

**A Summary Report of Major Revenue Sources
and Economic Benefits Generated
by the Mississippi State Fair**

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- Mississippi Department of Agriculture and Commerce
- "Visit Jackson" (Jackson Convention and Visitors' Bureau)
- North American Midway Entertainment
- Mississippi Department of Finance and Administration

Executive Summary

This report presents a summary of major revenue sources and other economic benefits generated by the Mississippi State Fair. The report's goal is to highlight those areas where the Mississippi State Fair makes a significant economic contribution in terms of direct and indirect revenues. As used in this report, direct revenues are the revenues generated as a result of economic activities occurring at the event on the fairgrounds. Indirect revenues are the result of economic activity that is due to the State fair event, but do not occur exclusively on the fairgrounds.

Data presented in this report were obtained from Mississippi Department of Agriculture and Commerce (MDAC); the Jackson Convention and Visitors' Bureau ("Visit Jackson"); the North American Midway Entertainment company (NAME); and the Mississippi Department of Finance and Administration. Data was examined over a four-year period that included 2018, 2019, 2020, and 2021. The types of data and revenue sources examined included the total number of State Fair event days; total jobs supported; total hotel room nights generated; local taxes generated; and estimated direct business sales including lodging, transportation, food and beverages, retail sales, recreation, and other business services. In terms of overall estimated economic contributions, data collected for this report indicated the Mississippi State Fair's overall economic contributions ranged from a high of \$40,784,463 in 2019 to an estimated low of \$22,115,392 in 2020. This report also presents data examining the revenue sources and other economic benefits occurring primarily on the fairgrounds such as estimated number of jobs provided and/or created (1,000); estimated payroll generated from those jobs at the fairgrounds (\$2,500,000); and total number of vendors participating at the event on the fairgrounds (85).

The Mississippi State Fair offers other activities that have economic, social, cultural, recreational, and historical benefits. Some of those activities include Future Farmers of America (FFA) and 4-H agricultural exhibits; open livestock shows; musical concerts with national and local entertainers; and other special events such as pig races, a petting zoo area, horse, mule, and pony pull; Mississippi Frontier Village; Ag Expo with the Genuine MS Store; antique tractor show; and the Zerbini family circus. While these activities are often difficult to quantify in terms of specific economic benefits, they all tend to produce "tourism spill-over" effects that promote Mississippi and Hinds County as a tourism destination, and serve to enhance Mississippi's cultural development by showcasing its rich and varied cultures.

This report is one in a series of upcoming reports highlighting institutions and events that make significant economic contributions in Mississippi's urban areas. The Mississippi State Fair is one of the largest economic events occurring in the capital city. It is an event that produces wide-ranging social, historical, recreational, cultural, and economic benefits across many different areas not only in central Mississippi, but also across the state with citizens of all age ranges participating in its many activities. Although recovering from the economic downturn attributed to the COVID-19 pandemic, the State Fair event is still estimated to have over a \$20 million impact when considering its direct (e.g., jobs and payroll taxes) and indirect (hotels, retail, transportation, and cultural) services.

NOTE: The COVID-19 pandemic and accompanying restrictions resulted in lower overall revenue and economic benefits occurring at the event for the year 2020.

Introduction

This report presents a summary of major revenue sources and other economic benefits generated by the Mississippi State Fair. Each year over an approximately 10-day period, the event takes place on the 105-acre area known as the Mississippi State Fairgrounds and features food, amusement rides, games, contests, agricultural and business exhibits, education activities, and nightly shows featuring live entertainers and popular performing artists. By examining the major revenue sources and other economic benefits generated by this event, this report highlights the significant economic contribution the Mississippi State Fair makes on an annual basis in the capital city area and state of Mississippi. This report is one in a series of upcoming reports highlighting institutions and events that make significant economic contributions to urban areas in Mississippi.

