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2019 Houston Livestock Show and Rodeo™ Economic Impact Study

ECONOMIC ANALYTICS CONSULTING, LLC
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Executive Summary

Economic Impact of the 2019 Houston Livestock Show and Rodeo

This report is presented by Economic Analytics Consulting, LLC (“Economic Analytics”) on behalf of the Houston Livestock Show and Rodeo, Inc. (“HLSR”). We were asked to quantify the economic impact and economic activity generated by the 2019 Houston Livestock Show and Rodeo (the “Rodeo”). The analysis also quantifies the expected increase in taxes associated with the spending related to the Rodeo (the “fiscal effect”) and the number of jobs supported in Greater Houston by the spending related to the Rodeo.

Economic impact measures the economic effects of new spending in Greater Houston generated by the Rodeo. The focus on new spending limits the analysis to spending by visitors from outside Greater Houston and associated spending by HLSR because it is assumed that local attendees would have found alternate forms of entertainment in Greater Houston. Economic activity measures the economic effects of all spending in Greater Houston generated by the Rodeo, including spending by local residents, visitors and HLSR.

This analysis is based upon data gathered at the Rodeo through on-site surveys. The surveys included intercept surveys, interviews and handouts that were administered by volunteers or HLSR staff.

Both the economic impact and economic activity depend upon the relevant amount of spending that is associated with the 2019 Rodeo. The relevant spending is classified as either direct or secondary spending. Direct spending is the amount of money spent in Greater Houston by attendees, participants, vendors, exhibitors and HLSR. Secondary spending includes subsequent rounds of spending in Greater Houston generated by the direct spending.

The Rodeo’s **ECONOMIC IMPACT** is summarized as follows:

- Economic impact focuses on the new spending to Greater Houston generated by visitors. There were more than 1 million unique attendees at the Rodeo and 27% were from outside Greater Houston.
- The Rodeo generated direct impact of \$133 million and **total economic impact of \$227 million**.
- The Rodeo generated a direct fiscal contribution of \$11 million and a total fiscal impact of \$13 million.
- The Rodeo supported a total of 3,694 direct jobs and 5,133 total jobs in Greater Houston.

The Rodeo’s **ECONOMIC ACTIVITY** is summarized as follows:

- Economic activity focuses on the total spending in Greater Houston generated by all Rodeo attendees, including those from Greater Houston. The spending by locals is limited to paid lodging and their spending on-site at the Rodeo.
- The Rodeo generated direct economic activity of \$243 million and **total economic activity of \$391 million**.
- The Rodeo generated a direct fiscal contribution of \$17 million and a total fiscal activity of \$20 million.
- The Rodeo supported a total of 3,694 direct jobs and 5,918 total jobs in Greater Houston.



Houston Livestock Show and Rodeo

Event Description

The 2019 Houston Livestock Show and Rodeo (“the Rodeo”) was held at NRG Park in Houston, Texas, on February 25 through March 17, 2019. The Rodeo is the world’s largest entertainment and livestock exhibition and a signature event for the City of Houston.

The Rodeo’s mission is to promote agriculture by hosting an annual family-friendly experience that educates and entertains the public, supports Texas youth, showcases Western heritage and provides year-round educational support within the community. Since its founding in 1932, the Rodeo has committed more than \$475 million to the youth of Texas through more than 19,000 scholarships. In 2019, the Rodeo committed more than \$27 million to youth and education through various awards, scholarships and grants.

In 2019, total attendance for all activities on the grounds at NRG Park exceeded 2.5 million. Crews were on-site for weeks in advance transforming the venue to prepare for the millions of fans that attended.

The Rodeo kicks off with a series of events before the start of the rodeo that includes The World’s Championship Bar-B-Que Contest (“WCBBQ Contest”) which ran from Thursday February 21 through Saturday February 23, 2019. The WCBBQ Contest is an invitation-only contest that attracted more than 250 teams from around the world. The WCBBQ Contest crowns champions with the best brisket, ribs, chicken and Dutch oven dessert. The WCBBQ Contest also features live music, food and the opening of the carnival for the Rodeo season. More than 215,000 people attended the WCBBQ Contest to enjoy the competition, entertainment and food.



Houston Livestock Show and Rodeo

Event Description (Cont.)

Tuesday, February 19, the Rodeo hosted Rodeo Roundup at City Hall in downtown Houston. The event was open to the public with music, free food and games. Friday, February 22 was Go Texan Day in the City of Houston, and more 2,000 trail riders from 12 different trail ride groups descended on Houston from various parts of Texas as they recreated the Old West as part of one of the Rodeo's signature events. On Saturday February 23, there was the Rodeo Run, a charitable race and fun run benefitting the Rodeo. The Rodeo Run was followed by the Downtown Rodeo Parade, both held in downtown Houston.

In addition to hosting a rodeo competition and concert daily, the Rodeo includes livestock and horse show competitions, auctions, art exhibitions, agriculture exhibitions, a ranching and wildlife expo, a carnival, a wine garden, shopping and dining areas with hundreds of vendors and a children's area featuring kid-sized rides, games and interactive shows.

