

Utah Economic and Business Review

BE|BR
Bureau of Economic and Business Research
DAVID ECCLES SCHOOL OF BUSINESS | UNIVERSITY OF UTAH

2011 | Volume 71, Number 1

In this issue of the Utah Economic and Business Review we're featuring two recent studies by Bureau researchers. The first, by Research Analyst John C. Downen, examines the economic impacts of Utah's international exports. The second study, by Senior Research Economist Jan Elise Crispin, looks at the economic impacts of the world-famous Sundance Film Festival, the most recent edition of which was held in Park City, Utah, this past January.

The Economic Impacts of Utah's International Exports

John C. Downen, Research Analyst

Utah's Exports

Utah exported \$13.6 billion worth of goods in 2010. This represented 1.1 percent of the United States' total commodities exports, up from a share of 0.7 percent in 2007 (Table 1). At \$7.0 billion, gold and silver accounted for nearly 52 percent of Utah's exports by value in 2010. Excluding gold and silver, Utah's international exports in 2010 were valued at nearly \$6.6 billion.

Table 1
Top 25 Exported Commodities from Utah by 2010 Value
(Millions of Constant 2010 Dollars)

Rank	Commodity	2007	2008	2009	2010	2007-2010 Change	
						Dollars	Relative
1	Gold, nonmonetary, unwrought (not powder)	\$2,983	\$3,908	\$5,575	\$6,936	\$3,953	132.5%
2	Electronic integrated circuit memory (RAM & ROM)	\$380	\$1,273	\$1,010	\$1,231	\$851	223.5%
3	Food preparations, NESOI	\$282	\$259	\$284	\$298	\$16	5.8%
4	Molybdenum ores and concentrates, not roasted	\$465	\$227	\$114	\$279	-\$186	-40.0%
5	Civilian aircraft, engines and parts	\$274	\$388	\$286	\$277	\$3	1.0%
6	Safety airbags with inflator system, parts thereof	\$209	\$203	\$158	\$201	-\$8	-3.7%
7	Refined copper cathodes and sections of cathodes	\$26	\$0	\$130	\$172	\$146	572.5%
8	Beauty & skin care preparation, NESOI	\$109	\$94	\$113	\$138	\$29	26.9%
9	Waste and scrap of precious metal, NESOI	\$48	\$50	\$34	\$133	\$85	175.9%
10	Transistors except photosensitive, with dissipation rate < 1W	\$126	\$125	\$104	\$129	\$3	2.6%
11	Safety fuses, detonating fuses, percussion caps, etc.	\$74	\$57	\$94	\$116	\$42	56.8%
12	X-ray/high-tension generators, control panels, examination/treatment tables, etc. and parts	\$25	\$46	\$74	\$107	\$82	332.2%
13	Medical syringes, needles, catheters, etc. and parts, NESOI	\$50	\$58	\$69	\$104	\$54	110.0%
14	Interchangeable tools and parts for hand tools or for machine-tools, for rock drilling or earth boring	\$61	\$80	\$47	\$80	\$19	31.2%
15	Silver, unwrought (not powder)	\$41	\$37	\$105	\$76	\$35	84.0%
16	Instruments & appliances for medical, surgical, dental, vet, NESOI	\$86	\$104	\$79	\$68	-\$18	-21.1%
17	Nonelectrical articles of graphite or carbon, NESOI	\$54	\$55	\$53	\$60	\$6	10.9%
18	Medicaments containing alkaloids (no hormones or antibiotics)	\$39	\$32	\$36	\$60	\$21	53.6%
19	Products of fish, crustaceans, mollusks etc, inedible; dead animals of	\$12	\$8	\$18	\$52	\$40	316.3%
20	Articles for exercise and sports etc., NESOI	\$50	\$43	\$46	\$47	-\$3	-5.3%
21	Mixtures of fruit and/or vegetable juices	\$33	\$49	\$57	\$46	\$13	39.7%
22	Taps, cocks, valves, etc, for pipes, tanks, etc. incl. thermostatically controlled valves, NESOI	\$22	\$29	\$32	\$45	\$23	107.9%
23	Machines for recep/convr/trans/recog of voice/image/data	\$3	\$10	\$10	\$42	\$39	1161.1%
24	Preparations for oral/dental hygiene, NESOI	\$34	\$37	\$42	\$42	\$8	24.3%
25	Parts & accessories of bodies of motor vehicles, NESOI	\$18	\$4	\$4	\$40	\$22	117.3%
	Total Utah Exports	\$8,006	\$10,070	\$10,833	\$13,572	\$5,566	69.5%
	Share of U.S. Exports	0.7%	0.8%	1.0%	1.1%		
	Total Exports Excluding Gold and Silver	\$4,982	\$6,126	\$5,152	\$6,560	\$1,578	31.7%

NESOI = not elsewhere specified or included.
Source: U.S. Census Bureau, Foreign Trade Division.

