

# U.S. Marina Industry Economic Impact Study

Completed by  
The Association of Marina Industries  
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## Introduction

The Association of Marina Industries (AMI) is proud to release the first ever Marina Economic Impact Study. This project started with the development of the marina economic impact calculator – a simple but powerful tool that lets a marina enter business data to calculate its impact on the marina’s local economy. This tool is powered by input/output economic modeling completed by the University of Florida and the Virginia Institute of Marine Sciences (VIMS).

Using this economic model, AMI was able to extrapolate the total (direct, indirect and induced) economic impact of the marina industry. AMI estimates that 11,500 U.S. marina businesses had an \$18 billion economic impact (\$5 billion direct) and supported an estimated 105,000 full or part-time/seasonal employees.

The five largest marina industry states, including Florida, California, Texas, New York and Massachusetts, account for \$7.8 billion of this economic output.

## Contents

Introduction .....	1
Marina Economic Impact Calculator .....	3
Data and Methods .....	4
Total Economic Impact of the U.S. Marina Economy .....	5
Regional Significance of the U.S. Marina Economy .....	6
Contact Information.....	8

## Marina Economic Impact Calculator

In 2015, the Association of Marina Industries (AMI) contracted the University of Florida Institute of Food and Agriculture Sciences (UF/IFAS) and the Virginia Institute of Marine Science's Marine Advisory Services (VIMS) to develop a web-based economic impact calculator for marinas in the U.S. As part of this project, UF/IFAS and VIMS created economic modeling customized for the specific operating characteristics of marinas. Marinas have a diverse portfolio of revenue streams from boat storage, slip rental and fuel sales to restaurant operations, real-estate and boat brokerage.

Economic impact analysis is important to making informed public policy decisions, but the calculator can also help your business grow, by providing useful information to include on permit, loan or grant applications. It helps you show the importance of your community to the economy.

The calculator was developed using regional input-output modeling that estimates the economic relationships between consumers and producers in an economic chain. For example, the sale of fuel at a marina has an economic impact. Boat owners purchase fuel from a marina; the marina purchases fuel from a wholesaler; and the wholesaler may purchase fuel from an oil production/refinement company. Each purchase or sale has economic significance that, in turn, results in jobs, income, purchases of other items and taxes to the local, state and federal government. The calculator estimates these impacts by using multipliers; multipliers are established for the direct, indirect and induced economic impact of a financial transaction.

**Direct effects** take place only in the industry immediately affected: if a marina lays off five employees, the marine industry loses five employees.

**Indirect effects** concern inter-industry transactions: if a marina closes, it will no longer need locally produced materials or services. This will affect their suppliers, possibly resulting in a further loss of more jobs.

**Induced effects** measure the effects of the changes in household income: laid-off employees of a marina and its suppliers may reduce what they spend in restaurants and shops, since they are no longer employed. These changes affect the related industries.

**The economic impact equals the direct + indirect + induced effects.**

The economic impact assessment estimates the significance of these monetary transactions which we can then use to estimate the economic impact of an industry. In this report we assess the economic impact of the U.S. marina industry and break down these impacts by region.

The input-output modeling completed by UF/IFAS and VIMS for AMI uses IMPLAN (IMpact analysis for PLANning) modelling and data for the year 2013. In 2017, AMI updated the marina economic calculator, so marina owners and managers can input revenue from different sources. This allows higher accuracy in the estimate of their regional economic impact. This work is reflected in a 2017 report. Both full 2015 and 2017 marina economic impact calculator reports can be found here:

[www.marinaassociation.org/meicdoc](http://www.marinaassociation.org/meicdoc)

The marina economic impact calculator is available FREE to all AMI members at:

[www.marinaassociation.org/meic](http://www.marinaassociation.org/meic)

## Data and Methods

AMI used the economic modeling developed in the 2015 marina economic impact calculator project and data purchased from what was, at the time, Dun and Bradstreet's<sup>1</sup> commercial business database to estimate the economic impact of the U.S. marina industry.

### *Data*

AMI collected revenue data on businesses registered under the North American Industry Classification System (NAICS) code 71393 or marinas. According to IBISWorld<sup>2</sup> a marina is defined as follows.