In 2019, there were more than 34,000 entries in the livestock and horse show competitions. The junior auction sales totaled more than \$17.4 million and set world records in nearly every major category. Calf scramble and judging contest winners also took home more than \$840,000 to use toward the purchase of registered beef heifers or steers to exhibit at the Rodeo in 2020.

The AGVENTURE, presented by Occidental Petroleum, agriculture exhibition hosted more than 61,000 attendees through school tours or field trips and the Junction children's area had more than 100,000 children visit Fun on the Farm, presented by TDECU.

Attendees also enjoyed more than 2.5 million carnival rides, took home more than 600,000 prizes from the carnival games and ate more than 376,000 fried Oreos.



Houston Livestock Show and Rodeo

Event Description (Cont.)

The rodeo competition includes two different competitions, the Super Series and the Super Shootout®: North America's Champions, presented by Crown Royal. The two competitions had more than 325 registered contestants and provided a total payout of more than \$2.17 million.

After the rodeo competition each night, a musical entertainer performs at the Rodeo. This has been a Rodeo tradition since the first star, Gene Autry, took the stage in 1942. While the entertainer lineup has been deeply rooted in country music, performers of nearly every genre of music have been featured. The lineup for 2019 was one of the most diverse lineups to date with more than one third of the performers coming from hip-hop, rock, pop and EDM genres. In addition to several Rodeo favorites, more than half of the performers made their Rodeo debut in 2019.

This year the Rodeo included an additional day in its schedule. On Sunday, March 17 there was a concert-only performance featuring George Strait and special guests Lyle Lovett and Robert Earl Keen. While there was no rodeo competition, the remaining activities associated with the Rodeo were open.

The Rodeo drew a total of more than 2.5 million attendees with a paid rodeo/concert attendance of more than 1.3 million. The Rodeo set several attendance records in 2019. The highest paid/concert attendance record for the Rodeo was set twice during 2019, first for Cardi B with 75,580 attendees and then for Los Tigres Del Norte with 75,586 attendees. The George Strait concert broke the record for the largest crowd at NRG Stadium with a paid attendance of 80,108.



Houston Livestock Show and Rodeo

Event Description (Cont.)

One of the most impressive “numbers” associated with the Rodeo is the number of volunteers. Since 1938, volunteers have helped staff the Rodeo by selling tickets, manning exhibitions and more. In 2019, more than 34,000 volunteers served on 108 different committees. Volunteers contribute more than 2.1 million hours annually and are responsible for helping the Rodeo offset labor costs and further its charitable purpose.

The number of volunteers has more than doubled since 2005 when additional volunteer roles were added to reduce the number of contractors required to plan and host the events associated with the Rodeo.

Volunteers play an important role during and leading up to the event by providing much of the staffing and manpower needed to successfully host the Rodeo. Many volunteers plan annual vacations to coincide with the Rodeo. The Ticket Services Committee is the largest committee with more than 2,100 volunteers selling tickets throughout the grounds.



Economic Impact Methodology

Overview

The analysis summarized in this report is based upon data gathered at the Rodeo. We conducted on-site surveys and interviews of event attendees and participants. Additionally, HLSR provided data such as total attendance, total registered participants, on-site food and beverage sales and other event production costs.

Using the data described above, we determine the economic impact and economic activity generated by the Rodeo. Economic impact measures the economic effects of new spending in the local economy generated by the Rodeo. The focus on new spending limits the analysis to visitors to the area because it is assumed that attendees from the area would have found alternate forms of entertainment in the same area. Economic activity measures the economic effects of all spending in the local economy generated by the Rodeo, including spending by local residents, visitors and HLSR.

The Rodeo is hosted at NRG Park, which is in a central location for the City of Houston and Harris County. We understand when people visit the Rodeo, they stay and spend money in both Houston and the surrounding areas. We define the “measurement area” for this study as the Houston-The Woodlands-Sugar Land metropolitan statistical area (also referred to as “Greater Houston”). This study, therefore, measures the economic impact and economic activity generated by the Rodeo in Greater Houston.

The analysis also quantifies the expected increase in taxes associated with the spending related to the Rodeo which is often referred to as the fiscal effect. Finally, we describe the number of jobs supported in Greater Houston by the spending related to the Rodeo.

While we used all of the data available, we may not have captured all relevant spending. For example, our study does not incorporate an analysis of the related events such as the Roundup & Best Bites Competition, the Champion Wine Auction and Dinner, Trail Rides, Downtown Rodeo Parade and Rodeo Run hosted prior to the Rodeo. To the extent these and other events attracted visitors to Houston, their impact is not included in the analysis.



