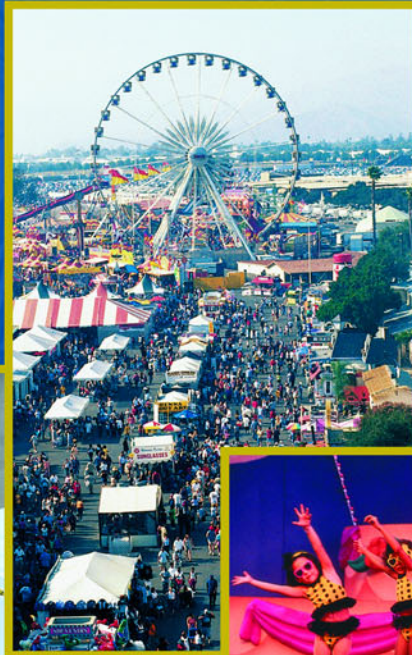


# Generating Economic Value for Generations



**FAIRPLEX**®



Stephen C. Morgan  
Chairman of the Los Angeles County Fair Association

## *Vital Financial and Social Support*

### **Why Fairplex is important to our region, our nation and our future**

Fairplex exists to improve the lives and prosperity of people both locally and nationally. As an active member of the Los Angeles County Fair Association since 1990, I am proud to help Fairplex generate economic value — jobs, business, education, entertainment and government revenues — for past, present and future generations.

When most people think of Fairplex, they think of the famous Los Angeles County Fair. However, Fairplex is the Fair and much more. The Fair's ability to deliver major economic benefits is dependent on the success of our year-round events and businesses. Fairplex's combined activities are a major economic generator for Pomona, surrounding communities and counties, California and our country. The activities of all economic participants at Fairplex create more than 6,000 full-time equivalent jobs across the country. This results in approximately \$194 million in personal income nationally. Since Fairplex is an independent non-profit organization, it receives no government funding for the operation or maintenance of its facilities. Year-round events and businesses provide the funds necessary to support and enhance the operations that enable Fairplex to continually make vital economic contributions.

In addition to generating economic value, Fairplex is about community service. We provide free educational and cultural development opportunities and substantial financial support to charities and institutions. As you read this report, you will discover the details about Fairplex's important economic and social role. All of us at Fairplex look forward to working with you to help our communities and our country thrive.



*Fairplex's combined activities are a major economic generator for Pomona, surrounding communities and counties, California and our country.*

## Major Economic Contributions Generated by Fairplex

	Pomona	L.A. County	Region*	Calif.	U.S.A.
Total Spending	\$92,237,823	\$291,750,261	\$363,395,873	\$417,224,681	\$601,817,474
Total Jobs (FTE)**	604	2,384	3,769	4,093	6,247
Total Personal Income	\$20,129,619	\$77,418,598	\$120,595,587	\$134,752,066	\$194,028,583

\* Los Angeles, Orange, Riverside and San Bernardino Counties

\*\* Jobs are measured by full-time equivalent (FTE) counts. An FTE is defined as employment of one person full-time, for one year.

## Tax Revenues Generated by Fairplex

Pomona	L.A. County	Calif.
\$3,782,649	\$2,386,779	\$11,642,770

# Table of Contents

## Los Angeles County Fair \_\_\_\_\_ 4

### Generating the largest marketplace in the west

- Millions of attendees generating millions in revenue

## Fairplex Year-Round Events and Businesses \_\_\_\_\_ 6

### Generating over \$334 million in economic activity nationwide

- Equine business helps keep our economy riding strong
- Lodging facilities support all other Fairplex activities

## Community Support \_\_\_\_\_ 10

### Generating educational and cultural development

- Giving back to the communities where we live and serve

## Fairplex Bottom-Line Benefits \_\_\_\_\_ 12

### Generating revenue, jobs and services to keep our economy thriving

- Fairplex plans to increase its contributions to the region and nation



## *The Fairplex Mission*

*Fairplex, governed by the Los Angeles County Fair Association, is the home of the historic Los Angeles County Fair and other quality year-round educational, multi-cultural and entertainment events tailored for business and industry and for the enrichment and enjoyment of Southern California's adults, youth and families.*