*Marinas provide docking and storage for pleasure craft owners. Marinas may also sell fuel and marine supplies and provide services such as repairing or renting boats. Many operators in this industry offer sailing instruction in addition to recreational boat rental. Marinas do not handle large passenger ships or cargo from freighters.*

#### **Industry Products**

- *Pleasure craft docking, launching, storage and utilities services*
- *Fuel and merchandise sales*
- *Repairs and maintenance services*
- *Food and beverage sales*

#### **Industry Activities**

- *Boating clubs with marinas*
- *Marinas*
- *Sailing clubs with marinas*
- *Yacht basins*
- *Yacht clubs with marinas*

This NAICS code is separate from related industries, like boat building and boat dealership. However, AMI suspects that due to the integrated nature of these industries, the data might include revenue from boat sales, manufacturing, service and repair — all residing within the portfolio of a marina business registered as marina.

### *Methods*

The database included revenue data on 7,333 marina businesses of the estimated 11,500 marina businesses in the U.S.<sup>1</sup> AMI aggregated revenue data by model region (as outlined in the 2015 project report) and extrapolated to the estimated total marina businesses in the U.S. Using the extrapolated revenue total, AMI then used the economic model developed for the marina economic impact calculator to estimate the total economic impact of the marina industry as well as on other economic indicators such as employment, labor income, value added, and business tax. AMI then estimated the total economic impact and other economic indicators for each U.S. state.

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<sup>1</sup> Dun and Bradstreet was purchased in 2017 by Hoovers Ltd. and renamed D&B Hoovers

<sup>2</sup> IBISWorld (Nov 2017) *Marinas in the US: Market Research Report*, <https://www.ibisworld.com/industry-trends/market-research-reports/arts-entertainment-recreation/marinas.html>

## Total Economic Impact of the U.S. Marina Economy

There are approximately 11,500 marina businesses in the U.S. generating a total economic impact of \$18 billion. Of this, the marina business generates direct outputs of \$4.8 billion, indirect outputs of \$3.8 billion, and induced outputs of \$9.8 billion.

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$4,748,315,344	\$3,376,696,095	\$9,767,934,420	<b>\$17,892,945,859<sup>3</sup></b>
<i>Employment</i>	77,274	26,305		<b>103,579</b>

The marina industry supports 103,579 full and part-time jobs, including 78,756 directly at marina businesses and 26,689 indirectly at businesses supporting marinas. This study does not differentiate between full and part-time employment, but past research by AMI indicates that roughly 60 percent of the marina industry is full-time, while 40 percent is part-time or seasonal employment.

The total business tax paid by the industry, including local, state and federal tax, is \$927 million.

Other statistics:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Labor Income</i>	\$1,716,691,430	\$1,256,527,981	\$3,853,276,695	<b>\$6,828,659,503</b>
<i>Value Added</i>	\$2,046,256,833	\$2,001,370,504	\$6,196,285,656	<b>\$10,243,912,993</b>
<i>Business Tax</i>	\$329,565,403	\$166,009,217	\$433,511,489	<b>\$927,719,481</b>

*Labor Income* – income that is derived from employment, such as wages and salaries.

*Value Added* – a broad measure of net economic activity that is comparable to the gross domestic product (GDP) and represents the sum of labor and property income, taxes on production and imports, and capital consumption (depreciation).

*Business Tax* – taxes paid on the production of services or goods in the marina industry, including sales tax, property tax, motor vehicle licenses, severance, corporate profits tax, personal income tax and other taxes.

<sup>3</sup> Throughout this document, “Total” may not equal the sum of “Direct”, “Indirect” and “Induced” calculations, this is because “Total” is calculated using its own set of multipliers.

## Regional Significance of the U.S. Marina Economy

### *Atlantic North (11 states)*

This region is in the Northeast U.S. It comprises 11 states. This includes Atlantic Coast states and Vermont, New Hampshire and New York. While New York has significant marina industries on both Lake Ontario and Lake Erie and on many inland lakes, it was considered here as an Atlantic Coast state.

Approximately 2,800 marina businesses operate in this region and support the following:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$1,614,431,887	\$1,095,386,687	\$3,485,619,541	<b>\$6,195,438,115</b>
<i>Employment</i>	25,783	8,170		<b>33,953</b>
<i>Labor Income</i>	\$563,436,729	\$417,681,177	\$1,397,774,223	<b>\$2,380,506,561</b>
<i>Value Added</i>	\$671,603,665	\$667,918,120	\$2,225,237,011	<b>\$3,564,758,795</b>
<i>Business Tax</i>	\$108,166,936	\$51,834,413	\$143,857,031	<b>\$302,416,541</b>

### *Atlantic South (four states)*

This region is located along the U.S. Atlantic Coast and includes the four coastal states from North Carolina to Florida. Florida is included in this region, although a significant portion of its economic productivity is a result of marina businesses located along the Gulf Coast.

