

**The Economic Impact of the 2023 Washington
International Horse Show on Prince George's County, MD**

Prepared for

The Washington International Horse Show

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Executive Summary

Established in 1958, the 65th edition of the Washington International Horse Show (WIHS) was held at the Show Place Arena at Prince George's Equestrian Center October 23rd – 29^h, 2023; competition at the 2023 WIHS spanned seven days and three nights.

Following a two-year period of adjustment in response to the COVID 19 Pandemic, which resulted in a scaled-down Show in 2020 held in Tryon, North Carolina and by a full Show, also in Tryon, in 2021, the 2022 Show WIHS returned to the Washington area with its historic indoor format. The 2022 Show achieved, and the 2023 Show retained, the highest FEI (International Federation for Equestrian Sports) Five-Star designation in international equestrian sport being the only indoor Five-Star FEI world cup jumping qualifier of this level in the United States. The highlight of the Show was the \$450,000 Longines FEI jumping World Cup™ Washington CSI5*-W President's Cup Grand Prix that was presented by Experience Prince George's.

Altogether, there were approximately 810 vendors, exhibitors, participants—riders, owners and trainers, managers, and Show-related support personnel attracted to Prince George's County for up to a full week (7-8 days), staying in local hotels, eating in local restaurants, and making purchases for local merchants for personal and professional needs.

- There were 710 participants in the Show—including the owners, riders, and trainers; the WIHS attracted 442 national horse and 45 FEI entries to compete in the 2023 Show's many events—90 percent of whom were from states other than Maryland, plus their families and associates for the full run of the Show.
- Additionally, there were 100 judges and officials, the professionals and technicians required to manage and operate the Show, with an average length of stay of 7 days; 93 percent of these were non-Maryland residents.

The Show's seven daytime and three evening performances attracted an estimated 15,000 spectators with attendance at two of the three evening programs at or near capacity of Show Place Arena; attendance for the daytime events that were scheduled were priced and targeted to a broad-based and younger audience. Ninety-one percent (90.9%) of the show's spectators were non-county residents and 44.7 percent were non-Maryland residents.

The Show's 2023 economic impacts are detailed in Table 2, page 9. These demonstrate the economic value of the Washington International Horse Show and

its ability to generate unique expenditures and tax revenues to the benefit of the Prince George's County economy. The staging of the WIHS in Prince George's County attracted visitors—both spectators and exhibitors—to the county from 30 states, the District of Columbia, and Canada giving the county increased visibility as a sports tourism destination.

- Direct outlays to stage the Washington International Horse Show and by all participants in and visitors to the Show in 2023 totaled \$5.837 million.
- The total impact of this spending on the Prince George's County economy in 2023 was \$8.560 million.
- As the direct spending associated with the WIHS was re-cycled through (re-spent in) the Prince George's County economy, it generated \$1.857 million in new personal earnings for workers residing within the county.
- The spending associated with the WIHS supported a total of 58.1 full-time, year-round equivalent jobs with an estimated 65 percent or 37.8 of these jobs being held by residents of Prince George's County.

The contribution of the WIHS to Prince George's County economy in 2023 can be measured in terms of increases in the county's total annual output—new and expanded business and personal income—as well as the generation of new personal earnings to the benefit of workers residing in the county and the support of jobs that otherwise, in the absence of the WIHS, would not have been achieved. These results underscore the importance of WIHS as a source of economic activity and name brand identity for Prince George's County.

The 2023 Washington International Horse Show

The 65th edition of the Washington International Horse Show (WIHS) was held at the Show Place Arena at Prince George's County Equestrian Center from October 23rd – 29th, spanned seven days and three nights. This was the second consecutive year the WIHS was held at the Equestrian Center. Its 2022 debut at the Prince George's County Equestrian Center followed a two-year period of adjustment in response to the COVID Pandemic that resulted in a scaled-down Show in 2020 held in Tryon, North Carolina followed by a full Show, also in Tryon, in 2021. With the 2022 Show, WIHS returned to the Washington area with its historic indoor format.

