

# Economics Group

## Special Commentary

Mark Vitner, Senior Economist  
[mark.vitner@wellsfargo.com](mailto:mark.vitner@wellsfargo.com) • (704) 410-3277

# Georgia vs. Florida: A Key Battle for the SEC East

## Will This Year Add Another Epic Game to the Series?

This past weekend saw the ranks of the unbeaten fall to five teams, as Purdue took down previously 2<sup>nd</sup>-ranked Ohio State and Cincinnati suffered its first setback, losing to Temple in overtime. With the undefeated ranks thinning, six of the top 10 teams currently have one loss. Two of those, Georgia and Florida, will meet this Saturday for the 97<sup>th</sup> meeting of their storied rivalry. The game has been played in Jacksonville, a neutral site near the Florida-Georgia line, nearly every year since 1933.

**Six of the top 10 teams currently have one loss.**

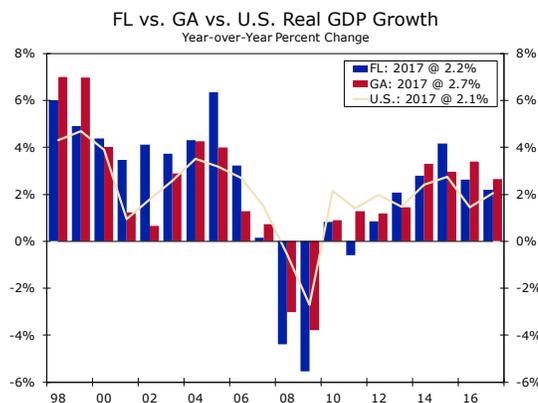
The series has produced many memorable games and is played near the end of October, when the two teams are often battling for the SEC East championship. Georgia leads the series, 51-43-2, but Florida has won 21 of the past 28 games. Some of the more memorable games include 2012, when the then undefeated 2<sup>nd</sup>-ranked Gators turned the ball over six times, including when Georgia's Jarvis Jones punched the ball out of Jordan Reed's hands right before he crossed the goal line late in the fourth quarter, preserving Georgia's 17-9 win. The Gators also upset the then undefeated 4<sup>th</sup>-ranked Bulldogs in 2002, despite coming into that game with just a 5-3 record.

**Florida has won 21 of the past 28 games against Georgia.**

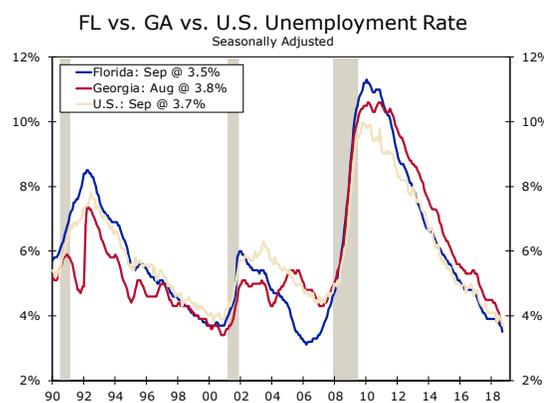
The Gators' recent dominance prompted then Georgia coach Mark Richt to challenge his 2007 underdog team to celebrate to the point the officials would throw a flag for excessive celebration, if the Dawgs scored first. While Richt only intended for the 11 players on the field to celebrate, 70 players rushed onto the field after Knowshon Moreno scored on Georgia's opening drive. The celebration resulted in multiple penalties and Georgia had to kick off from their own 8-yardline. The 20<sup>th</sup>-ranked Bulldogs went on to win the game 42-30 over the 9<sup>th</sup>-ranked Gators.

One of the most memorable endings came in 1980, when Florida had taken a 21-20 lead late in the game and 2<sup>nd</sup>-ranked and undefeated Georgia faced third and long from their own 7-yard-line. A scrambling Buck Belue completed a 25-yard pass to wide receiver Lindsay Scott, who crossing at mid-field at the 25-yard line. Lindsay kept running all the way to the end zone for an improbable 93-yard score as time expired and the Gator fans were still celebrating what appeared to have been a sure victory. Georgia went on to defeat Notre Dame in the Sugar Bowl that year and win their first undisputed national championship.

**Figure 1**



**Figure 2**



Source: U.S. Department of Commerce, U.S. Department of Labor and Wells Fargo Securities

This report is available on [wellsfargo.com/economics](http://wellsfargo.com/economics) and on Bloomberg WFRE.

