

Economic Impact of Pennsylvania's Fair Industry



Prepared for:

Pennsylvania State Association of County Fairs

www.pafairs.org



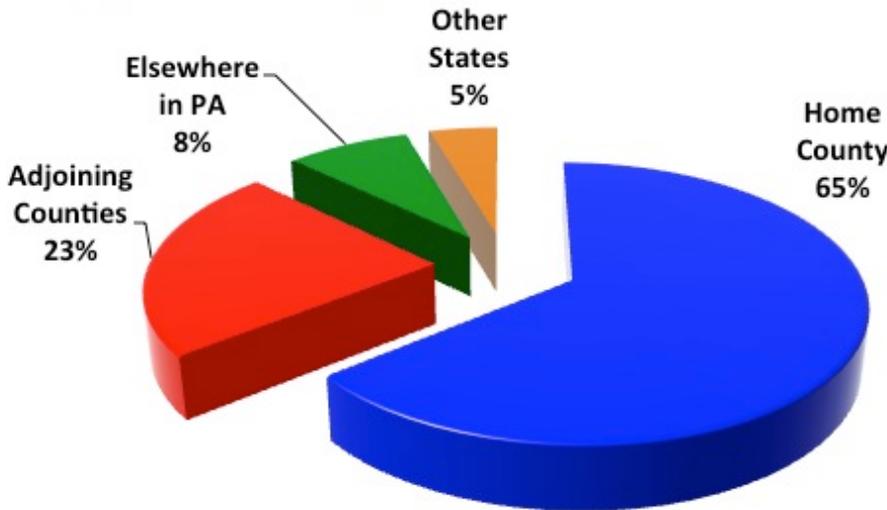
Prepared April, 2013, by Shepstone Management Company, Inc.

ECONOMIC IMPACT OF PENNSYLVANIA'S FAIR INDUSTRY

A Major Feature of Pennsylvania Tourism

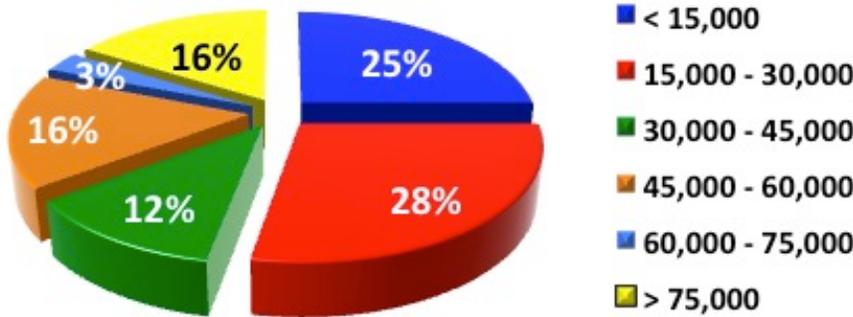
Pennsylvania's county fairs are long-standing tourism enterprises that, for residents and visitors alike, virtually define the character of those communities where they are located. There are 110 fairs spread across the Commonwealth and, while each is unique, they all generators of large amounts of intrastate, as well as interstate tourism.

Origin of Pennsylvania Fair Customers



This chart demonstrates **35% of all fair visitors come from outside the county where they are located**, drawing Pennsylvanians and others to those counties to spend money. The volume of visitors to these fairs is also huge, often being the largest tourist attractions within those counties where they are located and helping to define their character for neighbors and visitors alike. The following chart illustrates.

Pennsylvania Fairs by Annual Visitors

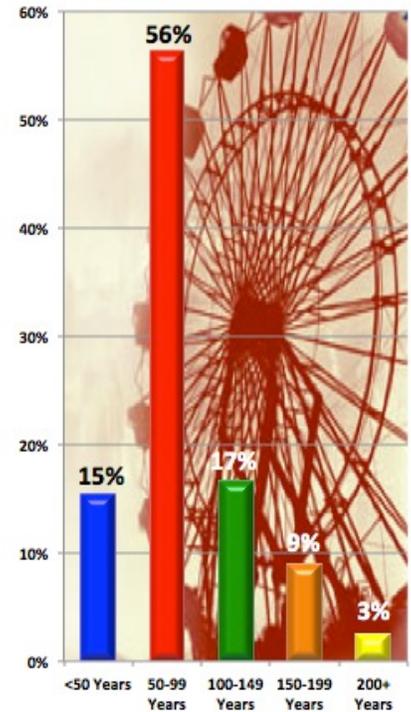


Some 16% of Pennsylvania fairs attract over 75,000 visitors annually and there at least three fairs attracting over 150,000 visitors annually. **Altogether, Pennsylvania's fairs attract roughly 5.5 million visitors annually.** The average fair pulls in over 49,900 visitors, some 14,350 of these, on average, being out-of-county or out-of-state tourists who are bringing additional dollars and opportunities into the counties where they are located.

