The University of Georgia

Center for Agribusiness and Economic Development

College of Agricultural and Environmental Sciences

FFA-FCCLA Facility Expansion Feasibility Analysis

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FR-01-32
September 2001
TO: FFA-FCCLA Leadership
FROM: Kent Wolfe, Brigid Doherty and Christopher Ferland
       The Center for Agribusiness and Economic Development
DATE: August 29, 2001
RE: FFA-FCCLA Facility Expansion Feasibility Analysis

The University of Georgia’s Center for Agribusiness and Economic Development (CAED) was
commissioned by the Georgia FFA-FCCLA Center to conduct a feasibility study. The purpose
of the study was to determine the economic feasibility of expanding the current Center to
accommodate additional visitors. The results of our study were the following:

• Given the proposed facility expansion, the Center might expect to attract an additional 8,569
  visitors annually,

• The potential additional revenue is estimate to be $786,920 annually,
  
  FFA Teachers - $385,520
  Current non-FFA Users - $292,500
  Area Businesses - $108,900

• The current facilities are not sufficient to accommodate these additional visitors,

• A larger auditorium, additional lodging and expanded dinning facilities are necessary to
capture this potential,

• The estimated additional revenue generated from the proposed facility enhancements would
  allow the Center to generate a profit,

• The Center’s impact on the Georgia economy is significant.
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Introduction and Background

The Georgia FFA-FCCLA Center (Center), located on Lake Jackson, became a reality almost 65 years ago. In August of 1937, a 150-acre tract of land was purchased with FFA treasury dollars. Construction and improvements on the land evolved over a period of many years. Most of the construction was financed through hard work and dedication on the part of Georgia FFA and FCCLA chapters across the state. Generous donations from the state and the county have aided the camp in its growth and expansion. The National Youth Administration was responsible for providing labor for the construction of many of the early cabins and buildings.

The initial construction phase at the Center was finished in 1943. At this stage, the camp had an infirmary, a dining hall, assembly halls and 10 cabins. The main road into the camp was also paved during this period. An amphitheatre was added following World War II. The FHA joined FFA members at the camp in 1945. This led to the addition of more cabins to accommodate the females. Several cabins were added during the 1950s and 1960s. A small conference building was added in 1960. The main bulk of construction on the current Center site was completed by the 1960s. Since then the Center has added a swimming pool, expanded the dining hall, converted some cabins to semi-private lodges, and built an arboretum. The arrival of the German Delegation for the 1996 Olympics allowed the camp to make some improvements and upgrades. During this time-span, additional land was purchased. The camp was able to purchase over 350 additional acres. The Center now owns over 500 acres of land.

The Center has a long history of serving both FFA-FCCLA groups and private groups. To date, the Center has evolved as necessity and available funds have allowed. There has never been a comprehensive plan for development. The Center finds itself limited and restricted by the age and size of its current facilities. Thus, the Center has begun to assess its needs for the future. Through casual conversations with current and former users and through their own analysis, Center leaders developed a list of improvements and expansions. The first phase of their expansion plan includes construction of a new auditorium/conference building, a new dining hall, and semi-private lodging. Future expansion phases include a new agricultural education building and new cabins.

In planning for the expansion of the Center, Center leadership commissioned the University of Georgia’s Center for Agribusiness and Economic Development to perform an economic feasibility analysis. The purpose of this feasibility study is to determine the demand for expansions at the Center and to determine if the expansions are financially sound. The following paper presents the results of this study.

FFA-FCCLA Center Facilities Overview

The Center currently has facilities that can host up to 850 overnight visitors. The Center’s plans include: semi-private lodging, an auditorium/conference complex and a dining hall. The Center will add 36 semi-private rooms, bringing the total on-site lodging capacity to 902 people. The Center’s current auditorium seats 565 people, as per fire marshal. The proposed new auditorium will increase the seating capacity to 1,596 people. The auditorium complex will provide 14 breakout/meeting rooms in addition to the current 17 breakout rooms. The Center is proposing these facility additions based on their experience. The Center states, “We have a hard time filling all 830 beds due to the following restrictions:

- Limited auditorium seating
- Limited breakout rooms
- Limited semi-private lodging for group leaders”
The Center hopes to increase its business and revenue by constructing additional facilities that will enable it to accommodate these demands.