The WIHS achieved the highest FEI (International Federation for Equestrian Sports) Five-Star designation in international equestrian sport in 2022 to become the only indoor Five-Star FEI world cup jumping qualifier in the United States. Elevation to a FEI Five-Star rating and being the only indoor world cup qualifier in the U.S. at this level raised the WIHS' visibility among competitors and sporting fans. For the 2023 Show, the WIHS attracted 442 national horses and 45 FEI entries to compete for the show's ultimate prize, the \$450,000 Longines FEI jumping World Cup™ Washington CSI5* President's Cup Grand Prix that was presented by Experience Prince George's. The competitions scheduled over the run of the Show resulted in either sold-out or near-sold out events Thursday and Saturday evenings and diversified attendance for the day-time events scheduled over seven days that were priced and targeted to a broad-based and younger audience.

The attendance for the 2023 WIHS at the Prince George's Equestrian Center totaled an estimated 15,000 spectators with sold out Shows on Thursday and Saturday evenings with attendance ranging widely for the day-time competitions.

The competitors attracted to the 2023 WIHS—owners, riders, trainers, the judges and officials who managed the competition, and the retail vendors displaying merchandise at the Arena represented more than 810 individuals and 38 businesses, many accompanied by their families, to Prince George's County for the run of the show. Approximately 91 percent of these competitors, judges and officials, and vendors came from out-of-state and representing major sources of new economic activity to the benefit of the county's local businesses. These visitors and the Show's spectators, 90.9 percent of whom resided outside of Prince George's County, represent new markets for Prince George's County businesses that would not have existed in the absence of the WIHS. The economic potential of these visitors is a function of how long they remain in the county during the run of the Show (and before and after the Show and its daily events), whether they choose to stay overnight in the county, and what incidental spending they undertake during their time in the county for food and refreshments, retail items, consumer services, entertainment, and other goods and services.

Sources of Economic Impact

The 2023 Washington International Horse Show's economic impacts derived from multiple sources including the expenditures required to stage and operate the Show by WIHS. While much of this spending is confined to the one-week period in October (23rd-29th) during which the WIHS took place, some of the vendor-related outlays generated by the Show support on-going activities within the local economy over the course of the full year.

Beyond the direct outlays to stage the Show that originate with the WIHS throughout the year, there are other major sources of expenditures and beneficial impacts that are linked directly to participation in or support of the Show. These include: (1) the exhibitors and professionals associated with the Show (riders, trainers, owners, judges, and officials); (2) the vendors providing retail services at the Show; and (3) same-day spending before, during and after attending the Show, by its spectators. This spending constitute outlays that would not have occurred in Prince George's County in the absence of WIHS.

Direct Outlays by WIHS

WIHS outlays during the February 2023-2024 period, inclusive of those expenses to stage the 2023 Show in October, totaled \$3.735 million. These annual outlays included staffing throughout the year as well as during the Show, rental of the Equestrian Center, marketing and entertainment, and administration, among others. These expenditures involved more than 450 vendors, businesses, and individuals, over the course of the year underscoring the breadth of economic impact potential of the WIHS.

Exhibitors, Judges and Show Officials

The exhibitors and show professionals numbered approximately 810 individuals, many accompanied by family, bringing almost 500 horses with them, and largely come to the WIHS for the full run of the Show ranging up to 8 days for those individuals involved in setting up and tearing down the Show. Approximately 91 percent of the exhibitors and show professionals were residents of states other than Maryland; 33 states and the District of Columbia were listed for these individuals' places of residence.

Records for this year's Show identified 710 owners, riders, and trainers who were in attendance during the Show. These exhibitors came to the Show from 29 states (other than Maryland) and the District of Columbia. This national geographic reach of the WIHS makes it one of the premiere sporting events hosted by any jurisdiction in the Washington region.

The 2023 WIHS required 100 professionals to stage the Show. Known as "Judges and Officials" these are the professionals who set up and manage the day-to-day

operations of the Show, these are the technicians required to manage and operate the Show with an average length of stay of 7 days during the run of the Show. They included the Show's managers, photographers, stewards, starters, timekeepers, judges, announcers, veterinarians, TV production staff, and 7 fulltime WIHS staff. These are the professionals who set up the Show, manage the flow of daily activities, and close it down.