Here for a Long Time

Pennsylvania fairs are important and long-standing community features of the counties where they operate.

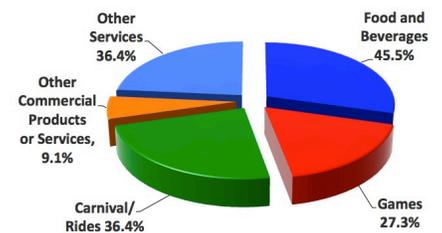
Pennsylvania Fairs by Years in Existence



- Pennsylvania's oldest fair is the York Fair, organized 11 years before U.S. in 1765
- Some 85% of fairs here for 50+ years
- Typical fair has been around 89+ years.

Fairs are Pennsylvania's original tourist attractions, providing food, entertainment and other tourism services throughout the Commonwealth for 247 years and counting.

Fair Products and Services



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Something for All

Pennsylvania fairs are popular because they offer activities, attractions and events for visitors both during and after fair season.

Fair Activities, Attractions & Events by Popularity



Photo courtesy of [Becky Sweger](#)

Pennsylvania fairs are still strongly oriented toward agricultural activities (offered by 97% of fairs), but an equal proportion also serve as entertainment venues.

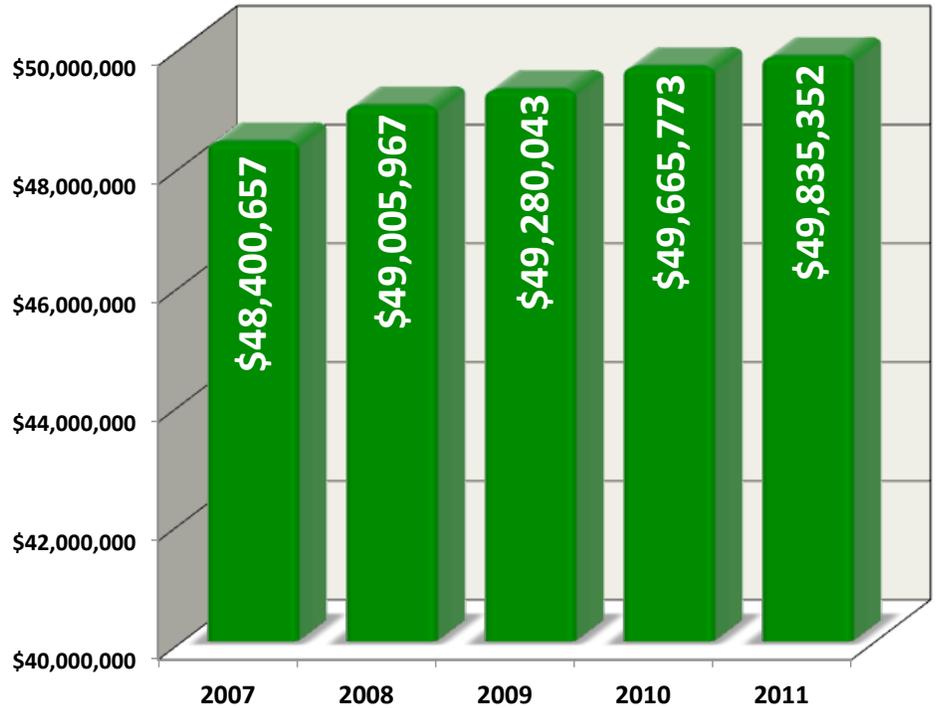
Craft activities are very popular both during (91%) and after fair season (39%) and social activities take place during both periods (81% and 55%, respectively).

Significantly, 68% of Pennsylvania fairs are used for private parties, banquets and events during the off-season and 39% are used for festivals, providing unique venues for these tourist attractions.

