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### Potential Impacts of a Major Sport/Tourism Event: The America's Cup 2000, Auckland, New Zealand

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**POTENTIAL IMPACTS OF A MAJOR SPORT/TOURISM EVENT:  
THE AMERICA'S CUP 2000,  
AUCKLAND, NEW ZEALAND**

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**ABSTRACT**

The America's Cup is reputed to be the oldest international sporting competition. It has been contested between yachts representing yacht clubs of foreign nations since 1851. Team New Zealand, representing the Royal New Zealand Yacht Squadron, successfully challenged for the Cup of San Diego in 1995. In the austral summer of 1999/2000, for only the second time in history, the America's Cup will be hosted by a country other than the United States of America. The hosting of this event presents an enormous challenge for a small, isolated nation like New Zealand. A record 18 syndicates have lodged entries for the Cup. The infrastructural needs of these challenging groups, the huge influx of visitors over the Cup competition and the logistics of managing a large maritime sporting event are far beyond anything New Zealand has hosted before. A NZ\$60 million redevelopment of a yacht harbor is currently underway in downtown Auckland. New Zealand and international commercial sponsors have been signed to help fund the defense of the Cup and the or-

ganization of the event. Central, regional and local government are gearing up to cope with the estimated additional 120,000 visitors to the city of Auckland for the event. Over 2,000 media representatives from over 40 countries are expected. The international exposure for New Zealand could be worth as much as NZ\$90 million. Economic impact assessments predict that the Cup could be worth in excess of NZ\$2.2 billion. If Team New Zealand defeats the challenger and retains the Cup these financial and other benefits will increase further as New Zealand is able to host a further Cup event in the future. Thus, the America's Cup presents an enormous challenge and an unprecedented opportunity for New Zealand. This sporting event will have impacts that go far beyond its attraction for tourists or its financial benefits. It has the potential, if successfully staged and successfully defended, to create a legacy that re-defines the place of this small island nation on the world stage.

## INTRODUCTION

It is now widely recognized that sport tourism is a significant sector within the wider tourism industry (7). "Sport tourism includes travel to participate in a sport activity, travel to observe sport, and travel to visit a sport attraction" (14), thus it is a broad sector that includes many activities, both competitive "traditional" sports, such as football, basketball and baseball, and also non-competitive "recreational" sports such as scuba diving, mountain climbing, fishing and hiking. Kurtzman and Zauhar (16) divide sport tourism into five main segments, sport tourism attractions, tours, resorts, cruises and events. It is within the context of sport tourism events that the subject of this paper lies.

Special event or "hallmark" events have received increasing attention in the literature in recent times (6, 7, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20). Governments have also recognized the promotional and economic benefits of these kinds of events and have become active in trying to foster the hosting of such events in their county, region or city. Delpy (7) states

"Governments have also recognized sport tourism as a vehicle for economic development and, for some, political advantage. Sports events such as the Olympic Games and Super Bowl generate millions of dollars in economic impact, receive tremendous media exposure, and stimulate infrastructure improvements and business development."

There is no doubt that the hosting of special sporting events is now seen as an important issue within the tourism and leisure management fields, thus, it is the specific focus of this issue of *Visions in Leisure and Business*.

This paper will outline the plans for and consider the impacts of hosting a major sporting event in a relatively small country, New Zealand. This small, isolated group of islands in the South Pacific with a population of only 3.6 million people will, over the southern hemisphere summer of 1999/2000 host what is (arguably) the world's highest profile international water sports event; yachting's "America's Cup". The hosting of this event will be of great importance to tourism in New Zealand and thus, the planning for the event and its potential impacts are worthy of review.

