



STATE FAIR OF TEXAS®

2016 State Fair of Texas Highlights
January 26, 2017

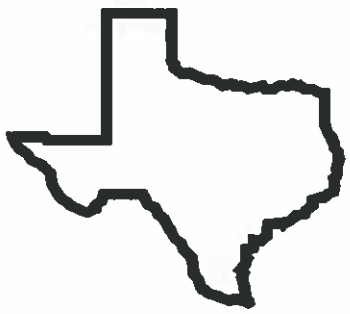
Mitchell Glieber
President

STATE FAIR OF TEXAS

The State Fair is programmed with a commitment to our MISSION

MISSION STATEMENT
The State Fair of Texas celebrates all things Texan by promoting agriculture, education and community involvement through quality entertainment in a family-friendly environment.





SERVING TEXAS SINCE 1886





2016 STATE FAIR REVIEW

RECORD coupon sales

\$56,229,718

- **4.6% increase** over 2015 sales (\$53.6 million)
- **35% increase** over 2013 sales (\$36.8 million)

2016 ATTENDANCE

2,408,032

This accounts for about half of all Fair Park visitors in 2016

RECORD SETTING FAIR



Record \$55.0 million revenue

- **Increased Participation** in the Fair. In both Livestock and Creative Arts Competitions
- More Than **94,000 Online Ticket Orders**
- **26% Growth** in Social Media & 77% growth in email Database
- More than **54,000 Test Drives** in Chevrolet Ride & Drive



FAMILY FRIENDLY ENTERTAINMENT

Focus: Providing affordable family entertainment

Major discount programs:

- Opening day
- Half-price after 5 p.m.
- Reduced admission and rides on Tuesdays
- It's a Fair Deal – 267,000 pounds of food collected for NTFB
- Thrifty Thursday concession program

State Fair sets only admission and parking prices

- Vendors and ride operators set prices based on free market system



STRIVING FOR EXCELLENCE

5 Areas of Focus:

- Safety and security
- Cleanliness
- Landscaping
- Family friendly
- Customer service



HONORING OUR HEROES



Military Appreciation Day, Sept. 30
Opening Day of the Fair
FREE admission with valid military ID

Total Program Admissions: 9,600



First Responders Day – Oct. 14
FREE admission for 1st responders
and 3 family members

Total Program Admissions: 12,000



First “Pride of Texas Award”
Presented to Dallas Police
Department at opening ceremony



NEW ATTENDANCE TRACKING SYSTEM

Over 24 days, State Fair averaged more than 100,000 people daily

- Disney World Orlando averages 55,000 daily

New technology to count attendance

Accurately measures the popularity of the State Fair, tracks attendance trends, can plan accordingly

Previously done by estimate or manual count

How popular is the Fair? **Within our 3-week run, we could fill up AT&T Stadium in Arlington 30 times!**