An Attraction of Growing Appeal and Value

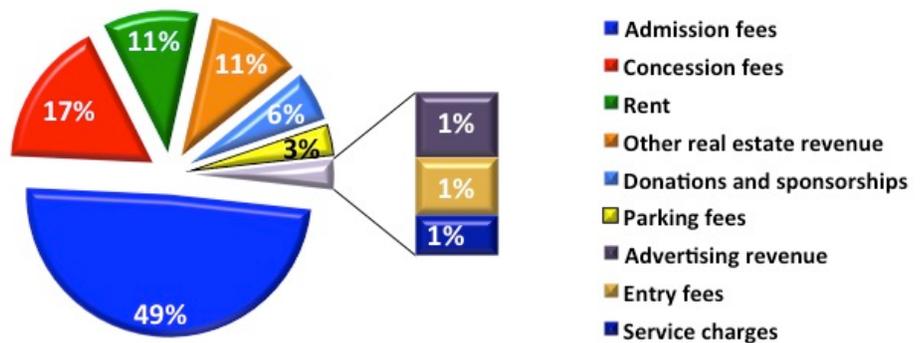
Pennsylvania's fairs now constitute what is nearly a \$50 million industry. There has also been steady growth despite the nation and the Commonwealth being in serious economic recession. This indicates the fair industry has superior staying power and tourism appeal across the board.

Total Fair Revenues, 2007-2011



The industry is projected to produce \$62 million in annual revenues by 2016. The sources of those revenues are diverse, with admission fees constituting slightly less than half the total. Concession fees account for another 17%, indicating the value of Pennsylvania fairs as a place to do business for local and regional commercial enterprises, as well non-profit groups and other community organizations. Pennsylvania fairs offer high visibility for all who participate in the activities.

Pennsylvania Fair Revenues by Category

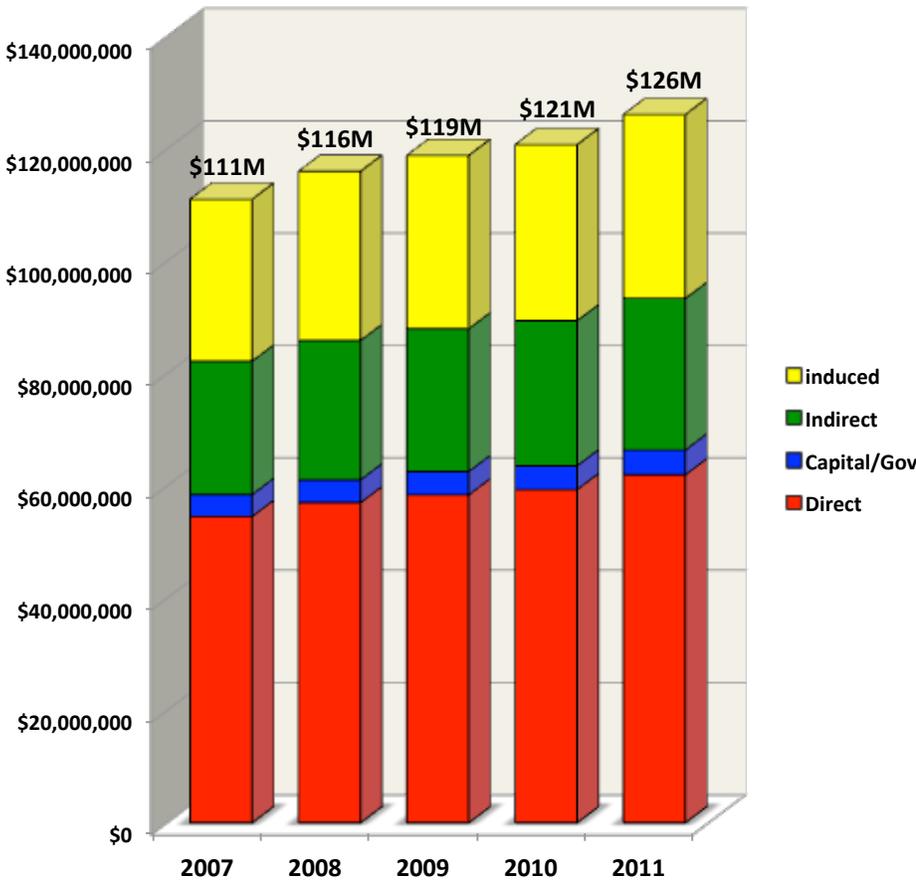


ECONOMIC IMPACT OF PENNSYLVANIA'S FAIR INDUSTRY

\$126 Million of Economic Impact on Pennsylvania

Revenues from Pennsylvania fairs are spread throughout the economy of the Commonwealth benefiting every resident and they far exceed direct spending. Direct spending is complemented by capital expenditures and government support, plus indirect spending (by suppliers) and induced spending (by persons employed in the travel and tourism economy). The Commonwealth of Pennsylvania has analyzed the multipliers associated with this additional spending and applying them to direct spending by Pennsylvania fairs indicates the following total impacts on the state economy.

