

# **The Economic Impact of Houston Livestock Show and Rodeo™**

**An Estimate Based Upon the  
Performance in the Spring of 2010**

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## **ABSTRACT**

This report analyzes the economic impact of the Houston Livestock Show and Rodeo upon the overall Houston regional economy. The focus is on demand-side economic effects using well-established methodologies in regional economics, painstakingly avoiding many of the pitfalls of other impact studies, and applying the best available regional economics impact model available for this type of analysis. The results indicate that the Houston Livestock Show and Rodeo annually provides a substantial economic stimulus to the overall regional economy. Since supply-side effects are not explicitly included in the impact numbers presented in this report, the reader should consider the figures presented as an under-estimate of the overall impact, emphasizing just one part of the Rodeo's influence on the regional macro economy.

This study finds that because of the Rodeo gross sales in the region are increased by nearly a half billion dollars, regional output is \$320 million higher, and regional personal incomes are raised by over \$290 million. Furthermore, the Rodeo generates more than 7,200 full-time equivalent jobs and an increase of over 16,000 in population. As a by-product of this growth the Houston Livestock Show and Rodeo provides a fiscal dividend to local governments of over \$27 million annually.

## I. INTRODUCTION

### **The Multiple Goals of the Houston Livestock Show and Rodeo**

#### ***Educating the Rising Generation***

Since its beginning in 1932, the Houston Livestock Show and Rodeo, hereafter referred to as the Rodeo, has been dedicated to the encouragement of scientific advancement and dissemination of the most recent findings to promote improved breeding, raising, and marketing of livestock. As a part of that effort, the Rodeo has provided substantial support to young people of the region in pursuing their interests in agriculture and the advancement of their knowledge base in the most up-to-date livestock technologies. It has sought to achieve this objective through a wide variety of programs. Not only has it provided millions of dollars for scholarships, but it has also been a major supporter of 4-H and FFA. Currently, 2,092 students, who are enrolled in 90 different Texas colleges and universities, are on Rodeo scholarships valued at approximately \$25 million. The Rodeo also has contributed handsomely to research, providing funding for graduate studies and direct grants for university research. But perhaps its most important contribution to the development of agricultural skills among area youth is providing them with a venue to display their achievements. No single influence can produce both practical experience and enduring enthusiasm for work in any field better than experiencing firsthand the joys and the disappointments of applying new knowledge to that discipline.

However, the Rodeo's contribution goes beyond its initial rural and agricultural interests. Through its generous support of the Rodeo Institute for Teacher Excellence, The School Art Program, and a variety of other educational programs, the Rodeo has touched the lives of young people in the region from all backgrounds. For example, more than 300,000 young amateur artists participated in the School Art Program in 2010, submitting projects based on Western culture, history, and heritage.

#### ***Providing Houston With a Premier Entertainment Venue***

In addition to its primary focus as a major livestock show, also promoting education and research, the Rodeo has become one of the area's premier entertainment venues, bringing to Houston the best of professional rodeo athletes, top-billed entertainment stars, and the thrill for many urbanites of seeing the wonders of an industry that they so heavily depend upon.

Within just a three-week period the Rodeo attracts an attendance of over 2.1 million people. That stands in contrast to the 2.5 million who attend Houston Astros games over a six-month season and the .7 million in attendance for the Houston Texans over a four-month season. The Rodeo invites approximately 400 of the top rodeo athletes in the world and awards more than \$1.5 million in prize money. This makes it the richest regular-season rodeo in the world for which it has received numerous state and national awards.

In addition to its own activities, the Rodeo has funded or helped fund many key facilities which have been important in attracting other activities and conventions. The Rodeo funded, in full or in part, the original Astrohalla and Astroarena, a major on-site warehouse to support facility programs, Reliant Stadium, and Reliant Center. These facilities contribute to Houstonians' enjoyment of other sources of entertainment and sports, but also serve the local business community by accommodating hosts of conventions, as well as social and business meetings.

### ***A Center of Community Pride and Involvement***

Finally, it should be mentioned that Houstonians themselves find the Rodeo a natural setting to promote the city and its offerings. Thousands invite friends and family from all over the nation to visit and see Houston in its splendor during the wonderful spring weather of Azalea season, and of course, to visit the Rodeo. The Rodeo, in its many facets, brings together over 24,000 volunteers to make the event a success. Some volunteers' commitment to the program requires travel of hundreds of miles to be a part of this annual extravaganza.

The Rodeo is also regularly visited by foreign dignitaries, including world leaders, such as those who attended the 1990 Economic Summit of the G-7 nations and enjoyed the flavor of Houston and Texas at a specially produced rodeo performance. Among those in attendance were U.S. President George H.W. Bush, European Union President Jacques Delors, Italian Premier Minister Giulio Andreotti, German Chancellor Helmut Kohl, French President Francois Mitterand, U.K Prime Minister Margaret Thatcher and Canadian Prime Minister Brian Mulroney.

However, perhaps even more important was the impression made upon the hundreds of international journalists who at that time left Houston with an eye-opening view of Houston as a marvelous American city with the sophistication of a true world-class metropolis and the excitement of a community that also treasures its heritage. Even today, the Rodeo continues to attract international guests of distinction, providing them with state-of-the-art information about American agriculture, an entertainment treat, and a look at one of the nation's most remarkable cities. Indeed, the Rodeo is one of the city's major public relations assets, an asset that is now 78 years old. Appendix 1, "The

History of the Houston Livestock Show and Rodeo,” provides a historical summary of the Houston Livestock Show and Rodeo for an interesting overview of the evolution of this event as a Houston icon.

### **The Incidental Economic Impact Upon the Houston Metropolitan Community**

While it is not the explicit mission of the Rodeo, all of its activities also have a direct impact upon the overall regional economy in terms of aggregate regional sales, gross regional product, employment, personal income, and population. Because of the new regional expenditures the Rodeo brings to Houston, it increases net aggregate demand for Houston produced goods and services. As such, these impacts are referred to as “demand-side” impacts and are often given the greatest attention. This is not to say, however, that the Rodeo’s contribution to the region’s amenity enhancement, its charitable giving to area organizations, its funding of key social infrastructure, and its effective enhancement of real personal incomes through scholarships and other premiums, prizes and grants are not economically important. These simply don’t directly generate jobs and local economic activity, beyond the fact that, by enhancing the quality of life in the area, these contributions make Houston more attractive to industry and households. This latter aspect of any business or activity is referred to as “supply-side effects” in that it helps attract or retain capital and labor and hence increases the region’s supply-side potential and productivity.

The direct or “demand-side” effects upon the region occur when a business or activity brings outside dollars into the region, producing both a direct increase in regional aggregate demand and an indirect or induced increase, as the initial stimulus expands local incomes which are then, in part, re-spent within the community. What makes the Rodeo particularly important in this regard is that a substantial amount of new regional expenditures attributable to the Rodeo emanate from outside of the region. Thus, for example, while the Houston Astros generate a greater attendance than the Rodeo, they attract fewer outsiders and thus bring less “outside dollars” into the region to generate an impact on overall economic activity and growth.

As will be discussed later, the Rodeo also helps the region retain local dollars for consumption at home, part of which would have otherwise been spent on goods, services, and activities purchased from outside of the region. Regional economists refer to this as “import substitution,” a phenomena that explains why as cities get bigger and provide more “home produced” services the size of the induced effect becomes larger. In terms of the regional economics literature, “the regional multiplier effect becomes increasingly larger.” Import substitution can have basically the same effect as generating new demand from households and businesses outside the region in that it effectively

increases the net dollars flowing into the region as previous leakages of local dollars outside the region are “brought back home.”

## **II. MEASURING THE IMPACT OF THE RODEO**

### **The Nature of Impact Analysis**

#### ***Economic Stimulus From “Outside” Spending***

Thus, we see that the Rodeo potentially provides significant stimuli to the local economy primarily because it brings outside dollars into the region from attendees, participants, and national-based sponsors, dollars which are then further spent locally throughout most other sectors of the economy. Furthermore, the Rodeo also likely “saves” local dollars from leaking out of the region by diverting what otherwise would have been spent by local residents on numerous imported goods, including such things as entertainment, recreation, travel. The import substitution effect can sometimes produce an economic impact upon a metropolitan area that is nearly as important as those direct outside dollars pulled into the community. The task of estimating both direct increases in exogenous spending and import substitution is not an easy task and is just the beginning of the analytic task. The full impact of these changes in dollar flows in and out of the region must be analyzed in a careful and systematic way.

#### ***Avoiding the Pitfalls of Impact Analyses***

Analysts have attempted to estimate the impact of new businesses, activities or local amenities for decades. In many cases, past studies have erroneously compared outcomes before some new economic activity versus outcomes after that activity has occurred. Examples include the comparison of economic growth rates before and after tax or spending changes, property values before and after neighborhood improvements, and the value of environmental changes before and after industrial development.

The error with this type of approach is that it fails to isolate the impact that can be directly attributable to particular economic activities from other influences that would have produced change anyway. For example, studies of the benefits of fish hatcheries from a before/after perspective often prove quite disappointing, documenting little, if any, increase in the stock of fish within a particular body of water. But this doesn’t mean that the fish hatcheries and the release of hatchery bred fish into these bodies of water didn’t have an impact. The relevant question is how does the new level of fish in these streams or lakes compare with the level that would have been observed had the fish hatcheries not existed? Such a comparison is referred to by economists as the

“with/without perspective” and is the starting framework for all cost-benefit analyses in the economics and public administration literature.

The failure to adequately set up a with/without framework of analysis is not the only pitfall of many past analyses. Another typical error involves the tendency to double count exogenous stimuli. For example, with the Rodeo, one might be tempted to include both spending by attendees at the Rodeo and the money spent by the Rodeo itself in putting on all of the events. But the money spent on producing the Rodeo events ultimately comes from the sources of that money, such as ticket sales, participation fees, and sponsorship contributions. Summing both the inflow of money and the outflow would greatly exaggerate the overall economic stimulus to the region (essentially it would be double counting).

It is also common in many careless studies to include all spending at an activity as opposed to only that which emanates from outside the region. It is only outside dollars which stimulate the regional economy. Local dollars, except for the possibilities of import substitution, merely transfer spending from one local sector to another, producing no net impact on the community.

Many past studies of sports franchises have made this error, considering all spending at particular sports venues as a direct stimulus to the local economy. This may exaggerate the impact of the sports team by more than 20 times its real impact. That’s because as much as 95 percent of the attendance at many local sports franchises are local residents only.

## **The Economics Models for Impact Analysis**

### ***The Need for Modeling***

Since in *ex post* studies the “without” world is not observable, impact analyses require the ability to estimate or forecast what would have occurred in the absence of any new activity, project, or facility. In the hatchery example above, the question that needs to be answered is what would the stock of fish have done over time in the absence of the fish hatcheries. This requires some form of scientific modeling capable of forecasting the trends in fish population. If the study to be performed is an *ex anti* analysis, then the model utilized must have the capability to “forecast” fish populations under both the “with” and “without” scenarios.

In the case of economic development, policy makers might ask what might be the impact of the relocation of a major firm to the local region in terms of jobs, real incomes, local sales, and perhaps governmental tax collections. Once again, this cannot be

answered without the ability to forecast and compare aggregate outcomes without the relocation versus the outcomes with the relocation. The application of simple before/after analysis can seriously bias the results either positively or negatively. If, in the case of the fisheries, the stock of fish was going to rise anyway, then the observed gain in the stock of fish would overestimate any benefit of the hatcheries. If, on the other hand, the stock of fish was expected to fall substantially in further years without the hatcheries, then simply maintaining the status quo of the fish population would constitute a significant benefit.

### **The Economists' Choice: Input/Output Models**

Virtually all economic analyses of impacts utilize a form of economic models referred to as "input-output" (I-O) models. These models link all sectors within an economy with each other and with outside (exogenous) demands that influence those sectors. As a consequence, they are often referred to as "demand-driven" models.

Within the I-O model framework, a local economy can be divided into economic base sectors and secondary sectors. The former sells goods and services outside the region, while the latter sells goods and services only to local households and businesses within the region. For any community needing imports, exports are required to bring in the dollars necessary to acquire those imports. A large amount of the consumption of urban residents emanates from the import of goods and services from other regions, thus requiring a substantial amount of exports in order to support the urban population and "pay" for those imports. Indeed, regions cannot exist without exports and cannot grow without an increase in the sale of their exports. In other words, it is only by increasing this exogenous, outside, export demand that any city or region can expand in terms of economic activity.

Because at the regional level demand-driven models (Keynesian type models) are so focused upon exports to areas outside the region, I-O models are also referred to as export-based models. The export sectors can either be defined in terms of the flow of goods and services (where their products go) or in terms of where their revenues come from (whether their sales emanate from outside the region, bringing "outside dollars" into the region). It is only with the application of such models that one can attempt to pursue with/without perspective analyses.

## **Basics of the Standard Demand-Side Approach**

### ***Identifying Exogenous Spending***

The demand-side approach, utilizing input-output models, is quite straightforward and very well documented in the economics literature. The first step in this type of analysis is to identify all of the exogenous increases in spending within the community that are associated with any particular economic activity. The term exogenous means spending that is determined outside the workings of the local economy and hence independent of internal growth of the local economy itself. In other words, this is spending that emanates from, and is determined by, forces outside the realm of the particular economy being analyzed.

Obviously then, what is exogenous depends upon the definition of the economy under study. In this study the Houston economy refers to all economic activity occurring within the Houston CMSA. Macro I-O models of regional economies are ultimately driven by those forces that extend beyond their regions, yet drive the very existence of those economies. Thus, it is very important to carefully define the boundaries of the region being analyzed (within the region) and the rest of the world (outside the region) from which exogenous demand emanates.

For Houston, oil revenues would be an exogenous variable or determinant of local economic activity and the upstream energy sector would be a part of the region's economic base. On the other hand, only to the extent that Houston's Medical Center brings outside dollars into the region would those dollars be considered exogenous sales or demand and constitute a part of the region's overall "economic base." The remainder is merely secondary sector activity where local dollars are simply changing hands.

The same is true for the arts, entertainment, and sports industries. Many of these types of activities or industries are only secondary sectors, producing no net impact upon aggregate demand. In fact, they themselves are dependent upon the health and growth of the region's export base for their very existence. Yet, as with many sectors, some of the revenues generated by these sectors are appropriately considered to be a part of the region's economic base. An increase in those revenues would be stimulative to the overall regional economy. Thus, many businesses and community activities have both economic base and secondary sector dimensions to them.

The identification of exogenous spending is not always easy. During the 1980s and 1990s a host of nation-wide studies were conducted regarding the economic impact of new sports venues in American cities. Often these studies erroneously took as the increase in demand the total sales for tickets, concessions, and after-event spending at

local establishments such as restaurants. But, obviously, this is inconsistent with the basic definition of exogenous spending, because many of those expenditures emanated from local residents and would have been spent upon other local goods and services had they not been spent on a sports event. The real question becomes how much of the event related expenditures is new spending, bringing in or returning back outside dollars which would not have otherwise occurred in the absence of the new venue (the with/without perspective). This requires a detailed accounting of (1) how many out-of-towners are expected to attend each event and hence bring “outside dollars” into the community; and (2) how much of the spending at these events by locals might have otherwise been spent on “imports” (goods, services, travel, etc.) which effectively “brings back” dollars and thus provide additional economic stimuli. For promoters of some particular activity or facility, applying the correct approach is often disappointing because it usually reduces estimates of the overall impact considerably below their exaggerated expectations based simply upon total expenditures.

### ***The Multiplier Effect***

However, the impact does not end with the direct increase in exogenous spending. Once correctly identified, the outside dollars brought into the community produce an impact significantly greater than their totals alone imply. That’s because a portion of every one of those new outside dollars generated locally will get spent again on local goods and services by households who obtain a share of the original gain through increased incomes and from businesses which spend some of the revenues on local inputs required to produce the product or service they are exporting. In fact, the process will continue as these secondary sales produce additional tertiary sales and so on. The process ends only because each dollar of new local income is not all spent locally, but also on imports. The latter phenomena is referred to as “regional leakages.” The larger and more self-sufficient a region is, the smaller will be the proportion of leakages to total spending and hence the larger will be the multiplier.

The ultimate equilibrium of additional local spending is referred to as the “induced impact,” and the “total impact” is the sum of the “direct” and the “induced” impacts. The ratio of the total impact to the direct impact is referred to as the multiplier. Thus, if the multiplier were 2, for every \$100,000 of new exogenous spending within the community, there would ultimately be a total increase in regional sales of \$200,000. Multipliers can also be defined in terms of employment, so if the employment multiplier were 3, then the addition of a new firm into a region which is expected to hire 100 new workers would be expected to ultimately produce a net increase in 300 total regional jobs.

## *Choosing Among the Available Models*

In the very late 1960s and early 1970s, the federal government subsidized state development of I-O models to be used in cost-benefit analyses, especially for federally funded projects. As a result, Texas funded (with substantial federal dollars) the creation of I-O models for 12 separate regions throughout the state. These models were quite expensive to create (over a half-million 1970 dollars), but were very regionally specific and extremely useful. The Houston-Galveston Area Council, in conjunction with local universities, developed and utilized the local model, the “Houston-Galveston Area Input-Output Model” (HGA I-O) for a wide variety of projects during the 1970s.

Unfortunately, these models were not only costly to build, but also costly to maintain. When federal subsidies ended in the late 1970s, most states, including Texas, stopped updating the models, making them progressively less useful as time passed. In Houston, Rice University attempted to maintain the HGA I-O model, but the exorbitant expense ended such efforts by the late 1980s. Because the structure of any economy evolves over time, with some sectors declining in importance while others are gaining, these models quickly become obsolete. This was particularly true for Houston in the 1990s during a decade of great diversification from energy to non-energy sectors. By the end of that decade the HGA I-O model had been made essentially irrelevant to the “new” Houston economy.

Other models are available, however. To reduce the costs of construction and maintenance, all of them are initially based upon the continually updated U.S. Department of Commerce’s national I-O model which various organizations attempt to adapt to each region of the country. The adaptations, however, are typically simplistic, mostly involving adjustments for the mix of industries found within each region. In many cases these models fail to truly reflect the uniqueness of each regional economy.

Of all the models available, we have chosen to use the REMI model whose genesis stemmed from academic research in regional economics conducted in universities in Massachusetts during the 1970s. By 1980 the principle researchers then formed Regional Economics Modeling Incorporated (REMI) to market the results of their academic research to users throughout the nation. The REMI model is by far the most expensive of the available models, but it has some substantial advantages. First of all, REMI estimates a far greater variety of impacts within a region than most, including net gains in employment, personal income, sales, and gross domestic product by sector. It also estimates net regional investment, employment by occupation, regional imports and exports, population, and fiscal implications to state and local governments.

From an economist's point of view, the REMI model is superior to most because it includes relative price effects, something that is notoriously missing in most I-O models, which are simply "fixed coefficient" models. For example, a major activity might substantially increase the demand for employment in the region that in turn increases local real wages. This increase in the relative price of labor can affect the capital-to-labor ratio in industries and also alter the skill mix of labor inputs. Growth may raise land and real estate prices which will also alter how households and businesses utilize these resources. Higher prices in general can also have a negative impact upon the region's comparative advantage because its exports compete for sales in a national and/or international marketplace. The REMI model utilizes econometrically estimated equations to account for many of these types of phenomena. No other available I-O model incorporates such price effects.

Nonetheless, the REMI model is far from perfect. Its efforts to regionalize national economic coefficients to reflect the Houston economy often stray far from the mark. Furthermore, its benchmark (without) scenario is overly influenced by outsider views of Houston which are often based upon oversimplifications and are frequently out of date. Still, in the hands of a local economist who knows the region and its workings, REMI regional models usually can be modified in ways that replicate the region's economic realities fairly well. Thus, once REMI flaws are ameliorated, its numerous benefits outweigh its liabilities.

It was for these reasons that the REMI model was used as the tool of choice in examining the demand-side impacts of the Rodeo upon the overall regional economy. The model was "rented" for a six month period to coincide with the 2010 Rodeo season. During this time period, exogenous stimuli were carefully identified with due-diligence given to avoiding many of the common mistakes regarding impact analyses mentioned above. The results presented in this report also emphasize the differences between the "with" and "without" worlds as opposed to reported regional aggregates. This minimizes any errors associated with remaining uncorrected aspects of Houston's long-run forecasts that might affect regional totals over time, but have little effect upon the impact (differences) created by the activities of the Rodeo.

### ***The Supply-Side Impacts Revisited***

Many cost-benefit or impact studies can involve projects or economic activity in which demand-side effects are relatively minor, but that still have a substantial impact upon the local economy in the long-run. For example, any public project that enhances the local area's quality of life can greatly influence its growth potential. This might include the creation of a new large public park, development of open space with hiking and biking trails, urban beautification projects, improved educational opportunities, universal access

to high speed Internet, or projects to negate potential negative influences, such as flood control or congestion relief.

While the primary motivation for these projects is not to produce direct demand-side stimuli, these too can have at least some demand-side effects, especially during the construction phase. For example, a new environmentally friendly power plant to serve the area and provide greater and cheaper electricity for the community will certainly enhance the attractiveness of the area to businesses in the supply-side sense, but if part of the costs of the plant are subsidized by state or national governments (entities outside the region), then during the construction phase there will exist some temporary demand-side stimulus adding new jobs and increasing regional incomes.

Oftentimes, projects will be promoted both in terms of demand-side and supply-side stimuli. This has been particularly true of such activities as the creation of a new sports facility for a major league franchise. While such activities are expected to attract at least some outside dollars into the region by pulling in fans from outside the region, they are also argued to be essential to the attractiveness of the area for both business and people. The argument is that people and businesses which are considering relocation will want to be in a “major league city.”

Thus, anything that attracts outside dollars directly into the region while at the same time making the area more attractive as a place to live and establish businesses will have both demand-side and supply-side impacts. Beyond the sports franchises, one can think of such entities as cultural arts and recreational facilities. Clearly the River Walk in San Antonio would fall in this category. What makes the Rodeo such an unusual case is that both the demand-side and supply-side effects are substantial and may produce impacts of near- equal magnitude.

The problem is that unlike demand-side impacts, there exists no economic model to quantify supply-side effects. There have been plenty of efforts in academia attempting to quantify the economic impact of hosts of different types of supply-side amenities with very mixed results. The primary problem has been in trying to isolate the impact of a particular amenity from all the other factors that add to or subtract from a region’s overall attractiveness.

As a result, this study will empirically focus only upon the demand-side impacts of the Houston Livestock Show and Rodeo. However, it must be understood that such estimates will certainly underestimate the overall economic impact of the Rodeo. Nonetheless, supply-side impacts will not be ignored totally. This report provides a summary description of many of the Rodeo’s supply-side contributions to the overall region in Appendix 4 to give the reader at least some non-quantified sense of the role this longstanding institution plays in enhancing the quality of life of local residents.

### **III. THE INITIAL STIMULUS OF THE RODEO**

#### **The Rodeo's Impressive Numbers**

Most Houstonians know that the Rodeo is not just any ordinary rodeo, or for that matter an ordinary sports/entertainment event. This is the world's largest rodeo and has been for 32 years. In 2010 the Rodeo's budget alone (excluding all of the other expenditures of participants and concessionaires) was over \$50 million. Paid attendance in the spring 2010 was 2,162,074, producing parking and admission revenues alone of over \$47 million. Among the attendees were more than 2,000 international guests from over 50 countries. The Rodeo offers the world's largest livestock and junior exhibition shows. In 2010 each enjoyed 27,013 and 14,964 entries respectively. The Rodeo consistently offers the largest rodeo purse, which this year reached \$1.5 million dollars, explaining why it draws the very best talent from the rodeo circuit each year. The Houston Livestock Show and Rodeo brings more than 15 of the nation's top musical entertainers to our area during its entire three-week run, providing Houstonians with a level of entertainment not seen in most American cities over a five-year period. All of this makes the Rodeo a key element in defining Houston, promoting the city, and adding to the marvelous menu of big city amenities for which Houston has become known. A summary of the Rodeo's impressive numbers and a profile of its attendees are contained in Appendices 2 and 3.

#### **Isolating the Amount of "Outside" Dollars Generated by the Rodeo**

Yet the impressive numbers cited above are only loosely related to the economic impact the Rodeo has upon the regional economy in terms of gross sales, net output, and employment. To get a handle on that, the first step is to identify the amount of dollars brought into the region (not just spent at the Rodeo) from outside the region's boundaries. This typically cannot be obtained by totaling simple aggregates, but instead requires a detailed survey of all participants and attendees of the Rodeo, determining where they come from, and where and how much they spend while visiting Houston. In addition, it requires similar survey results for the spending patterns of local residents attending and participating in the Rodeo, along with an estimate of the percent of those dollars now spent locally that are a substitute for what might have otherwise been spent on the purchase of goods produced emanating from outside the region.

## ***Survey of All Participants***

To accomplish this objective, the Rodeo's Marketing and Public Relations Division designed and implemented a random sample survey of attendees, participants, exhibitors, contestants, and contractors, divided into 14 major categories. In total over 11,000 surveys were conducted, which among other things captured information regarding the location of their residency, the amount they spent while attending or participating at the Rodeo, and a breakdown of those expenditures by major categories such as accommodations, food, transportation, shopping, and "on-grounds" expenditures at the Rodeo.

For each group, the percentage emanating from outside the Houston metropolitan region was determined. For example, as seen in Appendix 5, of those within the category of "Horse Show Exhibitors and Associated Attendees," it was determined from zip code analysis of all entries that 62.97 percent reside outside the Houston metropolitan area (CMSA). The survey, along with independent totals, enables a calculation of the number of attendees from out of the Houston region.

Again, using the same category as an example, the Rodeo staff determined that there were 1,010 group entries from their computer records, meaning that 636 groups stemmed from out of the region. Returning to the survey, it was determined that 55.93 percent stayed in hotels with an average of 1.85 rooms per group for an average of 4.44 days, yielding an estimate of 3,286 room nights at an average nightly room rate of \$116.88 per room as indicated by the survey responses. Thus, the Rodeo's staff was able to estimate expenditures of out-of-metro-area participants at hotels of \$384,084.

