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Economic and Fiscal Impact of Omaha's Henry Doorly Zoo on Omaha and Nebraska The 2009 Update

Eric Thompson

University of Nebraska-Lincoln, ethompson2@unl.edu

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A Bureau of Business Research Report
From the University of Nebraska—Lincoln

Final Report

Economic and Fiscal Impact of Omaha's Henry Doorly Zoo on Omaha and Nebraska The 2009 Update

Prepared for the Omaha Zoo Foundation

March 31, 2010
Bureau of Business Research
Department of Economics
College of Business Administration
University of Nebraska—Lincoln
Dr. Eric Thompson, Director

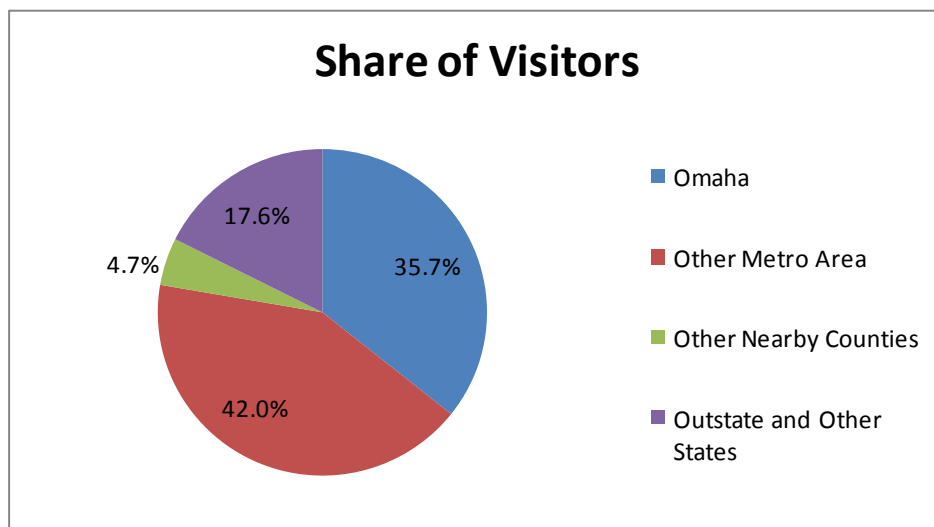
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Executive Summary

Omaha's Henry Doorly Zoo is among the largest and most affordable zoos to visit in North America. The nationally-known Zoo further makes a significant contribution to the economy of the City of Omaha and the State of Nebraska. The Zoo attracted 1.56 million visitors, and their spending, in 2009 including many visitors from outside of Omaha and outside of the State of Nebraska.

This study estimates the economic impact of Omaha's Henry Doorly Zoo during 2009. The Zoo generated an economic impact on the city and state economy by 1) attracting new visitors to Omaha and Nebraska, 2) encouraging existing visitors to spend more, and 3) retaining spending by city and state residents in Nebraska. The economic impact of the Zoo is large in part because a significant share of visitors to Omaha's Henry Doorly Zoo come from outside of the Omaha Metropolitan Area. Figure ES.1 shows the origin of the Henry Doorly Zoo's 1.56 million visitors during calendar year 2009. Around one-sixth of visitors come from other states such as Kansas or South Dakota, or from "outstate" Nebraska and Iowa, that is, counties that are not adjacent to the Omaha Metropolitan Area.

Figure ES.1
Origin of Zoo Visitors 2009



Source: Omaha's Henry Doorly Zoo.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Omaha's Henry Doorly Zoo had a substantial economic impact on Omaha during 2009, as is shown in Table ES.1. The 2009 overall economic impact on the City of Omaha was \$101.22 million. This impact included \$36.30 million in labor income paid to an estimated 1,418 workers employed either at the Zoo or at businesses throughout the Omaha economy. There also was \$1.65 million in local sales, use, and lodging taxes generated.

These 2009 impact figures are 15% to 20% greater than the 2008 impacts identified in last year's report. This follows from the substantial increase in attendance at Omaha's Henry Doorly Zoo from 1.39 million in 2008 to 1.56 million in 2009.

Table ES.1
Overall Economic Impact and Labor Market Impact
of Omaha's Henry Doorly Zoo 2009
City of Omaha

Economic Impact (Millions of \$)	Labor Income Component (Millions of \$)	Employment Impact (Jobs)	Local Sales, Use and Lodging Tax (Millions of \$)
\$101.22	\$36.30	1,418	\$1.65

Source: Bureau of Business Research Estimates.

The other major findings of the report were:

- The 2009 overall economic impact of the Zoo on the State of Nebraska was \$83.14 million, including \$27.35 million in labor income. There was also \$4.10 million in state sales, use, and lodging taxes generated.¹
- The 2009 economic impact estimates are towards the high end of the annual economic impact of the Zoo throughout the 1998 to 2009 period, and just below the impact during the "peak" years of 2002 and 2004.

¹ Zoo visitors from communities such as Grand Island or North Platte bring new spending to the City of Omaha but do not bring new spending to the State of Nebraska. This is why it is not surprising that the economic impact of the Zoo on the State of Nebraska is slightly less than its impact on the City of Omaha.

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I. Introduction

The City of Omaha, and the State of Nebraska, benefit from the presence of a leading national zoo in the city. Omaha's Henry Doorly Zoo makes a significant contribution to the Omaha economy. The Zoo attracted 1.56 million visitors in 2009 including many visitors from outside of Omaha and outside of the State of Nebraska, yielding a significant economic impact.

The Zoo also makes a significant contribution to the quality of life in Omaha and Nebraska by offering a high quality cultural and recreational amenity to families, by contributing to educational programs, and by providing employment and scholarship opportunities to young residents of the city and state. By many indicators, Omaha's Henry Doorly Zoo is among the largest and most cost-effective zoos in North America. Omaha's Henry Doorly Zoo is the 20th largest Zoo (out of 57) in terms of acreage,² has the 2nd largest number of animal species and the largest number of animal specimens. Omaha's Henry Doorly Zoo has the 12th lowest cost per visitor. For all of these reasons, Omaha's Henry Doorly Zoo has the 7th largest number of Membership households even though Omaha is ranked 48rd largest (out of 57) in terms of metropolitan area population.