Pennsylvania Fair Spending and Economic Impacts, 2007-2011



The total economic impact to Pennsylvania broke down as follows:

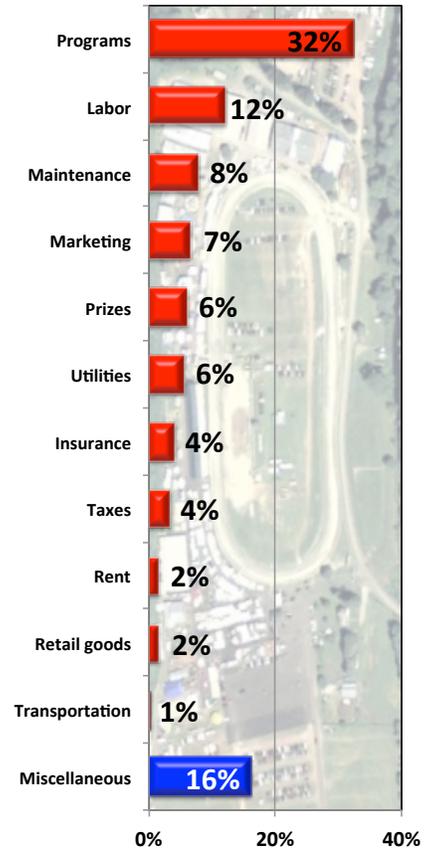
Direct Spending by Pennsylvania Fairs	= \$61,948,000
Additional Capital Spending and Government Support	= \$4,425,000
Indirect Spending by Suppliers of Goods and Services	= \$26,992,000
Induced Spending by Workers in the Tourism Economy	= \$32,744,000
Total Economic Impact from Pennsylvania's Fairs	= \$126,109,000

Where It All Goes

Pennsylvania fairs spend money in many sectors of the economy, including \$17.6 million annually on entertainment and exhibit expenses (programs), \$6.7 million on labor and \$4.4 million on maintenance. This spending reflects visitor draws.

They also paid \$2.0 million in taxes, not including those paid by various fair vendors regularly engaged in retail sales. Just three major Pennsylvania fairs together paid over \$250,000 in payroll and other taxes in 2010.

Fair Expenses by Type



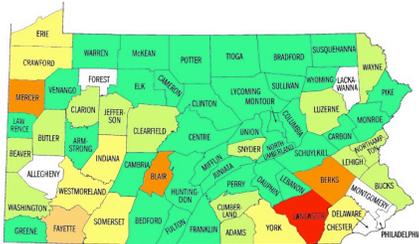
Fairs also pay out over \$3.4 million in prizes, offering incentives to producers, rural youth and others to improve and demonstrate their skills and the value of agriculture to the communities where they took place.

Most importantly, over 92% of fair operating expenditures and more than 93% of capital expenditures are made in Pennsylvania.

ECONOMIC IMPACT OF PENNSYLVANIA'S FAIR INDUSTRY

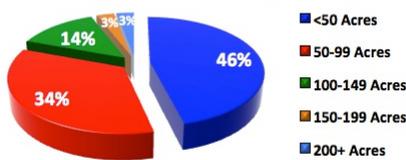
Statewide Tourism

Pennsylvania fairs are found in 61 counties, with Lancaster County having seven such facilities, Berks, Blair and Mercer each having five fairs and Fayette County having four. Seven counties have three fairs each and 14 have two fairs each. Every rural county but one has at least one fair.



Few other sectors of the tourism industry touch so many areas of the Commonwealth, or offer such widespread economic impacts. Fair facilities also tend to be community institutions of major prominence, involving prime locations and large land areas.