The U.S. Census Bureau's Foreign Trade Division reports the top 25 exported commodities by value for each state. Utah exports a broad range of goods, including electronics, food and other animal products, aircraft engines, automotive parts, medical devices and pharmaceuticals, personal care products, sporting goods, and industrial goods like valves, drilling tools, and fuses.

Excluding gold, the state's largest export by value in 2010 was computer memory, with \$1.2 billion worth shipped out of the country from Utah. Rounding out the top five were miscellaneous food preparations (\$298 million), molybdenum (\$279 million), civilian aircraft engines (\$277 million), and safety airbags (\$201 million). These five commodities represented 35 percent of the value of Utah's exports (excluding gold and silver) in 2010. The top 23 commodities represented 57 percent of Utah's total exports in 2010 (excluding gold and silver).¹

While the export value of some commodities showed significant volatility between 2007 and 2010, total non-gold exports saw a real net gain of \$1.6 billion over the period, an increase of nearly one-third. Non-gold exports were valued at \$5.0 billion in 2007 (in constant 2010 dollars), grew to \$6.1 billion in 2008, dipped to \$5.2 billion in 2009 during the depths of the recession, then rebounded to \$6.6 billion in 2010. With gold and silver included, the value of Utah's exports saw consistent growth from \$8.0 billion in 2007 to \$13.6 billion in 2010, with only a slowing of growth in 2009.

Several commodities experienced remarkable export gains between 2007 and 2010, despite the intervening economic downturn. The value of exported machines for the reception, conversion, transmission, and recognition of voice, images, and data grew more than twelvefold from just \$3 million to \$42 million (in constant 2010 dollars). Refined copper cathode exports were nearly seven times higher in 2010, at \$172 million, than in 2007, after falling to zero in 2008. Exports of x-ray equipment and marine animal products (brine shrimp) both increased by more than 300 percent, to \$107 million and \$52 million respectively. Finally, the value of computer memory exports more than tripled between 2007 and 2010, from \$380 million to \$1.2 billion.

Four commodities (excluding gold) saw their exports more than double between 2007 and 2010: waste and scrap of precious metal (+176 percent), parts and accessories of motor vehicle bodies (+117 percent), medical syringes, needles, catheters, etc. (+110 percent), and industrial taps, cocks, and valves (+108 percent).

1. The corresponding shares when gold and silver are included in total exports are 17 percent (top 5) and 28 percent (top 23).

Only four of the top 25 commodities saw a decline in exports between 2007 and 2010. At \$279 million in 2010, molybdenum exports were 40 percent lower than in 2007, though they had more than doubled from \$114 million in 2009. Exports of instruments and appliances for medical, surgical, dental, and veterinary uses declined 21 percent over the period to \$68 million. Exports of sporting goods and of safety airbags were 5 percent and 4 percent lower, respectively, in 2010 than in 2007. However, both commodities have seen increased exports since 2009.

Ten countries purchased 79 percent of Utah's exports in 2010 (Table 2). The top destination by far is the United Kingdom. In 2010 Utah shipped almost \$4.2 billion worth of goods there, 31 percent of the state's total exports. The next largest recipients were Canada, with \$1.3 billion of goods and 9 percent of the total, and India, at \$1.1 billion and 8 percent. India was followed by Hong Kong (\$947 million), Switzerland (\$719 million), China (\$585 million), Taiwan (\$551 million), Singapore (\$524 million), Mexico (\$456 million), and Japan (\$406 million).

Table 2
Top 10 Destination Countries for Utah Exports
by 2010 Value
(Millions of Constant 2010 Dollars)

Rank	Country	2007	2008	2009	2010	2010 Share
1	United Kingdom	\$2,440	\$3,436	\$4,573	\$4,164	30.7%
2	Canada	970	1,058	1,068	1,262	9.3%
3	India	393	486	681	1,125	8.3%
4	Hong Kong	104	130	160	947	7.0%
5	Switzerland	467	63	100	719	5.3%
6	China	396	515	568	585	4.3%
7	Taiwan	216	711	595	551	4.1%
8	Singapore	228	364	265	524	3.9%
9	Mexico	229	236	292	456	3.4%
10	Japan	426	367	358	406	3.0%
	Top 10 Total	\$5,872	\$7,367	\$8,661	\$10,739	79.3%

Source: U.S. Census Bureau, Foreign Trade Division.