Economic Impact Methodology

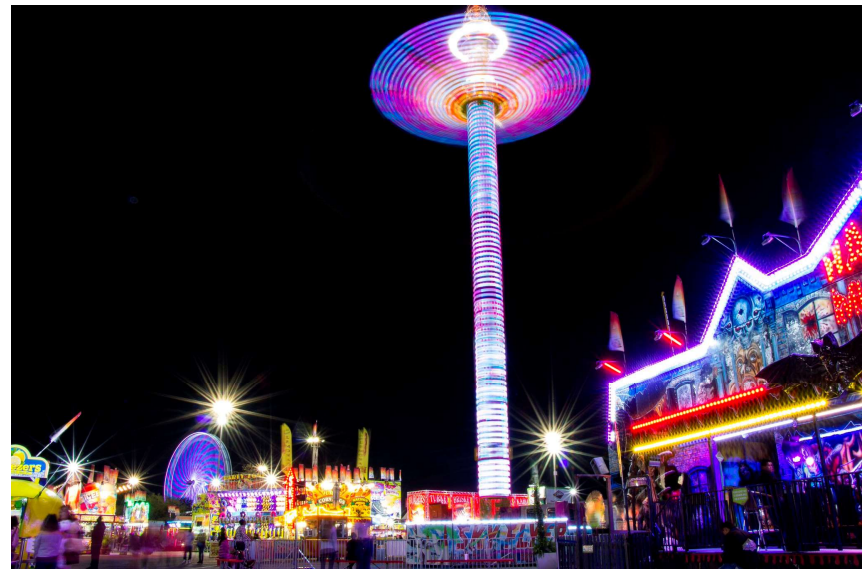
Data Collection

With the help of HLSR staff, we divided event attendees and participants at the Rodeo into 18 distinct groups of people with different attendance and/or spending characteristics. We then developed and conducted on-site surveys and interviews of event attendees and participants. The 18 distinct survey groups utilized in this analysis are:

- Agricultural Mechanics Contestants
- Commercial Exhibitors
- Concert Artists & Crew
- HLSR Contractors (contractors working throughout the venue)
- Horse Show Exhibitors
- International Week Attendees
- Judges (Horse/Livestock)
- Judging Contest Contestants
- Junior Show Exhibitors
- Open Livestock Show Exhibitors
- Rodeo Attendees (Grounds and Rodeo/Concert Attendees)
- Rodeo Competition Contestants (cowboys and cowgirls)
- Sponsors
- Volunteers
- WCBBQ Contest Attendees
- WCBBQ Contest Teams
- Wildlife Expo Exhibitors
- Young Guns Participants

The surveys included intercept surveys, interviews and handouts that were administered by volunteers or HLSR staff and captured the responses from approximately 54,000 people. The total people surveyed include 27,000 of the 135,000 unique participants and 27,000 of the 890,000 unique attendees which is sufficient to yield statistically reliable results.

Additionally, HLSR staff provided data such as total attendance, total registered participants, on-site food and beverage sales and other costs associated with the production and presentation of the Rodeo.



Economic Impact Methodology

Direct Spending

Direct spending quantifies the amount of money spent directly in the measurement area due to the Rodeo. Direct spending includes visitor spending and spending by HLSR for the production and presentation of the Rodeo.

Visitor Spending

Visitor spending is the portion of direct spending attributable to people that visited Greater Houston for the Rodeo. Visitor spending includes spending on hotels, food and beverages, entertainment, shopping and merchandise, horses and livestock, farm and ranch equipment and ground transportation.

Inputs into the analysis include:

- Total event attendance,
- The origin of attendees,
- The percentage of attendees staying in paid accommodations in Greater Houston,
- The length of stay of visitors, and
- The daily spending of visitors.

Visitor spending also includes the spending of those companies that are exhibiting or providing services at the Rodeo.

For on-site spending on food, beverages and alcohol, we use the actual amounts provided by HLSR and allocate the total among the survey groups based upon data from the survey.



Economic Impact Methodology

Direct Spending

Portion of HLSR Revenue Spent in the Measurement Area

Generally, to estimate the Rodeo's economic impact, this study focuses on the expenditures made by people attending the Rodeo that are visiting from outside the measurement area. Since people attending the Rodeo generate revenue for HLSR by spending money on items such as admission tickets, parking and carnival rides, the focus on visitor spending implies that spending on these items may generate economic impact.

However, economic impact is only generated by the portion of revenue that is re-spent by HLSR on goods and services provided by businesses and individuals in the measurement area. Revenue that is used by HLSR to fund its charitable activities generally does not create economic impact because the majority of these funds leave the measurement area.

To estimate the portion of HLSR's revenue that generates economic impact, we examine HLSR's financial records. We identify expenditures associated with the production and presentation of the Rodeo, excluding expenditures on goods or services that HLSR re-sells to people attending the Rodeo. We then multiply the expenses by the proportion of visitors to yield the proportion of HLSR revenue that is generated by visitors and spent in the measurement area.