Together we'll go far



**Despite being one of 13 founding members of the SEC, Florida did not win a recognized conference championship until 1991.**

**Spurrier won the Heisman Trophy but the 1966 Georgia loss cut deep, with Spurrier lamenting “I’ve never had a good day in the Gator Bowl and I guess I never will. It’s a jinx place for me.”**

Both teams have enjoyed a great deal of success, with Florida being the more successful program in recent years. Florida began playing college football back in 1906 and was one of 13 founding members of the Southeastern Conference (SEC) in 1933. Florida did not win a recognized SEC championship until 1991, however, longer than any other founding member except Vanderbilt. The Gators finished atop the SEC a couple of times in the 1980s but were ineligible for the title.

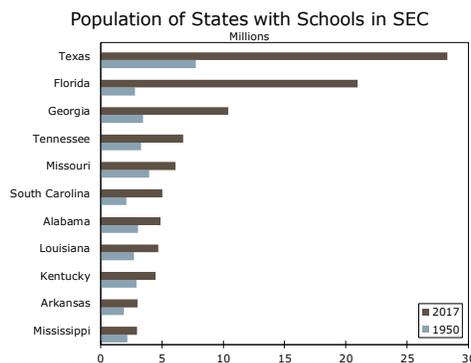
The two decades following 1990 were truly the golden era for Florida football. Steve Spurrier, who became the Gators head coach in 1990, went 9-2 in his inaugural season, finishing atop the SEC but still ineligible for the title. The Gators finally won their first officially recognized championship the following year, finishing 10-2, and won 10 or more games during nine of Spurrier’s 12 seasons. During this period the Florida won six SEC championships, including four straight from 1993 to 1996. The 1996 Gators defeated Florida State in the Sugar Bowl, earning their first national championship. The Gators won two more national titles under Urban Meyer from 2005 to 2010.

Spurrier was 122-27-1 during his 12 seasons at Florida and put special emphasis on beating Georgia. As quarterback in 1966, Spurrier led Florida on a seven-game winning streak in his senior season, putting the Gators on track for their first SEC championship. Georgia had other plans, however. Their young coach, Vince Dooley, instituted a plan to contain Spurrier and intercepted him twice. Georgia won and went on to finish 10-1, sharing the SEC title with Alabama. Florida finished 9-2. Spurrier won the Heisman but the Georgia loss cut deep, with Spurrier lamenting, “I’ve never had a good day in the Gator Bowl and I guess I never will. It’s a jinx place for me.” As Florida’s head coach, Spurrier went 11-1 against the Dawgs, with nine of those wins in the Gator Bowl.

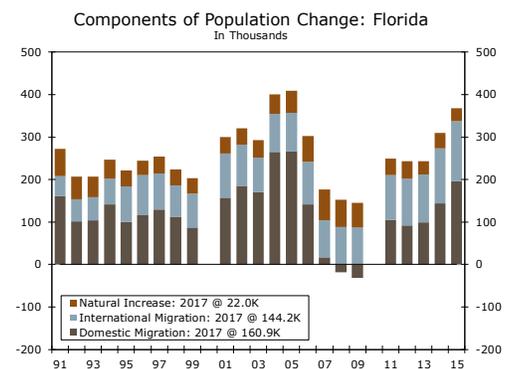
Georgia is more than a spoiler. The Bulldogs have a long and rich football history dating back to 1892 and enjoyed considerable early success. While the team has only one undisputed national championship, which was in 1980, the Bulldogs also won a consensus national title in 1942 and were recognized as a national champion in 1927, 1946 and 1968. Georgia’s 1942 team went 11-1 and featured Heisman Trophy winner Frank Sinkwich and Maxwell Award winner Charley Trippi. That year’s team rolled up regular season victories over 2<sup>nd</sup>-ranked Georgia Tech and 3<sup>rd</sup>-ranked Alabama before beating UCLA in an epic Rose Bowl game. The other highlight of that 1942 season was a 75-0 victory over Florida, which to this day is the largest margin of victory in this rivalry.

Georgia has won 13 SEC Championships, which is second only to Alabama. The Dawgs’ greatest success came under Vince Dooley and Mark Richt. Dooley went 201-77-10 in his 25 seasons, winning six conference titles and one national title. Dooley’s Junkyard Dawgs finished in the top 10 seven times, contended for the national title on four occasions and went 17-7-1 against Florida. The Junkyard Dawgs label was originally in reference to Dooley’s ability to get more out of his players than their size or talents would suggest. Coach Mark Richt went 145-51 over 15 seasons, including six top 10 finishes. Richt was only 5-10 against the Gators, however. Georgia’s current coach, Kirby Smart, is 27-8 and is 1-1 against the Gators. The Dawgs lost to Alabama in overtime in last year’s national championship, 26-23, finishing number two.

