



University of Brighton



ECONOMIC IMPACT

OF THE

GOODWOOD

FESTIVAL OF SPEED



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JUNE 2015

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FOREWORD

By Lord March

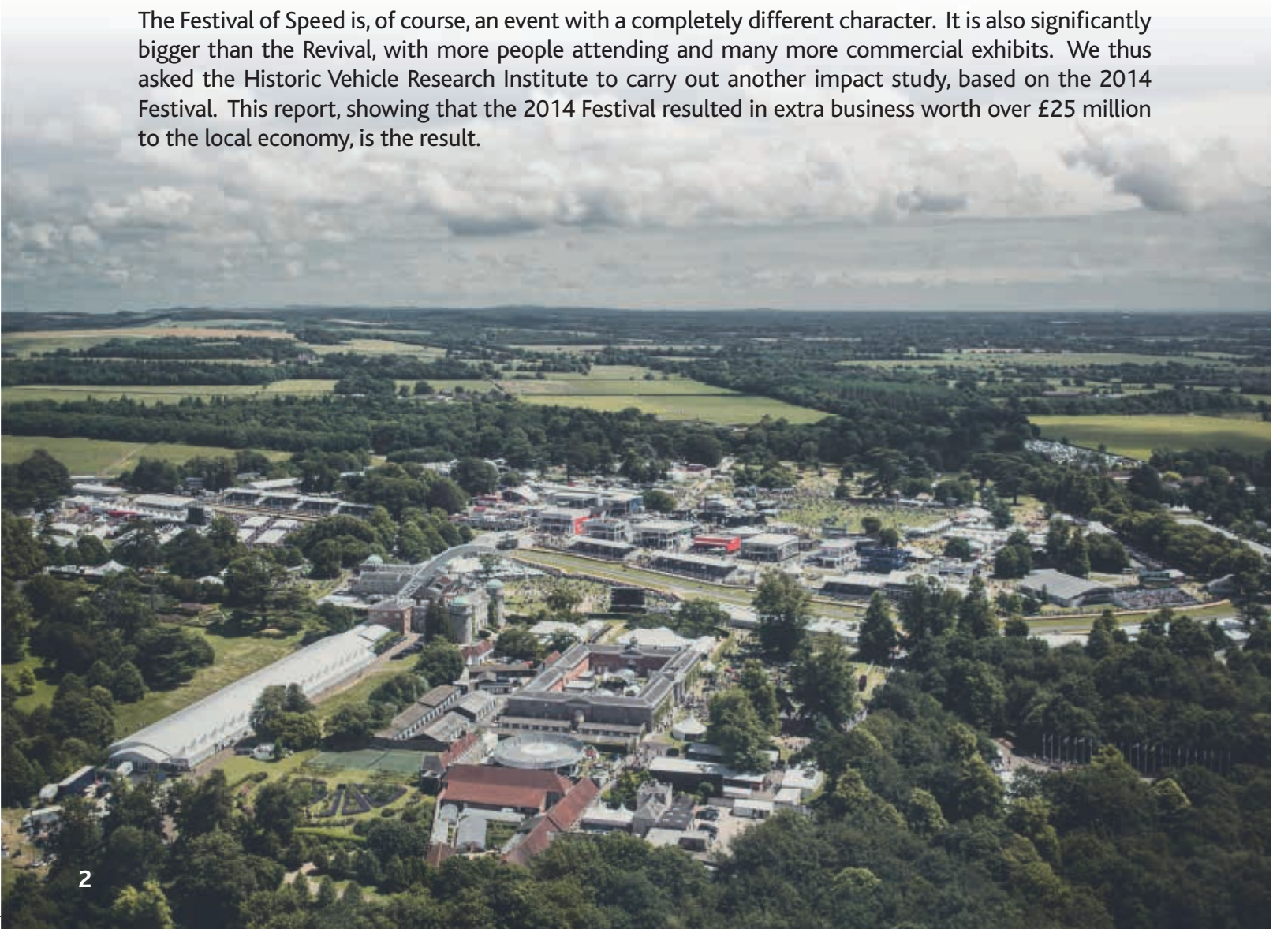
It's hard to believe that 22 years have passed since we launched the Festival of Speed, in the grounds of Goodwood House, as the first step in our efforts to re-establish motor sport on the Goodwood Estate. The Goodwood Revival followed five years later, in 1998, and in 2014 we introduced our third event, the Members' Meeting. It is extremely gratifying to have three of the world's most popular and highly regarded motor sport events established at Goodwood.