Report Methodology

In preparing this report, a descriptive-based methodology was utilized that involved collecting and analyzing secondary data obtained from highly credible sources. Those sources included the North American Midway Entertainment (NAME) company; the Mississippi Department of Agriculture and Commerce (MDAC); the Mississippi Department of Finance and Administration (MDFIA); and the Jackson Convention and Visitors' Bureau ("Visit Jackson"). Data was examined over a four-year period consisting of the years 2018 to 2021. Collected data was analyzed by identifying those major economic categories typically used in economic analysis to assess economic benefit (e.g., jobs, revenue and taxes generated, and indirect measures such as hotel and consumer sales), and then preparing summary tables, charts, and graphs depicting analysis results.

The data and information presented in this report is intended to provide readers with a summarized view of economic activity associated with the Mississippi State Fair. This report is not designed nor intended to provide an in-depth economic analysis of the State Fair's impact beyond the immediate capital city area and across a few basic economic categories. Many of the report's estimates were derived using the DMAI Event Impact Calculator (DMAI, 2014) which utilizes a wide variety of economic inputs and operational definitions. The reader is advised to review the DMAI Event Impact Calculator's methodology for a more insightful understanding of how those estimates were derived.

Event Background & Context

The Mississippi State Fair is an annual event occurring in the City of Jackson (MS) dating back as far as 1858. It features a variety of open livestock shows including 4-H and Future Farmers of America activities, along with animal races, a petting zoo, the Zerbini Family Circus, and the famed Mississippi Department of Agriculture and Commerce's Biscuit Booth. According to Steve Hutton, former executive director of the Mississippi Fair Commission which managed the event until 2020, the Mississippi State Fair is among the longest-running state fairs in America, and draws an estimated 600,000 people from around Mississippi, the United States and world, including international visitors from Australia and Japan (Buckley, 2018). For 2021, the Mississippi State Fair was ranked #15 (based on attendance) of the Top 50 Fairs in North America by Carnival Warehouse Magazine, the carnival and fair industry's #1 source for news and resources (Bakken, 2021).

For much of its history, the overseeing agency for the State Fairgrounds Complex was the Fair and Coliseum Commission, which was funded by revenue produced on the fairgrounds from the rental of facilities,

concessions, and parking fees (MLBO, 2022). All operating expenses of the Fairgrounds Complex are paid from this revenue. Effective July 1, 2020, per House Bill 1566 of the 2020 Regular Legislative Session, the Fair and Coliseum Commission was abolished and all of the powers, duties, property, contractual rights and obligations and unexpended funds were transferred to the Mississippi Department of Agriculture and Commerce (MLBO, 2022). This agency is now responsible for promotion of the Mississippi State Fair, and was established under Section 69-1-1, Mississippi Code of 1972 (MLBO, 2022).

The following sections highlight specific economic contributions made by the State Fair in categories such as jobs, taxes generated, and “tourism” related measures such as lodging, transportation, and retail sales. Taken collectively, the following sections provide a comprehensive overview of key revenue and economic benefits generated by the State Fair on an annual basis.

Key Definitions: Direct and Indirect Revenues

To assist the reader in better understanding the data and information presented in this report, the following key definitions are provided to help distinguish between similar economic concepts. As used in this report, direct revenues are the revenues generated as a result of economic activities occurring at the State Fair on the fairgrounds. Indirect revenues are the result of economic activity that is due to the State fair event, but do not occur exclusively on the fairgrounds. The following is an example of indirect revenues --- a family drives to Jackson for the State fair and purchases gas, lodging, food and other supplies while attending the fair. The Jackson area hotels, shops, restaurants, and gas stations benefit, but because those activities do not occur on the fairgrounds, they are considered indirect economic benefits.

State Fair Economic Benefits: 2018-2021

The following section presents several graphs and tables of economic benefits occurring over the duration of the Mississippi State Fair Event for the time period 2018 -2021. That information includes economic indicators such as the total number of State Fair event days, total jobs supported, hotel room nights generated, local taxes generated, direct business sales, estimated overall economic impact, and revenue and economic benefits generated within and outside the State Fairgrounds.