**Needs Assessment**

The CAED implemented a needs assessment survey with current and past Center users. The reason for the needs assessment is two-fold. First, it is important to know whether the proposed facilities will impact current user’s plans for using the facility. According to Center personnel, some of the current users are outgrowing the existing facilities. It is important to determine their future facility needs. Secondly, information on whether past users will consider using the facilities once these additions have been completed is needed.

**Additional FFA Teacher Market Potential**

There appears to be additional market potential within Georgia’s FFA membership. According to David Turner, the Center’s Director of Development and Leadership, current FFA groups have indicated the need for additional accommodations. This is fortunate because growing existing bookings has been shown to be significantly less costly than having to generating new business. The CAED interviewed 106 FFA teachers at the annual State FFA Teachers Conference at Calloway Gardens during the week of July 26th.

The teachers were asked what facilities the Center is currently lacking. Nearly one in four of the teachers indicated that the Center is lacking a sufficient auditorium. In addition, over one in six of the teachers believe the Center is lacking sufficient dining, meeting and lodging facilities.

The results in table 1 are important in that they provide “needs assessment” insight from FFA teachers. These are issues that are important to FFA teachers and represent a priority list of facility improvements the Center needs to address.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Percentage (n=177)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auditorium/Conference Hall</strong></td>
<td>24%</td>
</tr>
<tr>
<td>Auditorium</td>
<td>19%</td>
</tr>
<tr>
<td>Convention Hall</td>
<td>3%</td>
</tr>
<tr>
<td>Conference area</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Lodging Facilities</strong></td>
<td>16%</td>
</tr>
<tr>
<td>Cabins</td>
<td>11%</td>
</tr>
<tr>
<td>Housing/lodging</td>
<td>5%</td>
</tr>
<tr>
<td>Updated/modern housing</td>
<td>2%</td>
</tr>
<tr>
<td>Dinning hall</td>
<td>13%</td>
</tr>
<tr>
<td>Meeting rooms</td>
<td>12%</td>
</tr>
<tr>
<td>Parking</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>31%</td>
</tr>
</tbody>
</table>

According to the survey results, there is additional market potential among existing FFA clients. Nearly two-thirds of the teachers responded that they would bring additional people if current facilities were expanded. The teachers that indicated they would bring additional people were asked a follow-up question to determine approximately how many additional people they would bring to the expanded facility. In total, these 67 teachers (63% of the 106 who completed the survey) indicated they would bring a total of 3,400 additional people during the course of a year.
It is important to remember that roughly one-third of the teachers that attended the annual conference returned their completed surveys so the actual increase in FFA visitation may be significantly higher.

To obtain an estimate of the expected total number of additional people, the median number of additional people per teacher was calculated and then multiplied by the total number of teachers. The median value is used because of outliers and their impact on determining the average number of additional people that might be expected to visit the center. The median value offers a better representation of this particular data set because of outliers. It is estimated that each teacher would bring 11 additional people to the Center. There are approximately 300 FFA teachers in the state. Sixty-three percent of the teachers surveyed indicated that they would bring additional people to the camp. If 63% of the 204 non-responding teachers bring an additional 11 people to the camp, the number of additional visitors increases by 1,419 people\(^1\).

Therefore, the total untapped market potential for FFA visitors is estimated to be 4,819 people. The FFA-FCCLA Center currently charges an $80 fee per FFA-FCCLA person. At this rate, the Center will generate $385,520 in revenues from this group. However, this additional revenue is dependent on the Center making the proposed expansions.

**Untapped Area Business Market Potential**

Estimating the market potential among non-FFA-FCCLA groups is critical to determining the economic feasibility of the proposed expansion. Local businesses are important revenue generators for these types of facilities. The local business market potential for the Center will be derived from previous CAED survey results and by analyzing the area and state business climate.