The Goodwood Estate has a long history of evolution, utilising its land for diverse purposes, including a variety of sporting pursuits. The motor sport events are relative newcomers, but their success has allowed us to invest significant sums into the Estate; investment that would simply not have been possible if it relied on agriculture and forestry alone. As well as preserving the Estate for future generations, and allowing us to share its glories with the public, this investment has safeguarded employment for some 600 people, making Goodwood one of the Chichester area's largest private sector employers.

Although the benefits brought to the local community by our motor sport events, and the Festival of Speed in particular, have long been obvious to us, in the past we were only able to think of them in qualitative terms. In 2012, the Historic Vehicle Research Institute and the University of Brighton undertook a study of that year's Revival, commissioned by the Federation of British Historic Vehicle Clubs. Their report allowed us to quantify what we could previously only imagine, and showed what the Revival brings not just to the Estate, but to the wider local economy.

The Festival of Speed is, of course, an event with a completely different character. It is also significantly bigger than the Revival, with more people attending and many more commercial exhibits. We thus asked the Historic Vehicle Research Institute to carry out another impact study, based on the 2014 Festival. This report, showing that the 2014 Festival resulted in extra business worth over £25 million to the local economy, is the result.



INTRODUCTION

The Historic Vehicle Research Institute is a registered charity whose purpose is to study and analyse the social, cultural and economic effects of the widespread interest in historic vehicles. The HVRI is an independent organisation that brings together academics and historic vehicle owners. Established in 1998, HVRI has undertaken the research for several reports published by the Federation of British Historic Vehicle Clubs, including an Economic Impact Study of the 2012 Goodwood Revival meeting.

For the study leading to this report, HVRI was commissioned directly by the Goodwood Estate. The brief was to carry out an Economic Impact Study for the 2014 Festival of Speed to parallel and expand on the work undertaken in 2012, the report of which can be found at <http://hvri.net/research/>

Although historic vehicles feature strongly in the competitive element of the Festival, it should be noted that, unlike the Revival, the Festival of Speed is far from a purely historic vehicle event as a large part of the Festival celebrates the very latest in automotive design.

BACKGROUND

The Festival of Speed is an event without parallel, a unique celebration of motor sport and motoring culture held in the picturesque parkland surrounding Goodwood House, the ancestral home of the Dukes of Richmond and Gordon. The event is based around a 1.16-mile hillclimb that uses the parkland roads in front of Goodwood House. Other major attractions include a demonstration of production Supercars on the hillclimb course; a purpose-built loose-surface Forest Rally Stage on the hillside beyond the House; the Cartier 'Style et Luxe' automobile design competition on the private lawns; a breathtaking large-scale automotive sculpture in front of Goodwood House and many other exhibitions and displays.

Motor sport first came to Goodwood in 1936, when the ninth Duke of Richmond (father of the current Duke and grandfather of the Earl of March) held a hillclimb event for his friends in Goodwood Park. He was a noted Brooklands driver and team manager in the 1930s and established the Goodwood Motor Circuit in 1948. It was in celebration of this first motor sport event at Goodwood that the current Earl of March founded the Festival of Speed hillclimb, with the first taking place in June 1993. *Classic and Sportscar* magazine concluded their brief report of that first Festival thus: "A glorious event with a very special atmosphere, but [it] was too evocative of the good old days to survive, we fear." Time has demonstrated that they were right about the atmosphere, but the fact that the event continues to grow in scope and size suggests their fear was mis-placed.

The success of the early Festivals paved the way for the Goodwood Revival, which brought motor racing back to the Goodwood Motor Circuit in 1998, an event that is now firmly established as the world's most popular historic motor racing event.

Today's Festival brings together around 400 of the most significant cars and motorcycles from the history of motor sport, along with many of the famous names who drove them. The hillclimb competition hosts everything from chain-drive Edwardian racers and aero-engined Brooklands outer circuit cars to current Le Mans cars and works Formula 1 teams together with around 50 important competition motorcycles. There are demonstrations of the latest and greatest production Supercars while the Forest Rally Stage features a spectrum of great rally cars from the Mini Cooper through awesome Group B cars to the latest examples campaigned by the World Rally Championship teams.