Approximately 2,700 marina businesses operate in this region and support the following:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$1,082,563,900	\$811,838,863	\$2,226,746,462	<b>\$4,121,149,227</b>
<i>Employment</i>	17,375	6,631		<b>24,007</b>
<i>Labor Income</i>	\$437,344,176	\$324,709,740	\$951,966,107	<b>1,714,020,023</b>
<i>Value Added</i>	\$521,304,233	\$510,900,743	\$1,552,259,330	<b>\$2,584,464,306</b>
<i>Business Tax</i>	\$83,960,057	\$43,643,963	\$114,830,336	<b>\$242,434,355</b>

### *Gulf of Mexico (four states)*

This region is located along the U.S. Gulf Coast and includes coastal states from Alabama to Texas. This region does not include Florida, though Florida does have an economically important Gulf coast.

Approximately 1,300 marina businesses operate in this region and support:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$604,160,464	\$469,432,680	1,230,674,865	<b>\$2,304,268,010</b>
<i>Employment</i>	9,709	3,666		<b>13,688</b>
<i>Labor Income</i>	\$210,852,002	\$161,915,004	\$447,078,744	<b>\$819,845,750</b>
<i>Value Added</i>	\$251,330,753	\$258,580,679	\$724,992,557	<b>\$1,234,903,989</b>
<i>Business Tax</i>	\$40,478,751	\$22,958,098	\$54,978,602	<b>\$118,415,451</b>

*Great Lakes (seven states)*

This region includes states located along one of the U.S. Great Lakes. It includes Pennsylvania but excludes New York. This region also has a substantial lake marina industry.

Approximately 1,500 marina businesses operate in this region and support:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$643,392,942	\$444,315,471	\$1,384,111,181	<b>\$2,471,819,595</b>
<i>Employment</i>	11,103	3,421		<b>14,524</b>
<i>Labor Income</i>	\$224,544,136	\$159,792,065	\$524,836,498	<b>\$909,816,094</b>
<i>Value Added</i>	\$267,651,464	\$259,517,972	\$841,827,839	<b>\$1,368,997,275</b>
<i>Business Tax</i>	\$43,107,327	\$21,212,749	\$57,886,147	<b>\$122,187,005</b>

*Pacific North (three states)*

This region includes the states of Alaska, Washington and Oregon along the U.S. North Pacific Coast.

Approximately 600 marina businesses operate in this region and support:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$148,468,193	\$96,504,326	\$270,063,644	<b>\$515,036,162</b>
<i>Employment</i>	2,538	738		<b>3,276</b>
<i>Labor Income</i>	\$51,815,399	\$32,217,598	\$102,888,458	<b>\$187,069,923</b>
<i>Value Added</i>	\$61,762,768	\$54,636,295	\$165,987,440	<b>\$282,386,504</b>
<i>Business Tax</i>	\$9,947,369	\$5,790,260	\$12,619,780	<b>\$28,208,957</b>

*Pacific South (two states)*

This region includes the states of California and Hawaii.

Approximately 1,000 marinas operate in this region and support the following:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$399,799,889	\$282,258,721	\$748,425,391	<b>\$1,430,484,001</b>
<i>Employment</i>	,6334	2,017		<b>8,351</b>
<i>Labor Income</i>	\$139,530,161	\$104,747,571	\$294,652,518	<b>\$538,930,250</b>
<i>Value Added</i>	\$166,316,754	\$164,717,554	\$468,165,670	<b>\$799,199,977</b>
<i>Business Tax</i>	\$26,786,593	\$12,393,797	\$31,584,191	<b>\$70,764,580</b>

*Central (18 states)*

This region includes all states not located along one of the U.S. coasts or Great Lakes. It includes, amongst others, the boating-heavy states of Oklahoma, Missouri, Tennessee and Kentucky.

Approximately 1,300 marina businesses operate in this region and support the following:

	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
<i>Economic Output</i>	\$498,394,196	\$341,400,024	\$946,948,973	<b>\$1,786,743,194</b>
<i>Employment</i>	8,272	2,883		<b>11,156</b>
<i>Labor Income</i>	\$173,939,575	\$118,617,819	\$345,885,572	<b>\$638,442,965</b>
<i>Value Added</i>	\$207,331,986	\$185,901,035	\$554,712,740	<b>\$947,945,761</b>
<i>Business Tax</i>	\$33,392,411	\$15,948,614	\$39,373,142	<b>\$88,714,167</b>

#### *Top Five Marina and Boatyard States*

1. Florida – an estimated 1,950 marina businesses, accounting for \$2.8 billion in economic activity. To put this in perspective, Florida has a larger marina industry than all other non-coastal states combined or all the Great Lakes states combined.
2. California – an estimated 1,200 marina businesses, accounting for \$1.4 billion in economic activity.
3. Texas – an estimated 850 marina businesses, accounting for \$1.37 billion in economic activity.
4. New York – an estimated 810 marina businesses, accounting for \$1.3 billion in economic activity.
5. Massachusetts – an estimated 353 marina businesses, accounting for \$965 million in economic activity. Closely following Massachusetts in total economic output are New Jersey and Maryland, though both of these states, we estimate, have a greater number of marina businesses.