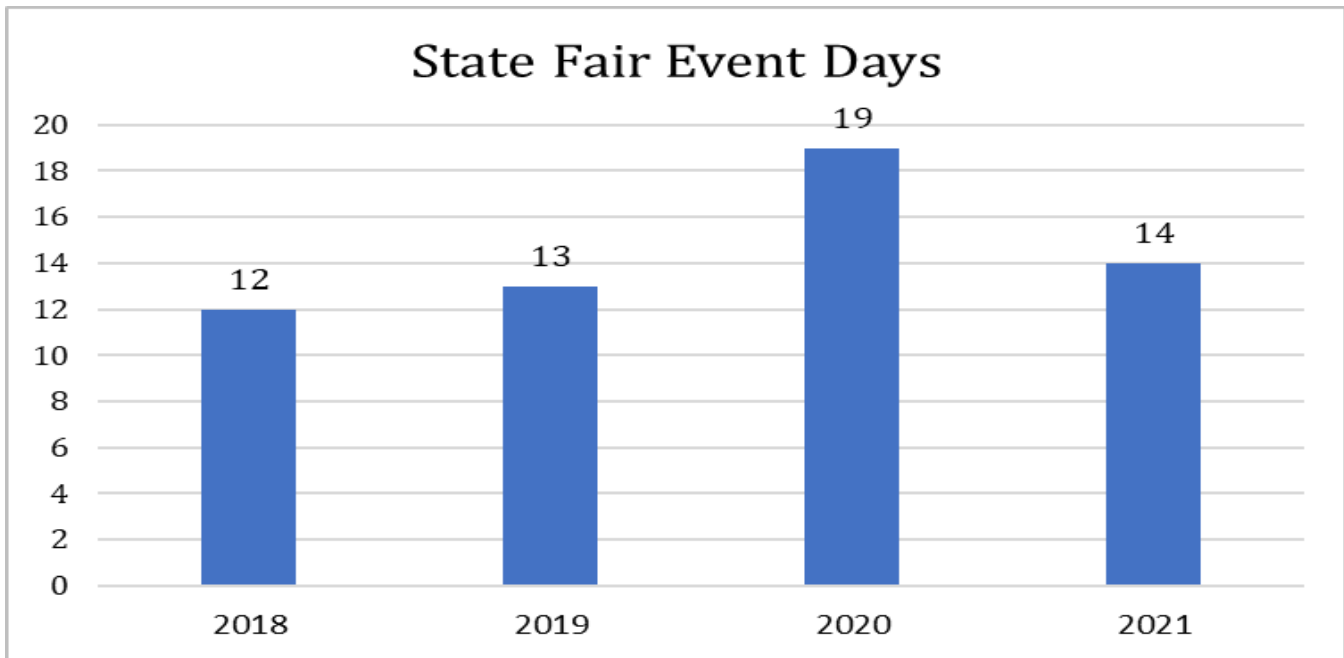
While the data and information presented in this report focuses on the time period of 2018-2021, data for the 2020 Mississippi State Fair is of particular note. As visible throughout the data tables and graphs presented in this report, overall revenue and economic activity occurring during the 2020 year was significantly lower than other years. This was primarily due to the COVID-19 pandemic and its impact on public events such as reducing overall attendance and discretionary consumer spending. The reader is asked to consider the impact of the COVID-19 pandemic when assessing the 4-year economic trends presented in the following sections of this report.

Figure 1 presents a comparison of the total number of State Fair event days since 2018. Again, primarily as a result of the COVID-19 pandemic, the total number of event days in 2020 was higher due to the State Fair being extended beyond its approximately 10-day period.