Economic Impacts

Economic impacts are the changes in the size and structure of a region's economy that result from purchases of goods and services from vendors within the region with money generated outside the region. Impacts are measured in terms of changes in value added,² earnings, and jobs. There are three types of impacts: direct, indirect, and induced. In the case of Utah's international exports, the sales of exported goods are the direct impacts. These revenues are used by the exporting firms to purchase raw materials, equipment, or other inputs from local producers; these are the indirect impacts. Finally, the spending generated when households supported by the direct and indirect activities purchase goods and services in the regional economy produces the induced impacts.

Tables 3 through 5 give the estimated gross state product, earnings, and employment impacts of Utah's top 23 international exports, by industry, for 2007 through 2010. The estimated impacts for all non-gold commodities exports are also included.

Total estimated impacts on Utah's gross state product (GSP) as a result of its exports of non-gold commodities grew from \$4.4 billion to \$5.9 billion (in inflation-adjusted 2010 dollars) (Table 3). The impacts are equivalent to approximately 4 to 5 percent of annual GSP.

2. Value added is the gross output of an industry or a sector less its intermediate inputs. It can also be considered as the contribution of an industry or sector to gross domestic product or, in this case, gross state product.

Table 3
Gross State Product Impacts of Utah's Major Exports by Commodity, 2007-2010

(Millions of Constant 2010 Dollars)

Industry	2007	2008	2009	2010	Change	
					Dollar	Percent
Electronic integrated circuit memory (RAM & ROM)	\$341.2	\$1,141.8	\$905.8	\$1,104.0	\$762.8	223.5%
Food preparations, NESOI	207.1	190.8	208.5	219.2	12.0	5.8%
Molybdenum ores and concentrates, not roasted	574.3	280.5	140.6	344.4	-229.9	-40.0%
Civilian aircraft, engines and parts	266.0	375.9	277.7	268.6	2.6	1.0%
Safety airbags with inflator system, parts thereof	198.7	193.4	150.3	191.4	-7.3	-3.7%
Refined copper cathodes and sections of cathodes	14.6	0.0	74.2	98.4	83.8	572.5%
Beauty & skin care preparation, NESOI	91.3	78.8	94.8	115.9	24.5	26.9%
Waste and scrap of precious metal, NESOI	43.4	45.1	30.2	119.7	76.3	175.9%
Transistors except photosensitive, with dissipation rate < 1W	115.5	115.2	95.9	118.6	3.0	2.6%
Safety fuses, detonating fuses, percussion caps, etc.	54.5	42.0	69.3	85.5	31.0	56.8%
X-ray/high-tension generators, control panels, examination/treatment tables, etc. and parts	19.9	36.8	59.3	86.0	66.1	332.2%
Medical syringes, needles, catheters, etc. and parts, NESOI	47.3	55.2	65.8	99.4	52.1	110.0%
Interchangeable tools and parts for hand tools or for machine-tools, for rock drilling or earth boring	58.9	77.2	45.3	77.2	18.4	31.2%
Instruments & appliances for medical, surgical, dental, vet, NESOI	84.4	101.4	77.2	66.6	-17.8	-21.1%
Nonelectrical articles of graphite or carbon, NESOI	54.1	54.9	52.5	60.0	5.9	10.9%
Medicaments containing alkaloids (no hormones or antibiotics)	36.1	29.5	33.5	55.4	19.3	53.6%
Products of fish, crustaceans, mollusks etc., inedible; dead animals of	14.7	8.9	20.8	61.2	46.5	316.3%
Articles for exercise and sports etc., NESOI	34.4	30.0	31.6	32.6	-1.8	-5.3%
Mixtures of fruit and/or vegetable juices	22.8	34.0	39.5	31.8	9.0	39.7%
Taps, cocks, valves, etc., for pipes, tanks, etc. including thermostatically controlled valves, NESOI	22.8	30.4	34.1	47.3	24.6	107.9%
Machines for recep/convr/trans/recog of voice/image/data	3.7	11.1	10.8	46.6	42.9	1161.1%
Preparations for oral/dental hygiene, NESOI	28.7	31.6	36.1	35.7	7.0	24.3%
Parts & accessories of bodies of motor vehicles, NESOI	16.8	3.7	3.7	36.5	19.7	117.3%
Total Impacts of Major Exports	\$2,351.3	\$2,968.2	\$2,557.3	\$3,401.9	\$1,050.6	44.7%
Estimated Impacts of All Non-Gold Exports	\$4,449.1	\$5,458.9	\$4,739.3	\$5,924.2	\$1,475.0	33.2%

NESOI = not elsewhere specified or included.