With all of these benefits, there is a need to measure and report the annual economic impact of Omaha's Henry Doorly Zoo on Omaha and the State of Nebraska. The Omaha Zoo Foundation contracted with the UNL Bureau of Business Research (BBR) to estimate the annual economic and fiscal impact of the Henry Doorly Zoo in 2009, as an update to reports prepared in 2007 and 2008. This report outlines the BBR's approach and the impact estimates for 2009, and compares those impacts with the impacts during 2008.

Section II of the report describes the basic methodology utilized in economic impact analysis. The 2009 economic impact of the Henry Doorly Zoo on the City of Omaha is estimated in Section III, while the impact on the State of Nebraska is estimated in Section IV. Section V compares the 2009 economic impact with the impact in 2008. The conclusion is presented in Section VI.

² American Zoological Association 2009 Benchmarks for Zoos with Annual Budgets of \$7 million and above.

II. Economic Impact Methodology

The first step in estimating the economic impact of Omaha's Henry Doorly Zoo is to estimate the direct increase in spending in Omaha due to the Zoo. This increase in spending is known as the direct impact. There is also an additional "multiplier" effect at businesses throughout Omaha as the initial spending circulates within the local economy. For example, the multiplier effect occurs in part as the Zoo purchases services locally such as accounting services, legal services or supplies. The multiplier effect also occurs as Zoo employees spend their paychecks throughout the local economy on typical household expenditures such as food, health care, housing, insurance, apparel, and entertainment. Thus the multiplier effect captures how businesses throughout the Omaha economy gain from the money attracted to Omaha by Omaha's Henry Doorly Zoo.

In Section III below, the BBR will utilize the IMPLAN model to estimate these economic multiplier effects for each type of direct new spending attracted to the city by the Henry Doorly Zoo.³ The calculated multiplier effect is then added to the direct impact to estimate the total economic impact.

There are three types of new spending attracted to or retained in Omaha due to the Zoo: 1) on-site spending by Zoo visitors that supports Zoo operations, 2) Zoo construction projects, and 3) off-site spending by Zoo visitors. The first component is on-site visitor spending at the Zoo that supports Zoo operations. This includes admissions and memberships as well as other spending at the Zoo such as carousel rides, restaurant and gift shop purchases, and the IMAX theatre. The second component of economic impact is the construction projects at the Zoo to build new exhibits and infrastructure. These projects vary from year to year but the Henry Doorly Zoo invests millions of dollars and in some years more than \$10 million dollars on these construction projects. The third component of the economic impact is the off-site purchases made by visitors to the Zoo. Visitors who are attracted to Omaha to visit the Zoo, or who extend their stay in Omaha because of the Zoo make off-site purchases on lodging, at restaurants, retail stores, or on other types of entertainment or recreation during their trip. This spending

³ The IMPLAN model software is the leading multiplier model with capacity to estimate the economic impact of businesses and organizations in over 400 industries, in cities, counties, states, or combinations of counties.

directly supports these types of businesses and yields an economic impact on the community.

As seen in Figure 1, a total economic impact estimate will be generated for each of the three types of spending. The total economic impact for each component is the sum of the direct spending impact and the multiplier effect. The overall economic impact of the Henry Doorly Zoo is the sum of the total economic impact from each of these three components. While Figure 1 describes how the economic impact is estimated for the City of Omaha, a similar approach is used to estimate the statewide economic impact in Section IV.

III. Economic Impact on Omaha

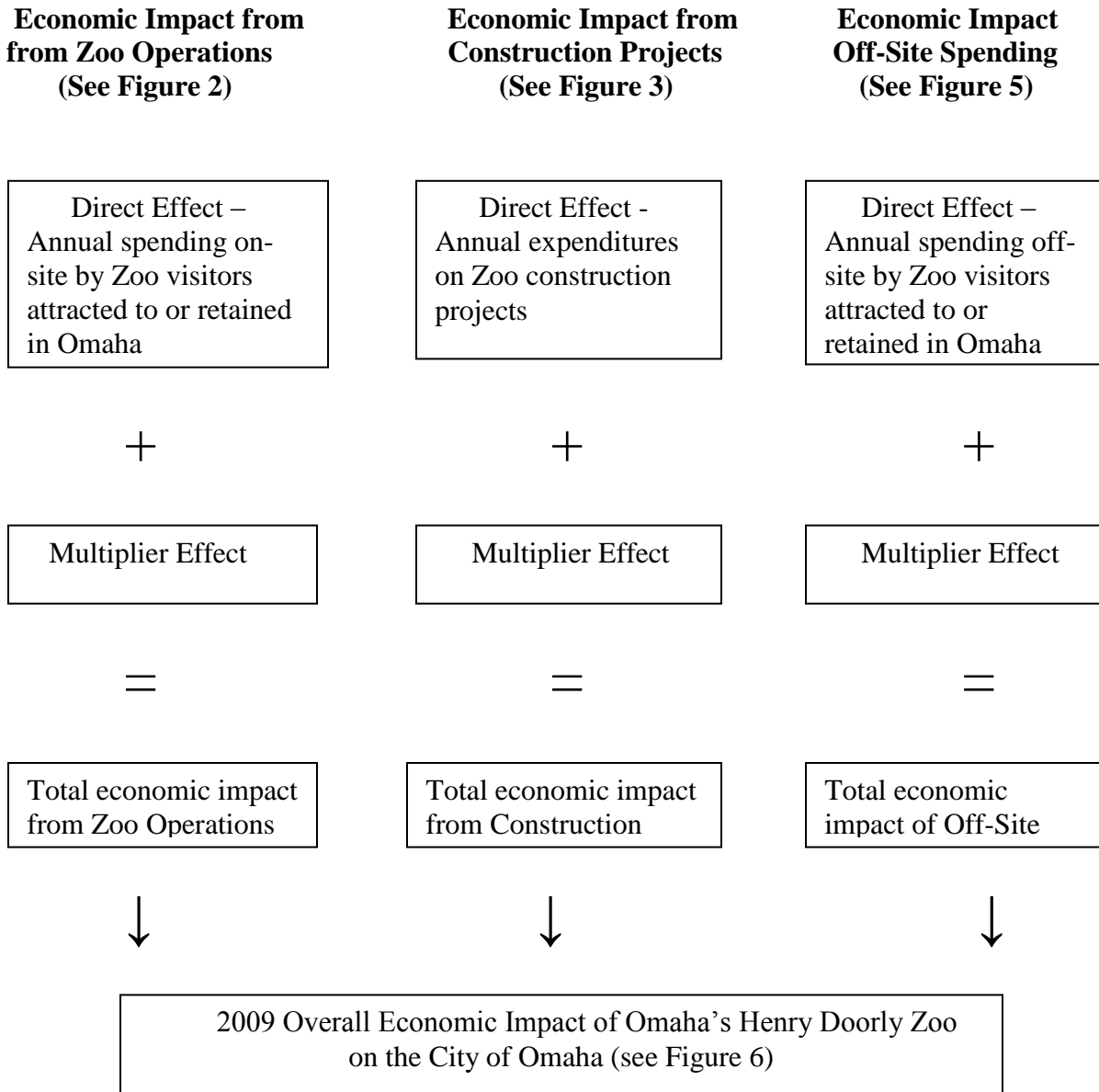
In this section, we estimate the economic impact of Omaha's Henry Doorly Zoo on the City of Omaha in 2009. The total economic impact is estimated for: 1) on-site spending by Zoo visitors that supports operations, 2) Zoo construction projects, and 3) off-site spending of Zoo visitors. The overall economic impact is the sum of the impact from all three components. In addition to estimating the overall economic impact, we examine the labor market impact, including the impact on employment and labor income.