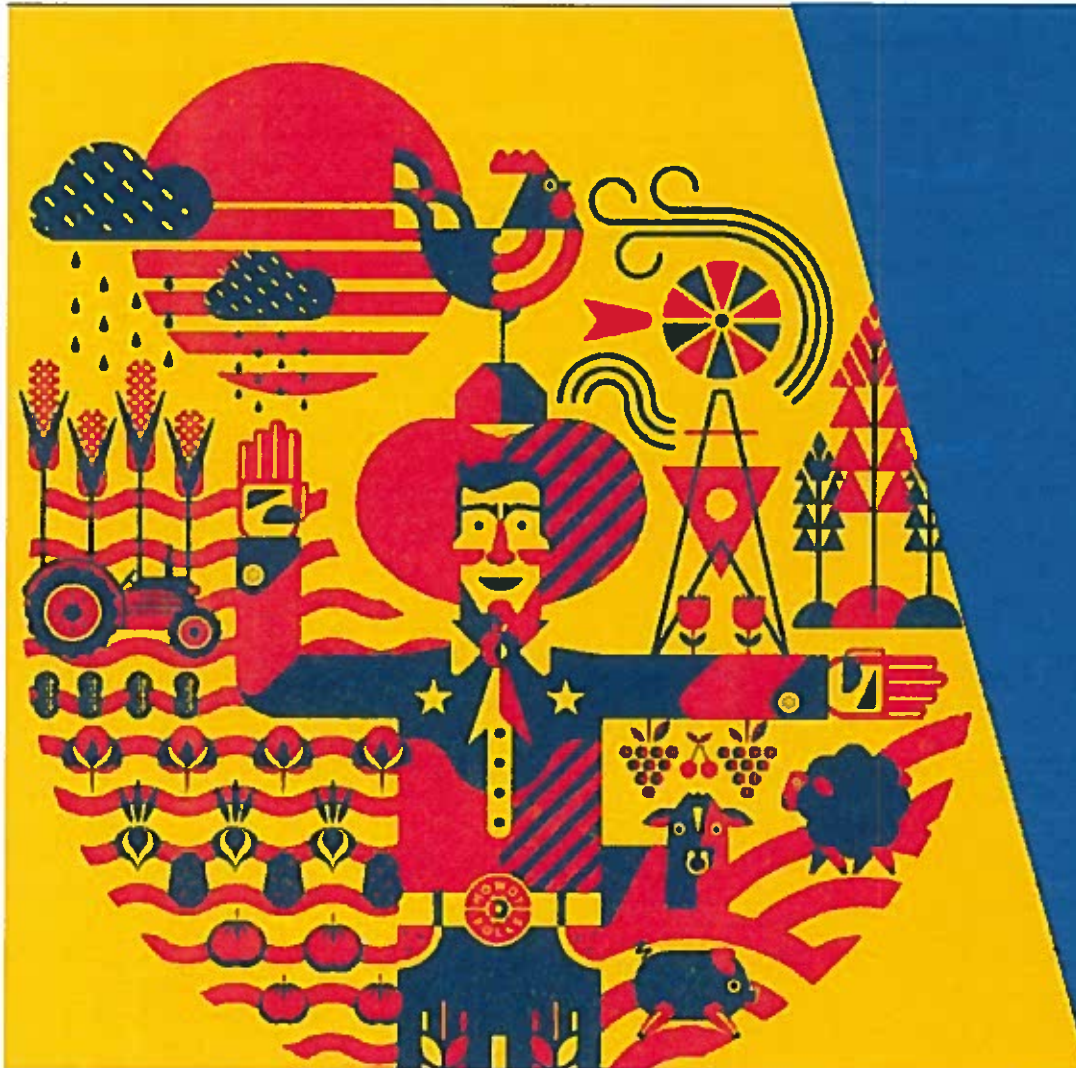
NEW TICKETING SYSTEM



Enabled **increased capacity** and revenue collection prior to guest arrival on the grounds. Plus, **remarketing data**.

94,000 on-line orders (638% increase over 2015 total orders)

- **218,000 General Admission Tickets Sold** (922% increase over 2015)
- **459,000 Sheets of Coupons Sold** (323% increase over 2015)



2016 Theme

Celebrating Texas Agriculture

Originally established as a livestock exposition back in 1886, it is without question that the Fair has deep roots in agriculture. In honor of its history, the Fair constantly strives to promote agricultural education and aims to further support this initiative through its 2016 event, themed “Celebrating Texas Agriculture.”

FOCUS ON LIVESTOCK

Used **theme to highlight Texas agriculture** beginning in March with content and promotion

Added **NEW ag-focused exhibits/activities**

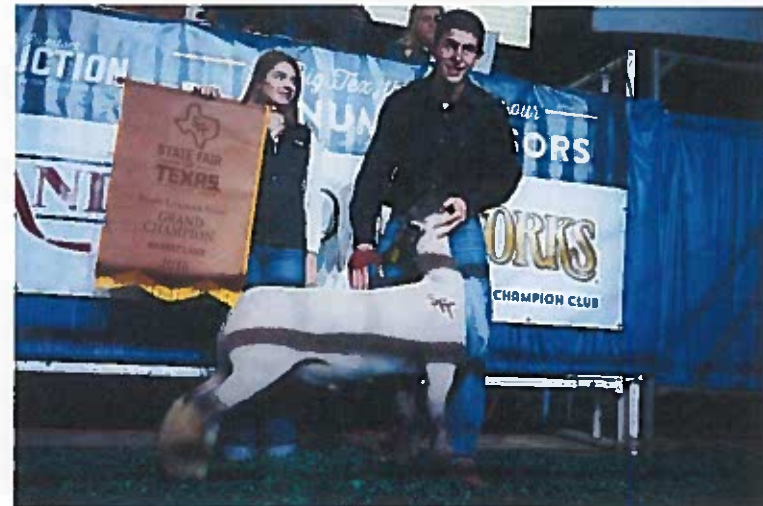
- "I Spy Texas" exhibit in Science Place
- Milking demos moved to Big Tex's Farmyard
- Livestock 101 Stage

