

***2012 Summary of the the South Carolina Upstate Equine Council (SCUEC)
Economic Impact Study of the T.Ed Garrison Arena and the Fant's Grove Trails System
on Anderson, Pickens, and Oconee Counties.***

The South Carolina Upstate Equine Council (SCUEC) is a non-profit, volunteer based organization that, according to their website “wishes to become a magnet in the Upstate for all equine activities, and through the participation of spectators, vendors, and equestrian participants to positively impact the education and growth in the Upstate area”. As part of this mission, the SCUEC wishes to promote equine and other activities based at the Garrison Arena. Accordingly, the SCUEC commissioned a study, the results of which are reported here, to estimate the economic impact of the activities at the Garrison Arena on the surrounding three counties economic (Anderson, Oconee, and Pickens). Further, the SCUEC wished to examine the nature of arenas in South Carolina and nearby states offering similar services to groups and individuals wishing to host equine and other livestock shows. Finally, the SCUEC wishes to learn about riders’ use of trails next to the Garrison Arena that are located on the Clemson University Experimental Forest Property.

An Economic Impact study of the T.Ed Garrison Arena and surrounding trail system on Anderson, Oconee, and Pickens Counties was commissioned by SCUEC in 2012.

Survey data for the Garrison Arena and the trail system were used to generate an estimate of the local (Anderson, Oconee, and Pickens Counties) economy, based on an economic model of that economy using the IMPLAN input-output economic model building computer program for 2009 (IMPLAN 2000)

A multi-regional model is used here to allow for feedback loops to occur between the three-county economy and the Greenville County economy. The feedback loop with the Greenville County economy is included because of the very strong spatial economic linkages between Greenville and the three counties

Anderson County ranked **second** in the state of SC with 6,000 equines, **Pickens County** was **tenth** among state counties with 2,700 equines, **followed closely by Oconee County** with 2,400 equines. Together the three counties were responsible for an estimated 13.2% of all South Carolina equines.

Data obtained from surveyed show managers were used to estimate number of attendees and number of stall renters to complete the profile of surveyed shows. Total spending by each spending cluster was then used to estimate total direct spending for all events at Garrison Arena in calendar year 2012.

Livestock arenas have the potential for generating significant economic activity based on equine and other types of activities.

Our analysis indicates that the Garrison Arena has a substantial impact on the local economy.

We estimated that activity at the Garrison Arena generates \$4.381 million in direct spending in the local economy. A million dollars in direct spending due to activity at the Garrison Arena is estimated to lead to 21.5 local jobs.

Table 3. Economic Impact of Garrison Arena on the Anderson, Oconee, and Pickens Economy.

Analysis	Employment	Total Impact	Earned Income	Gross Regional Product
		------(Millions \$)-----		
Total	92.4	\$8.957	\$2.776	\$4.440

For Equine events - Survey respondents from other states spending on average \$1,111.35 in the local economy for the event they attended or well over twice the spending by local attendees (\$473.48)

For Non-equine events - Survey respondents from all other states spending on average \$634.25 in the local economy for the event they attended

A combination of on-line and in-person surveying was conducted of riders using the trail system adjacent to the Garrison Arena facility. Among the 67 survey respondents, on average 1.42 family members also participated in the trail rider. Riders indicated that on average they used the trail system 48.8 times per year. They also estimated that an average of 35.7 riders use the trail system on a typical day

Impact results should be interpreted with care by local leaders in part because spending on a particular activity can have alternative uses in the local economy (what economist call an opportunity cost). Specifically in this case, spending by local residents has an opportunity cost because local residents could easily spend such funds on other local goods and services. It is quite possible that such alternative local spending could even have a greater economic impact than spending due to events at Garrison Arena. In such situations, gross, as opposed to net, economic impact analysis could be misleading in assisting the decisions of local policy makers. Alternatively, people from elsewhere who spend funds on a local activity are part of what economist terms export-base spenders. Such spending can be safely assumed to have no opportunity cost on the local economy.