A. Zoo Operations

The first part of the economic impact of Omaha's Henry Doorly Zoo comes from "new" on-site spending by Zoo visitors that support Zoo operations. The term "new" refers to spending by visitors who come to Omaha primarily to visit the Zoo, other visitors who stay in Omaha longer because of the Zoo, or Omaha residents who visit the Henry Doorly Zoo rather than traveling to a zoo in another city. Such on-site spending is substantial given that most revenue at Omaha's Henry Doorly Zoo is earned revenue, that is, revenue from admissions, memberships, the IMAX theatre, restaurants, gift shops, and train rides.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Figure 1
Approach for Calculating the 2009 Economic Impact of Omaha's Henry Doorly Zoo on Omaha

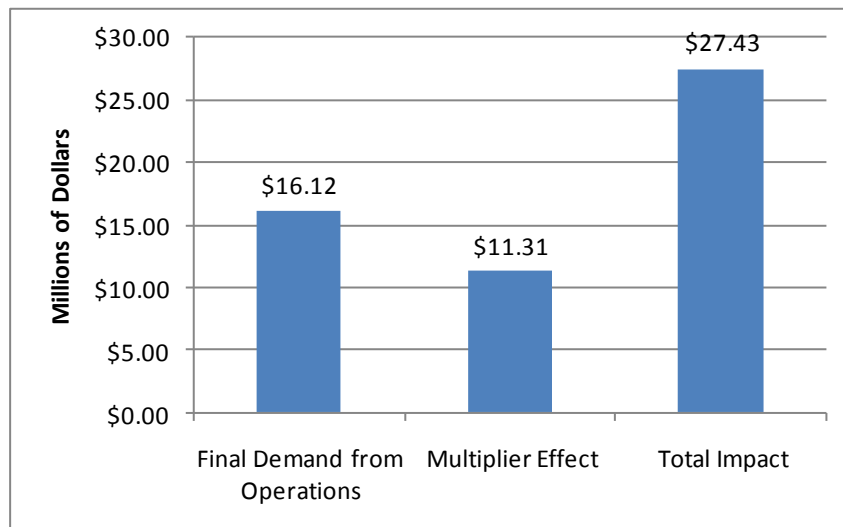


The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

This new spending supports Zoo operations such as spending for the feeding and caring for animals, making displays available to the public, operating Zoo trains and carousels, and buying supplies for concessions, restaurants, or the IMAX theatre. Further, most on-site spending at Omaha's Henry Doorly is new spending attracted to the Omaha area.

In 2009, Omaha's Henry Doorly Zoo took in roughly 23 million in earned revenue. We estimate that only 31% of that revenue was earned from the expenditures of Omaha residents (who otherwise would have spent that money elsewhere in Omaha). Therefore, an estimated \$16.12 million, or 69%, was new spending for Omaha. This increase, which is also known as the final demand, leads to an economic impact from Zoo operations. Figure 2 shows the economic impact from operations in 2009. The left bar of the column shows the estimated increase in final demand of \$16.12 million. The Figure also shows the multiplier effect. The total impact is the sum of the final demand and the multiplier effect. The estimated total economic impact on the Omaha economy was \$27.43 million.

Figure 2
Total Economic Impact of Zoo Operations 2009
City of Omaha



Source: Bureau of Business Research Estimates Using IMPLAN Model

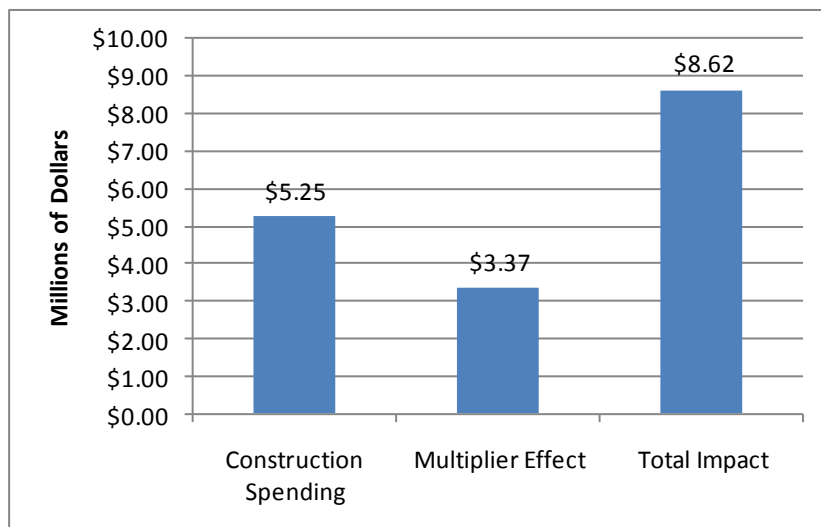
The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

B. Zoo Construction Projects

Omaha's Henry Doorly Zoo is constantly upgrading its facilities and adding new exhibits. These investment activities create new final demand for construction activity in Omaha. The amount of investment was \$5.25 million in 2009. This is a substantial direct effect on the Omaha economy which yields a significant multiplier effect.

