

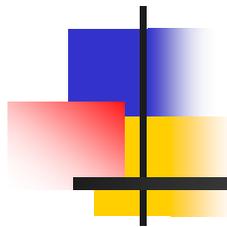
# Economic Impact Analysis of the Shoshone National Forest: An Update

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# Introduction

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## Economic Impact Analysis of Shoshone National Forest



# Economic Analysis of the Forest

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- General Overview of Local Economy
- Livestock Grazing:
  - Focus on Cattle
  - Not Much Sheep Grazing
- Timber:
  - Sawtimber
  - POL
- Recreation:
  - Focus on Tourism (Non-Local Recreation Visitors)



# Economic Impact Analysis

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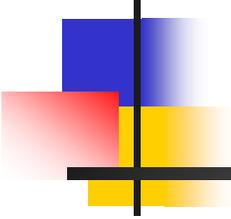
- Focus on job and income generation in the local economy.
- Considers both direct and secondary impacts
  - Direct = Jobs in Ag, Timber, Tourism
  - Secondary = Support jobs in other sectors
- Not a Benefit/Cost Analysis
- Not Estimating Net Benefit to Users



# Methodology

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- Modified Three County IMPLAN Model
  - Fremont
  - Park
  - Hot Springs
- Three Components of Analysis
  - Physical Quantities (USFS)
  - Per Unit Economic Values (USFS & UW)
  - Total Economic Impact (UW)



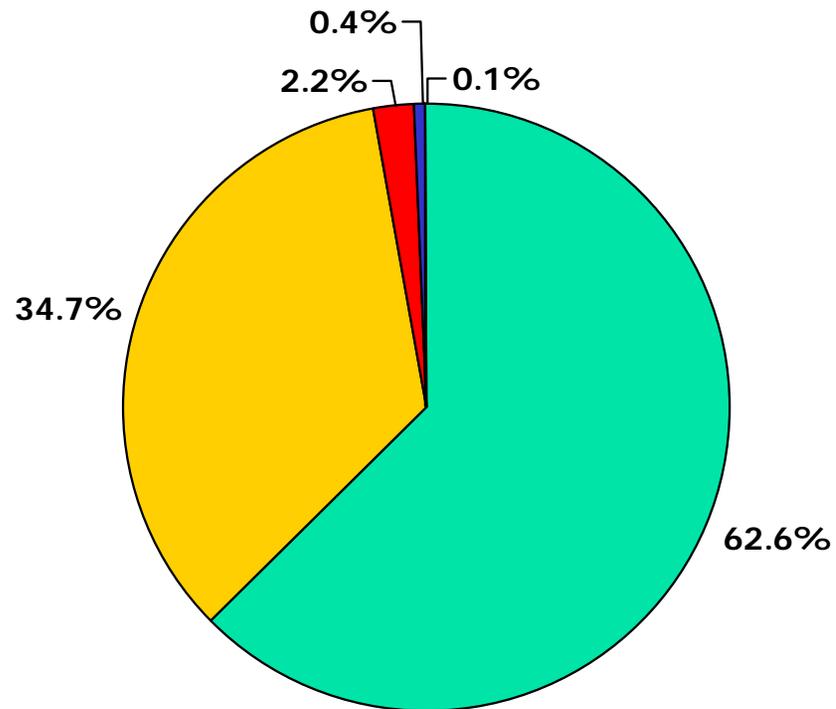
# Overview of the Region

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Economic Impact Analysis of the  
Shoshone National Forest

# Shoshone NF by County

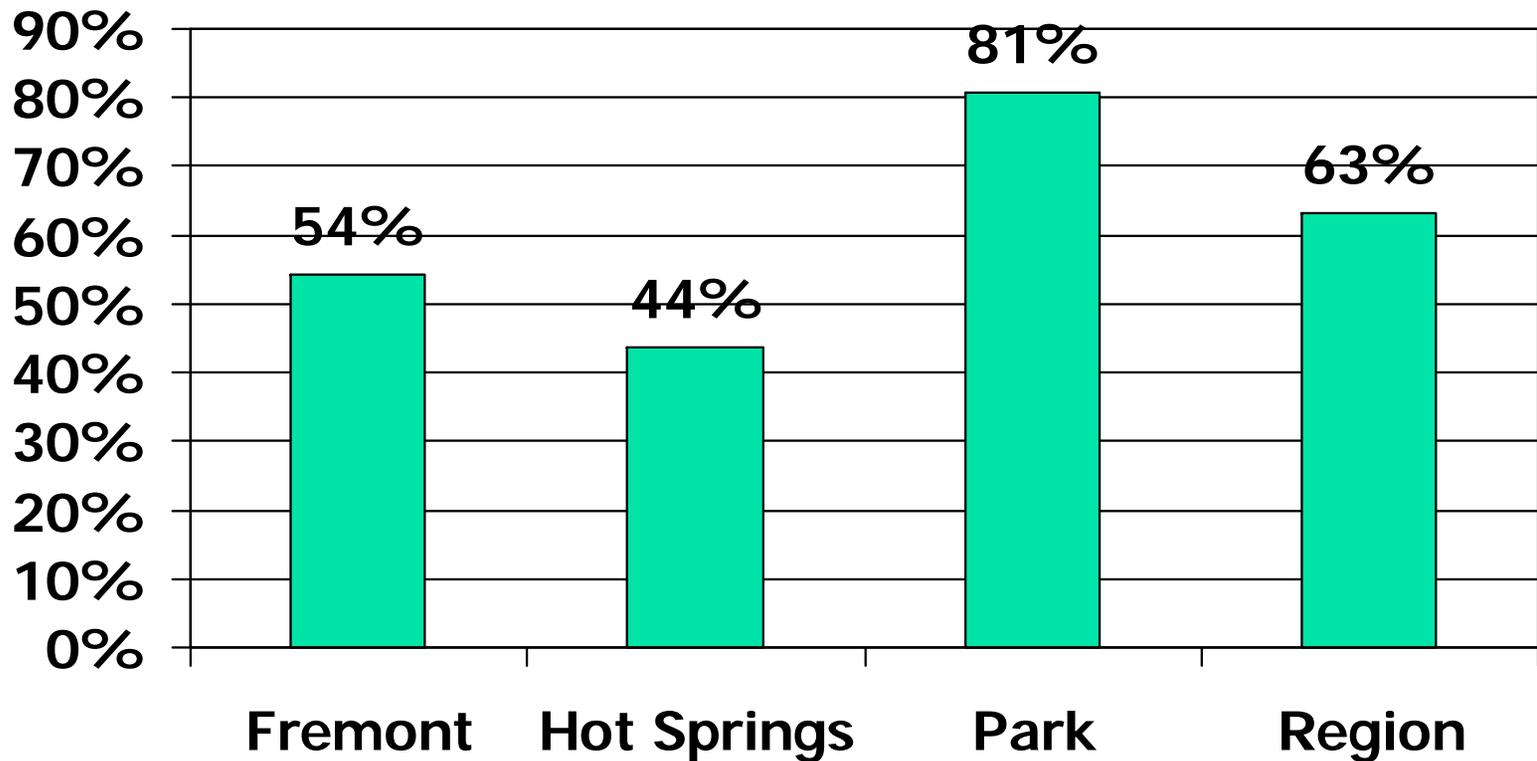
(Total = 2.4 Million Acres)

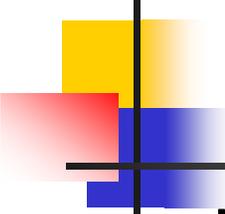


**■ Park ■ Fremont ■ Hot Springs ■ Sublette ■ Teton**



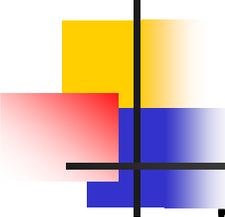
# Percent of Federal Land by County





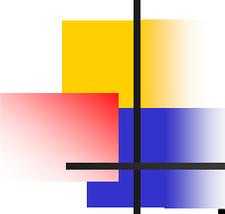
# Regional Population and Employment

<u>County</u>	2005 <u>Population</u>	2005 <u>Employment</u>
Fremont	36,580	22,766
Hot Springs	4,568	3,124
Park	<u>26,723</u>	<u>19,453</u>
Region	67,871	45,343



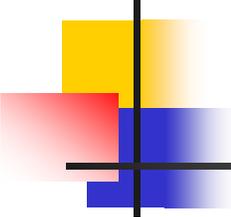
## Forest Related Industries, 2004

<u>Sector</u>	<u>Fremont</u>	<u>Hot Springs</u>	<u>Park</u>	<u>Region</u>
Agriculture	1,158 Jobs	196 Jobs	797 Jobs	2,151 Jobs
Timber	73 Jobs	1 Job	122 Jobs	196 Jobs
Tourism	<u>1,470 Jobs</u>	<u>330 Jobs</u>	<u>3,130 Jobs</u>	<u>4,930 Jobs</u>
Total	2,701 Jobs	527 Jobs	4,049 Jobs	7,277 Jobs



