

THE ECONOMIC IMPACT OF

Bicycling in Wisconsin



Prepared for the Governor's Bicycle Coordinating Council
by the Bicycle Federation of Wisconsin
in conjunction with
the Wisconsin Department of Transportation



Introduction

This report was requested by the Governor's Bicycle Coordinating Council, which recognized the need to provide a concise and informative presentation of the impact of bicycling on Wisconsin, and particularly on its economy, using the best information currently available.

The report is divided into three sections: a discussion of the overall benefits of bicycling to the state of Wisconsin, economic sector data on the bicycling industry in Wisconsin, and anecdotal data on the economic impact of bicycle tourism and recreation in Wisconsin.

Message from Governor Doyle



AS PART OF OUR ONGOING efforts to grow" Wisconsin's economy, we continue to seek creative and affordable ways to expand transportation options. For a growing

number of commuters and recreational travelers, bicycling is a practical, healthy and environmentally-conscious transportation alternative. As the number of bicyclists and bicycle trips in Wisconsin increases, so does the impact of bicycling on our state and local economies.

Wisconsin can be proud of its status as a national leader when it comes to quality bicycle and pedestrian facilities. For example, the state has supported the conversion of hundreds of miles of former railroad lines into bike trails; provides grants to communities throughout the state to help construct bicycle and pedestrian facilities; and routinely considers the needs of bicyclists and pedestrians as part of bridge and highway construction projects. People from throughout the nation and the world come to Wisconsin to take advantage of our top-notch bicycling opportunities.

Wisconsin is also home to several top manufacturers of bicycles and bike accessories and our state hosts a number of bike races and events. However, until recently, the overall economic impact of bicycling in Wisconsin was assumed to be significant but not well understood.

The Governor's Bicycle Coordinating Council serves as a statewide advocate to champion the needs of bicyclists and the bicycling economy. The council, with support from the Bicycle Federation of Wisconsin and the Wisconsin Department of Transportation, produced this brochure to help citizens and public officials better understand the significant economic impacts of bicycling in this state.

This economic overview provides further support for what we've suspected all along: that our investments in bicycling and transportation in general generate significant returns in the form of public health and safety, economic development and job growth.

JIM DOYLE, GOVERNOR

Bicycling as a Part of Daily Life in Wisconsin

The first section of this report outlines the total range of benefits of bicycling to the state of Wisconsin and its residents.

BICYCLISTS ARE ALL AROUND US. More specifically, the latest data available for Wisconsin (1997) ranks bicycling as one of the most popular recreational activities in Wisconsin, with **48% of Wisconsin adults bicycling for recreation**, and 21% specifically mountain biking.¹ “According to the Travel Industry of America, more than 27 million travelers have taken biking vacations in the past five years! Not only has biking grown to be one of the most popular outdoor vacations in America, nationally renowned bike trails and races have brought thousands to Wisconsin.”² But people don’t just bicycle for recreation in Wisconsin; in many cases people bicycle for transportation. According to the 2001/2002 National Household Travel Survey, in one year some 89 million bicycle trips were made in Wisconsin³.

Benefits of Bicycling

As noted by the *Wisconsin Bicycle Transportation Plan 2020*, bicycling brings many **benefits to the population of Wisconsin; these include health, transportation, safety, environmental, transportation choice, efficiency, quality of life, and economic benefits.**⁵ The explanations of the benefits of bicycling, below, are primarily summarized from the Wisconsin Department of Transportation’s *Wisconsin Bicycle Transportation Plan 2020*.

Health care costs are a major factor in Wisconsin’s economy, and bicycling can help reduce these costs. The **health benefits** of bicycling include “reduced risk of coronary heart disease, stroke and other chronic diseases; lower health care costs; and improved quality of life for all ages.”⁶ It is well documented that regular physical activity plays a significant role in the prevention and management of heart disease, hypertension, obesity, diabetes, osteoporosis, and depression. Bicycling for routine trips such as to school, work, and shopping can provide enough exercise each week to have a positive impact on people’s health without having to set aside time specifically for exercise.



The **transportation and safety benefits** of bicycling include reduced traffic congestion, decreased need for auto parking, and various safety improvements that benefit all road users. Annual traffic congestion costs are increasing, especially in metropolitan areas. More bicycling for transportation (especially when combined with other alternative modes such as walking and transit use) can increase the capacity of roads at much lower costs than increasing the capacity for cars, and often avoid the costs associated with parking facilities. Paved shoulders, wide curb lanes, and bicycle lanes not only improve conditions for bicyclists, but often contribute to safer conditions for motorists, and a reduction in roadway maintenance costs as well.