# Los Angeles County Fair

## Generating the largest marketplace in the west

The Los Angeles County Fair is the premier Fairplex event each year. It's an extravaganza that annually attracts 1.3 million attendees from all over Southern California. The Fair contributes a major portion of the overall \$1.6 billion in state sales tax revenue generated by Fairplex. Approximately 10,000 people are employed either full- or part-time by the Fair's vendors, exhibitors, concessionaires and carnival.

The Los Angeles County Fair is the largest county fair in the world. It currently ranks fourth in North American fair/festival attendance, and first in customer satisfaction. The Fair is also the largest marketplace in the western United States, with 2,000 commercial, food and beverage vendors serving the multitude of attendees. The result is almost \$176 million in spending for the state's economy, and over \$267 million for the nation's economy. All this activity is generated in just 17 days each year!

## Millions of attendees generating millions in revenue

Since the inaugural Los Angeles County Fair in 1922, more than 74 million people have enjoyed the Fair's massive showcase of entertainment, education, exhibits, horticulture, livestock, arts, agriculture, horse racing, science and technology.



In addition, Fair attractions promote attendance at year-round Fairplex events. For example, after enjoying the thrill of a horse race at the Fair, many people participate in satellite wagering and other equine events at Fairplex throughout the year. This synergy is crucial to the financial success of both the

Fair and Fairplex year-round events.

The Fair provides lasting social benefits for local youth. "City kids" see the wonders of agriculture first-hand, get up close and personal with animals they may never have seen before, plus participate in art, science and other competitions.

Through these activities, the Fair generates tremendous economic and cultural value.



*"The economic magnitude of the Los Angeles County Fair is tremendous. When you're talking over \$250 million... that's comparable to having the Super Bowl in your back yard every year."*

— Jack Kyser, Chief Economist, Los Angeles County Economic Development Corp.

## Total Economic Impacts of Los Angeles County Fair

	Pomona	L.A. County	Region*	Calif.	U.S.A.
Total Spending	\$64,858,753	\$132,496,122	\$165,537,114	\$175,673,835	\$267,242,060
Total Jobs (FTE)**	191	890	1,299	1,391	2,827
Total Personal Income	\$10,030,988	\$38,529,096	\$59,088,428	\$65,058,236	\$101,872,093

\* Los Angeles, Orange, Riverside and San Bernardino Counties

\*\* Jobs are measured by full-time equivalent (FTE) counts. An FTE is defined as employment of one person full-time, for one year.

# Fairplex Year-Round Events and Businesses

## Generating over \$334 million in economic activity nationwide

Fairplex is a tightly coordinated collection of businesses, events and activities. The result of their integrated success is more jobs and more revenue for state and local governments than if each business, event and activity operated independently.

Fairplex hosts over 300 events annually, attracting nearly 2 million attendees. The total amount of annual spending in California generated by year-round events is over \$181 million, and over \$226 million for the nation's economy. Fairplex year-round events generate more full-time jobs in the regional and local economies than the Fair: For example, year-round events create 1,885 full-time jobs in the region compared to 1,299 from the Fair.

Fairplex year-round businesses collectively generate millions of dollars in sales, creating substantial tax revenues as a result. This business activity continually stimulates employment. Our inter-related group of businesses produces a chain of financial transactions that assimilates thousands of other businesses into the Fairplex economy.