Source: BEBR analysis of Census Bureau export data using RIMS II multipliers.

Utah's international exports generated an estimated \$2.9 billion in total earnings in 2010, up from \$2.3 billion in 2007 (Table 4).

The employment impacts range from an estimated 54,955 full- and part-time jobs in 2007 to 75,721 in 2010 (Table 5). On average, Utah's major exports support approximately 65,775 jobs each year.

Methodology

The economic impacts were calculated using RIMS II, a model developed by the Bureau of Economic Analysis at the U.S. Department of Commerce. RIMS II is based on an accounting framework called an I-O table, which shows the input and output structure of approximately 500 industries in the U.S. A typical I-O table in RIMS II is derived mainly from two data sources: BEA's national I-O table and BEA's regional economic accounts, which are used to adjust the national I-O table to show a region's industrial structure and trading patterns.

The export data from the Census Bureau used in this study is the selling price of the goods at the U.S. port of export. In I-O parlance this is called a "change in final demand." To derive the economic impacts of Utah's exports we found the corresponding industry for each exported commodity.³ We then applied each

industry's total final-demand multipliers for value added, earnings, and employment to the value of its exports. These give us the increases in gross state product, earnings, and jobs for each dollar (or million dollars, in the case of employment) of exported commodities. The impacts represent the increase in the economic base of the state. These impacts occur only in the year in which the corresponding export sales take place and cannot be summed over multiple years to give a cumulative impact.

The export value includes the cost of inland or domestic shipping to the U.S. port of export. RIMS provides national average cost data for exports that show what share of the purchaser's value is attributable to producer's costs, transportation costs, and wholesale and retail sales margins. These can then be separated out and impacts can be calculated separately for the transportation and sales portions that occurred in the study region. Without further primary research we do not know where the U.S. port of export was for Utah's exported goods, whether they were transported there by Utah-based companies, or whether a Utah-based wholesaler was involved. Therefore we calculated impacts based only on the producer's share of the export value. Total GSP, earnings, and employment impacts based on the full value of the 23 commodities are about 17 percent higher than the totals given here.

3. According to the 2010 *Economic Report to the Governor*, Utah's exported gold was primarily mined in other western states then shipped to Utah for final processing and international export. Essentially all of the gold mined in Utah remains within

the U.S. and is not exported. Furthermore, gold exports do not provide a substantial number of jobs for the state. For these reasons, we excluded gold (and silver, ranked 15th by value) from our economic impact calculations.

Table 4
Earnings Impacts of Utah's Major Exports by Commodity, 2007–2010

(Millions of Constant 2010 Dollars)