Pennsylvania Fairs by Acreage



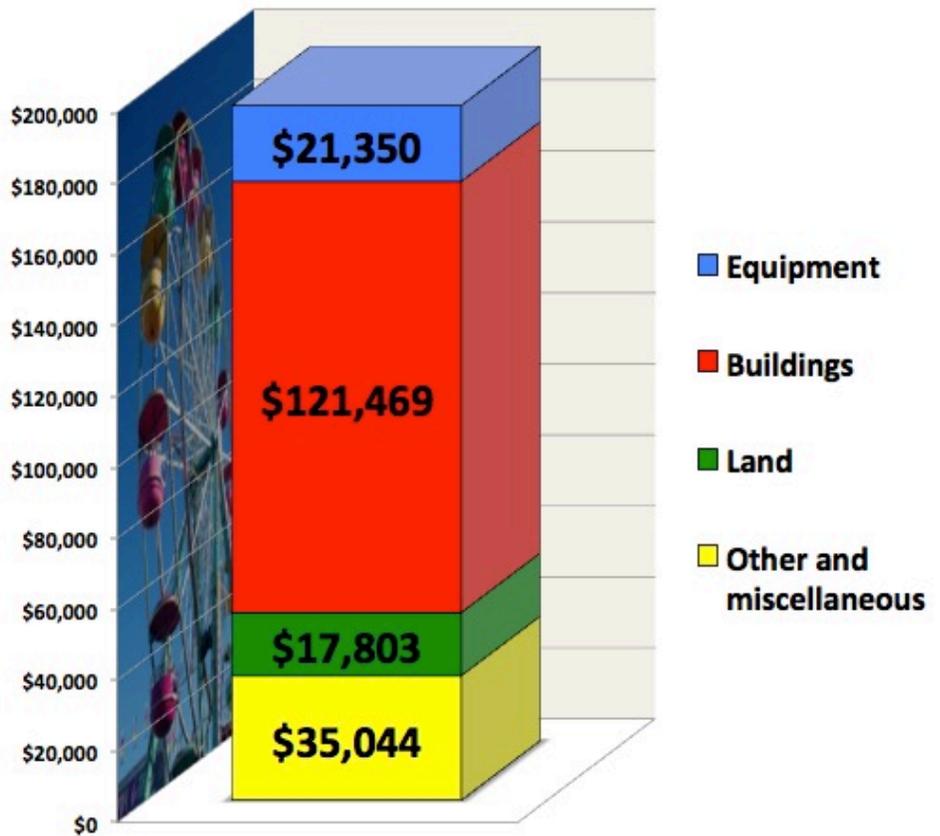
Fairs range in size from one acre to 250 acres, with an average size of 63.8 acres, meaning they are typically among the very few facilities in any community where major events such as harvest festivals or equipment shows, can take place.

This is why the typical fairgrounds, though open six or more days per year for fair activities, is actually used an average of 86.2 days or roughly 12 weeks per year for a wide variety of community activities.

PA Fairs Are Major Community Investments

Fairground properties in the Commonwealth represent major investments in the communities where there are located. Assessment records, as just one example, show a Lancaster County fair had a market value of over \$3.8 million in 2002. Another fairgrounds in central Pennsylvania is valued at \$2.3 million and still another in the Lehigh Valley has a worth of \$3.1 million, suggesting the combined value of these properties statewide is in the hundreds of millions of dollars. The following chart indicates average capital spending by Pennsylvania's fairs over the last five years.

Pennsylvania Fair Average Annual Capital Spending, 2007-2011



The typical Pennsylvania fair has invested \$196,000 per year in facilities, with all fairs combined adding value of roughly \$4 million annually. Fair operators expect, over the next five years, to invest another \$17 million, with 55% of this going to buildings, 17% to equipment and 12% to land.

Fair facilities are, indeed, used for multiple activities throughout the year and are attracting visitors during more than fair week. Indeed, the typical Pennsylvania fair attracts 33,900 additional visitors to use the facilities before and after fair week, creating as many as 3.7 million additional visitors annually. This means these valuable Pennsylvania fairgrounds are used in total by over 8.2 million people per year, an average of 74,900 individuals per fair, making them all major attractions.

ECONOMIC IMPACT OF PENNSYLVANIA'S FAIR INDUSTRY

Growth and More Growth

Surveys of county fair associations conducted for this study indicate Pennsylvania's fair operators hope and expect to reach \$57.5 million in direct sales by 2016. If realized, as expected, it will represent a 15% gain of \$13.5 million over 2011 volume, which was \$49.4 million. This is without considering additional revenues generated by vendors or their growth.

Projected Fair Revenues, 2012-2016



Surveys also asked for assessments of the potential for future growth among Pennsylvania operators with the following results, indicating the overwhelming majority of fair operators expected to add exhibitors, entertainment and volunteers, while expanding usage of facilities year-round.