Vendors

Thirty-eight retail vendors were reported at the 2023 WIHS including seven food services vendors—caterers and food trucks. Most of these vendors were on-site for the full run of the Show and were present within the local economy for as long as eight days given set up and tear-down time before and after the show. These full-run retail vendors at Show Place Arena came from 12 states other than Maryland (excluding food trucks, 5 retail vendors were from Maryland) and the District of Columbia and one vendor was from Italy. Some of the vendors listing Virginia as their home state were from distances sufficiently far away from Upper Marlboro that they required overnight accommodations and had similar spending patterns as vendors from more distant states. These out-of-town vendors represent an important source of demand for lodging and food services over the full duration of the WIHS requiring hotel accommodations plus daily spending for a wide range of business and consumer services during their stay.

Accommodations in support of WIHS

An example of the economic impacts of the WIHS include its hotel room demand during the run of the Show. One measure of the economic importance of the out-of-town participants at the WIHS (vendors, exhibitors, contestants, and Show management) is the estimated 3,267 total room nights—2,317 exhibitor and 950 staff room nights—booked in local hotels during the 2023 Show. The number of hotel room nights booked reflects both those rooms booked through the Show's official agent and an estimate of the number of rooms booked individually by contestants, exhibitors, and vendors at the Show but excludes accommodations that may have been booked individually by owners, riders, trainers, and spectators.

Geographic Distribution of Spectators, Owners, Riders and Trainers, WIHS 2023

The WIHS attracts participants from near and far. Table 1a presents the percentage of various categories of participants who were from Maryland compared to the remainder of the United States. While most spectators (91.4%) were from the Washington tri-state region (the State of Maryland, the District of Columbia, and the Commonwealth of Virginia) and largely would be day trippers, the remaining 8.6 percent were attracted from states and distances that likely required overnight accommodations and represent significant spending potential over the run of the Show. This is especially true of the competitors—the owners, riders, and trainers,

91 percent of whom percent were out-of-state visitors, transporting their horses to Upper Marlboro from substantial distances and participating in multiple events over the length of the Show.

Table 1a

Geographic Distribution of Spectators, Owners, Riders, Trainers, Judges and Officials

Type of Visitor	Number	Percent From	
		Maryland	Other States
Spectators ¹	15,000	55.3	44.7
Owners, Riders, And Trainers	710	9.0	91.0
Judges and Officials ²	100	7.0	93.0
Vendors ³	31	16.1	83.9

Source: WIHS; calculations by author.

¹spectator percentage distribution based on WIHS 2023 ticket sales data.

²percentages exclude fulltime WIHS staff.

³merchants excluding food trucks and catering services.

The WIHS largely draws its spectators from the Washington metropolitan area and counties adjacent to Prince George’s County. The distribution of ticket sales reported for the 2023 Show illustrates the Show’s attendance pattern. This distribution is shown in Table 1b. The State of Maryland accounted for 55.2 percent of all spectators, with 9.1 percent of all spectators being residents of Prince George’s County. Stated another way, 90.9 percent of all spectators were not residents of Prince George’s County, bringing new spending power into the county. Virginia jurisdictions accounted for 29.1 percent of all spectators. The District of Columbia accounted for with 7.0 percent of the spectators. Twenty-five other states and Canada accounted for the remaining 8.6 percent of the spectators.

The availability of accommodations, restaurants, and retail establishments at the Arena, elsewhere in Upper Marlboro, and in convenient and nearby locations will determine the capture rate for the day-time visitors’ spending generated by the WIHS. Clearly, the market potential from this collateral spending associated with and attracted by the WIHS is not fixed in magnitude or capture rate, and Prince George’s County can increase its capture rate by anticipating these opportunities and targeting them by its business development activities.

Table 1b

Geographic Distribution of WIHS Spectators, 2023

County/State of Origin	Percentage
Maryland—All Counties ¹	55.3
Prince George’s County	12.1
District of Columbia	7.0
<u>Virginia</u>	<u>29.1</u>
Tri-state Area ²	91.4
Other States ³	<u>8.6</u>
Total	100.0

Source: WIHS, ticket sales for the 2023 Show.

¹includes the City of Baltimore

²includes Maryland, DC, and Virginia.