Economic Impact Methodology

Secondary Spending

Overview

Secondary spending measures subsequent rounds of spending in the measurement area and is divided into two parts, indirect and induced spending. Indirect spending represents gains in industries that are related to the measurement area where the original spending occurred. For example, restaurant supply companies see an increase in business when spending at restaurants increases. The spending by restaurants at restaurant supply companies is indirect spending. Induced spending represents increases in local spending due to increased income associated with direct spending. For example, if restaurant workers worked overtime to keep up with increased customers, the spending associated with their extra earnings is induced spending.

Estimation

Secondary spending is estimated through the use of economic models of the local economy. These models are known as input-output models because they trace the spending through the local economy by accounting for industry interactions. These interactions are the spending by each industry to acquire inputs, such as raw materials and labor, which are necessary to produce outputs, such as goods and services, used within the local economy. These models also account for the various outflows from the region to the rest of the nation's economy. We use the output from the Bureau of Economic Analysis' RIMS II Model to develop our estimate of secondary spending.



Attendance and Attendee Origin

Attendee Origin

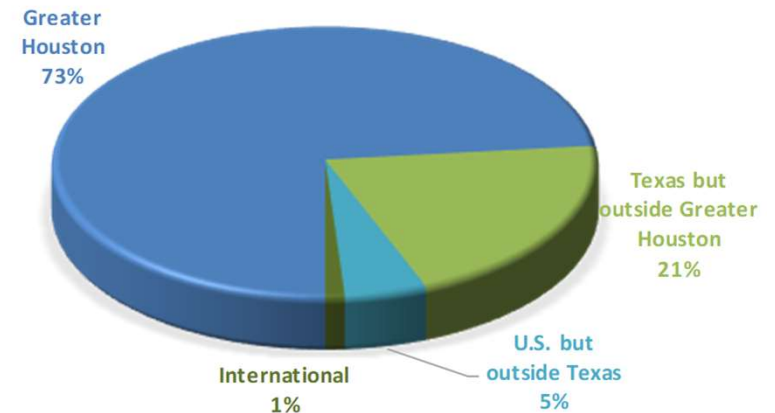
Total announced attendance at the Rodeo was more than 2.5 million for all days of the Rodeo and includes those attending and participating in the Rodeo. We use attendance data, participant registration data and data from our surveys to estimate there were more than 1 million unique attendees at the Rodeo.

A total of 273,000 or 27% of attendees were visitors to Greater Houston including attendees from 75 countries.

Unique Attendance

Origin	Unique Attendees	Percent of Unique Attendees
Greater Houston	751,663	73%
Texas but outside Greater Houston	211,346	21%
U.S. but outside Texas	49,854	5%
International	11,796	1%
Total	1,024,659	100%
Total Visitors	272,996	27%

Attendee Origin



Economic Impact-Direct Spending

Scaling Survey Data

We collected survey data for attendees and participants in 18 survey groups. We aggregate that survey data to identify visitor and spending characteristics for the attendees and participants then scale it to the population of each survey group.

To scale the survey data, we utilize several different approaches based upon the survey data and how attendees or participants were tracked.

One example is for Rodeo Attendees. Total attendance was tracked on a daily basis. Scanned entrance data identified total daily attendance of ticketed attendees. The survey quantified the average number of times that attendees came to the Rodeo. We divide total daily attendance by the average number of visits to the Rodeo to estimate total unique attendance.

Another example is for the Junior Show Exhibitors. HLSR provided registration data for the Junior Show. Many exhibitors in the Junior Show exhibit multiple animals and sometimes also exhibit animals in the Open Show as well. We use registration data from the Junior and Open Shows and cross reference it with the schedules for animal move-in and move-out to generate a unique list of exhibitors and the number of times they visited the Rodeo to exhibit animals.

The process used for each survey group is summarized in the Economic Impact Summary Forms included in Attachment A.

For Rodeo Attendees and WCBBQ Contest Attendees, we also remove those attendees who indicated they still would have made their visit to Greater Houston even if the Rodeo was not held. Because these attendees did visit the Rodeo, they are included in the breakdown of attendee origin. Their trips, spending and associated economic impact, however, were motivated by other reasons other than the Rodeo and they are not included in the economic impact analysis.



Economic Impact-Direct Spending

Summary of Key Inputs

The table below summarizes key inputs utilized for each survey group in the economic impact analysis. These inputs provide information about the number of attendees, number of visitors, and expenditures associated with each survey group. These inputs are also found on the Economic Impact Summary Forms included in Attachment A. This summary does not include HLSR's expenditures, \$18.2 million, which are part of the total direct spending included in the analysis.