A similar process was conducted for each type of expenditure for the "Horse Show Exhibitors and Associated Attendees" group, resulting in a total expenditure in Houston associated with the Rodeo of \$933,475. Furthermore, the entire process was followed for all 14 major categories of participants and attendees. All of the results of the surveys and the resultant estimated expenditures attributable to the Rodeo are detailed in Appendix 5, along with a basic explanation of the methodology applied.

## ***Estimate of Direct Exogenous Spending Attributable to the Rodeo***

Table 1 reports, in summary format, expenditures emanating from each of the 14 categories along with contributions from sponsors which sum to the total exogenous spending associated with direct "outside dollars" brought into the region because of the Rodeo. The addition of the sponsors' contributions is based upon the assumption that most are national businesses, affiliates or organizations who are spending money from a pool of money dedicated to charitable giving that could have been spent anywhere

nationally or even globally. Table 1 indicates that the total amount of the direct exogenous stimulus to the Houston regional economy is \$100,808,177.

### ***Rodeo Associated Spending by Local Houston Metro Area Residents***

In virtually identical fashion estimates were made of Rodeo associated spending emanating from residents or businesses within the metropolitan area. If a Houstonian were to spend a dollar associated with Rodeo attendance or participation and thereby spend a dollar less on other goods and services produced within the Houston region, the net impact upon the regional economy would be zero. But, in general, that will not be fully the case. More likely the dollar spent will be “taken” from discretionary spending, part of which will be for local goods and/or services and part for goods and services produced outside of Houston. This in essence brings some portion of that dollar back to Houston, instead of having it leave Houston as “an expenditure leakage” which diminishes local economic activity.

The question then becomes how much of every dollar that locals spent related to the Rodeo would have been spent outside the region. The answer depends on what part of the consumer’s budget the money comes from. Most likely Rodeo spending will come out of discretionary spending as do many things such as entertainment and dining out. Unfortunately, there is no reliable data on the amount of discretionary money that is spent on “imports.” However, from the REMI model and other modeling I’ve done at the University of Houston, we do have a rather good idea of the local “marginal propensity to import,” that portion of all spending in Houston (by both the household and business sectors) that goes for the purchase of outside goods and services. This marginal propensity to import is estimated to be 34 percent, and it is this figure that is used in this study. The reader, however, should be aware that the marginal propensity to import out of total income will certainly be lower than the marginal propensity to import out of discretionary income. Hence, the overall impact on the regional economy of spending by locals in this study will be somewhat biased downward and should be considered a conservative estimate.

Table 2 presents the total amount of spending from within the metro area, again divided into each of the 14 source categories. In total, locals spent \$120,180,013. It might be surprising that this total is only modestly higher than the expenditures emanating from outside the metro area, despite the fact that there are so many more locals attending the Rodeo than outsiders. However, locals typically spend little or no money on accommodations and transportation, and much less on food.

Of the \$120 million, only a portion is stimulative to the regional economy. Of that amount the local money spent by attendees and committee members are considered as producing typical import substitution effects, while the small remainder are considered to

be participant expenditure substitutions that might have been spent at other rodeos. This totals to \$107,448,331, of which 34 percent of that equals \$36,585,694, and the latter is \$12,731,682, of which 50 percent is \$6,365,841 (assuming that half the participants would simply “stay at home”). It is the sum of these two numbers which is inputted into the REMI model as an additional stimulus over and above the \$101 million spent in Houston by outsiders. Thus, the total initial stimulus to the economy for 2010 is estimated to be \$143,760,721.

One of the advantages of using the REMI model is that the full impact, including the secondary multiplier effects, may not occur all in one year, but be spread over a few years. However, since the Rodeo has been a feature of the regional scene for decades, one can easily think of the full economic effect in terms of an annual gain in the Houston regional economy which would not have existed had it not been for the Rodeo. In fact, another conservative assumption in the empirical results to be presented in this report is that the stimulus of \$143,760,712 is assumed to remain constant in real dollar terms for the foreseeable future, despite the fact that the Rodeo seems to be setting records each year.

Finally, for the interest of the reader, Tables 3 and 4 were created to provide further insight into the size and distribution of this initial stimulus. Table 3 shows the total expenditures within the Houston metro area associated with the Rodeo (not all of which can be considered a net stimulus to the economy) and Table 4 indicates in broad terms how exogenous expenditures, which do produce an economic stimulus, are spent. Particularly interesting is that 52.4 percent of all exogenous expenditures are spent off-grounds and 35.1 percent of outside expenditures are spent for hotel accommodations. Only 17.7 percent of all spending is on-grounds expenditures, so the initial stimulus goes far beyond the bounds of Kirby and Fannin. Of the 29.4 percent “other” direct expenditures (excluding import substitution), most of those are in various service sector industries.

## **IV. ESTIMATING THE FULL ECONOMIC IMPACT**

### **Allocating Exogenous Spending Across Sectors**

The next step in estimating the full impact of the initial direct stimulus is to determine the extent that spending gets re-spent within the regional economy where increased incomes and business profits get plowed back into the economy, producing additional incomes and profits which are re-spent again. This is where the application of the REMI model comes in. This model, which links all sectors and households to each other, allows for secondary impacts and produces an estimate of the overall impact. The multipliers, the relationship between the total impact and the initial exogenous stimulus,

are shown to be between 2.25 and 3.5 depending upon whether one is referring to the employment or spending multipliers. Thus, for every additional \$1 million stimulus from the Rodeo there will be approximately a total of \$3.5 million increase in overall regional sales.

One challenge in using the REMI model is determining to what sectors of the economy the overall \$143.8 million should be assigned. The importance of that determination stems from the fact that stimulus to various sectors of the regional economy have different multiplier effects. The challenge is increased by the fact that this data must be assigned certain North American Industrial Classification System Sectors (NAICS) within the REMI framework such as “arts, entertainment, recreation” and the Rodeo’s survey results do not exactly fit into those NAICS categories. What is quite encouraging, however, is that sensitivity analysis results of different allocations of spending across alternative packages of sectors did not alter the final results significantly. Ultimately, the \$143,760,712 was allocated across seven sectors: *Accommodations; Food Services; Performing Arts; Retail Trade; Amusement and Recreation; Administrative and Support Services*; and direct payments to households (workers).

### **Estimating the Rodeo’s Impacts With the REMI Model**

The results reported here are the differences in various economic statistics for the region between the “with” the Rodeo outcomes and “without” the Rodeo outcomes. Before proceeding, the basic “without” or control scenario had to be modified somewhat to better reflect current regional economic realities. Since analysis will focus upon differences as opposed to absolute levels of sales, income, employment and population, this type of modification should only be viewed as fine tuning.

The time series control forecasts showed somewhat erroneous population-to-employment ratios and excessively slow adjustment rates to any type of exogenous change. Moreover, the overall 40-year control scenario growth rate was far too low, half the level of that which occurred during the 1980s which was impacted by the region’s energy and real estate busts. These flaws in REMI’s baseline control scenario results were corrected. However, it should be mentioned that these corrections only had a minor impact upon the empirical results of the net change due to the Rodeo other than slightly altering the ratio of the gain in population to the gain in jobs. The allocation of exogenous spending cited above was then inputted into the REMI model and the program was run to produce estimates of the net change in economic variables after all of the induced impacts were also included.

One important aspect of the REMI model is that it treats impacts as though they started in a particular year and feasible starting points in the model only go back to 2008.

This presents a minor problem because the Rodeo has been on-going for a long time and some of the impacts take a few years to work their way throughout the whole economy. As mentioned before, it was assumed that the \$143.8 million would continue through 2050 at the same level in real dollar terms. To allow for full adjustment, and hence to capture the full impact of the Rodeo at that level of today's exogenous stimulus, the change in employment as of 2015 was used as our measure of economic impacts in order to account for the full adjustment to all of the elements of the stimulus. These numbers are reported in Tables 5 - 7.

## **The Empirical Results**

Table 5 presents the REMI model estimates of the overall economic stimulus to the Houston regional economy. This includes both the direct stimulus emanating from the exogenous spending and the induced stimulus as the initial dollars are re-spent throughout the local economy via the multiplier effect. After the entire stimulus works its way through the economy, overall gross regional sales are estimated to be \$475.4 million per year higher because of the Rodeo, based upon the assumption that the Rodeo doesn't expand in scope and attendance any further in future years. While informative, this number somewhat overstates the effective impact upon Houston because it includes all sales, both of local goods and services, and those produced and bought from outside the region. On the other hand, the increase in regional output shows exactly how the Rodeo stimulates productive economic activity within the economy. This increase is estimated to be \$320.2 million per year.

Another statistic that puts in perspective the Rodeo's economic impact is the increase in Houston-area personal income. In an important sense this reveals how the Rodeo improves the well being of Houstonians. The REMI model estimates that because of the Rodeo, Houstonians incomes are \$290.7 million greater than they otherwise would have been. Of course, that is one of the reasons the increase in regional sales is much higher than either the total dollar expenditures of \$221 million or the increase in exogenous spending of \$143.8 million. These initial dollars spent as a result of the Rodeo ultimately become income to local residents who then spend a portion of it again within the region.

The REMI model also forecasts that the Rodeo increases overall regional employment in the area over and above what would have occurred in the absence of the Rodeo by 7,265. This estimate is for annual full-time employment gains. Obviously, during the Rodeo's primary month, many more workers are involved in the overall effort to put on all aspects of the Rodeo. The REMI model translates all employment gains including secondary or induced gains in terms of their annual full-time equivalents.

This gain in jobs ultimately increases population, estimated here as a net increase of 16,316 individuals. Of course, that will increase the need for additional residential and non-residential capital, homes for the increased population, and commercial real estate to meet the demands of increased spending, directly tied to the Rodeo and indirectly induced by growth in population.

Thus, the Rodeo is seen to generate over three-quarters of a billion dollars in the region's real estate tax base. That, in part, is why tax revenues for all taxing jurisdictions in the Houston region are estimated to experience a gain of \$27.3 million dollars in annual tax revenues, a number that includes all revenues, such as sales and property taxes and various types of fees (but excludes transfer payments to local governments from the State of Texas or the federal government).

As a matter of interest, Tables 6 and 7 provide a rough idea of how the economic stimulus in terms of gains in employment is distributed across Houston's regional economic sectors. The fact is that all sectors experience some gains. What is reported in these tables are the sectors which experience the greatest impacts. "Arts, Entertainment and Recreation," "Accommodation and Food Services," and a wide variety of "Other Services" experience the greatest impacts. That is true whether you examine the distribution in Table 6 by sector or in Table 7 by occupation. The occupational distribution is instructive in that it shows that, despite the outwardly blue collar image of rodeos, the Houston Livestock Show and Rodeo stimulates nearly 2,000 jobs in white collar employment in "Management, Business, and Finance" and "Sales, Office and Administrative".

Thus, while the primary benefit of the Rodeo is the unparalleled entertainment opportunities it provides the region and the large distribution of charitable giving, the Rodeo also provides a bonus economic stimulus to the overall economy that is significant. This stimulus is almost certainly greater than any other sports or arts production in Houston and is comparable to the presence of a major economic base corporation with local employment in excess of 3,000 employees. Interestingly, the Rodeo returns more gains to Rodeo attendees in terms of personal income than the typical cost of Rodeo tickets. For those that don't take advantage of the Rodeo experience, theirs is a free ride, receiving a dividend of increased income. Particularly important right now during a time of serious fiscal strains are the gains to government. The \$27 million revenue bonus clearly helps local governments which are struggling today to balance their budgets.

## V. CONCLUSIONS

This report analyzes the economic impact of the Rodeo upon the overall Houston regional economy. The focus is on demand-side economic effects. Not that the supply-side impacts are unimportant, but the demand-side effects are much more easily quantified. However, since supply-side effects are not explicitly included in the impact numbers presented here, the figures reported should be considered quite conservative and clearly an under-estimate of the overall impact. The Appendix, however, does provide some detail on the contributions the Rodeo makes to the community that make Houston more attractive to businesses and households and hence spur supply-side enhancements to economic growth.

The demand-side impacts alone, however, produce a significant stimulus to economic activity in Houston over and above what would have existed in the Rodeo's absence. Gross sales in the region are increased by nearly a half-billion dollars. Regional output (closely related to gross regional product) is \$320 million higher and regional personal income is raised by over \$290 million. The Rodeo ultimately generates more than 7,200 full-time equivalent jobs and in excess of 16,000 in additional population over and above what would have existed within the regional economic environment without the Rodeo.

The breadth of the impact is equally impressive. Virtually every sector in the region is impacted to one extent or another. Of course, the greatest impact is felt by sectors that are the primary recipients of expenditures directly related to the Rodeo, but the induced effects associated with the dispersion of additional expenditures associated with rising incomes and profits affects all of Houston.

Often local success in attracting relocating firms to Houston with an employment base of 100 new jobs is considered a major achievement, but such successes pale in comparison to the 7,200 permanent full-time equivalent jobs created by the Rodeo. Often times, promotional efforts to bring growth to Houston are to help beef up the fiscal health of the community. Once again, the Rodeo comes to the plate swinging grand slams. It is doubtful that there has been any relocation to Houston in recent times that has netted local governments in the region over \$27 million annually. Finally, add to all of these impacts the sheer enjoyment most of us Houstonians get from attending and participating in the Rodeo each year, and even with the explicit numbers aside, the Houston Livestock Show and Rodeo comes out a major winner for Houston year after year.

# TABLES

# Table 1

## Increased Exogenous Expenditures From Attendees and Participants Outside Region

Expenditure Source	Percent Expenditures From Outside Houston	Dollar Expenditure Emanating From Outside Houston
Ag Mechanics	92.25%	\$981,287
Barbecue Teams	30.36%	\$2,508,046
Commercial Exhibitors	72.64%	\$3,290,143
Committee Members	11.84%	\$3,820,555
General Attendance	15.01%	\$10,687,305
Horse Show Exhibitors	62.97%	\$993,475
International Guests	100.00%	\$2,603,371
Judging Contestants	72.02%	\$3,471,353
Junior Show Exhibitors	86.13%	\$21,504,820
Open Livestock Show	71.98%	\$1,817,594
Rodeo Concert Artists	100.00%	\$141,073
Rodeo Contestants	98.20%	\$487,472
Concert Attendees	18.24%	\$31,353,701
Sponsors	100.00%	\$17,147,982
Totals		\$100,808,177

## Table 2

### Increased Exogenous Expenditures From Attendees and Participants Residing in Metro Area

Expenditure Source	Percent Expenditures From Inside Houston	Dollar Expenditure Emanating From Inside Houston
Ag Mechanics	7.75%	\$27,063
Barbecue Teams	69.64%	\$8,264,544
Commercial Exhibitors	27.36%	\$889,945
Committee Members	88.16%	\$7,357,000
General Attendance	84.99%	\$23,688,902
Horse Show Exhibitors	37.03%	\$604,602
International Guests	0.00%	\$0
Judging Contestants	27.98%	\$634,918
Junior Show Exhibitors	13.87%	\$1,885,614
Open Livestock Show	28.02%	\$416,040
Rodeo Concert Artists	0.00%	\$0
Rodeo Contestants	1.80%	\$8,956
Concert Attendees	81.76%	\$76,402,429
Sponsors	0.00%	\$0
Totals		\$120,180,013

## Table 3

### Total Expenditures From Both Inside and Outside Metro Area

Expenditure Source	Percent Total Expenditures	Total Dollar Expenditures
Ag Mechanics	0.46%	\$1,008,350
Barbecue Teams	2.45%	\$10,772,590
Commercial Exhibitors	1.96%	\$4,180,088
Committee Members	5.33%	\$11,177,555
General Attendance	21.05%	\$34,376,207
Horse Show Exhibitors	0.60%	\$1,598,077
International Guests	1.18%	\$2,603,371
Judging Contestants	1.89%	\$4,106,271
Junior Show Exhibitors	10.57%	\$23,390,434
Open Livestock Show	1.00%	\$2,233,634
Rodeo Concert Artists	0.06%	\$141,073
Rodeo Contestants	0.22%	\$496,428
Concert Attendees	45.45%	\$107,756,130
Sponsors	7.76%	\$17,147,982
<b>Totals</b>	<b>100.00%</b>	<b>\$220,988,190</b>

## Table 4

### Sources of Stimulative Expenditures Outside Expenditure and Exogenous Expenditure Distributions

Outsider Expenditures by Category	Percent of Total	Dollar Amount
Hotel Expenditures	35.1%	\$35,343,237
Food	14.6%	\$14,730,809
Entertainment / Rodeo tickets	21.0%	\$21,124,240
Other	29.4%	\$29,599,891
<b>Total</b>	<b>100.00%</b>	<b>\$100,808,177</b>
All Exogenous Spending by Source	Percent of Total	Dollar Amount
On-Grounds Spending	17.71%	\$25,464,387
Off-Grounds Spending	52.41%	\$75,343,790
Import Substitution	29.88%	\$42,952,535
<b>Total</b>	<b>100.00%</b>	<b>\$143,760,712</b>

## Table 5

### NET IMPACT TO THE REGIONAL ECONOMY Emanating From Rodeo Stimulus

Key Variables Describing Economic Impact	Net Change Emanating From Rodeo Stimulus
Regional Sales	\$475,403,000
Regional Output	\$320,221,000
Personal Income	\$290,710,000
Employment	7,265
Population	16,316
Chg in Residential Capital	\$361,877,000
Chg in Non-Residential Capital	\$420,135,000
Chg in Regional Govt Revenues	\$27,344,000

## Table 6

### **DISTRIBUTION OF IMPACT ON REGIONAL EMPLOYMENT by Major Sectors Influenced**

<b>Primary Sectors With Employment Impacts Emanating From Rodeo</b>	<b>Net Change in Employment</b>
<b>Construction</b>	<b>396</b>
<b>Retail Trade</b>	<b>736</b>
<b>Real Estate</b>	<b>183</b>
<b>Professional Services</b>	<b>192</b>
<b>Administrative Services</b>	<b>410</b>
<b>Arts, Entertainment, Recreation</b>	<b>1,393</b>
<b>Accommodation and Food Services</b>	<b>1,474</b>
<b>Other Services</b>	<b>1,518</b>
<b>Government</b>	<b>433</b>

## Table 7

### **DISTRIBUTION OF IMPACT ON REGIONAL EMPLOYMENT by Major Occupations Influenced**

<b>Primary Occupations With Employment Impacts Emanating From Rodeo</b>	<b>Net Change in Employment</b>
<b>Management, Business, Financial</b>	<b>424</b>
<b>Arts, Design, Entertainment, Sports</b>	<b>423</b>
<b>Food Preparation and Service</b>	<b>1,146</b>
<b>Building, Grounds, Other Services</b>	<b>2,064</b>
<b>Sales, Office, Administrative</b>	<b>1,447</b>
<b>Construction</b>	<b>337</b>

# APPENDIX

# **APPENDIX 1**

## **The History of the Houston Livestock Show and Rodeo™**

For more than 78 years, the Houston Livestock Show and Rodeo has been the heartbeat of the Southwest, beating powerfully with nearly 24,000 volunteers who annually contribute their time, resources, and talent as part of the world's largest livestock exhibition, world's richest regular-season rodeo, and the Southwest's premier entertainment event.

Since the Houston Livestock Show and Rodeo was established, it has made an impressive footprint on the livestock and entertainment industries and in the sport of rodeo. It also has played a notable role in enhancing the lives of thousands of young people in the state of Texas.

The many milestones celebrated in the past 78 years have all contributed to Houston's most popular event. Follow this historical sketch to see the changes undergone and developments that made the Show unique:

### **JANUARY 1931**

The Houston Fat Stock Show and Livestock Exposition is established after seven men meet for lunch at the Texas State Hotel.

### **APRIL 1932**

The first Show is held at the Democratic Convention Hall.

### **1937**

The Democratic Convention Hall is demolished - no Show is held while the Sam Houston Coliseum is being built.

### **1938**

The Houston Fat Stock Show is held in the Sam Houston Coliseum for the first time.

The first rodeo, horse show and downtown parade are held in conjunction with the Show.

### **1942**

Gene Autry, "the Singing Cowboy," debuts as the first star entertainer.

The calf scramble event is added to the rodeo performance.

### **1952**

The first trail ride - the Salt Grass - commences, as four men make the journey on horseback from Brenham, Texas, to Houston.

## **1954**

The Houston Rodeo becomes RCA-sanctioned (now PRCA - Professional Rodeo Cowboy's Association).

## **1957**

Houstonian Ben Dickerson is presented the Show's first major educational scholarship, a \$2,000 award.

## **1961**

The organization's name officially changes to the Houston Livestock Show and Rodeo.

## **1963**

The School Art Program begins.

## **1966**

The Houston Livestock Show and Rodeo moves from the Sam Houston Coliseum to the Astrodome complex. The first performance in the new domed stadium draws 25,340 spectators, and attendance even tops 40,000 for one performance - almost five times the number of people the Coliseum could hold.

The organization's signature "Bowlegged H" logo is designed.

The Show builds the Livestock Exposition Building, called the Astrohall.

## **1968**

The 12-acre Astrohall is expanded by 4 acres, providing more exhibit space and meeting rooms.

## **1970**

The Show launches a research program at an annual commitment of \$100,000 to various Texas colleges in support of research studies.

Elvis Presley's Feb. 27 performance sets an all-time attendance record with 43,614 spectators in the Astrodome, a record that remains unchallenged until eight years later.

## **1973**

Two additional acres are added to the Astrohall, resulting in permanent administrative offices, meeting rooms and exhibit space, as well as the Super Sales Salon (site of the junior market auctions and commercial animal sales until 1991).

## **1974**

The first World's Championship Bar-B-Que Contest is held.

## **1975**

The 6,000-seat Astroarena is completed.

## **1977**

All four-year, \$4,000 scholarships are increased to \$6,000 awards.

## **1980**

More space is added to both the east and west ends of the Astrohall.

## **1983**

The organization increases all four-year, \$6,000 awards to \$8,000 awards.

The Show adds acreage to the Astroarena in a project partially funded by the Houston Sports Association and Harris County. This phase represents the first time that the Show does not totally fund construction of exhibition facilities.

## **1986**

The Show introduces a new, state-of-the-art stage for its performers, featuring a 40-foot turntable and a sophisticated lighting system.

The 54th Show, held Feb. 18 — March 2, is the year of the Texas Sesquicentennial Celebration. The Show is one of the few associations in the state to be designated as an official organization of the Texas Sesquicentennial Association. Several activities are planned to help celebrate the state's 150th birthday.

## **1989**

The Show expands its scholarship program to include students in the Houston Metropolitan area.

## **1990**

The Show hosts a special rodeo for the Economic Summit of Industrialized Nations in July, 1990, attended by President George H.W. Bush, United States; President Jacques Delors, European Commission; Prime Minister Giulio Andreotti, Italy; Chancellor Helmut Kohl, Germany; President Francois Mitterand, France; Prime Minister Margaret Thatcher, Britain; and Prime Minister Brian Mulroney, Canada.

## **1991**

An additional 4.8 acres in the Astroarena result in committee volunteer meeting rooms, a club, a restaurant, auction arenas and additional space for commercial exhibits. Harris County shares the costs of this construction.

## **1992**

All four-year, \$8,000 scholarships are upgraded to \$10,000 awards. The increase is retroactive, and every student on a four-year scholarship receives an additional \$500 per year.

## **1994**

The Houston Livestock Show and Rodeo is broadcast for the first time ever on pay-per-view television.

## **1995**

Construction of a 40,920-square-foot warehouse addition is completed and donated to the citizens of Harris County. This facility stores the Show's entertainment stage, houses rodeo contestants' horses, provides a warm-up arena for rodeo contestants and serves as additional storage during the year.

Paid rodeo attendance reaches 1 million for the first time.

## **1996**

The Show celebrates 30 years at the Astrodome complex.

RODEOHOUSTON™ is initiated as the official name of the Houston Rodeo.

George Strait breaks the all-time individual turnstile attendance record at his Feb. 23 performance with 62,936 spectators.

The first School Art Auction is held.

## **1997**

The Show's Web site - [www.hlsr.com](http://www.hlsr.com) and [www.RODEOHOUSTON.com](http://www.RODEOHOUSTON.com) - is introduced during the Show and the number of inquiries reaches 1.3 million.

Rodeo Institute for Teacher Excellence™ is created to train elementary school teachers how to teach students in pre-kindergarten through third grade how to read.

## **1998**

4-H and FFA scholarships are increased to 60 per program, making a total of 120 four-year, \$10,000 awards.

## **1999**

Opportunity Scholarships are awarded for the first time to students in the Houston area based on financial need and academic excellence.

4-H and FFA scholarships are increased for the second year in a row. Each commitment is increased to 70 per program, for a total of 140 four-year, \$10,000 awards.

The Harris County Commissioners Court approves the construction of a new exhibition facility on the north side of the Astrodome.

Harris County begins construction of new parking lots on the west side of Kirby Drive that will provide additional parking beginning with the 2000 Show.

Houston becomes the home of a new NFL franchise, and the Houston Livestock Show and Rodeo moves forward with Houston NFL Holdings and Harris County to build a new Rodeo/football stadium.

## **2000**

Groundbreaking ceremonies are held in March for the new 70,000-seat, retractable roof RODEOHOUSTON /NFL stadium. The stadium is projected to be complete in time for the 2002 football season and the 2003 Rodeo.

In June, groundbreaking ceremonies celebrate the beginning of construction for the 1.3-million-square-foot Harris County Exposition Center, slated to be complete in the spring of 2002.

Following a three-year pilot program, the Show extends its commitment for another three years and provides an additional \$4.6 million in funding for the Rodeo Institute for Teacher Excellence program.

In October, Reliant Energy acquires naming rights for the Astrodome Complex, including the currently under-construction stadium and exposition center. The renamed Reliant Park includes Reliant Astrodome, Reliant Arena, Reliant Hall, Reliant Center and Reliant Stadium.

## **2001**

The Show holds its largest-ever presentation of scholarships when 300 Houston-area students each receive a four-year, \$10,000 award through the Metropolitan, Opportunity and School Art scholarship programs - for a total of \$3 million.

Tickets go on sale for the Show's finale in Reliant Astrodome. The March 3, 2002, concert featuring George Strait sells out in less than two hours.

## **2002**

The Show's concert finale featuring George Strait on March 3, 2002, breaks the all-time paid attendance record for any event ever held in Reliant Astrodome with 68,266 spectators.

Houston Livestock Show and Rodeo personnel move into new Show offices on the second floor of Reliant Center.

