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WKU's economic contributions highlighted

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Among numerous economic impacts, Western Kentucky University this week found that it had brought in \$528.4 million in income during fiscal year 2022-23 – roughly 4.3% of the gross regional product regionwide.

The report that details these economic impacts, conducted by the labor market analytics company Lightcast, is the first of its magnitude within at least recent years, WKU Spokesperson Jace Lux said. Lux added that he expects the university to conduct similar studies in the future so the WKU community can stay aware of WKU's changing impact.

That \$528.4 million represents the spending impacts of operations, research, visitors and students as well as the impacts of volunteerism and alumni. From a work perspective, this means WKU and its students supported 9,404 jobs – one per 17 across Warren, Simpson, Logan, Edmonson, Butler, Barren and Allen counties, according to the report.

“Western Kentucky University is not just an educational institution; it’s a powerhouse that fuels our region’s economy,” stated Ron Bunch, president and CEO of the Bowling Green Area Chamber of Commerce, when presented with the report and asked about WKU’s regional impact.

The report spotlights that the university’s operations spending netted \$160.4 million in income to the region’s economy. Concerning this, it notes that WKU spent \$135.4 million on payroll and \$138.6 million for “expenses related to facilities, supplies and professional services” – much that would be spent regionally on rent, groceries and other expenses.

Meanwhile, WKU’s income added to the regional economy reached \$6.4 million in research spending, \$3.6 million in visitor spending, \$29.8 million in student spending, \$6.6 million in volunteers’ impact and \$321.6 million in the net impact of alumni in the regional workforce, according to the report.

Statewide, WKU drew \$1.6 billion in income to the economy, roughly 0.7% of the gross state product – supporting roughly 23,996 jobs, according to the report. The university also added \$134 million in income to the economies of its Regional Campus service areas – Barren, Pulaski, Daviess and Hardin counties – supporting 2,167 jobs, the report states.

“Beyond their half billion dollar economic impact and beyond the jobs they support, WKU’s presence is deeply intertwined with the vitality of our business community,” Bunch stated.

WKU’s impact on Bowling Green’s business community is particularly significant in the hospitality sector, Bunch added.

Justin Shepherd, who’s owned Spencer’s Coffee for nearly 20 years, estimated that at least half of his employees attend WKU. Some additional 20% to 25% have attended or graduated from WKU, he added.

The chain – which has a location downtown, in The Commons at Helm Library within WKU and beside the Bypass – has 65 employees, he said.

Students have always composed a significant portion of the chain’s customer base, and that ratio has increased somewhat over the years, Shepherd said.

He considered how his business would look without WKU.

“I’m not sure it would exist,” he said. “If it did, I don’t think it would have nearly the amount of character that it does now.”

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