Economic Impact Analysis - Summary of Key Inputs

Survey Group	Unique Attendees	Visitors	Paid Lodging in Greater Houston				Food/Beverage Spending				Non-Food Spending		Total Company Spending	Total Direct Spending
			Visitors in Lodging	Average Nightly Rate per Person	Average Length of Stay (nights)	Total Lodging Spending	Total Food/Bev Spending On Grounds	Avg Daily Spend on Food/Bev per Person Off Grounds	Average Length of Stay (days)	Total Food/Bev Spending Off Grounds	Total Non-Food Spending per person per trip	Total Non-Food Spending		
Agricultural Mechanics Contestants	10,176	9,380	7,351	\$ 46.48	3.04	\$ 1,038,019	\$ 629,256	\$ 28.59	4.45	\$ 1,194,703	\$ 223.77	\$ 2,098,880	\$ 71,230	\$ 5,032,088
Commercial Exhibitors	2,602	1,467	1,140	\$ 60.79	22.22	\$ 1,539,348	\$ 560,248	\$ 31.62	17.76	\$ 824,006	\$ 674.41	\$ 989,544	\$ 2,940,836	\$ 6,853,982
Concert Artists & Crew	1,112	1,044	530	\$ 300.42	1.88	\$ 299,931	\$ -	\$ 71.12	1.38	\$ 102,546	\$ -	\$ -	\$ -	\$ 402,478
HLSR Contractors	891	773	162	\$ 93.27	17.75	\$ 268,161	\$ 13,736	\$ 98.66	17.75	\$ 1,353,509	\$ 412.78	\$ 319,079	\$ 340,706	\$ 2,295,191
Horse Show Exhibitors	3,868	2,391	1,589	\$ 137.04	2.93	\$ 638,959	\$ 79,059	\$ 18.40	3.71	\$ 163,255	\$ 122.86	\$ 293,716	\$ -	\$ 1,174,989
International Week Attendees	2,592	2,592	2,286	\$ 94.97	6.49	\$ 1,409,149	\$ 177,422	\$ 37.75	6.22	\$ 608,950	\$ 2,150.24	\$ 5,573,427	\$ -	\$ 7,768,948
Judges (Horse/ Livestock)	405	295	236	\$ 48.10	4.73	\$ 53,692	\$ 28,504	\$ 29.44	4.12	\$ 35,805	\$ 203.20	\$ 59,992	\$ -	\$ 177,993
Judging Contest Contestants	7,350	5,262	2,861	\$ 42.81	2.99	\$ 366,231	\$ 325,719	\$ 29.64	4.22	\$ 657,794	\$ 199.98	\$ 1,052,411	\$ 75,104	\$ 2,477,259
Junior Show Exhibitors	58,584	48,615	45,178	\$ 79.82	4.00	\$ 14,427,186	\$ 4,022,634	\$ 26.57	4.55	\$ 5,876,298	\$ 134.38	\$ 6,532,874	\$ -	\$ 30,858,992
Open Livestock Show Exhibitors	3,888	3,113	2,610	\$ 61.81	3.09	\$ 498,315	\$ 217,034	\$ 21.82	4.23	\$ 287,378	\$ 261.27	\$ 813,350	\$ -	\$ 1,816,077
Rodeo Attendees	781,107	140,795	39,720	\$ 64.95	3.62	\$ 9,340,380	\$ 5,465,726	\$ 13.02	4.27	\$ 7,836,543	\$ 75.75	\$ 10,664,705	\$ -	\$ 33,307,354
Rodeo Competition Contestants	2,337	2,026	1,283	\$ 26.23	3.35	\$ 112,694	\$ 66,679	\$ 100.73	3.42	\$ 698,696	\$ 549.76	\$ 1,113,682	\$ 137,115	\$ 2,128,867
Sponsors	889	369	369	\$ 95.43	15.61	\$ 549,109	\$ 123,682	\$ 6.22	15.61	\$ 35,785	\$ -	\$ -	\$ -	\$ 708,576
Volunteers	35,395	2,571	1,944	\$ 146.82	7.40	\$ 2,242,379	\$ 98,928	\$ 63.75	2.20	\$ 360,121	\$ 391.42	\$ 1,006,178	\$ -	\$ 3,707,606
WCBBQ Contest Attendees	105,498	29,500	11,868	\$ 83.91	2.81	\$ 2,796,573	\$ 379,187	\$ 32.55	3.67	\$ 3,520,912	\$ 33.36	\$ 984,129	\$ -	\$ 7,680,801
WCBBQ Contest Teams	5,024	1,337	1,236	\$ 140.39	4.17	\$ 723,072	\$ 67,673	\$ 24.49	2.80	\$ 91,510	\$ 785.27	\$ 1,049,809	\$ 5,855,230	\$ 7,787,294
Wildlife Expo Exhibitors	110	45	15	\$ 86.82	5.00	\$ 6,428	\$ 2,306	\$ 11.57	2.94	\$ 1,541	\$ 86.30	\$ 3,903	\$ 10,941	\$ 25,119
Young Guns Participants	2,832	2,049	855	\$ 45.48	1.77	\$ 69,026	\$ -	\$ 47.98	1.76	\$ 173,043	\$ 172.44	\$ 353,374	\$ -	\$ 595,443
Total	1,024,659	253,623	121,233	\$ 74.77	3.94	\$ 36,378,653	\$ 12,257,791	\$ 21.40	4.34	\$ 23,822,395	\$ 129.76	\$ 32,909,055	\$ 9,431,162	\$ 114,799,057



Economic Impact

Conclusion

The economic impact of the Rodeo is summarized in the table to the right and in Attachment A.