Figure 3 shows the economic impact due to this 2009 construction spending. The left bar of the Figure shows the direct investment spending of \$5.25 million. The Figure also shows the multiplier effect, and the total economic impact. The total economic impact on the City of Omaha is estimated at \$8.62 million for 2009.

Figure 3
Total Economic Impact from Zoo Construction Spending 2009
City of Omaha



Source: Bureau of Business Research Estimates Using IMPLAN Model

C. Off-Site Spending of Zoo Visitors

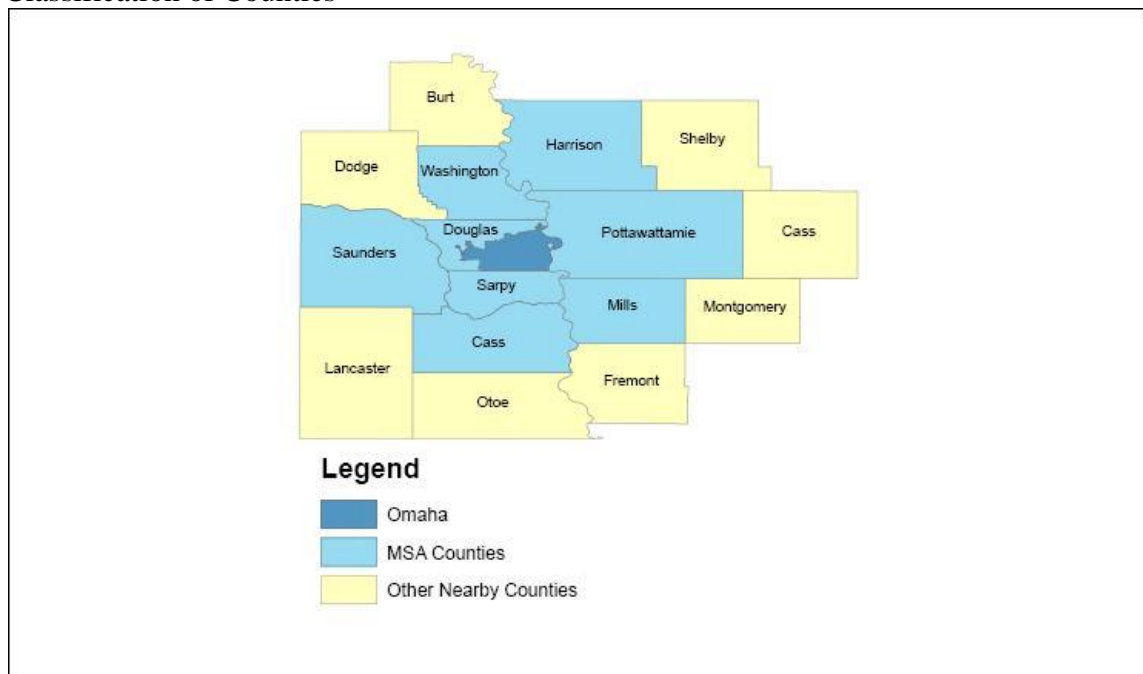
There were 1.56 million visits to Omaha's Henry Doorly Zoo during 2009. Many of these visitors spent money off-site in the Omaha economy at area restaurants, gas stations, retail outlets, and in some cases, at area hotels. Much of this off-site spending represents new spending attracted to the Omaha area by the Henry Doorly Zoo, particularly since the majority of Zoo visitors reside outside of the City of Omaha. This section of the economic impact analysis estimates the amount of off-site spending by Zoo

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

visitors, and also determines how much off-site spending represents new money attracted into the Omaha economy.

Among the 1.56 million visitors to Omaha's Henry Doorly Zoo during 2009, spending varied based on how far they travelled to the Zoo. As a result, we examine the origin of these visitors; in particular, the share of visitors from the City of Omaha, the share from other counties within the Omaha Metropolitan Statistical Area (MSA), the share from other nearby counties, and the share from "outstate" Nebraska or Iowa or from other states. These data on the origin of visitors are gathered annually by Omaha's Henry Doorly Zoo by obtaining the zip code of residence for a sample of Zoo visitors as they enter the Zoo over the course of the year. Figure 4 shows all counties located in the Omaha MSA and all counties classified as other nearby counties.

Figure 4
Classification of Counties



The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Over one-third of visitors (35.7%) to Omaha's Henry Doorly Zoo in 2009 were from the City of Omaha, and 42.0% of 2009 visitors were from other parts of Douglas County and other counties in the Omaha MSA such as Sarpy County, Nebraska or Pottawattamie County, Iowa. A small share (4.7%) of visitors resided in other nearby counties just beyond the Omaha MSA border such as Lancaster County, Nebraska (City of Lincoln). Approximately one-sixth (17.6%) were from "outstate" Nebraska or Iowa, or were from another state such as Missouri, South Dakota, or Minnesota.

Table 1
Origin of Zoo Visitors 2009

Location	Share of Visitors
Omaha	35.7%
Other Metro Area	42.0%
Other Nearby Counties	4.7%
Outstate and Other States	17.6%

Source: Omaha's Henry Doorly Zoo

Table 2 shows the estimated off-site spending attracted to the City of Omaha by each visitor to Omaha's Henry Doorly Zoo. Separate estimates are developed for visitors from the four geographies: 1) the City of Omaha, 2) other parts of the Omaha MSA, 3) other nearby counties that are adjacent to the MSA⁴, and 4) all other (outstate) Nebraska and Iowa counties and all other states. Most Zoo visitors who live in City of Omaha do not bring new money to the City. Their spending at restaurants, gasoline stations, retail stores, or elsewhere on the day they visited the Zoo likely would have occurred in Omaha in any case. For these visitors, the Zoo is not attracting any new money to the City.

