

Winter 2008

Welcome to the **Southwick Newsletter** focusing on economics, business and statistics related to fish & wildlife and their associated outdoor recreation.

In This Issue:

- **Now Available - 2006 Economic Impacts of Hunting and Recreational Fishing**
- **To Preserve Hunting and Wildlife, We Must Promote Hunting NOW**
- **Online Sales: More Important for Some Manufacturers Than Others**
- **More Facts and Figures on Hunting and Sportfishing Economics**
- **Updates on Recent Projects**

Previous newsletters are available at www.southwickassociates.com.

Now Available - 2006 Economic Impacts of Hunting and Recreational Fishing

New hunting and sportfishing economic information are now available. Produced on behalf of the American Sportfishing Association and the Association of Fish and Wildlife Agencies, the new estimates continue a trend of reports produced by Southwick Associates, Inc. dating back to 1985. Using the U.S. Fish and Wildlife Service's *2006 National Survey of Fishing, Hunting and Wildlife-Associated Recreation* and the IMPLAN economic modeling system, new data are available on the retail sales, jobs, tax revenues and other economic impacts generated by anglers and hunters. Together, hunters and anglers spent \$70 billion in 2006. In turn, these expenditures supported over 1.6 million jobs and generated over \$25 billion in tax revenues. The reader-friendly reports can be downloaded at no cost by visiting the [American Sportfishing Association](#) for sportfishing, and [Southwick Associates](#) for hunting. Interesting facts about the economic impacts of sportfishing include:

- The amount of federal tax revenues generated by angler spending in 2006 - \$8.9 billion - is roughly equal to the entire 2006 budget for the U.S. Environmental Protection Agency.
- ✓ The amount of federal, state, and local tax revenues—about \$9.2 billion--generated by hunter spending in 2006 is equal to nearly 90 percent of the entire budget for the U.S. Department of the Interior.
- The economic activity generated by anglers is greater than the economic output (Gross State Product) of Alaska, Delaware, Hawaii, Idaho, Maine, Montana, Nebraska, New Mexico, North Dakota, Rhode Island, South Dakota, Vermont, West Virginia, or Wyoming.

- ✓ If hunting were ranked as a “corporation” with \$25 billion in sales, it would fall in the top 20 percent [90th] of the Fortune 500 list of America’s largest companies, slightly ahead of such global giants as General Dynamics and Coca-Cola.
- All the dollars spent by anglers, attached end to end, would reach to the moon and back – nine times!
- ✓ According to the National Sporting Goods Association, more Americans hunt than play softball or tennis.

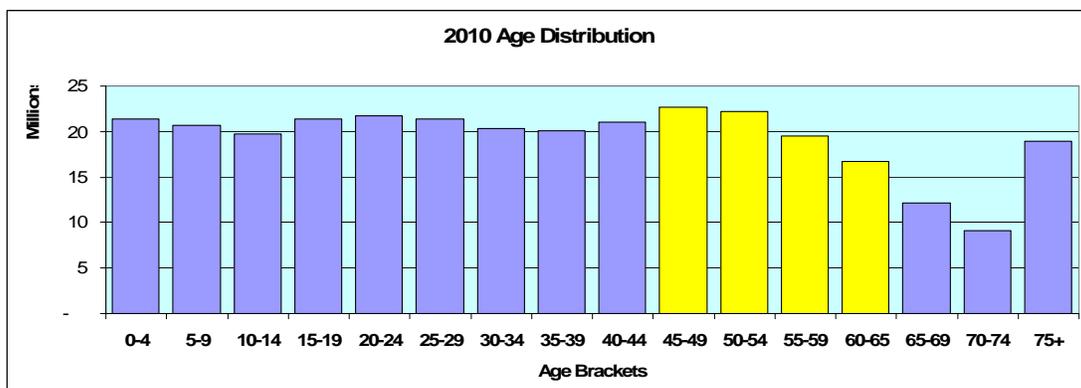
States ranked by participation and non-resident activity are presented at the end of this newsletter.

To Preserve Hunting and Wildlife, We Must Promote Hunting NOW

The future of hunting and wildlife depends on an active base of hunters. Each hunter contributes approximately \$92 dollars a year to conservation via licenses, excise taxes and donations. This doesn’t sound like much, but it generates nearly \$1.3 billion a year. No other source of funds comes close to conserving habitat and wildlife like hunters. Just as importantly, the 14 million-plus hunters in the U.S. through their voting power maintain our right to hunt. Clearly, the hunting tradition will continue in the U.S. if we have a strong base of hunters.