**Conference/Meeting Facility Market Potential**

There appears to be sufficient area business market potential for the conference/meeting room facility. Within a 25-mile radius of the proposed Center, there are approximately 28,497 businesses. This is encouraging as industry research indicates that over one-half of all a conference/meeting facility’s bookings are derived from local businesses. This is also very important because the same industry research suggests that local businesses are responsible for generating over half of a facility’s revenues. It is important to remember that the 28,497 businesses that were identified represent all sizes and types of businesses and not necessarily large businesses or businesses that use conference/meeting facilities.

The CAED contacted the Chamber of Commerce in Newton County and in the surrounding six counties and explained that it was trying to compile a list of large employers in the area. Each of the Chambers of Commerce responded with a list of their major employers. The lists generally only contained manufacturers, as they tend to be the largest employers. The lists were examined and the number of businesses with 20 or more employees was identified. It is assumed that a business would need to employee 20 or more people to need conference and/or meeting room facilities like those being offered by the Center. Table 2 shows the number of large employers in Newton County and the surrounding counties.

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\(^1\) If an additional 129 teachers (63\%*204) brought an average of 11 additional people, the camp could expect an additional 1,419 visitors.
Table 2. Local Businesses with 20 or More Employees

<table>
<thead>
<tr>
<th>County</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Butts</td>
<td>11</td>
</tr>
<tr>
<td>Walton</td>
<td>27</td>
</tr>
<tr>
<td>Newton</td>
<td>32</td>
</tr>
<tr>
<td>Morgan</td>
<td>12</td>
</tr>
<tr>
<td>Jasper</td>
<td>6</td>
</tr>
<tr>
<td>Rockdale</td>
<td>55</td>
</tr>
<tr>
<td>Henry</td>
<td>47</td>
</tr>
<tr>
<td>Total</td>
<td>190</td>
</tr>
</tbody>
</table>

The market potential for area businesses drops drastically from 28,497 in a 25-mile radius to roughly 190 in Newton and the surrounding six counties when business size is considered. Since the Center plans to increase its non FFA-FCCLA related bookings, the Center is fortunate that 190 large businesses are located with the desired 25-miles of the facility.

Estimated Market Potential for Meeting Rooms

Estimated market potential for the meeting/breakout rooms is fairly straightforward to calculate. A previous CAED study indicates 50% of local businesses would book the Center. Additional information obtained from that study shows about two-thirds of local businesses are willing to utilize breakout/meeting rooms. The same study revealed that: these facilities generally rent out for approximately $75-$100 per day, the businesses typically use 4 meeting/breakout rooms with each seating approximately 30 people, and that they generally reserve the facilities for three days. The study also revealed that each of the businesses might be expected to bring about 100 people.

Given the aforementioned information, the estimated “real” market potential was derived by multiplying the percentage of businesses that would consider a local conference facility (50%) by the percentage of those same businesses that would utilize meeting/breakout rooms (67%). The real market potential is estimated to be 54 out of a possible 190 large area businesses (190*50%*67%=54). These figures are found in table 3. Local businesses would bring a total of about 5,400 new visitors to the Center each year.
Table 3. Estimated Market Potential for Meeting/Breakout Rooms

<table>
<thead>
<tr>
<th>Organization</th>
<th>Identified Market Potential</th>
<th>Consider Center</th>
<th>Use Specific Facility</th>
<th>Estimated “Real” Market Potential</th>
<th>Estimated Number of Days Reserved</th>
<th>Number of Rooms Reserved</th>
<th>Estimated Potential Revenue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Employers (20+ employees)</td>
<td>190</td>
<td>50%</td>
<td>67%</td>
<td>54</td>
<td>3</td>
<td>4</td>
<td>$68,400</td>
</tr>
</tbody>
</table>

* Assumes that each room is rented out for $100 per day

These results indicate that the Center’s proposed meeting/breakout rooms can expect to generate $68,400 annually from area businesses. Because of its close proximity to the Atlanta Metropolitan area and the Center’s numerous attractions, it may be possible to attract businesses from a larger region and thus increase revenue. Four meeting/breakout rooms would be used 154 days out of the year, leaving the remaining 10 new breakout rooms available for use by other groups.