See Appendix 1 (p. 9) for state by state information regarding the estimated number of businesses, economic output, employment, and total business taxes generated.

## Contact Information

If you have questions on this report, please email [EKretsch@MarinaAssociation.org](mailto:EKretsch@MarinaAssociation.org).

## Appendix 1 - State by State Summary

	State	Estimated Businesses	Output - Total	Direct	Employment - Total	Direct	Indirect	Total Business Tax	
Atlantic North	Connecticut	237	\$ 560,689,124	\$ 146,126,954	3045	2310	735	\$ 27,325,740	
	Delaware	41	\$ 44,874,675	\$ 11,695,250	244	185	59	\$ 2,187,012	
	Maine	129	\$ 445,630,599	\$ 116,140,370	2420	1836	584	\$ 21,718,249	
	Maryland	402	\$ 903,265,092	\$ 235,409,198	4906	3722	1184	\$ 44,021,520	
	Massachusetts	353	\$ 965,674,886	\$ 251,674,456	5245	3979	1266	\$ 47,063,123	
	New Hampshire	62	\$ 120,217,122	\$ 31,331,020	653	495	158	\$ 5,858,901	
	New Jersey	372	\$ 931,992,447	\$ 242,896,129	5062	3840	1222	\$ 45,421,576	
	Rhode Island	120	\$ 420,441,752	\$ 109,575,646	2284	1733	551	\$ 20,490,646	
	Vermont	26	\$ 49,817,622	\$ 12,983,482	271	205	65	\$ 2,427,911	
	Virginia	277	\$ 427,494,711	\$ 111,413,790	2322	1762	560	\$ 20,834,379	
	<b>Total</b>	<b>2019</b>	<b>\$ 4,870,098,029</b>	<b>\$ 1,269,246,294</b>	<b>26451</b>	<b>20068</b>	<b>6383</b>	<b>\$ 237,349,057</b>	
NY + PA	New York	816	\$ 1,325,340,086	\$ 345,185,593	7502	5715	1787	\$ 65,067,484	
	Pennsylvania	171	\$ 147,574,860	\$ 38,435,958	835	636	199	\$ 7,245,178	
	<b>Total</b>	<b>987</b>	<b>\$ 1,472,914,945.63</b>	<b>\$ 383,621,551.15</b>	<b>8337</b>	<b>6351</b>	<b>1986</b>	<b>\$ 72,312,662.39</b>	
Atlantic South	North Carolina	324	\$ 531,116,890	\$ 140,099,417	3118	2242	876	\$ 26,899,088	
	South Carolina	186	\$ 368,680,003	\$ 97,251,386	2165	1556	608	\$ 18,672,266	
	Georgia	236	\$ 377,521,152	\$ 99,583,527	2216	1594	623	\$ 19,120,037	
	<b>Total</b>	<b>746</b>	<b>\$ 1,277,318,045.91</b>	<b>\$ 336,934,330.23</b>	<b>7499</b>	<b>5392</b>	<b>2107</b>	<b>\$ 64,691,391.40</b>	
Florida	Florida	1950	\$ 2,843,831,181	\$ 745,629,570	16507	11983	4524	\$ 177,742,964	
	<b>Total</b>	<b>1950</b>	<b>\$ 2,843,831,181</b>	<b>\$ 745,629,570</b>	<b>16507</b>	<b>11983</b>	<b>4524</b>	<b>\$ 177,742,964</b>	
Gulf of Mexico	Alabama	156	\$ 257,063,127	\$ 67,399,876	1492	1083	409	\$ 13,210,376	
	Louisiana	241	\$ 587,191,481	\$ 153,956,864	3408	2474	934	\$ 30,175,545	
	Mississippi	55	\$ 93,449,039	\$ 24,501,583	542	394	149	\$ 4,802,310	
	Texas	843	\$ 1,366,564,364	\$ 358,302,141	7932	5758	2174	\$ 70,227,220	
	<b>Total</b>	<b>1295</b>	<b>\$ 2,304,268,010.49</b>	<b>\$ 604,160,464.21</b>	<b>13376</b>	<b>9709</b>	<b>3666</b>	<b>\$ 118,415,451</b>	