Record increase in Livestock participation

- **8,000 4-H, FFA & FCCLA members** from across the state attended **Ag Awareness Day**. Donated more than 30,000 lbs of food in 3 hours
- **12,708 Livestock Entries, 18% increase** over 2015 entries
- **7,500 students** competed in **Livestock & Ag shows, 35% increase** over last year

Expanded ag education with Farm Day at the Fair program

More than **\$1 million** awarded to Texas youth through 2016 State Fair livestock events



CHEVROLET MAIN STAGE

STATE FAIR OF TEXAS



KACEY MUSGRAVES
9.30 - 8:30 PM



JAZMINE SULLIVAN
10.1 - 2 PM



CHRIS PEREZ PROJECT
10.2 - 3 PM



AB QUINTANILLA
10.2 - 5:30 PM



PROPHETS & OUTLAWS
10.7 - 5:30 & 8:30 PM



CODY JOHNSON
10.8 - 8:30 PM



BOBBY BONES
10.9 - 3 PM



BEN RECTOR
10.10 - 5:30 PM



BART CROW
10.11 - 11:30 AM



THE PETERSON BROTHERS
10.14 - 5:30 & 8:30 PM



NELLY
10.16 - 8:30 PM



THE QUEBE SISTERS
10.21 - 5:30 & 8:30 PM



COLTON DIXON
10.22 - 6:00 PM



SKILLET
10.22 - 8:30 PM



LA ENERGIA NORTENA
10.23 - 3:00 PM

2016 ENTERTAINMENT



THE TAYLOR SWIFT EXPERIENCE

Exhibit drew over 225,000 fairgoers to the Hall of State (2nd all-time to Bonnie & Clyde)



SISTINE CHAPEL EXHIBIT

Ceiling paintings from the Sistine Chapel were reproduced using special technology

Drew 35,000 fairgoers to The Women's Museum



LORDS OF GRAVITY SLAM DUNK SHOW

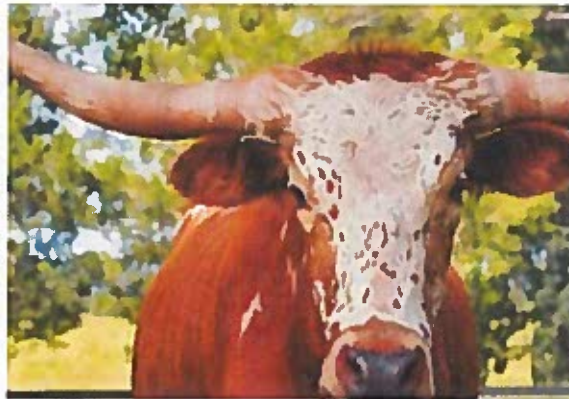
From Budapest, Hungary, the Lords of Gravity group has become one of the most well-known acrobatic basketball teams

2016 ENTERTAINMENT



BUDWEISER CLYDESDALES

Guests saw these renowned horses up close and learned about the history of the Clydesdales and their role as ambassadors for Anheuser-Busch



LONE STAR STAMPEDE

The tale of the American West came alive through this inspiring performance, featuring Western themes



XPOGO EXTREME SPORTS SHOW

Action-packed performance by 2 pogo professionals showing off their skills with gravity-defying tricks, flips and spins

NIGHTTIME AT THE FAIR



- State Fair Lighting Program
- Illumination Sensation
- Starlight Parade
- Millions of colored lights