Estimated Market Potential for Auditorium

Table 4 contains similar information and estimates the market potential for the conference center/auditorium. The number of days the conference rooms would be utilized per group was assumed to be the same as the number of days the meeting/breakout rooms are used, which is approximately three days.

According the previously mentioned CAED study, conference rooms/auditoriums rent for about $250 per day. This daily rental rate for competing facilities is used in estimating the conference center/auditorium potential. Only five of the twenty-one respondents answered this question because people who do not use this type of facility were not asked this follow-up question.

Table 4. Estimated Market Potential for Conference Center/Auditorium

<table>
<thead>
<tr>
<th>Organization</th>
<th>Identified Market Potential</th>
<th>Consider Center</th>
<th>Use Specific Facility</th>
<th>Estimated “Real” Market Potential</th>
<th>Estimated Number of Days Reserved</th>
<th>Estimated Potential Revenue*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Employers (20+ employees)</td>
<td>190</td>
<td>50%</td>
<td>67%</td>
<td>54</td>
<td>3</td>
<td>$40,500</td>
</tr>
</tbody>
</table>

* Assumes that conference room is rented out for $250 per day

These results indicate that the Center’s proposed conference center/auditorium has the potential to generate $40,500 annually from area businesses. Because of its close proximity to the Atlanta Metropolitan area and the Center’s numerous other attractions, it is likely businesses from a larger region will be attracted to the Center.
Conference Center Market Potential Conclusion

Given the results presented in tables 3 and 4, the Center can generate an additional $68,400 annually from its proposed meeting/breakout rooms and an additional $40,500 annually from its proposed conference center/auditorium. In total, the proposed auditorium complex is estimated to generate an additional $108,900 in revenue from area businesses. If additional businesses can be attracted, the estimated potential revenue is expected to increase.

Additional Current User Market Potential

There appears to be additional market potential within the Center’s current non-FFA-FCCLA users. Expanding existing bookings is significantly less costly than generating new business. The CAED interviewed 61 current Center users during the weeks of August 12th and 19th to determine this group’s demand.

Current users were asked what facilities the Center is presently lacking. The Center’s biggest shortcoming appears to be conference/meeting rooms. Users indicated that there are not enough of these rooms and those that exist need to be updated. The lack of state-of-the-art audio-visual and computer equipment was mentioned by 17% of the respondents.

In addition, one-in-ten of the users believe the Center is lacking sufficient lodging facilities. A number of respondents indicated there was a need for additional semi-private lodging facilities. Respondents also mentioned additional recreational amenities such as an enclosed or inside gym and rope course.

The results in table 5 are important in that they provide “needs assessment” insight from current users. These are issues that are important to the users and represent a priority list of facility improvements the Center needs to address to retain its current bookings.

<table>
<thead>
<tr>
<th>Table 5. Existing Users: Facilities Current FFA-FCCLA Center Lacks (In your opinion, what facilities do the Georgia FFA-FCCLA Center Currently Lack? (Three responses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
</tr>
<tr>
<td>Conference rooms/meeting rooms</td>
</tr>
<tr>
<td>Current Audio-visual equipment/computer equipment</td>
</tr>
<tr>
<td>Auditorium- larger and updated</td>
</tr>
<tr>
<td>Lodging - new &amp; updated</td>
</tr>
<tr>
<td>Table and Chairs</td>
</tr>
<tr>
<td>Dinning hall -more room</td>
</tr>
<tr>
<td>Gym- enclosed, new</td>
</tr>
<tr>
<td>Rope Course</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