## SPECIAL EVENT TOURISM

Special event tourism, also referred to in the literature as "hallmark event" or "mega-event" tourism, is becoming an increasingly popular method of destination promotion to encourage tourism activity in particular regions. Getz (11) has argued that special events are characterized by a number of criteria that distinguish them from other tourism attractions. He claims that the event must be open to the public, have a celebration or display as its main purpose, occur annually or less frequently and have predetermined opening and closing dates. Ritchie (17) offers the following specific definition:

"Major one-time or recurring events of limited duration, developed primarily to enhance the awareness, appeal and profitability of a tourism destination in the short/long term."

Such events rely for their success on uniqueness, status, or timely significance to create interest and attract attention."

Within this broader field of event tourism is the area of "sports event tourism" which is, according to Getz (13) "rapidly emerging as

a globally competitive form of special interest tourism". It is, however, difficult to differentiate "hallmark" sporting events because of the high incidence of sport and sporting competitions in general lifestyles. For example, do regional, state or national championships constitute special sporting events? In order to determine whether a particular sporting event qualifies as a "hallmark" event Ritchie (17) suggests that the international status, history or traditions, and the relative infrequency of the event be considered. The America's Cup yachting regattas qualify under these criteria. The America's Cup has been contested for over 140 years, it is held approximately every four years, it attracts a range of international participants and it focuses significant attention on the host location.

The ability of a sporting event, such as the America's Cup, to generate visitors to an area is identified by Faulkner (10) as being of significant benefits to the host region. A number of other potential benefits of hosting such an event have also been identified. Table 1 lists the potential benefits and the goals that such an event would endeavor to achieve.

In addition to increasing the number of tourists visiting an area, the host nation/region is seen to be directly advantaged from an enhanced destination image, improved sporting facilities and an increase in possibility of hosting similar events in the future. Certainly, within New Zealand, many are viewing the hosting of the America's Cup as being of great benefit to the country. For example, Sir Peter Blake, head of Team New Zealand, the Cup defender states:

"The America's Cup is not just a yachting event. It is also one of the world's most prestigious sporting events, which will at-

tract a huge amount of interest in, and benefit for, New Zealand.

The event will be the biggest and best chance which New Zealand has ever had to show the rest of the world what a wonderful country we have."

The impacts which the America's Cup will have on Auckland's, and ultimately, New Zealand's tourism industry will be evident through economic, social and environmental changes. However, it should also be noted that the positive economic gains usually associated with hallmark events tend to be exaggerated prior to the event, because of (over)enthusiasm, and as a method to bolster government funding or to encourage community support (10). In addition, negative economic consequences of such an event on the host economy tend to be disregarded. Aside from the economic impacts however, a variety of impacts manifest themselves in social, environmental, and often psychological and political contexts (17). In order to determine whether the nation's tourism industry will be advantaged by hosting the event, the range of possible effects on the country should all be considered.

## THE AMERICA'S CUP

The America's Cup is the reputed to be the oldest international sporting competition. It has been contested between yachts representing yacht clubs of foreign nations since 1851. It was successfully defended by the New York Yacht Club against all challengers until 1982 when the yacht "Australia II" representing the Royal Perth Yacht Club defeated the defender and won the right to host the next America's Cup, for the first time, outside America's waters. Australia's defense of the Cup was held over the austral summer of 1986/87. This event experienced

the largest number of challengers in the history of the event, it provided a significant boost in tourism numbers for the state of Western Australia and was the impetus for a major redevelopment of the shoreline and community of Fremantle, the town that hosted the event.

The 1987 Cup was won by the yacht "Stars and Stripes" representing the San Diego Yacht Club in California and, as a result, the America's Cup event returned to the United States. San Diego subsequently hosted two America's Cups, one in 1992 where they successfully defended the Cup and a second in 1995 where the Cup was won by a team representing the Royal New Zealand Yacht Squadron from Auckland, New Zealand. As a consequence, in the austral summer of 1999/2000, for only the second time in history, the America's Cup will be hosted by a country other than the United States of America.

At present, New Zealand is in the midst of preparations for the next America's Cup. It will be the largest sporting event in the country's history, and it will be held in Auckland over the southern hemisphere summer of 1999-2000. Up to sixteen international challengers are expected to race, and it is anticipated that New Zealand will experience a significant tourism boom during this period (5).