**Figure 3**



**Figure 4**



Source: U.S. Department of Commerce and Wells Fargo Securities

**Compelling Demographics Have Much to Do With Both Teams’ Success**

Georgia’s earlier success and Florida’s more recent success are largely due to shifts in demographics. The states of Georgia and Florida are two of college football’s most fertile recruiting grounds. This was not always the case. Prior to the widespread availability of air conditioning, Florida was one of the smallest states in the South, with a 1950 population of just 2.8 million residents, which was fewer than Georgia, Alabama or Tennessee and roughly even with Kentucky and Louisiana. Florida’s smaller relative size is one reason the University of Florida had a tougher time consistently fielding competitive teams during the early days of college football and helps explain why it took so long for Florida to win a recognized conference championship.

*Prior to the widespread availability of air conditioning, Florida was one of the smallest states in the South.*

Georgia, on the hand, was the largest state in the SEC in 1950. Both Georgia and Georgia Tech, which played in the SEC back then, were perennial powers. Alabama was the third largest state in the conference in 1950 and was also an industrial powerhouse with close ties to the Midwest, which helped propel that state’s economy and the University of Alabama’s football program.

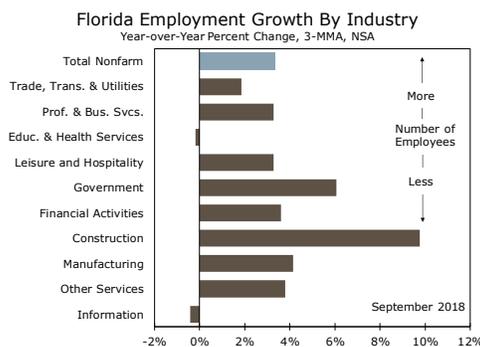
More recently, demographics have provided a strong tailwind for Florida. The Sunshine State added 2.6 million residents in the 1970s, 3.2 million in the 1980s and another 3.1 million in the 1990s. Population growth moderated to 2.9 million residents added from 2000 to 2010 and this decade is on track to add 2.9 million residents. With a current population of 21 million, Florida is the nation’s third largest state and just slightly smaller than Georgia, Alabama, Louisiana and Mississippi combined, which are four of the six states with founding members of the SEC (the others being Tennessee and Florida).

The influx of new residents has primarily been driven by Florida’s buoyant economy, which is creating jobs faster than just about any other large state. Florida has added 282,000 jobs over the past year and has seen its unemployment rate fall to just 3.5%. Growth is broad-based, with every key industry adding jobs, including the oft overlooked factory sector, which has been buoyed by strong growth in the aerospace industry. With the continued influx of new residents, construction and household & personal services are naturally growth leaders. Hurricane Michael dealt the state a massive blow a few weeks ago, but the storm will not likely impede Florida’s strong growth, which is largely anchored in Orlando, South Florida, Tampa Bay and Jacksonville.

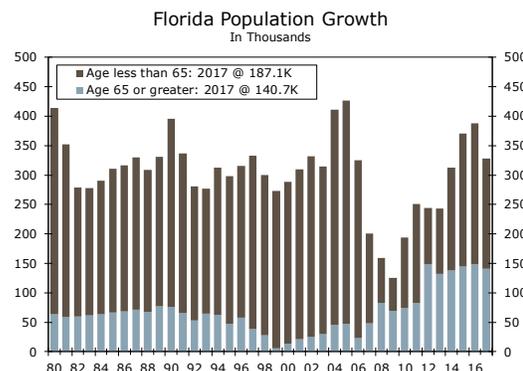
*Florida has added 282,000 jobs over the past year and seen its unemployment rate fall to just 3.5%.*

While the Gators and their chief in-state rivals, Florida State and Miami, rode this demographic bounty to 11 national championships since 1980, the state’s high school football talent is now split amongst more teams. The University of Central Florida has been the winningest program in state over the past two years and is currently 7-0. The University of South Florida also regularly fields a very competitive team and is currently 7-0. The two will meet later this season. Miami’s program is also on the upswing and other SEC, ACC and Big Ten schools regularly poach a great deal of talent from the Sunshine State. Moreover, a larger portion of Florida’s population growth now comes from those 65 and over, which does not tend to grow the college football talent pool.

