



Missoula Fairgrounds
Western Montana Fair
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Memorandum

To: The Board of County Commissioners (BCC)
From: Tom Aldrich, Events Manager
Date: April 13, 2017
Subject: Free-Admission Fair

After careful analysis, we recommend making the 2017 Western Montana Fair free-admission. Removing the \$6 admission charge and opening the gates to all people, regardless of socioeconomic status, will provide numerous benefits to the community - from increased Fair access and attendance to enhanced financial and emotional investment in the Fairgrounds. The Fair is more than an event; it is a place holding precious memories where folks from across the region return every year to reminisce and recreate. From the first touch of a lamb's wool to a first kiss on the ferris wheel, the Fair is a rite of passage Montana families cherish. As we pass the hundred-year tradition to the next generation, let's honor and grow the inclusive spirit of the Fair. From our conversations, Fair staff, 4-H/FFA, Fair sponsors, media partners, and the general public are united in support of free-admission.

Free-admission will enrich the experience for all attendees, particularly Fair stakeholders. No longer would 4-H parents, who have already spent thousands on livestock, need to buy tickets just to deliver animals and children to exhibits. The same goes for open-class exhibitors and third-party Fair staff. We believe more citizens would attend the Fair to enjoy music, exhibits, magicians, acrobats, diving dogs and numerous other no-cost demonstrations. Repeat visitors would come for dinner or to people-watch, cultivating a welcoming atmosphere and increasing the sense of ownership the community has for the Fairgrounds. This is especially relevant with redevelopment on the horizon. In the short-term, that sense of ownership could lead to more rentals and offseason events. In the long-term, it will help attract and maintain community investment in Fairgrounds redevelopment. Many public events in the area are already free-admission, including Fairs in surrounding counties and events in downtown Missoula; the propensity to success is clearly demonstrated by those events.

In addition to the socioeconomic and development boons of free-admission, there are numerous benefits to boots-on-the-ground operations, which would be simplified without the need to hire the 27 temp-staff required to operate the gates and money room. Free-admission would save expenses, liability, and time leading up to the Fair. It is a tremendous undertaking to hire and coordinate so many people, and staff would use the time saved to focus on improving the quality of the Fair's programming and implementing new ideas. Paid gate staff would be replaced with volunteers to provide information, schedules, and head counts.

Over \$1.5M exchanges hands to support the six-day, 68,000 person event. Gate admission at the 2016 Fair brought in just over \$100,000 in gross revenue, which we believe can be made up in other ways moving forward. We have identified a correlation between free-admission and increased concessions and carnival sales, of which we receive 17% and about 30% respectively. We speculate this is due to increased attendance and because people spend the money they would have spent at the gate on rides and concessions. In 2016, Kid's Day (Thursday) was our largest-attended weekday and saw about 10% higher concessions sales than other weekdays.

In total, Missoula County spends \$10,500 to pay the 27 temporary gate staff and an additional \$4,500 to pay Fair and Human Resources staff to recruit, train, and manage them. Free-admission would reduce onsite cash by over 75%: a reduction in liability and a bolster to overall security. In 2016, we spent \$46,000 to pay city and county law enforcement to protect the gates and onsite cash. We believe security can be more efficiently managed with less on-site cash and reduce costs by 25%.

Gate/money room staff	\$10,500
Fair/HR time for temp hiring	\$4,500
Reduce security costs 25%	\$11,500
10% increased concession sales	\$4,500
10% increased carnival sales	\$12,000
Fringe, insurance, misc.	\$10,000
Subtotal	\$53,000
Gate admission gross	\$100,000
Gap	\$47,000

Estimated financial impact of free-admission

When we consider the economic factors surrounding gate admission and the expenses that go into it, there is a \$47,000 gap we are confident we can fill through free-admission sponsorships and higher concessions and carnival spending. So far, every Fair sponsor and media partner has jumped at the opportunity to make an additional pledge to support free-admission. With your support, those pledges will become donations. The media buzz, increased attendance, simplified operations, and bolsters to concessions and carnival spending make the free-admission Fair so sweet you can taste it like fresh squeezed lemonade after a hot summer day at the Fair.

The success of a free-admission Fair relies on the community pitching in to support the event through sponsorships, attendance, and simply riding more rides and eating more delicious Fair food. Fair concessions serve as fundraisers for numerous local nonprofits and opening the gates to everyone will have an immediate positive impact for those efforts. It is an honor for our staff to serve the community in a fun and meaningful way. We look forward to a landmark year in 2017; one that honors our traditions and looks forward to the unlimited opportunities for the growth and prosperity of our treasured Fairgrounds. Thank you for your consideration.