According to the survey results, there is additional market potential among existing users. Current Center users were asked if they would bring additional visitors given the Center is expanded. Nearly one-half the current users responded that they would bring additional people. The users that indicated they would bring additional people were asked a follow-up question to determine approximately how many additional people they would bring to the expanded facility. In total, 33 users (46% of the 71 who completed the survey) indicated they would bring
additional people. However, when asked to estimate how many people, many respondents could not provide a specific number. Reasons ranged from depending on what time of the year the event was going to be held to would have to ask the group to find out. Only 14 of the 33 respondents could provide a number. To be conservative, the CAED assumed that approximately 20% of the current users would bring additional people. The 20% figure was derived by dividing number of users that were able to provide a number of additional visitors by the total number of current users that participated in the survey (14/71=20%). The average number of additional people that would be brought to the expanded facilities is 203 people. The median value is 150. The median value will be used in estimating the number of additional people these groups would bring to the expanded facilities. The median additional group is larger than the average group size of 70 visitors as reported by the FFA Center. This is attributed to the fact that only large groups indicated that they would bring more people to the expanded Center and they would plan on bringing a large number of additional people.

To obtain an estimate of the total number of additional people current users may bring, the average number of additional people per user was calculated and then multiplied by the total number of users (table 6).

<table>
<thead>
<tr>
<th>Table 6: Estimated Market Potential for Revenue Generating Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organization</strong></td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Revenue Generating Groups</td>
</tr>
<tr>
<td>*Provided by FFA Center Personnel</td>
</tr>
</tbody>
</table>

It is estimated that 25 of the current user groups might each bring an additional 150 people to the Center. Based on these calculations and assumptions, the total estimated untapped market potential for current user groups is 3,750 people. These additional visitors are estimated to generate $292,500 in revenue.

**Conference/Meeting Center Industry Trends**
The conference center industry is anticipated to continue to grow with little effect from economic slowdown. Companies still need to have meetings and corporations still need to train employees to maintain their competitiveness. Actually, there is some indication that the increase in facility demand combined with shortened booking times (how far in advance facilities are booked), has created a situation where many conference organizers have reported that they are no longer able to book their first choice in facility but are having to settle for their second or third choices. In addition, there has been a slowdown in the construction of these high fixed cost facilities.

In 2001, the International Association of Conference Centers (IACC) conducted a survey of North American Conference Centers and produced the *Trends in the Conference Center Industry* Study. The study provided valuable insight into conference center’s occupancy rates, pricing and cost breakdown structures, seasonality and “draw” potential. Executive and corporate conference centers reported an impressive occupancy rate, however, there is seasonality. The study reported occupancy rates exceeding 60% during the peak season.

which starts in late spring (May) and continues through mid-fall (October). Conference center occupancy rates ranged from a low of 39.9% in January to a high of 69.7% in October.

Business organizations are the largest source of demand for conference centers. Business organizations account for over one-half (54%) of typical conference center bookings, followed by academic institutions (13%) and trade associations (8%). The bulk of conference center usage is for management and training/continuing education meetings. The local market is responsible for the largest source of bookings with nearly half of all conference center meetings originating from the local area. The regional market contributes an additional third of all bookings with national and international meetings accounting for the remaining 20%.

There are numerous marketing methods used in the conference meeting business. The most successful means of generating qualified sales leads are from referral (work-of-mouth), repeat business and personal sales calls. Other successful marketing methods include newspaper advertising, web site and direct mail.

**Conclusion**

There appears to be significant market potential for an expanded Center and the industry appears to be expanding as well. The three obvious sources for additional Center business are estimated to generate a total of $786,920 revenue annually.

- FFA Teachers - $385,520
- Area Businesses - $108,900
- Current Users - $292,500

However, these additional visitors cannot be accommodated given the current facilities. Expanding the Center would allow additional visitors and increase revenue. The Center is in an unique position in that its current users offer significant untapped potential. Alone, these two groups might bring an additional 8,569 visitors to the Center annually and generate an additional $494,420 in revenue.

**Economic/Financial Feasibility**

This section explores the economic/financial feasibility of operating the proposed expansion. The numbers used in this investigation were provided by the FFA-FCCLA Center and came from last year’s budget. Operating costs from last year that are relevant to the proposed buildings were placed into a spreadsheet and divided by the total number of people served. This yielded an estimate for the cost of operating the new buildings.