The Rodeo:

- Generated a direct impact of \$133 million,
- Generated an economic impact of \$227 million,
- Generated a direct fiscal contribution of \$11 million,
- Generated a total fiscal impact of \$13 million, and
- Supported 5,133 jobs.



Economic Impact - 2019 Houston Livestock Show and Rodeo

Spending Category	SPENDING EFFECTS			Total
	Direct	Indirect	Induced	
Lodging	\$ 36,378,653	\$ 13,154,521	\$ 17,800,075	\$ 67,333,249
Food & Beverage	\$ 36,080,186	\$ 19,919,871	\$ 15,290,783	\$ 71,290,840
Shopping / Merchandise	\$ 18,476,919	\$ 4,668,253	\$ 4,332,031	\$ 27,477,204
Entertainment	\$ 1,933,784	\$ 1,240,329	\$ 1,425,779	\$ 4,599,893
Farm and Ranch Related	\$ 6,652,663	\$ 2,093,693	\$ 2,828,353	\$ 11,574,709
Ground Transportation	\$ 7,037,096	\$ 3,227,745	\$ 2,513,042	\$ 12,777,883
Event Spending	\$ 26,473,227	\$ 2,124,355	\$ 3,448,987	\$ 32,046,570
Total	\$ 133,032,529	\$ 46,428,768	\$ 47,639,052	\$ 227,100,348

Fiscal Effects from Economic Impact - 2019 Houston Livestock Show and Rodeo

	FISCAL EFFECTS			Total
	Direct	Indirect	Induced	
Lodging	\$ 5,456,798			
Food & Beverage	\$ 2,615,814			
Shopping / Merchandise	\$ 1,339,577			
Entertainment	\$ 140,199			
Farm and Ranch Related	\$ 482,318			
Ground Transportation	\$ 510,189			
Event Spending	\$ 597,382			
Total	\$ 11,142,277	\$ 377,661	\$ 1,719,089	\$ 13,239,027

Jobs Supported	EMPLOYMENT EFFECTS			Total
	Direct	Indirect	Induced	
	3,694	1,091	348	5,133



Economic Activity Methodology

Overview

Economic activity is similar to economic impact, but the focus changes from “new” spending in the measurement area generated by the Rodeo to “all” spending. This means economic activity includes the spending of attendees and participants from Greater Houston.

We limit the contribution of attendees and participants from Greater Houston to their spending on-site at the Rodeo and their spending on overnight lodging, if any. We assume that any other spending outside NRG Park by these local residents would have occurred absent the Rodeo.

The economic activity analysis utilizes the survey data we collected during the Rodeo. It also follows the same methodology for the determination of direct and secondary spending as described in the economic impact methodology.

The Economic Activity Summary Forms included in Attachment B provide information about the scaling, key inputs and economic activity generated by each survey group.



Economic Activity-Direct Spending

Summary of Key Inputs

The table below summarizes key inputs utilized for each survey group in the economic activity analysis. These inputs provide information about the number of attendees, number of visitors, and expenditures associated with each survey group. These inputs are also found on the Economic Activity Summary Forms included in Attachment B. This summary does not include HLSR's expenditures, \$68.4 million, which are part of the total direct spending included in the analysis.