Table 2
Estimated Visitor Spending By Origin 2009

Location	Spending Per visitor Per Trip
Omaha	\$13.43
Other MSA	\$17.58
Other Nearby	\$19.46
Outstate and Other States	\$92.88

Source: Bureau of Business Research estimate

⁴ "Nearby" counties include Lancaster, Otoe, Dodge, and Burt counties in Nebraska, and Shelby, Cass, Montgomery, and Fremont counties in Iowa.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

However, the Zoo does help retain some spending in the City of Omaha. In particular, some Zoo visitors from Omaha would have traveled outside of Omaha to visit a zoo in another city if there was not a zoo in Omaha. This represents “retained” spending. This spending would have occurred outside of Omaha if not for the Zoo. To estimate retained spending, the Bureau of Business Research analyzed the attendance rates, that is, the number of visitor days per resident, of Omaha and three cities situated 100 to 200 miles from Omaha: Kearney, Nebraska, Sioux City, Iowa, and Des Moines, Iowa. This data was available from surveys conducted by Zoo staff and interns. Analysis of the data revealed that residents of the three cities were only 14% as likely to visit the Henry Doorly Zoo as residents of Omaha.

This finding implies that only 14% of Omaha residents would travel several hundred miles to visit a zoo in another city. Utilizing this 14% figure, and assuming the mix of day trips and overnight trips found in visitors to Omaha's Henry Doorly Zoo, we estimate that there is \$13.43 in retained off-site spending for each visitor to the Henry Doorly Zoo from the City of Omaha, as is indicated in Table 2.

Off-site spending estimates were even higher for Zoo visitors from outside of the City of Omaha, particularly for visitors from outstate Nebraska and Iowa, or from other states. New spending varied by type of visitor, however. Visitors from elsewhere within the Omaha MSA, or nearby counties, came to Omaha for the day while visiting Omaha's Henry Doorly Zoo.⁵ These visitors, on average, would make off-site purchases of meals or retail in Omaha during their visit. We estimated average spending of \$17.58 and \$19.46 per visitor, as seen in Table 2, based on Zoo visitor spending estimates from studies of zoos in Milwaukee, Cincinnati, and Northwest Florida.⁶

New visitors from outstate Nebraska and Iowa, or from others states, generated much higher levels of new spending for the City of Omaha. Results from a zoo survey

⁵ Surveys conducted by Henry Zoo staff indicated that nearly all visitors from other parts of the Omaha MSA or nearby counties came to Omaha primarily to visit the Henry Doorly zoo, visited for the day and drove home.

⁶ Institute for Survey Policy and Research, University of Wisconsin-Milwaukee, 2007. *Economic Impact of the Milwaukee County Zoo* (March).

Economics Center for Education and Research, University of Cincinnati, 2007. *The Economic Impact of the Cincinnati Zoo & Botanical Garden on Greater Cincinnati* (September).

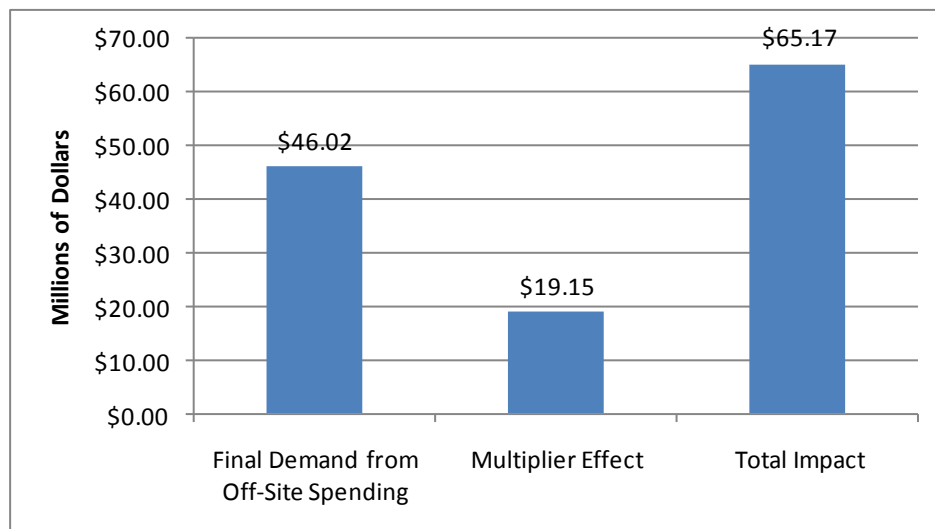
Haas Center for Business Research and Economic Development, University of West Florida, 2004. *The Economic Impact of the ZOO on the Northwest Florida Regional Economy* (March).

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

indicate that approximately half of these visitors came to Omaha primarily to visit the Zoo. All spending by these visitors while in Omaha can be attributed to the Zoo. The other half of visitors primarily came to Omaha for other reasons, such as to visit friends and family or for business. But, research from Northwest Florida indicates that many of these visitors stay longer when visiting a zoo, by an average of almost one additional day. Spending in Omaha during this extra time can be attributed to Omaha's Henry Doorly Zoo. Based on this information, and the average daily spending of out-of-town Zoo visitors of approximately \$80 from the studies in Milwaukee, Cincinnati, and Northwest Florida, we estimate the off-site spending of out-state visitors to Omaha's Henry Doorly Zoo was \$92.88 (including multi-day visitors, and visitors who stayed with friends and family rather than a hotel).

The per visitor spending figures in Table 2 suggest a substantial off-site spending impact from visitors to the Omaha Zoo, particularly given the large number of visitors each year. There were 1.56 million visitors to the Omaha Zoo during 2009. Based on the data in Tables 1 and 2, we estimate an increase in new off-site spending in Omaha of \$46.02 million due to 2009 visitors to Omaha's Henry Doorly Zoo. The total impact from new off-site spending, including this direct spending and the multiplier effect is \$65.17 million, as seen in Figure 5.