The growth in tourist numbers is expected to be enhanced by the interest generated by the "millennium celebrations" occurring at the same time and the Sydney Olympic Games which will run later in the year 2000. The two large sporting events are likely to collectively motivate international travelers to visit the South Pacific (9). For this reason, the New Zealand government, the New Zealand Tourism Board (NZTB) and the wider tourism industry are focussing their

attention on the potential benefits of international sporting events, as one approach to improve the country's tourism profile overseas (15). New Zealand's former Minister of Tourism and of Sport, Murray McCully, has described the upcoming sports events as "once-in-a-lifetime marketing opportunities which must not be squandered" (2).

## **POTENTIAL IMPACTS OF THE 30TH AMERICA'S CUP EVENT**

### **Growth in Tourism**

The number of visitor arrivals experienced by Fremantle, Australia during the hosting of the 27th America's Cup over the summer of 1986/87 was used as a basis for making predictions for the numbers expected in Auckland. A net increase of 65,000 additional visitors was experienced by Fremantle (9).

In 1995, the total number of international visitors to New Zealand was 1,281,139. Of these 968,000 (75%) visited Auckland (4). Based on the Fremantle experience, the incremental increase in international visitor numbers attributed to the hosting of the America's Cup in Auckland is estimated to be within the four to six percent range (4). Thus, the forecasted numbers of visitors to Auckland as a result of the Cup is 1,210,000 -- an increase of 60,000 over base projections (tourists expected irrespective of the Cup event). Table 2 shows a regional breakdown (country of origin) for visitors expected to Auckland over the Cup period.

In addition to the international tourist projections, the number of people associated with each challenging syndicate needs to be considered. An estimated 100 people will be directly involved in a syndicate's challenge. These people, including sailing crew,

boat builders, sail-makers, maintenance staff, weather specialists, designers, team management and, in some cases, their families, constitute a group of longer term visitors who are likely to stay in the Auckland area for over four months. Supporters, friends and sponsors are also likely to visit for extended periods. Furthermore, over 2,000 media representatives from over 40 countries, two or three cruise ships and 60-70 "super-yachts" (150-400 feet in length) are expected over the five month duration of the event (9).

Domestic tourists are also an extremely significant group. A study of New Zealanders who reside outside of the Auckland region found that one in three planned to visit Auckland for the Cup event. This represents an additional 245,000 visitors to the area. Furthermore, of those who planned to visit Auckland anyway, 546,000 planned to extend their visit as a result of the Cup (18). It is well known that studies of this kind that test respondents intentions to travel seldom result in actual travel from all respondents. Nevertheless, even if only a portion of those who state they intended to actually do travel to Auckland, this represents a significant increase in visitation to the region.

The America's Cup is predicted, therefore, to bring significant numbers of additional tourists to the region over the period of the event. These additional visitors will have impacts economically, socially and environmentally on the region.

### **Economic Impacts**

Tourism in New Zealand is a lucrative industry. It has been estimated that the total tourist expenditure for 1995 was NZ\$8 billion, generated by both international and domestic tourists (15). It is anticipated that this figure will be greatly enhanced by the

America's Cup. The economic impacts that will result from Auckland hosting the America's Cup will be evident in both the short and long term. In general, the immediate economic goal of hosting an event of this size is to recover the costs incurred through the development of the necessary facilities and the cost of hosting the event. In the long term, the economic goal of hosting an event such as the America's Cup seeks to improve the popularity of the city as a tourist destination (10). Hallmark events of this nature typically involve expenditure from three main sources, expenditure by visitors from outside the region, capital expenditure by the government (central and/or local) in order to facilitate the event and the costs incurred by the event organizers in order to stage the event (10).

The economic impacts will be evident through a variety of indicators. Aside from tourism numbers, these have been identified to include, tourism expenditure, infrastructural development, private investment, syndicate expenditure and intangible impacts.