The **environmental benefits** of bicycling should be obvious, but they are worth repeating. Bicycling produces no pollution and consumes no fossil fuel. And the most frequent trips for bicyclists — those less than five miles — “produce the greatest environmental benefit since [auto]



trips under five miles in length are the least fuel efficient and produce the highest emissions per mile.⁷ As noted above, the benefits aren't just environmental. "Many bike commuters report that for trips under three miles, biking is quicker than driving, and for trips between three and five miles, biking generally equals driving time."⁸

The **transportation choice** provided by the relatively inexpensive availability and **efficiency** of a bicycle is a benefit in and of itself, since short trips are often more time efficient and less costly by bicycle. Even people who own cars can choose to make a trip by bike, and thus benefit from the diversity of choice the bicycle permits. But about 10% of Wisconsin's residents age 16 and over do not have a drivers license; and in some cities, over 20% of households do not own a car. For these segments of the population, the benefits of bicycling are even more substantial. Recent data indicate that it costs an estimated 5 to 10 cents per mile to own and operate a bicycle. The American Automobile Association estimates the cost to drive an automobile at 56.2 cents per mile (and one SUV at 72.7 cents per mile) for 2004.⁹ The Surface Transportation Policy Project reports that 90% of former welfare recipients do not have access to a car.¹⁰

Bicycling is an important part of the Wisconsin transportation system, but it could be even more important. **Ensuring that Wisconsin's residents have safe and convenient bicycle facilities wherever possible could save the state, county, and municipal governments millions of dollars per year in health care, social services, and transportation costs.** "Forty-six percent of Americans would walk or bike to work or for errands if they only had facilities that were safe and convenient."⁴²

Building bicycle facilities can also be a profitable investment in the economy.

The case study of the bicycle facilities in North Carolina's northern Outer Banks found that "the annual economic impact of cyclists is almost nine times as much as the one-time expenditure of public funds to construct special bicycle facilities in the region." And "the quality of the bicycling in the region had a positive impact on respondents' vacation planning, with 43% reporting that bicycling was an important factor in their decision to come to the area, 53% reported bicycling as a strong influence in their decision to return in the future, and 12% reported staying 3-4 days longer to bicycle in the area."⁴⁸

The extent of bicycling (and walking) in a community has been described as a barometer of a community's **quality of life**. Streets that are busy with bicyclists and walkers are considered human-scaled environments and foster a sense of neighborhood and community. These benefits, like so many others, are impossible to quantify, but when asked to identify civic places they are most proud of, residents most often name places where bicycling and walking are common. Environments conducive to bicycling do not just improve residents' quality of life, however, they also bring visitors to the area. Like few other states, "Vermont and Wisconsin are perceived by those living beyond their borders as beautiful places largely unspoiled by development and sprawl."¹¹

And that perception will become increasingly important, as "more than 27 million travelers have taken biking vacations in the past five years, making it one of the most popular outdoor vacations in America, third only to camping and hiking."¹² The following sections will quantify, as much as possible, the components of the economic impact of bicycling in Wisconsin.

Components of Economic Impact of Bicycling

This study provides information about the economic impact of bicycling on Wisconsin both in terms of industry and tourism. In Wisconsin, bicycling is a group of industries comprised of manufacturers of bicycles and parts, wholesalers/distributors, and retailers and repair services. Bicycle tourists affect the economy through the money that they spend on event entry fees, food, drink, lodging, and souvenirs when they ride, tour, and race.

The assessment of these economic impacts for all of the economic sectors except tourism were performed by the Wisconsin Department of Transportation's Economic Development Section. The tourism information was gathered by the Bicycle Federation of Wisconsin.

THE ECONOMIC ACTIVITY ASSOCIATED WITH the group of bicycle related businesses (i.e. industry) can be estimated and expressed in terms of employment, personal incomes, and output (total economic activity, roughly similar to sales). The effects of bicycle related economic activity ripples outward through the state, providing business, incomes, and jobs both directly and indirectly. Direct economic impact is the sum of the initial bicycle related activity by manufacturers, wholesalers, and retailers. Indirect economic impact is the economic activity generated by suppliers to the various businesses involved in the direct economic activity, and by suppliers to those suppliers. Induced economic impact is the activity generated within the state when bicycle related employees spend their wages on food, clothing, shelter, etc. It also includes economic activity generated when the employers of supplier firms spend their wages. All this spending is income for the recipient businesses, and, in turn, it is re-spent in the economy, creating a spin-off or ripple effect as successive waves of spending occur. Each of these three types of impact affects employment, incomes, and output. The total gross economic impact is the sum of the direct, indirect, and induced impacts on employment, incomes, and output as measured by a standardized model called the Regional Economic Model Inc. (REMI).



Each sector is described below, with economic data from the REMI model following the descriptions.