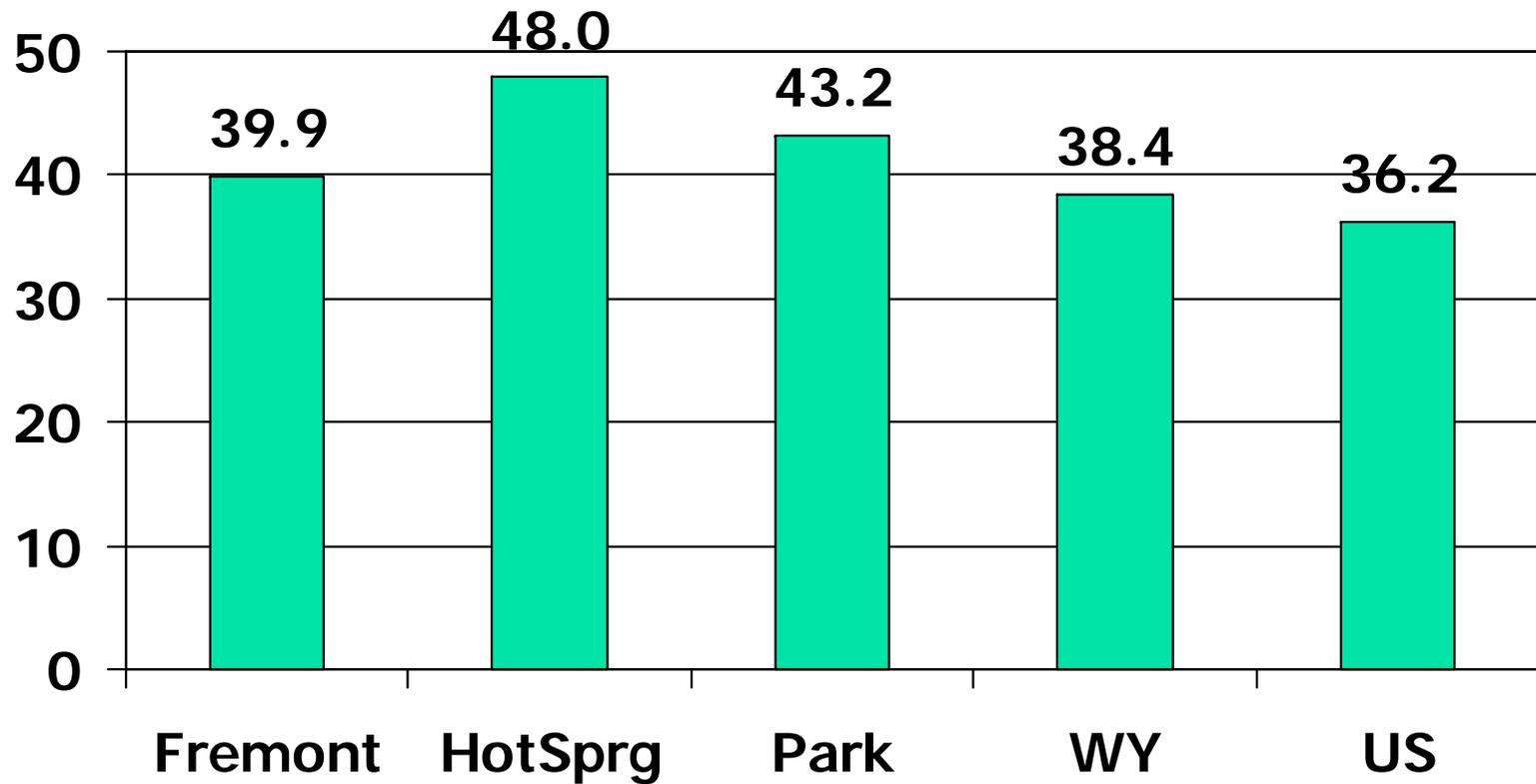
## Regional Personal Income, 2005

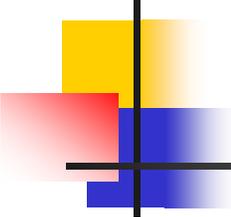
<u>County</u>	<u>Amount</u>
Fremont	\$1,065,378,000
Hot Springs	\$145,094,000
Park	<u>\$916,939,000</u>
Region	\$2,127,411,000



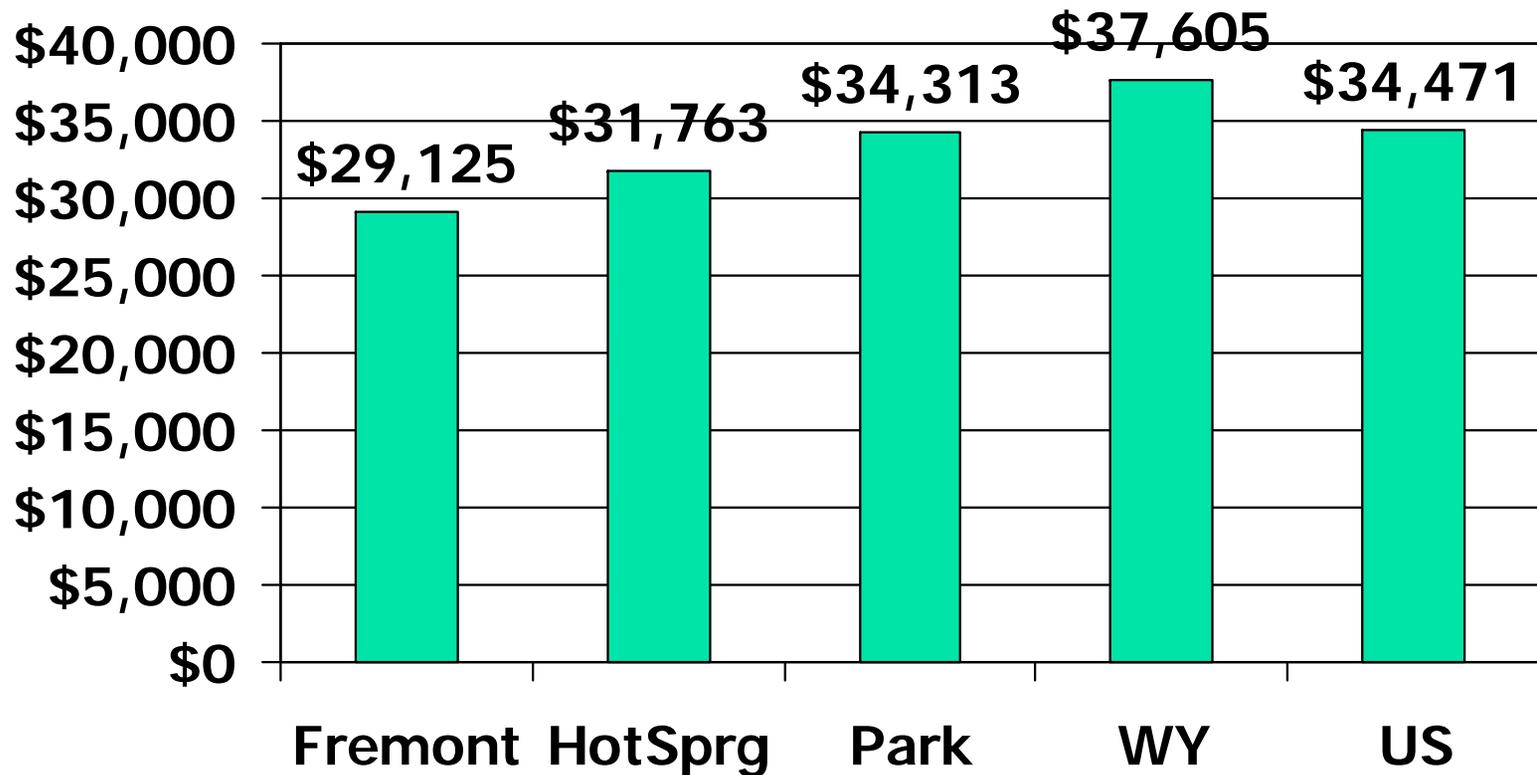
# Median Age, 2005

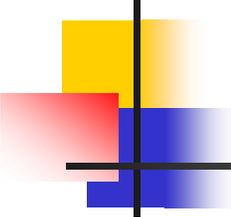
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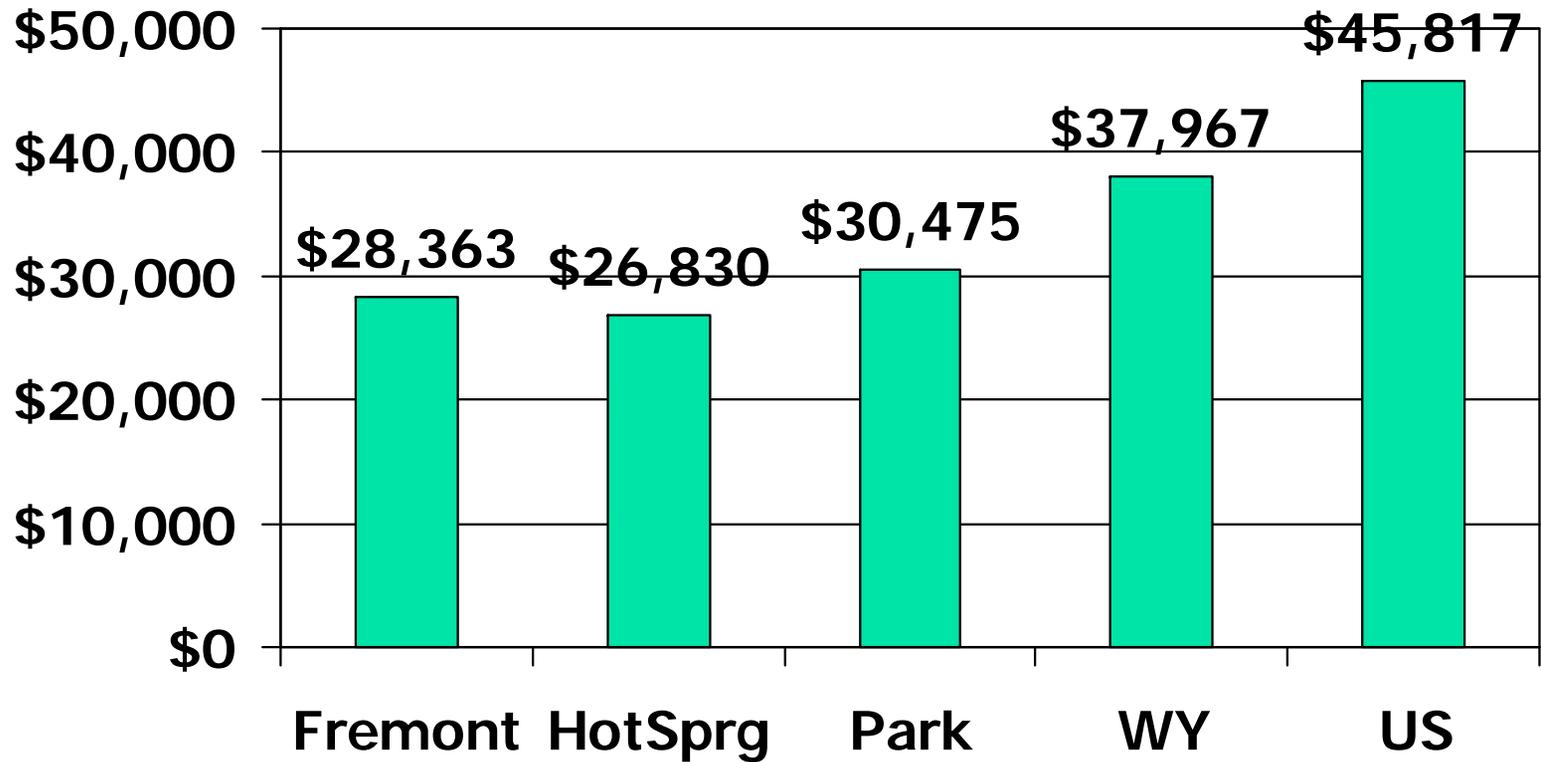


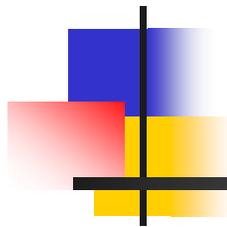
# Per Capita Income, 2005





# Average Earnings Per Job, 2005

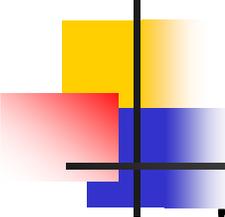




# Livestock Grazing

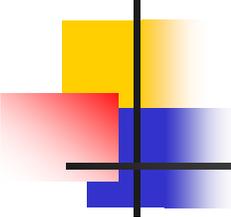
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Economic Impact Analysis of the  
Shoshone National Forest