FOOTBALL

THREE GAMES IN 2016

Southwest Airlines State Fair Classic
Prairie View A&M v. Grambling State

Saturday, October 1, 2016

AT&T Red River Showdown
Texas v. Oklahoma

Saturday, October 8, 2016

Lockheed Martin Air Force Classic
Air Force Academy v. New Mexico

Saturday, October 15, 2016



Game Attendance

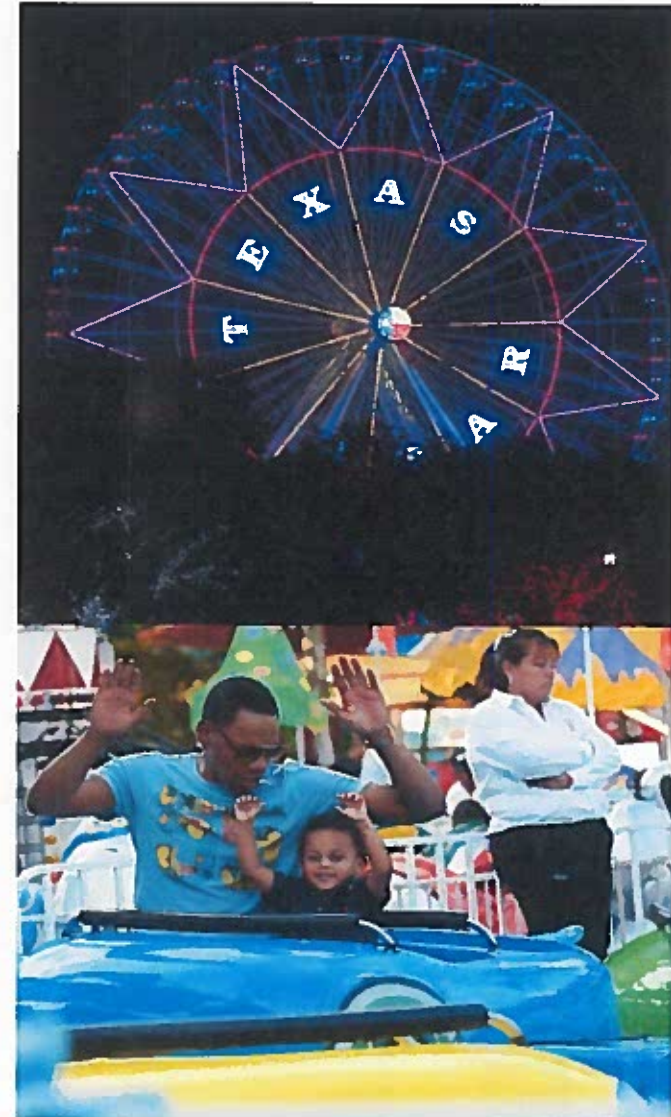
51,600

92,500

18,756

MIDWAY OPERATIONS

- **73 rides** for people of all ages
- **68 games** throughout the Midway
- **Games revenue** hit an all-time high
- **Created NEW food and beverage capacity in the Thrillway** and increased overall revenue for Fair
 - **NEW Fletcher's trailer**
 - **NEW restroom capacity**



CONCESSIONS



FRIED JELL-O



**STATE FAIR
COOKIE FRIES**

Big Tex Choice Award Winners

- **Best Taste – Fried Jell-O**
- **Most Creative – State Fair Cookie Fries**

Value Item Sales Strong in 2016

- **Sold 230,000 "\$1 bottles of water.** 48% increase over sales in 2015 (120,000 sold)
- Total revenue for the "\$2 Fresh Brewed Tea" is now over \$200,000
- **Sold 50,000 souvenir Big Tex refillable cups** -- Sold out week before Fair closed.

"Soft Area" Expansion in 2016

- Addition of **three NEW soft areas** – Trio on the Green, Cantina, Nimitz Terrace Craft Beer – generated **additional \$600,000 in sales**
- Soft areas now represent about \$3 million in concession sales

Fletcher's Still the Favorite

- The Fletcher's operation now represents **11% of total concessionaire revenue**

CREATIVE ARTS

More Kids Participated
Total Youth Entries **up 22%**

NEW 4-H Youth Food Challenges added
to the Creative Arts program

Photography, art, scale models, youth
cooking, designer craftsman and
needlework are popular with young
people