Industry	2007	2008	2009	2010	Change	
					Dollar	Percent
Electronic integrated circuit memory (RAM & ROM)	\$154.3	\$516.4	\$409.7	\$499.3	\$345.0	223.5%
Food preparations, NESOI	108.3	99.7	109.0	114.6	6.3	5.8%
Molybdenum ores and concentrates, not roasted	304.9	148.9	74.7	182.9	-122.1	-40.0%
Civilian aircraft, engines and parts	144.7	204.5	151.1	146.1	1.4	1.0%
Safety airbags with inflator system, parts thereof	111.5	108.6	84.3	107.4	-4.1	-3.7%
Refined copper cathodes and sections of cathodes	6.9	0.0	35.1	46.6	39.7	572.5%
Beauty & skin care preparation, NESOI	36.6	31.6	37.9	46.4	9.8	26.9%
Waste and scrap of precious metal, NESOI	22.8	23.7	15.9	63.0	40.1	175.9%
Transistors except photosensitive, with dissipation rate < 1W	52.3	52.1	43.4	53.6	1.4	2.6%
Safety fuses, detonating fuses, percussion caps, etc.	30.7	23.7	39.0	48.2	17.4	56.8%
X-ray/high-tension generators, control panels, examination/treatment tables, etc. and parts	10.1	18.7	30.2	43.7	33.6	332.2%
Medical syringes, needles, catheters, etc. and parts, NESOI	24.7	28.8	34.3	51.8	27.1	110.0%
Interchangeable tools and parts for handtools or for machine-tools, for rock drilling or earth boring	35.5	46.5	27.3	46.5	11.1	31.2%
Instruments & appliances for medical, surgical, dental, vet, NESOI	45.7	55.0	41.8	36.1	-9.6	-21.1%
Nonelectrical articles of graphite or carbon, NESOI	27.7	28.1	26.8	30.7	3.0	10.9%
Medicaments containing alkaloids (no hormones or antibiotics)	13.6	11.1	12.6	20.8	7.3	53.6%
Products of fish, crustaceans, mollusks etc., inedible; dead animals of	8.1	4.9	11.4	33.7	25.6	316.3%
Articles for exercise and sports etc., NESOI	18.9	16.5	17.4	17.9	-1.0	-5.3%
Mixtures of fruit and/or vegetable juices	11.1	16.6	19.3	15.5	4.4	39.7%
Taps, cocks, valves, etc., for pipes, tanks, etc. including thermostatically controlled valves, NESOI	11.6	15.4	17.3	24.1	12.5	107.9%
Machines for recep/convr/trans/recog of voice/image/data	2.1	6.3	6.1	26.4	24.3	1161.1%
Preparations for oral/dental hygiene, NESOI	11.5	12.6	14.4	14.3	2.8	24.3%
Parts & accessories of bodies of motor vehicles, NESOI	9.4	2.1	2.1	20.5	11.0	117.3%
Total Impacts of Major Exports	\$1,203.0	\$1,471.7	\$1,261.1	\$1,690.0	\$487.0	40.5%
Estimated Impacts of All Non-Gold Exports	\$2,276.3	\$2,706.6	\$2,337.1	\$2,943.0	\$666.7	29.3%

NESOI = not elsewhere specified or included.

Source: BEBR analysis of Census Bureau export data using RIMS II multipliers.

Table 5
Employment Impacts of Utah's Major Exports by Commodity, 2007–2010

(Full- and Part-Time Jobs)

Industry	2007	2008	2009	2010
Electronic integrated circuit memory (RAM & ROM)	4,713	15,770	12,511	15,249
Food preparations, NESOI	3,156	2,907	3,177	3,339
Molybdenum ores and concentrates, not roasted	5,912	2,887	1,448	3,545
Civilian aircraft, engines and parts	3,195	4,515	3,336	3,226
Safety airbags with inflator system, parts thereof	2,677	2,606	2,025	2,579
Refined copper cathodes and sections of cathodes	222	0	1,123	1,490
Beauty & skin care preparation, NESOI	901	778	935	1,143
Waste and scrap of precious metal, NESOI	381	396	265	1,051
Transistors except photosensitive, with dissipation rate < 1W	1,557	1,553	1,292	1,598
Safety fuses, detonating fuses, percussion caps, etc.	754	581	958	1,183
X-ray/high-tension generators, control panels, examination/treatment tables, etc. and parts	227	420	677	981
Medical syringes, needles, catheters, etc. and parts, NESOI	604	705	840	1,269
Interchangeable tools and parts for hand tools or for machine-tools, for rock drilling or earth boring	787	1,031	605	1,032
Instruments & appliances for medical, surgical, dental, vet, NESOI	1,162	1,396	1,063	917
Nonelectrical articles of graphite or carbon, NESOI	634	643	616	703
Medicaments containing alkaloids (no hormones or antibiotics)	279	228	259	428
Products of fish, crustaceans, mollusks etc., inedible; dead animals of	176	106	248	731
Articles for exercise and sports etc., NESOI	549	479	504	519
Mixtures of fruit and/or vegetable juices	325	484	563	454
Taps, cocks, valves, etc., for pipes, tanks, etc. including thermostatically controlled valves, NESOI	267	357	400	556
Machines for recep/convr/trans/recog of voice/image/data	50	149	146	628
Preparations for oral/dental hygiene, NESOI	280	308	352	348
Parts & accessories of bodies of motor vehicles, NESOI	236	52	52	513
Total Impacts of Major Exports	29,043	38,353	33,394	43,482
Estimated Impacts of All Non-Gold Exports	54,955	70,537	61,885	75,721

NESOI = not elsewhere specified or included.