Economic Activity Analysis - Summary of Key Inputs

Survey Group	Unique Attendees	Visitors	Paid Lodging in Greater Houston				Food/Beverage Spending				Non-Food Spending		Total Company Spending	Total Direct Spending
			Visitors in Lodging	Average Nightly Rate per Person	Average Length of Stay (nights)	Total Lodging Spending	Total Food/Bev Spending On Grounds	Avg Daily Spend on Food/Bev per Person Off Grounds	Average Length of Stay (days)	Total Food/Bev Spending Off Grounds	Total Non-Food Spending per person per trip	Total Non-Food Spending		
Agricultural Mechanics Contestants	10,176	10,176	7,351	\$ 46.48	3.04	\$ 1,038,019	\$ 687,537	\$ 28.59	4.45	\$ 1,194,703	\$ 222.03	\$ 2,120,175	\$ 71,230	\$ 5,111,664
Commercial Exhibitors	2,602	2,602	1,163	\$ 60.25	22.29	\$ 1,561,667	\$ 871,532	\$ 31.62	17.76	\$ 824,006	\$ 662.72	\$ 1,149,296	\$ 2,940,836	\$ 7,347,337
Concert Artists & Crew	1,112	1,112	538	\$ 300.23	1.88	\$ 302,738	\$ -	\$ 72.46	1.46	\$ 110,660	\$ -	\$ -	\$ -	\$ 413,398
HLSR Contractors	891	776	166	\$ 93.57	17.61	\$ 273,521	\$ 17,977	\$ 87.51	17.61	\$ 1,373,046	\$ 358.11	\$ 319,079	\$ 340,706	\$ 2,324,330
Horse Show Exhibitors	3,868	3,868	2,045	\$ 116.49	2.87	\$ 683,108	\$ 124,499	\$ 18.40	3.71	\$ 163,255	\$ 113.65	\$ 306,509	\$ -	\$ 1,277,372
International Week Attendees	2,592	2,592	2,286	\$ 94.97	6.49	\$ 1,409,149	\$ 177,422	\$ 37.75	6.22	\$ 608,950	\$ 2,150.24	\$ 5,573,427	\$ -	\$ 7,768,948
Judges (Horse/ Livestock)	405	405	329	\$ 48.01	4.77	\$ 75,322	\$ 39,077	\$ 29.44	4.12	\$ 35,805	\$ 203.20	\$ 71,241	\$ -	\$ 221,445
Judging Contest Contestants	7,350	7,350	3,067	\$ 43.00	2.96	\$ 390,027	\$ 562,380	\$ 29.64	4.22	\$ 657,794	\$ 254.77	\$ 1,546,167	\$ 56,884	\$ 3,213,251
Junior Show Exhibitors	58,584	58,584	51,694	\$ 80.05	3.97	\$ 16,418,391	\$ 4,731,356	\$ 26.57	4.55	\$ 5,876,298	\$ -	\$ 7,044,495	\$ -	\$ 34,070,540
Open Livestock Show Exhibitors	3,888	3,888	2,850	\$ 61.11	3.12	\$ 543,268	\$ 262,650	\$ 21.82	4.23	\$ 287,378	\$ 262.05	\$ 975,078	\$ -	\$ 2,068,373
Rodeo Attendees	781,107	766,501	47,189	\$ 66.01	3.55	\$ 11,063,300	\$ 36,790,463	\$ 13.02	4.27	\$ 7,836,543	\$ 48.05	\$ 16,962,163	\$ -	\$ 72,652,469
Rodeo Competition Contestants	2,337	2,337	1,318	\$ 26.36	3.29	\$ 114,406	\$ 74,764	\$ 100.73	3.42	\$ 698,696	\$ 545.97	\$ 1,140,661	\$ 138,421	\$ 2,166,948
Sponsors	889	889	369	\$ 95.43	15.61	\$ 549,109	\$ 261,745	\$ 6.22	15.61	\$ 86,346	\$ -	\$ 1,348,932	\$ -	\$ 2,246,132
Volunteers	35,395	35,395	8,016	\$ 176.51	7.74	\$ 9,219,547	\$ 1,549,047	\$ 63.75	2.20	\$ 360,121	\$ 391.42	\$ 1,006,178	\$ -	\$ 12,134,892
WCBBQ Contest Attendees	105,498	100,730	19,079	\$ 81.78	2.62	\$ 4,086,759	\$ 2,756,919	\$ 32.55	3.67	\$ 3,520,912	\$ 30.40	\$ 1,122,284	\$ -	\$ 11,486,874
WCBBQ Contest Teams	5,024	5,024	2,936	\$ 181.48	4.31	\$ 2,294,275	\$ 252,049	\$ 24.49	2.80	\$ 91,510	\$ 772.19	\$ 1,282,764	\$ 5,855,230	\$ 9,775,828
Wildlife Expo Exhibitors	110	110	22	\$ 59.69	4.22	\$ 5,570	\$ 6,824	\$ 11.57	2.94	\$ 1,541	\$ 79.62	\$ 5,264	\$ 10,941	\$ 30,141
Young Guns Participants	2,832	2,832	996	\$ 45.95	1.76	\$ 80,559	\$ -	\$ 47.98	1.76	\$ 173,043	\$ 172.44	\$ 353,374	\$ -	\$ 606,976
Total	1,024,659	1,005,171	151,413	\$ 80.86	3.97	\$ 50,108,735	\$ 49,166,240	\$ 21.37	4.34	\$ 23,900,607	\$ 42.11	\$ 42,327,088	\$ 9,414,247	\$ 174,916,918



Economic Activity

Conclusion

The economic activity of the Rodeo is summarized in the table to the right and in Attachment B.

The Rodeo:

- Generated \$243 million in direct economic activity,
- Generated \$391 million in economic activity,
- Generated a direct fiscal contribution of \$17 million,
- Generated a total fiscal activity of \$20 million, and
- Supported 5,918 jobs.



