



# NEWS RELEASE

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## **State Fairgrounds adds \$124 million in ‘new money’ to Indianapolis economy**

*Separate study reveals Pepsi Coliseum generates \$89.3 million*

INDIANAPOLIS – The [Indiana State Fairgrounds](#) contributed \$124 million in direct spending to the Indianapolis economy in 2011 according to a study conducted by [Indiana University’s Kelley School of Business](#).

“It’s a significant impact,” Bruce Jaffee, the study’s author, said. “This is ‘new money’ that – without the fairgrounds and its various year-round events – would not be spent in the Indianapolis economy.”

Jaffee calls the \$124 million impact a conservative total because it doesn’t include an additional \$34.4 million spent by Marion County residents, assuming that those monies would be spent elsewhere in Indianapolis anyway. It also fails to account for indirect spending – the money earned by local residents who then spend it elsewhere in the city – which could easily double the amount of the total impact.

The study estimates that the fairgrounds is responsible for generating approximately \$8 million in local and state taxes. Jaffee equates the fairgrounds’ economic impact to that of a manufacturing firm that employs 500 to 600 people with per employee revenue of about \$300,000 per year.

“There’s really nothing in Indiana that’s quite comparable to the State Fairgrounds,” Jaffee said. “Its impact is different from something like the Super Bowl or a Final Four because it’s not a one-time occurrence. It’s an economic engine generating spending, revenue and tax receipts year after year.”

Nearly 21 percent, or \$26.2 million, of the fairgrounds-generated spending is a result of the 17-day Indiana State Fair. That figure is up almost \$7 million from the last study conducted in 2001 when the fair generated \$19.5 million.

“It’s easy to forget how important the State Fairgrounds is to our local economy,” Indiana State Fair Commission Chairman Andre Lacy said. “People know all about our wonderful fair, but hundreds of other year-round events draw millions of people to Indianapolis, and that results in an important economic boost to our area businesses and tax revenue.”

## **Pepsi Coliseum**

At the core of the fairgrounds’ year-round business is the Pepsi Coliseum. In a separate study, Jaffee estimated the coliseum was responsible for generating \$89.3 million itself, \$73.3 million from out-of-town visitors and \$15.9 million from Indianapolis residents.

The State Fair Commission is planning an extensive renovation of the Pepsi Coliseum to begin this fall. The 73 year-old facility is responsible for 40 percent of the fairgrounds’ year-round operating revenue.

“There’s no question that the Coliseum is the heart of the fairgrounds’ facilities,” Jaffee said. “If it doesn’t get renovated the gradual deterioration would force some of the activities and events to locate elsewhere. They may just go away.”

Jaffee has previously conducted similar studies for area events and venues like the [Indianapolis Motor Speedway](#) and [Banker’s Life Fieldhouse](#). For more information regarding this study and to hear comments from Jaffee himself, please visit <http://1.usa.gov/zK8XmV>.

## **About Indiana State Fair**

The Indiana State Fair is the state’s largest multi-day event celebrating Hoosiers’ spirit and agricultural heritage. Nationally recognized for offering great entertainment, showcasing youth, interactive agriculture education programs, premiere facilities and a variety of unique, fun foods, the Indiana State Fair has been an annual tradition for generations of Hoosiers since 1852. The 2012 fair is the “Year of Dairy Cows,” showcasing Indiana Dairy farmers. For more information, please visit [www.indianastatefair.com](http://www.indianastatefair.com).

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