Source: BEBR analysis of Census Bureau export data using RIMS II multipliers.

The top 23 exports represent, on average, only 55 percent of Utah's total annual non-gold exports. In order to capture the impacts of the remaining 45 percent, we scaled up the summed impacts for the top commodities each year based on the commodities' combined share of total non-gold exports for the year. For example, in 2010 the top 23 exported goods represented 57.4 percent of Utah's total non-gold exports. To estimate the 2010 impacts of all non-gold exports we divided the sum of the impacts of the top 23 goods, for each type of impact (GSP, earnings, and employment), by 0.574.

The impacts presented in this report do not include international trade in services, data for which are not available at the state level. Exports of services are sizeable, representing an average of 30 percent of the United States' total exports between 2007 and

2010. Utah provides financial and engineering services, among others, to international customers. These industries have larger multipliers than most of those for the manufacturing sectors.

Because of these factors, the impacts presented here are conservative estimates of the true economic impacts of Utah's international exports. The actual impacts are no doubt higher. It is also important to keep in mind that, like all economic impact models, RIMS provides only approximate order-of-magnitude estimates of impacts.

Table 6 shows the crosswalk from commodity-based export codes to industry-based RIMS codes. When a commodity corresponded with multiple detailed RIMS industries it was assigned to the most appropriate aggregated industry.

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**Table 6
Correspondence Between Export Commodity and RIMS Industry**

Export Commodity	HS Code	RIMS Industry	RIMS Code
Electronic integrated circuit memory (RAM & ROM)	854232	Semiconductor and related device manufacturing	334413
Food preparations, NESOI	210690	All other food manufacturing	311990
Molybdenum ores and concentrates, not roasted	261390	Gold, silver, and other metal ore mining	2122A0
Civilian aircraft, engines and parts	880000	Aircraft engine and engine parts manufacturing	336412
Safety airbags with inflator system, parts thereof	870895	Motor vehicle parts manufacturing	336300
Refined copper cathodes and sections of cathodes	740311	Primary smelting and refining of copper	331411
Beauty & skin care preparation, NESOI	330499	Toiletry preparation manufacturing	325620
Waste and scrap of precious metal, NESOI	711299	Nonferrous metal (except copper and aluminum) rolling, drawing, extruding and alloying	331492
Transistors except photosensitive, with dissipation rate < 1W	854121	Semiconductor and related device manufacturing	334413
Safety fuses, detonating fuses, percussion caps, etc.	360300	All other chemical product and preparation manufacturing	3259A0
X-ray/high-tension generators, control panels, examination/treatment tables, etc. and parts	902290	Irradiation apparatus manufacturing	334517
Medical syringes, needles, catheters, etc. and parts, NESOI	901839	Surgical and medical instrument manufacturing	339112
Interchangeable tools and parts for hand tools or for machine-tools, for rock drilling or earth boring	820719	Mining and oil and gas field machinery manufacturing	333130
Instruments & appliances for medical, surgical, dental, vet, NESOI	901890	Miscellaneous manufacturing	18
Nonelectrical articles of graphite or carbon, NESOI	681510	Carbon and graphite product manufacturing	335991
Medicaments containing alkaloids (no hormones or antibiotics)	300440	Pharmaceutical preparation manufacturing	325412
Products of fish, crustaceans, mollusks etc, inedible; dead animals of	051191	Animal (except poultry) slaughtering, rendering, and processing	31161A
Articles for exercise and sports etc., NESOI	950699	Sporting and athletic goods manufacturing	339920
Mixtures of fruit and/or vegetable juices	200990	Fruit and vegetable canning, pickling, and drying	311420
Taps, cocks, valves, etc, for pipes, tanks, etc. incl. thermostatically controlled valves, NESOI	848180	Valves and fittings other than plumbing	33291A
Machines for recep/convr/trans/recog of voice/image/data	851762	Computer and electronic product manufacturing	13
Preparations for oral/dental hygiene, NESOI	330690	Toiletry preparation manufacturing	325620
Parts & accessories of bodies of motor vehicles, NESOI	870829	Motor vehicle parts manufacturing	336300
Gold, nonmonetary, unwrought (not powder)	710812	Primary smelting and refining of nonferrous metal (except copper and aluminum)	331419
Silver, unwrought (not powder)	710691		

HS = harmonized system. NESOI = not elsewhere specified or included.
Source: U.S. Census Bureau, <http://censtats.census.gov/cgi-bin/concordance/concordance.pl>

Economic Impacts of the 2011 Sundance Film Festival on the State of Utah

Jan Elise Crispin, Senior Research Economist

Each year thousands of people visit Utah during a two-week period in January to participate in the Sundance Film Festival, the largest independent film festival in the U.S. The economic impacts of this world-class event on the Utah economy are significant.