Manufacturing

Although manufacturing in general, and bicycle manufacturing specifically, is in decline in the U.S.¹³, Wisconsin is the home to a significant number of manufacturers of bicycles, parts and accessories. In fact, Wisconsin accounts for nearly 20% of the entire US bicycling industry.

Bicycle manufacturers in Wisconsin include **Trek Corporation** and **Waterford Precision Cycles**. **Saris Cycling Group** manufactures bicycle racks and bicycle related fitness equipment. **MadRax** and **Rudy Rack** also produce bicycle racks. **Hayes Disc Brake** manufactures brakes for bicycles among other products. **Mt. Borah Designs** produces bicycle clothing.



{ The economic impact of Manufacturing, Wholesale/ Distribution, Retail/Service, and other services (The REMI model) is \$556 million and 3,420 jobs. }

SECTOR:	MANUFACTURING	WHOLESALE/ DISTRIBUTION	RETAIL AND SERVICE	OTHER SERVICES	TOTALS
TOTAL JOBS	1945	222	1227	24	3,418
Direct Jobs	1098	112	875	17	2,102
Indirect Jobs	847	110	352	7	1,316
TOTAL OUTPUT	\$358,245,400	\$17,743,600	\$70,383, 836	\$1,624,000	\$377,613,000
Direct Output	\$262,189,700	\$13,956,700	\$38,881,436	\$918,000	\$315,945,836
Indirect Output	\$96,055,700	\$3,786,900	\$31,502,400	\$706,000	\$132,051,000
TOTAL PERSONAL INCOMES (wages, salaries, and proprietor incomes)	\$67,408,000	\$10,280,740	\$30,185,380	\$598,000	\$108,472,120
Direct Personal Income	\$35,748,000	\$6,931,140	\$18,792,470	\$313,000	\$61,784,610
Indirect Personal Incomes	\$31,660,000	\$3,349,600	\$11,392,910	\$285,000	\$46,687,510
TOTAL IMPACT (Output + Personal Incomes)	\$425,653,400	\$28,024,340	\$100,569,216	\$2,222,000	\$556,468,956

Wholesale/Distribution

Wholesale trade (distribution) in bicycles, parts, and accessories exerts a separate effect on the Wisconsin economy. Wisconsin's parts and accessories distributors include **Planet Bike** and **Olympic Supply**, while **Pacific Cycle**, the largest distributor of bicycles in the United States, distributes the brands of GT, Monogoose, and Schwinn, among many other brands.

Retail and Service

Retail trade in bicycles and parts also affects the Wisconsin economy. Wisconsin is home to over 270 independently owned bicycle retailers. In addition, several large chain retail stores sell bicycles in Wisconsin. Many retailers also furnish repair service, which is included in the retail/service data.

Other Services

This category captures some of the numbers that do not easily fit in the other categories, such as the **Bicycle Federation of Wisconsin**, the statewide education and advocacy organization, and other organizations that provide services for or by bicyclists, though not necessarily from a single point such as a retail storefront or rental agency. This data also includes bicycle couriers, which in Wisconsin includes **Scram! Couriers** in Madison and **Breakaway Bicycle Couriers** in Milwaukee.

Other Professions and Trades

While they have not been quantified in the data, it should be noted that there are perhaps hundreds of people in Wisconsin whose sole or partial responsibilities include serving bicyclists and bicycle facilities. These include government workers, bicycle educators, and bicycle planning consultants. And many private

firms in the fields of planning, engineering, and construction complete bicycle transportation plans and design and construct facilities. Some firms have individuals on staff who do virtually nothing else, and many have people that work on bicycle plans and facilities at least some of the time. Another significant sector is the construction trades. Ten of millions of dollars are invested annually in bikeways alone, aside from roadway improvements including provisions for cyclists like paved shoulders.

Total Economic Impact of Manufacturing, Wholesale/ Distribution, Retail/Service

WISCONSIN HAS ONE OF THE largest bicycle industries in the country. The total impact of manufacturing, wholesale/distribution, retail, and services related to bicycling is over \$556,000,000. Over 3,400 jobs are attributed to these industry types (table above). Although the size of retail trade and services connected to bicycling may be comparable to other bicycle-friendly states with similar populations, Wisconsin leads the country in bicycle and bicycle-equipment manufacturing. Eleven hundred direct jobs alone are attributed to bicycle manufacturing. Another 850 jobs are indirectly related to bicycle manufacturing. Manufacturing is most often considered an economic base building activity since the products it makes supplies more than a local or regional population. And wages and salaries are typically higher in manufacturing as well. The total output of \$358 million for bicycle manufacturing is a reflection of this impact. Retail trade also provides a significant contribution to the Wisconsin economy with over 1,200 direct and indirect jobs being provided.