Figure 2 shows total jobs supported. It is important to note that “jobs supported” is not the same as “jobs created”. Many of the jobs (“jobs supported”) would likely have existed without the fair, however the presence of the fair deepens the need for these positions. They include fair employees such as local vendors, law

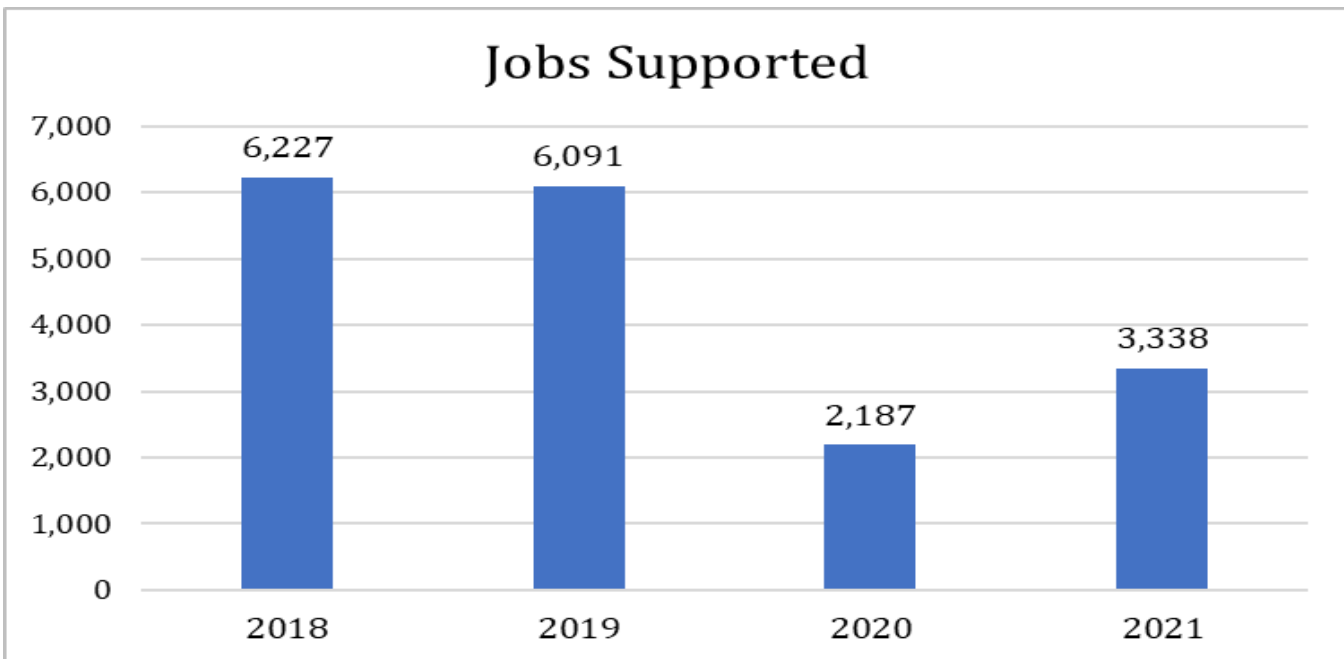
enforcement, entertainment, as well as metro area employees such as those at local restaurants, hotels and shops.