Reliant Hall is demolished and the site paved for parking.

Reliant Stadium opens with the first Houston Texans pre-season NFL football game on Aug. 24.

For the first time, Show sponsors are offered category exclusivity due to the new advertising and promotional rights the Show obtains throughout Reliant Park.

## **2003**

The 71st Houston Livestock Show and Rodeo celebrates its first year in its new homes: Reliant Stadium and Reliant Center.

Rodeo paid attendance tops 1 million, for a record-breaking total of 1,215,913. On Feb. 28, only the fourth day of the 2003 Show, ticket sales have already broken the all-time record which has stood at 1,133,585 since 1997.

Paid attendance for an individual rodeo performance tops 70,000 for the first time on Sunday, March 9, with a paid attendance of 70,405 for Go Tejano Day.

Allen H. "Buddy" Carruth Plaza is completed at Reliant Park, creating a Western sculpture garden that is home to eight large-scale bronzes. The plaza is named in honor of Carruth, who was past president and past chairman of the board of the Houston Livestock Show and Rodeo.

## **2004**

Show attendance hits an all-time high with 1,890,174 visitors.

Rodeo paid attendance tops 1 million for the sixth consecutive year, for a total of 1,125,992.

The all-time paid attendance record for a RODEOHOUSTON performance is broken on March 17 with a crowd of 70,668 filling Reliant Stadium to see world championship rodeo action and a concert by Kenny Chesney.

The World's Championship Bar-B-Que Contest has a record paid attendance of 183,339 visitors.

Houston Livestock Show and Rodeo holds its first Wine Competition and Auction, with 873 entries from more than 200 wineries from around the world and the auction bringing in \$313,700.

With the 2005 budget approval, the Show reaches the \$100 million in educational commitment since 1957. All four-year scholarships are raised from \$10,000 to \$12,000.

## **2005**

Rodeo paid attendance tops 1 million for the seventh consecutive year, for a total of 1,127,239, the second highest paid rodeo attendance in the Show's history.

The Hideout returns in a new home, Reliant Astrodome.

The RODEOHOUSTON all-time paid attendance record is broken twice this year. First, Alicia Keys set the new paid Rodeo attendance record on March 4, celebrating Black Heritage Day, with an attendance of 72,065. Then, just two nights later, 72,843 people packed Reliant Stadium to see RODEOHOUSTON with Hilary Duff in concert.

## **2006**

Rodeo paid attendance tops 1 million for the eighth consecutive year, for a total of 1,115,558.

The RODEOHOUSTON all-time paid attendance record is broken again this year. A total of 72,867 fans fill Reliant Stadium for action-packed rodeo and an electric concert by Brooks and Dunn on March 18.

The RODEOHOUSTON performance featuring championship rodeo action and concerts by Ramon Ayala and Jay Perez, celebrating Go Tejano Day, Sunday, March 12, breaks the Show's all-time rodeo attendance record for Go Tejano Day with a paid attendance of 70,481.

For the first time, all junior market auctions, the School Art Auction, and the Wine Auction, top a million dollars each.

The yearly educational commitment exceeds \$8 million. Area Go Texan scholarships are increased to 60, \$12,000 awards. An additional \$100,000 is committed to graduate assistantships and grants.

## **2007**

The Show celebrates its 75th anniversary and "The Year of the Volunteer."

The Show also celebrates the 50th anniversary of its educational programs. All four-year, \$12,000 scholarships are increased to \$15,000 each, starting with the 2008 school year. The Show's yearly educational commitment exceeds \$10.6 million.

Rodeo paid attendance tops 1 million for the ninth consecutive year, for a total of 1,176,436. The World's Championship Bar-B-Que Contest attendance records soar with 190,913, topping the previous high of 171,428.

RODEOHOUSTON introduces its Super Series format. The Rodeo purse increases to \$1.2 million, making RODEOHOUSTON the world's richest, regular-season PRCA rodeo. Each RODEOHOUSTON event champion walks away with a minimum \$50,000.

The all-time paid Rodeo attendance record is broken with 73,291 fans watching championship rodeo action and Miley Cyrus as Hannah Montana and the Cheetah Girls perform on March 4.

Reba McEntire is inducted into the Star Trail of Fame, joining other legends Gene Autry, Charley Pride, Elvis Presley, Roy Rogers and George Strait.

For the second consecutive year, all junior market auctions and the School Art Auction top a million dollars each, bringing auction sales to the highest total recorded, \$8,495,132.

## **2008**

The Show awards more than \$1 million to both Texas FFA and 4-H scholarship recipients.

The Show celebrates a record-breaking year with record attendance to the World's Championship Bar-B-Que Contest — 209,313; and Rodeo attendance is the second highest on record — 1,206,551.

Hannah Montana and Miley Cyrus break last year's all-time attendance record on March 9 with 73,459 fans. On March 16, the Go Tejano Day Rodeo performance attendance record is broken by a performance from Duelo and Los Horoscopos de Durango with a paid attendance of 71,165. Six performances bring new top 20 attendance records in 2008.

The 2008 RODEOHOUSTON Super Series purse is increased by \$122,898, resulting in a \$1,322,898 payout to the Super Series athletes. The RODEOHOUSTON purse will increase by more than \$100,000 in each of the next three years.

Brooks & Dunn are inducted into the Star Trail of Fame, and celebrate performing for their one millionth RODEOHOUSTON fan.

For the third consecutive year, junior auctions and the School Art auction topped \$1 million, with the Junior Market Steer Auction topping \$2.5 million. Six new world's record prices are set at the junior auctions.

## **2009**

The Show dedicates this year to Celebrating Community Commitment.

The all-time general attendance record is broken in 2009. A record 1,890,332 visitors come to the Show, breaking the record set in 2004.

The RODEOHOUSTON performance on March 15, 2009, celebrating Go Tejano Day and featuring rodeo action and a concert by Ramon Ayala and Alacranes Musical, break the Show's all-time paid Rodeo attendance record with a paid attendance of 74,147.

RODEOHOUSTON BP Super Series increases to pay out more than \$1.4 million to Super Series athletes. Mutton bustin' is added as entertainment during each Rodeo performance.

The new Fun on the Farm exhibit sees more than 70,000 children receive a hands-on agricultural education in the exhibit.

For the third consecutive year, all junior market auctions and the School Art auction top a million dollars each. Each of the auctions brings in \$1.1 million or more.

RODEOHOUSTON rings The Closing Bell® for the New York Stock Exchange March 13 in true rodeo style - with a bucking bull and cowboy, and Show officials and volunteers ringing cowbells.

NBC's TODAY Show highlights the Salt Grass Trail Ride's culminating ride into Memorial Park on national television, and Fox Sports Houston airs 30-minute segments profiling RODEOHOUSTON, the RODEOHOUSTON BP Super Series athletes and highlighting each performance through the course of the Show.

Technological advances play a role in enhancing fan experience at RODEOHOUSTON performances. A text messaging campaign is implemented and used to award prizes such as signed guitars to fans. The familiar rotating stage is given a makeover for the 2009 Show, including three 20-foot long and 10-foot wide walkways, and LED (video) screen systems added on top, bottom, and sides of the stage to enhance the artists' presentation.

## **2010**

A record 221,229 people visit the World's Championship Bar-B-Que Contest, topping 2009's attendance record of 217,640.

The all-time general attendance record is broken, with 2,144,077 visitors; this breaks the record set in 2009. This is the first time for the Show to reach the 2 million mark in general attendance.

The single-day general attendance record is set Sunday, March 14, 2010, on Go Tejano Day, with 141,273 visitors. The previous record was set in 2009 with 135,548 visitors.

The paid Rodeo attendance record is broken with 1,264,074 fans. This breaks the record set in 2003.

The RODEOHOUSTON performance on March 14, 2010, celebrating Go Tejano Day and featuring rodeo action and a concert by Pesado and El Trono De Mexico, breaks the Show's all-time paid Rodeo attendance record with a paid attendance of 74,222.

A record eight RODEOHOUSTON performances are considered sellouts (approximately 70,000 tickets sold).

Six RODEOHOUSTON performances land in the list of the Show's top 20 paid Rodeo attendance records.

RODEOHOUSTON BP Super Series increases to pay out more than \$1.5 million to Super Series athletes.

## **Building Program**

In 1966, the Houston Livestock Show and Rodeo made one of the most significant changes in its history - it moved from the cozy Sam Houston Coliseum to a place that seemed like a city in itself: the Astrodome. The first performance in the new Domed Stadium drew 25,340 spectators, and attendance for one performance even topped 40,000.....almost five times the number of people the Coliseum could hold.

Since that year, attendance in the Astrodome consistently toppled records. And in 1996, the Show celebrated its 30th anniversary in the Astrodome complex.

In addition to the Astrodome, two additional facilities were built to host this mammoth event - the Astrohalla and the Astroarena. More than just a location for the Show, these buildings have had an immeasurable impact on this organization as well as the entire Houston community.

After building and paying for the Astrohalla and Astroarena, the Show donated the facilities to the citizens of Harris County. These two buildings alone have helped attract almost 30 million people to the various sporting events, trade shows, expositions and hundreds of other activities since the Astrohalla was built in 1966. Replacement costs for these buildings at today's prices would be between \$115 million and \$131 million.

Along with the tremendous growth of this event, the Astrohalla and Astroarena also have undergone significant developments and changes.

### **1966**

The Show built the Livestock Exposition Building (Astrohalla).

### **1968**

The 12-acre facility was expanded by four acres, providing more exhibit space and meeting rooms.

### **1973**

Two additional acres were added to the Astrohalla, resulting in permanent administrative offices, meeting rooms and exhibit space as well as the Super Sale Salon (site of the junior market auctions and commercial animal sales until 1991).

### **1975**

The 6,000-seat Astroarena was completed.

### **1980**

More space was added to both the east and west ends of the Astrohalla.

### **1983**

The Show added acreage to the Astroarena in a partially funded project by the Houston Sports Association and Harris County. The sixth phase represented the first time that the Show does not totally fund construction of exhibition facilities.

### **1991**

An additional 4.8 acres in the Astroarena resulted in committee volunteer meeting rooms, a club, a restaurant, auction arenas and additional space for commercial exhibits. Harris County shared the costs of this additional construction.

## **1995**

Construction of a 40,920-square-foot warehouse addition was completed and donated to the citizens of Harris County. This facility stores the Show's entertainment stage, houses rodeo contestants' horses, provides a warm-up arena for rodeo contestants and serves as additional storage during the year.

## **1996**

The Show celebrates 30 years at the Astrodome complex.

## **1999**

The Harris County Commissioners Court approves the construction of a new exhibition facility on the north side of the Astrodome.

Harris County begins construction of new parking lots on the west side of Kirby Drive.

Houston becomes the home of the new NFL franchise, and the Houston Livestock Show and Rodeo moves forward with Houston NFL Holdings and Harris County to build a new football/rodeo stadium.

## **2000**

Groundbreaking ceremonies are held in March for the new 70,000 seat, retractable roof NFL stadium.

In June, groundbreaking ceremonies celebrate the beginning of construction for the 1.3-million-square-foot Harris County Exposition Center.

In October, Reliant Energy acquires naming rights for the Astrodome. The renamed Reliant Park includes the Reliant Astrodome, Reliant Arena, Reliant Hall, Reliant Center and Reliant Stadium.

## **2002**

Houston Livestock Show and Rodeo personnel move into new Show offices on the second floor of the new Reliant Center.

Reliant Hall is demolished and the site paved for parking.

Reliant Stadium opens with the first Houston Texans pre-season NFL football game on August 24.

## **2003**

The 71st Houston Livestock Show and Rodeo celebrates its first year in its new homes: Reliant Stadium and Reliant Center.

Carruth Plaza is completed at Reliant Park, creating a Western sculpture garden that is home to eight large-scale bronzes. The plaza is named in honor of Allen H. "Buddy" Carruth who was past president and past chairman of the board of the Houston Livestock Show and Rodeo.

## APPENDIX 2

### Houston Livestock Show and Rodeo™ Facts

The Houston Livestock Show and Rodeo™ is a world-class entertainment event celebrating agriculture, education, entertainment and Western heritage. Since the first Houston Fat Stock Show in 1932, the event has recorded more than 1 million entries in junior, youth, and open livestock and horse shows, with annual entries making it the world's largest livestock show. Due to its success, the Show also has grown its educational programs, including grants, scholarships, endowments, and agricultural research. As one of the largest music concert producers in the entertainment industry, the Show annually provides affordable family entertainment to record crowds, while keeping the spirit of its Western heritage strong with the world's premier rodeo, special heritage days, trail rides, and more. The Houston Livestock Show and Rodeo garners intense local support and loyalty from the public and its volunteers, as well as making a huge international impact. This phenomenal entertainment event has set the standard for others to follow:

- ❖ More than \$250 million of support to Texas youth since 1932
- ❖ World's record paid rodeo attendance (2010): 1,264,074
- ❖ World's largest paid rodeo attendance every year for the past 32 years
- ❖ World's record in every junior livestock show auction and category:
  - Grand Champion Steer: \$600,001 (2002); Grand Champion Lamb: \$190,000 (2010)
  - Grand Champion Broilers: \$201,000 (2007); Grand Champion Turkey: \$175,000 (2007)
  - Grand Champion Barrow: \$176,000 (2010); Grand Champion Goat: \$135,000 (2010)
- ❖ World's record for School Art Auction
  - Grand Champion in 2010: \$190,000
- ❖ World's richest tour rodeo (2010 purse): \$1.5 million
- ❖ Largest fair or festival in North America (2010 attendance): 2,144,077
- ❖ World's largest livestock show (2010 entries): 27,013
- ❖ World-class horse show (2010 entries): 4,836
- ❖ World's largest Junior Show (2010 entries): 14,964
- ❖ Calf scramble participants in 2010: 560
- ❖ Calf purchase certificates total value in 2010: \$21,000
- ❖ Record concert performances throughout the years of more than 350 entertainers including Gene Autry, Elvis Presley, Selena, George Strait, Charley Pride, Reba McEntire, Garth Brooks,

The Jackson Five, Taylor Swift, Brooks & Dunn, Black Eyed Peas, Ramon Ayala, the Jonas Brothers, Beyoncé, Rascal Flatts, Miley Cyrus, and many, many others.

- ❖ In 2010, RODEOHOUSTON Radio™ was launched on the Show's website. This online radio channel plays the best of the 68 years of 350 superstar entertainers that have performed at the Show. Although musically driven, the station also features sound bites from history-making Show officials, entertainers, scholarship winners, committee volunteers, year-round committee happenings; and news from the Houston Livestock Show and Rodeo.
- ❖ More than 2,000 international guests from 50-plus countries attended the Show in 2010 for entertainment and business, and purchased livestock and agricultural supplies from U.S. vendors.
- ❖ The Thailand Ministry of Agriculture is included among past international buyers in the mid-1970s. The Ministry was looking to purchase 1150 Brahman females (13-17 mo. old) from the US in order to increase their beef production. Since Brahman females are so resistant to heat and can tolerate extremely wet environments, they were a great fit to integrate into Thailand's beef industry. The initial communication came through the Texas Department of Agriculture and USDA, and led to cattle being purchased from several states, including Texas. Although much more costly, the decision to transport the heifers via airplane was made because it was much faster and resulted in a much lower percentage of death loss. Several trips were made to Thailand transporting up to 250 heads per flight. Cattle were loaded and shipped in crates, each crate holding seven heifers. The plane had three floors, with the cattle on the bottom and the flight crew and passengers on the middle floor. The pilot was a retired US Navy pilot and throughout his career had flown three US presidents. The success of this endeavor resulted in a proclamation from the Minister of Agriculture presented to each of the participating states. Texas received the proclamation at the Show during its International Brahman Show.
- ❖ The Houston Livestock Show and Rodeo annually attracts thousands of media representatives who go back to their cities and towns throughout Texas, the United States, and the world with a positive view of the city and its people, facilities, and atmosphere.
- ❖ Pay-per-view telecasts and promotions throughout North America on cable, digital, C-band satellite, and HD service providers, and the worldwide Web, spread the Show's message around the world.

## APPENDIX 3

### **Houston Livestock Show and Rodeo™ Captures the Hearts of a Large and Diverse Houston Population**

#### **Research and Methodology**

Data presented in this research report were collected from Houston Livestock Show and Rodeo files, databases, and attendance reports; from economic, statistical, and geographic information abstracted, analyzed, and processed from various sources (see below); and from a Rodeo attendance survey conducted during the 2010 Show.

A rodeo/concert attendance survey was conducted (stand-up, face-to-face) by trained interview teams from the Show's Communications & Special Services Committee. A true random methodology was developed to interview the 5,334 people who were selected for interviews from the 1,264,074 spectators who attended the Rodeo.

All main entrance gates were interviewed during each of the 20 Rodeo performances. The survey was designed to be conducted quickly and accurately.

In recent years, the rodeo/concert survey results were applied to the total attendance (including rodeo/concerts, livestock show, horse show, exhibits, barbecue and carnival), and no additional demographic or lifestyle surveys were conducted. Because the Show was gathering survey data during the Show this year to support an economic impact study, several committees (to include the Communications & Special Services Committee), conducted surveys of general attendees at varying locations and at varying times each day in Reliant Park. 5,516 surveys were taken at random and care was taken to exclude attendees who were attending the rodeo/concerts in Reliant Stadium. This additional data broadened greatly the scope of demographic and lifestyle data in this report as it pertains to the total attendance.

#### **Demographic Boundaries**

The Houston Livestock Show and Rodeo demographic research utilizes a combination of defined area grids (referencing visual boundaries such as freeway loops), ZIP codes, cities, counties, states, and marketing (Go Texan) regions.

##### **Go Texan Boundaries Include:**

**Houston Metro Go Texan** – the counties adjoining Harris County (Brazoria, Fort Bend, Galveston, Liberty, Montgomery, Waller and Chambers) plus the portions of Harris County that are not in the city of Houston.

**Go Texan** – (for purposes of this report) all counties in the Show's "Go Texan" promotion (Harris plus 60 surrounding counties).

**Go Texan Excluding Houston Metro** – the 60 Go Texan counties that are outside the eight counties in the Houston Metropolitan Marketing Area (called Area Go Texan in Show's marketing and promotional programs).

## Errors, Anomalies and Accuracy

Because of research methodology (described on previous page), attention to random sampling, strict quality control during analysis and the large number of sampled surveys, the overall results of this report should have a very high degree of accuracy.

**Direct Response, Immediate Situation:** Some aspects of the report that rely solely on responses from the sampled audience should be extremely accurate and have a margin of error of 2 percent or less.

These elements include: attendance by geographic regions; ages of attendees; attending group size and type; gender of attendees; how the attendees obtained their tickets and why they attended a specific performance; and the music preferences of attendees.

**Direct Response, Remembered Situation:** Some direct responses required the attendees to recall past actions (such as attendance history). These categories will have a higher and undefined margin of error.

**ZIP Code Abstraction:** Other aspects of this analysis that utilize ZIP codes of attendees to abstract economic and lifestyle data from various statistical sources (explained on previous page) will, because of averaging and generalization, have a higher margin of error.

These elements include: household income, type of households, and home values; the mix of urban and rural attendees; the percentage of rural attendees involved in production agriculture; and the education level and work status of adult attendees. Margin of error in these categories should range from 3 to 10 percent, depending on the number of spectators sampled in a ZIP Code grouping.

**Rounding and Anomalies:** Percentage point rounding and reduction in decimal point reporting will result in some anomalies. For example, some reports that reflect category breakdowns may not add up to exactly 100 percent (the variance should not exceed one-half of one percentage point and usually is within one-tenth of one percentage point).

It should be noted that the research data base fields for calculation of numbers (from category percentages) contain data derived from floating point methodology (sometimes to 10 decimal places) while most percentages are carried to only one decimal point in these printed reports. This abbreviation of decimal reporting can result in a small error between the reported extended numbers within categories and the corresponding percentage. This anomaly error is less than 1 percent.

## 2010 Ticket Sales and Attendance Potential

**Rodeo:            Paid Rodeo Attendance: 1,264,074**

Includes 866,744 unique (unduplicated) attendees

The Show manifested 1,405,740 saleable “seated” tickets for rodeo/concert performances in Reliant Stadium in 2010 (70,287 for each of 20 performances).

Of the 1,264,074 sold tickets, 23,640 were for “standing room only,” resulting in 1,240,434 sold “seated” tickets.

The Show distributed 21,236 “complimentary” tickets to contestants, media and special guests resulting in 1,261,670 “seated” tickets being distributed (sold plus complimentary) and leaving 144,070 (10.3%) tickets seats unsold.

**Total:            Total Attendance: 2,144,077**

Includes 1,602,913 unique individuals

Total attendance includes Rodeo attendance and all other (exhibits, competition and carnival).

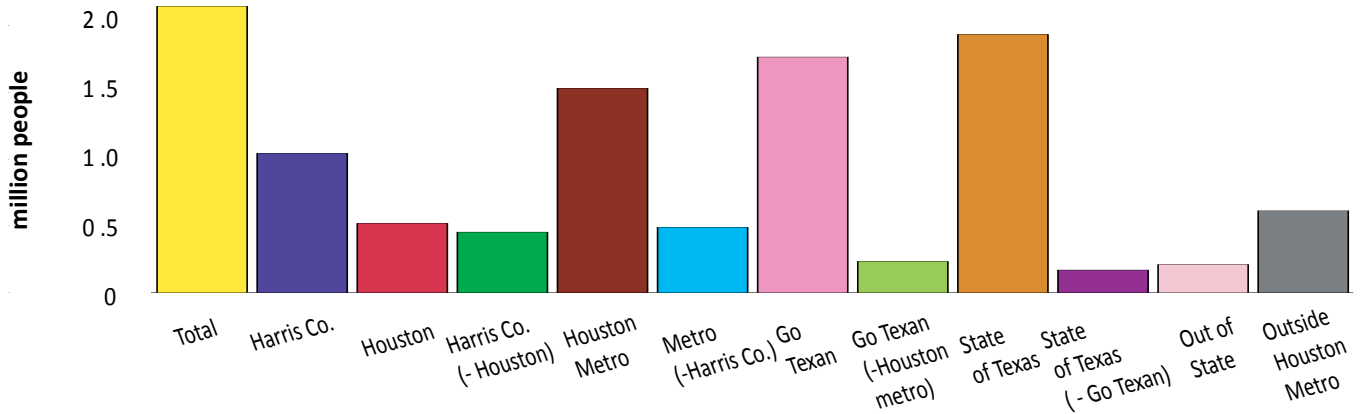
A general admission ticket admits spectators to all activities at Reliant Park except the rodeo/concert in Reliant Stadium.

A rodeo/concert ticket allows admittance to all activities at Reliant Park.

There is no manifested limit to general access tickets.

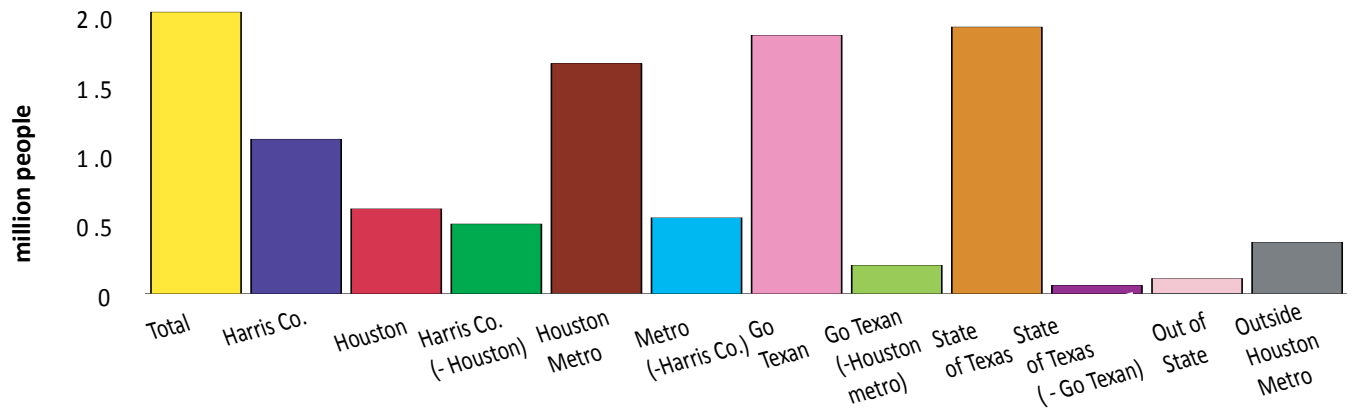
The Show’s total attendance increased a phenomenal 13.46 percent in 2010 and it has increased 23.22 percent over the past five years (an increase of 403,982 spectators). The total attendance topped the 2 million mark for the first time in the Show’s history. Some industry analysts now rank the Houston Livestock Show and Rodeo as the largest fair, event or festival in North America (based on actual attendance).