³includes 25 states and Canada.

Economic Impacts Associated with Staging the Show

Total spending associated with the 2023 Washington International Horse Show can be divided into two major categories: (1) spending to stage the Show including WIHS’s annual operations and (2) spending associated with the participants in and spectators attending the Show.

Spending to stage the Show in 2023 totaled \$3.735 million. These outlays included staffing, rental of the Equestrian Center, marketing and entertainment, and administration. These staff and administration expenses included labor, supplies, rentals, and a wide range of costs required to support the daily operation of the Show and support of almost 500 horses participating in the show. While this spending is concentrated during a short period surrounding the dates of the Show, some of these outlays extend over the course of the year. An important source of spending by the WIHS was salaries and wages—labor income—that is largely re-spent within the local and area economies thereby supporting a broad cross section of other local jobs and businesses.

The most recently calculated overall economic multiplier (U.S. Bureau of Economic Analysis) for Prince George’s County for spectator events, such as the WIHS, is 1.5166; that is, for each \$1 of direct spending generated by the WIHS in Prince George’s County, the county’s economy, would expand by a total of \$1.52. Spending by exhibitors, vendors, WIHS staff, and Show attendees for accommodations, restaurant services, transportation, and other locally provided services during the run of the Show have an aggregate multiplier of 1.412; that is, for every dollar of

direct spending for retail and consumer services in the County, a total of \$1.41 is generated to the benefit of the county's economy.

The economic benefits that are generated by the direct outlays associated with staging the Show are presented in Table 2. This direct spending by WIHS of \$3.735 million contributed a total of \$5.664 million Prince George's County's economy (its Gross County Product), generated \$1.307 million in personal earnings (wages and salaries) to the benefit of workers residing in Prince George's County, and supported 42.5 full-time, year-round equivalent jobs more broadly across regional, state, and national economies with an estimated 65 percent or 27.6 of these jobs (full-time, year-round equivalent) being held by Prince George's County residents.

Exhibitors and competitors, including "judges and officials", vendors, and spectators to the Show represent additional sources of economic benefits that accrue to Prince George's County are also shown in Table 2. Exhibitors, competitors, judges and officials, and vendors are largely non-local and therefore require lodgings and meals during their one-week stay during the Show. These estimated 810 exhibitors and Show-related professionals (Table 1b), many accompanied by family members and associates, represent a significant source of local spending, including lodging, meals, retail, and outlays associated with maintaining their horses during the Show.

In 2023, exhibitors and Show-related professionals are estimated to have spent a total of \$1.609 million in the local economy over the run of the Show. This spending by exhibitors—owners, riders, trainers, and judges and officials—contributed \$2.207 million to the Prince George's County economy over the run of the Show, generated \$428,000 in new personal earnings that would have accrued to workers residing in the county, and supported a total of 12.0 full-time, year-round equivalent jobs with an estimated 7.8 of these jobs being held by county residents.

Spending by spectators at the Show, both inside the Arena and Equestrian Center, and before and after the Show elsewhere in Prince George's County, is an important source of "new" business activity as an estimated 90.9 percent of the Show's spectators are not Prince George's County residents and, therefore, their spending would not have occurred in the County in the absence of the WIHS. The market potential of this direct, on- and off-site spending by spectators to the WIHS, including food services, retail, and miscellaneous spending, totaled an estimated \$270,000 in 2023.

The experience of the 2023 Show shows that spectator spending can be a significant source of local economic impact. Total economic impact of the estimated \$270,000 in direct spectator spending would have contributed \$382,000 to the county's economy, generated \$63,000 in new personal earnings, and supported 2.0 full-time, year-round jobs.

Vendors operating booths at the Show and providing food services—catering and food trucks are excluded from this analysis—represent an important source of

economic impact. Each vendor represents several people requiring accommodations for seven to eight days, food and beverage services, and business support services—marketing, advertising, merchandising—during their set up, operating hours, and take-town period. An earlier survey of WIHS vendors found that on average these full-time vendors spent approximately \$7,184.00 (in 2023 \$s) locally during the week of the Show. Food trucks and caterers serving the events during the Show also incur expenses—labor, food, operations—that contribute to the local economy. However, no attempt has been made herein to estimate the magnitudes of these outlays (or revenues) due to the proprietary nature of these businesses.