Figure 1. State Fair Event Days Total



Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

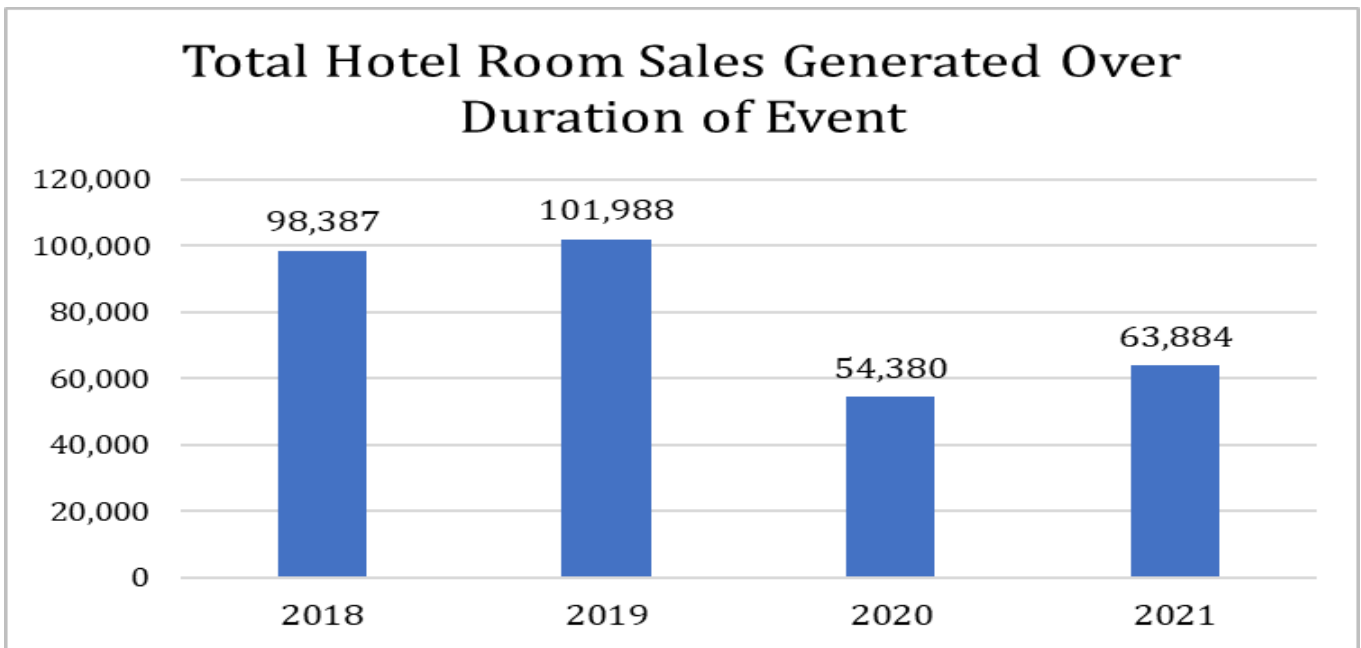
Figure 2. Jobs Supported



Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

Figure 3 shows the total number of hotel room nights generated. This is an estimate based on how many people are attending the fair and how likely they are to need hotel accommodations. Hotel accommodations are not necessarily all in Hinds county, but also includes Rankin and Madison counties.

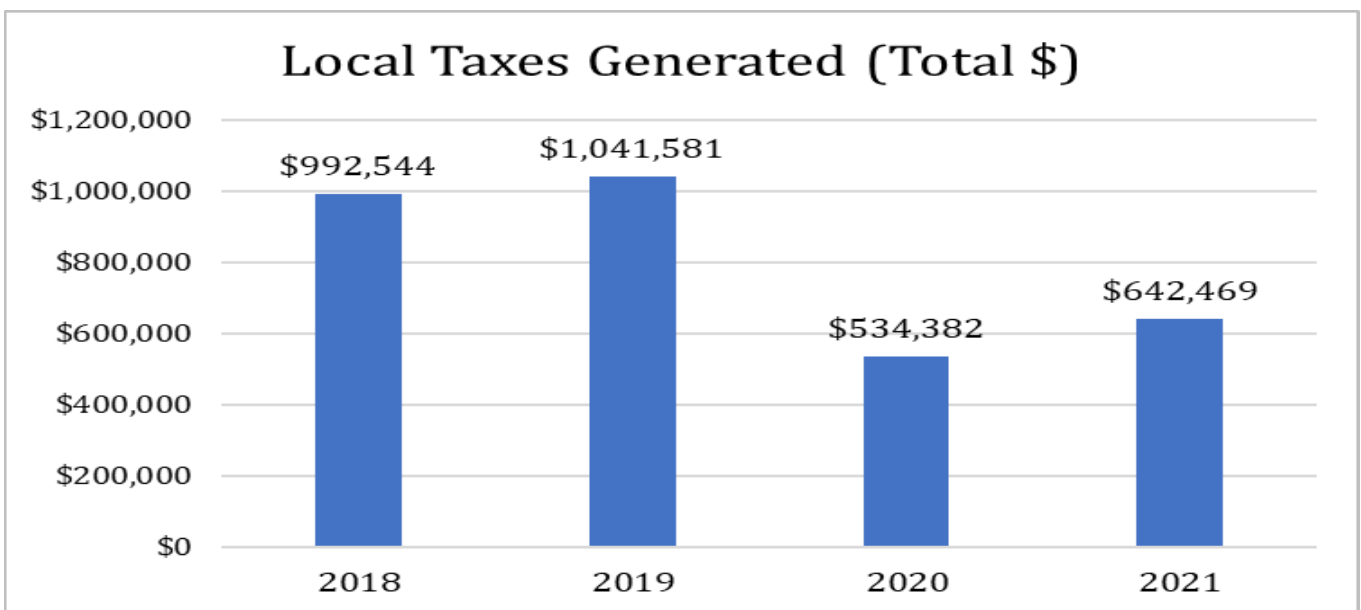
Figure 3. Total Hotel Room Nights Generated



Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

Figure 4 is an estimate of the total taxes generated. This estimate includes all sales taxes including sales taxes that are more than the traditional seven percent taxes on hotel rooms and dining out. The goal of this estimate is to capture all the sales that could possibly be contributed to the state fair during this period.

Figure 4. Local Taxes Generated (Total \$)



Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

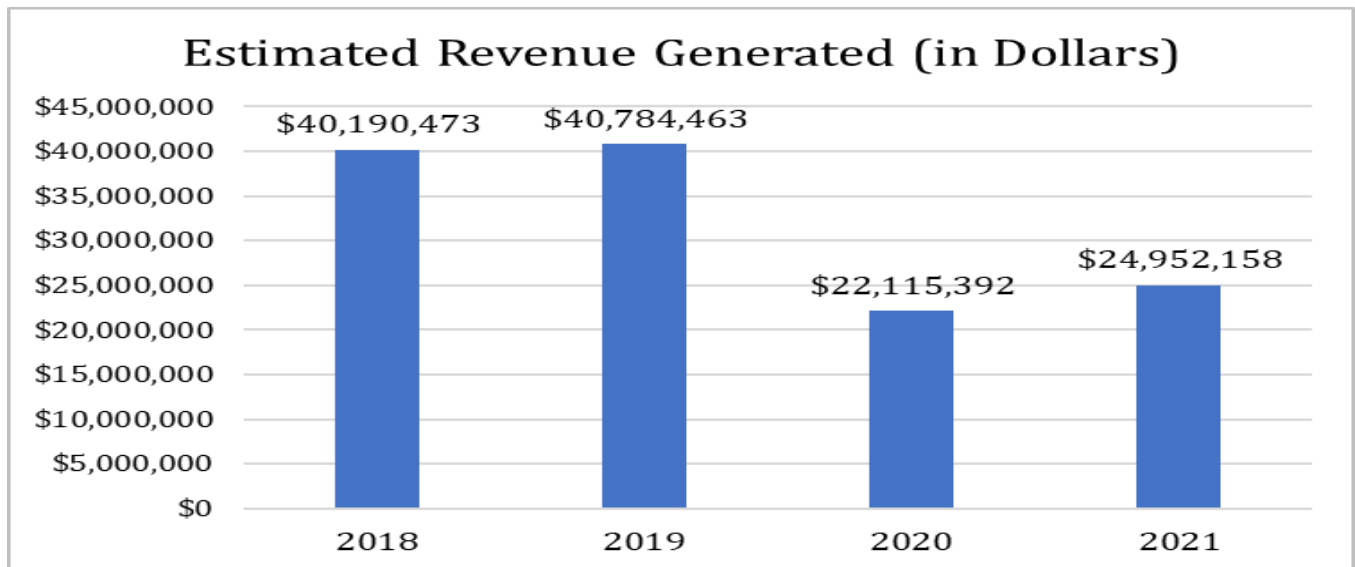
Table 1 shows the estimated business sales in the metro area attributed to the state fair for the years 2018 to 2021. Figure 5 shows the final estimate of total revenue created as a result of the state fair. This includes