## Total Attendance By Geographic Region



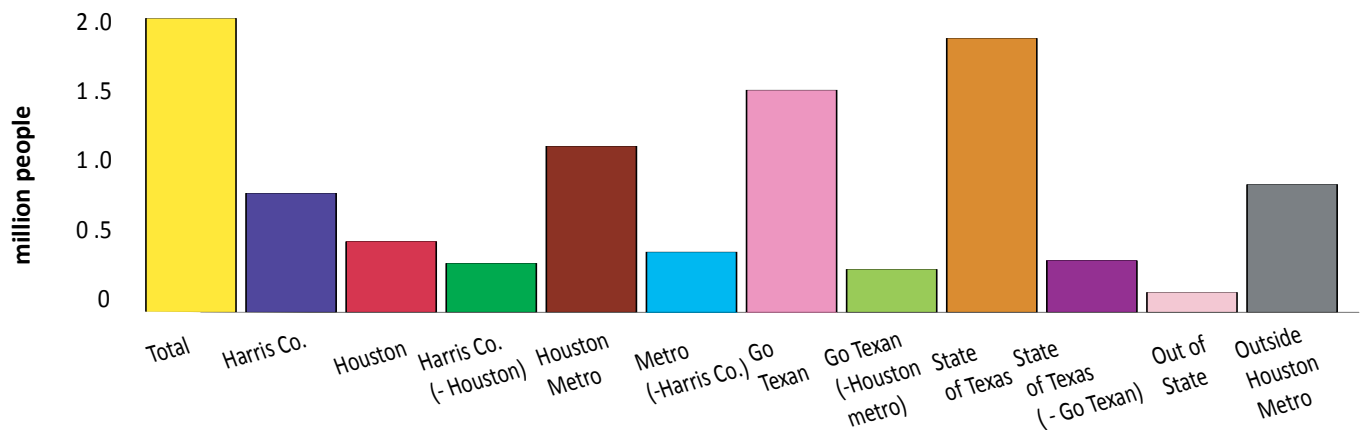
DEMOGRAPHIC AREA	Percent of specified area	Total attendance (includes rodeo, livestock show, horse show, exhibits and carnival)
Total Attendance	100.0	2,144,077
Harris County	48.6	1,042,451
City of Houston	24.1	518,083
Harris County (less Houston)	21.1	453,312
Houston Metro	71.4	1,530,848
Metro (excludes Harris County)	22.8	488,397
Go Texan (includes Harris County)	82.3	1,764,132
Go Texan (excludes Houston Metro)	10.9	233,285
State of Texas	90.2	1,933,547
State of Texas (excludes Go Texan)	7.9	169,413
Out of State (includes International)	9.8	210,531
Outside Houston Metro	28.6	613,210

## Rodeo Attendance By Geographic Region



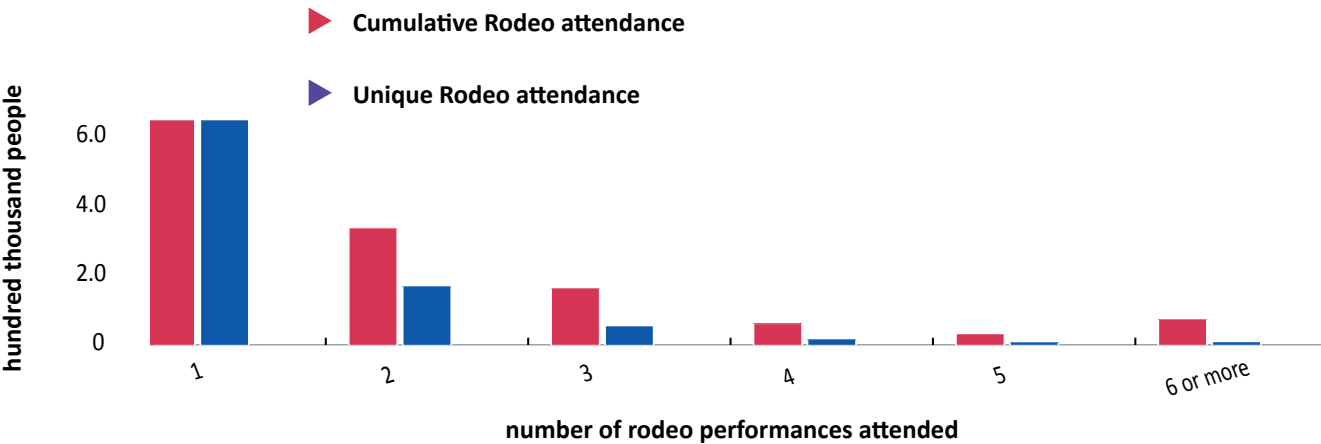
DEMOGRAPHIC AREA	Percent of specified area	Rodeo attendance (includes rodeo/concert)
Total Attendance	100.0	1,264,074
Harris County	54.86	693,416
City of Houston	30.13	380,834
Harris County (less Houston)	24.73	312,582
Houston Metro	81.80	1,033,962
Metro (excludes Harris County)	26.94	340,546
Go Texan (includes Harris County)	91.83	1,160,749
Go Texan (excludes Houston Metro)	10.03	126,787
State of Texas	94.69	1,197,007
State of Texas (excludes Go Texan)	2.87	36,259
Out of State (includes International)	5.31	67,067
Outside Houston Metro	18.20	230,112

## Grounds Attendance By Geographic Region



DEMOGRAPHIC AREA	Percent of specified area	Grounds attendance (includes livestock show, horse show, exhibits and carnival)
Total Attendance	100.0	880,003
Harris County	40.5	356,564
City of Houston	24.0	211,545
Harris County (less Houston)	16.7	146,774
Houston Metro	56.5	497,360
Metro (excludes Harris County)	20.5	180,595
Go Texan (includes Harris County)	75.7	665,905
Go Texan (excludes Houston Metro)	14.6	128,746
State of Texas	93.3	820,656
State of Texas (excludes Go Texan)	17.6	154,750
Out of State (includes International)	6.7	59,348
Outside Houston Metro	43.5	382,643

Frequency and Unique Rodeo Attendance

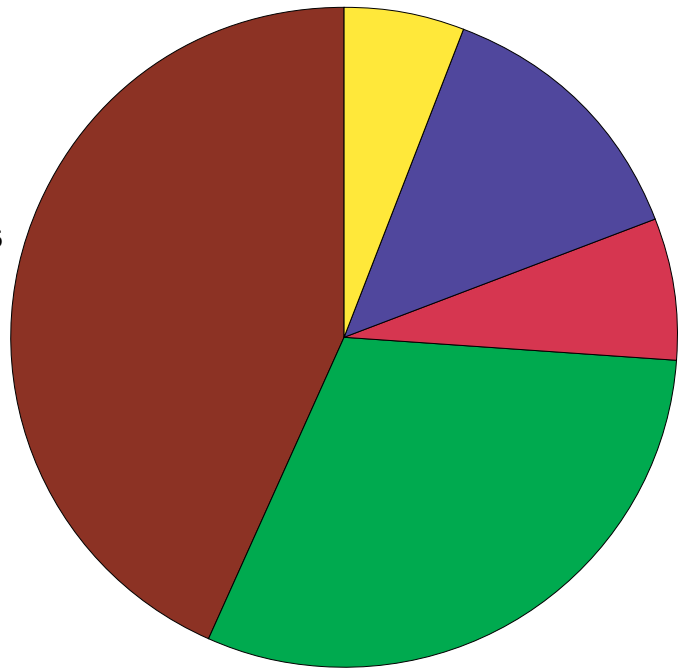
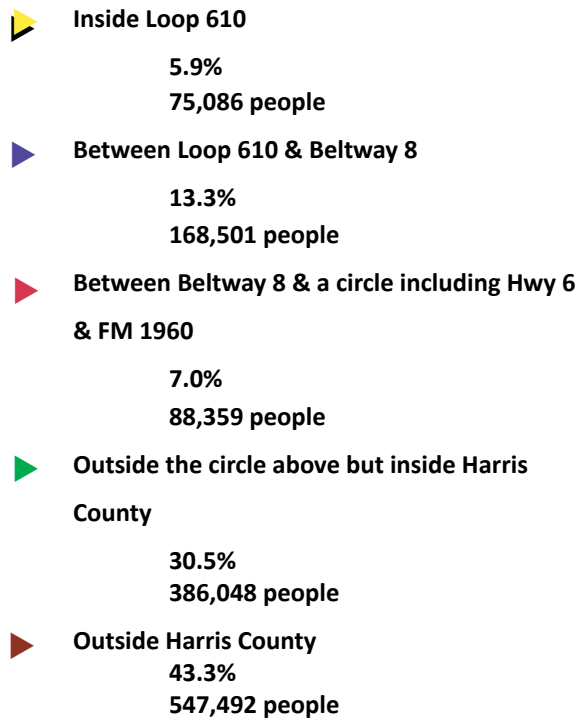


NUMBER OF PERFORMANCES ATTENDED	1	2	3	4	5	6	7	8	9	10
Percent Total Rodeo Attendance	49.36%	25.61%	12.37%	4.61%	2.40%	1.48%	0.77%	0.45%	0.43%	0.71%
Cumulative Rodeo Attendance	623,980	323,720	156,410	58,298	30,334	18,722	9,716	5,688	5,451	9,005
Unique Rodeo Attendance	623,980	161,860	52,137	14,575	6,067	3,120	1,388	711	606	901

NUMBER OF PERFORMANCES ATTENDED	11	12	13	14	15	16	17	18	19	20
Percent Total Rodeo Attendance	0.17%	0.34%	0.00%	0.02%	0.32%	0.07%	0.06%	0.13%	0.07%	0.51%
Cumulative Rodeo Attendance	2,133	4,266	0	237	4,029	948	711	1,659	948	6,399
Unique Rodeo Attendance	194	356	0	17	269	59	42	92	50	320

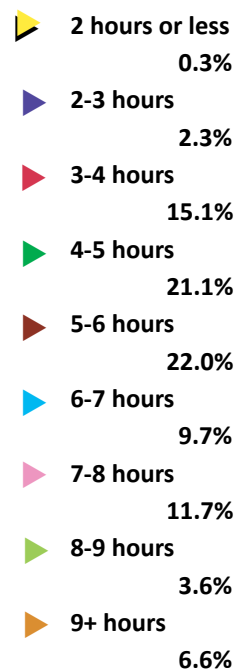
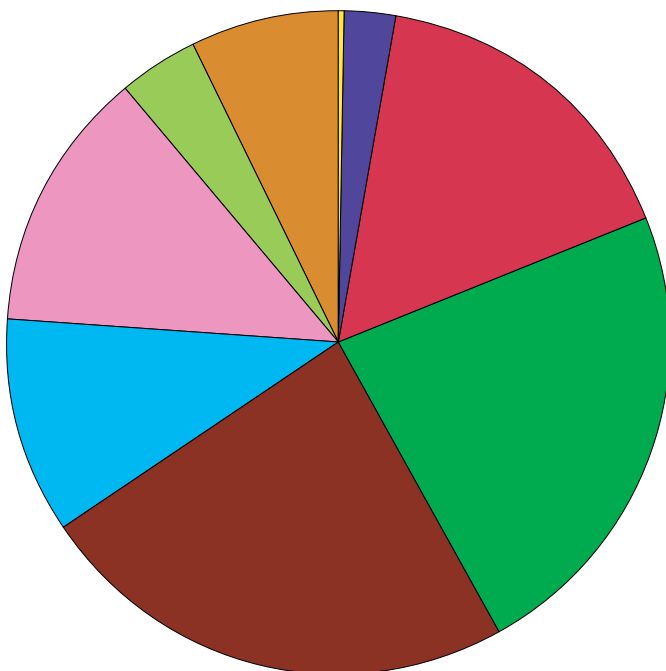
Total Unique Rodeo Attendance	866,744
Number of Rodeo Performances Average Spectator Attended	2.27
Estimated Unique Total Attendance	1,602,913

## Rodeo Attendance Inside Harris County

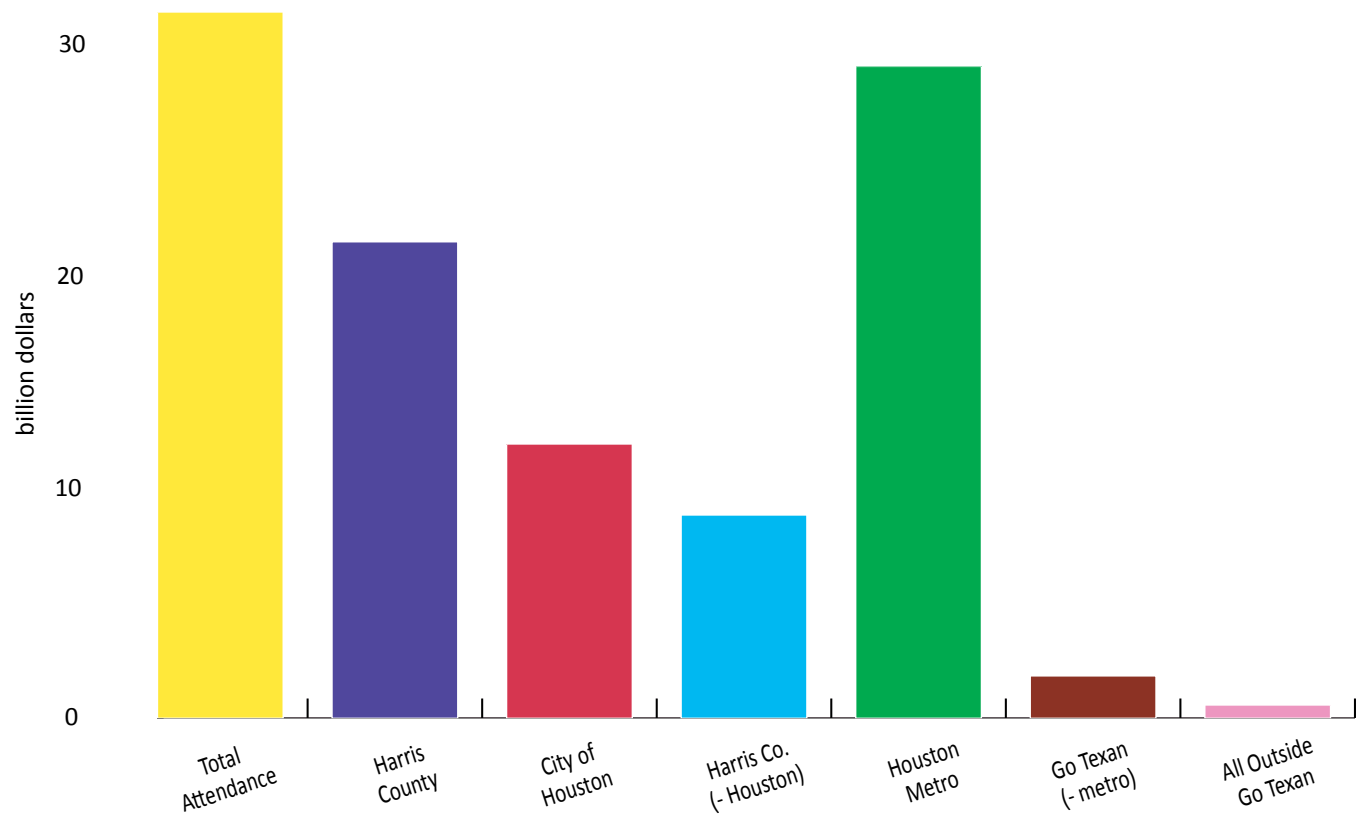


## Total Hours Spent on Grounds by Rodeo Spectator

Average hours on grounds: 6 hours 22 minutes

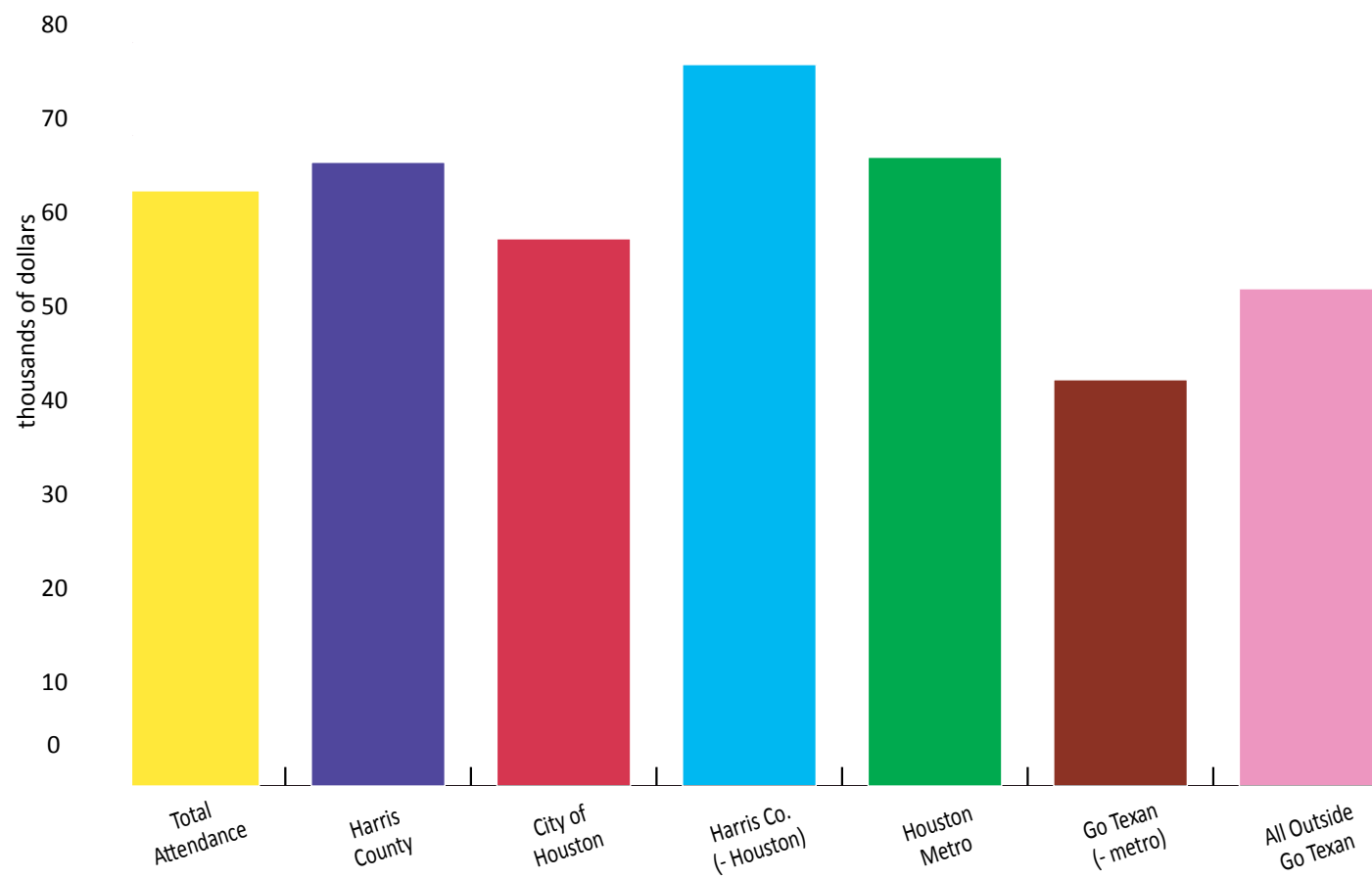


## Aggregate Income of Spectators



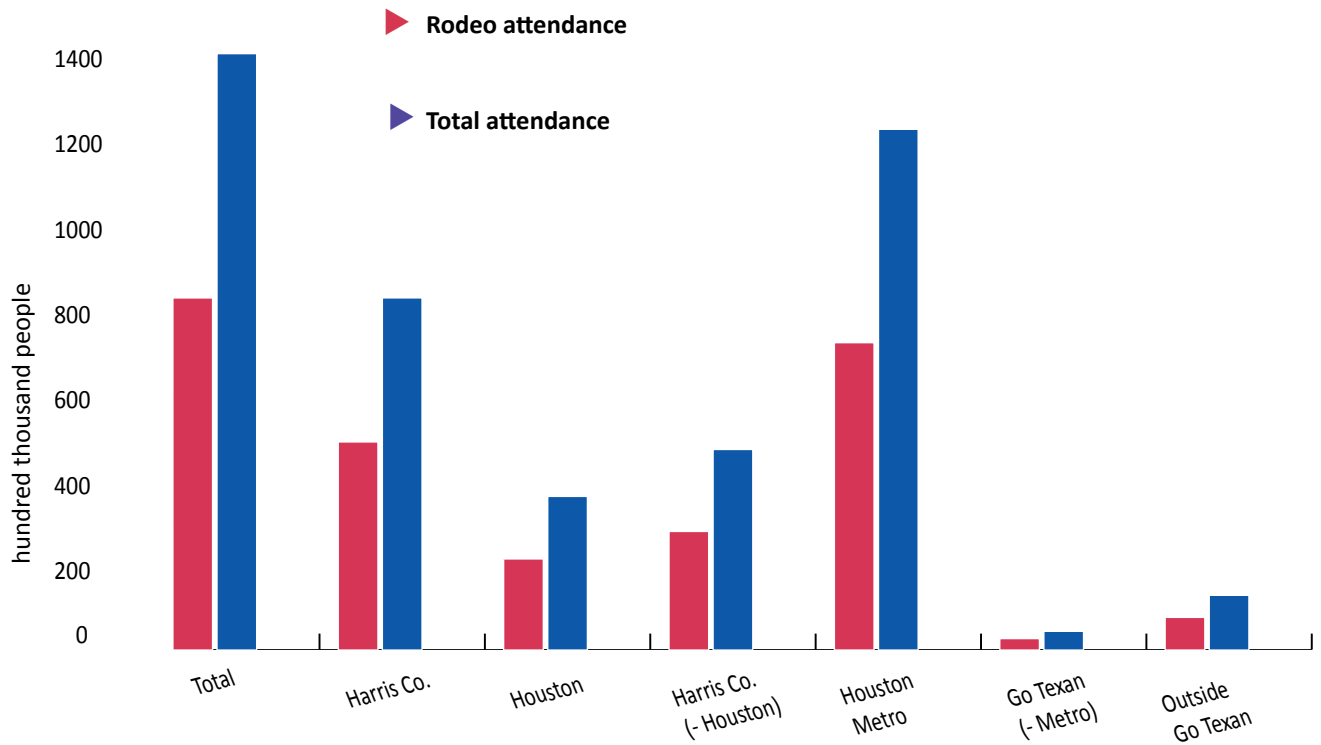
DEMOGRAPHIC AREA	RODEO (AND CONCERT) ATTENDANCE IN THE RELIANT STADIUM	AGGREGATE INCOME OF SPECTATORS
Total Attendance	1,264,074	\$ 31,798,087,872
Harris County	685,634	\$ 21,450,262,284
City of Houston	379,349	\$ 12,322,179,433
Harris County (less Houston)	306,285	\$ 9,128,082,851
Houston Metro	993,436	\$29,357,526,098
Go Texan (less Houston metro)	104,792	\$ 1,880,510,840
All Outside Go Texan	165,847	\$ 560,050,934

Spectator Average Household Income



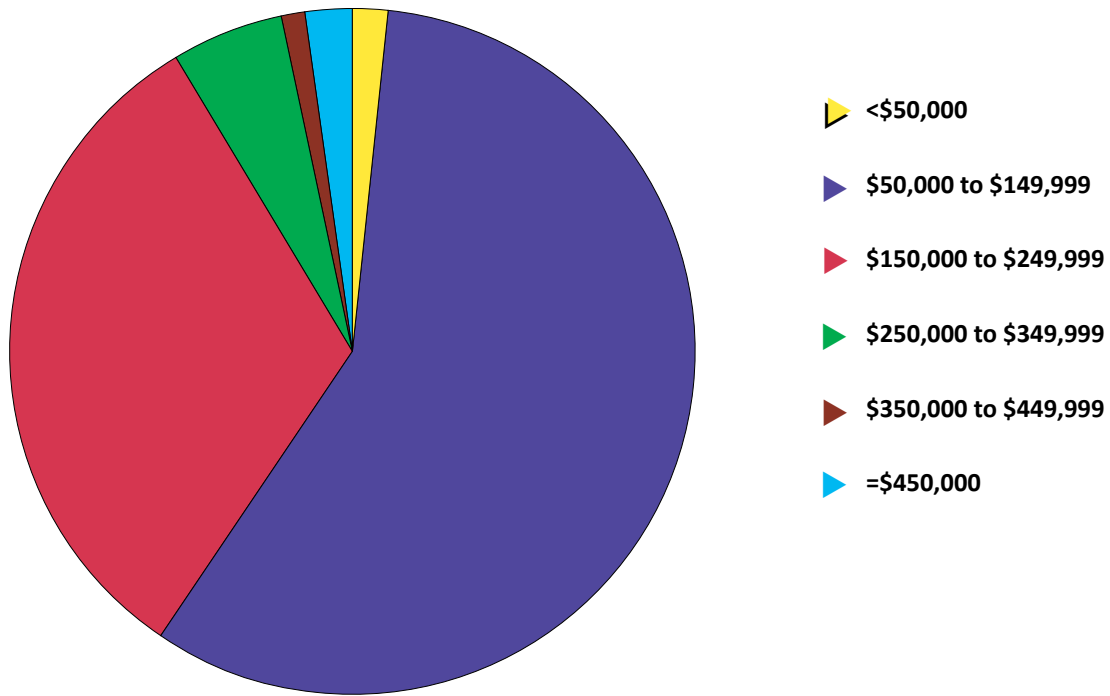
DEMOGRAPHIC AREA	AVERAGE HOUSEHOLD INCOME OF SPECTATORS
Total Attendance	\$ 63,983
Harris County	\$ 67,048
City of Houston	\$ 58,806
Harris County (less Houston)	\$ 77,552
Houston Metro	\$ 67,590
Go Texan (less Houston metro)	\$ 43,640
All Outside Go Texan	\$ 53,434

## Spectators With Household Income of More Than \$50,000



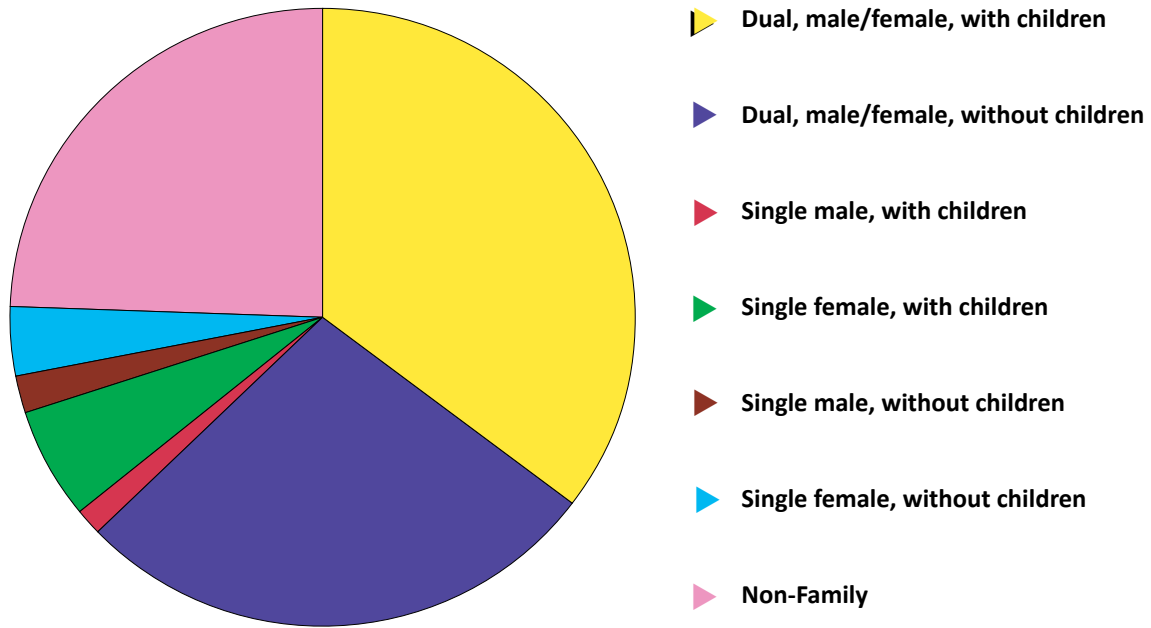
DEMOGRAPHIC AREA	Percent of \$50,000+ spectator in specified area	Rodeo attendance in Reliant Stadium	Total attendance (includes rodeo, livestock show, horse show, exhibits and carnival)
Total Attendance	65.4	826,825	1,402,431
Harris County	71.1	487,734	827,276
City of Houston	55.9	212,130	359,807
Harris County (less Houston)	90.5	277,279	470,311
Houston Metro	72.7	721,760	1,224,223
Go Texan (excludes Houston metro)	23.8	24,941	42,304
All Outside Go Texan	45.2	74,950	127,127