**Needlepoint, Canning and
Photography**
Pre-Fair Contest **Entries up 4%** over
2015



MEDIA COVERAGE BEYOND DALLAS

Lifetime



TRAVEL+
LEISURE



COMMUNITY INVOLVEMENT

We added Community as third pillar to our mission

- In 2014 joined Agriculture and Education as priorities

Important to reach out to surrounding neighborhood

- Commitment to helping when/where we can

Hired Dr. Frowsa' Booker-Drew to coordinate community outreach

- Author
- Speaker
- Community builder

Invested \$250,000 in 2016

Budgeted \$500,000 for 2017

COMMUNITY ENGAGEMENT



Expanded Educational Initiatives

- **Added 9-12TH Grade TEKS-aligned curriculum**
- Hosted 1st annual "Scholars Round-Up" event

Connected with Fair Park Community

- **Hosted South Dallas Pastor's Luncheon** during Fair -- record attendance with 200 community and spiritual leaders
- **Hosted Gospel Night** on the Chevrolet Main Stage
- **Funding leadership training for Southern Sector Neighborhood Associations** (in partnership with the City of Dallas and the Dallas Leadership Foundation)
- **Hosted 1st Post-Fair Job Fair** for our seasonal staff and community with Goodwill Industries of Dallas: **273 job seekers / 55 employers**
- **Facilitated the Urban Gardeners Community Gathering**

Facilitated Collaboration

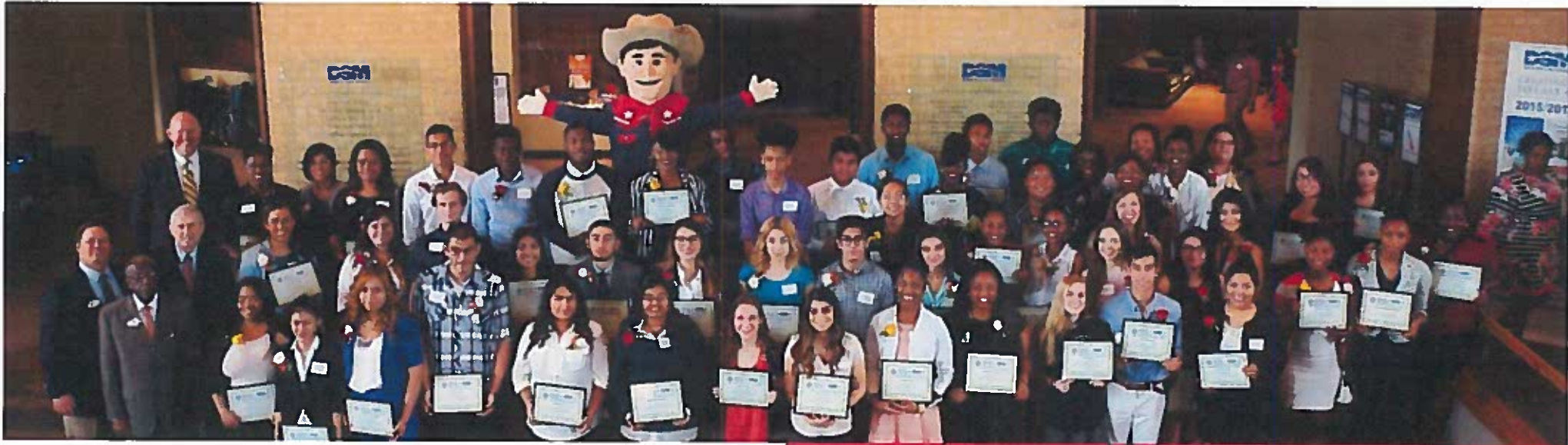
- **Funder's Gathering** - small group of funders such as Women's Foundation, United Way, The Real Estate Council and others meet to discuss what they are doing and to share our work
- **Community Engagement Day** - 160 attended to bring nonprofits together to find ways to collaborate

Was Honored

State Fair was **awarded the Golden Fork "Lifetime Achievement Award" by North Texas Food Bank** for our long-running can food drive program - their largest food drive of every year!