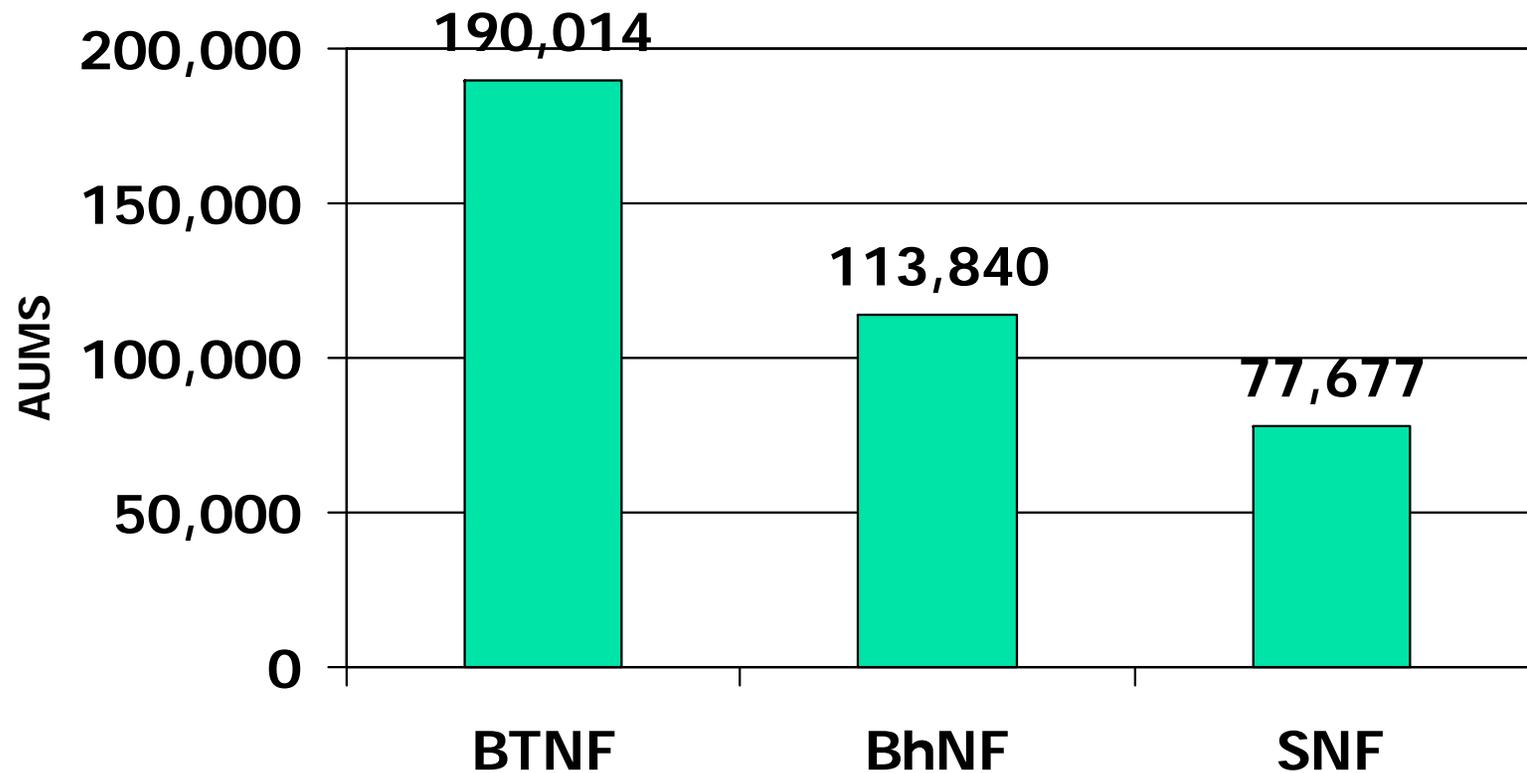


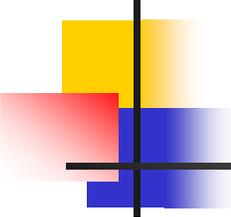
## Livestock Grazing on Shoshone NF, 2007

<u>Ranger District</u>	<u>Cattle AUMs</u>	<u>Sheep AUMs</u>	<u>Total AUMs</u>
Greybull	14,148	0	14,148
Wapiti	10,397	0	10,397
Clarks Fork	<u>14,621</u>	<u>0</u>	<u>14,621</u>
North Forest	39,166	0	39,166
Washakie	14,646	513	15,159
Wind River	<u>23,352</u>	<u>0</u>	<u>23,352</u>
South Forest	37,998	513	38,511
Total Forest	77,164	513	77,677

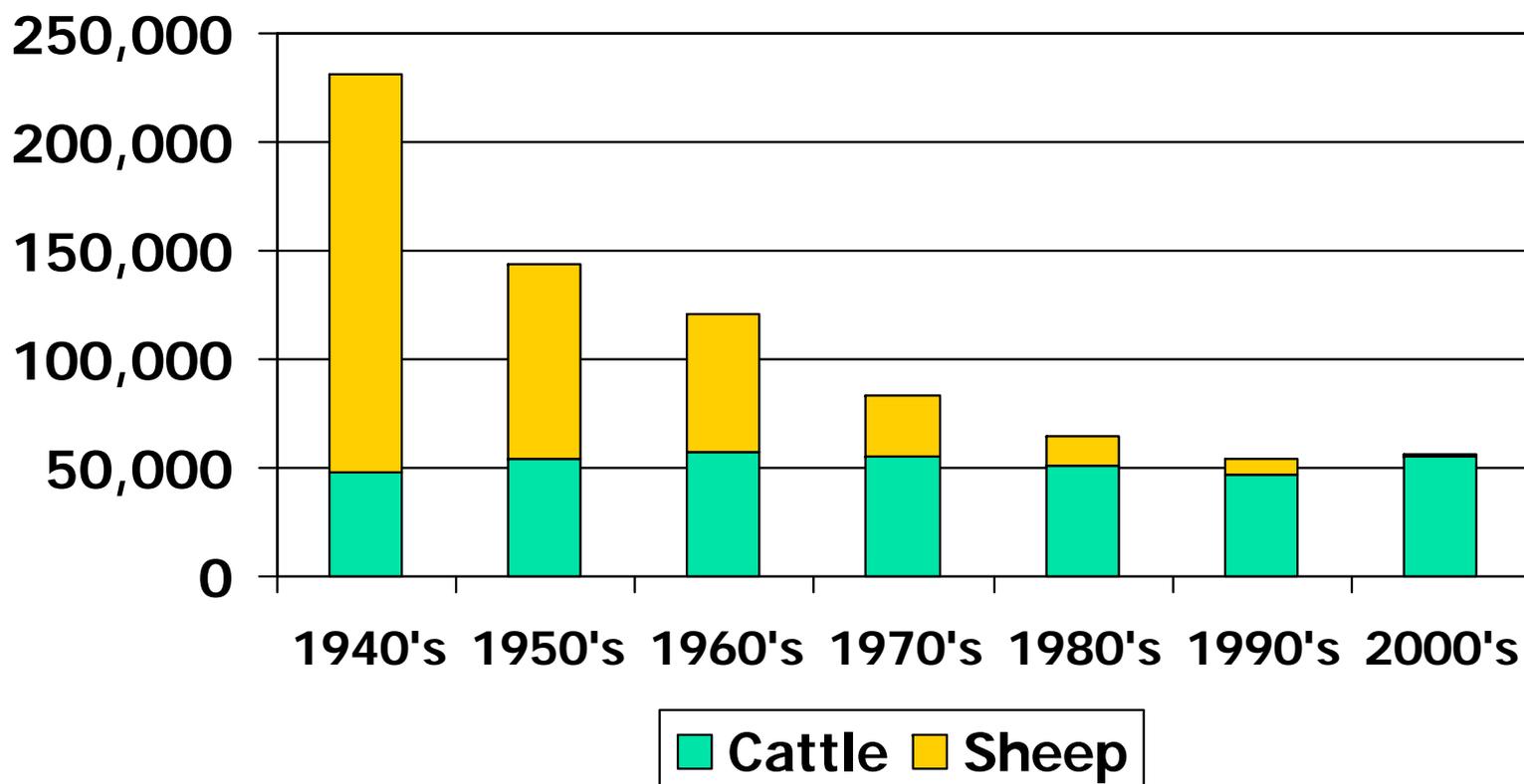


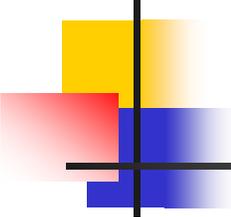
# Comparison to Other Forests



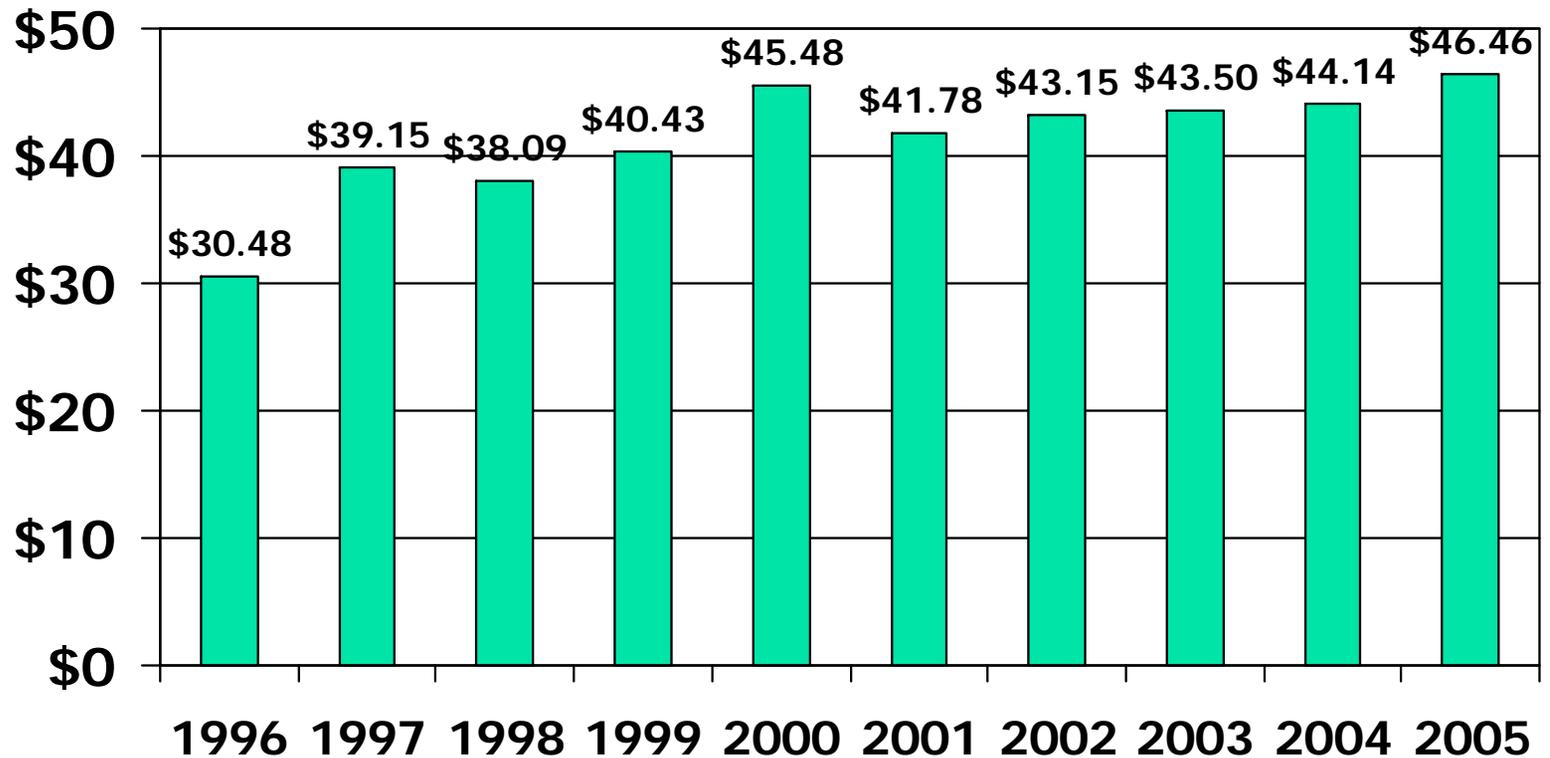


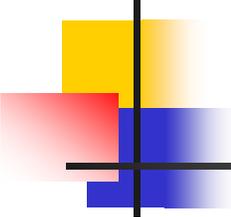
## Livestock Grazing on Shoshone NF by Decade