## Value of Spectator Households



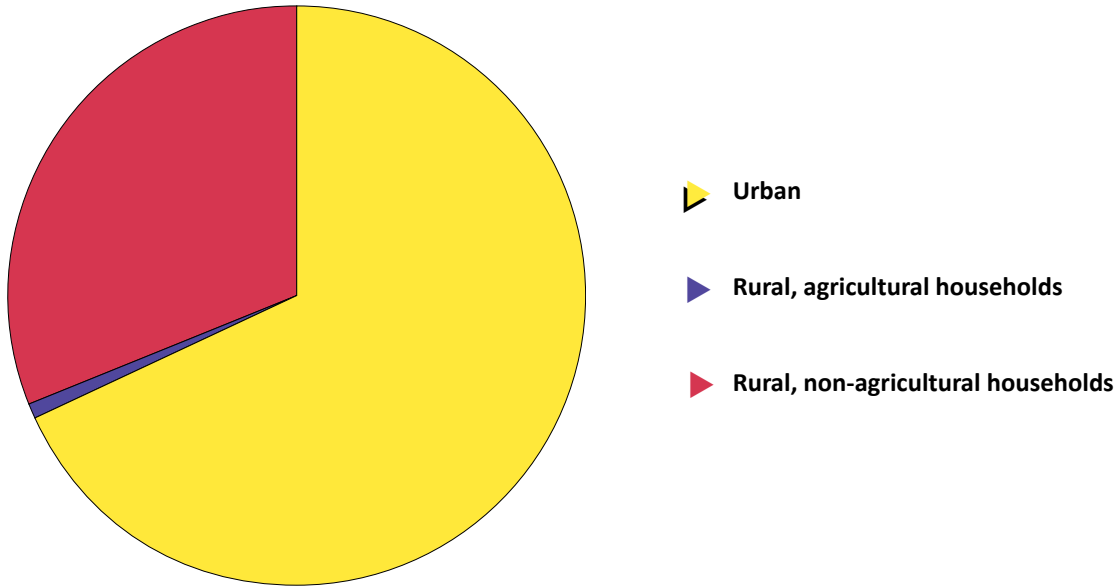
DEMOGRAPHIC AREA	Less than \$50,000	\$50,000 to \$149,999	\$150,000 to \$249,999	\$250,000 to \$349,999	\$350,000 to \$449,999	\$450,000 and more	All households
Total Attendance (percent)	1.8%	57.9%	31.8%	5.2%	1.3%	2.0%	100.0 %
People	22,627	731,646	401,849	65,858	16,686	25,534	1,264,074
Households	7,468	241,467	132,623	21,735	5,507	8,427	417,186
Average Value	\$44,845	\$99,956	\$180,769	\$285,940	\$391,223	\$574,419	\$147,777

## Type of Spectator Households (expressed as a percentage of total rodeo attendance)



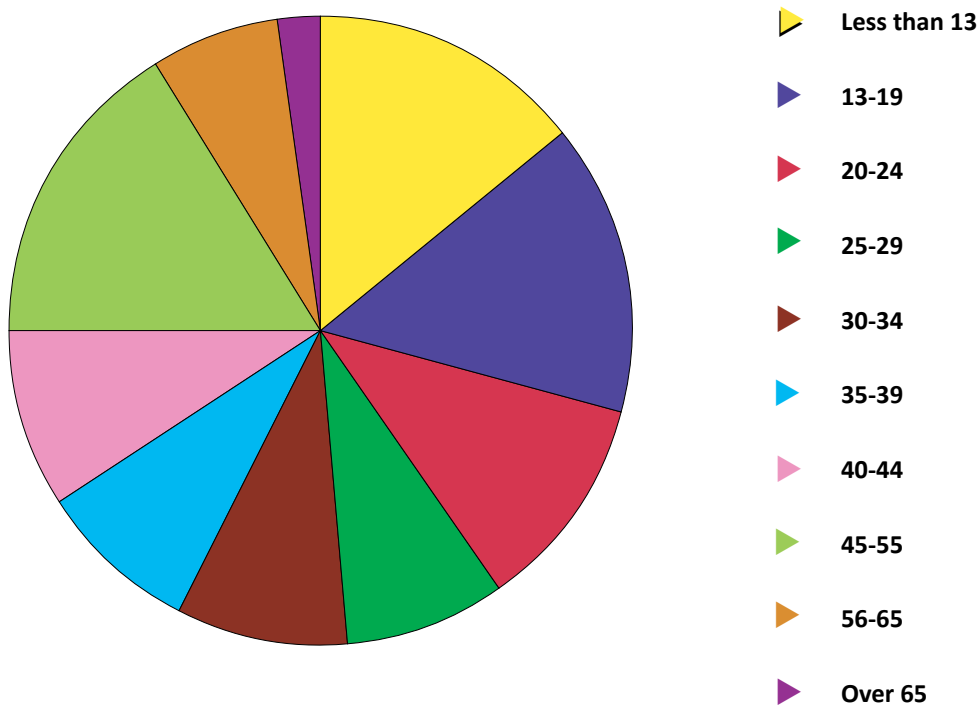
DEMOGRAPHIC AREA	Dual male/female with children	Dual male/female without children	Single male with children	Single female with children	Single male without children	Single female without children	Non-family
Total Attendance	35.3	27.5	1.5	5.9	1.7	3.6	24.4
Harris County	35.2	25.6	1.6	6.3	1.8	3.7	25.9
City of Houston	29.7	24.2	1.6	6.7	2.0	4.4	31.2
Harris County (less Houston)	42.4	27.4	1.5	5.7	1.4	2.7	18.9
Houston Metro	35.9	27.1	1.6	6.0	1.7	3.6	24.3
Go Texan (less metro)	28.9	32.4	1.3	5.3	1.6	4.3	26.3
All Outside Go Texan	35.5	28.9	1.2	5.8	1.2	3.5	23.9

## Urban vs. Rural Spectators



DEMOGRAPHIC AREA	Urban	Non-urban (rural)	Rural (agricultural households)	Rural (non-ag households)
Total Attendance	68.3%	31.7%	0.6%	31.1%
Rodeo	862,865	401,217	7,906	393,311
Total	1,463,560	680,530	13,410	667,120
Harris County	87.9%	12.1%	0.1%	12.0%
Rodeo	602,482	83,167	784	82,383
Total	1,021,908	141,065	1,330	139,735
Harris Co. (less Houston)	74.4%	25.6%	0.3%	25.3%
Rodeo	227,981	78,317	788	77,529
Total	386,694	132,839	1,337	131,502
Houston Metro	73.5%	26.5%	0.3%	26.2%
Rodeo	730,582	262,863	2,890	259,973
Total	1,239,187	445,859	4,902	440,957
Go Texan (excludes metro)	21.5%	78.5%	3.8%	74.7%
Rodeo	22,503	82,293	3,982	78,311
Total	38,169	139,582	6,755	132,827
All Outside Go Texan	40.9%	59.1%	1.5%	57.6%
Rodeo	67,816	98,032	2,469	95,563
Total	115,027	166,278	4,188	162,090

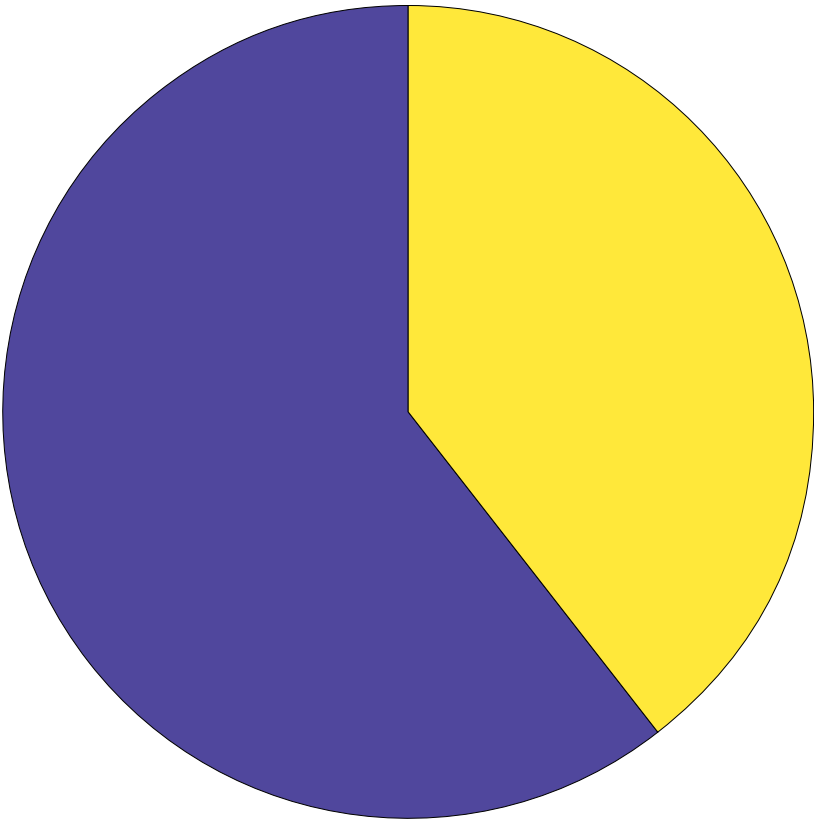
Rodeo Attendance by Age



Average Age of Rodeo Spectators

All Spectators	31.57
with Children	28.33
without Children	39.02

**Rodeo Attendance by Gender**



**Male**

**39.6%**

**500,573 people**

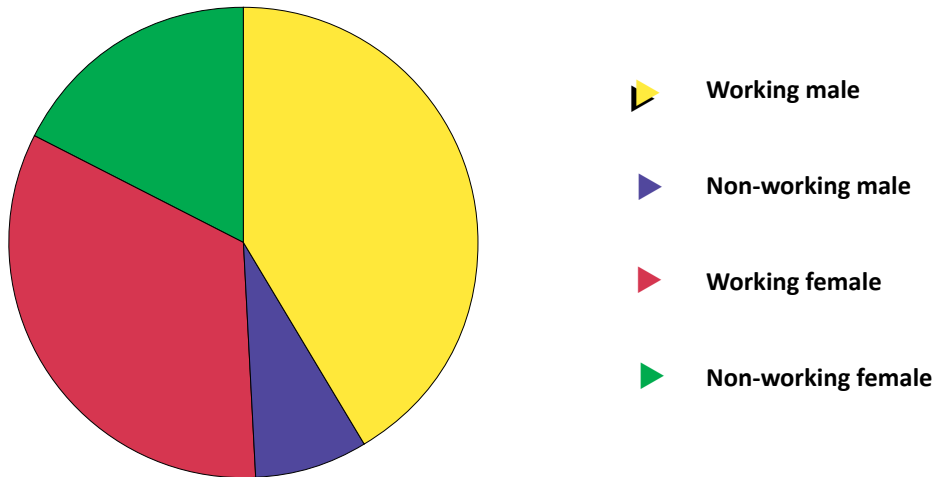


**Female**

**60.4%**

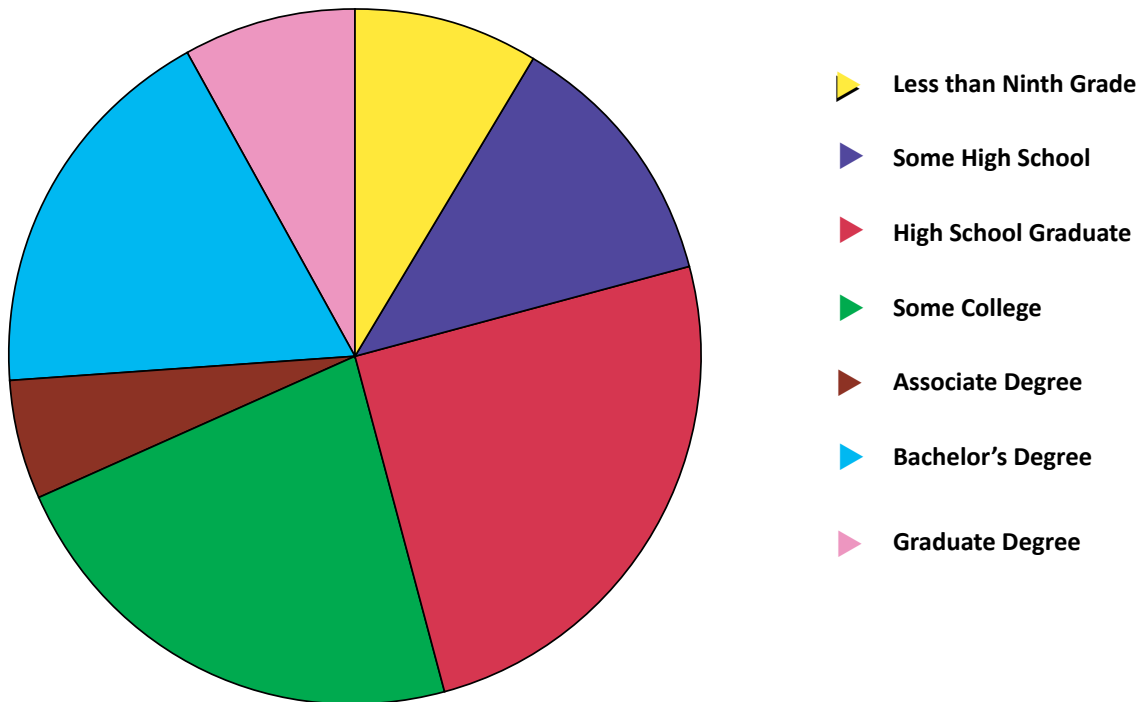
**763,501 people**

## Working vs. Non-Working Spectators (spectators 19 years old and older)



DEMOGRAPHIC AREA	Working male	Non-working male	Working female	Non-working female
Total Attendance	41.6%	7.8%	33.1%	17.5%
Rodeo	525,818	98,808	418,239	221,210
Total	891,873	167,594	709,401	375,208
Harris County	42.7%	6.8%	34.2%	16.3%
Rodeo	292,977	46,319	234,366	111,971
Total	496,937	78,565	397,523	189,921
City of Houston	41.9%	7.6%	33.8%	16.7%
Rodeo	159,035	28,744	128,287	63,282
Total	269,750	48,754	217,597	107,337
Harris Co. (less Houston)	43.8%	5.7%	34.7%	15.9%
Rodeo	134,113	17,402	106,156	48,615
Total	227,477	29,517	180,058	82,459
Houston Metro	42.2%	7.3%	33.6%	16.9%
Rodeo	419,383	72,489	334,006	167,558
Total	711,342	122,954	566,528	284,206
Go Texan (excludes metro)	36.1%	12.5%	28.2%	23.2%
Rodeo	37,825	13,124	29,505	24,337
Total	64,158	22,261	50,046	41,280
All Outside Go Texan	38.5%	10.1%	31.1%	20.3%
Rodeo	63,831	16,731	51,603	33,683
Total	108,267	28,378	87,526	57,131

## Educational Level of Rodeo Spectators (spectators 19 years old and older)



DEMOGRAPHIC AREA	Less than Ninth Grade	Some High School	High school graduate	Some college	Associate degree	Bachelor's degree	Graduate degree	Less than 19 years old
Total Attendance	8.7%	12.3%	24.9%	22.7%	5.5%	18.0%	7.9%	
People	134,374	189,529	385,375	351,534	84,758	278,086	122,224	598,197
Harris County	7.9%	11.2%	23.3%	23.3%	5.5%	20.1%	8.7%	
People	66,528	94,155	195,468	195,572	45,819	168,305	72,638	324,462
City of Houston	10.0%	12.0%	21.3%	21.4%	5.0%	20.7%	9.7%	
People	46,227	55,501	98,760	99,296	23,194	95,805	45,137	179,519
Harris Co. (less Houston)	5.3%	10.3%	26.0%	25.8%	6.1%	19.3%	7.3%	
People	19,775	38,465	97,231	96,773	22,745	72,352	27,226	144,943
Houston Metro	8.0%	11.8%	24.4%	23.3%	5.6%	18.9%	8.1%	
People	96,838	142,828	296,280	283,077	67,897	229,216	98,771	470,123
Go Texan (less metro)	15.0%	17.2%	29.9%	17.7%	4.6%	10.0%	5.7%	
People	19,166	22,004	38,330	22,694	5,874	12,783	7,301	49,591
All Outside Go Texan	13.0%	13.0%	27.0%	20.1%	4.8%	14.4%	7.7%	
People	26,305	26,433	54,763	40,800	9,682	29,220	15,615	78,484

## Attendance & Tickets

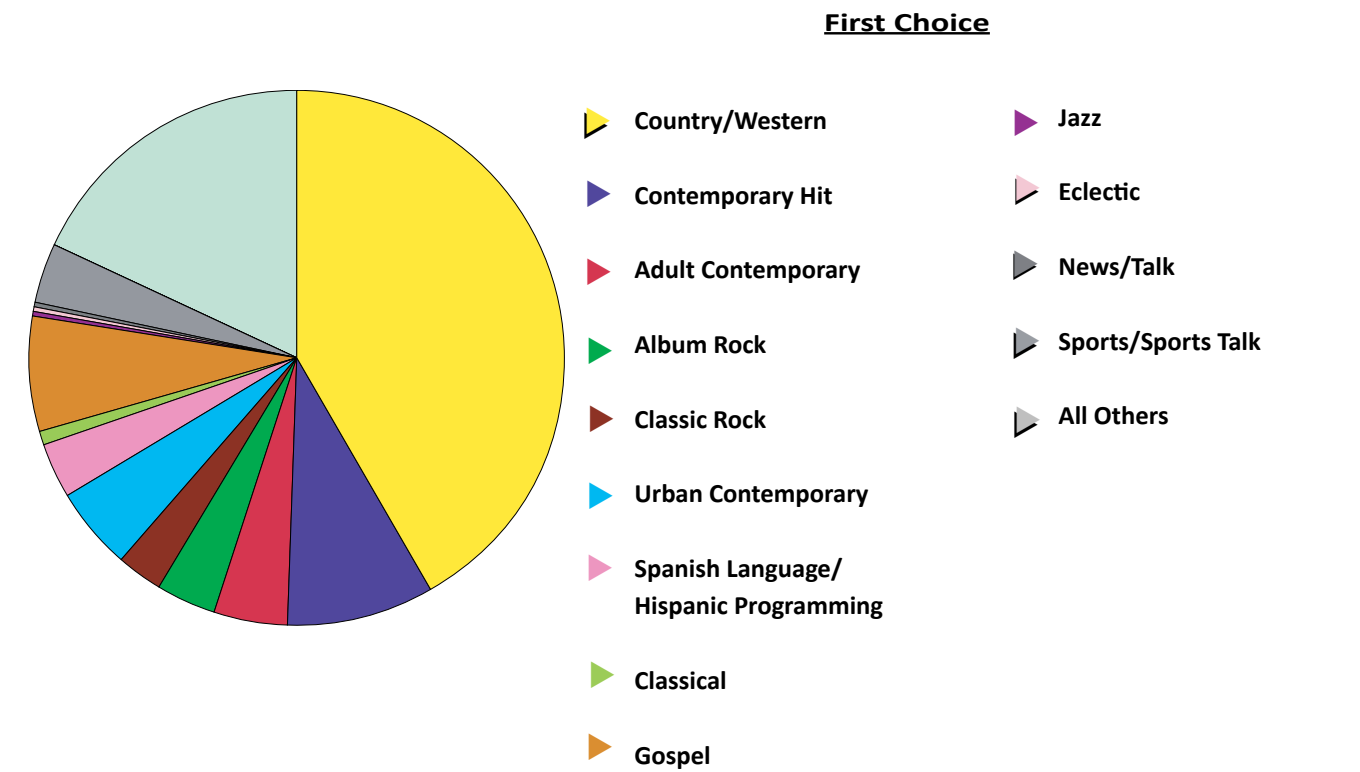
PREVIOUS RODEO ATTENDANCE	Percent of Rodeo audience	Rodeo attendance in the Reliant Stadium
Have attended before this year	78.7	994,826
Have never attended before this year	21.3	269,248
Attended in 2009	60.6	766,029
Last attended in 2008	7.8	98,598
Last attended more than three years ago	7.3	92,277
Last attended 10 or more years ago 2.0	25,281	
Never attended or attended more than 3 years ago	28.6	361,525
Never attended or attended more than 10 years ago	23.3	294,529

REASONS FOR ATTENDING SPECIFIC RODEO PERFORMANCESof Rodeo audience	Percent in the Reliant Stadium	Rodeo attendance
Star at performance	51.1	645,928
Availability/convenience of performance	9.8	123,879
Free tickets for specific performance 18.0	227,533	

HOW TICKETS WERE OBTAINED	Percent of Rodeo audience	Rodeo attendance in the Reliant Stadium
Purchased by respondent, family or business	56.0	709,146
Free (from client, as a client, from friend, etc.)	*38.0	485,404
Won in a contest or promotion	2.0	24,017
Other	4.0	45,507

\* There were only 21,236 complimentary (free) tickets distributed by the Show 1.6 percent of the total 1,285,310 tickets distributed).

# Music Preferences of Rodeo Spectators

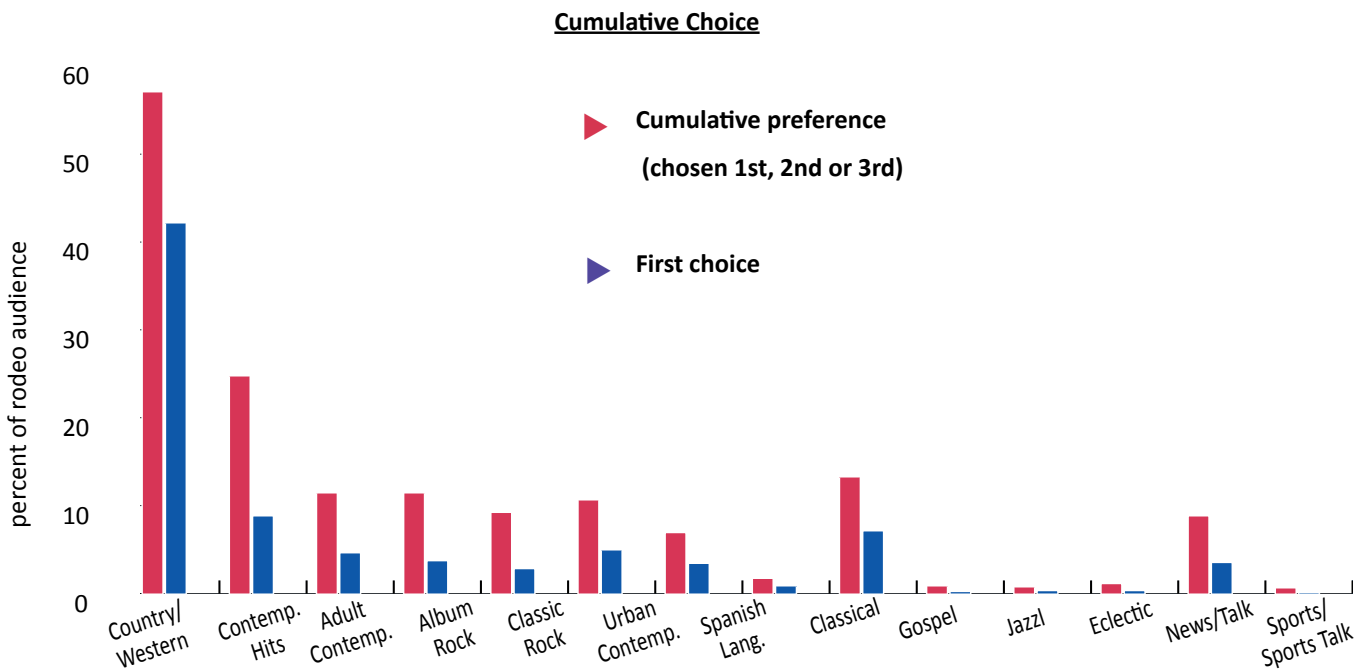


FIRST CHOICE	Country/ Western	Contemporary Hits	Adult Contemporary	Album Rock	Classic Rock	Urban Contemporary	Spanish Language
Rodeo Attendance People	42.1% 532,175	8.8% 111,239	4.6% 58,147	3.7% 46,771	2.8% 35,394	4.9% 61,940	3.4% 42,979

FIRST CHOICE	Classical	Gospel	Jazz	Eclectic	Asian, Oldies & Multicultural	News/Talk	Sports/ Sports Talk
Rodeo Attendance People	0.8% 10,113	7.1% 89,749	0.2% 2,528	0.3% 3,792	0.3% 3,792	3.5% 44,243	0.1% 1,264

All others, including those who do not have a listening preference: 17.6%, 222,477 people.

