

2021 IAAF World Championships

ECONOMIC CONTRIBUTIONS

TrackTown USA, Inc. successfully bid to host the world track and field championships in 2021, the first time ever that the event has been held in the United States. ECONorthwest was hired to analyze the economic impacts associated with this championship event (to be held at Hayward Field). This analysis looks at the lead up to the event, including renovation of current facilities, early arrival of teams to the state of Oregon, and visitation during the event. The analysis measures the gross contribution associated with preliminary estimates of spending to organize and run the event. The economic impacts are evaluated for the State of Oregon.

By The Numbers

9 days of competition featuring 16 individual sessions

54,874 visitors

\$51.9 million in spending by visitors

\$198 million in spending for the event on renovations, operations, and by visitors

\$568 million in total output (value of goods and services produced)

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VISITORS ESTIMATES

Approximately 70% of visitors will come from outside of Lane County. Visitors include both spectators and participants. For this analysis, non-local visitors are defined as those residing outside of Lane County. Only spending by non-local visitors is included in this analysis.

Visitors - Participants and Spectators

54,874	total visitors
70%	percent of visitors from outside Lane County
\$51.9	million total non-local visitor spending
\$1,344	average spending per trip
466,718	total visitor-days
9.1	average sessions attended

Participants - Athletes, Staff, IAAF Personnel, and Media

13,374	total participants
185,718	total participant-days
10	days in training camps
\$500,000	spent at training camps

Spectators

41,500	total individual spectators
281,000	total spectator-days
6.77	average length of stay by spectators

Visitor Estimates for the 2021 IAAF World Championships

A total of 54,874 visitors are expected, of which 13,374 (24%) are expected to be participants and 41,500 (76%) are expected to be spectators. Of the total visitor population, 16,200 (30%) are expected to be local and 38,678 (70%) are expected to be non-local.

Non-Local Visitor Breakdown

21,724	Non-Oregon visitors
14,008	Oregon residents staying overnight
2,943	Oregon resident day visitors

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ECONOMIC CONTRIBUTIONS TO THE STATE OF OREGON

This study measures economic activities associated with the IAAF World Championships coming to Eugene. The results below describe the estimated contributions to the State of Oregon associated with event related spending. The information described below are estimates of spending before and during the event, and the associated economic contributions that will occur in the State of Oregon.

Direct Event Spending

\$85.6 million	Operations
\$60.5 million	Hayward Field Renovation Phase 1
\$52.4 million	Visitor Spending (including training camps)
\$198.6 million	Direct Spending Total

Economic Contributions To The State of Oregon

\$568 million	Total Output Contribution
2,608	Total Job Contribution
13.1	Total Job Contribution Per \$1 Million In Spending

The training camps are forecasted for a total economic contribution of 11 employees and \$870,000 in output in Oregon.

METHODOLOGY

Economic Impact Analysis

To evaluate the economic impacts of the Championship event, ECONorthwest used IMPLAN input-output modeling software and 2013 model data to measure the gross contributions associated with event spending on operations, renovations, and visitor spending as they ripple through the county and state economies. These impacts are called the multiplier effects, and they measure the full scope of economic contributions.

The total contributions reported in this summary document include the direct spending accruing to businesses within a specific geography, as well as the purchases of those businesses who in turn must buy a wide array of intermediate goods and services in order to supply the increased demand from event spending. The model also captures the changes in regional household spending caused by increases in household income. All figures are reported in 2015 dollars.

Two types of economic contributions are reported here – output and employment. There are several other measures of impacts, including labor income and value-added, however, they are not reported here. Specific definitions for these measures are:

- Output represents the value of goods and services produced, and is the broadest measure of economic activity. It includes employee compensation, proprietary income, taxes, and all intermediate purchases. It is, in other words, total revenue for a business.
- Jobs, according to IMPLAN's methodology, are measured in terms of full-year-equivalents (FYE). One FYE job equals work over twelve months in a given industry (this is the same definition used by the federal government's Bureau of Labor Statistics).

The bulk of the spending, especially visitor spending, of this event will occur during a short time period, the jobs associated with this spending will be temporary in nature. It is likely that businesses will hire extra employees temporarily or increase hours on existing employees. These are the jobs that are captured in this analysis.

Limitations

Input-output models are static models that measure the flow of inputs and outputs in an economy at a point in time. Contrary to dynamic models, static models assume that there are no changes in wage rates, input prices, and property values. In addition, underlying economic relationships in input-output models are assumed constant, i.e., there are no changes in the productivity of labor and capital, and no changes in population migration or business location patterns.

Furthermore, economic impact analysis does not typically measure the potential economic development impacts of construction and expanded operations associated with a project or economic action. Large investments in infrastructure can start a cycle of economic expansion, which economists refer to as an expansion of the "production possibilities frontier" of the economy. Such an effect is difficult to quantify at best, though local infrastructure improvements could lead to other businesses such as manufacturers, located in and around the project of interest.

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Visitor Estimates And Spending Assumptions

TrackTown USA provided estimated ticket sales and length of stay for each type of ticket purchaser. In total, there will be 16 sessions; a portion will attend all sessions and others will attend only parts of the event, and therefore, stay overnight accordingly. ECONorthwest calculated the total number of visitors and visitor-days stayed in and around the Eugene area with the information provided. ECONorthwest used assumptions from a report developed by Timothy Duy, University of Oregon Professor and Senior Director of the Oregon Economic Forum, to determine if non-local visitors were from Oregon or outside of Oregon, and if they would be day visitors or staying overnight.

Only non-local spending was used to estimate the contribution. It is estimated that approximately 70% of visitor will come from outside Lane County. It is not likely that Lane County residents would spend more of their disposable income locally because they are attending the Championships, therefore, local spending is excluded from the analysis.

Training camps are assumed to be 10 days long, include 15 teams and 45 members of each team, including athletes and staff.

Visitor Type	Daily Expenditures
Oregon Day	\$81.41
Oregon Overnight	\$134.80
Oregon Average	\$127.56
Out of Oregon	\$158.64

Source: "The Economic Impact of the University of Oregon Athletic Department FY2011-12", by Timothy Duy, Ph.D., University of Oregon Professor and Senior Director of the Oregon Economic Forum