**Figure 5**



**Figure 6**



Source: U.S. Department of Commerce, U.S. Department of Labor and Wells Fargo Securities

**Georgia currently has the 8<sup>th</sup> largest population of any state but its population is still roughly half that of Florida.**

**The strong economic conditions drawing so many new residents to Georgia are likely to continue.**

Years of strong population growth have helped make Georgia a rich environment for college football recruiting. Georgia currently has the 8<sup>th</sup> largest population of any state but its population is still roughly half that of Florida. The Peach State still punches well above its weight and produces more top football recruits than any state other than California, Texas and Florida. The state’s population has also been growing rapidly, with fairly even contributions from migration and natural increase contributing to an annual gain of around 101,000 residents per year since 2010.

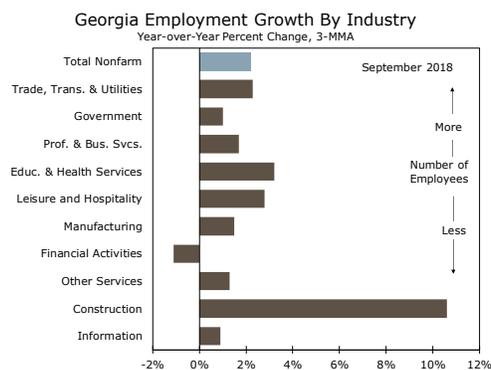
The Bulldogs are fortunate to not share their state’s recruiting bounty with too many large in-state rivals, other than Georgia Tech. That is changing, however, with emerging programs at Georgia Southern and Georgia State. The greater threat, however, comes from neighboring states, particularly from schools like Clemson, Auburn and Florida State, located just over the border in South Carolina, Alabama and Florida. Nick Fitzgerald, the starting quarterback of Mississippi State, and Trevor Lawrence, the starting quarterback for Clemson, both hail from Georgia. Head coach Kirby Smart has made it a top priority to keep the majority of the state’s top talent at home and has largely succeeded—about three quarters of Georgia’s highly rated roster is from the state.

The strong economic conditions drawing new residents to Georgia are likely to continue. Georgia’s economy is one of the healthiest in the nation, with real GDP growth consistently outpacing the nation. Much of that has come from Greater Atlanta. The Combined Statistical Area, which includes Gainesville and Athens, has a population of 6.5 million, or two thirds of the state total. Atlanta consistently ranks as one of the nation’s fastest growing job markets, with business & professional services, finance, construction and wholesale trade leading the way. Atlanta also boasts one of the nation’s fastest growing tech sectors, with core competencies in payments, cyber security and healthcare informatics. The motion picture business is a more recent addition, with Atlanta establishing itself as a leading producer of feature films, television programing and digital content.

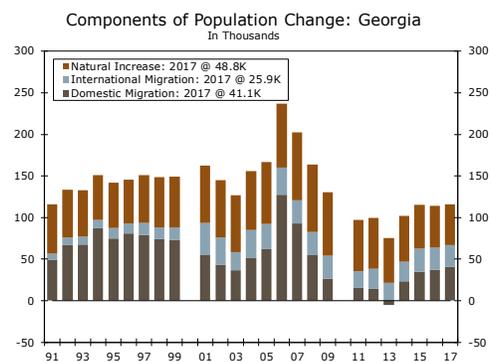
Georgia was hard hit during the Great Recession, which not only brought down the homebuilding industry but also weakened the state’s large carpet and home furnishings business. The bulk of the nation’s carpet is manufactured in Northwest Georgia. Foreign trade and foreign direct investment have been key drivers of the state’s economy in recent years. The Port of Savannah is the nation’s third largest container port and has consistently ranked as the fastest growing port. Growth at the port has fueled the development of warehouse and industrial space around Savannah and Atlanta and has also been instrumental in developing inland ports in Cordele and Northwest Georgia.

More recently Georgia was hit hard by Hurricane Michael, which inflicted significant damage to Southwest Georgia. Early estimates peg the damages at more than \$4 billion, with agriculture taking the biggest hit. Large portions of the state’s cotton and pecan crops were destroyed and large numbers of pecan trees were lost, which will reduce future crop sizes. Peanuts, fresh vegetables and poultry were also significantly impacted. Damages to Georgia’s major population centers were relatively modest but the state will still need to take extraordinary measures to recover.