Music Preferences of Rodeo Spectators (continued)



CUMULATIVE CHOICE	Country/ Western	Contemporary Hits	Adult Contemporary	Album Rock	Classic Rock	Urban Contemporary	Spanish Language
Rodeo Attendance People	57.7% 729,371	24.7% 312,226	11.4% 144,104	11.4% 144,104	9.2% 116,295	10.6% 133,992	6.9% 87,221

CUMULATIVE CHOICE	Oldies and Jazz	Classical	Gospel	Multicultural	Eclectic	News/Talk	Sports/ Sports Talk
Rodeo Attendance People	0.81% 102,390	1.7% 21,489	13.2% 166,858	1.1% 13,905	0.7% 8,848	8.8% 111,238	0.6% 7,584

Chinese and Vietnamese programming categories are 0%

## **APPENDIX 4**

### **The Houston Livestock Show and Rodeo's™ Contribution to the Community The Supply-Side Effects**

#### **Support of Agriculture**

- ❖ Throughout the Houston Livestock Show's history as the world's largest livestock show, it has recorded nearly 300,000 open show livestock entries; about 700,000 junior and youth show entries; almost a quarter of a million horses, donkeys, and mules; and more than 100,000 high school and college competitors in judging contests and other tests of skill.
- ❖ In addition to its world-renowned scholarship program, the Show has contributed more than \$110 million to Texas junior and youth show exhibitors from almost every county in Texas through prizes, premiums, and auction money.
- ❖ Since 1944, at least half a million special-needs youngsters have been a part of the Show's guest list for Rodeo events. Each year the Special Children's Committee hosts three day tours, along with a special rodeo in Reliant Stadium.
- ❖ The Houston Livestock Show also hosts more than 200 physically challenged riders of all ages each year as part of its Top Hands Horse Show, associated with the North American Riding for the Handicapped Association and Special Olympics.
- ❖ In the fall of 2003, the Show began an International Wine Competition to highlight Texas' growing wine industry, which is ranked fifth in the United States. In 2010 the competition featured more than 1,700 entries from more than 580 wineries from Texas, across the United States, and around the world.
- ❖ The Houston Livestock Show was an early adopter of safe meat practices when it introduced a Residue Avoidance Program in 1989. The program educates young exhibitors about the use of drugs, chemicals, and feed on their market animals, and ensures the quality and safety of market animal products.
- ❖ History was made in 1983, when 14-year-old Elizabeth Necker, at 5 feet tall and 97 pounds, became the first girl to be declared a winner in the Show's Calf Scramble. Today, girls comprise a significant percentage of scramble participants.
- ❖ Since 1942, 18,242 youngsters have participated in the calf scramble, with purchase certificates totaling \$9,853,500.

## Attendance and Entertainment

- ❖ Since rodeo was added to the Show in 1938, paid rodeo attendance is recorded at more than 38.5 million people, with attendees having seen rodeo action in three venues: Sam Houston Coliseum, Reliant Astrodome and Reliant Stadium.
- ❖ RodeoHouston™ draws crowds of more than 1 million annually, and more than the other nine rodeos in the top 10 combined, including the National Finals Rodeo in Las Vegas.
- ❖ Since 1932 the Show's general attendance has exceeded 65.2 million.
- ❖ 2,144,077 fans passed through Reliant Park gates in 2010 to visit the Show. This number is almost equal to the population of Houston at 2,257,926 (estimated in 2009) and surpasses that of Dallas' population (1,299,543) by more than 850,000.
- ❖ During the 2010, the Show's total spectator number was 1,264,074, more than one and a half times the number of people living in Austin (estimated at 786,382).
- ❖ Houston Livestock Show and Rodeo visitors have 400 unique shopping, food, and educational exhibits to enjoy each year, representing more stores than those of Houston's world-famous Galleria.
- ❖ The Houston Livestock Show and Rodeo concert finale' in Reliant Astrodome in 2002, featuring George Strait, holds the all-time attendance record for ANY EVENT held in the historic Dome – 68,266 people.
- ❖ Always a family affair, RODEOHOUSTON has featured husbands and wives, parents and children, and siblings, performing together and separately. The list includes Roy Rogers and Dale Evans; Johnny Cash, June Carter Cash, Carlene Carter, and Roseanne Cash; Marty Stuart and Connie Smith; Julio and Enrique Iglesias; Billy Ray and Miley Cyrus; Wynonna and Naomi Judd; The Osmonds; Larry Gatlin and the Gatlin Brothers; the Kumbia Kings and Selena y Los Dinos; Tim McGraw and Faith Hill.
- ❖ The Show has played a large part in bringing stars to larger audiences:  
*"In 1983, country singer Eddie Rabbitt originally was scheduled to perform at the matinee and evening rodeo performances with Roseanne Cash. Rabbitt became ill shortly before the matinee, and, as a result, Cash appeared as the only entertainer. However, Show officials scrambled to find a replacement for Rabbitt in time for the evening Show. A newcomer named George Strait was suggested by entertainer agent Tony Conway, but one problem existed – Strait was on a hunting trip with his band in San Marcos, Texas. Louis Pearce Jr. (current Show Executive Committee member and former Show president and chairman of the board) offered his plane and pilot to retrieve the entertainer and bring him and his band to Houston in time for that night's Show. Although a hasty replacement for Eddie Rabbitt, the handsome cowboy singer stole the Show. Strait won over even more fans when he rode a horse around the arena, shaking hands, in true, old-time cowboy style. This exposure, before the huge Astrodome crowd, helped create his current success."*  
- Lynn Chesnar, February Fever

# Charity and Support of Texas Youth

As a 501(c)(3) Charity, the Show’s extensive educational support structure is a mission of benefiting youth, supporting education, and facilitating better agricultural practices through exhibitions and presentation.

All recipients of Houston Livestock Show and Rodeo scholarships must demonstrate academic potential, citizenship/leadership, and financial need, and they must attend a Texas college or university. With the exception of special scholarships labeled as such, all students may major in any field of study.

This organization has committed more than \$250 million to Texas youth since 1932. Of this amount and since the Show’s first scholarship presentation in 1957, the Show has committed more than \$140 million in direct educational program support.

The Show’s accomplishments in this area include:

❖ Total scholarships awarded through 2010:	over 20,000
❖ Total scholarships awarded by endowed institutions:	1,250
❖ Houston Metropolitan Scholarship Program, since 1989:	\$11.2 million
❖ Support through youth auctions:	over \$11 million
❖ 2010 commitment to education (scholarships, grants and research):	\$11,286,250
❖ Show scholarship recipients in school, fall semester, 2009:	2,092
Total value of their scholarships (from one-year to four-year awards): \$24,800,000	
Attended colleges and universities throughout Texas:	90
High schools represented:	513
Cities represented:	416
Counties represented:	191

## 2010 Educational Commitment Breakdown

❖ Educational Scholarships	\$8,503,000
4-H – 70 four-year, \$15,000	\$1,050,000
Area Go Texan – 70 four-year, \$15,000	\$1,050,000
FCCLA – 10 four-year, \$15,000	\$ 150,000
FFA – 70 four-year, \$15,000	\$1,050,000
Hildebrand	\$ 15,000
Metropolitan – 221 four-year, \$15,000	\$3,315,000
Opportunity – 106 four-year, \$15,000	\$1,590,000
School Art – 15 four-year, \$15,000	\$ 225,000
Texas A&M University College of Veterinary Medicine	\$ 48,000
Texas Christian University Ranch Management Program	\$ 10,000
❖ Graduate assistantships	\$ 485,400
Angelo State University	
Sam Houston State University	
Stephen F. Austin State University	
Sul Ross State University	
Tarleton State University	
Texas A&M University	
Texas A&M University – Commerce	
Texas A&M University – Kingsville	
Texas State University	
Texas Tech University	
West Texas A&M University	
❖ Grants	\$ 575,000
Alley Theatre	
BRASS – Baylor Research Advocates for Student Scientists	
Entrepreneurship Boot Camp for Veterans	
Glassell School of Art	
Houston Community College	
Houston Grand Opera	
Houston Symphony	
Prairie View A&M Youth Camp	
Texas Aerospace Scholars	
Texas Rangers Association	
Texas Wildlife Association Foundation	
Theatre Under The Stars	

❖ Educational programs	\$ 222,850
FCCLA Leadership Training	
Prairie View A&M Leadership Lab	
State 4-H Congress	
State 4-H Leadership Conference	
State 4-H Record Book	
State FFA CDE Winners	
State FFA Leadership Awards	
State FFA Leadership School	
Texas A&M University Beef Cattle Short Course	
Townsend Leadership Fellows Program	
Western Art Academy Workshop	
❖ Rodeo Institute for Teacher Excellence™	\$ 1,500,000
Total:	\$11,286,250

## More on our Scholarship Winners

- ❖ Houston Livestock Show and Rodeo scholarship winners major in more than 150 subjects at 90 Texas colleges and universities. They hail from more than 400 cities and towns across Texas, from the far west communities of El Paso and Fort Davis, to Nacogdoches and Pineland in the east.
- ❖ These scholarship winners may someday clothe and feed the world, as they pursue majors in Poultry Science; Agricultural Business; Agricultural Leadership and Development; Agricultural Science; Agronomy; Food Science and Technology; and Textile Technology.
- ❖ Many students major in Fine Arts, Graphics Communications, Drama, Film, Photography, Music Education, Art, Literary Studies, Interior Design, and Theater.
- ❖ Houston Livestock Show and Rodeo scholarship winners will build the future, with majors in Engineering, Environmental Engineering, Piping Engineering, Landscape Architecture, Petroleum Engineering, Environmental Design, Computer Engineering, Civil Engineering, Ocean Engineering, and Aerospace Engineering.
- ❖ Many recipients credit receiving these scholarships as the reason they were able to make their dreams a reality.

*Raymond DuBois, M.D. Ph.D., from Runge, Texas, describes what it meant to him to be chosen as a Houston Livestock Show and Rodeo scholarship award recipient: "It was, as they say, a game-changer. It provided me with the confidence to pursue a college degree. Having the support of the Houston Livestock Show and Rodeo was crucial to my career." The scholarship award certificate still hangs on his office wall and he noted, "It's probably the most important award that I ever received."*

Doctor DuBois earned an undergraduate degree in biochemistry from Texas A&M University, a doctorate in biochemistry from UT Southwestern Medical Center in Dallas and a medical degree at the UT Health Science Center in San Antonio. He's garnered numerous awards for his cancer research across the world and currently serves as provost and executive vice president for research, faculty development and training at M.D. Anderson Cancer Center.

- ❖ Many scholarship recipients go on to give back to their communities once they become working professionals. This is most evident in a quote from former Show chairman of the board and current Executive Committee member Paul Somerville regarding his late wife Kathy's struggle with cancer:

*"Many of you may have heard this story, but it is what we are all about, and it needs to be in print. In July 2006, a doctor was brought into Kathy's examining room with her primary physician. The young doctor said that he would be working on her case. He introduced himself by saying, 'I do not know whether you remember me or not, but 14 years ago both of you had dinner with my mother and me when you presented me with my Houston Livestock Show and Rodeo™ scholarship. I am now your doctor.' The next time somebody asks why people spend \$600,000 on a steer, or why someone volunteers to stand in the rain all night at a gate helping people with directions, or help carry gear and supplies in and out of the facility, I now know how to answer 'WHY.'"*

- Paul Somerville, "Bowlegged H" Magazine, Fall 2007

## **Additional Statewide Support to the Following Organizations**

- ❖ State 4-H Congress is a four-day event in Austin that draws more than 600 delegates from throughout Texas to learn the legislative process, and research and present legislation relating to youth issues.
- ❖ Support is provided for the State 4-H Leadership Conference, a training conference for incoming Texas 4-H council members and district council members who, in turn, conduct local-level training for about 1,000 other 4-H members throughout the state.
- ❖ The State 4-H Record Book Contest is one of the largest 4-H contests in the state, providing recognition for more than two dozen 4-H project competitions.
- ❖ The Family, Career, Community, and Leaders of America funds support the leadership provided in conjunction with the annual conference of FCCLA.
- ❖ The Learning Across New Dimensions in Science program of the Texas Wildlife Association Foundation provides educational programs about agriculture and wildlife and habitat conservation to Texas schools. Through teacher training, curriculum materials and traveling exhibits, the program is able to teach both teachers and students about conservation initiatives and the environment.
- ❖ The Texas Ranger Law Enforcement Association protects and promotes the heritage of the Texas Rangers through assistance with educational funding for Rangers and their families; monitors legislative issues affecting the Texas Rangers; and provides support for Rangers or their families in case of catastrophic situations.
- ❖ The Show presents \$500 to each of the 23 winning chapters in the State FFA Career Development Events. These funds are used to defray chapter expenses in representing Texas in national FFA CDEs held in conjunction with the national FFA convention in Louisville, Ky., each fall.
- ❖ Since 1931, more than 1,000 agriscience and FFA programs in Texas have flocked to Sam Houston State University for the annual state leadership contests. More than 500 FFA members participate in each of the eight contests. The financial support of the Show for the State FFA Leadership Awards allows participants to defray some of the entry fee costs.
- ❖ Incoming chapter, district, area and state FFA officers attend the State FFA Leadership School, where they go through rigorous leadership training in the form of workshops and seminars. FFA officers also have the chance to hear distinguished speakers, exchange ideas, discuss critical issues, and attend sessions about public speaking and parliamentary procedure.
- ❖ Funds are used to defray registration costs for the Texas A&M University Beef Cattle Short Course, an annual program that focuses on Texas beef cattle producers and presents seminars to help the industry improve efficiency and profitability.

- ❖ The Townsend Leadership Fellows Program in agriculture and life sciences at Texas A&M University supports advanced undergraduate study in leadership theory through activities such as fellows program curriculum development, executive speaker events, fellows gatherings, and travel for selected students from the Department of Agricultural Leadership, Education and Communications.

## Houston-Area Educational Support

While the Houston Livestock Show and Rodeo impacts the lives of scholarship students all over the state of Texas, it especially touches the youth of the greater Houston area:

- ❖ The value of all scholarships received in Houston Metro since 1957 is more than \$80 million. This includes Houston Metro, Opportunity, Go Tejano, 4-H, FFA scholarship programs.
- ❖ The Show annually awards the following at its Scholarship Banquet held each May (additional scholarships are awarded throughout the year):

### Metropolitan Scholarships

- The Show presents these \$15,000, four-year scholarships to Houston-area students from public school districts in Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery and Waller counties.
- Since 1989, the Show has presented 3,014 Metropolitan scholarships worth more than \$33 million.
- For the 2009-2010 school year, 221 Metropolitan scholarships, worth \$3,315,000, have been awarded.

### Opportunity Scholarships

- The Show presents these \$15,000, four-year scholarships to Houston-area students from the same participating public school districts based on financial need, academics, leadership, and community involvement.
- For the 2009–2010 school year, the Opportunity Scholarship commitment was \$1,590,000 and helped 106 students.

### School Art Scholarships

- Recipients of School Art Scholarships qualify through their participation in the School Art Program, but are selected on academics, leadership, and financial need. Fifteen, four-year, \$15,000 college scholarships, worth \$225,000, were presented for 2009 – 2010.
- Since 1972, the Show has presented more than 192 School Art scholarships worth \$2,354,532.

- ❖ The Rodeo Institute for Teacher Excellence was founded as a pilot project by the leadership of the Houston Livestock Show and Rodeo™ in 1997 to address problems of low levels of academic achievement and the high dropout rates in many Houston-area schools. Research showed that reading was the key to academic achievement, with early intervention being the single most important factor in preventing illiteracy. The pilot project proved to be an overwhelming success. Growth of the RITE program during the three years far exceeded initial expectations as it went from six schools, serving 1,650 students, to 45 schools in 2009-10 with more than 12,000 students. Since 1997, the Show has contributed \$13 million to the institute.

- ❖ Houston leads all of the 493 Texas cities (217 counties and 521 high schools) with students participating in the Show's program during the past four years.

2,092 Texas students were enrolled in the fall of 2009:	\$24,800,000
555 students were from Houston:	\$ 7,571,000
610 students were from Harris County:	\$ 8,342,000
926 students were from the Houston Metropolitan Area:	\$12,610,000

- ❖ With it's \$575,000 worth of support, the Show helps fund some of the following:
  - The Alley Theatre has many educational and community engagement programs, including the Alley Shows for Kids. This program brings plays to area schools that appeal to students and also provides student matinees that bring students to the theater to see a professional play performed onstage. Other Alley Theatre educational and community programs include Theatre District Open House, which gives patrons a behind-the-scenes look at production; Alley Ways, which offers free or discounted tickets; and Pay-What-You-Can Night that encourages theater goers to donate items for the local food pantry.
  - The Baylor Research Advocates for Student Scientists program provides research awards to young scientists pursuing doctorate or combined medical and doctorate degrees at the Graduate School of Biomedical Sciences at Baylor College of Medicine. BRASS students use these funds to buy research supplies and computer software for advanced data analysis, or to cover travel expenses to scientific meetings.
  - The Entrepreneurship Boot Camp for Veterans with Disabilities program, introduced at The Mays Business School at Texas A&M University in August 2008, provides training and mentoring in entrepreneurship and small business management to veterans who have sustained disabilities resulting from service in Iraq or Afghanistan. The course consists of an online portion of three to four weeks and an in-house residency of eight days at Texas A&M. The Mays Business School is one of five select business programs in the United States that offers the EBV programs, which began at Syracuse University in 2007.
  - The Glassell School of Art Summer Workshops allow eligible kindergarten through high school students who participated in the Show's School Art Program to submit applications to participate in programs ranging from one-week summer and 14-week fall classes to four-year studio programs. Students are selected to participate in these programs and go on to showcase their work at school exhibitions.
  - The Houston Community College Career and Technology Education Excellence Fund helps students transition into the workplace through building relationships with local employers and creating student internship opportunities. The program also promotes student recruitment and retention efforts.
  - The Houston Grand Opera conducts educational outreach programs for area children. Opera Camp helps children to understand opera performances, while Opera to Go brings touring performances to students in kindergarten through seventh grade. The Story Book Opera program brings singers who assume the roles of the characters in the books as they read to children. Finally, Song of Houston is a series of projects celebrating the stories of Houston African-Americans.

- The Houston Symphony Explorer Concert Series offers free concerts in Jones Hall to fifth-graders from the greater Houston area. The Show has been helping to support this series since 1995.
  - The Prairie View A&M University Youth Camp is owned and operated by the Cooperative Extension Program at Prairie View A&M University. While at camp, youth, mostly those who have not had the opportunity to participate in a traditional camp, meet new friends, explore nature, and enjoy social development activities designed for relaxation and interaction with one another.
  - Held at the Johnson Space Center, the Texas Aerospace Scholars - program encourages high school students to study math, science, engineering and computer science. The yearlong, online study program ends with a week-long, summer on-site program at NASA where students work with engineers at the JSC. The project reflects what they have learned during the year, and the students work with the engineers to design, execute and present their projects.
  - Theater Under the Stars, along with the YMCA, provides after-school care programs and summer programs to benefit low-income youth. Young people have a chance to learn music appreciation and arts education. TUTS also provides musical theater programs at M.D. Anderson Children's Cancer Hospital, Shriner's Hospital and Texas Children's Hospital.
  - The Prairie View A&M Leadership Lab is held at Prairie View A&M University each summer for low-income youth to learn leadership skills, receive college and career counseling, participate in a variety of life-skill workshops, and be exposed to new areas of agriculture.
  - The 25 -year-plus partnership with the Museum of Western Art in Kerrville, Texas, provides scholarships to more than 30 students who participate in the Show's School Art Program each year for the Western Art Academy Workshops. These scholarships allow high school sophomores, juniors and seniors to learn traditional Western art techniques from practicing professional artists.
- ❖ Each year, more than 300,000 School Art Program participants from 145 districts learn about Western heritage, history, and culture as they prepare their projects for competition. Since it began in 1964, the School Art Program has received more than 8.57 million entries.
  - ❖ In March 2007 the Houston Livestock Show and Rodeo presented NASA an initial \$50,000 check for its Texas Aerospace Scholars program, and challenged the program to match the funds. Later in 2007, the Show gave an additional \$50,000, enabling 50 more Texas high school students to attend TAS' year-long high school program.

## Volunteers and Show Members

- ❖ The Houston Livestock Show and Rodeo has more than 35,000 members. Of these members, 23,834 are volunteers, serving on more than 100 committees. Volunteers work more than 1,627,200 hours each year with an average of 67.8 hours donated annually per volunteer.
- ❖ The value of the volunteer dollar to the Show is nearly \$34 million annually. That would be the payroll cost if the Show paid \$20.85, the current value of the volunteer hourly rate.
- ❖ The Show promotes itself as a cross section of the Houston area, and the members and committee members live up to that billing. Show members and committee volunteers literally represent every geographic neighborhood and ethnic and socioeconomic community in Houston and Harris County. Every single residential ZIP code in Harris County has committee members living in its neighborhoods.
  - There are more 21,023 Show committee families and more than 20,600 Show member families living in the Houston metropolitan area. These families are 53.64 percent Anglo; 21.03 percent Hispanic; 10.33 percent African American and 4.4 percent Asian American.
  - The average committee family income in the Houston metropolitan area is \$65,677. The total annual family income of Show committee volunteers in this metro area is \$1.38 billion.
- ❖ Houston Livestock Show and Rodeo committee volunteers come from every walk of life, including bankers, truck drivers, astronauts, homemakers, engineers, teachers, judges, television anchors, ranchers, police officers, insurance brokers, nurses, automobile dealers, restaurateurs, photographers, veterinarians, electricians, lawyers, plumbers, doctors, administrative assistants, firefighters, constables, artists, legislators, business owners and more.
- ❖ Volunteers range in age from the 16-year-old students on the Jr. Rodeo Committee to the oldest volunteer who is nearing 100 years of age.
- ❖ Show volunteers sort through trash for recycling; judge school art; sell advertising; direct traffic; build fences; drive heavy equipment; show exhibitors to their stalls and commercial exhibitors to their booths; secure equipment donations for Show setup and teardown; help set up the entertainer stage; greet visitors and take tickets; and much more in their year-round support of the Show.
- ❖ Volunteers at the Houston Livestock Show and Rodeo also help organize the Grand Entry; seek donations for educational programs; speak to professional groups and organizations; conduct the calf scramble; judge wine; travel internationally to promote the Show; and provide legal advice to Show officials. Oftentimes, Show volunteers are involved for most of their lives, such as current Show Executive Committee member, and former Show President and Chairman of the Board, Don Jordan.

*"The credit for getting Don Jordan involved with the Houston Livestock Show and Rodeo belongs to his uncle. More than 50 years ago, that uncle took his young nephew, who was in town for a visit from his hometown of Ingleside, Texas, to the Houston Fat Stock Show held in the Sam Houston Coliseum. It was the calf scramble that first captured the*

*youngster's attention. 'I watched those boys go after the calves,' Jordan reminisced, 'and I thought to myself that I could do that.'*

*Soon afterward, the family moved from Ingleside to La Marque, and Jordan joined his high school's newly organized 4-H Club. He inquired about the calf scramble and subsequently became one of the club's two entrants in the 1948 event.*

*'My parents owned a grocery store in La Marque,' Jordan explained, 'and they couldn't leave the store to take me to the rodeo.' So, on that Saturday, he rode the bus into downtown Houston, asked for directions and made his own way to the Coliseum. When the calf scramble ended, the record books reflected that the third calf across the line belonged to Jordan. 'It was sponsored by the Houston Building and Trades Council,' he said. He still has the photograph that was taken that night. In those days, the winners took home the actual calves they caught. Jordans' parents arrived at the rodeo in time to transport their son and his Hereford calf in the back seat of their four-door sedan home to La Marque."*

*- "Bowlegged H" Magazine, May 1999*

## Western Heritage and Community Impact

- ❖ The Downtown Rodeo Parade, beginning in 1938, kicks off the Show every year. Decorative floats intermingle with thousands of colorfully dressed men and women on horseback against a background of skyscrapers and freeways, and streets are filled with the sounds of hoof beats and marching bands. Enthusiastic Houstonians join out-of-town spectators to line the streets and sidewalks to be involved in one of Houston's most popular celebrations.
- ❖ The annual ConocoPhillips Rodeo Run, which helps kick off the parade, had more than 12,500 participants in 2010. Including its \$310,000 donation this year, ConocoPhillips has contributed more than \$2.5 million to the Houston Livestock Show and Rodeo's Educational Fund since the race began in 1988. More than 128,000 runners have participated in the event since that time as well.
- ❖ The World's Championship Bar-B-Que Contest is three days of cooking, competition, eating and dancing. A record 221,229 guests joined the feast in 2010.
- ❖ The Houston Livestock Show and Rodeo helped to host the 1990 Summit of Industrialized Nations. Then-President George H. W. Bush was proud to show off his hometown to the attendees of the Summit, the first to be hosted in a major American city, with an exciting evening of rodeo, barbecue, and country music. Houston Livestock Show and Rodeo staff and volunteers organized a mini-rodeo, complete with rough stock events and a calf scramble, which was followed by a concert from Grand Ole Opry® entertainers. Renowned political figures attending the conference included Prime Ministers Margaret Thatcher of Great Britain, Francois Mitterand of France, Helmut Kohl of Germany, Brian Mulroney of Canada, Giulio Andreotti of Italy, and Toshiaki Kaifu of Japan, along with European Community President Jacques Delors.
- ❖ During the Show, Black Heritage Day and Go Tejano Day are held to spotlight and celebrate the contributions of these groups to Texas and the city of Houston. Both of these events have set attendance records:

	paid attendance
2010 Black Heritage Day featuring Mary J. Blige	72,150
2010 Go Tejano Day featuring Pesado and El Trono De Mexico	74,222
- ❖ Not only does the Houston Livestock Show and Rodeo keep the spirit of the state's Western heritage alive, it also presents a warm, friendly picture of the nation's fourth largest city to the thousands of rural exhibitors who come to Houston to participate in the Show.
- ❖ What began in 1996 as collaboration between NASA's Johnson Space Center and the Clear Creek Independent School District, The Longhorn Project now provides hundreds of students a hands-on learning environment. Thirty-five acres of the land is used for grazing pastures. A feedlot takes up 11 acres, while seven acres are used for aquaculture ponds, gardens and orchards. A landscape of native Texas flora, complete with a waterway, graces the site and serves as an outdoor classroom for educators, students and scientists alike. Portable buildings house classrooms, offices and workspaces. A focal point within the project is the Show-funded Western Heritage Pavilion, accessible via the Space Center Houston tram stop at Rocket Park.