However, there is a dark side. We are seeing a gradual aging of America’s hunters. Ask your friends to compare the people they see around the weigh stations or hunt camps today compared to when they were young. Ten years ago, 38 percent of our hunters were over 45 years of age. Now, 47 percent of our hunters are over 45. Just in the last 10 years, hunter numbers have fallen 10 percent. For industry, part of this decrease has been offset by the gradual aging of hunters and their entry into more affluent ages. But, that benefit will only last so long. If the trend continues, sales and membership to organizations such as yours will feel the impact, if that hasn’t occurred already. We are not replacing them with young hunters.

A comment was once made that that aging hunters are attributable to aging baby boomers, that the presence of the baby boom “bubble” distorts average ages due to their sheer numbers. This is not true. Below is a chart of the U.S. population. Baby boomers started a population increase in the U.S., but they do not represent a bubble. There are plenty of younger people filling the ranks as boomers age. However, baby boomers who hunt are not being replaced by younger generations. In the last 25 years, it appears that 25 percent of our baby boom-age hunters have dropped out (USFWS, 2007). With kids now choosing other activities besides hunting, the overall number of hunters is falling. It is time to act.



Youth literally have a million ways to spend their free time. The Kaiser Family Foundation tells us that over two-thirds of kids have a TV in their bedroom, most with a video game attached to it. The average kid spends 44.5 hours a week – more than a fulltime job – engaged with media of some sort. Kids are aggressively marketed to: video games, social web sites, wireless communications, and more. Free time for kids is highly structured: sports leagues, organized play dates, and more. With kids so well connected, it is not surprising that many activities are aggressively marketing to youth – except hunting. Certainly, there are other issues impacting hunter recruitment such as access to huntable lands and regulations that make it tough to kids to hunt, but we – the hunting community – need to step up and recruit kids before all the other activities competing for their attention beat us to the punch. The future of hunting and wildlife depends on us.

Online Sales: More Important for Some Manufacturers Than Others

Building a good product is one thing. Knowing where to sell it is another. Results from the monthly HunterSurvey and AnglerSurvey market monitoring services tell us which products sell better online. Items that are frequently purchased, are low priced, or are typically purchased when they are needed, do not sell as well online. Examples would be hooks and sinkers (each with 2.9% of their total annual sales online), ammunition reloading supplies such as shot and bullets (3.6%), and hard fishing lures (3.8%). Items that are difficult to find in local retailers or are higher priced sell better online. Customers frequently purchase these items online to avoid the time and costs associated with driving a long distance or to comparison shop. Examples include scopes for firearms (16.9% of sales are online), spotting scopes (over 30%), presses and dies for reloading ammunition (22.3%), flyrods (17.3%) and waders (21.7%). Knowing where your customers are will help boost your company's bottom line.

More Facts and Figures About The Economics of Hunting and Sportfishing

| States Ranked Based on Percentage of Residents Who Fished in 2006 | |
|--|-------|
| Minnesota | 21.4% |
| Alaska | 20.4% |
| Wyoming | 18.6% |
| Wisconsin | 18.2% |
| Montana | 18.2% |
| Maine | 16.6% |
| West Virginia | 16.0% |
| Mississippi | 16.0% |
| Arkansas | 15.3% |
| Missouri | 14.9% |

| States Ranked Based on Percentage of Residents Who Hunted in 2006 | |
|--|-------|
| Montana | 15.3% |
| North Dakota | 13.5% |
| Wisconsin | 11.7% |
| South Dakota | 11.4% |
| Maine | 11.0% |
| Arkansas | 10.7% |
| West Virginia | 10.7% |
| Minnesota | 9.9% |
| Wyoming | 9.7% |
| Missouri | 9.2% |

| | |
|----------------|-------|
| Oklahoma | 14.7% |
| Idaho | 14.0% |
| North Dakota | 13.8% |
| Kentucky | 13.8% |
| Louisiana | 13.8% |
| Iowa | 13.3% |
| Alabama | 13.0% |
| Oregon | 12.3% |
| South Carolina | 12.2% |
| Kansas | 11.5% |
| South Dakota | 11.4% |
| Utah | 11.3% |
| Tennessee | 10.9% |
| Michigan | 10.7% |
| Indiana | 10.5% |
| Florida | 10.4% |
| Georgia | 10.4% |
| Colorado | 10.3% |
| Vermont | 10.3% |
| Washington | 10.0% |
| Ohio | 10.0% |
| Texas | 9.8% |
| North Carolina | 9.8% |
| Nebraska | 9.6% |
| New Mexico | 8.4% |
| Virginia | 8.4% |
| New Hampshire | 8.2% |
| Delaware | 7.7% |
| Maryland | 7.2% |
| Connecticut | 7.2% |
| Hawaii | 7.2% |
| Rhode Island | 7.1% |
| Pennsylvania | 6.7% |
| Illinois | 6.2% |
| Massachusetts | 6.2% |
| Arizona | 5.4% |
| New Jersey | 5.2% |
| New York | 4.8% |
| Nevada | 4.6% |
| California | 4.3% |