### **Tourism Expenditure**

The amount of expenditure which tourists will generate is dependent on the number of tourists, and the length of time (number of visitor nights) they spend in New Zealand. "According to the latest expenditure data, a 5% increase in tourist numbers would equate to increased tourism spending of NZ\$55 million per annum" (4). From these figures, the assumption can be made that a 5% increase incurred over the 1999-2000 America's Cup period could result in increased expenditure of around NZ\$110 million. The large numbers of domestic tourists expected also contribute to the region economically, their expenditure is predicted to be around NZ\$125 million.

### **Infrastructural Development**

The hosting of the America's Cup in Auckland has initiated the need for redevelopment of the downtown waterfront area at which international yachting syndicates will berth their boats. This development includes the "Cup Village". This estimated NZ\$56 million redevelopment involves the dredging of the harbor, the construction of a breakwater wharf, the development of eleven syndicate bases, a formal harbor entrance, the building of the Cup Village and the creation of an island for spectators. (1).

The capital expenditure which is required to either establish new facilities or upgrade current facilities is often considered to be an opportunity cost which counter-acts the level of economic benefit which results from hosting an event (10). In order to generate the necessary funds, NZ\$10 million is being provided by central Government, NZ\$10 million is sought from sponsorship, with the remainder being supplied by a "local authority trading enterprise" (an organization established by local government). In the event that sponsorship funding is unobtainable, the local authority trading enterprise has budgeted to provide an additional \$9 million, as \$1 million of sponsorship has already been established (4).

### **Private Investment**

Private investment has been dominated by the owner of the Viaduct area, Viaduct Harbor Holdings Ltd. (3). This company, and others, are encouraging pre-event development of the region. However, it is difficult to quantify the extent of private investment in the area that is a result of the America's Cup event and that which would have occurred anyway. Nevertheless, there is no doubt that the hosting of the Cup has made investment in the waterfront area of the city

of Auckland far more attractive for entrepreneurs. New apartment buildings, office buildings, restaurants, bars, cafes, shops, hotels and marinas are all being developed in the vicinity of the America's Cup Village. The potential for a successful defense of the Cup by New Zealand for investment in the area should not be underestimated. If a further Cup event is held in Auckland, the incentive for further private sector involvement in the waterfront area will increase.

### **Syndicate Expenditure**

The America's Cup will stimulate expenditure by the challenging syndicates, the defender and their related parties, and visitors, in the form of manufacturing, services, accommodation, food and beverages, transportation and discretionary spending. Syndicate expenditure will be incurred through the modification and maintenance of boats within New Zealand prior to the races. Based on previous challenges, it has been estimated that NZ\$25 million cover the costs of a two year campaign for one syndicate, NZ\$15 million of which is spent on boat building or upkeep. From these figures, the conservative assumption has been made that NZ\$7 million will be spent in Auckland by each syndicate, particularly on manufacturing, construction, media and promotion (4, 9). Consideration of the expenditure by those associated with syndicates takes into account that these people will be based in New Zealand for over a year. It is estimated that each individual will spend approximately NZ\$700 per week, which equals a yearly total of NZ\$35,000 (4). Multiplied by the number of individuals, the spending in the region of those associated with each America's Cup syndicate is expected to be NZ\$7 million. Collectively, all of the challenging syndicates will generate a total nearing NZ\$80 million per annum. In addition, the expenditure of those indirectly in-

involved (NZ\$80 million per annum) results in a NZ\$200 million total (some syndicates will be in Auckland for over a year).

### **Intangible Impacts**

Intangible economic impacts are, although difficult to distinguish, still beneficial to the nation. With respect to the America's Cup, these are likely to manifest themselves through increased international exposure, and effective marketing. The international media coverage which New Zealand will gain from hosting the event is difficult to quantify. International advertising agency, Saatchi and Saatchi Ltd., estimate the value of the "branding" impact from the most recent San Diego challenge to be NZ\$200 million (4). Conservative approximations value the marketing impacts of the 1999/2000 America's Cup for New Zealand at NZ\$100 million, with the greatest impact being during the actual Cup, but with benefits also further into the future.