PACIFICCYCLE



Bicycle Tourism and Recreation

The next section and the remainder of the report will delve into bicycle tourism and its impact on the Wisconsin economy. Unlike the preceding section of the report where impacts can be more easily quantified, tourism and tourism travel cannot be easily dissected for estimating the contribution of bicycle tourism.

SINCE AN ESTIMATE OF THE impact that bicycling has for tourism is not readily available, the following provides numerous examples of single-source impacts. The examples will not add up to the total impact that bicycling has on tourism.

According to a recent Wisconsin Department of Tourism report, *The Economic Impact of Expenditures by Travelers on Wisconsin Calendar Year 2003*, tourism is defined by “the movement of people into an area for a brief period of time.” “Its economic impact begins with the sum of every dollar visitors spend on lodging, retail purchases, gas, food entertainment or any other goods or services people buy.” This report estimated that Wisconsin travelers spent a total of \$11.71 billion in 2003, however, it was well beyond the scope of the report to separate the impacts by tourism activities.

So of the total \$11.7 billion tourism industry in Wisconsin, what would be a reasonable estimate for bicycling’s contribution? That question is impossible to answer with any degree of accuracy with available data, but according to the Department of Tourism, bicycling’s contribution to tourism is significant. Recognizing this, and the potential to increase tourism by promoting this activity, the Department of Tourism makes significant investments annually to market bicycling in state and out of state.

Although quantifying the impact that bicycling has on tourism is impossible, gauging its overall popularity for recreation is attainable. According to the National Household Travel Survey, an estimated 19.7 million bicycle trips were taken by state residents during a continuous 12 month period in 2001 and 2002 for the expressed purpose of recreation and vacation. Another 3.7 million trips were taken for a combination of recreation and social purposes. Aside from returning-to-home trips, bicycling for recreation was the major cycling activity. Unfortunately, expenditures made on those trips are not measured making it impossible to express the total impact that bicycling may have as a contribution to tourism/recreation.



Bicycle facilities have positive effects on real estate values (and therefore property tax revenues), as well as nearby businesses.

AN EXAMPLE OF THIS IS the increased price of land (and therefore, tax revenues) in proximity to bicycle facilities. Specifically, a 1998 study found that lots adjacent to the Mountain Bay Trail in Brown County sold faster and for an average of 9% more than similar property not located next to the Trail.⁴⁷ The conclusion that the existence of such facilities might generate increased revenue through higher property values is corroborated by the *Consumer's Survey on Smart Choices for Home Buyers* finding that trails ranked the second most important amenity out of a list of 18 choices.⁴⁶ A study of users of the Fox River Trail showed 39% of responding businesses indicated increased business as a result of the Fox River Trail.⁴⁷

{ The economic impact of tourism and recreation is a significant portion of the State's \$11.7 billion tourism industry. }



Some other states have conducted studies to estimate this impact. The state of Maine, with a much smaller tourism industry to begin with, estimates that the total annual economic impact of bicycle tourism in that state is \$66.8 million while Colorado estimates it at \$193 million.¹⁵ A study of the impact of investments in bicycle facilities in the northern Outer Banks of North Carolina found that 17% of visitors to the area (or 680,000 people annually) reported bicycling while there. The study estimated that over \$60 million per year was spent by those bicyclists and that 1,400 jobs were created.¹⁷

Trails and Mountain Biking

WISCONSIN HAS AN EXTENSIVE NETWORK of trails. In large part, Wisconsin's trail network is the product of its progressive policy on rail to trail conversions. In Wisconsin, the state has the first right of acquisition for abandoned rail-road corridors, which combined with the federal "Rails to Trails" program has led to many rail to trail conversions. The Rails to Trails law allows interim trail use until the corridor is needed for future rail needs. In 1967, Wisconsin converted its first 33 miles of rail-trail and today it leads the nation with more than 1,500 miles of rails to trails.⁴⁹

Many trails are developed by cities or counties using Statewide Multi-modal Improvement Program (SMIP) funding or local general purpose funds. SMIP funding comes from the federal government and local units of government are awarded 80% of the cost of their project and are responsible for paying the other 20%. The SMIP program includes federal Transportation Enhancement funding, that can be used to fund 12 categories of projects, including bicycle and pedestrian facilities and educational programs. Many projects were also funded under another SMIP program, the Surface Transportation Discretionary program. This program has not been funded under recent budgets so most communities rely on the Transportation Enhancement program.

Other sources of funding for bicycle trails include federal Congestion Mitigation Air Quality funding (which is only available in parts of the state with poor air quality) and Recreational Trails funding. In general, the demand for funding of bicycle/pedestrian trails far exceeds the available funds. There are an estimated 800 locally managed trails in the state amounting to about 800 miles.