Figure 5
Total Economic Impact of New Off-Site Spending
City of Omaha



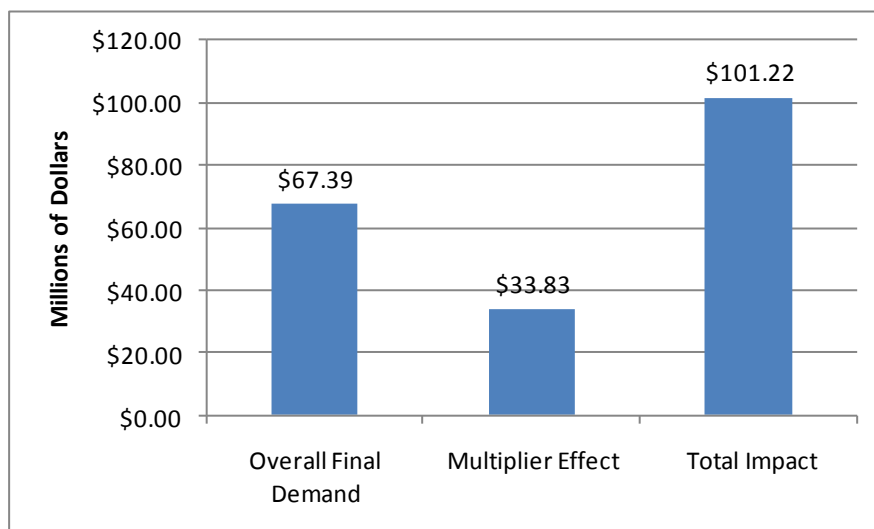
Source: Bureau of Business Research Estimates Using IMPLAN Model

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

D. Overall Economic Impact of the Henry Doorly Zoo

There are three components to the economic impact of the Henry Doorly Zoo: the impact of on-site spending that supports Zoo operations, the impact from Zoo construction projects, and the impact from off-site spending. Figure 6 shows overall economic impact of the Henry Doorly Zoo from all three components. The total economic impact on the City of Omaha was \$101.22 million in 2009.

Figure 6
2008 Overall Economic Impact of Omaha's Henry Doorly Zoo
City of Omaha



Source: Bureau of Business Research Estimates Using IMPLAN Model

Labor income is an important component of this economic impact. Labor income includes the wages and benefits earned by workers and the income earned by proprietors. Table 3 again shows the overall economic impact of Omaha's Henry Doorly Zoo. It also shows the worker earnings component of the economic impact, and the employment associated with those earnings. The \$101.22 million economic impact in 2009 included a \$36.30 million impact on labor income. There were an estimated 1,418 jobs associated with that impact. These represent year-round equivalents, however, so the actual employment impact during peak summer months could be substantially higher, and substantially lower during off-peak periods.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Omaha's Henry Doorly Zoo not only provides employment opportunities for Omaha workers, the Zoo also generates sales tax revenue for the City of Omaha. As seen in Table 3, the additional economic activity in Omaha due to the Zoo generates an additional \$1.65 million in local sales, use and lodging tax revenues for the City. The local option sales tax (1.5%) accrues to the City of Omaha, as does the occupation tax (4%) portion of the lodging tax. The other (4%) part of the lodging tax accrues initially to Douglas County but much of it eventually goes to benefit the City of Omaha. A portion of the local tax impact is specifically due to Omaha sales tax collected and remitted by the Zoo on Zoo sales. This was \$329,000 in 2009, and is also reported in Table 3.

Table 3
Labor Income and Employment Component of Economic Impact
of Omaha's Henry Doorly Zoo 2009
City of Omaha

Economic Impact (Millions of \$)	Labor Income Component (Millions of \$)	Employment Impact (Jobs)	Local Sales, Use and Lodging Tax (Millions of \$)	Portion Remitted by Zoo on Zoo Sales (Millions of \$)
\$101.22	\$36.30	1,418	\$1.65	\$0.33

Source: Bureau of Business Research Estimates Using IMPLAN Model

IV. Economic Impact on the State of Nebraska

In this section, we estimate the economic impact of Omaha's Henry Doorly Zoo on the State of Nebraska. Overall, the statewide impact from the Zoo (or any other Omaha attraction) is smaller than the City of Omaha impact, because fewer visitors are new to the State of Nebraska than to the City of Omaha. For example, a visitor to Omaha's Henry Doorly Zoo from Lincoln would bring new spending to the City of Omaha but would not bring new spending to the State of Nebraska. Thus the statewide impact of the Zoo will be smaller than the economic impact on the City of Omaha.

The size of the estimated economic impact depends on the share of spending at the Zoo, or off-site, that is new to Nebraska, or retained in Nebraska. As noted earlier, the Zoo attracts many visitors from outside of the state of Nebraska. In particular, 25.7% of the Zoo's 1.56 million visitors in 2009 came from outside of Nebraska. These visitors bring new spending to the State. Further, as seen in Table 2, spending is higher for visitors that come from out of state, or more distant areas of out-state Iowa such as the

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

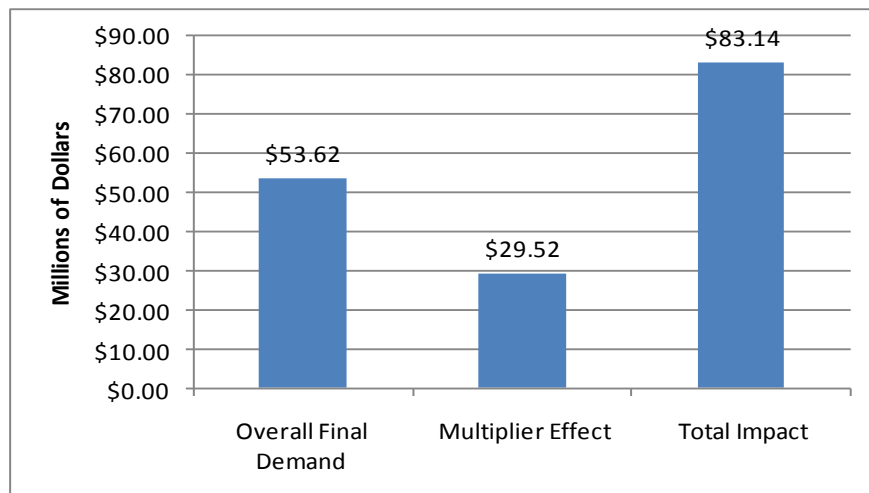
Des Moines or Sioux City area. Also, a portion of spending by Nebraska visitors to the Omaha's Henry Doorly Zoo represents "retained" spending for the State. As was true for the City of Omaha, a portion of Nebraska visitors would travel outside of Nebraska to another zoo if Omaha's Henry Doorly Zoo was not available within the State.

Overall, Omaha's Henry Doorly Zoo attracted or retained an estimated \$53.62 million in new spending to Nebraska in 2009. This new spending occurred both at the Zoo and off-site. As is seen in Figure 7, this \$53.62 million direct effect (i.e., final demand) leads to a total economic impact of \$83.14 million.