We examined the composition of spending in terms of residency for each of our four major categories of spending (equine events, non-equine events, the SCUEC-sponsored events, and trail riding). In terms of our analysis, less than one percent and only 1.7% of spending was by local residents for the nine surveyed equine events and the two surveyed non-equine events. These two categories constitute the bulk of spending in our impact analysis. On the other hand, 10.7% of spending by participants in the SCUEC-sponsored event and 6.9% of trail users was by non-local residents (i.e., export base spenders). However, both of these categories constitute a relatively small part of direct spending at Garrison Arena and hence of the total economic impact. Accordingly, the vast majority of spending in the local economy due to Garrison Arena is by individuals residing in

other places. This fact indicates that most of the impact scenario represents a true contribution to local economic growth.

Comparison to Other Facilities

There are only a small handful of facilities similar to the T. Ed Garrison Arena within a couple hundred mile radius of Pendleton, S.C

The Georgia International Horse Park in Conyers, GA provided an estimate of 500,000 to 750,000 visitors per year

The T. Ed Garrison Arena estimates 200,000 annual visitors.

The Tennessee Livestock Center reported 40,000 annual visitors, but it should be noted that Middle Tennessee State University operates this facility and also has a larger arena that hosts major events such as concerts in addition to the larger equine events.

The Western N.C. Ag. Center did not provide an estimate for the total number of annual visitors; however they host a fair, the N.C. Mountain State Fair, every year that brings in close to 200,000 individuals over a 10 day span.

The Conyers facility has over double the total number of days of high impact shows than the Clemson facility.

The T. Ed Garrison Arena has the highest number of regional event days and non-equine high impact event days.

The Georgia International Horse Park has by far the most non-equine events due to the presence of their 3 (three) conference rooms and Grand Prix area

The Western N.C. Ag. Center also has 3 (three conference rooms), but unfortunately their annual calendar was not made available for this study.

The Foothills Equestrian Center in Landrum, SC has a large area for course riding and outdoor education events, but the typical events held there are also local shows.

While the Foothills Equestrian Center, Georgia International Horse Park, and the South Carolina Equine Park all have the facilities to host a steeplechase and the T. Ed Garrison facility does not, the facility in Pendleton, SC is tied in to 40 miles of trails available to the public on Clemson's Experimental Forest. The trails provide additional activities to generate equine activity, however, these events are typically one day visitors while the steeplechase events draw in a larger crowd that will spend more on restaurants, lodging, and shopping.

The South Carolina Equine Park in Camden, SC is focusing solely on equine events and hosts a strong portion of regional shows. They also have a strong presence of high impact shows and we expect this

to only increase in the future as their expansion of infrastructure and market presence continues to build as this is a new facility that hosted their inaugural event in 2009. *This facility has a strong relationship with Kershaw County who has already been the benefactor and realizes the strong potential economic impact an equine facility can have in a region.

The Tennessee Livestock Center has a much stronger presence in regional impact events for the non-equine activity. As previously stated, the majority of the large equine events are held in another facility.

While it is to be expected that a much larger facility such as the Georgia International Horse Park hosts slightly more than double the amount of high impact shows than the T. Ed Garrison Arena, it can also be used to realize the potential of the T. Ed Garrison Arena.

The T. Ed Garrison Arena already has a strong market presence for high impact and regional shows and it could be expected for these to grow if the facility could expand to meet a broader range of needs similar to the Georgia International Horse Park.

Cross-Country Course

There are very few facilities in the Southeast United States that provide both a first class arena facility in addition to a cross-country course for use by recognized horse trials. Two of the larger facilities that do are the Virginia Horse Center in Lexington, Virginia and the Kentucky Horse Park in Lexington, Kentucky. These two facilities are known nationwide by equine enthusiasts. Just as comparison, the Kentucky Horse Park boasts a \$240 million (Kentucky HBPA) economic impact while the Virginia Horse Center creates \$88 million in jobs and sales revenues for the state of Virginia (Virginia Horse Center). Perhaps more stunning is the fact that the Virginia Horse Center has an annual budget of \$3.5 million (Virginia Horse Center).

While the Kentucky Horse Park, Virginia Horse Center, and Georgia International Horse Park have several times more show arenas than the T. Ed Garrison facility, perhaps **the most notable point to take from them is their ability to host several different disciplines of state and regional events on the same day or weekend.**

If the T. Ed Garrison arena were able to draw in different types of crowds and still provide first class facilities, they could create a significant increase in their economic impact on Anderson, Pickens, Oconee, and Greenville counties.