Table 1. Business Sales

Business Sales	2018	2019	2020	2021
Lodging	\$10,319,594	\$10,707,608	\$5,715,013	\$6,720,743
Transportation	\$1,805,773	\$1,851,764	\$888,438	\$1,173,977
Food & Beverage	\$5,914,517	\$6,074,251	\$2,927,014	\$3,863,530
Retail	\$2,400,251	\$2,462,774	\$1,182,631	\$1,565,722
Recreation	\$1,820,754	\$1,863,662	\$885,315	\$1,182,222
Space Rental	\$106,393	\$5,941	\$2,817	\$55,667
Business Services	\$1,812,217	\$2,857,480	\$1,269,407	\$1,001,795
TOTAL	\$24,179,502	\$25,823,482	\$12,870,638	\$15,563,659

Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

Figure 5. Estimated Revenue Generated: Dollars (\$)



Source: Jackson Convention & Visitors' Bureau (VisitJackson, 2022)

all the items discussed above plus any miscellaneous items that fairgoers might purchase during their stay in the metro area.

State Fair Event Economic Benefits (Within Fairgrounds)

The next section presents data obtained from the Mississippi Department of Agriculture and Commerce for the 2021 Mississippi State Fair. Data in Table 2 represents direct measures of economic benefits produced primarily on the Mississippi State Fairgrounds.

Table 2 Economic Benefits Produced (Mississippi State Fairgrounds)

Economic Indicators	Economic Outputs (2021)
Total number of jobs provided and/or created	1,000
Total payroll generated from jobs	\$2,500,000
Total number of vendors participating at event (food/merchandise/promotional/informational vendors)	85
Total amount of revenue generated from all activities	\$20,000,000
Total number of ticket sales for admission	\$1,136,841
Total number of sponsors and/or sponsorship dollars generated	\$78,500

Source: MS Department of Agriculture and Commerce, Marketing & Public Relations (Manning, 2022)

State Fair Event Economic Benefits (Carnival Operator Only)

Table 3 presents data obtained directly from the North American Midway Entertainment (NAME) company which operates the State Fair’s “carnival’s rides, games, and some limited vendor concessions.” This data is included to provide a micro-perspective of the State Fair event at its most basic operating level.

Table 3 Economic Benefits: State Fair Carnival Operator Only

Economic Indicators	Economic Outputs (2021)
Total Number of People Hired Locally	99
Payroll Total for Locally Hired People	\$58,528
Total Sales Taxes Paid	\$231,348
Total Payroll for Company	\$486,386

Source: North American Midway Entertainment (Wagner, 2021)

Other Activities & Spill-over Effects

Also contributing to the State Fair’s revenue and economic benefits are other social, cultural, recreational, and historical activities that impact the economic success of the event through tourism and other promotional activities. These include a variety of activities such as 4-H and Future Farmers of America (FFA)

exhibits and open livestock shows; musical concerts with national and local entertainers; special shows, events, and offerings such as pig races, a petting zoo area, horse, mule, and pony pulls; a Mississippi Frontier Village; an Ag Exposition featuring the Genuine Mississippi store; an antique tractor show; the Zerbini family circus; and the MDAC biscuit booth (Gipson, 2021). The above activities tend to produce “tourism spill-over” effects that promote Mississippi and Hinds County as a tourist destination, and serve to enhance Mississippi’s cultural development by showcasing its rich and wide-ranging cultural offerings.

Conclusions

This report is one in a series of upcoming reports highlighting institutions and events that make significant economic contributions in Mississippi’s urban areas. The Mississippi State Fair is an event that produces wide-ranging social, historical, recreational, cultural, and economic impacts across many different geographic areas, age ranges, and economic categories. It is one of the largest economic events occurring in the capital city area yearly, and represents a variety of activities appealing to local, state, national, and international audiences. Although recovering from the economic downturn attributed to the COVID-19 pandemic, the State Fair is still estimated to have over a \$20 million impact when considering its direct services (for example, jobs, payroll taxes, vendor sales) and indirect services (for example, hotels, retail, transportation, and cultural).

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