In complete contrast to the high-speed competition and demonstration runs on the hill climb and the mud-spattering action of the Forest Rally Stage, the Cartier 'Style et Luxe' brings together around 50 iconic, and often eclectic, vehicles for a concours competition with a difference. Since 2010, the Festival has been a four-day event, with the first day being dedicated to the Moving Motor Show, which gives the world's leading car manufacturers the opportunity to demonstrate their latest products to the public on a course based around the hillclimb.

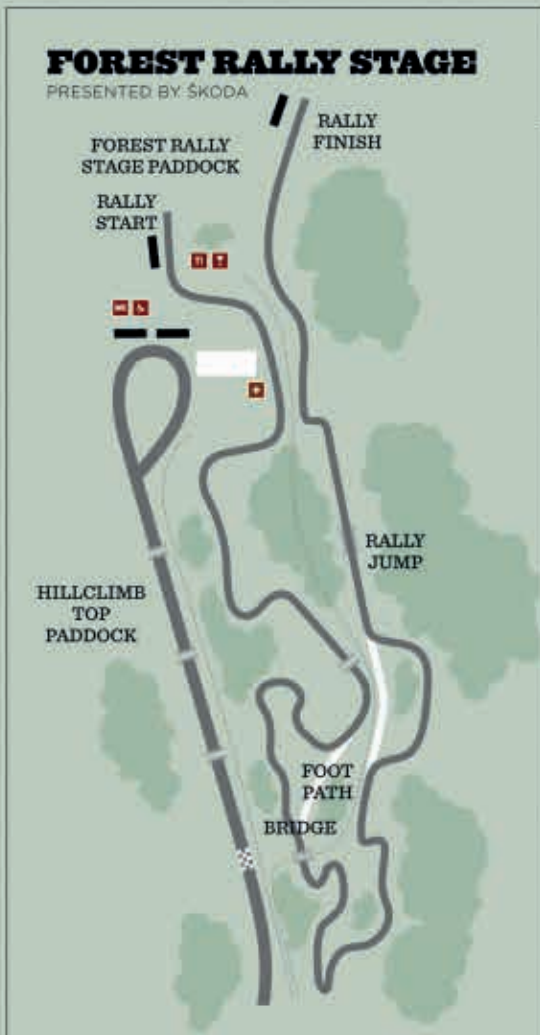
The Festival attracts around 200,000 visitors over the four days, making it by far the world's largest celebration of the history and culture of motor sport. However, despite its size, the Festival is renowned for its unique, relaxed, ambience, something that prompted one major international publication to describe it as '*The Garden Party of the Gods*'.

Below: Part of 'The Garden Party of the Gods' photographed from the roof of Goodwood House, under Gerry Judah's awe inspiring Mercedes arch. It was 26 metres high and used 160 tons of steel. Opposite: The map from the official programme, showing the myriad attractions on offer.



FOREST RALLY STAGE

PRESENTED BY SKODA



SEE LEFT FOR FOREST RALLY STAGE

FINISH LINE

BOWLER OFF-ROAD EXPERIENCE

FORSTER RACING

AUDI HOME OF QUATTRO®

THE FLINT WALL

EXIT TO CAR PARK (P, S, N, Q & V)

EXIT TO CAR PARK (M)

SUPERCAR PARKING

COURTESY TRACTOR

HONDA MOTOCROSS EXPERIENCE

PORSCHE EXPERIENCE CENTRE

TAG HEUER DRIVERS' CLUB

INTERVIEW STAGE

DRIVERS' CLUB WALKWAY

F1 PADDOCK PRESENTED BY SKY SPORTS

McLAREN EXHIBITION

MOTORCYCLE PADDOCK PRESENTED BY BELSTAFF

GOODWOOD HOUSE

BONHAMS AUCTION

MASERATI EXHIBITION

MERCEDES-BENZ CENTRAL FEATURE

GATE 3 CHAUFFEUR DROP-OFF

MICHELIN SUPERCAR PADDOCK

CARTIER 'STYLE ET LUXE'

CATHEDRAL PADDOCK

EXIT TO CAR PARK (T & V) & THE KENNELS

FESTIVAL MAP KEY

- PUBLIC CATERING
- PUBLIC BAR
- DISABLED FACILITIES
- TOILETS
- FIRST AID
- BUREAU DE CHANGE
- PROGRAMME SALES
- SIMULATOR
- COURTESY TRACTOR
- INFORMATION PRESENTED BY LEXUS
- PUBLIC VIEWING PLATFORMS
- GRANDSTANDS (MOVING TICKET HOLDERS ONLY)
- FOOTPATH