## Major year-round events

- The West Coast's Largest Antique Auto, Corvette, Porsche, Street Rod and Volkswagen Car Show and Swap Meet, held eight times per year
- Recreational Vehicle Industry Association (RVIA) annual show, which attracts attendees nationwide
- Two major National Hot Rod Association (NHRA) races each year
- Trade and consumer shows, including one of the country's largest technology expositions — the Computer Fair — held eight times per year
- Agricultural events
- Wine and photography competitions
- Music festivals
- KABOOM! 4th of July celebration



## Prominent year-round businesses

- Wally Parks NHRA Motorsports Museum
- Frank Hawley NHRA Drag Racing School
- Sheraton Suites Fairplex hotel
- KOA Fairplex RV Park
- Fairplex Park thoroughbred race track and satellite wagering facility
- Barretts Equine Limited
- Fairplex Child Development Center



*Fairplex is a tightly coordinated collection of businesses, events and activities. The result of their integrated success is more jobs and more revenue for state and local governments than if each business, event and activity operated independently.*

## Total Economic Impacts of Fairplex Year-Round Events

	Pomona	L.A. County	Region*	Calif.	U.S.A.
Total Spending	\$19,319,431	\$125,513,668	\$147,252,925	\$181,587,341	\$226,020,333
Total Jobs (FTE)**	325	1,082	1,885	2,082	2,372
Total Personal Income	\$7,371,712	\$24,798,785	\$43,839,533	\$51,014,127	\$59,897,762

\* Los Angeles, Orange, Riverside and San Bernardino Counties

\*\* Jobs are measured by full-time equivalent (FTE) counts. An FTE is defined as employment of one person full-time, for one year.

## Total Economic Impacts of Fairplex Equine Business

	Pomona	L.A. County	Region*	Calif.	U.S.A.
Total Spending	\$5,462,129	\$23,568,064	\$37,796,182	\$45,489,697	\$87,280,191
Total Jobs (FTE)**	35	235	335	359	705
Total Personal Income	\$1,192,055	\$7,240,328	\$10,408,963	\$11,135,713	\$22,271,479

\* Los Angeles, Orange, Riverside and San Bernardino Counties

\*\* Jobs are measured by full-time equivalent (FTE) counts. An FTE is defined as employment of one person full-time, for one year.

*Fairplex year-round events and businesses generate the funds that keep the entire Fairplex flourishing economically.*

# Fairplex Year-Round Events and Businesses

## Equine business helps keep our economy riding strong

Fairplex is the home of one of California's most comprehensive equine facilities, featuring:

- Live racing
- Satellite wagering
- Horse training
- Auctions
- Equine shows

Fans attracted by Los Angeles County Fair horse races often return to Fairplex to follow other horse-racing events via satellite. As a result, Fairplex Park is in the top 10 of racing facilities nationwide in terms of daily wagering-revenue production. Renowned trainers stable and train approximately 400 thoroughbreds year-round at Fairplex. These business activities create hundreds of local jobs.

Barretts Equine Limited — a world-class sales complex — hosts some of the world's richest and most prestigious thoroughbred auctions six times each year. In 2002, Fairplex horse auctions generated nearly \$34 million in

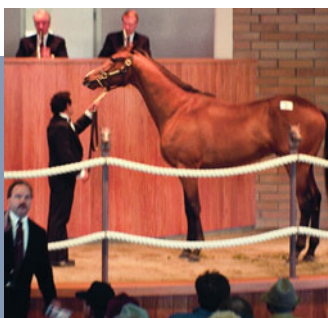
sales, raising millions in state tax revenues. Several horses auctioned at Barretts have gone on to win major championships, such as two recent winners of the \$1 million Breeders' Cup Juvenile.



Fairplex attracts thousands of attendees from all over California to numerous horse shows annually. These shows generate significant business for Fairplex lodging facilities as well as nearby businesses and restaurants.

## Lodging facilities support all other Fairplex activities

Fairplex lodging is a crucial business and revenue source for our region, state and country. Our lodging business generates nearly \$14.5 million in annual spending for California. Our on-site lodging facilities provide convenient accommodations for Fairplex event attendees, who also generate revenues for local businesses and organizations. In turn, local businesses, Fairplex events and vendors help bring visitors to our lodging facilities, providing benefits for everyone involved.