The impact in terms of labor income and jobs is presented in Table 4. The labor income component of the economic impact is \$27.35 million. The state sales and use (5.5%) and lodging (1%) tax impact was \$4.10 million in 2009. A portion of the state tax impact is specifically due to state sales tax collected and remitted by the Zoo on Zoo sales. This was \$1,205,000 in 2009, and is also reported in Table 4.

Note that the statewide economic impact should not be added to the City of Omaha economic impact. In many cases, the two impact estimates measure the effect of the same visitors on the economy of two overlapping geographies – the city and the state. However, the local and state sales tax impacts can be added. Therefore, the overall state and local sales, use, and lodging tax impact was estimated at \$5.75 million in 2009.

Figure 7
2009 Overall Economic Impact of Omaha's Henry Doorly Zoo
State of Nebraska



Source: Bureau of Business Research Estimates Using IMPLAN Model.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Table 4
Labor Income and Employment Component of Economic Impact
of Omaha's Henry Doorly Zoo 2009
State of Nebraska

Economic Impact (Millions of \$)	Labor Income Component (Millions of \$)	Employment Impact (Jobs)	State Sales, Use and Lodging Tax (Millions of \$)	Portion Remitted by Zoo on Zoo Sales (Millions of \$)
\$83.14	\$27.35	1,169	\$4.10	\$1.20

Source: Bureau of Business Research Estimates Using IMPLAN Model

V. Comparisons with the 2008 Impact

As illustrated for 2009, the annual economic impact of Omaha's Henry Doorly Zoo is generated by strong attendance and visitor spending and elevated Zoo revenue. Both factors rose significantly from 2008 to 2009, hinting at a higher economic impact for the year 2009.

Table 5 reports the attendance, revenue, and construction spending for Omaha's Henry Doorly Zoo from 1998 to 2009. These are the key annual statistics from the Zoo that drive economic impact estimates. We also report information on the origin of Zoo visitors. Total attendance from outside of Omaha is key to the Omaha economic impact from off-site visitor spending, while attendance from outside of Nebraska is key for the state impact. Results show that attendance and Zoo revenue were higher in 2009 than in 2008. As noted earlier, this would cause an increase in economic impact from 2008 to 2009. At the same time, the share of visitors from outside of Omaha increased, also increasing the economic impact on the City of Omaha. The net result, as seen in Figure 8 on page 16 is that the economic impact of the Omaha's Henry Doorly Zoo on the City of Omaha grew substantially from 2008 to 2009, by roughly 18%.

Long-term trends show a significant increase in Zoo attendance over the last twelve years. Annual Zoo attendance stood in the 1.1 million to 1.2 million range from 1998 to 2001, but rose into the 1.28 million to 1.56 million range for the 2004 to 2009 period. Zoo revenue also consistently increased during the period. Revenue grew from nearly \$16 million in 1998 to nearly \$27 million in 2008, before leaping to over \$30 million in 2009. Both rising attendance and Zoo revenue suggest rising economic impacts over the 1998 to 2009 period.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

The value of Zoo construction projects, another key determinant of economic impact, was less consistent, peaking in 2000, 2001, and 2004. As seen in Figure 8 on the next page, higher levels of construction activity contributed to above trend impacts for 2000 and 2001 even though attendance and Zoo revenue had not yet risen significantly. High levels of construction activity in 2004 contributed to the peak economic impact achieved in that year, along with high attendance.

Table 5
Attendance, Revenue, and Construction Activity 1998-2009

Year	Attendance	% from Outside of Omaha	% from Outside of Nebraska	Zoo Revenue (Millions of \$)	Value of Zoo Construction Projects (Millions of \$)
1998	1,108,334	57.9%	27.6%	\$15.72	\$3.15
1999	1,148,767	55.3%	26.4%	\$16.09	\$6.51
2000	1,168,590	57.0%	27.9%	\$17.46	\$12.77
2001	1,178,339	54.7%	25.2%	\$15.87	\$10.02
2002	1,420,555	62.3%	31.5%	\$20.03	\$6.45
2003	1,147,961	58.4%	27.3%	\$20.04	\$8.71
2004	1,535,662	57.2%	26.6%	\$21.22	\$11.94
2005	1,347,390	58.0%	24.8%	\$22.92	\$8.09
2006	1,281,904	64.1%	32.5%	\$26.44	\$5.73
2007	1,334,902	64.4%	34.4%	\$26.02	\$5.05
2008	1,388,014	63.8%	28.9%	\$26.83	\$6.69
2009	1,561,298	64.3%	25.7%	\$30.44	\$5.25

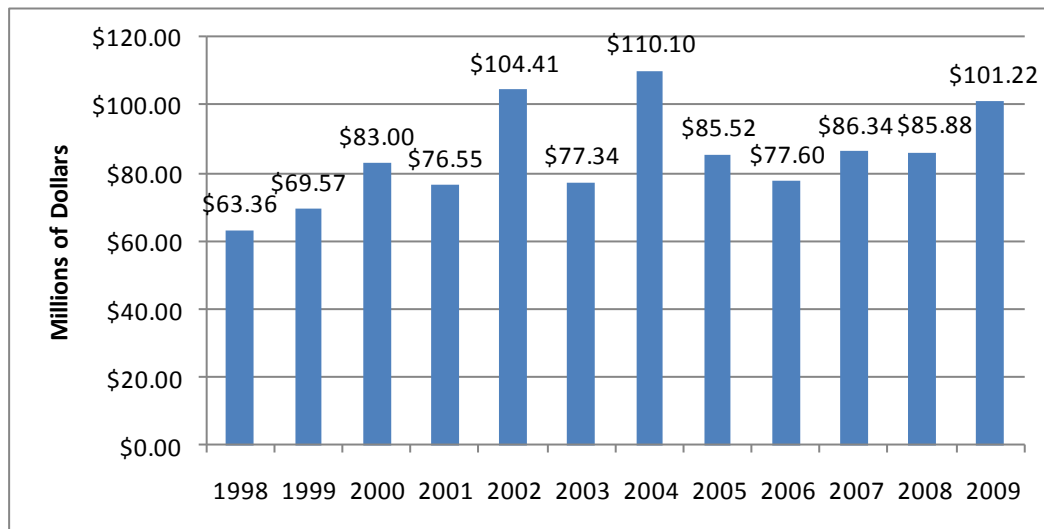
Source: Omaha's Henry Doorly Zoo

Figure 8 contains estimated impacts for each year from 1998 through 2009. It shows that the impact for 2009 was towards the high end of the annual economic impact of the Zoo throughout the 1998 to 2009 period. The 2009 impact, in fact, was just below the impact during the "peak" years of 2002 and 2004. Over the next few years, it will be interesting to see if the economic impact of Omaha's Henry Doorly Zoo remains within the range of the 1998 to 2009 period, or whether the impact breaks through to a new and higher level.