MOVING MOTOR SHOW PRESENTED BY THE AA AND FIRST GLANCE PADDOCK

STARTLINE

AVIATION EXHIBITION PRESENTED BY MIDAIR IN ASSOCIATION WITH AIR BP AND TEXTRON

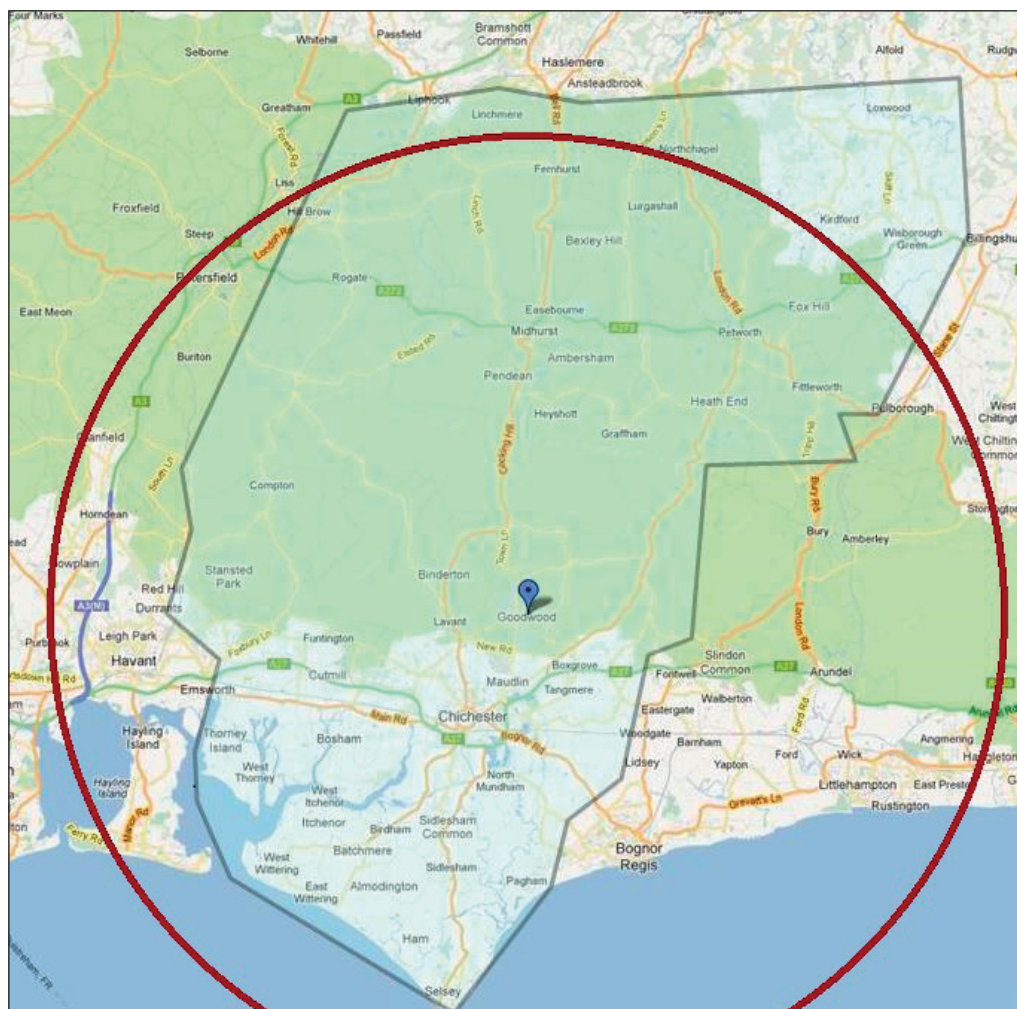
HELICOPTER PLEASURE FLIGHTS

EXIT TO CAR PARK A, SHUTTLES TO CAMPSITES AND MOTORCYCLE PARKING

GOODWOOD ACTION SPORTS ARENA AND EXPERIENCE AREA (GAS)

CRICKET PITCH

THE STUDY AREA



The research area, indicated on the map above, is the same 20 kilometre circle that was the basis of the study of the 2012 Revival. It is centred on the Goodwood Estate which lies to the north of the city of Chichester. The area has some 40 km of coastline and covers just over 1,000 square kilometres including Chichester Harbour, a designated Area of Outstanding Natural Beauty. The northern part of the study area lies within another Area of Outstanding Natural Beauty, the South Downs National Park. This extends from Winchester in the west to Eastbourne in the east. The South Downs, historically, acted as an impediment to communications and transport, thus protecting Chichester and the area surrounding Goodwood from the pressures of overdevelopment experienced by other parts of the South East.