The Wisconsin Department of Natural Resources manages or co-manages 37 state trails totaling 1,607 miles. They have a variety of surfaces for a variety of activities, summer and winter walking/hiking, bicycling, in-line skating, horseback and all-terrain vehicle riding, snowmobiling, cross-country skiing, and snowshoeing (*maps of the trails are available online at <http://www.dnr.state.wi.us/org/land/parks/specific/findatrail.html>*).

Mountain biking opportunities exist in 26 Wisconsin state parks and forests. With more than 5.7 million acres of public land in Wisconsin, the off-road possibilities are endless.⁴⁹ A 1997 study by the UW-Extension found that mountain biking in the Chequamegon area provides an annual economic benefit (to Sawyer and Bayfield

counties) of \$1.2 million (1995 dollars), or approximately \$1.4 million in 2004 dollars²⁷ and 35 annual jobs²⁸. This impact includes direct expenditures attributable to non-local mountain bikers, employment, property income, and value added from Chequamegon Area Mountain Bike Association (CAMBA) trail users. It was estimated that approximately 22,630 bikers rode on the CAMBA trails during the 1996 season. This count was arrived at after factoring out local riders and riders who were in the area for the Chequamegon Fat Tire Festival. It should also be noted that the mountain bike trails were relatively new at the time those counts were taken, the purpose of the estimate was to provide a baseline, and the number of mountain bikers using the CAMBA trails has most likely increased.

Wisconsin's State Trail Pass provides over \$13 million yearly in user fees.²² A survey administered as part of the Wisconsin Statewide Comprehensive Outdoor Recreation Plan found that 48% of adults surveyed bicycled for recreation (and 21% specifically mountain biking).²³ And the "Profile of Visitors on the Bike Trails of Western Wisconsin" found that 64% of visitors surveyed were in the area to bike on the trails.²⁴ So it is probably reasonable to conclude that roughly half of the \$13 million revenue generated by state trail passes²⁵, or around \$650,000 were at least in part a result of the park and trail users' desire to bicycle in the state park system.

Single-Day Bicycle Tours

THERE ARE 57 ONE-DAY BICYCLE tours listed in the Bicycle Federation of Wisconsin 2004 Bicycling Events and Resource Guide, including such rides as the Miller Lite Ride for the Arts (over 200,000 riders and \$4.8 million since 1981), the Door County Century (~2000 riders annually), the Tyranena Oktoberfest Bike Ride (951 riders), and the Wright Stuff Century (750 riders), among others.

An example of a one-day tour (as opposed to an officially sanctioned race) is the "Horribly Hilly Hundreds," which starts in Mount Horeb, WI. There were 600 riders registered in 2004, at \$35–45 each, for a total in registration fees of \$21,000–\$27,000. The registration limit has been raised to 1,000 for the 2005 event, so the villages of Mount Horeb and Blue Mounds can expect an infusion of \$40,000 in entry fees alone, and perhaps as much as another \$100,000 in non-entry fee expenditures, by cyclists in 2005 for a one-day bicycling event in their part of the state's driftless region.

Bicycle tourists' expenditures other than entry fees:

ESTIMATING THE EXPENDITURES OF BICYCLE tourists beyond what they pay in entry fees is difficult. Lodging expenditures have been particularly hard to capture. Hotel vacancy rates are sometimes available from area Chambers of Commerce. Some studies have estimated what bicycle tourists spend on other things, such as food and beverages. A 1994 study of expenditures by users of the Red Cedar Trail in Dunn County by the UW-Extension estimated a per person expenditure of \$49.28, or almost \$2 million annually.²⁰ A *Profile of Visitors on the Bike Trails of Western Wisconsin* (including the Elroy-Sparta Trail, the La Crosse River Bike Trail, the Great River Trail and the 400 Trail) found that the average expenditure per person per day (for trail visitors who were not local) was \$26.43.²¹

There is currently just one study that captures the number of cyclists that ride on Wisconsin's roads outside of organized events and that is for a specific scenic highway. The Wisconsin Department of Transportation in a study entitled—*Economic Impact Study and Marketing Analysis of Wisconsin's National Scenic Byway: The Great River Road*, found that 2% of the surveyed visitors traveled along the byway by bicycle and 4% stated that as the reason why they came to this area (6% in the spring, 7% summer, and 3% fall).⁵⁰



NAME OF MULTI-DAY TOUR	NUMBER OF RIDERS	ENTRY FEES	ESTIMATED ADDITIONAL ECONOMIC IMPACT
GRABAAWR	900	\$144,000–\$445,500	See below text
SAGBRAW	1140	\$182,400–\$513,000	See below text
AIDS NETWORK ACT II	110	\$274,000	\$342,400
NORTHWOODS TOUR	352	\$84,780	\$191,610
EUROPE IN YOUR BACKYARD	40	\$31,600	\$47,860