*In 2002, Fairplex horse auctions generated nearly \$34 million in sales, raising millions in state tax revenues.*

Fairplex lodging facilities include the Sheraton Suites Fairplex hotel, KOA Fairplex RV Park and a trailer park. The 247-room Sheraton Suites is a three-star, full-service hotel ideal for both families and business guests. Sheraton Suites contributes to Fairplex economic benefits by extensively using Fairplex exhibit facilities for hotel events such as weddings, banquets and trade shows.

The RV Park is a 12-acre recreational vehicle and upscale camping facility set against the serene backdrop

of the San Gabriel Mountains. It features cabins, tent sites, pool, spa, laundry and shower facilities, mini-market and a clubhouse. With these amenities, the RV Park generates ongoing business, jobs and revenue by attracting campers year-round.

Fairplex year-round events and businesses generate the funds that keep the entire complex flourishing economically.

### Total Economic Impacts of Fairplex Lodging

	Pomona	L.A. County	Region*	Calif.	U.S.A.
Total Spending	\$2,597,510	\$10,172,408	\$12,809,653	\$14,473,808	\$21,274,890
Total Jobs (FTE)**	53	177	250	261	342
Total Personal Income	\$1,534,864	\$6,850,389	\$7,258,664	\$7,543,989	\$9,987,249

\* Los Angeles, Orange, Riverside and San Bernardino Counties

\*\* Jobs are measured by full-time equivalent (FTE) counts. An FTE is defined as employment of one person full-time, for one year.

# Community Support

## Generating educational and cultural development

The Los Angeles County Fair Association created and sustains three non-profit foundations — the Fairplex Child Development Center, Millard Sheets Gallery and Fairplex Education Foundation. Each one enhances educational and cultural opportunities in our community.

Our Child Development Center, in alliance with the University of La Verne, provides year-round child care and educational/developmental experiences for 175 local children, including children with disabilities. The Child Development Center has served these needs for over two decades.

The Millard Sheets Gallery is a year-round center for local and national art exhibits and cultural events, promoting public appreciation of the visual arts. The gallery building has been a community landmark since 1937.

The Fairplex Education Foundation administers the FairKids Discovery Club Field Trip Program, which enables more than 80,000 children to experience the Fair free of charge, including special shows, demonstrations and curriculum-based activities. This foundation works year-

round to help teachers augment their lesson plans for science, agriculture, technology and history.

## Giving back to the communities where we live and serve

Fairplex employees regularly volunteer their services and fund-raising assistance to over 100 local charitable organizations. We also serve as leaders in over 30 industry, professional and community organizations. In addition to these hundreds of volunteer hours, Fairplex donates more than \$400,000 in cash and in-kind contributions to local organizations each year, including:

- American Red Cross
- Boy Scouts of America
- Boys & Girls Club of Pomona Valley
- California State Polytechnic University, Pomona
- Casa Colina Centers For Rehabilitation
- Fairplex Child Development Center Foundation
- Fairplex Education Foundation
- Girl Scouts of America
- LeRoy Haynes Center
- Millard Sheets Gallery Foundation
- Pomona Valley Hospital Medical Center
- United Way
- University of La Verne
- YMCA



*Fairplex donates more than \$400,000 in cash and in-kind contributions to local organizations each year.*

Fairplex community outreach efforts have earned these — and more — honors from community organizations:

- Community Service Award, Pomona Chamber of Commerce
- Drumbeat Award, Salvation Army
- Heroes of the Heart Award, McKinley Children's Center
- Lifetime Achievement Award, *Inland Valley News*

- National Philanthropy Award, Association of Fund Raising Professionals (Greater Los Angeles Chapter)
- President's Award, University of La Verne
- P. George Kostoff Service Award, YMCA of Pomona Valley

Generating educational and social benefits in addition to economic contributions is a priority at Fairplex.