- ❖ A responsible corporate citizen, the Houston Livestock Show and Rodeo annually recycles tons of aluminum cans and cardboard, and was named the Mayor's Proud Partner for its recycling efforts. Since 1991, the Show has recycled:

526,389 pounds of aluminum  
1,037,748 pounds of corrugated metals  
193,884 pounds of glass  
71,300 pounds of mixed plastic and aluminum  
10,175 gallons of grease

- ❖ The Show attracts the attention of media around the Houston area, Texas, and the nation. Coverage within the past 10 years includes:

- Discovery Channel fireworks program – the Show's indoor fireworks display was highlighted along with other national and international outdoor pyrotechnics displays
- Hallmark Channel – profile of Leon Coffee, RODEOHOUSTON barrel man
- Jay Leno Show – 75th anniversary Boot Scoot art project highlight
- Southern Living Magazine– multi-page article on the Show
- Fox News Channel – live morning show segments from Reliant Stadium with RODEOHOUSTON announcers as on-location anchors
- Good Morning America – live weather segments with weather anchor Sam Champion
- The New York Stock Exchange Closing Bell
- Univision national segments
- Xinhua News Agency
- Glamour Magazine – Taylor Swift mentions the Show specifically as a career highlight
- Good Housekeeping – Jonas Brothers' mother refers to the Show and a photo is included
- Rolling Stone Magazine – photo of Sheryl Crow on horseback for her RODEOHOUSTON performance entrance
- Rolling Stone Magazine – profile piece of the Black Eyed Peas, featuring the group's performance at RODEOHOUSTON
- Today Show – Matt Lauer as a barrel man at RODEOHOUSTON
- Today Show – Amy Robach embedded in the Salt Grass Trail Ride
- CNN – profile on Spud Duvall, RODEOHOUSTON cowboy athlete

- Wine Spectator – featuring Houston Livestock Show and Rodeo International Wine Competition and Auction
  - Reader's Digest Magazine – upcoming hero's piece in the August 2010 issue. The article will cover wrangler Bron Boehnlein's roping of Hard Ball, the bull who escaped from his pen during the 2010 Show.
- ❖ The Show works year round to promote its mission, and these effects are felt in the community and result in the promotion of Houston as a whole.
- The City of Houston Official Visitors Center provided a display case featuring the Show in March of 2009 and 2010. A variety of materials showcase the many aspects of the Show and a School Art exhibit is being planned for later in 2010.
  - The Houston Airport System worked with the Show in 2009 to include RODEOHOUSTON themed pole signage on the roadways and at the terminal entrances for both Houston Hobby and Bush Intercontinental Airports, as well as information and products for distribution at airport information desks. There was so much interest in expanding this program in 2010 by the airport system that the Show provided even more merchandise and programs, as well as Western art and School Art installations at both airports.
- ❖ In more recent years, the Show has become more involved in community organizations and events to promote cultural arts and heritage, health, and community values. Over the past year these events have included: Houston Es Musica, Houston Men's Health Week, Hispanic Chamber of Commerce Business Exposition, Holiday Ice Spectacular at the Houston Galleria Polar Ice and the Houston Area Black Journalists Association awards dinner. The Show has worked with several of the cultural arts museums on cross-promotional activities, including a current MFAH exhibit featuring many of the Show's School Art pieces.
- ❖ Each year travelers passing through Houston's Hobby Airport buy \$450,000 to \$500,000 worth of RODEOHOUSTON, and western themed merchandise at the Go Texan airport store.
- ❖ In 2006, the Show was approached by former U.S. Ambassador to Spain, Eduardo Aguirre, to provide School Art pieces to hang in the residence of the U. S. Ambassador to Spain and Andorra, located in Madrid, from 2006 to 2008. This display, continuing through 2008, helped to promote Texas and the organization to visitors and the people of Spain.
- ❖ Also in 2008 the Show hosted politicians as a part of a media tour organized by the U.S. Department of State to promote cultural arts. The March 4 RODEOHOUSTON performance featured a visit from Lech Walesa, former president of the Republic of Poland and winner of the Nobel Prize for Peace in 1983. Walesa, named one of Time magazine's 100 most influential people of the 20th century, was presented with a Houston Livestock Show and Rodeo commemorative buckle.
- ❖ The Show has close relationships with many of the businesses and organizations in the Houston area. To celebrate the 65th anniversary of the Texas Medical Center, two of TMC's leaders served as grand marshals for the 2010 Downtown Rodeo Parade. Richard Wainerdi, P.E., Ph.D., president and CEO of Texas Medical Center (corporation), and James H. "Red" Duke Jr., M.D., trauma surgeon, professor of clinical sciences at The University of Texas Medical School at Houston, and founder and medical director of Life Flight at Memorial Hermann – TMC, represented the 48 institutions of the Texas Medical Center as the parade

kicked off the 78th Houston Livestock Show and Rodeo. Also riding along the parade route with the grand marshals were two children from each of the four children's hospitals in the Texas Medical Center.

- ❖ Businesses, both local and national, perceive the Show as a great marketing and advertising tool. Currently the Show has 38 official Show sponsors, whose revenue exceeds almost 11 million annually.

*“The Houston Livestock Show and Rodeo provides the guaranteed reach and efficiency of advertising, the good will and positive imagery of cause-related marketing and the local relevance of grassroots partnerships; and unlike any other event opportunity, this organization combines world-class sports competition with headline entertainment. This event has an additional component that puts it head and shoulders above other opportunities: it directly benefits Texas youth.”*

- From the International Events Group following an in-depth analysis of the Houston Livestock Show and Rodeo. A Chicago-based firm IEG is the leading provider of consulting, valuation, measurement, research and training to the global sponsorship industry.
- ❖ The Houston Livestock Show and Rodeo™ initiated its sponsorship program in the early 1980s by offering local and national businesses to partner with the Show in an effort to offset operating costs of rodeo events and activities around the Show's grounds. Early sponsors included Coca-Cola, Continental Airlines, Conoco (now ConocoPhillips), Ford, Houston Lighting and Power (now Reliant Energy), and Miller Lite.
- ❖ In 2002, the Show partnered with the Houston Texans in a joint marketing agreement whereby Reliant Stadium sponsorship opportunities are co-marketed and a percentage of revenue shared. As a result of this venture, the Show expanded its sponsorship program with new categories Naming Rights Partner, Heritage Partnerships and title sponsorships.
- ❖ Basic sponsorship packages start at the \$85,000 level. Heritage Partnerships require a minimum total commitment of \$600,000 and include upgraded and expanded sponsor benefits. Coca-Cola, Ford, Miller Lite and Reliant Energy were the Show's first Heritage Partners.
- ❖ The Show offers each sponsor attractive benefits package including animated logo exposure on LED signage and center video screens, audio recognition from rodeo announcers, corporate hospitality and premium seating.
- ❖ The ultimate cause-related marketing event, the Show combines cutting edge production and presentation. The world's premier rodeo, the world's largest livestock show and world-class entertainers captivate southeast Texas for three market-intensive weeks, making this phenomenal entertainment event the standard others follow and providing an outstanding sponsorship opportunity.

## Building Programs and Enhanced Facilities

- ❖ With a history that includes a longtime building program, the Houston Livestock Show and Rodeo built the Astrodome and Astroarena in the 1960s, and donated those facilities to the citizens of Harris County.
- ❖ Based on these donations by from 1968 to 2001, more than 2,000 events were booked, with more than 27.3 million in attendance, from 1968-2001.
- ❖ Also, the Show brought the Astrodome to an entirely new level of entertainment by building a revolving stage and bringing in special lighting, giant video projectors and screens, and video crews in the early 1980s so that even those in the highest seats could see the live action and instant replays up close.
- ❖ With the construction of Reliant Stadium, and by partnering with Harris County and the Houston Texans football team to build Reliant Stadium and other facilities at Reliant Park, the Houston Livestock Show and Rodeo enables Houston to attract the finest in trade shows, conventions, and sporting events each year.
- ❖ At the time of construction for Reliant Stadium, then-NFL Commissioner Paul Tagliabue said that he knew the stadium could not be built without the help of the "Rodeo," and without that help, the NFL would not be back in Houston.
- ❖ The Houston Livestock Show and Rodeo agreed to become the audio-visual contractor for Reliant Park, utilizing the state-of-the-art AV facility it was building in Reliant Center. This agreement allowed the county and the tenants to subtract nearly \$5 million from the cost of Reliant Stadium.
- ❖ Since 2003, its first year in Reliant Stadium, the Houston Livestock Show and Rodeo has provided nearly \$20 million in bond retirement revenue:

Bond Parking Tax (\$1 per car):	\$ 888,498
Facility Rent (\$1.5 million per year):	\$ 7,500,000
Bond Ticket Tax (\$2 per paid admission):	\$11,522,464
TOTAL:	\$19,910,962

It is estimated that these bond retirement payments from the Rodeo and its spectators will total between \$120 million and \$130 million by the end of the Show's 30-year lease.

- ❖ In addition to retiring nearly \$60 million in stadium bonding, and in addition to the \$12 million loan and the \$5 million AV value engineering credit, the Houston Livestock Show and Rodeo contributed \$7.4 million to specific stadium construction items, \$11.2 million to the buildout of Reliant Center, and \$3.5 million to Reliant Park grounds, gates, ticket buildings, etc.
- ❖ Because the Houston Livestock Show and Rodeo, as a co-tenant, was instrumental in the design of Reliant Stadium, the building has a roof to support the extensive sound system and video screens brought in specifically for the Show.

- ❖ RODEOHOUSTON's popularity and frequent sales of standing-room-only tickets necessitated the open-view concourses, up to 65 feet wide, in Reliant Stadium, which has since been the model for other NFL stadiums.
- ❖ As part of Reliant Park, Carruth Plaza, featuring Western bronzes and native Texas landscaping, was designed to promote Texas heritage while providing visitors a place to relax and to get away from the hustle and bustle of events.
- ❖ RODEOHOUSTON was the very first sports event in North America to feature a video replay system.
- ❖ *"This rodeo may be an old school cowboy competition, but it is also one of the premier concert venues in Houston for country acts as well as pop acts like the Black Eyed Peas and Mary J. Blige. The new stage design and its barrage of LED elements are catapulting the performances at the Houston Rodeo into the modern era of concert technology. Now artists playing the rodeo can put their unique stamp on each show. The new design is a treat for fans, too, as the artists are visible during the full length of each show, and the show visuals themselves are more stimulating."*
  - Mike Turner, *Projection, Lights and Staging News*, June 2010

The Houston Livestock Show and Rodeo is known as the “Show With a Heart” for its generous support of Texas agriculture and Texas youth; providing outstanding entertainment at family-affordable prices; and keeping the city's diverse Western heritage alive.

The Show's outreach to its home community is unparalleled and its volunteer workforce of more than 24,000 people is the envy of the fair and festival industry.

It's also in the league of a Fortune 500 company with a gross revenue of more than \$90 million annually.

And, it's an organization with a conscience and a soul – and one that's persevered and grown throughout war relief efforts, construction of three major facilities, economic downturns and troubling times.

With a 79-year history as its base, the Houston Livestock Show and Rodeo continues to endure, thrive and succeed beyond what the founders could have dreamed, continuing to fulfill its missions of benefiting youth, supporting education and agriculture, and bringing fun and history to the nation's fourth largest city.

## **APPENDIX 5**

### **Determining the Extent of Exogenous Spending: Details on the Houston Livestock Show and Rodeo™ Survey of Attendees and Participants**

#### **Survey and Analysis Methodology**

The Show's marketing and public relations division, under the direction of Suzy Martin, coordinated the design and implantation of surveys that were administered to random samples of all categories of participants, exhibitors, contestants and contractors.

The survey forms were designed to capture demographic and economic data from the various interviewees and their associated groupings of friends, relatives, advisors, employees and associates.

The surveys (interviews) were conducted by volunteer committees under the supervision of respective Show staff and volunteer leadership (additional information can be found in various amplified results reports).

The survey data was entered into database files under the direction of Suzy Martin and Leroy Shafer and the data was analyzed using database programs designed by the Show.

#### **Data was summed and averaged using the following rules:**

1. Incomplete surveys (surveys with the majority of the pertinent questions unanswered) were discarded.
2. Surveys with invalid ZIP Codes were not evaluated.
3. Surveys that "were out of line" in responses (or were the result of entry error) were not summed or averaged, i.e., a response of 60 car rental days (for the 24-day Show) or \$100,000 for entertainment expenditures, etc.).
4. Some categories of averaged data filtered out "zero" or null responses. For example, if a respondent indicated that he rented a hotel room for three nights, but did not respond with a room rate, it was assumed that he/she did not know the room rate. This response was counted in the number of respondents staying in hotels, but the "zero" room rate was not averaged. The average room rate was the result of averaging all "positive" room rate responses.
5. Other categories (such as amount spent on the grounds) averaged all responses including zero or null answers. It was assumed that a null response was an indication that the group did not spend money in addition to the cost of admission and parking.

#### **Known errors in survey design or methodology and known unassigned values.**

1. The general attendance (grounds) survey and the Stadium (rodeo/concert) survey were altered versions of the surveys that the Show conducts annually to collect demographic and marketing data. This survey has not contained "off grounds" questions in the past. When altering the survey for this research, any questions dealing with off-grounds meals or off

grounds entertainment were inadvertently left out. Accordingly, no value has been assigned to these elements.

2. Surveys analyzed rental car use for general attendance and rodeo/concert attendance, but other categories were not analyzed. In retrospect, other categories may have rented vehicles.
3. Only three survey categories (general attendees, international guests and rodeo/concert attendees) were queried for "how did you get here if you are from outside the Houston area." It is probable that other categories of attendance had respondents (or their associates) who used airlines to travel to Houston.
4. Survey results reveal an estimated 37,392 people flew into Houston for the Show. No value has been assigned to air travel to the Show.

## Total Surveys by Category

<b>CATEGORY</b>	<b>Surveys</b>
Ag Mechanics	142
Barbecue Teams	150
Commercial Exhibitors	113
Committee Members (Pre-Show)	425
Committee Members (Show Time)	
General Admission (Attendees)	3,424
Horse Show	95
International Guests	117
Judging Contests	461
Junior Livestock Show	801
Open Livestock Show	213
Rodeo Concert Artists	12
Rodeo Contestants	53
Rodeo/Concert (Attendees)	5,334
<b>TOTALS</b>	<b>11,340</b>

## 2010 Houston Livestock Show and Rodeo

### Out of Metro Attendance

CATEGORY	% OF CATEGORY	ATTENDANCE	% OF TOTAL
Junior Show Ag Mechanical Contest/assoc. groups:	95.57%	9,685	.45%
Barbecue teams/associated groups:	30.36%	12,375	.58%
Commercial Exhibitors/associated groups:	72.64%	28,007	1.31%
General Admission (grounds attendees):	15.01%	91,685	4.2%
Horse Show exhibitors/associated groups:	62.97%	8,326	.38%
International guests:	100.00%	10,946	.51%
Judging Contests/associated groups:	72.02%	23,909	1.08%
Junior Show exhibitors/associated groups:	86.13%	184,318	8.66%
Open Show exhibitors/associated groups:	71.98%	14,241	.66%
Rodeo/concert attendees:	18.2%	208,160	9.71%
<b>TOTAL OUT OF HOUSTON METRO ATTENDANCE:</b>		<b>591,644</b>	<b>27.59%</b>

### 2010 Houston Livestock Show and Rodeo Scanned Total Attendance by Category

Exhibitors\contestants\friends\family\associated attendees: (includes barbecue teams, but not general spectators)	392,118	18.29%
Scanned rodeo (Reliant Stadium) attendance:	1,141,136	53.22%
General Reliant Park grounds scanned attendance: (1,002,941 scanned less estimated exhibitors\contestants\friends)	610,823	28.49%
<b>TOTAL 2010 GENERAL ATTENDANCE:</b>	<b>2,144,077</b>	<b>100.00%</b>

## Total Estimated "Out of Metro" Expenditures in Houston

<b>CATEGORY</b>	<b>Total Spent in Houston</b>
Ag Mechanics	981,287
Barbecue Teams	2,508,046
Commercial Exhibitors	3,290,143
Committee Members (Pre-Show)	1,185,405
Committee Members (Show Time)	2,635,150
General Admission (Attendees)	10,687,305
Horse Show	993,475
International Guests	2,602,371
Judging Contests	3,471,353
Junior Livestock Show	21,504,820
Open Livestock Show	1,817,594
Rodeo Concert Artists	141,073
Rodeo Contestants	487,472
Rodeo/Concert (Attendees)	31,353,701
<b>TOTALS</b>	<b>\$83,659,195</b>

NOTE: See following pages for amplification of each category.

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Ag Mechanics Contestants and Associated Attendees (Junior Show)**

Note: **This category includes all Ag Mechanical Project participants. Each entry is from an FFA chapter of 4-H club, and various participants worked on each team project.**

For initial duplication comparisons, all junior livestock exhibitors, intercollegiate judging participants and all junior contest participants were combined. There were 17,606 individual entered participants (including an average of six participants per Ag Mechanics entry). This included duplicate participants (i.e. one participant may have had a market goat, a breeding goat, and a breeding heifer). Care was taken to eliminate duplicates if the entered activities overlapped (i.e., market steers, market lambs and breeding sheep were all being shown at the same time). If duplicate participant entries were in different weeks, it is doubtful that the participant stayed on grounds two weeks (most, if not all, left the grounds after one show and returned the next week for the next show). Such duplicates were counted as separate participants. After the duplication elimination process, the participants were divided into three categories: 8,934 junior show entries; 4,535 contest participants; and 417 Ag Mechanical chapter/club entries.

Number of surveys: 142 (34.05% of the 417 entries). 92.25% (131) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 92.57% (386 participants) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro:**

Average number in group: 9.65 people (includes team, family, friends, agents/teachers, suppliers/sponsors)

Total participants and associated groups: 386 participants (groups) x 9.65 per group = 3,725 people

Average days in Houston per group: 3.60 days    Average in hotels: 3.39 days    Average in campers: 0 days

Percentage in hotels: 91.6% (3,412 people / 9.3 per group = 367 groups)

Average rooms per group: **4.14**

3.39 days x 4.14 rooms per group x 367 groups = **5,151 room nights**

Average nightly room rate: **\$98.23** (as reported by survey respondents)

**Total Junior Show hotel expenditures: 5,151 room nights x \$98.23 average room rate = \$505,983**

No respondents reporting staying in campers.

Stayed with friends in the Metro or returned home each night outside the Metro: 8.4% (33 groups)

Meals eaten on grounds: 1.24 per day x 3.6 days x 3,725 people = 16,628

Meals eaten off grounds: 1.73 per day x 3.6 days x 3,725 people = 23,199

Total meals eaten in Houston: 39,827

**Total food (meals) expenditures: \$29.81 average per person x 3.6 days x 3,725 people = \$399,752**

**On-grounds shopping: \$118.58 average per group x 386 groups = \$45,741**

**Off-grounds shopping: \$41.56 average per group x 386 groups = \$16,042**

**Professional services: \$.08 average per group x 386 groups = \$31**

**Entertainment in Houston: \$35.59 average per group x 386 groups = \$13,738**

**Est. Total expenditures in Houston (from people outside the Houston Metro): \$981,287**

**"Out of Metro" estimated percentage of reported general attendance (2,144,077) is .45% (9,685 spectators)**

[386 exhibitors x 9.65 per group x 2.6 attendances = 9,685]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Barbecue Teams and Team-Associated Attendees**

Note: **This category includes all of the people directly involved with each team. It does not include additional team-invited guests on purchased tickets.**

Each barbecue team has an assortment of support crews that include chief cooks, cooks, servers, administrators, and special friends and family. It should be noted that several surveyed teams reported people staying in hotels, campers and returning to houses. Hence, the percentage of each category (hotel, camper and home), when totaled, equals more than 100. This is not a result of rounding and it is not an program code mistake.

Number of surveys: 150 (60.73% of the 247 entries). 28.67% (43) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 30.36% (75 teams) reside outside the Houston Metro.**

**All following analysis only pertains to those teams (and their accompanying personnel) from outside the Metro:**

Average number in group: 55.0 people (includes team members, family, friends, servers, etc.)

Total participants and associated groups: 75 participants (groups) x 55 per group = 4,125 people

Average days in Houston per group: 5.79 days    Average in hotels: 5.97 days    Average in campers: 7.64 days

Percentage in hotels: 86.05% (3,550 people / 56.60 per group = 63 groups)

Average rooms per group: **7.85**

5.97 days x 7.85 rooms per group x 63 groups = **2,952 room nights**

Average nightly room rate: **\$145.39** (as reported by survey respondents)

**Total barbecue team hotel expenditures: 2,952 room nights x \$145.31 average room rate = \$428,955**

Percentage in campers: 32.56% (1,343 people / 94.31 per group = 14 groups)

**Camper fees: 14 groups x 7.64 average nights x 2.33 units x \$198.50 average rate per night = \$49,488**

Stayed with friends in the Metro or returned home each night outside the Metro: 9.3% (4 groups)

Meals eaten on grounds: 2.19 per day x 5.79 days x 4,125 people = 52,305

Meals eaten off grounds: .86 per day x 5.79 days x 4,125 people = 20,540

Total meals eaten in Houston: 72,845

**Total food (meals) expenditures: \$31.77 average per person x 5.79 days x 4,125 people = \$758,787**

**BBQ team food purchased in Houston: \$2,677.91 average per group x 75 groups = \$200,843**

**BBQ team beverages purchased in Houston: \$4,153.49 average per group x 75 groups = \$311,512**

**Other Houston costs (tent rental/power/labor, etc.): \$10,112.81 average per group x 75 groups = \$758,461**

**Cost of BBQ pits/rigs: \$18,880 average per group x 75 groups = \$1,416,000 [interesting, not reported]**

**Est. Total Barbecue Teams Expenditures in Houston (from people outside the Houston Metro): \$ 2,508,046**

**Out of Metro estimated percentage of reported general attendance (2,144,077) is .58% (12,375 spectators)**

[75 teams x 55 per group x 3 attendances = 12,375]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Commercial Exhibitors and Employees**

Note: This category includes all commercial exhibitors, including food vendors, merchandise exhibitors, recruiting exhibitors (such as the armed forces) and informational exhibits (such as universities and the Texas Department of Agriculture).

Most of the exhibitors are in Houston for the duration of the Show, plus set-up and tear-down days. Some, such as the Navy, Army and Boy Scouts of America, may be here for a week or less. Some exhibits had as many as 50 employees (U.S. Army) and some are mom and pop exhibitors. In the hotel reporting category, many respondents were actually reporting rented apartments and town houses. Many exhibitors had multiple exhibit locations, but only unique exhibitors are analyzed. Multiple location exhibitors were asked to report consolidated survey answers. There are 307 unique exhibitors among the 355 exhibits.

Number of surveys: 113 (36.81% of the 307 exhibitors). 82.30% (93) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every exhibitor were analyzed.]

**ZIP Code analysis of each participant revealed that 72.64 % (223 exhibitors) reside outside the Houston Metro. All following analysis only pertains to those exhibitors (and their accompanying groups) from outside the Metro.**

Average number in group: 6.01 people (includes exhibitor, employees, family and friends)

Total exhibitors and associated groups: 223 exhibitors (groups) x 6.01 per group = 1,340 people

Average days in Houston per group: 24.81 days    Average in hotels: 24.93 days    Average in campers: 25.83 days

Percentage in hotels/apartments: 47.31% (662 people / 5.82 per group = 109 groups)

Average rooms per group: **1.57**

24.93 days x 1.57 rooms per group x 109 groups = **4,266 room nights**

Average nightly room rate: **\$84.24** (as reported by survey respondents)

**Total commercial exhibitor hotel expenditures: 4,266 room nights x \$84.24 average room rate = \$359,368**

Percentage in campers: 24.73% (331 people / 6.13 per group = 54 groups)

**Camper fees: 54 groups x 25.83 average nights x 2.71 average units x \$41.78 average rate per night = \$157,913**

Stayed with friends in the Metro or returned home each night outside the Metro: 27.96% (65 groups)

Meals eaten on grounds per group: 3.12 per day x 24.81 days x 223 groups = 17,262

Meals eaten off grounds per group: 2.77 per day x 24.81 days x 223 groups = 15,325

Total meals eaten in Houston: 32,587

**Total food (meals) expenditures: \$22.02 average per person x 24.81 days x 1,340 people = \$732,064**

**Cost of goods sold that were purchased in Houston: \$5,077.96 average per group x 223 groups = \$1,132,385**

**Fuel, bld supplies, labor, power purchased in Houston: \$4,073.60 average per group x 223 groups = \$908,413**

**33.41% hired local employees (78 exhibitors x 3.28 hired per exhibitor) = 256 people hired locally**

**Est. Total Commercial Exhibitor Expenditures in Houston (from people outside the Houston Metro):\$3,290,143**

**“Out of Metro” estimated percentage of reported general attendance (2,144,077) is 1.31% (28,007 attendees)**

[223 exhibitors x 6.01 per group x 20 attendances = 28,007]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Committee Members (“Out of METRO”) and Associated Expenditures**

Note: **This category includes all individual committee members from outside the Houston METRO.**

For purposes of this economic impact analysis, the total unique committee roster (23,834 members) was analyzed by home-of-record ZIP Codes to identify those who lived outside of the Houston METRO. It was determined that 11.81% (2,814 members) lived outside of the METRO. The Show had email addresses for 2,054 of them. One week after the Show, an online survey was e-mailed to the committee members and 425 responded. It is assumed that rodeo ticket purchases by this group (in addition to their badge admissions) were tested in the rodeo survey.

**Accordingly, no “out of METRO” attendance is allocated to this group.**

Number of rodeo surveys: 425 (15.10% of 2,814 members). 100% of the surveys were from out of METRO.

ZIP Code percentage methodology: **ABSOLUTE** [Each membership ZIP Code was compared to demographic and life style data]

**ZIP Code analysis of each participant revealed that 11.81% (2,814) committee members reside outside the Houston METRO. All following analysis only pertains to those surveyed attendees (and associated groups outside the METRO.**

Average “committee related” trips to Houston prior to the Show:  $3.48 \times 2,814 \text{ members} = 9,793 \text{ trips}$

31.76% (894 members) stay in hotels in conjunction with pre-Show trips. Average pre-Show nights: 3.95

**Total Hotel nights:**  $894 \text{ members} \times 3.95 \text{ nights} = \mathbf{3,531}$       **Average hotel rate: \$127.03**

**Total hotel expenditures:  $3,531 \text{ hotel nights} \times \$127.03 \text{ average rate} =$**  **\$448,543**

45.18% (1,271 members) shop, dine and buy gasoline in Houston in conjunction with pre-Show trips

Average spending for all trips: \$579.75

**Total pre-Show shopping expenditures:  $\$579.75 \text{ average expenditure} \times 1,271 \text{ members} =$**  **\$736,862**

<b>Total pre-Show expenditures</b>	<b>\$1,185,405</b>
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63.53% (1,844 members) stay in hotels in conjunction with Show-time duties.