The cost per attendee was multiplied by the estimated number of new visitors and new outside groups that indicated a likeliness to use the facility. These numbers were derived from the different surveys as explained earlier. The current rate for each new FFA-FCCLA visitor was $80 per week. The rate used for the outside groups was $26 per person per day. These non-FFA-FCCLA groups typically stay for 3 nights and are expected to bring an additional 150 people per group.

Below is the sensitivity analysis showing how a change in the cost and number of clients affects the profitability of operating the facility. A fixed cost value was used in the new phases, although one did not exist in last year’s budget. This fixed cost figure came from the $9 million building cost of renovation and creating the additions depreciated over a twenty-year period.
Chart 1. Profit Versus Percent Change in Operating Cost

This chart shows how changing the cost in 5% intervals impacts the Center’s profit. The importance of this analysis is that costs change over time, for example, electricity, natural gas and food prices all increased 10% or more over the last year. Raising the cost 15%, as indicated above, greatly reduces the economic profitability of operating the camp.

Chart 2. Profit Versus Change in Price

The above chart shows how changing the price paid by the campers in intervals of 5% impacts the profit. A profit can be made until price is cut by 20%.
This chart uses the new outside group attendance to determine profitability. The number of campers (4,819) and the price per camper ($80) were held constant. The survey found that 25 different groups could be expected to utilize the facility. The average group size was 150 people, each paying $26 per day for an average stay of 3 nights. The chart shows the relationship between the group size and profit. As the group size decreases in average attendance, so does the Center's profitability. When groups start averaging 100 people or less a limited return to a loss is apparent.
Chart 4 shows how an increase or decrease in camper numbers affects profit. Other assumptions were held constant. Clearly, the camp can lose 1,000 campers and still remain profitable under the above assumptions.

Economic Impact of the Georgia FFA-FCCLA Center

In examining the possibility of expanding the Georgia FFA-FCCLA Center, it is essential to determine the role the Center plays in the economy. The Center contributes to the economy of Georgia in three critical ways: the center operation’s expenditures, employee wage expenditures and visitor expenditures. In order to establish the effect on the economy from these expenditures an input-output model called IMPLAN was developed. Data were collected from a variety of sources and entered into the model. The results of running the model show how the Georgia FFA-FCCLA Center impacts on the economy of Georgia. This next section will discuss the model, the data and the results in detail.

Data were collected from two main sources. The camp manager provided a copy of the 2000 fiscal year budget. The budget contained all expenditures by the camp categorized by major sector. Items in the budget included food for the dining hall, supplies for pool cleaning and electricity. Employee wages and benefits were also in the budget. Visitor’s expenditures were estimated using results from a survey. The survey was conducted in July 2001 at a meeting of agricultural educators and leaders. These educators and leaders had all brought groups to the Center in the past. Over 100 surveys were returned. In the survey, participants were asked to estimate total expenditures for the group over a range of items, such as food and lodging. An average was calculated for each expenditure category and then multiplied by the number of groups that visited the Center in 2000.

After the data were collected, an IMPLAN model was built to study the economic impact of the Center. IMPLAN is an input-output model. Input-output models are designed to trace the flows of purchases and sales throughout an economy. Essentially, input-output models show how a dollar spent on a particular good (or service) is divided into the components that make up that
dollar of good (or service). Input-output models show the ripple effects created in an economy by an enterprise or activity. IMPLAN provides both employment and sales (output) impacts.

Model construction was straightforward. Budget data was coded to the appropriate IMPLAN sector to determine the economic impact of the Center’s operations. Directly, the Center spends approximately $770,000 a year for its operations, as shown in Table 7. This creates 10 jobs in addition to the 47 full-time, part-time and summer employees at the Center. Due to the spending by the Center, roughly another $450,000 in economic activity is created and another 6 jobs added. These six jobs would include such people as the electrician, who although not directly employed by the Center, relies on its presence for a job. In total, the Center’s operations generate roughly $1.2 million in economic activity in Georgia.