# Fairplex Bottom-Line Benefits

## Generating revenue, jobs and services to keep our economy thriving

Fairplex has achieved a profound economic impact on generations of people, from our local area and throughout the nation. We have provided these critical economic benefits for decades, and are positioned to do so for decades to come. Our success year after year is the result of three inter-related strengths:

- Fairplex is a major generator of jobs and revenues for business and government.
- Fairplex offers a hub of social activity for our local cities, counties and state.
- Fairplex serves the community's growing needs while always honoring its cherished past.

Fairplex plans to increase its contributions to the region and nation with these future services:

### Homeland Security Center

- We have the space, facilities, nearby hospital and law-enforcement relationships necessary to provide complete Homeland Security Center services.
- We are developing Homeland Security Center plans in collaboration with the Los Angeles County Office of

Emergency Management and the California State Office of Emergency Services.

### Trade and Conference Center

- This Center will bring substantial business and jobs to the region, and will provide convenient, comprehensive facilities for local training and other business activities.
- We are coordinating efforts with the Department of Commerce Economic Development Administration to assure that the new Trade and Conference Center will provide maximum benefits.

### Transportation improvements

- Upgrading Metrolink, Gold Line, Bus System and Freeway access will boost Fairplex attendance while reducing traffic congestion in the Fairplex area.
- We are working closely with officials at the top levels of government to plan, fund and construct these projects.

### Fairplex Park race track one-mile expansion

- The expansion will improve attendance and revenue at racing events, as well as increase horse-training opportunities.



*We have provided critical economic benefits for decades, and are positioned to do so for decades to come.*

## Los Angeles County Fair Association

Fairplex, 1101 W. McKinley Ave., Pomona, CA 91768

Mailing Address: P.O. Box 2250, Pomona, CA 91769-2250

### Board of Directors

Stephen C. Morgan — Chairman of the Board

Richard P. Crean — Vice Chairman

Hon. Robert A. Dukes

Fred W. Freehling

Juan Gamboa

Linda Keagle

Arthur J. Ludwick

Larry M. Rinehart

Jil Stark

Ronald T. Vera

Reginald Webb

### Association Members

Bernie Bernstein

Rev. Elizabeth Bingham

John V. Bock Jr.

Laura Bollinger

Dr. Linda Bosserman-Piatt

Wen Chang

Tom Compton

Robert H. Eggert

Michael R. Ferguson

Victor Franco

Jimmy Gutierrez

Gregory K. Hafif

Don Kendrick

Michael D. Kunce

Christopher Leggio

Patrick Leier

Jeffrey B. Lewis

Felice L. Loverso, PhD.

Daniel Manning

Karen L. Miller

Niaz Mohamed Jr.

April Mills Morris

Michael Ortiz

Stephen Pepe

Rodri Rodriguez

John Rountree

Michael D. Smith

Randell Stoll

Royce A. Stutzman

Bob H. Suzuki

Gary Thomas

John R. Todd

Ron Vander Molen

Mark A. Warren

Richard E. Yochum

### Officers

James E. Henwood Jr. — President and Chief Executive Officer

Dale Coleman — VP Sales, Marketing & Creative Programming

Dwight C. Richards — Vice President Operations

Michael D. Seder — VP Finance and Chief Financial Officer

### For more information, contact us at:

Phone: (909) 623-3111 ■ Fax: (909) 865-3602

E-mail: [info@fairplex.com](mailto:info@fairplex.com)

Web site: [www.fairplex.com](http://www.fairplex.com)

*Join with us as we continue to*

*provide jobs, business, entertainment and*

*education for generations to come.*

*Generating economic value for generations —*

*it's what Fairplex is all about!*

**FAIRPLEX®**

1101 W. McKinley Avenue, Pomona, CA 91768 ■ (909) 623-3111  
[www.fairplex.com](http://www.fairplex.com)