The 2011 Sundance Film Festival was held from January 20 through January 30, 2011. Film screenings were presented daily at multiple venues in Park City, Salt Lake City, the Sundance Resort and Ogden. Almost

46,000 people attended those films, of which 30,596 were residents of other states and countries.

The average time that nonresidents stayed in Utah was almost 5 days. During this period, they spent an average of \$274.25 per day. These expenditures, combined with Sundance Institute spending, exerted a significant economic impact on the state of Utah.

Based on data provided by the Sundance Institute and intercept surveys of Festival attendees, the Bureau of Economic and Business Research (BEBR) has estimated the economic impacts of the 2011 Sundance Film Festival. The major findings of that analysis are presented here.

Major Findings

About 45,800 people attended the Sundance Film Festival in 2011, an 11 percent increase over the 2010 attendance estimate of 41,200.

Approximately one-third of festival attendees were Utah residents (15,201). Of these, slightly more than half (51 percent) live in Salt Lake County. Approximately 22 percent are residents of Summit County and 11.5 percent live in Weber County.

An estimated 30,596 visitors from outside the state attended the 2011 Sundance Film Festival. Of the estimated 30,596 visitors, 33 percent indicated this was their first visit to Utah and 79 percent indicated they traveled to Utah specifically to attend the Festival.

Nonresident attendees accounted for approximately 67 percent of all Festival attendees in 2011, up from 61 percent in 2010 and 66 percent in 2009.

The largest share of nonresident visitors were U.S. residents (87 percent or 26,529 visitors). An estimated 45 percent of nonresident U.S. visitors were residents of California, New York, and Colorado.

International visitors accounted for approximately 9 percent of all Festival attendees, or an estimated 4,067 people. Over the last three years, the share of international visitors as a percentage of total attendees has increased, growing from 6.8 percent of all visitors in 2009 to 8.8 percent in 2011. While a large share of the 4,067 international visitors came from England (581), people from 23 countries traveled to Utah to attend the Festival in 2011.

Slightly more than half of all nonresident Festival attendees indicated they would visit Utah again during the next twelve months.

During the Festival, attendees spent a total of \$58.6 million. Of this

amount, nonresidents spent \$54.4 million and Utah residents spent about \$4.2 million (Table 1).

Average daily spending by Festival attendees was \$234.18.

Nonresidents averaged \$321.15 each day during their stay and Utah residents spent an average of \$59.14 each day they attended the Festival.

Total attendance at the Festival increased 11 percent and total spending increased 18 percent (in nominal terms) over 2010 levels. The largest dollar increases were for meals (food and beverages) and miscellaneous retail purchases. In comparison, spending for recreation and entertainment declined (Table 2).

Economic Impacts of Nonresident Spending

The economic impact estimates presented in this analysis were generated using an economic model known as RIMS II, developed by the Bureau of Economic Analysis, a division of the U.S. Department of Commerce. The model has been regionalized for Utah. Fiscal impacts were generated using an impact model developed by BEBR.

Table 1
2011 Sundance Film Festival
Total Festival-Related Attendee Spending

Spending Category	Utah Residents	Nonresidents	Total
Lodging	\$170,707	\$25,654,746	\$25,825,453
Meals	\$2,386,405	\$14,091,600	\$16,478,005
Car Rental	\$456	\$2,513,461	\$2,513,917
Other Transportation	\$161,283	\$1,140,313	\$1,304,596
Recreation	\$475,943	\$5,290,660	\$5,766,604
Other Retail Purchases	\$974,080	\$5,732,467	\$6,706,547
Total	\$4,165,874	\$54,423,247	\$58,592,121

Source: Bureau of Economic and Business Research, University of Utah.