Multi-Day Tours

THERE ARE MANY MULTIPLE-DAY SUPPORTED bicycle tours held in Wisconsin. Below are details on just a few:

GRABAAWR AND SAGBRAW

The Great Annual Bicycle Adventure Along the Wisconsin River (GRABAAWR) had 900 riders in 2004, and Sprocket's Annual Great Bicycle Ride Across Wisconsin (SAGBRAW) had 1,140 riders in 2004. According to Bike Wisconsin, the tour operator for GRABAAWR and SAGBRAW, the economic impact of the combined events was between **\$3.7 million** and **\$6.2 million** in 2004. These figures were based on the event budgets, which total about \$350,000 a year, plus actual spending by the participants in the two cross-state bicycling events, and appropriate multipliers to estimate indirect and induced economic effects. GRABAAWR participants reported spending an average of \$60/day, while SAGBRAW participants reported spending an average of \$57/day. The two events brought bicyclists into Wisconsin from 40 other states and Canada.¹⁸

ACT II

The AIDS Network ACT II ride had 110 riders in 2004 (down from 130 in 2003) that raised \$274,000. About 88% of that money went to provide services to Aids Network clients in a 13 county area, and the remaining 12% went to administration costs, so all of it stayed in Wisconsin. About a third of the riders came from Canada or other states in the US as far away as Texas, Virginia, and Washington. The ride stayed overnight in 5 towns and passed through dozens more. About 80 volunteers helped crew the ride, bringing the annual average to 200 people spending money in restaurants, taverns, etc, all over Wisconsin. If the average expenditure of SAGBRAW participants is applied over 6 days to the riders and volunteers of ACT II, it results in **\$342,400** in direct economic impact.

Northwoods Tour

352 riders spent \$84,780 on entry fees and \$36,000 on the meal plan (all meals provided by and benefiting vendors in Wisconsin towns where the tour stayed overnight).

Europe in Your Backyard

40 Participants spent \$31,600 in registration fees. Other expenditures included "gifts and artwork" ranging from zero to \$700 per participant. This and other economic benefits of the tour bring the estimated total benefit of Europe in Your Backyard to **\$47,860**. But this figure still does not include the ongoing purchases of cheese on-line and requests that the touring company, CycleVentures International, gets for other Wisconsin products the participants encountered en route. Other less tangible (or unquantified) benefits include repeat visits by tour participants: several participants have revisited the communities since the tour and made purchases. And one couple from Colorado stayed in Wisconsin an additional eight days on vacation outside the tour dates. This speaks volumes to both the current unquantified and potential economic benefits of bicycle tourism.

Other Multi-day Tours and Events:

There are 17 other multi-day tours, ranging from two to five days in length, listed in the Bicycle Federation of Wisconsin's 2004 Bicycling Events and Resource Guide, such as the Hostel Shoppe's Midwest Recumbent Rally. The Midwest Recumbent Rally brings more than 300 people to Stevens Point, almost all of them from out of town. Most stay 1–2 nights in Stevens Point lodging.¹⁹

Bicycle Racing

BICYCLE RACING IS VERY POPULAR, and growing, in Wisconsin. Organized racing takes many forms in Wisconsin. There are road races, criterium races, mountain bike cross-country races, mountain bike endurance races, cyclo-cross races, track (velodrome) races, BMX (bicycle motocross) races, and triathlons and other multi-sport races. The impact of some races and race series have been estimated by race organizers. For example, the results page for the "Firehouse 50" (an individual event in the "WiSport Series") shows nearly 1,000 entrants on just one day. Other events, such as the International Cycling Classic (commonly known as "SuperWeek") can draw fields of up to a hundred people in each category (and there may be as many as 8–10 categories per race), for the better part of two weeks. The Chequamegon Fat Tire Festival (several mountain bike races and associated events) draws thousands of participants over one weekend. Many of these events attract as many, or sometimes more, spectators, as well as bicycle industry vendors and others. Individual events are discussed in detail below.

Jeff Rose, the CEO of Woolly Mammoth Promotions, the organizer for the 2004 NCAA Road Cycling Championships, suggested that events that already happen annually in Wisconsin could generate up to \$1 million/day or more with a relatively small investment on the part of the local and state governments. For example, the Tour of Georgia is a weeklong race through different parts of that state that this year attracted Lance Armstrong and several European racing teams. According to Rose, the state saw economic impacts of \$750,000–\$1 million per day for 6–7 days of racing. The San Francisco Grand Prix is a one-day race through that city that returned approximately \$3 million in economic benefits to the city's \$750,000 investment for one day of racing. About 1.3 million people lined the course through the heart of the city.⁴⁴

Anecdotal information suggests that racers typically spend between \$15–150 per person per race, outside of registration fees, depending on the kind of race, distance race is from home, and lifestyle/income of the racer.⁴⁰ International races, such as SuperWeek, probably result in much higher expenditures by the participants, friends, and family.