## Production Per Cattle AUM, 1996-2005

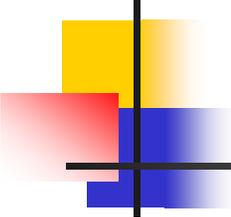




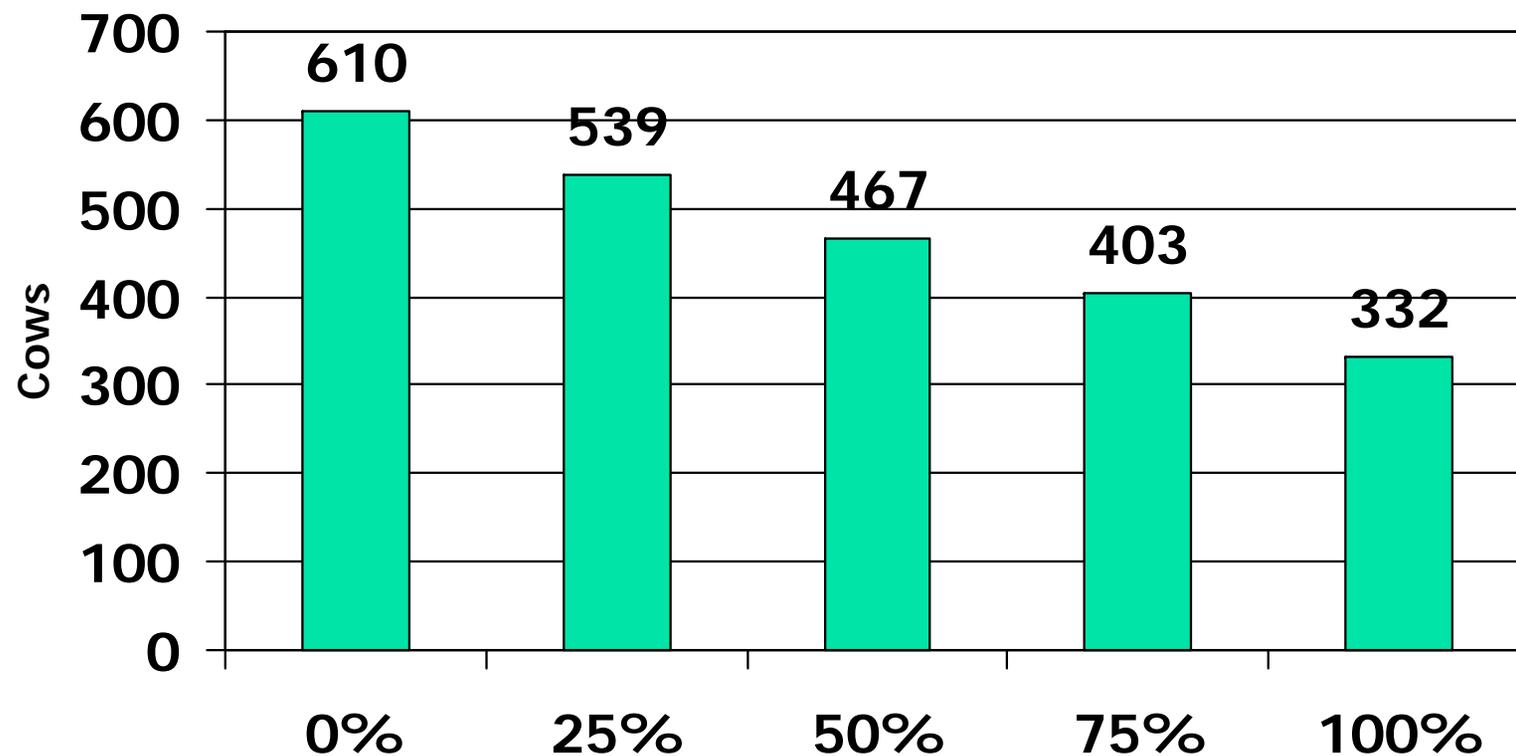
# Livestock Grazing Perspectives

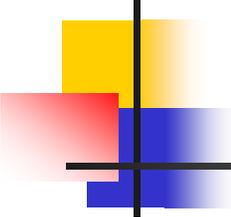
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1. USFS Grazing Only: USFS AUMs by themselves
2. Ranch Production: USFS AUMs effects on total ranch production
3. Ranch Viability: USFS AUMs effects on the economic viability of the ranch

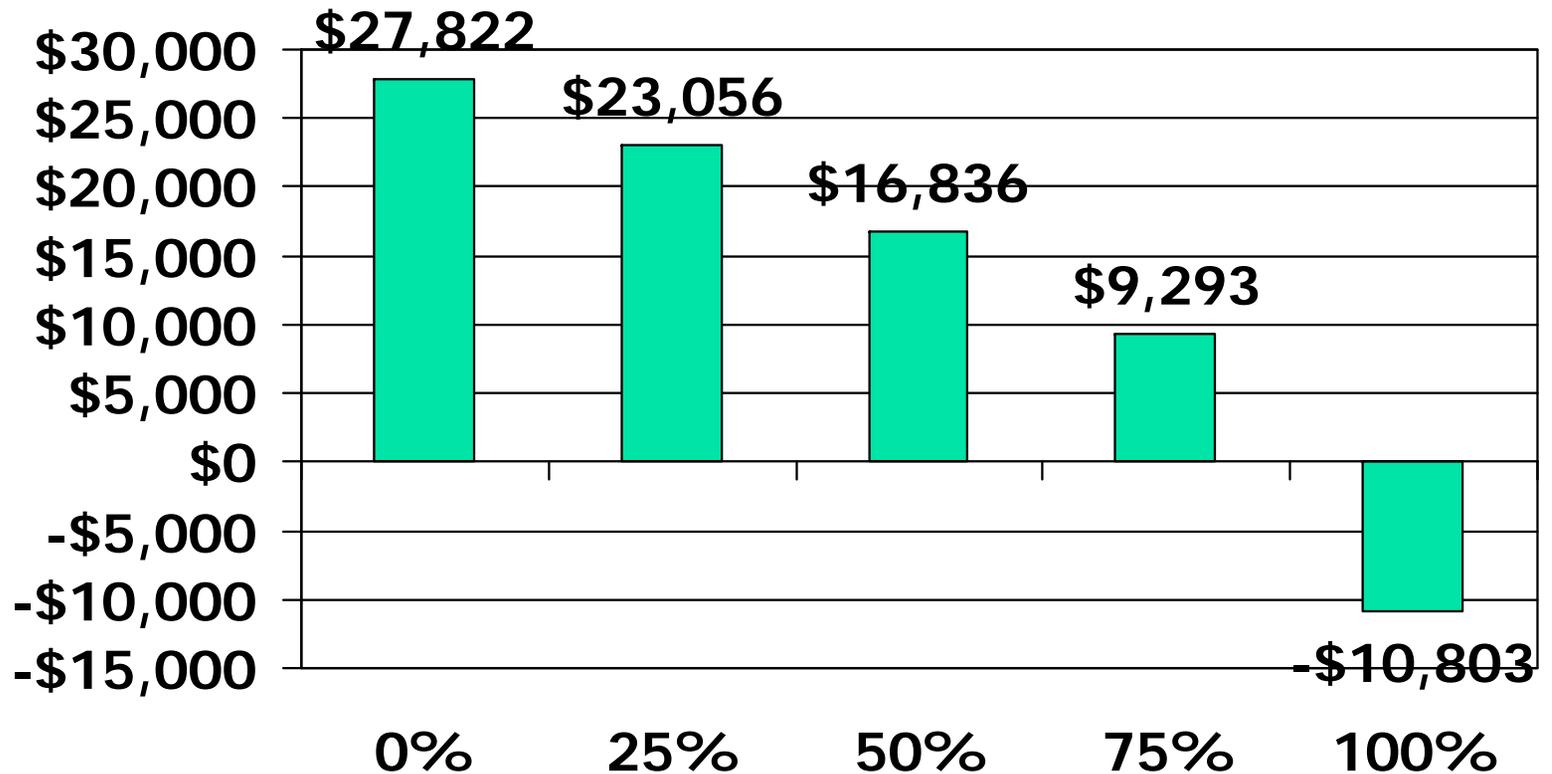


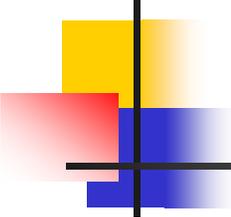
## Herd Size with Reductions in USFS Grazing





## Ranch Profitability with Reductions in USFS Grazing

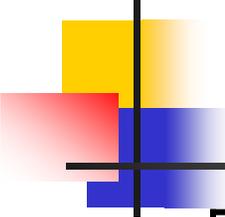




## Which Perspective is Most Relevant?

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- Level of dependency on USFS grazing.
- Magnitude of change in USFS grazing.
- Financial solvency of the ranch.
- Availability of alternative sources of forage.
- Desire of the rancher to remain in operation.