Economic Activity - 2019 Houston Livestock Show and Rodeo

Spending Category	SPENDING EFFECTS			Total
	Direct	Indirect	Induced	
Lodging	\$ 50,108,735	\$ 18,119,319	\$ 24,518,204	\$ 92,746,258
Food & Beverage	\$ 73,066,847	\$ 40,340,206	\$ 30,965,730	\$ 144,372,784
Shopping / Merchandise	\$ 25,312,383	\$ 6,834,122	\$ 6,148,233	\$ 38,294,738
Entertainment	\$ 2,512,063	\$ 1,307,278	\$ 1,403,490	\$ 5,222,830
Farm and Ranch Related	\$ 6,958,065	\$ 2,191,776	\$ 3,016,153	\$ 12,165,994
Ground Transportation	\$ 7,379,026	\$ 3,642,398	\$ 3,053,475	\$ 14,074,899
Event Spending	\$ 78,017,080	\$ 2,482,019	\$ 4,089,055	\$ 84,588,155
Total	\$ 243,354,199	\$ 74,917,118	\$ 73,194,340	\$ 391,465,658

Fiscal Effects from Economic Activity - 2019 Houston Livestock Show and Rodeo

	FISCAL EFFECTS			Total
	Direct	Indirect	Induced	
Lodging	\$ 7,516,310			
Food & Beverage	\$ 5,297,346			
Shopping / Merchandise	\$ 1,835,148			
Entertainment	\$ 182,125			
Farm and Ranch Related	\$ 504,460			
Ground Transportation	\$ 534,979			
Event Spending	\$ 694,535			
Total	\$ 16,564,904	\$ 648,361	\$ 2,415,957	\$ 19,629,222

Jobs Supported	EMPLOYMENT EFFECTS			Total
	Direct	Indirect	Induced	
	3,694	1,690	535	5,918



Economic Analytics Consulting, LLC

Our Firm

Economic Analytics is an independent consulting firm that provides our clients with economic, financial and valuation services for various business purposes. We focus on providing clients with a high level of principal involvement in order to provide a personalized client experience. We have found that this model with dedicated project management and senior level involvement ensures deadlines are met and any potential issues are highlighted early in the process. We pride ourselves in openness and transparency in our work and our pricing so there are no surprises.

We provide services in several different areas and our clients rely on us to estimate the economic impact of decisions and events; develop and support opinions of damages for intellectual property and commercial litigation; value patents, copyrights, trademarks and trade secrets; value complex securities and derivatives; and to develop intellectual property monetization strategies.

This engagement was led by Chris W. Johnson and James D. Woods, Ph.D. Mr. Johnson and Dr. Woods have experience conducting economic and fiscal impact studies for some of the largest sporting events hosted in the U.S. such as the Super Bowl, the Final Four, WrestleMania, the Academy of Country Music Awards, the NAACP Annual Convention and the College Football Playoff National Championship Game.

We have conducted economic impact analyses for various clients including companies interested in relocating their corporate headquarters, a professional sports team and a professional sports stadium. We also prepare economic studies for different organizations such as feasibility studies and market assessments. In both cases, these types of studies can be used to assess the expected future performance of a business opportunity.



Professionals



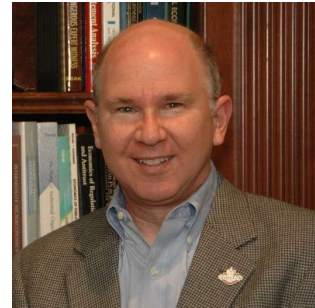
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Chris W. Johnson has more than 18 years of experience providing consulting services to a range of public and private companies. Mr. Johnson's core strengths include economic and financial analysis. Much of his work involves predicting economic actions based upon a variety of assumptions and quantifying the impact of such behaviors. This work is often performed in the context of economic analyses, expert witness services in litigation matters or valuation analyses.

Mr. Johnson conducts economic analyses such as economic impact and feasibility studies that focus on understanding and quantifying the impact of a stimulus, or change, on a local economy. Mr. Johnson has also been designated as an expert in Federal and State Courts and has experience in areas such as the analysis of intellectual property damages, lost profits analyses, quantification of contract damages and class action damages. Mr. Johnson has provided valuation services in the context of litigation matters and for management's strategic planning and financial reporting. He has valued intellectual property, businesses, options, warrants, preferred stock and other complex financial instruments.

Credentials and Education

M.S., Economics, Texas A&M University
B.A., Economics, Trinity University
Certified Valuation Analyst
Certified Fraud Examiner



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James D. Woods, Ph.D. combines his training as a financial economist with more than 30 years of business experience to provide efficient, analytical solutions to address his clients' and colleagues' challenges and opportunities.

Dr. Woods focuses his efforts on valuing patents, copyrights, trademarks and trade secrets, complex securities and derivatives and on evaluating the economic effects of decisions. Dr. Woods has helped his clients extract value from intellectual property through licensing and sale transactions and has testified at trial concerning his opinions of reasonable royalties and lost profits due to the misappropriation of intellectual property. He has also evaluated the economic impact of major sporting events, conventions and corporate relocation decisions.

Dr. Woods began his career with the Federal Reserve Bank of St. Louis and has been a principal with national accounting firms. He has been an invited speaker on the value of intellectual property at several influential national and international programs and regularly provides continuing educational programs to lawyers and corporate executives.

Credentials and Education

Ph.D., Finance, Mays Business School at Texas A&M University
M.B.A., University of Missouri
B.S.B.A., Finance and Banking, Cum Laude, Robert J. Trulaske, Sr. College of Business, University of Missouri
Certified Fraud Examiner