| | |
|----------------|------|
| Vermont | 9.0% |
| Idaho | 8.3% |
| Mississippi | 8.2% |
| Alaska | 7.9% |
| Pennsylvania | 7.5% |
| Michigan | 7.1% |
| Iowa | 7.0% |
| Alabama | 6.7% |
| Kansas | 6.6% |
| Oklahoma | 6.3% |
| Oregon | 5.9% |
| Nebraska | 5.8% |
| Kentucky | 5.7% |
| Utah | 5.6% |
| Louisiana | 5.6% |
| Virginia | 4.6% |
| Tennessee | 4.4% |
| Texas | 4.2% |
| Ohio | 4.1% |
| New Hampshire | 3.9% |
| Indiana | 3.8% |
| South Carolina | 3.7% |
| Georgia | 3.7% |
| New Mexico | 3.4% |
| North Carolina | 3.1% |
| Washington | 2.8% |
| Colorado | 2.7% |
| New York | 2.5% |
| Maryland | 2.4% |
| Delaware | 2.2% |
| Nevada | 2.2% |
| Arizona | 2.0% |
| Illinois | 2.0% |
| Hawaii | 1.4% |
| Florida | 1.2% |
| Rhode Island | 1.1% |
| Connecticut | 1.0% |
| Massachusetts | 0.9% |
| New Jersey | 0.8% |
| California | 0.8% |

| Top Five States for Non-Resident Hunter Expenditures | | |
|---|----------|---------------|
| 1 | Colorado | \$282,274,209 |
| 2 | Texas | \$264,669,448 |

| Top Five States by Most Non-Resident Hunters | | |
|---|----------|---------|
| 1 | Georgia | 136,127 |
| 2 | Colorado | 133,556 |

| | | |
|---|-----------|---------------|
| 3 | Georgia | \$250,994,408 |
| 4 | Missouri | \$250,635,415 |
| 5 | Tennessee | \$235,940,595 |

| | | |
|---|--------------|---------|
| 3 | Texas | 122,589 |
| 4 | Pennsylvania | 111,434 |
| 5 | Kansas | 87,827 |

| Top Five States For Non-Resident Angler Expenditures | | |
|--|----------------|---------------|
| 1 | Florida | 1,002,619,157 |
| 2 | Wisconsin | 599,378,653 |
| 3 | Arizona* | 586,514,636 |
| 4 | Minnesota | 409,704,010 |
| 5 | South Carolina | 370,652,772 |

| Top Five States by Most Non-Resident Anglers | | |
|--|----------------|---------|
| 1 | Florida | 885,000 |
| 2 | North Carolina | 395,000 |
| 3 | Wisconsin | 381,000 |
| 4 | Minnesota | 319,000 |
| 5 | Michigan | 318,000 |

* An outlier is suspected. Use cautiously.

New reports have been added to our website under free reports.

- U.S. - 2007 Hunting in America - An Economic Engine and Conservation Powerhouse
- U.S. - 2007 Sportfishing in America - An Economic Engine and Conservation Powerhouse
- U.S. - 2007 State and National Economic Effects of Fishing, Hunting and Wildlife-Related Recreation on U.S. Forest Service-Managed Lands
- U.S. - 2007 National & Regional Report: AFWA-ASA Fishing License Analysis Technical Report
- U.S. – 2007 Introductory “User-Friendly” Report: ASA-AFWA License Analysis Summary Report
- 2006 Economic Contributions of Fishing, Hunting and Wildlife Watching: Reports for Texas, Utah, Iowa and Wisconsin have been added. These reports present the economic contributions of outdoor sportsmen and wildlife viewers in that state for 2006. Included are estimates of jobs, tax revenues, income and expenditures.

In Future Issues:

- **Top Brands for Hunting and Sportfishing Products in 2007**
- **Enhancing Efforts to Market Hunting Licenses**
- **Applications of GIS Data to Better Understand Hunters and Anglers**
- **Quantifying the Economic Impacts of Sportfishing in Los Cabos, Mexico**

Southwick Associates, Inc. specializes in natural resource & environmental economic, business and statistical research. Our staff is comprised of economic, business and statistics professionals throughout the U.S. who have in-depth experience measuring the values, benefits and revenues possible from fish, wildlife, and water-related natural resources plus their associated industries. We can help clients better address many business, legal, legislative and public communication issues through the practical application of reliable and accurate economic information and statistics.

For information and other reports, visit our web site at www.southwickassociates.com

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