Table 2
2011 Sundance Film Festival
Total Festival-Related Attendee Spending
2010 and 2011 Comparison
(Nominal Dollars)

Spending Category	2010	2011	Change
Lodging	\$24,953,683	\$25,825,453	\$871,770
Meals	\$10,573,149	\$16,478,005	\$5,904,856
Car Rental	\$1,776,435	\$2,513,917	\$737,482
Other Transportation	\$597,515	\$1,301,596	\$704,081
Recreation	\$6,911,768	\$5,766,604	-\$1,145,164
Other Purchases	\$4,895,357	\$6,706,547	\$1,811,190
Total	\$49,707,907	\$57,592,121	\$7,884,214

Data for 2010 were obtained from a previous report compiled by BEBR for the Sundance Institute.
Source: Bureau of Economic and Business Research, University of Utah.

Spending by nonresidents attending the 2011 Sundance Film Festival totaled \$54.4 million. These expenditures translate to an increase in gross state product (GSP) of \$64.5 million, they generated \$32.4 million in earnings for Utah residents, and they supported 1,338 jobs in Utah from January 20, 2011 through January 30, 2011. Expenditures made by nonresident attendees also generated \$5.5 million in state and local taxes.

A comparison of the Festival's economic impacts for 2010 and 2011 is presented in Table 3.

Table 3
2011 Sundance Film Festival
Economic Impacts of Nonresident Spending
2010 and 2011 Comparison
(Nominal Dollars)

Impact Type	2010	2011	Change
Gross State Product	\$52,820,614	\$62,927,077	\$10,106,463
Earnings	\$27,543,589	\$31,567,281	\$4,023,692
Jobs	1,163	1,307	144
State and Local Taxes	\$4,950,794	\$5,512,062	\$561,268

Data for 2010 were obtained from a previous report compiled by BEBR for the Sundance Institute.
Source: Bureau of Economic and Business Research, University of Utah.

Impacts of Sundance Institute Spending in Utah

To produce the 2011 Film Festival the Sundance Institute spent a total of \$7.5 million, of which \$4.3 million was spent in the state of Utah. The economic impacts of these expenditures include approximately \$7.9 million in GSP, \$3.4 million in earnings and 298 jobs. These impacts occurred over a six-month period beginning September 1, 2010 and ending February 28, 2011. The fiscal impacts associated with the Institute's spending included \$296,331 in state tax revenue and \$67,861 in tax revenue for local units of government (Table 4).

Table 4
2011 Sundance Film Festival
Economic Impact of Sundance Institute Spending
2010 and 2011 Comparison
(Nominal Dollars)

Impact Type	2010	2011	Change
Gross State Product	\$9,961,572	\$7,939,743	-\$2,021,831
Earnings	\$6,124,634	\$3,425,798	-\$2,698,836
Jobs	350	298	-52
State Tax Revenue	\$518,144	\$296,331	-\$221,813
Local Tax Revenue	\$87,582	\$67,861	-\$19,721

Data for 2010 were obtained from a previous report compiled by BEBR for the Sundance Institute.
Source: Bureau of Economic and Business Research, University of Utah.

Combined Economic Impacts

When the economic impacts of the Sundance Institute are combined with the impacts of nonresident spending during the Festival, the 2011 Sundance Film Festival supported 1,605 jobs in Utah, generated nearly \$35 million in earnings for Utah residents, and contributed \$70.9 million in GSP for the state (Table 5).

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Table 5
2011 Sundance Film Festival
Economic Impact Summary
Sundance Institute Spending and
Nonresident Spending

Impact Type	Sundance Institute Spending Impacts	Nonresident Attendee Spending Impacts	Total Impacts
Gross State Product	\$7,939,743	\$62,927,077	\$70,866,820
Earnings	\$3,425,798	\$31,567,281	\$34,993,079
Jobs	298	1,307	1,605
State Tax Revenue	\$296,331	\$3,781,546	\$4,077,877
Local Tax Revenue	\$67,861	\$1,730,516	\$1,798,347

Source: Bureau of Economic and Business Research, University of Utah.

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Bureau of Economic and Business Research
University of Utah
1645 East Campus Center Drive, Room 401
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Utah
**Economic and
Business
Review**

BEBR
Bureau of Economic and Business Research
David Eccles School of Business | University of Utah

2011 | Volume 71, Number 1

University of Utah

Michael K. Young, *President*

David Eccles School of Business

Taylor Randall, *Dean*

Bureau of Economic and Business Research

James A. Wood, *Director*

RESEARCH STAFF

Jan E. Crispin, *Senior Research Economist*

John C. Downen, *Research Analyst*

Diane S. Gillam, *Administrative Officer*

Michael T. Hogue, *Research Analyst*

Pamela S. Perlich, *Senior Research Economist*

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