**Figure 7**



**Figure 8**



Source: U.S. Department of Commerce, U.S. Department of Labor and Wells Fargo Securities

## Wells Fargo Securities Economics Group

|                       |  |                                  |                                     |
|-----------------------|--|----------------------------------|-------------------------------------|
| Diane Schumaker-Krieg | Global Head of Research,<br>Economics & Strategy | (704) 410-1801<br>(212) 214-5070 | diane.schumaker@wellsfargo.com      |
| Jay H. Bryson, Ph.D.  | Global Economist                                 | (704) 410-3274                   | jay.bryson@wellsfargo.com           |
| Mark Vitner           | Senior Economist                                 | (704) 410-3277                   | mark.vitner@wellsfargo.com          |
| Sam Bullard           | Senior Economist                                 | (704) 410-3280                   | sam.bullard@wellsfargo.com          |
| Nick Bennenbroek      | Macro Strategist                                 | (212) 214-5636                   | nicholas.bennenbroek@wellsfargo.com |
| Azhar Iqbal           | Econometrician                                   | (704) 410-3270                   | azhar.iqbal@wellsfargo.com          |
| Tim Quinlan           | Senior Economist                                 | (704) 410-3283                   | tim.quinlan@wellsfargo.com          |
| Sarah House           | Senior Economist                                 | (704) 410-3282                   | sarah.house@wellsfargo.com          |
| Charlie Dougherty     | Economist  | (704) 410-6542                   | charles.dougherty@wellsfargo.com    |
| Erik Nelson           | Macro Strategist                                 | (212) 214-5652                   | erik.f.nelson@wellsfargo.com        |
| Michael Pugliese      | Economist  | (212) 214-5058                   | michael.d.pugliese@wellsfargo.com   |
| Brendan McKenna       | Macro Strategist                                 | (212) 214-5637                   | brendan.mckenna@wellsfargo.com      |
| Abigail Kinnaman      | Economic Analyst                                 | (704) 410-1570                   | abigail.kinnaman@wellsfargo.com     |
| Shannon Seery         | Economic Analyst                                 | (704) 410-1681                   | shannon.seery@wellsfargo.com        |
| Matthew Honnold       | Economic Analyst                                 | (704) 410-3059                   | matthew.honnold@wellsfargo.com      |
| Donna LaFleur         | Executive Assistant                              | (704) 410-3279                   | donna.lafleur@wellsfargo.com        |
| Dawne Howes           | Administrative Assistant                         | (704) 410-3272                   | dawne.howes@wellsfargo.com          |

Wells Fargo Securities Economics Group publications are produced by Wells Fargo Securities, LLC, a U.S. broker-dealer registered with the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, and the Securities Investor Protection Corp. Wells Fargo Securities, LLC, distributes these publications directly and through subsidiaries including, but not limited to, Wells Fargo & Company, Wells Fargo Bank N.A., Wells Fargo Clearing Services, LLC, Wells Fargo Securities International Limited, Wells Fargo Securities Canada, Ltd., Wells Fargo Securities Asia Limited and Wells Fargo Securities (Japan) Co. Limited. Wells Fargo Securities, LLC is registered with the Commodities Futures Trading Commission as a futures commission merchant and is a member in good standing of the National Futures Association. Wells Fargo Bank, N.A. is registered with the Commodities Futures Trading Commission as a swap dealer and is a member in good standing of the National Futures Association. Wells Fargo Securities, LLC and Wells Fargo Bank, N.A. are generally engaged in the trading of futures and derivative products, any of which may be discussed within this publication. Wells Fargo Securities, LLC does not compensate its research analysts based on specific investment banking transactions. Wells Fargo Securities, LLC's research analysts receive compensation that is based upon and impacted by the overall profitability and revenue of the firm which includes, but is not limited to investment banking revenue. The information and opinions herein are for general information use only. Wells Fargo Securities, LLC does not guarantee their accuracy or completeness, nor does Wells Fargo Securities, LLC assume any liability for any loss that may result from the reliance by any person upon any such information or opinions. Such information and opinions are subject to change without notice, are for general information only and are not intended as an offer or solicitation with respect to the purchase or sales of any security or as personalized investment advice. Wells Fargo Securities, LLC is a separate legal entity and distinct from affiliated banks and is a wholly owned subsidiary of Wells Fargo & Company © 2018 Wells Fargo Securities, LLC.

### Important Information for Non-U.S. Recipients

For recipients in the EEA, this report is distributed by Wells Fargo Securities International Limited ("WFSIL"). WFSIL is a U.K. incorporated investment firm authorized and regulated by the Financial Conduct Authority. For the purposes of Section 21 of the UK Financial Services and Markets Act 2000 ("the Act"), the content of this report has been approved by WFSIL, an authorized person under the Act. WFSIL does not deal with retail clients as defined in the Directive 2014/65/EU ("MiFID2"). The FCA rules made under the Financial Services and Markets Act 2000 for the protection of retail clients will therefore not apply, nor will the Financial Services Compensation Scheme be available. This report is not intended for, and should not be relied upon by, retail clients.

SECURITIES: NOT FDIC-INSURED/NOT BANK-GUARANTEED/MAY LOSE VALUE

WELLS  
FARGO

SECURITIES