Great Lakes	Illinois	211	\$ 343,527,063	\$ 89,413,603	2023	1547	476	\$ 16,988,585	
	Indiana	108	\$ 155,590,627	\$ 40,497,300	916	701	216	\$ 7,694,487	
	Michigan	434	\$ 802,204,280	\$ 208,798,615	4724	3612	1112	\$ 39,671,737	
	Minnesota	161	\$ 234,731,440	\$ 61,096,158	1382	1057	325	\$ 11,608,270	
	Ohio	279	\$ 477,350,136	\$ 124,245,220	2811	2150	662	\$ 23,606,592	
	Wisconsin	149	\$ 310,841,191	\$ 80,906,088	1831	1400	431	\$ 15,372,157	
	<b>Total</b>	<b>1342</b>	<b>\$ 2,324,244,736</b>	<b>\$ 604,956,985</b>	<b>13688</b>	<b>10466</b>	<b>3222</b>	<b>\$ 114,941,827</b>	
Pacific North	Alaska	156	\$ 41,716,389	\$ 12,025,480	265	206	60	\$ 2,284,841	
	Oregon	135	\$ 115,149,187	\$ 33,193,770	732	567	165	\$ 6,306,816	
	Washington	302	\$ 358,170,587	\$ 103,248,944	2278	1765	513	\$ 19,617,299	
	<b>Total</b>	<b>593</b>	<b>\$ 515,036,162</b>	<b>\$ 148,468,193</b>	<b>3276</b>	<b>2538</b>	<b>738</b>	<b>\$ 28,208,957</b>	
Pacific South	California	1222	\$ 1,407,814,151	\$ 393,463,988.64	8219	6234	1985	\$ 69,643,126	
	Hawaii	17	\$ 22,669,850	\$ 6,335,900	132	100	32	\$ 1,121,454	
	<b>Total</b>	<b>1239</b>	<b>\$ 1,430,484,001</b>	<b>\$ 399,799,889</b>	<b>8351</b>	<b>6334</b>	<b>2017</b>	<b>\$ 70,764,580.3</b>	
Central	Arkansas	105	\$ 146,277,664	\$ 40,802,696	913	677	236	\$ 7,262,880	
	Colorado	77	\$ 66,854,310	\$ 18,648,343	417	310	108	\$ 3,319,405	
	Idaho	33	\$ 29,174,013	\$ 8,137,800	182	135	47	\$ 1,448,528	
	Iowa	55	\$ 87,123,964	\$ 24,302,361	544	403	141	\$ 4,325,820	
	Kansas	53	\$ 45,804,777	\$ 12,776,785.76	286	212	74	\$ 2,274,268	
	Kentucky	165	\$ 328,973,102	\$ 91,763,766	2054	1523	531	\$ 16,333,950	
	Missouri	209	\$ 253,009,417	\$ 70,574,454	1580	1171	408	\$ 12,562,253	
	Montana	24	\$ 27,477,949	\$ 7,664,700	172	127	44	\$ 1,364,317	
	Nebraska	29	\$ 43,245,062	\$ 12,062,779	270	200	70	\$ 2,147,175	
	Nevada	42	\$ 31,902,995	\$ 8,899,022	199	148	51	\$ 1,584,026	
	New Mexico	15	\$ 22,985,049	\$ 6,411,450	144	106	37	\$ 1,141,238	
	North Dakota	9	\$ 7,353,193	\$ 2,051,100	46	34	12	\$ 365,096	
	Oklahoma	185	\$ 237,859,122	\$ 66,348,430	1485	1101	384	\$ 11,810,021	
	South Dakota	15	\$ 9,134,759	\$ 2,548,050	57	42	15	\$ 453,553	
	Tennessee	232	\$ 389,560,252	\$ 108,663,948	2432	1804	629	\$ 19,342,183	
	Utah	35	\$ 43,453,083	\$ 12,120,804	271	201	70	\$ 2,157,503	
	W Virginia	20	\$ 12,383,693	\$ 3,454,308	77	57	20	\$ 614,867	
	Wyoming	6	\$ 4,170,789	\$ 1,163,400	26	19	7	\$ 207,085	
		<b>Total</b>	<b>1309</b>	<b>\$ 1,786,743,194</b>	<b>\$ 498,394,196</b>	<b>11156</b>	<b>8272</b>	<b>2883</b>	<b>\$ 88,714,167</b>