

# 2023 Economic Impact of Port Panama City: *Executive Summary*



All Photos Courtesy of Port Panama City

## Overview of Port Panama City

Port Panama City consists of a 138-acre West Terminal on Dyers Point (pictured above), a 41-acre forest products East Terminal, and the Intermodal Distribution Center located off U.S. Highway 231. Combined, the facilities handle wood pellets, copper bundles, linerboard, containers, steel plate, molasses, and other bulk commodities such as lumber, aggregates, and stone. In total, these terminals handled nearly 2.04 million tons of cargo in 2023.

The cargo moving via the Port's marine terminals has far-reaching impacts on the local and regional economies. More than half of the tonnage handled at the Port's marine terminals supports the energy and power sectors in various ways. This includes exporting wood pellets to international markets for power generation, importing

copper from the Southern Hemisphere destined for locations along the Gulf, mid-Atlantic, and Great Lakes regions for wire production, and local manufacturing of pipe and sub-sea materials for the oil and gas industry. Additionally, lumber, stone, and aggregate imported through the Port generate impacts in the local construction industry.



## Economic Impact Analysis Methodology

Martin Associates was retained by Port Panama City to measure the local and regional economic impacts supported by maritime cargo and vessel activity at the Panama City marine terminals. The impacts are measured for Fiscal Year 2023 and are estimated in terms of jobs, personal earnings, business revenue, and state and local taxes.

The economic model can be used to estimate annual updates, as well as test sensitivity of the impacts to changes in factors such as marine cargo tonnage levels, labor productivity, commodity mix, and inland origins/destinations of commodities. The model can also be used to evaluate impacts of new terminal development.



## 2023 FY Economic Impacts of Port Panama City - Summary of Results



### 10,989 Total Jobs

- 1,515 Direct Jobs
- 1,320 Induced Jobs
- 679 Indirect Jobs
- 7,475 User Jobs



### \$634.5 million Personal Income/Local Consumption

- \$78 Million Direct Personal Income
- \$185.8 Million Re-spending and Local Consumption
- \$29.2 Million Indirect Personal Income
- \$341.5 Million User Income

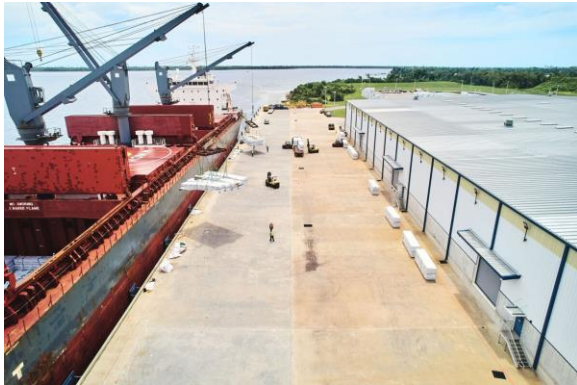


### \$1.6 Billion Total Economic Value

- \$470.4 Million Direct Business Revenue
- \$185.8 Million Re-spending and Local Consumption
- \$912.3 Million Related User Output

## 2023 Port Panama City Economic Impact Results

Port Panama City handled nearly 2.04 million tons of cargo in FY 2023.



This created 3,514 direct, induced, and indirect jobs in the Panama City region. Of these 3,514 jobs, **1,515 direct jobs** were generated by marine cargo and vessel activity. As a result of local and regional purchases by those 1,515 individuals, an additional **1,320 induced jobs** were supported in the regional economy. Another **679 indirect jobs** were supported by over \$53.7 million of local purchases made by businesses supplying services at the marine terminals and by businesses dependent on the marine terminals. An additional 7,475 related jobs with non-dependent shippers were supported, but not dependent upon, Panama City cargo.



**\$78 million of direct wages and salaries** were received by those 1,515 directly employed. As the result of re-spending this income, an additional \$185.8 million of income and consumption expenditures were created. The 679 indirect job holders received \$29.2 million of indirect wages and salaries. In total, about **\$293 million of direct, induced, and indirect personal wages and salaries** were generated by maritime activity in Panama City.

Businesses providing services at the marine terminals received **\$470.4 million of revenue**, excluding the value of cargo shipped through the marine terminals of Port Panama City.

**\$25.1 million of state and local taxes** were generated by activity at the marine terminals.



The total economic value to the Panama City region is measured at **\$1.6 billion**. This consists of the direct business revenue of \$470.4 million, the re-spending and local consumption impact of \$185.8 million, and the related output of \$912.3 million. This dollar value represents the sphere of influence of the marine terminals in 2023.

## Summary

Port Panama City is a significant contributor to the economic growth of the greater Northwest Florida region. The port supports 10,989 jobs in the area, and its cargo activity has a total economic value of \$1.6 billion for the State. The port handled nearly 2.04 million tons of cargo in 2023, and its recent investments in modern port facilities shown below, such as the expansion of the Intermodal Distribution Center, the construction of the biomass dome at the West Terminal, and the East Terminal Expansion Project, have contributed to its success.



Intermodal Distribution Center Expansion



Biomass dome at West Terminal



East Terminal Development