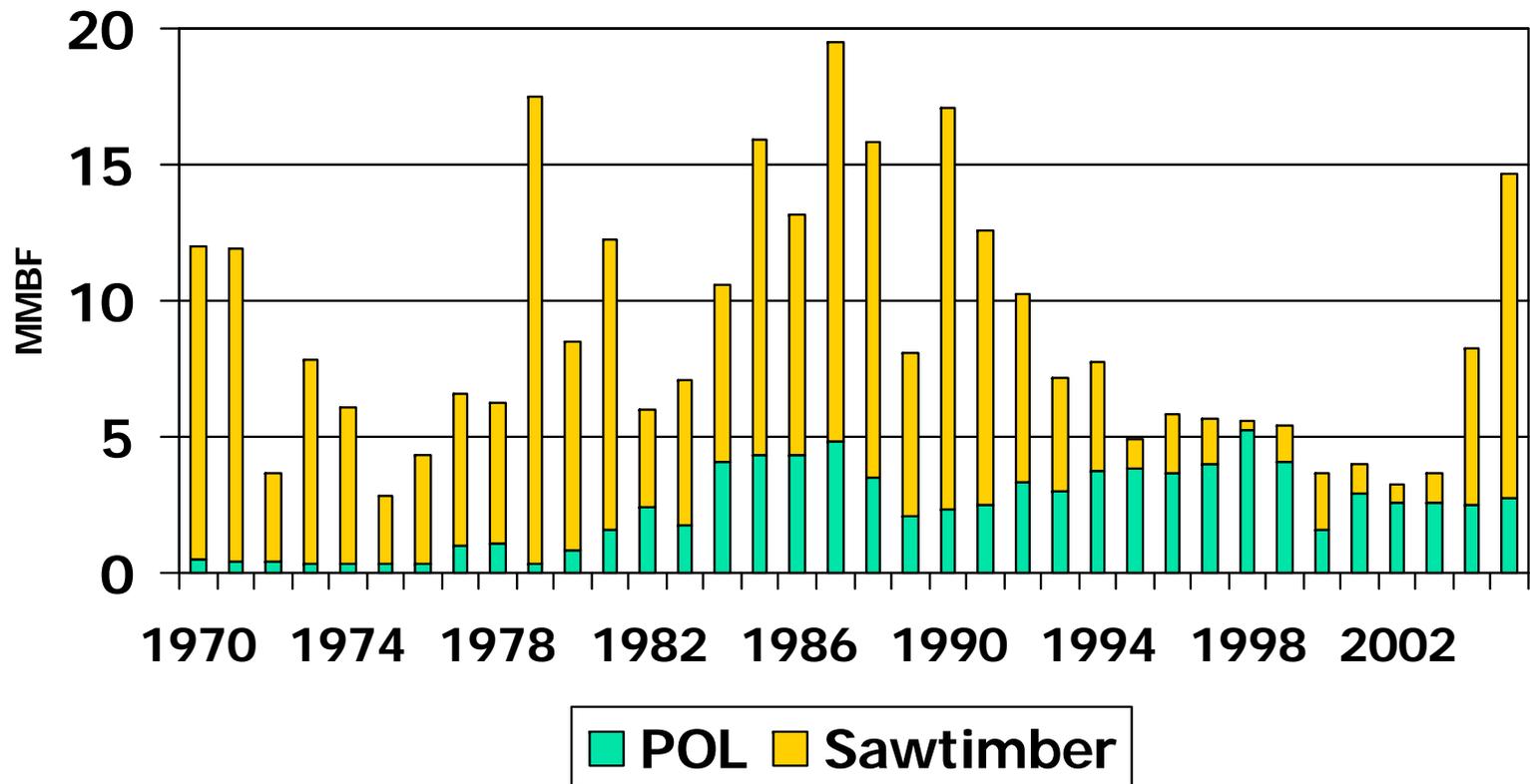
## Total Economic Impact of Livestock Grazing on Shoshone NF

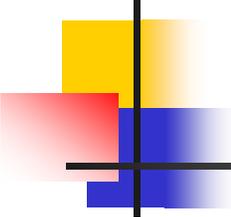
	USFS AUMs Only	Ranch Production	Ranch Viability
Per AUM	\$41.27	\$57.78	\$125.78
Total AUMs	77,677	77,677	77,677
Production	\$3.2 Million	\$4.5 Million	\$9.8 Million
Earnings	\$2.1 Million	\$3.0 Million	\$6.5 Million
Employment	64.1 Jobs	89.8 Jobs	195.5 jobs



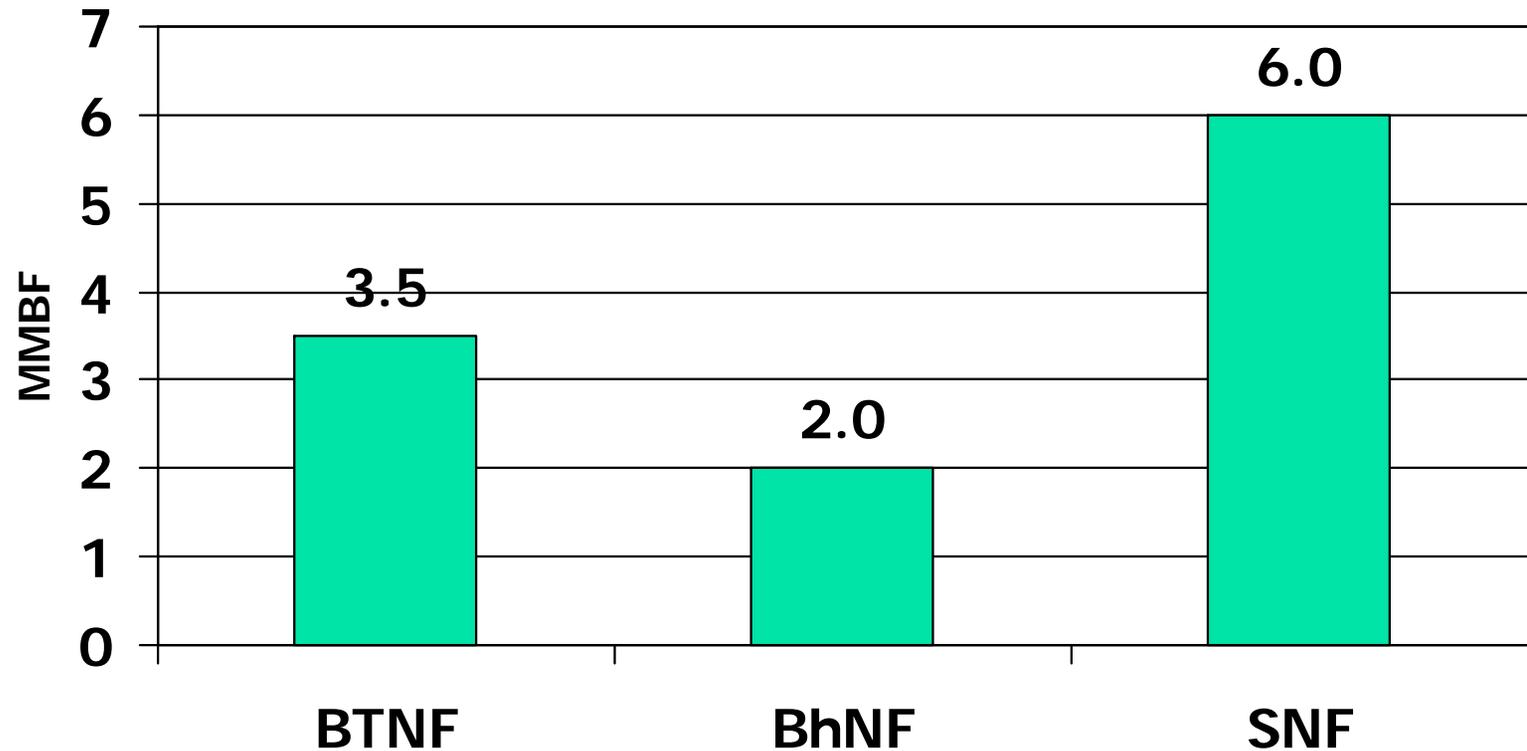
# Economic Impact Analysis of the Shoshone National Forest

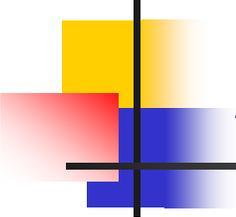
# Timber Harvest on Shoshone NF, 1970-2005