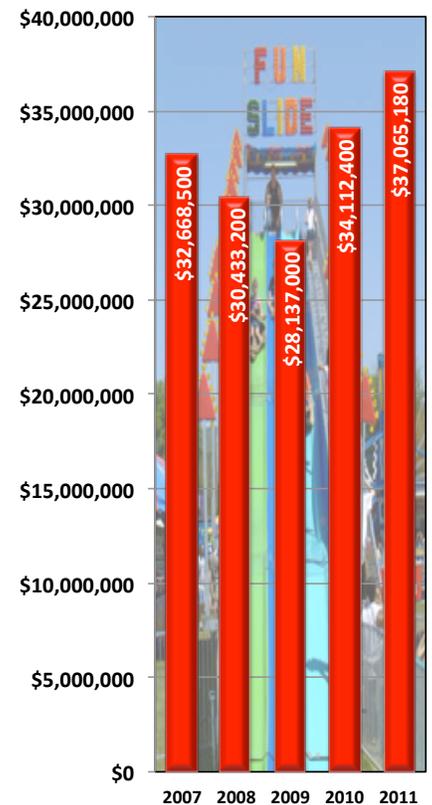
Future Potential for Growing Pennsylvania Fair Experience

	Moderate	Excellent	Total
Adding exhibitors	74%	21%	95%
Increasing attendance	66%	26%	92%
Improving revenues	69%	20%	89%
Adding volunteers	61%	27%	88%
Adding entertainment and other shows/events	55%	26%	80%
Expanding days of use for other activities	49%	31%	80%
Expanding employment	18%	2%	20%
Expanding days of fair operation	18%	0%	18%

Showmen & Vendors

Pennsylvania fairs are served by an ever-changing mix of showmen and vendors who provide entertainment and food service as well retailers and non-profit groups who use fair traffic to raise money for their programs. There are roughly 600 such enterprises operating in Pennsylvania and their sales are large and growing, averaging \$61,775 in 2011 and generating \$37.1 million of total sales across the Commonwealth.

Showmen/Vendor Sales, 2007-2011



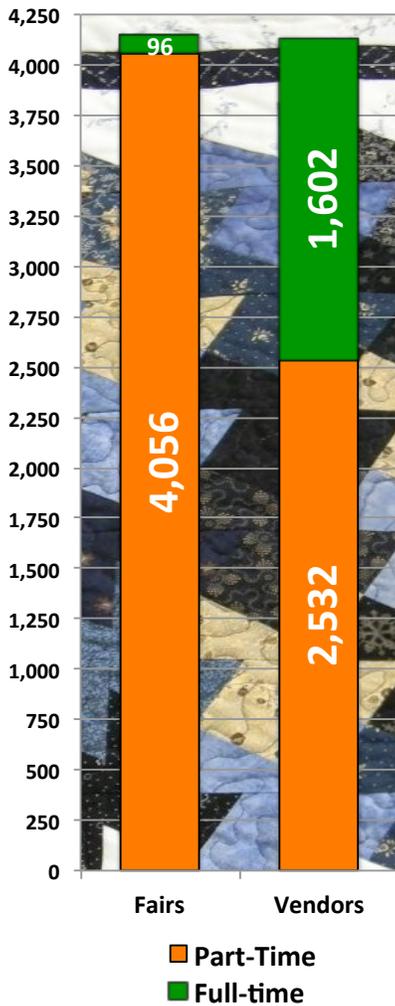
These showmen/vendor sales are reflected in the total economic impact of Pennsylvania fairs (see p. 3) but also represent a major contribution to the state economy in their own right. Showmen and vendors typically purchase 55% of their own supplies and services from Pennsylvania based firms, spending an average of \$39,200 annually on supplies, services, lodging and gasoline.

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Employment

Pennsylvania fairs and vendors are large employers of temporary part-time workers looking to supplement seasonal incomes.