One potential way to accomplish this would be to create a recognized cross-country course to bring in additional state/regional shows, as well as potential high-impact events.

To build such a facility to attract events that will create a significant economic impact on the surrounding community, Clemson University and T. Ed Garrison Arena would need to build a cross-country course, a dedicated jumper ring, and a dedicated dressage ring.

These types of facility additions would provide T. Ed Garrison Arena a more viable source of revenue through their ability to provide first class facilities for hunter and jumper and dressage events in addition to other events and schooling.

This addition or any additional outdoor show rings has the potential to attract high impact shows from around the Southeast, thus providing the potential to significantly increase the economic impact for the surrounding communities.

Trail-riding System

In addition to the T. Ed Garrison Arena, Clemson University also offers 44 miles of trails in the nearby Clemson Experimental Forest. These trails are open to the public for horse and bike riding as well as hiking.

Through an online and in-person survey of the users of the Clemson Experimental Forest trails, a total of 66 surveys were collected and survey responses suggest that an average of 35 riders use the trails each day (this of course varies depending on weekend or weekday). Several respondents suggested that up to 100 riders use the trails on a given day during the weekend

Survey results indicate that the primary users of the trail are from the 4 (four) county area, there is still a substantial spending amount annually as a result of the trail use in the Clemson area of \$552,690, or 12.6% of the \$4.3 million in direct spending related to the arena.

Trail users were also asked an open ended question regarding the improvements they would like to see for the trails at the Clemson Experimental Forest. The surveys produced 60 responses, results found in Figure 32, to this question with the **three top responses being the need of a map with distances between markers (18.3%), the need of an information kiosk with rules, regulations, and information posted (13.3%), and the need for gravel at the parking areas (13.3%).** Further, the need of camping facilities (11.7%) and the need of clean up at parking lots (8.3%) received the next two highest responses while five percent of the respondents indicated there was a need for both more frequent monitoring of the trails for downed trees and maintenance to the ruts and washouts in the trail.

When asked about the needs or concerns trail users have about the future of the trail, 56 responses were collected. Of those 56 responses, **39% responded that they were concerned the trail would not remain open to public use in the future.** These respondents did not provide specific reasoning for their response, though through other open ended responses and the fact that only 4% indicated they are concerned with Clemson University's willingness to keep the trail open, we can assume the strong concern is present because of the recreational leisure it provides to the community (as opposed to thoughts that Clemson University is not in favor of the trail). Further, 23% are concerned about trail maintenance in the future and 9% are concerned with the future funds to maintain the trail. Again, other responses account for 25% and some of these responses include the interest in additional trails and jumps for the future as well as the increasing use by bike riders and the safety

for the horses related to bike riders (i.e. numerous people reported bike's coming up fast from behind horses or from around corners and the horses throwing their riders) and similar answers to the previous question regarding camping, picnic shelters, and an information kiosk.

Summary and Conclusions

Livestock arenas have the potential for generating significant economic activity based on equine and other types of activities. This study provides estimates of the economic impact of one such facility, the T. Ed Garrison Arena on the local (i.e., Anderson, Oconee, and Pickens Counties) economy based on extensive surveying of individuals attending Arena events. The impact analysis relies on a multiple-region Input-Output (I-O) model of the local economy (with formal feedback links to the Greenville County economy). The model was constructed using the IMPLAN input-output economic model building computer program for 2009 (IMPLAN 2000). Model results indicate that the Arena makes a substantial contribution to the local economy. **Specifically, \$4.381 million in direct spending due to the Arena leads to 92.4 local jobs, \$8.957 million in local output, \$2.776 million in local earned income, and \$4.440 million in Gross Regional Product.**

Through analysis of comparison facilities and the impact of specific shows throughout the year, it is evident that the T. Ed Garrison Arena is a first class facility with potential to grow.

If the arena builds appropriate outdoor show rings and facilities in addition to what currently is present, the T. Ed Garrison Arena could greatly expand the number of state/regional and high impact shows hosted in Pendleton, S.C. This addition could make the T. Ed Garrison Arena one of the few facilities in the southeast that has the ability to draw in major events for multiple disciplines. If the proper steps were taken, the increase in economic impact on Anderson, Pickens, Oconee, and Greenville counties would be significant.