Table 2
Summary of Economic Impacts Generated By The
2023 Washington International Horse Show
(in millions of dollars)

Sources	Direct Outlays	Total Output ¹	Personal Earnings ²	Jobs Supported ³
WIHS	\$3.735	\$5.664	\$1.397	42.5
Other Sources				
Exhibitors ⁴	1.609	2.207	0.428	12.0
Spectators	0.270	0.382	0.063	2.0
Vendors ⁵	<u>0.223</u>	<u>0.307</u>	<u>0.059</u>	<u>1.6</u>
Sub-total Other	<u>\$2.102</u>	<u>\$2.896</u>	<u>\$0.550</u>	<u>15.6</u>
Total WIHS	\$5.837	\$8.560	\$1.857	58.1

Source: Washington International Horse Show; author.

¹the total value of goods and services generated directly and indirectly as a result of direct spending to stage the WIHS.

²the additional earnings generated within Prince George’s County accruing to resident workers as a result of the direct and collateral outlays by the WIHS.

³the additional new jobs supported by the spending and re-spending of outlays associated with the 2023 WIHS.

⁴includes riders, trainers, owners and judges and officials.

⁵excludes expenditures of food trucks.

Outlays by the 31 vendors (excluding food trucks) during the run-of-the-Show are estimated to have totaled \$223,000. With a multiplier of 1.3767, this direct spending would have contributed a total of \$307,000 to the county’s economy, generated \$59,000 is personal earnings accruing to resident workers in Prince George’s County, and supported 1.6 full-time, year-round equivalent jobs.

In total, non-WIHS spending—spending by exhibitors, vendors, and spectators—over the run of the 2023 Show was an estimated \$2.102 million. This direct spending would have added a total of \$2.896 million to the county’s economy (Gross

County Product) and generated an additional \$550,000 in new personal income for workers residing in Prince George's County. Overall, this non-WIHS spending occurring during its seven-day run, supported a total of 15.6 full-time, year-round equivalent jobs either locally or elsewhere in the broader economy with an estimated 10.1 of these jobs (full-time, year-round equivalent) being held by Prince George's County residents.

Summary of Economic Impacts

The direct spending by WIHS to stage the 2023 Show and the spending by vendors, exhibitors, competitors, and spectators while in the county participating in or attending the Show totaled \$5.837 million. The economic impacts generated by the Washington International Horse Show and related spending to exhibitors, spectators and vendors contributed a total of \$8.560 million to the Prince George's County's economy in 2023; that is, each \$1 of direct spending associated with the WIHS, from all sources, generated \$1.47 of total benefits for the County's economy.

This direct spending of \$5.837 million also generated \$1.857 million in new personal earnings for workers residing in Prince George's County because of the re-spending of payroll and business income by employees, vendors, and exhibitors associated with the 2023 Show and the spending before-and-after daily shows by spectators, vendors, exhibitors and Show officials in 2023.

This economic activity—direct outlays, indirect impacts and induced effects—also supported 58.1 full-time, year-round equivalent jobs locally and elsewhere in the broader economy with an estimated 65 percent or 37.8 of these jobs being held by county residents.

The WIHS attracted a significant number of non-resident exhibitors, vendors and spectators to Prince George's County (see Tables 1a and 1b) who supported the local economy through their spending for goods and services over the one-week run of the Show. This "visitor" spending and the spending to stage the WIHS generated economic benefits accruing to local businesses, workers residing in Prince George's County, and the county's fiscal base (much of this spending and its personal earnings impacts are subject to county taxes) that would not have been realized in the absence of the Washington International Horse Show being staged at the Equestrian Center.

The magnitude and breadth of these economic benefits underscore the value of the Washington International Horse Show to the Prince George's County's economic vitality. Most importantly, these positive economic impacts are magnified and extended by the publicity associated with the WIHS that strengthens Prince George's County's sports tourism brand by attracting large numbers of day-visitors to the county from elsewhere in the Washington region and from around the country to visit and to experience Prince George's County.