PA Fair & Vendor Jobs



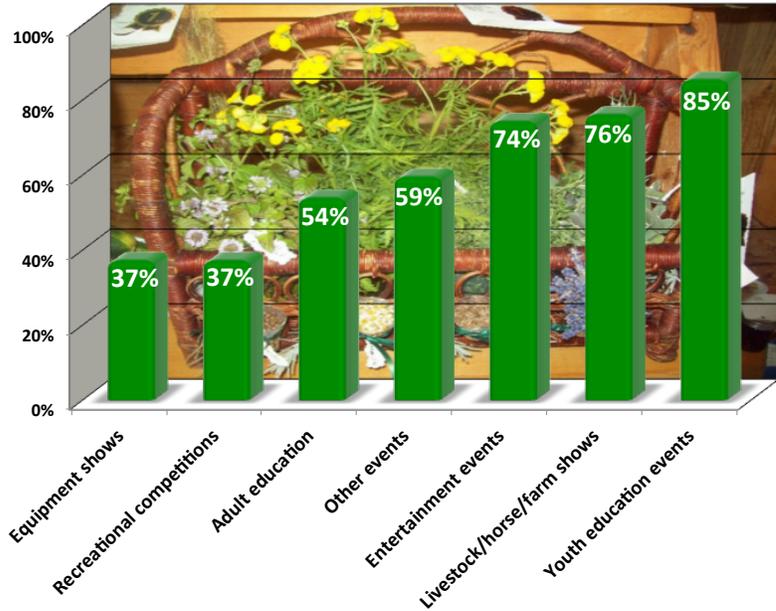
Fairs and their vendors, employ nearly 6,600 part-time workers in Pennsylvania and 390 full-time employees. They also employ, combined, about 1,700 full-time employees.

Pennsylvania fairs also attract over 4,400 volunteers for boards and committees (an average of over 40 per fair) and over 14,600 other volunteers (an average of 133 per fair) who support these community events in other significant ways.

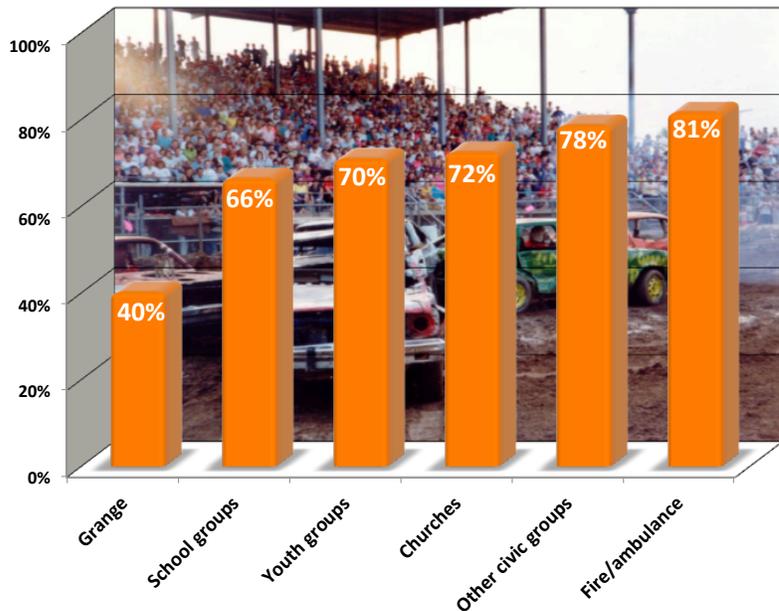
Pennsylvania Fairs Are Community Assets

Some 85% of fairgrounds are used for youth education events outside of fair week and 81% of fairs include fund-raising activities for local fire and ambulance emergency service providers.

PA Fair Use by Community



PA Fair Use for Fundraising



Pennsylvania fairs also serve to promote their home areas as they promote themselves using newspapers (97%), the internet (90%), radio ((87%), placemats/brochures (77%), posters (69%), social media (69%), billboards (46%), television (46%) and direct mail (43%).

ECONOMIC IMPACT OF PENNSYLVANIA'S FAIR INDUSTRY

The Key Facts:



*Attract over 5.5 million fair visitors and
3.7 million other visitors annually*

Typical fair a tourist attraction for 89+ years

*\$50 million of revenues annually and
expected to reach \$57.5 million in 2016*

\$126 million of total economic impacts to PA

110 fairs in 62 Pennsylvania counties

Average capital investment of \$196,000 per year

Typical fair used 12+ weeks per year

Fair showmen and vendors produce \$37 million of sales

Fairs and vendors offer 6,600 part-time and 1,700 full-time jobs

*Over 81% of fairs used to raise funds for local
fire and ambulance services*

Photo courtesy of [Becky Sweger](#)



For more information:

Pennsylvania State Association of County Fairs
128 Cumberland Road
Bedford, PA 15522
866-814-6985
www.pafairs.org