A summary of the economic valuation of the America's Cup is provided in Table 3.

### **Economic Overview**

Generally, the economic impacts that result from hosting an event tend to be viewed positively, with respect to the increased level of visitor expenditure, and the amount of employment that the event generates. Interestingly, sport event tourists are considered to spend more than the average visitor, and have a greater propensity to stay longer at the end destination (10). New Zealand's former Minister of Tourism and Sport, Murray McCully, estimates that such tourists spend up to three times the amount of usual visitors, and argues that they should therefore be encouraged (15). The expenditure of tourists in a particular area is beneficial for the local manufacturers and suppli-

ers of goods and services. The America's Cup regatta will facilitate a greater level of expenditure that will be experienced by inner-city retailers, particularly in the waterfront, America's Cup Village area. Typically, the economic improvements associated with staging a hallmark event are overstated, due to pre-event enthusiasm. With respect to employment, the Cup is expected to provide in excess of 4,200 full-time equivalent positions (4). Often, however, an event does not provide more employment for a greater number of people, as existing staff are given greater overtime hours (10).

Although a country stands to gain from hosting a mega-event, there are also negative economic affects which may arise. These impacts manifest themselves in the form of increased local prices, and often higher land prices. With respect to the America's Cup, it is anticipated that property and house prices of coastal land close to the Cup sailing area will increase in value. As a result, land and rent prices are expected to increase during this period.

The economic impacts which visitors will have are likely to be influenced by factors, such time or destination "switching". According to Faulkner (10), the possibility exists for "the impact of an event to influence the timing of a visit rather than to stimulate an extra visit". It is possible, therefore, that increases in visitor numbers over the Cup period may be offset by a relative decline in visitor arrivals over the long term.

The concentration of visitors in one region at a particular time may have negative consequences in the form of visitor congestion, particularly with regard to transportation and the provision of public utilities. It is possible that this experience could subsequently jeopardize the likelihood of repeat visits.



“Destination switching” is often exhibited when large numbers of tourists choose to visit the event region and neighboring areas subsequently experience a decline in visitor numbers. The possibility exists that during 1999-2000 summer that most tourists to New Zealand will focus on Auckland and will bypass other alternative tourist destinations in the country such as, Rotorua, Taupo, Wellington and Christchurch. Potentially, the lucrative New Zealand ski industry may be adversely effected as visitors choose a summer holiday planned around the America’s Cup event, rather than a winter skiing or snowboarding holiday.

Undoubtedly, the America’s Cup will provide a significant injection of funds into the economy of the region, and the nation. However, the possible negative economic impacts that may result from hosting the regatta should not be ignored.

### **Social Impacts**

The America’s Cup Challenge will have an effect on the social climate of Auckland and New Zealand in a variety of ways. One such impact is through changes in local pride or community spirit (10). New Zealand is a nation that prides itself on the abilities of its national sports representatives and, as a result, the outcome of the event will be highly influential. In the event Team New Zealand wins the regatta, there will be a significant psychological boost for the people of the region. “New Zealanders, especially Aucklanders, love yachting and love sport” (1). This love was made evident by the welcome home parade which Team New Zealand received after its victory in 1995. The welcome parades and celebrations were deemed to be the largest public demonstrations since the welcome home parades at the end of the second world war (1). Conversely, losing

the Cup will prove to be detrimental to the sporting pride of New Zealand citizens.

Numerous social benefits have been identified as the result of staging a hallmark event. These include improved quality of life; increased recreational and entertainment opportunities; increased cultural identity of the host population and improved policing (19). On the negative side, the increased tourism which results from hosting a hallmark event can lead to damaging impacts such as uncontrollable crowding, infrastructure strains and inappropriate guest behavior resulting in increased crime, prostitution, drugs, and violence (19, 20).