The 2009 economic impact of Omaha's Henry Doorly Zoo on the State of Nebraska overall also was a significant improvement over the impact in recent years. The impact of \$83.14 million in 2009 was more than \$10 million above the 2008 impact of \$72.50 million.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Figure 8
Economic Impact of Omaha's Henry Doorly Zoo 1998-2009
City of Omaha



Source: Bureau of Business Research Estimates Using IMPLAN Model

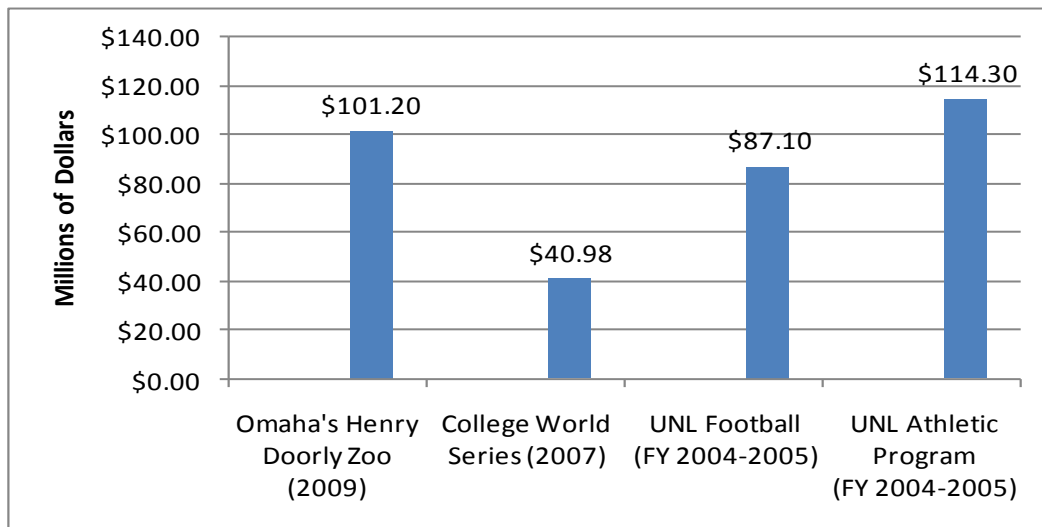
These significant economic impacts compare favorably with those of the largest attractions in Nebraska. Figure 9 lists the estimated economic impact of the largest Nebraska attractions on their home metropolitan area. Impacts are reported for the most recent years that estimates are available. The impact estimate for the College World Series on the Omaha economy is for the year 2007, while the economic impact of UNL football, and the larger UNL Athletic Department (inclusive of the impact of football) on its home area of Lincoln is available for the 2004-2005 fiscal year period. While impacts from different years are not strictly comparable, these comparisons for recent years do provide a picture of the relative impact of these different attractions.

Results indicate that Omaha's Henry Doorly Zoo has a larger annual impact on the Omaha economy than the College World Series. Both attractions are highly successful at attracting an audience from outside of the Omaha area but the Zoo is a year-round attraction and the cumulative annual impact was approximately 150% larger than the College World Series.⁷

⁷ This gap cannot be explained by the year when the analysis took place. The Bureau of Business Research also produced an economic impact estimate for the Zoo in 2007 (see Figure 8) of \$86.34 million, more than double the impact of the College World Series in that year.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

Figure 9
Economic Impact of Major Nebraska Attractions
on Home Metropolitan Area



Source: Bureau of Business Research UNL Football and the UNL Athletic Department, and Goss and Associates for the College World Series⁸

The Zoo also appears to have at least as large an impact on the Omaha economy (\$101.2 million) as UNL football has on the Lincoln economy (\$87.1 million), though the difference in impacts might be explained by the different years when the analysis took place.⁹ The Zoo likely has a somewhat smaller impact on the Omaha economy than the larger UNL Athletic Department (including men's and women's basketball, men's baseball, and women's volleyball) has on the Lincoln economy. But, the main point remains that Omaha's Henry Doorly Zoo has at least a comparable economic impact, and in many cases a larger economic impact, on the economy than Nebraska's other largest, well-known attractions.

VI. Conclusion

Omaha's Henry Doorly Zoo attracts tens of millions of dollars of new spending to the City of Omaha, and the State of Nebraska, which support both Zoo operations and businesses throughout Omaha that cater to visitors. By providing a major local attraction,

⁸ Goss and Associates, 2008. The Impact of the College World Series on the City of Omaha, 2007-2018.

⁹ For example, results in Figure 8 indicate that Omaha's Henry Doorly Zoo had an average economic impact on Omaha of in \$97.81 million in 2004 and 2005, which is closer to the estimate for UNL football.

The 2009 Economic and Fiscal Impact of Omaha's Henry Doorly Zoo

the Zoo also helps retain entertainment spending by Omaha residents within the City, rather than losing that spending to competing cities.

Both new and retained spending leads to a substantial economic impact on the City of Omaha and the State of Nebraska. In 2009, the estimated economic impact of Omaha's Henry Doorly Zoo on the City of Omaha was \$101.22 million. A substantial component of this impact, \$36.30 million, was labor income, which is the wages and benefits of workers or the income of the self-employed.

The estimated economic impact of Omaha's Henry Doorly Zoo on the State of Nebraska was \$83.14 million in 2009. The state impact is somewhat smaller than the City impact since a smaller share of visitor spending is new to the state. In particular, visitors to the Zoo from cities such as Lincoln, Nebraska bring new spending to the City of Omaha, but do not bring new money to the state.

Overall, the 2009 economic impact of Omaha's Henry Doorly Zoo was towards the high end of the annual economic impact of the Zoo over the last 10 years. The 2009 impact, in fact, was just below the impact during the "peak" years of 2002 and 2004.