Employees’ wages and benefits were introduced to the model as a vector of personal consumption expenditures. Total employee wages and benefits paid by the Center were not used as the basis for the personal consumption expenditure. Rather, only 80% of total wages and benefits were considered disposable income. This 80% was derived from the Bureau of Economic Analysis’ Survey of Current Business. As shown in Table 7, employee spending directly created almost $300,000 of economic activity. This led to another $102,000 of sales in the economy. In total, spending by employees of the Center added almost $400,000 of economic output to the Georgia economy. Jobs associated with these expenditures are in Table 8. To summarize, Center employee expenditures create roughly 4 jobs in Georgia.

Finally, visitor spending was introduced to the model as explained above. Manipulating survey data derived total expenditures by the groups visiting the Georgia FFA-FCCLA Center in 2000. Prices and visitor spending was estimated to be approximately $200,000. This created another $150,000 in indirect sales activity. In total, visitor’s spending added $343,000 in increased economic activity in Georgia. Employment impacts are shown in table 2. Visitor expenditures increase the number of jobs in Georgia by 7. Tables 7 and 8 show the total impact of the Center. In total, the Georgia FFA-FCCLA Center contributes almost $2 million dollars a year to the Georgia economy. It creates 47 jobs at its site and adds another 26 jobs in Georgia.

<table>
<thead>
<tr>
<th>Table 7. Output Impacts for Georgia</th>
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</thead>
<tbody>
<tr>
<td>Direct</td>
</tr>
<tr>
<td>Center Operations</td>
</tr>
<tr>
<td>Employee Spending</td>
</tr>
<tr>
<td>Visitor Spending</td>
</tr>
<tr>
<td>TOTAL</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 8. Employment Impacts for Georgia</th>
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</thead>
<tbody>
<tr>
<td>Direct</td>
</tr>
<tr>
<td>Center Operations*</td>
</tr>
<tr>
<td>Employee Spending</td>
</tr>
<tr>
<td>Visitor Spending</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

* Does not include FFA-FCCLA employees. There are 47 full-time, part-time and summer employees.
Expansion

The premise of this study is to determine the feasibility of expanding the Georgia FFA-FCCLA Center. The above analysis looks at the current impact of the camp. It is clear to see how the expansion will change the results. First, Center operation expenditures will increase. There will be new facilities to maintain as well as more guests at the camp. Employee spending will also increase. The Center plans to add 9 jobs at the site to accommodate the expansion. Total visitor spending will also increase. While the amount per visitor is unlikely to change, the total number of visitors will increase.

Drawbacks and Limitations

IMPLAN is a powerful and necessary tool in determining the economic impact of an enterprise or activity. However, as with any model, limitations do exist. First, the model is only as good as the data entered. While the data provided by the Center is certainly accurate, there could be estimation problems from the visitor’s survey. These problems are likely to arise out of the relative smallness of the survey. Although 100 surveys were returned, not everyone responded to the questions on expenditures. Researchers assumed each group would spend in the same pattern as the average group. This may or may not hold true. Thus, visitor expenditure estimates may be not completely accurate.

As with any tourism study, mention must be made of alternative options. The Center does create almost $2 million of economic activity yearly. However, it could be argued that Center visitors would spend the money on other similar attractions if the Center did not exist.

These limitations and drawbacks should be kept in mind while considering the results. The results generated are as accurate as could be generated for this size and scale of project.

Conclusion

The results of this feasibility study indicate the proposed expansion of the FFA-FCCLA Center in Covington, Georgia will be profitable. Surveys of untapped market potential show a demand from FFA-FCCLA educators, local businesses and current users of the Center. In fact, a total of 8,569 visitors could be attracted to the camp by the proposed expansion. These visitors would generate revenue of $786,920, which would be enough to make the Center profitable. Sensitivity analysis shows the Center can remain profitable over a range of changes in group size, price per person and number of visitors. Economic impact analysis illustrates the importance of the Center in Georgia’s economy.
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