One of the fundamental social impacts that may result is evident in host perceptions. Those residents who gain some form of benefit from the event are likely to be more supportive toward the event, whereas those who are not advantaged, or are to some degree disadvantaged, will tend to perceive the event negatively. This phenomenon has been described in ‘social exchange theory’ (19). These inequities in the distribution of costs and benefits are likely to be evident in America’s Cup, where Auckland businesses are more likely to derive greater financial benefit than other companies throughout the nation. It is possible that some companies may even incur a loss of earnings as an outcome of the Cup.

The perception the host community has of the visiting population must also be considered when determining social impacts. It is commonly accepted that resident attitudes are highly important when visitors consider repeat visitation to a particular region. The effects of tourism on host communities, and the implication of these on the host-visitor relationship has been identified by Doxey (8), and encouraged the development of his irritation index, “Irridex”. The model pro-

poses that host residents will experience four levels of tolerance, euphoria, apathy, annoyance and antagonism during the development of tourism in a region. With the anticipated number of visitor arrivals for the Cup in Auckland, the potential exists for the "Irridex" to manifest itself over the duration of the five month event, particularly for those in areas most greatly effected.

### **Environmental Impacts**

The environmental impacts that typically result from staging an event similar in size to the America's Cup are often difficult to determine. This is partially due to the need to assess the environment prior to the event to ensure the impacts are minimized. According to Faulkner (10) environmental impacts include the "impacts that affect the ecological balance of the local environment and that need to be assessed through the Environmental Impact Assessment mechanisms".

The potential environmental impacts of the America's Cup Challenge have been predicted and classified by the whether the environment is natural, or built. Natural environments are likely to experience damage in the form of extra litter in the Cup Village area and out on the America's Cup course due to the large number of spectator craft expected. The disposal of sewage from vessels is also of concern as few boats in New Zealand have sewage holding tanks and there are few pump-out facilities available for those that do (5). There is also an increased risk of minor spills of petrochemical products as a result of the increased use of the harbor. A larger than normal use of marine engines (especially two stroke engines) will contribute to air pollution, furthermore, increased noise pollution has implications for disturbance of coastal residents and wildlife. Harassment,

both deliberate and accidental of wildlife and boat strikes on marine life, such as marine mammals and sea-birds (especially the Little Blue Penguin), are also likely to increase as a result of increased marine traffic.

The built environment of the region is being dramatically altered by the redevelopment of Auckland's waterfront (see the section on infrastructure above). The creation of new structures, such as marinas, apartments, shops and bars will change the nature of the city's waterfront. These changes are generally viewed to be positive for the environment as the redevelopment of the harbor area has resulted in a re-direction of heavily polluted street-water runoff from the harbor to an appropriate treatment facility. The dredging of spoil from the harbor bottom to increase the depth of the area has also been an improvement as much of the sediment was polluted by heavy metals and other contaminants. Thus, the harbor area will be cleaner as a result of the redevelopment. However, the dredged spoil from this work is dumped offshore, thus contaminating a previously undisturbed site.

### **Summary of Impacts**

In general, the hosting of the America's Cup in Auckland is viewed in a positive light. The event has provided an impetus for the redevelopment of an unattractive and poorly utilized waterfront area in New Zealand's largest city. In addition, the significant input of syndicate and tourist spending on the region's economy will provide considerable assistance to a country that is deemed to be in economic recession. The potential to raise the international profile of a small and isolated nation will have long lasting benefits for New Zealand businesses and individuals seeking to increase their involvement in the global economy.

There are, however, potential negative impacts of hosting such an event. The redevelopment of the waterfront has significantly increased costs for businesses in the area, many have had to re-locate as a result. The length of the event may also evoke irritation from some residents who tire of the negative consequences over such a long period (for example, traffic congestion, crowding, increased prices).