Average Show nights: 5.82      **Total hotel nights:**  $1,844 \text{ members} \times 5.82 \text{ nights} = \mathbf{10,732}$

**Average hotel rate: \$146.08**

**Total hotel expenditures:  $10,732 \text{ hotel nights} \times \$146.08 \text{ average rate} =$**  **\$1,567,731**

41.88% (1,179 members) shop in Houston in conjunction with Show-time committee trips

Average spending for Show-time stays: \$905.36

**Total Show-time shopping expenditures:  $\$905.36 \text{ average expenditure} \times 1,179 \text{ members} =$**  **\$1,067,419**

<b>Total Show-time expenditures:</b>	<b>\$2,635,150</b>
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<b>Est. Total Committee Expenditures in Houston (from members outside the Houston METRO):</b>	<b>\$3,820,555</b>
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## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **General Admission (Reliant Park less Stadium) Attendees**

Note: This category includes all types of General Attendance including paid attendees, complimentary admissions, credentialed admissions and committee badge admissions. These admissions do not include, for the most part, rodeo attendees, exhibitors and contestants and their associated groups. Because of random survey methodology and analysis, there will be some unintended overlap.

For purposes of this economic impact analysis, the attendance (admissions) is based on actual "bar code scanned" admissions into the grounds less those admissions scanned into the stadium and less those admissions that have been accredited exhibitors and contestants. Total general scanned attendance is 610,823. Attendees were randomly surveyed on the grounds and at all times of the day. Care was taken to exclude rodeo/concert attendees and contestant/exhibitor attendees during the survey process, but it is assumed that some overlap exists.

Number of surveys: 3,424 (.56% of the 610,823 scanned). 15.01% (514) surveys were from out of Metro.

ZIP Code percentage methodology: **ESTIMATED** [Each surveyed ZIP Code was compared to demographic and life style data and "out of Metro attendees" were estimated based on the percentage of surveyed ZIP Codes.]

**ZIP Code analysis of surveys revealed that 15.01% (91,685 attendees) reside outside the Houston Metro. All following analysis only pertains to those surveyed attendees (and associated groups outside the Metro).**

Average number in group: 3.86 people (includes groupings of friends and family)

Total associated groups: 91,685/3.86 people per group = 23,752 groups (a few groups contained only 1 person).

Average days in Houston for those staying in hotels: 4.34 Average Days for those renting cars: 5.5

Percentage in hotels: 20.23% (18,548 people /3.72 per "hotel" group = 4,986 groups)

Average rooms per group: **1.62**

4.34 days x 1.62 rooms per group x 4,986 groups = **35,056 room nights**

Average nightly room rate: **\$117.45** (as reported by survey respondents)

**Total hotel expenditures: 35,056 room nights x \$117.45 average room rate = \$4,117,327**

Percentage renting cars: 4.09% (3,750 people /3.81 per "rental car" groups = 984 groups)

5.5 days x 984 groups = **5,412 rental car days**

Average daily rental rate: **\$44.89** (as reported by survey respondents)

**Total hotel expenditures: 5,412 rental days x \$44.89 average room rate = \$242,944**

Percentage paying to park: 72.40% (66,380 people/3.72 people per parking group = 17,844 groups)

Average parking costs per attendee per performance: \$12.67

**Total parking costs: 17,844 parking (car) groups x \$12.67 average parking costs = \$226,084**

Stayed with friends in the Metro or returned home each night outside the Metro: 79.77% (18,947 groups)

**Total "On Grounds" expenditures: \$238.58 x 23,752 attending groups = \$5,666,752**

**Total general admission revenue: \$2,892,430 gate pass admission x 15.01% out of Metro = \$434,153**

**Percentage Flying to Houston: 2.41% (2,210 attendees) No economic value assessed.**

**General Attendance expenditures in Houston (from people outside the Houston Metro): \$10,687,305**

Out of Metro percentage of reported total attendance (2,144,077) is **4.28% (91,685 attendees)**.

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Horse Show Exhibitors and Associated Attendees**

**Note: This category includes all horse show exhibitors, family, friends, trainers, horse owners and associates.**

The horse show has many trainer/exhibitors who may or may not own the horses they are exhibiting. There are multiple entries for owner/exhibitors and trainer/exhibitors. All entries were downloaded from the entry systems and sorted to delete duplicate entries. After filtering duplicate entries, it was determined that there were 1,010 unique exhibitors.

Number of horse show surveys: 95 (9.41% of the 1,010 entries). 62.11% (59) of the surveys are from out of metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 62.97% (636 participants) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro.**

Average number in group: 4.53 people (includes exhibitor, family, friends, trainers, owners and associates)

Total participants and associated groups: 636 participants (groups) x 4.53 per group = 2,881 people

Average days in Houston per group: 3.89 days      Average in hotels: 4.44 days      Average in campers: 4.18 days

Percentage in hotels: 55.93% (1,611 people / 4.03 per group = 400 groups)

Average rooms per group: 1.85

4.44 days x 1.85 rooms per group x 400 groups = **3,286 room nights**

Average nightly room rate: \$116.88 (as reported by survey respondents)

**Total hotel expenditures: 3,286 room nights x \$116.88 average room rate = \$384,068**

Percentage in campers: 18.64% (537 people / 3.00 per group = 179 groups)

**Camper fees: 179 groups x 4.18 average nights per group x \$45.00 average rate per night = \$33,685**

Stayed with friends in the Metro or returned home each night outside the Metro: 25.43% (162 groups)

Meals eaten on grounds: 1.88 per day x 3.89 days x 2,881 people = 21,069

Meals eaten off grounds: 1.85 per day x 3.89 days x 2,881 people = 20,773

Total meals eaten in Houston: 41,802

**Total food (meals) expenditures: \$38.75 average per person x 3.89 days x 2,881 people = \$434,275**

**On-grounds shopping: \$162.71 average per group x 636 groups = \$103,484**

**Off-grounds shopping: \$10.71 average per group x 636 groups = \$6,812**

**Professional services: \$7.12 average per group x 636 groups = \$4,528**

**Entertainment in Houston: \$41.86 average per group x 636 groups = \$26,623**

**Est. Total Horse Show Expenditures in Houston (from people outside the Houston Metro): \$ 993,475**

**Out of Metro estimated percentage of reported general attendance (2,144,077) is .38% (8,236 spectators)**

[636 exhibitors x 4.53 per group x 2.89 attendances = 8,326]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: International Guests

Note: This category includes all registrants into the Show's International Room. These are "courted and invited" guests of the Show's International Committee. It should be understood that many international visitors do not register with the Show.

The number of reported guest is absolute and inclusive. All members of each group registered with the Show, to include children. This year, there were 2,101 registrants from 51 different countries. The average group size was 5.5 people, but groups ranged in size from one to 50.

Number of international guests surveys: 117 (30.63% of the 382 groups). 100% (117) of the surveys are from out of Metro.

ZIP Code percentage methodology: ABSOLUTE [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 100% (382 groups) reside outside the Houston Metro and outside of the United States**

Average number in group: 5.5 people (includes all registered)

Total guests and associated groups: 382 groups x 5.5 per group = 2,101 people

Average days in Houston per group: 6.21 days    Average in hotels: 5.49 days    Average in Campers: 0 days

Percentage in hotels: 84.62% (1,778 people / 5.62 per group = 316 groups)

Average rooms per group: 2.52

5.49 days x 2.52 rooms per group x 316 groups = 1,778 room nights

Average nightly room rate: \$117.08 (as reported by survey respondents)

**Total International guests hotel expenditures: 1,778 room nights x \$117.08 average room rate = \$553,788**

No reported camper use

Reported that they stayed in embassies or private residences: 11.92% (46 groups)

Stayed with friends in the Metro or someplace not reported: 3.46% (13 groups)

Meals eaten on grounds: 1.17 per day x 6.21 days x 2,101 people = 15,265

Meals eaten off grounds: 2.37 per day x 6.21 days x 2,101 people = 30,922

Total meals eaten in Houston: 46,187

**Total food (meals) expenditures: \$33.39 average per person x 6.21 days x 2,101 people = \$435,646**

**On-grounds shopping: \$628.88 average per group x 382 groups = \$239,927**

**Off-grounds shopping: \$1,551.08 average per group x 382 groups = \$592,818**

**Professional services: \$38.03 average per group x 382 groups = \$14,527**

**Entertainment in Houston: \$76.15 average per group x 382 groups = \$29,089**

**Livestock/semen/embryos/percent ownership: \$1,928.21 average per group x 382 groups = \$736,576**

**Percentage flying to Houston: 100% (2,101) (no economic value assessed)**

**Est. Total International Guests Expenditures in Houston (from people outside the Houston Metro): \$ 2,602,371**

"Out of Metro" estimated percentage of reported general attendance (2,144,077) is .51% (10,946 spectators)  
[2,101 guests x 5.5 attendances/guest = 10946]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Judging Contestants and Associated Attendees (Junior and Collegiate)**

**Note: This category includes the Junior Show Judging Contests, Intercollegiate Judging Contests and the Calf Scramble Contest. It does not include the calf scramble heifer shows or the Ag Mechanics Contest.**

For initial duplication comparisons, all junior livestock exhibitors, intercollegiate judging participants and junior contest participants were combined. There were 17,606 individual entered participants (including an average of 9.65 participants per Ag Mechanics entry). This included duplicate participants (i.e. one participant may have had a market goat, a breeding goat and a breeding heifer). Care was taken to eliminate duplicates if the entered activities overlapped (i.e. market steers, market lambs and breeding sheep were all being show at the same time). If duplicate participant entries were in different weeks, it is doubtful that the participant stayed on grounds two weeks (most, if not all, left the grounds after one show and returned the next week for the next show). Such duplicates were counted as separate participants. After the duplication elimination process, the participants were divided into three categories: 8,934 junior show entries; 4,535 contest participants; and 417 Ag Mechanics chapter/club team entries.

Number of surveys: 461 (10.17 % of the 4,535 entries). 76.36% (352) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 72.02 % (3,266 participants) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro:**

Average number in group: 5.05 people (includes exhibitor, family, friends, agents/teachers and junior leaders)

Total participants and associated groups: 3,266 participants (groups) x 5.05 per group = 16,493 people

Average days in Houston per group: 2.44 days    Average in hotels: 2.86 days    Average in campers: 3.2 days

Percentage in hotels: 59.44% (9,803 people / 2.86 per group = **1,903** groups)

Average rooms per group: 3.22

2.86 days x 3.22 rooms per group x 1,903 groups = **17,525 room nights**

Average nightly room rate: **\$93.54** (as reported by survey respondents)

**Total hotel expenditures: 17,525 room nights x \$93.54 average room rate = \$1,639,289**

Percentage in campers: 1.08% (178 people / 6.2 per group = **29** groups)

**Camper fees: 29 groups x 3.2 average nights per group x \$44.00 average rate per night = \$4,083**

Stayed with friends in the Metro or returned home each night outside the Metro: 39.48 % (751 groups)

Meals eaten on grounds: 1.33 per day x 2.44 days x 16,493 people = 53,523

Meals eaten off grounds: 1.47 per day x 2.44 days x 16,493 people = 59,157

Total meals eaten in Houston: 112,680

**Total food (meals) expenditures: \$29.12 average per person x 2.44 days x 16,493 people = \$1,171,874**

**On-grounds shopping: \$100.92 average per group x 3,266 groups = \$329,605**

**Off-grounds shopping: \$53.98 average per group x 3,266 groups = \$176,299**

**Professional services: \$11.50 average per group x 3,266 groups = \$37,559**

**Entertainment in Houston: \$34.49 average per group 3,266 x groups = \$112,644**

**Est. Total Judging Contest Expenditures in Houston (from people outside the Houston Metro): \$ 3,471,353**

**Out of Metro estimated percentage of reported general attendance (2,144,077) is 1.08 % (23,091 spectators)**

[3,266 exhibitors x 5.05 per group x 1.4 attendances = 23,091]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Junior Show Exhibitors/Participants and Associated Attendees**

**Note: This category includes all junior livestock exhibitors, to include the Calf Scramble Heifer Show. It does not include any of the Junior Show Judging Contests, Intercollegiate Judging Contests, Ag Mechanics Contest or the Calf Scramble Contest.**

For initial duplication comparisons, all junior livestock exhibitors, intercollegiate judging participants and all junior contest participants were combined. There were 17,606 individual entered participants (including an average of 9.65 participants per Ag Mechanics entry). This included duplicate participants (i.e. one participant may have had a market goat, a breeding goat and a breeding heifer). Care was taken to eliminate duplicates if the entered activities overlapped (i.e. market steers, market lambs and breeding sheep were all being show at the same time). If duplicate participant entries were in different weeks, it is doubtful that the participant stayed on grounds two weeks (most, if not all, left the grounds after one show and returned the next week for the next show). Such duplicates were counted as separate participants. After the duplication elimination process, the participants were divided into three categories: 8,934 junior show entries; 4,535 contest participants; and 417 Ag Mechanics chapter/club entries.

Number of junior show surveys: 801 (8.97% of the 8,934 entries). 86.27% (691) of the surveys from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 86.13% (7,695 participants) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro.**

Average number in group: 7.98 people (includes exhibitor, family, friends, agents/teachers, breeders and leaders)

Total participants and associated groups: 7,695 participants (groups) x 7.98 per group = 61,406 people

Average days in Houston per group: 4.46 days    Average in hotels: 4.73 days    Average in Campers: 4.43 days

Percentage in hotels: 89.00% (54,465 people / 8.25 per group = **6,601** groups)

Average rooms per group: **2.77**

4.73 days x 2.77 rooms per group x 6,601 groups = **86,487 room nights**

Average nightly room rate: **\$114.91** (as reported by survey respondents)

**Total hotel expenditures: 86,487 room nights x \$114.91 average room rate = \$9,938,221**

Percentage in campers: 3.62% (2,222 people / 9.16 per group = **243** groups)

**Camper fees: 243 groups x 4.43 average nights per group x \$43.10 average rate per night = \$46,397**

Stayed with friends in the Metro or returned home each night outside the Metro: 7.38% (825 groups)

Meals eaten on grounds: 1.41 per day x 4.46 days x 61,406 people = 386,158

Meals eaten off grounds: 1.46 per day x 4.46 days x 61,406 people = 399,852

Total meals eaten in Houston: 786,010

**Total food (meals) expenditures: \$33.03 average per person x 4.46 days x 61,406 people = \$9,045,951**

**On-grounds shopping: \$155.08 average per group x 7,695 groups = \$1,193,341**

**Off-grounds shopping: \$110.45 average per group x 7,695 groups = \$849,913**

**Professional services: \$13.71 average per group x 7,695 groups = \$105,498**

**Entertainment in Houston: \$42.30 average per group x 7,695 groups = \$325,499**

**Est. Total Junior Show Expenditures in Houston (from people outside the Houston Metro): \$21,504,820**

**Out of Metro estimated percentage of reported general attendance (2,144,077) is 8.66% (184,318 spectators)**

[7,695 exhibitors x 7.98 per group x 3 attendances = 184,318]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Open Livestock Show and Associated Attendees**

Note: This category includes all categories of the open breeding show to include beef cattle, dairy cattle, goats, rabbits, sheep, swine, llamas, alpacas and cavies. Each "exhibitor-related" group includes the exhibitor, herdsmen, groomsmen, additional percentage owners, friends, families, industry-related associates and potential livestock buyers.

The open show had 3,612 total entries in 17 different shows. All entries were downloaded from the entry systems and sorted to delete duplicate entries. It is not uncommon for one commercial breeder to have as many as 20 to 30 entries. After filtering out duplicates, it was determined that there were 1,092 unique exhibitors. The open show varies from category to category, but many exhibitors have handlers and fitters that accompany the show animals in addition to the owners, friends, family and interested buyers or percentage owners. Each breed has association personnel who are present for the shows.

Number of surveys: 213 (19.51% of the 1,092 entries). 69.95% (149) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 71.98% (786 exhibitors) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro.**

Average number in group: 6.08 people (includes exhibitor, family, friends, fitters and handlers)

Total participants and associated groups: 786 participants (groups) x 6.08 per group = 4,779 people

Average days in Houston per group: 3.98 days    Average in hotels: 4.13 days    Average in campers: 5.0 days

Percentage in hotels: 86.58% (4,138 people / 6.24 per group = **663 groups**)

Average rooms per group: **2.62**

4.13 days x 2.62 rooms per group x 663 groups = **7,174 room nights**

Average nightly room rate: **\$111.58** (as reported by survey respondents)

**Total Open Show hotel expenditures: 7,174 room nights x \$111.58 average room rate = \$800,475**

Percentage in campers: 2.01% (96 people / 9 per group = **11 groups**)

**Camper fees: 11 groups x 5 average nights per group x \$ 45.00 average rate per night = \$2,475**

Stayed with friends in the Metro or returned home each night outside the Metro: 11.41% (90 groups)

Meals eaten on grounds: 1.78 per day x 3.98 days x 4,779 people = 33,856

Meals eaten off grounds: 1.32 per day x 3.98 days x 4,779 people = 25,107

Total meals eaten in Houston: 58,963

**Total food (meals) expenditures: \$41.59 average per person x 3.98 days x 4,779 people = \$791,059**

**On-grounds shopping: \$156.54 average per group x 786 groups = \$123,040**

**Off-grounds shopping: \$69.97 average per group x 786 groups = \$54,996**

**Professional services: \$36.54 average per group x 786 groups = \$28,485**

**Entertainment in Houston: \$21.71 average per group x 786 groups = \$17,064**

**Est. Total Open Show Expenditures in Houston (from people outside the Houston Metro): \$1,817,594**

**Out of Metro estimated percentage of reported general attendance (2,144,077) is .66% (14,241 spectators)**

[786 exhibitors x 6.08 per group x 2.98 attendances = 14,241]

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Rodeo Concert Artists and Associated Personnel**

Note: The category includes artists, band members, stage crews, managers, agents and other associated personnel.

This economic impact of this category has shifted significantly over the years and it no longer is much of a factor. Most entertainers today fly in the day of the performance in privately owned or chartered aircraft and fly out immediately after their performances. Some band members fly in with them, but most come in by bus and some stay overnight in the buses. Some crew personnel travel and stay in buses, but others do stay in hotels. Some personnel may fly commercially, but this was not surveyed or captured. Some musicians may be hired locally, but this was not captured. The Show provides catering for artist and crews, so a significant amount of their food costs have no "out of Metro" component.

None of the artists or associated personnel is scanned into Reliant Park or into the stadium, so no "out of Metro" attendance is reported for this group.

Number of surveys: 12 (52.17% of the 23 artists). 100% (12) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 100% (23 artists) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro.**

Average number in group: 20.50 people (includes all personnel described above)

Total participants and associated groups: 23 participants (groups) x 20.5 per group = 472 people

Average days in Houston per group: 1.58 days      Average in hotels: 1.78 days

Percentage in hotels: 75% (354 people /20.5 per group = 17 groups)

Average rooms per group: **9.22**

1.78 days x 9.22 rooms per group x 17 groups = **279 room nights**

Average nightly room rate: **\$167.67** (as reported by survey respondents)

**Total hotel expenditures: 279 room nights x \$167.67 average room rate = \$46,780**

Meals eaten on grounds: 2.0 per day x 1.58 days x 472 people = 1,492

Meals eaten off grounds: 1.0 per day x 1.58 days x 472 people = 746

Total meals eaten in Houston: 2,237

**Total food (meals) expenditures: \$37.00 average per person x 1.58 days x 472 people = \$27,593**

**Other costs (equipment rental, etc.): \$2,900 average per group x 23 groups = \$66,700**

**Est. Entertainer Expenditures in Houston (from people outside the Houston Metro): \$141,073**

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Rodeo Contestants and Associated Attendees**

Note: **This category includes rodeo (cowboy/cowgirl) event contestants. It does not include rodeo contract personnel, clowns, judges, etc.**

Initially, there were 50 contestants entered in six events (saddle bronc, bareback bronc, tie-down roping, steer wrestling, barrel racing and bull riding) and 100 contestants entered in team roping for a total of 400 contestants. After the attrition of late injuries and one turn-out because of a family emergency, 388 contestants actually competed and were analyzed for this study. Groupings include family members, friends, horse owners, trainers and associates.

Number of surveys: 53 (13.66% of the 388 contestants). 100% (53) of the surveys are from out of Metro.

ZIP Code percentage methodology: **ABSOLUTE** [All ZIP Codes for every entry were analyzed.]

**ZIP Code analysis of each participant revealed that 98.20% (381 contestants) reside outside the Houston Metro. All following analysis only pertains to those participants (and their accompanying groups) from outside the Metro.**

Average number in group: 2.87 people (includes contestant, family, friends, partners, horse owners & trainers)  
Total participants and associated groups: 381 participants (groups) x 2.87 per group = 1,093 people  
Average days in Houston per group: 5.32 days    Average in hotels: 6.18 days    Average in Campers: 5.16 days

Percentage in hotels: 20.75% (227 people / 2.73 per group = 83 groups)

Average rooms per group: 1.11

6.18 days x 1.11 rooms per group x 83 groups = 569 room nights

Average nightly room rate: \$80.88 (as reported by survey respondents)

**Total rodeo contestant hotel expenditures: 569 room nights x \$80.88 average room rate = \$45,975**

Percentage in campers: 60.38% (660 people / 2.97 per group = 222 groups)

**Camper fees: 222 groups x 5.16 average nights per group x \$25.00 average rate per night = \$28,645**

Stayed with friends in the Metro or returned home each night outside the Metro: 18.87% (70 groups)

Meals eaten on grounds: 1.08 per day x 5.32 days x 1,093 people = 6,280

Meals eaten off grounds: 1.36 per day x 5.32 days x 1,093 people = 7,908

Total meals eaten in Houston: 14,188

**Total food (meals) expenditures: \$33.87 average per person x 5.32 days x 1,093 people = \$196,946**

**On-grounds shopping: \$97.74 average per group x 381 groups = \$37,239**

**Off-grounds shopping: \$79.25 average per group x 381 groups = \$30,194**

**Professional services: \$22.64 average per group x 381 groups = \$8,626**

**Entertainment in Houston: \$20.75 average per group x 381 groups = \$7,906**

**Gasoline/vehicle costs in Houston: \$219.70 x 381 groups = \$83,706**

**Feed/veterinary/tack costs in Houston \$126.60 X 381 groups = \$48,235**

**Est. Total Rodeo Contestant Expenditures in Houston (from people outside the Houston Metro): \$ 487,472**

Note: The rodeo contestants and their groups have not been included in any attendance reports because they do not scan onto the grounds or into the stadium.

## 2010 Houston Livestock Show and Rodeo Economic Impact Study

Direct expenditures in Houston for: **Rodeo/Concert (Reliant Stadium) Attendees**

Note: This category includes all types of attendees to the rodeo/concert performances in Reliant Stadium including paid attendees, complimentary admissions, credentialed admissions and committee badge admissions. These admissions also include sold "standing room only" tickets.

For media and public release, the Show only reports "paid attendance" to the rodeo/concert performances and all recent demographic research is based on paid attendance. The paid attendance for rodeo/concerts in 2010 is 1,264,074. **For purposes of this economic impact analysis, the attendance (admissions) is based on actual "bar code scanned" admissions. The actual scanned rodeo/concert attendance in 2010 is 1,141,136.** Surveying was done at each of the 20 performances by experienced and highly trained committee volunteers who have done Reliant Stadium and Astrodome surveying for many years. Spectators were randomly surveyed at all entry gates and all levels of the Reliant Stadium at every performance.

Number of surveys: 5,334 (.47% of the 1,141,136 attendees). 18.20% (971) surveys were from out of Metro.

ZIP Code percentage methodology: **ESTIMATED** [Each surveyed ZIP Code was compared to demographic and life style data and "out of Metro attendees" were estimated based on the percentage of surveyed ZIP Codes.]

**ZIP Code analysis of surveys revealed that 18.24% (208,160 attendees) reside outside the Houston Metro. All following analysis only pertains to those surveyed attendees (and associated groups outside the Metro).**

Average number in group: 3.09 people (includes groupings of friends and family)

Total groups: 208,160/3.09 people per group = 67,366 groups (a few groups contained only one person).

Average days in Houston for those staying in hotels: 3.53      Average days for those renting cars: 5.17

Percentage in hotels: 22.97% (47,814 people /3.0 per hotel group = 15,938 groups)

Average rooms per group: **1.99**

3.53 days x 1.99 rooms per group x 15,938 groups = **111,960 room nights**

Average nightly room rate: **\$129.66** (as reported by survey respondents)

**Total hotel expenditures: 111,960 room nights x \$129.66 average room rate = \$14,516,734**

Campers were not tested in this surveyed group.

Percentage renting cars: 5.87% (12,219 people /2.86 per rental car groups = 4,272 groups)

5.17 days x 4,272 groups = **22,086 rental car days**

Average daily rental rate: **\$64.59** (as reported by survey respondents)

**Total hotel expenditures: 22,086 rental days x \$64.59 average rental rate = \$1,426,535**

Percentage paying to park: 43.88% (91,341 people/3.11 people per parking group = 29,370 groups)

Average parking costs per attendee per performance: \$13.18

**Total parking costs: 29,370 parking (car) groups x \$13.18 average parking costs = \$387,097**

Stayed with friends in the Metro or returned home each night outside the Metro: 77.03% (51,892 groups)

**Total "on-grounds" expenditures: \$142.98 x 67,366 attending groups = \$9,631,991**

**Total rodeo tickets: \$25.90 average ticket cost x 208,160 out of Metro attendees = \$5,391,344**

**Percentage Flying to Houston: 15.94% (33,181 attendees) (no economic value assigned)**

**Est. Total Rodeo Attendee Expenditures in Houston (from people outside the Houston Metro): \$31,353,701**

"Out of Metro" percentage of reported total attendance (2,144,077) is **9.71% (208,160 attendees)**