analysis uses an IMPLAN (www.implan.com) input-output model for the state of Ohio which tracks spending by visitors to industries and among industries and households. This estimates indirect (supply chain) impacts and induced (income effect) impacts as wages are spent in the state economy.

About Tourism Economics

- Tourism Economics, headquartered in Philadelphia, is an Oxford Economics company dedicated to providing high value, robust, and relevant analyses of the tourism sector that reflects the dynamics of local and global economies. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, project feasibility analysis, tourism forecasting models, tourism policy analysis, and economic impact studies.
- Our staff have worked with over 100 destinations to quantify the economic value of tourism, forecast demand, guide strategy, or evaluate tourism policies.
- Oxford Economics is one of the world's leading providers of economic analysis, forecasts and consulting advice. Founded in 1981 as a joint venture with Oxford University's business college, Oxford Economics is founded on a reputation for high quality, quantitative analysis and evidence-based advice. For this, it draws on its own staff of more than 100 highly-experienced professional economists; a dedicated data analysis team; global modeling tools; close links with Oxford University, and a range of partner institutions in Europe, the US and in the United Nations Project Link.
- For more information: www.oxfordeconomics.com or info@tourismeconomics.com.