SCHOLARSHIP PROGRAM



TWO PROGRAMS:

- YOUTH LIVESTOCK SCHOLARSHIPS
- PETE SCHENKEL SCHOLARSHIPS
 - 5 DISD Fair Park area high schools

More than \$1.2 million awarded in college scholarships to seniors from Fair Park area and throughout Texas in 2016

SUPPORT STATE FAIR SCHOLARSHIPS

The scholarship fund is a culmination of hard work and generous donations made at events held throughout the year in addition to the Fair, including:

- The Sporting Clay Shoot
- The Big Tex Golf Tournament
- Fair Park Fourth
- The Big Tex Choice Awards
- The Big Tex Champion Club
- The Youth Livestock Auction

CULTURAL & FACILITY SUPPORT

Additionally, State Fair supports Fair Park cultural organizations and facilities

2016

- African American Museum
- Texas Discovery Gardens
- Dallas Historical Society/Hall of State
- Friends of Fair Park
- City of Dallas Marketing Fee

\$282,000

Per contract, the State Fair agrees to spend at least \$150,000 per year in support of the Fair Park Cultural Facilities and Community Outreach Program - our investments in these areas go beyond that amount

STAFFING AND VENDORS

48 full-time staff

1,759 total employment

- Many from Fair Park/South Dallas neighborhood
- Approximately 6,000 employed during State Fair annually, adding vendors and exhibitors

77 concessionaires at 2016 fair

- More than 200 points of sale
- **33%** female-owned
- **24%** African-American owned
- **18%** Hispanic-owned
- **82%** are local



LEADERSHIP

Objective: Be a leader among non-profit and for-profit corporations

New leadership has started complete review of board

- Structure
- Governance

Outside experts providing input, guidance, recommendations

LEADERSHIP

Statement of Activities Summary

**State Fair of Texas
Statement of Activities Summary
Years Ended December 31, 2015 and 2014**

	2015	2014
Operating revenues	\$53,450,724	\$43,408,176
Operating expenses	\$47,246,561	\$35,502,954
	<u> </u>	<u> </u>
Excess (deficit) of revenue over expenses	\$6,204,163	\$7,905,222
Realized and unrealized investment loss	(\$45,752)	\$236,033
	<u> </u>	<u> </u>
Changes in net assets (net income)	\$6,158,411	\$8,141,255

CAPITAL IMPROVEMENTS

\$4 million in 2015 excess revenues spent in 2016 on Fair Park capital improvements directed by Park & Rec Director

- AECOM: survey of all buildings
- Auto Building: exterior, fire alarm, painting
- Grand Place: roof
- Old Mill: roof, carpet
- Hall of State: emergency repairs
- ADA: major issues study
- Esplanade: fountain basin, vault
- Art conservation
- Creative Arts: asbestos study
- Coliseum: chiller, roof roll-up door
- Science Place: floor replacements
- Children's Aquarium
- Tower Building: fire alarm
- Electrical utility map database
- TDG butterfly house: design, ductwork
- Cotton Bowl: ramp
- Parking lots: fire lanes, pavement
- Condition assessment
- Outdoor lighting
- Poultry barn: roof repair
- DPD horse barn: drain

Does not include an additional \$3.7 million spent on projects to Fair Park property that the State Fair initiated (utility upgrades, restroom upgrades, concrete repairs, livestock facility repairs)

CAPITAL IMPROVEMENTS

State Fair will provide a minimum of \$6 million in 2017 for Fair Park improvements

- From 2016 excess revenues
- Projects to be determined by Park and Rec director

LET'S HEAR FROM OTHERS

“The commonalities between Chevrolet’s vast and diverse customer base, and the millions of annual fairgoers that visit from the U.S. and countries throughout the world, enables a mutually beneficial partnership that is the foundation of Chevrolet’s annual promotional plan. Every planning season for our team starts first and foremost with “The Fair.”

-- Brian Maki, Chevrolet

“This year will be my 41st year as part of the State Fair food and beverage team and the changes I’ve seen along the way have been phenomenal.... Without reservation, I can say that the bar has been raised for state fairs to a level never seen before locally or around the country.”

-- Rudy Martinez, Fiesta Enterprises

“Our partnership with the State Fair of Texas over the past 10 years has been a key component to our company’s success in North Texas.”

-- Josh Mueller, Cutco

THE STATE FAIR'S IMPACT ON PARTICIPANTS

Insert SFT video

QUESTIONS

THANK YOU FOR YOUR TIME