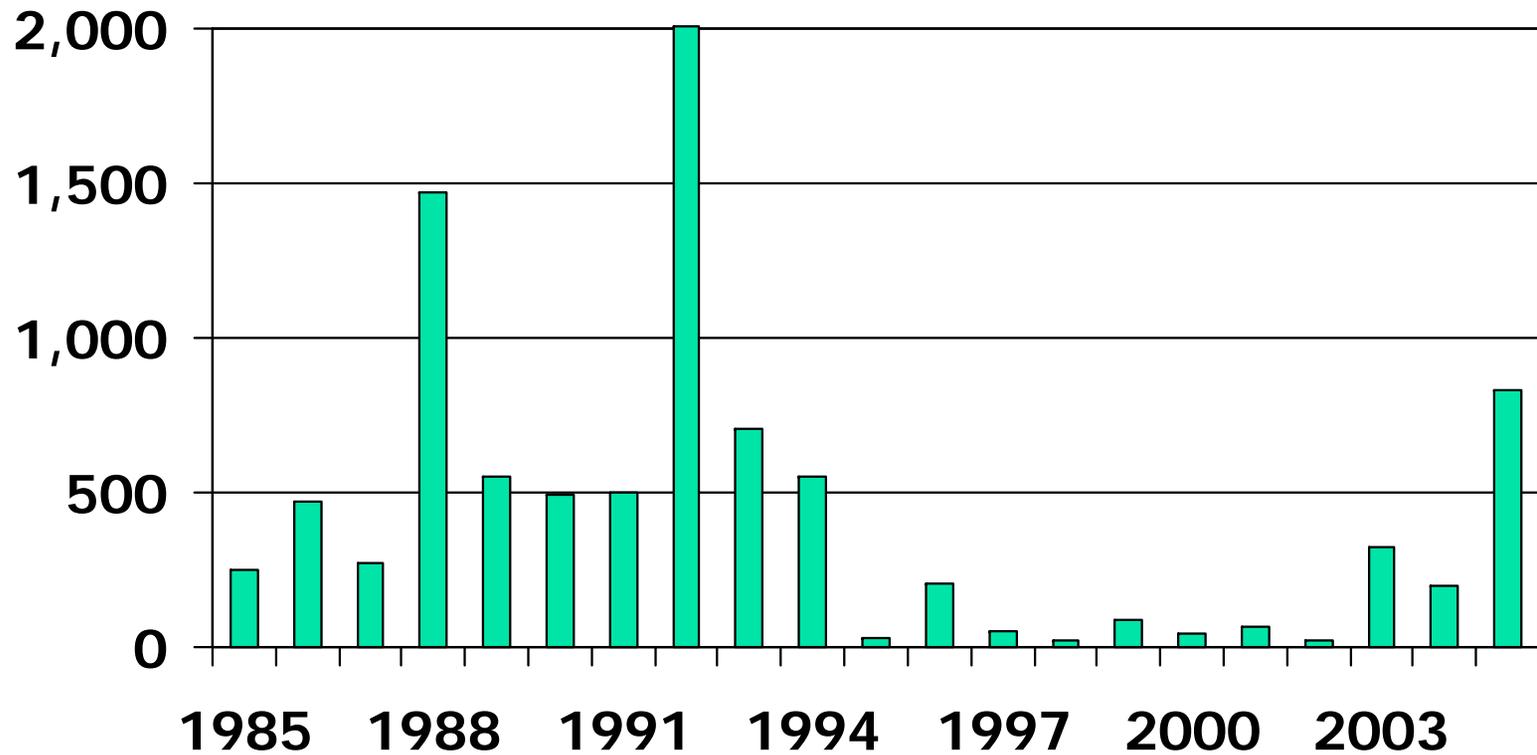


# Comparison to Other Forests

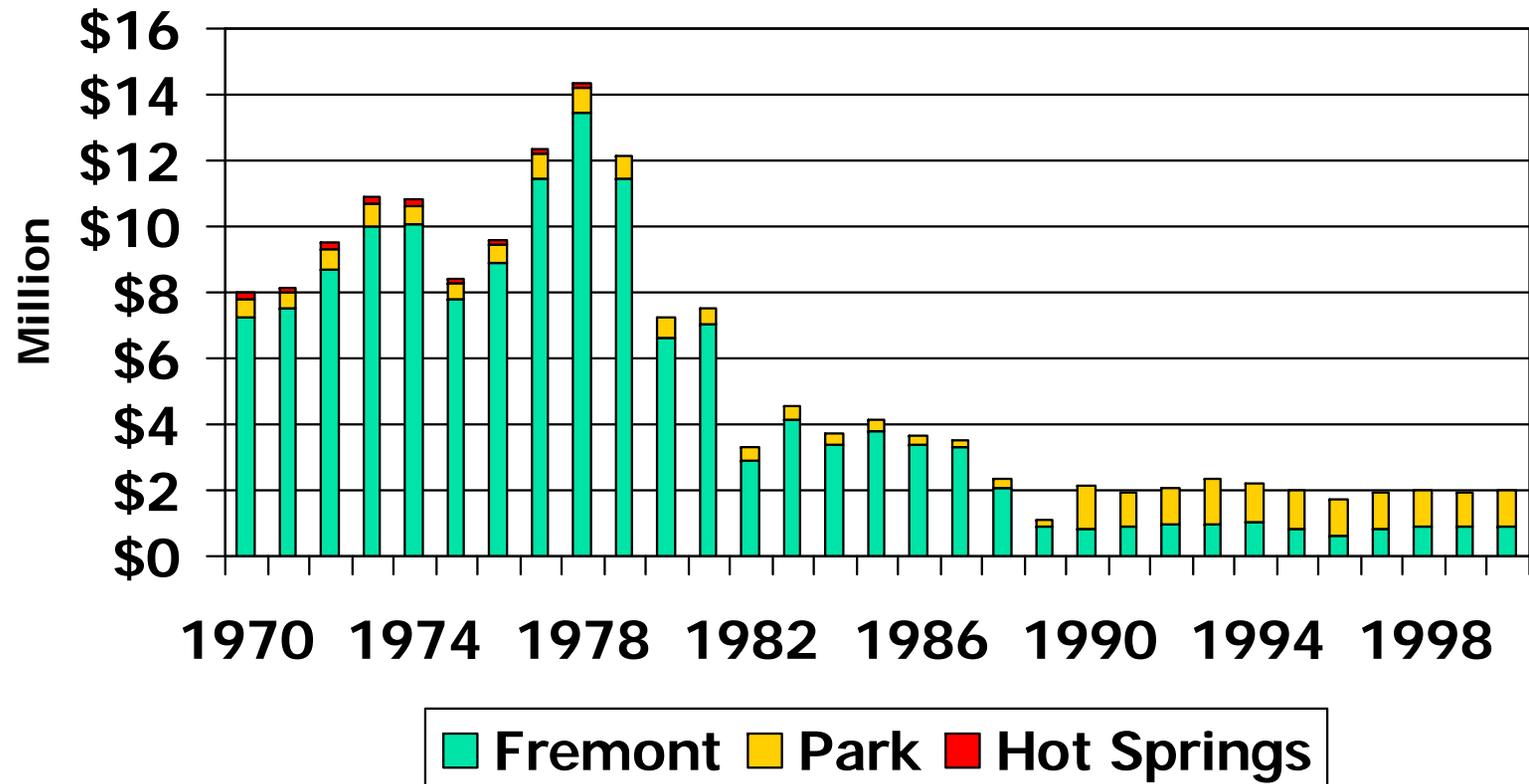


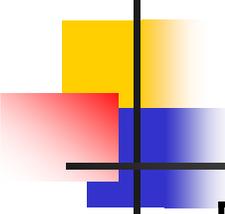


## Acres of Timber Harvest on Shoshone NF, FY1985-2005



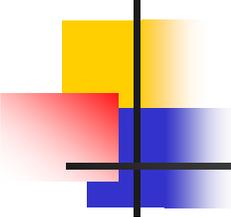
# Lumber & Wood Products Labor Earnings, 1970-2000 (Adjusted for Inflation)





## Wood Product Facilities, 2005

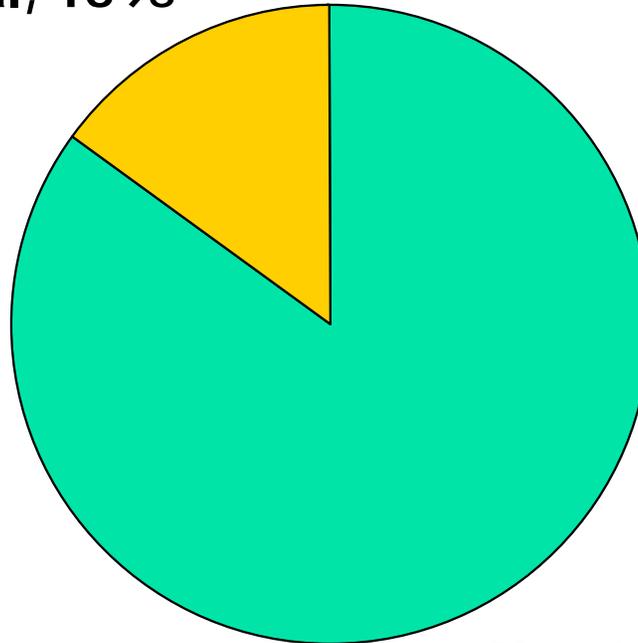
Type	Fremont	Hot Springs	Park	Total
Sawmills	4	0	3	7
Post & Pole	0	0	1	1
House Logs	2	0	6	8
Log Furniture	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>
Total	6	0	13	19



# Processing of Shoshone NF Timber

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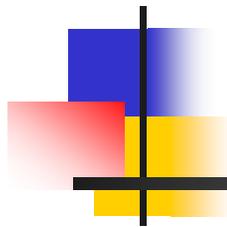
**Local, 15%**



**Non-Local,  
85%**

# Economic Impact of Timber Harvest on Shoshone NF

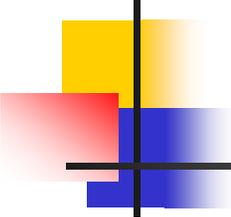
	Per MMBF	Sawtimber	POL	Total
Volume	1.0 MMBF	4.5 MMBF	2.5 MMBF	7.0 MMBF
Direct Jobs	5.9	26.6	14.8	41.3
Multiplier	<u>2.184</u>	<u>2.184</u>	<u>2.184</u>	<u>2.184</u>
Total Jobs	12.9	58.0	32.2	90.2
AEPJ-Direct	\$28,987	\$28,987	\$28,987	\$28,987
Direct Earn	\$171,023	\$769,605	\$427,558	\$1,197,163
Multiplier	<u>1.752</u>	<u>1.752</u>	<u>1.752</u>	<u>1.752</u>
Total Earn	\$299,633	\$1,348,348	\$719,082	\$2,097,430
AEPJ-Total	\$23,253	\$23,253	\$23,253	\$23,253



# Recreation and Tourism

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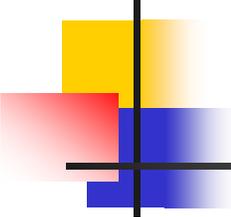
Economic Impact Analysis of the  
Shoshone National Forest



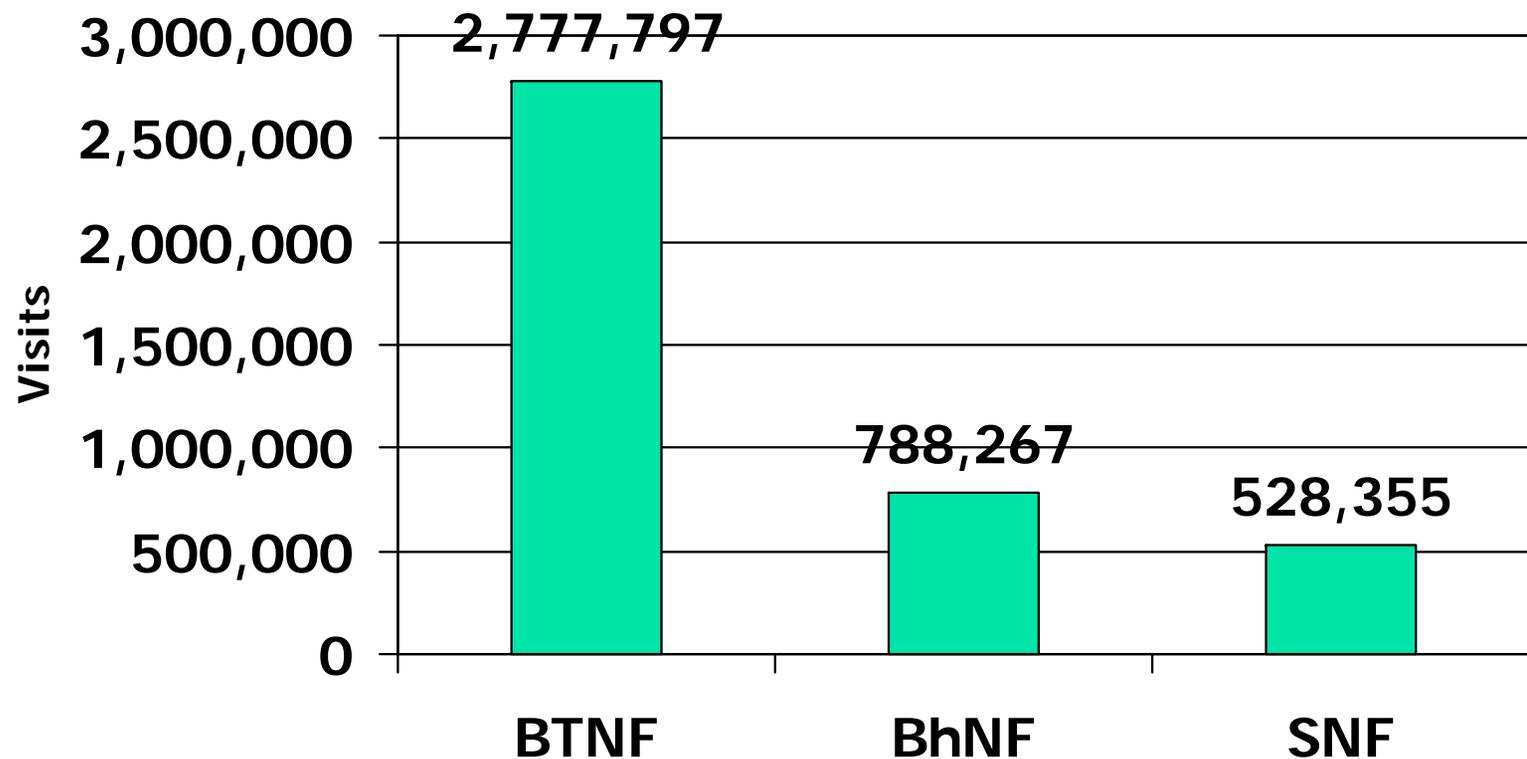
# National Visitor Use Monitoring

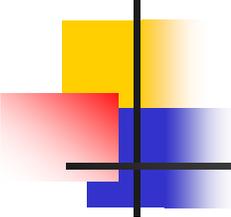
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- USFS analysis of recreation on all Forests in U.S.
- Statistical estimates based from intercept samples of Forest visitors.
- Results are specifically for Forest visitors.
- Shoshone NF: Oct 2002 – Sept 2003
- Sample Size: 562 Visitors
- Estimated Total Visits = 528,353