One individual contacted said that racers will "spend about \$5–10 for any old ride" on food and beverages, and ride 20 times for every race attended.⁴¹ Although this information is anecdotal, it was corroborated several times, and it suggests that it is possible that racers spend as much or more than **\$1,900,000** on incidental expenses.

Badger State Games

The economic impact of the Badger State Summer games was \$2 million. Of all 24 of the summer games, three are cycling events (a road race, criterium, and mountain bike race). The impact of the cycling portion of the Badger State Summer Games was approximately \$250,000. The Quadrathlon (in which racers run, mountain bike, snowshoe, and cross-country ski) is one of 14 events in the Badger State Winter Games, and the economic impact of that event is approximately \$142,857. The contribution of the bicycling events in both the Winter and Summer Badger State Games is approximately **\$393,000**.



Ironman Wisconsin Triathlon

There were 2188 athletes who swam, bicycled, and ran in the Ironman Wisconsin on September 11, 2004, and nearly 40,000 spectators.³¹ The entry fee was \$500/racer. Registration for the 2005 event was filled within hours of opening on September 13, 2004. Sarah Stone of Wisconsin Sports Development Corporation (organizers of both Ironman Wisconsin and the Badger State Games) reported that Ironman Wisconsin had a **\$2 million** impact on Wisconsin using an economic multiplier model.³²

Multi-sport events:

Triathlons, races in which participants swim, bicycle, and run, and other variations of multi-sport races (such as run-bike-run duathlons) are seeing huge increases in popularity in Wisconsin and the rest of the country. There were approximately **5,040 entries** in 14 various multisport events scheduled in Wisconsin in 2004, 33 other than the Ironman Wisconsin (in which 2,188 people competed), and the Badger State Winter Games Quadrathlon in 2004. According to a representative of Midwest Sports Events, organizers of three of the largest multi-sport events (other than Ironman Wisconsin), the average entry fee was \$45 (and 20–40% of racers, depending on the event, stayed in hotel rooms at least one night for the race).³⁴ This resulted in **\$226,755** in entry fees alone for races other than the Ironman Wisconsin and Badger State Games.

Chequamegon Fat Tire Festival

This event is so popular that there has been a lottery held for the past several years to equitably distribute the available entry slots. See the trails section of this report (pages 8–9) for more on the economic impact of mountain bicycling in the Chequamegon forest.

WiSPORT (Road) Cycling Series

The results pages on the WiSPORT Web site³⁵ show 3,388 entrants in nearly two dozen races in 2004. If the entry fee range for the Firehouse 50, which was \$28–38/person, is extrapolated across all of the entrants in all the other events, then an estimate for the money spent just on entry fees was **\$95,000–\$129,000**. But this number still does not approach the amount of money spent by people who participated in one of these events. For example, the Firehouse 50 consisted not only of a road race with 594 entrants and a time trial with 342 entrants, but also a “Firehouse Fantasy 50”:

a chance to ride a shorter version of the road race course, but outside of the competition. Because this event was not a race, there is no record of the number of participants on their website, although it is explicitly stated that there was no registration limit. The cost to enter this event was \$23–33/rider.

WCA Wisconsin Cycling Association's Wisconsin Cup (Road) Series

The 2004 Wisconsin Cup Series included 19 races with 2,848 entries, including juniors (whose entry was often free or at a greatly reduced price), totaling approximately **\$50,486** in entry fees alone.

American Bicycle Racing

Track racing at Kenosha's velodrome attracts 170 participants and over 100 spectators per week over a 16 week season, mostly from within a 20–50 mile radius of the velodrome. Approximately 135–140 participated in each ABR road race in Wisconsin 2004 (there were two scheduled and listed in the 2004 Wisconsin Bicycling Events and Resource Guide as of April 2004). The schedule is expected to double for 2005.³⁸

2004 NCAA Road Cycling Championships

Jeff Rose, CEO of Woolly Mammoth Promotions, said that the 2004 NCAA Road Cycling Championships had an economic impact on Wisconsin of about **\$500,000**.³⁰

WCA Wisconsin Cycling Association's Cyclo Cross Series

The 2004 WCA Cyclo Cross Series saw 834 racers, including juniors, participate in 8 races, spending **\$15,497** in entry fees alone. Many of the racers came from Minnesota or Illinois, especially for the state championships in Sun Prairie.

