



## Razorback sports impact local, state economy

By [Karen Stigar](#) August 30, 2013



Students shop for Razorback apparel at the University Bookstore.

The University of Arkansas Athletic Department is one of very few athletic departments in the United States that is entirely self-sufficient and produces enough revenues to cover the annual expenditures of the department. Ticket sales at home athletic events provided the largest source of revenues, 40 percent, for the athletic department in the 2010-2011 academic year. The vast majority of the ticket sales were generated by football, which brought in revenue of \$28 million, according to the 2012 independent study by the Center for Business and Economic Research at the UA.

During the 2011 football season, more than 360,500 people attended home games. More than 241,000, or 66.9 percent, came from outside Northwest Arkansas.

On average, visitors to home football games spent \$101.87 per person. When these data are extrapolated to reflect the spending patterns of 241,373 visitors from outside Northwest Arkansas, the visitors spent more than \$24 million toward the Northwest Arkansas economy, or an average of \$4.9 million per game. This spending only includes the expenditures of attendees outside the football stadium and does not include spending on tickets, merchandise or concessions, according to the report.

Nearly 720,000 fans attended home baseball, basketball and football games during the 2011-2012 season, and 342,000 of those fans were visitors to Northwest Arkansas. These fans generate substantial expenditures at restaurants, hotels, retail and gasoline stations, providing an important stimulus to the Northwest Arkansas economy, according to the report.

More than 1 million people attended athletic events during the 2011-2012 year.

“The UA football program is the largest revenue generator for the athletic department and has the most expenditures,” said Kathy Deck, Director of the Center for Business and Economic Research in the Sam M. Walton College of Business.

The 2012 study shows that all Razorback sports have an annual estimated impact of \$153.6 million on the state and will generate an additional \$239.7 million impact from planned construction activity.

The study showed that in 2010-2011, Razorback Athletics made expenditures of \$84.7 million leading to an estimated economic impact of \$124.1 million for the statewide economy. During that span, the department employed more than 260 people on a full-time basis, and 982 people on a part-time or hourly basis.

Based on increased spending to support the program during the 2011-2012 year, Razorback Athletics generated an increased impact to the state and region, with an estimated economic impact of \$129.7 million.

There has been a rise in football related spending at the UA in recent years.

“Because of increased inflation, expenditures for all our sports have increased throughout the years,” said Byron Hatch, associate athletic director for business with Razorback Athletics. “For football, the increase in cost is generally due to inflation. There is a rising cost to operate a program; team travel expenses, game operations, medical expenses, coaches and staff, recruiting and other program expenses.”

More than 24 million dollars was spent toward football expenditures during the 2010-2011 academic year.

A budget is established for each sport that entails recurring expenses from year-to-year. Occasionally, there may be new expenses that are not standard from year-to-year, but the increased expenses are mostly due to costs to field a competitive football program, Hatch said.

More than \$2 million were spent toward UA athletic expenditures on student aid during the 2010-2011 academic year. This provided 85 scholarships to football players during the academic year, according to the report.

“NCAA rules and regulations establish how much aid each sport receives,” Hatch said. “The amount of aid provided to football is based on what the NCAA has established as the allowable number of scholarships. The athletic department fully funds the maximum allowable scholarships for all sports.”