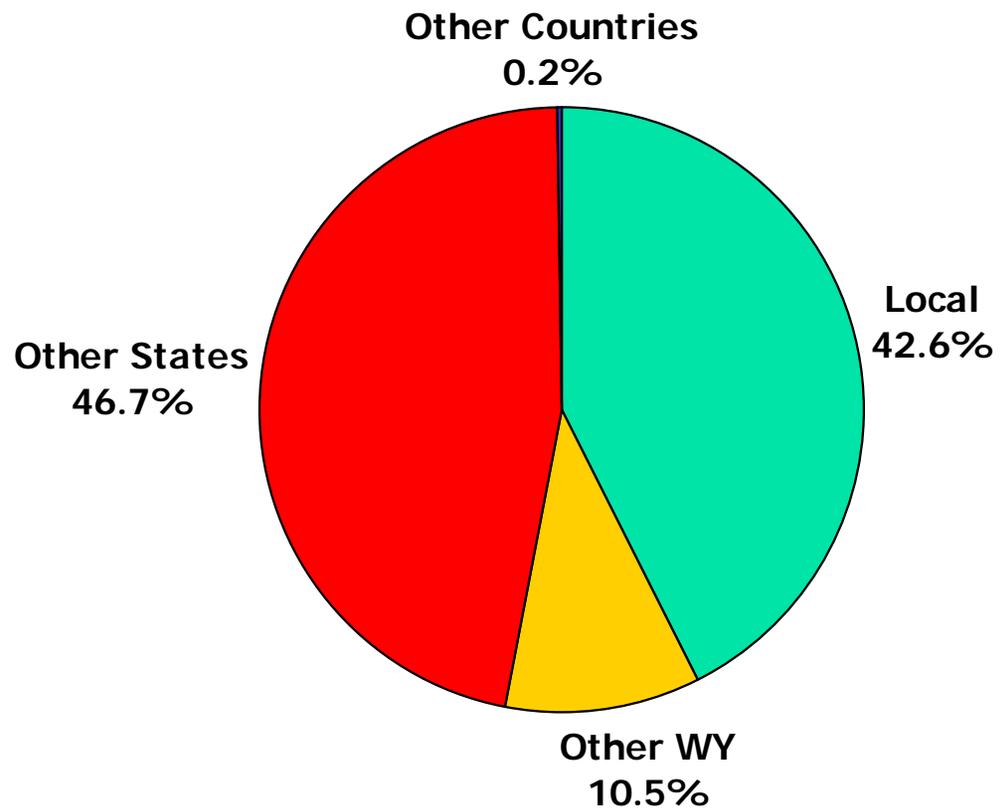
# Comparison to Other Forests

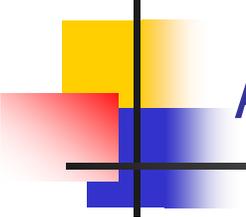




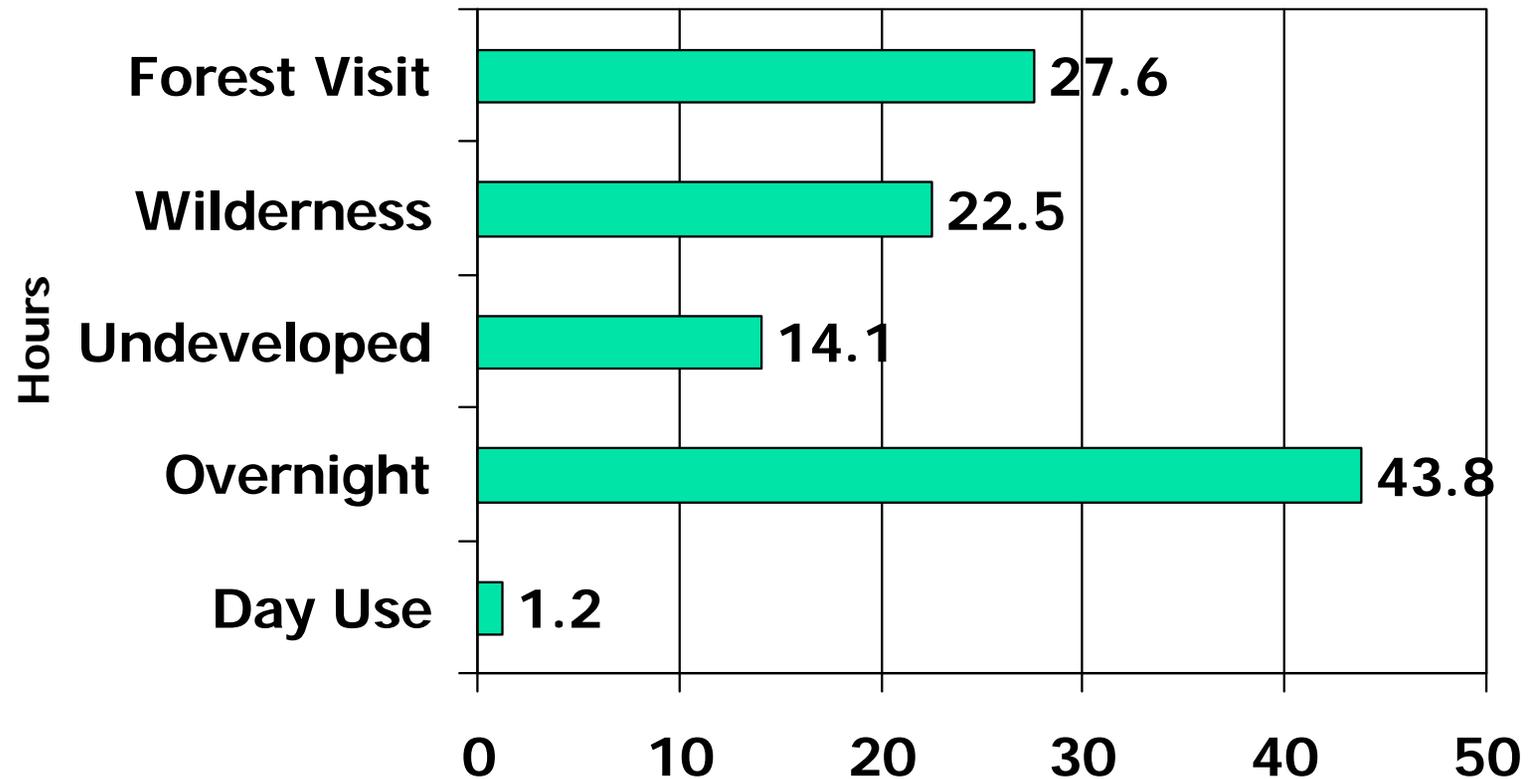
## Origin of Shoshone NF Visitors, 2003

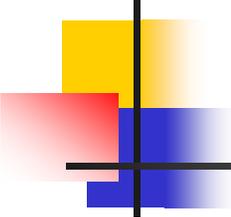
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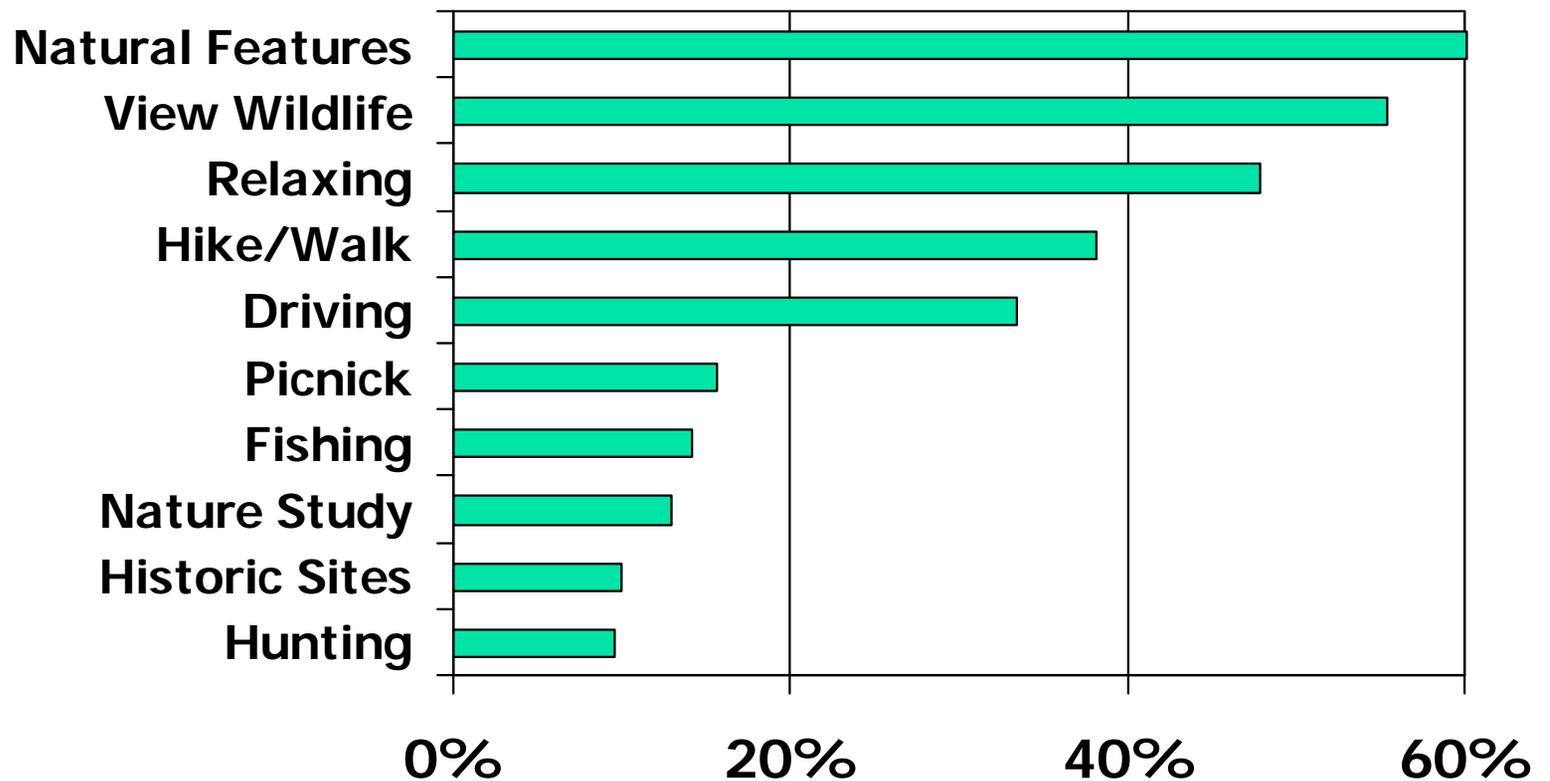


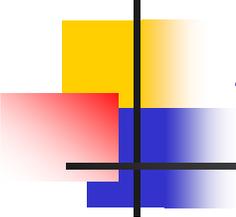
## Average Length of Stay for Shoshone NF Visitors