### CONCLUSIONS

The forthcoming America's Cup event is particularly important for New Zealand because of the immense potential which exists for the nation to both capitalize on the event, and to upgrade the existing infrastructure and facilities for residents and tourists alike. The event provides a great stimulus for visitors to travel to the country, and may help to promote New Zealand as an attractive tourist destination in the long term. It has also facilitated the need for overdue rejuvenation and development of the Auckland waterfront region. The importance of the America's Cup can also be viewed in

terms of the example that it will set for following sports events of a similar nature. Potential bids for both the Commonwealth and Winter Olympic Games by Wellington and Christchurch respectively provide opportunities for New Zealand to utilize hallmark events as tourism tools on a more frequent basis (15). The policies and methods adopted by the management of the America's Cup could then be emulated by future organizations.

Events such as these are seldom "win-win" situations however, as inevitably some negative impacts result. Thus, as is always the case with such events, there will be "winners" and "losers" as a result of the America's Cup, not only on the race-course, but in the host community as well. There is, however, no doubt that the America's Cup presents an enormous challenge and an unprecedented opportunity for New Zealand. This sporting event has the potential, if successfully managed and successfully defended, to create a legacy that re-defines the place of this small island nation on the world stage.

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**TABLE 1**

**Potential Benefits and Goals of Sport Event Tourism**  
Source: (12)

<b>Tourism</b> <ul style="list-style-type: none"><li>• Attract high-yield tourists (competitors and family, spectators, officials, media) who stay in commercial accommodation.</li><li>• Generate repeat visits from teams and event tourists.</li></ul>
<b>Image</b> <ul style="list-style-type: none"><li>• Cultivate a positive destination image (attractiveness).</li><li>• Use the media to extend promotional reach.</li><li>• Create long-term induced demand.</li></ul>
<b>Legacy</b> <ul style="list-style-type: none"><li>• Use sports events to expand/improve the area's supply of facilities and services.</li><li>• Create a financial legacy to support sports.</li><li>• Establish permanent events.</li></ul>
<b>Efficiency</b> <ul style="list-style-type: none"><li>• Maximize the use of, and revenue for existing facilities in the community.</li></ul>
<b>Community Benefits</b> <ul style="list-style-type: none"><li>• Increase community support for sport and tourism.</li><li>• Ensure the community as a whole gains from sport events.</li><li>• Increase local organizational capabilities.</li></ul>

**TABLE 2****Forecasted International Visitors to Auckland**

Source: (9)

<b>Region of Origin</b>	<b>New Zealand Actual (1995)</b>	<b>Auckland Actual (1995)</b>	<b>Auckland Base Forecast (1999/2000)</b>	<b>Auckland America's Cup Forecast</b>
Australia	354,000	265,000	320,000	335,000
North America	163,000	120,000	145,000	150,000
Europe	93,000	70,000	85,000	100,000
UK/Nordic	130,000	100,000	120,000	125,000
Japan	150,000	110,000	130,000	135,000
North Asia	192,000	145,000	175,000	180,000
South East Asia	62,000	45,000	55,000	60,000
Other Countries	137,000	100,000	120,000	125,000
<b>TOTAL</b>	<b>1,281,000</b>	<b>955,000</b>	<b>1,150,000</b>	<b>1,210,000</b>

**TABLE 3**

**Economic Impacts of the America's Cup—Approximations**  
Source: (4)

	<b>Construction</b>	<b>Business Services</b>
<b>Trust, Infrastructure &amp; Private Investment</b>	<b>\$56 million</b>	<b>n/a</b>
<b>Tourism Expenditure</b>	<b>n/a</b>	<b>\$110 million</b>
<b>Syndicate and related Expenditure</b>	<b>n/a</b>	<b>\$200 million</b>
<b>Intangible Impacts</b>	<b>n/a</b>	<b>\$100 million</b>
<b>Total Direct Impacts</b>	<b>\$56 million</b>	<b>\$410 million</b>
<b>Total Impacts</b>	<b>TOTAL: \$466 million</b>	