BMX Racing

Not much information is available about the status or impact of BMX (Bicycle Motocross) Racing, other than that there are four outdoor tracks in Wisconsin, each with weekly events from April through October, and one indoor track with events every weekend in November–March.³⁹

WORS Wisconsin Off-Road (Mountain Bike) Series

The Wisconsin Off Road Series was made up of 12 relatively short distance mountain bike races in 2004 that had 9,870 entrants and an estimated 11,800 spectators. According to the WORS 2004 Wrap-Up, “WORS racers drove approximately 1.6 million miles to and from races and injected over **\$135 million** into local economies (including race fees, meals, gas, lodging, etc.).”²⁹



WEMS Wisconsin Endurance Mountain Bike Series

The Wisconsin Endurance Mountain Bike Series consists of eight races with events at each lasting three, six, or twelve hours. In 2004 there were 635 racers paying entry fees ranging from \$20–\$35 each, averaging \$30/racer. Additionally, 46 racers registered for the series, paying \$20 to compete for an overall award. The WEMS series and individual races brought in a total of **\$19,970** in entry fees alone.

International Cycling Classic

The International Cycling Classic (commonly known as “SuperWeek”) is an internationally recognized and attended race series in Wisconsin. It consists of 18 consecutive days of racing (16 in Wisconsin, two in IL). 1,384 cyclists participated in 2004, bringing in **\$186,500** in entry fees alone for over 6,400 race entries (many riders enter multiple races). Only 32% of SuperWeek riders are from Wisconsin; **about 23% of racers are from Illinois and 45% from other states.** An International Cycling Association official estimated that riders from states other than Wisconsin or Illinois stay for an average of six days, so about 485 riders stay in hotels.³⁶

In 2004, the International Cycling Classic attracted riders from 42 states and 22 foreign countries. With the exception of Bensenville and Beverly Hills in IL, all 18 of the races were held in Wisconsin, ranging from Kenosha to De Pere. A handful of the host cities build some of their most popular community events around SuperWeek races, including the Kenosha, Menasha, Downer Avenue, and Schlitz Park races. The sponsorship for SuperWeek (including cash and products and services) is estimated at **\$40,000–\$50,000.**³⁷



	TYPE OF EVENT	NUMBER OF ENTRIES	ENTRY FEES	OTHER ECONOMIC IMPACTS
BADGER STATE GAMES	Multi-sport	N/A	N/A	\$393,000
IRONMAN WISCONSIN TRIATHLON	Multi-sport	2,188		\$2,000,000
CHEQUAMEGON FAT TIRE FESTIVAL AND SEASONAL MOUNTAIN BIKING	Mountain Bike	22,630	N/A	\$1,439,000
WORS WISCONSIN OFF-ROAD SERIES	Mountain Bike	9,870	N/A	\$1,350,000
WEMS WISCONSIN ENDURANCE MOUNTAIN BIKE SERIES	Mountain Bike	635	\$19,970	N/A
INTERNATIONAL CYCLING CLASSIC	Road Bike	1,384	\$186,500	N/A
2004 NCAA ROAD CYCLING CHAMPIONSHIPS	Road Bike	N/A	N/A	\$500,000
WISPORT CYCLING SERIES	Road	3,388	\$129,000	N/A
WCA WISCONSIN CYCLING ASSOCIATION'S WISCONSIN CUP SERIES	Road Bike	2,848	\$50,486	N/A
WCA WISCONSIN CYCLING ASSOCIATION'S CYCLO CROSS SERIES	Cyclo-Cross	834	\$15,497	N/A

{ **Economic impact of bicycling on Wisconsin Industry:**
\$556 million and 3,420 jobs
Tourism: undetermined, but considered significant
Total: \$556 million plus }

Conclusions and the Need for Further Study

THE ESTIMATED ECONOMIC IMPACT OF bicycling on Wisconsin's economy is \$556 million for just the industry portion. When tourism is plugged into the equation, a considerable increase can be anticipated, but its exact or even estimable contribution is unknown at this time. Certainly, the actual economic impact of bicycle tourism and recreation is much greater than what the examples may express above. Estimates made in other states (and some estimates for specific geographic regions in Wisconsin) show that a comprehensive analysis of the economic impact of bicycle tourism in Wisconsin should be undertaken. This would involve not just a review of existing literature (as has been done for this report), but also the collection of new, comprehensive data on a statewide basis. All kinds of cyclists, both Wisconsin residents and especially visitors, should be accounted for, regardless of whether they bicycle for transportation, fitness, or recreation, or whether they ride on Wisconsin's scenic roads, rail-trails, or mountain bike trails.



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Page 9 group photo from
Bicycle Federation of Wisconsin

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Endnotes

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