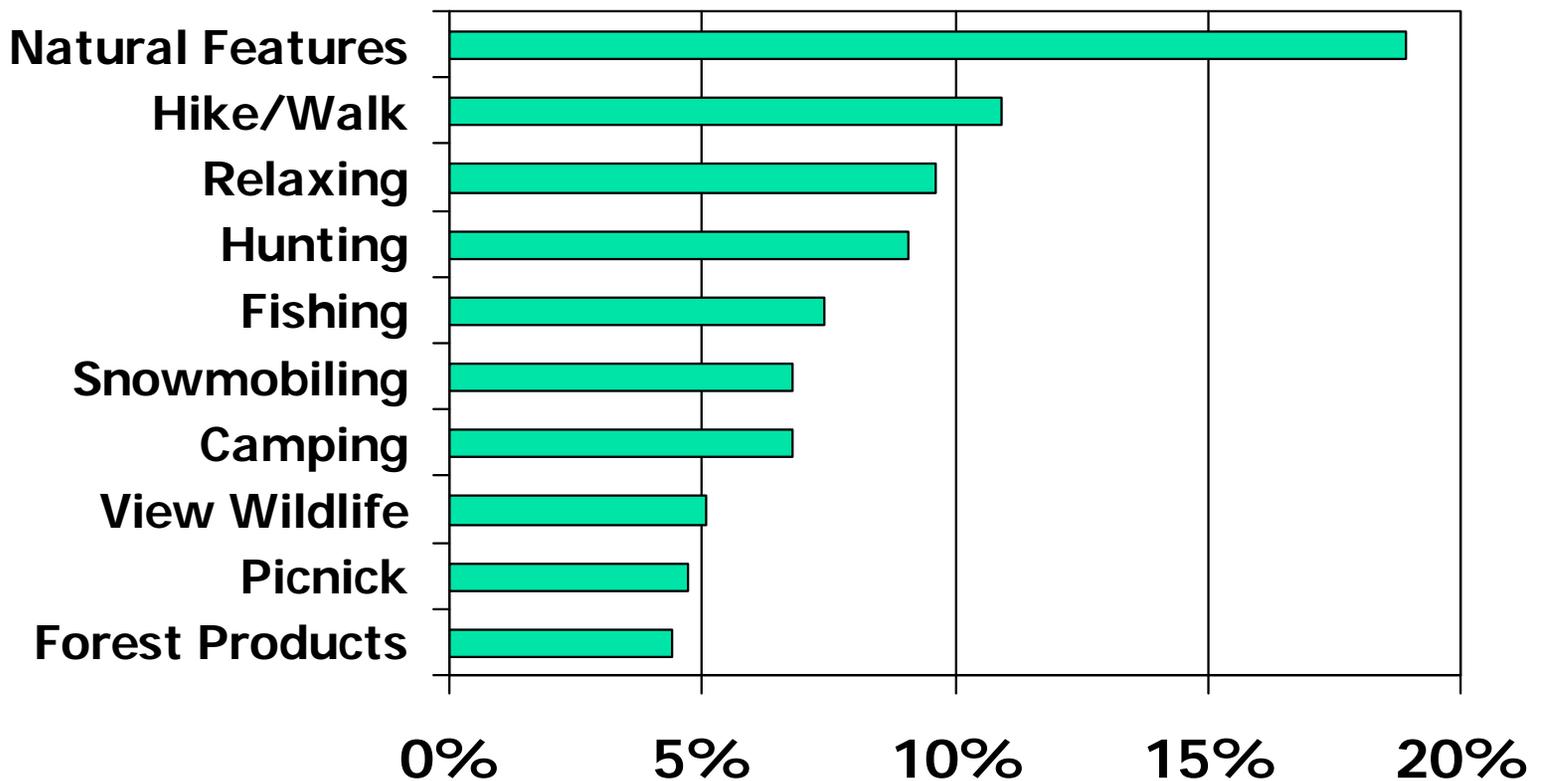


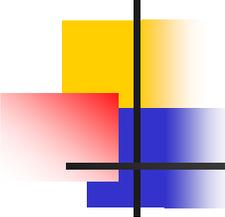
## Top 10 Recreation Activities on The Shoshone NF





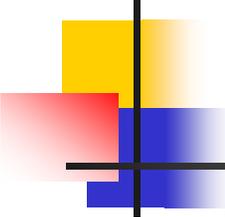
## Top 10 Primary Recreation Activities on the Shoshone NF





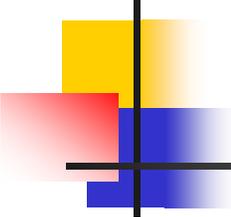
## Shoshone NF Visits by Market Segment

<u>Market Segment</u>	<u>Individual Visits</u>	<u>Ave Party Size</u>	<u>Group Visits</u>
NL Day	15,851	2.32	6,832
NL Ovn NF	36,985	2.59	14,280
NL Ovn Off	89,820	2.59	34,680
Local Day	221,908	1.83	121,261
Local Ovn NF	26,418	2.51	10,525
Local Ovn Off	21,134	2.51	8,420
Non-Primary	<u>116,238</u>	N.A.	<u>N.A.</u>
Total	528,353	2.69	195,998

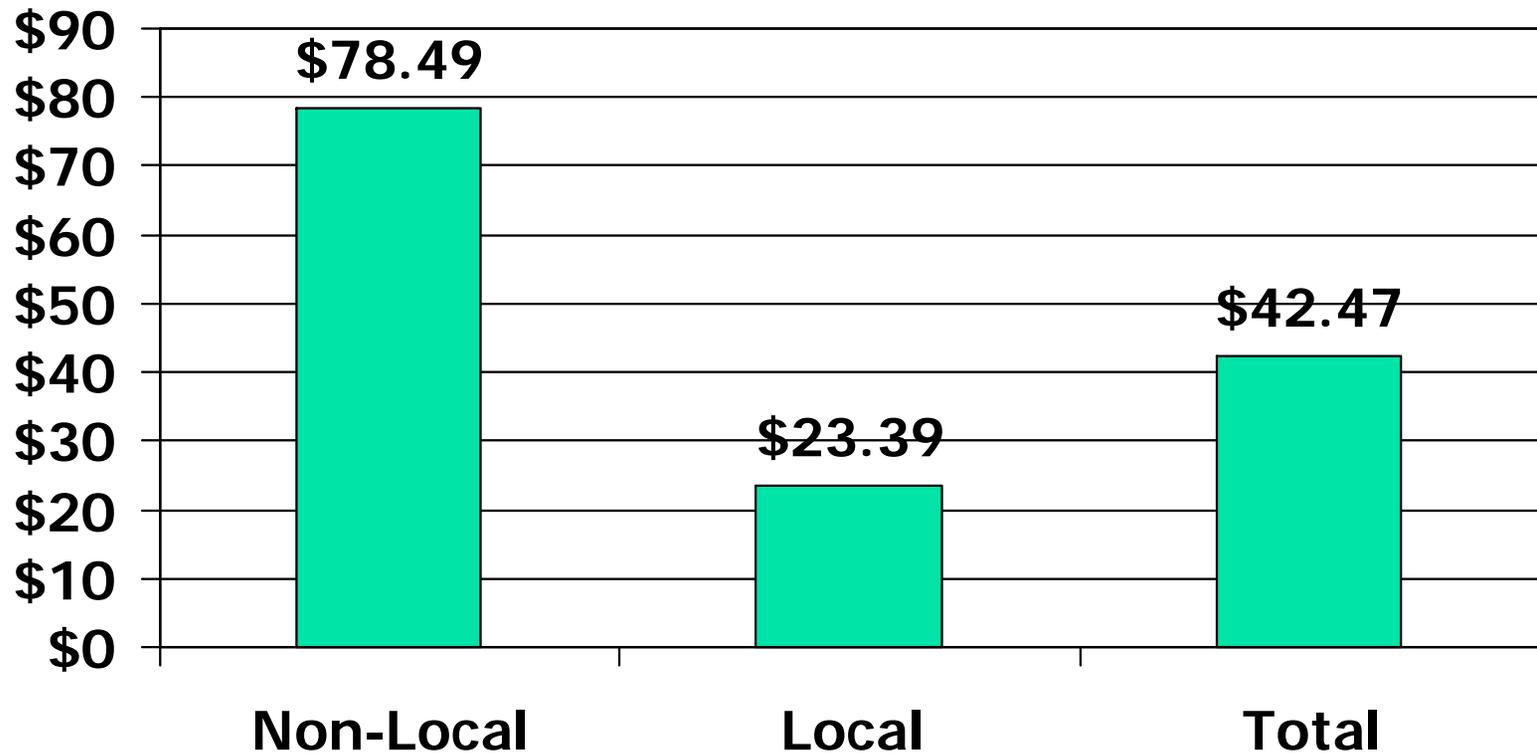


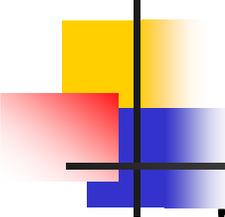
## Shoshone NF Visitor Spending

<u>Market Segment</u>	<u>Group Visits</u>	<u>Spending/Group</u>	<u>Total Spending</u>
NL Day	6,832	\$51.82	\$354,040
NL Ovn NF	14,280	\$161.25	\$2,302,650
NL Ovn Off	34,680	\$246.28	\$8,541,056
Local Day	121,261	\$32.99	\$4,000,472
Local Ovn NF	10,525	\$124.49	\$1,310,257
Local Ovn Off	<u>8,420</u>	\$117.94	<u>\$993,034</u>
Total	195,998	\$89.29	\$17,501,509



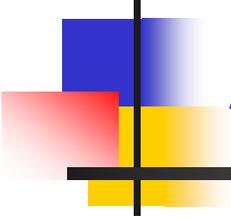
# Per Person Spending Per Visit





## Economic Impact of Shoshone NF Non-Local Visitors

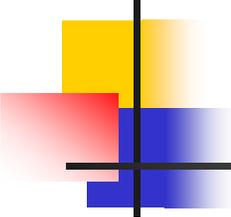
<u>Market Segment</u>	<u>Spending</u>	<u>Employment</u>	<u>Labor Income</u>
NL Day	\$354,040	6.2 Jobs	\$113,853
NL Ovn NF	\$2,302,650	38.9 Jobs	\$750,293
NL Ovn Off	<u>\$8,541,056</u>	<u>173.0 Jobs</u>	<u>\$3,092,796</u>
Total	\$11,197,746	218.1 Jobs	\$3,956,942
Ave Earnings/Job			\$18,143



# Additional Analysis

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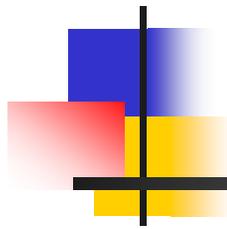
Economic Impact Analysis of the  
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## Additional Analysis

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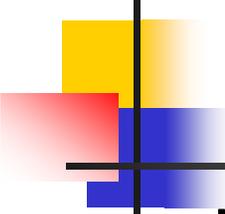
- Economic Importance of Commercial Recreation (Resorts, Dude Ranches, Guides & Outfitters).
- Economic Importance of Non-Labor Income to the Local Economy (Natural Resource Amenities).
- Other Topics From Today's Discussion



# Summary

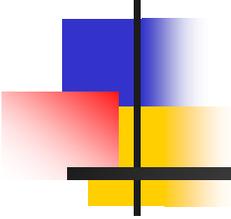
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## Economic Impact Analysis of the Shoshone National Forest



## Shoshone NF Economic Contribution, 2004

Sector	Employment	Earnings
Agriculture	64.1–195.4 Jobs	\$2.1MM-\$6.5MM
Timber	90.2 Jobs	\$2.1 MM
Tourism	<u>218.1 Jobs</u>	<u>\$3.9 MM</u>
Total	372.4-503.8 Jobs	\$8.1MM-\$12.5MM



Questions???

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Economic Impact Analysis of the  
Shoshone National Forest