Chichester itself is notable for many historic sites, in particular the Roman Palace at Fishbourne (just west of the city), the 900 year old cathedral and the elaborate early sixteenth century market cross. The city is also a respected centre for the arts, with a theatre that attracts many notable productions, and is also the home of one of the country's youngest universities.

The study area, being geometric, is only an approximate match to the Chichester District of West Sussex (outlined green). The most north easterly section of this District falls outside the circle, while Bognor Regis, Arundel and Littlehampton in the south eastern sector are in the Arun District of West Sussex. The western fringe, including Petersfield, Horndean, Havant (the most populous) and Hayling Island, is in Hampshire.

The 2011 census estimated the population of the Chichester District to be 113,800 with a population density of 1.4 people per hectare. That compares with an overall West Sussex average of 3.9 and a national average of 3.8. The average for the whole of the south east is 4.2.

The towns, mentioned above, that are outside the District but inside the study area have between them a population of nearly 200,000. It is thus estimated that the overall population of the study area is approximately 300,000, giving an average density of 3 per hectare.

Apart from the region around Havant, the easternmost part of the Southampton/Portsmouth conurbation, the study area is mainly farmland and forest. The natural beauty attracts a considerable number of tourists and the South Downs Way (a National Trail, wholly within the South Downs National Park, linking Winchester and Eastbourne) passes through Goodwood.

Most private sector employment in the study area is to be found in the south west corner around Havant. Proximity to the M27/A3/M3 makes this an ideal location for distribution centres such as those operated by Tesco and Asda which employ several hundred people. Other significant employers include Scottish & Southern Energy, Pfizer, Lockheed Martin, Kenwood, and Apollo Fire Protection.

In the Chichester District itself, however, the only significant industrial employer is Rolls-Royce Motor Cars, whose headquarters is built on land leased from the Goodwood Estate at Westhampnett. This facility was opened in 2003, and now employs some 1,300 people. Otherwise, public sector, retail, tourism, agriculture and forestry are the main employment sectors, and in the latter three categories, the Goodwood Estate itself plays a significant role.

The 12,000 acre Estate was established in the seventeenth century by the first Duke of Richmond and stretches north from Chichester over the South Downs Escarpment to the South Downs Way in Charlton Forest. Over half the Estate land is used for agriculture and forestry, with the remainder dedicated to other enterprises including the famous Goodwood horse race course, the Goodwood Motor Circuit and the Chichester/Goodwood aerodrome, two golf courses, a hotel, an organic farm and shop and the tourist attraction of Goodwood House itself. This combined activity provides regular employment for 570.

METHODOLOGY

Two questionnaires were deployed – one for individuals (spectators, officials and private participants) and the other for commercial enterprises ranging from small exhibitors to main sponsors, including catering concessions and pre-event set-up contractors. Copies of the questionnaires were sent with tickets and passes for the event. Electronic versions of the same questionnaires were available via SurveyMonkey™ for those wishing to respond on-line. A team from the University of Brighton also interviewed members of the public during the course of the event after first ascertaining that they had not already completed a questionnaire.

In addition to enquiring about expenditure, the individual questionnaires requested background information about frequency of attending, type and location of accommodation (if not staying at home), age bracket, location of normal residence, historic vehicle and other heritage-related interests. The commercial questionnaires included questions about location, casual employment and temporary accommodation for staff.

Anomalous and contradictory responses were ignored. 947 responses to the individual questionnaire were usable. The results were analysed and extrapolated to provide the figures contained in this report. Care was taken to avoid double counting.

Unfortunately, the level of response to the commercial questionnaire was inadequate to allow extrapolation with approximately half the 88 responses being incomplete. There was, however, sufficient data to establish minimum level values for the commercial activity associated with the event.

RESEARCH FINDINGS

Background numbers

For the 2014 Festival of Speed there were:

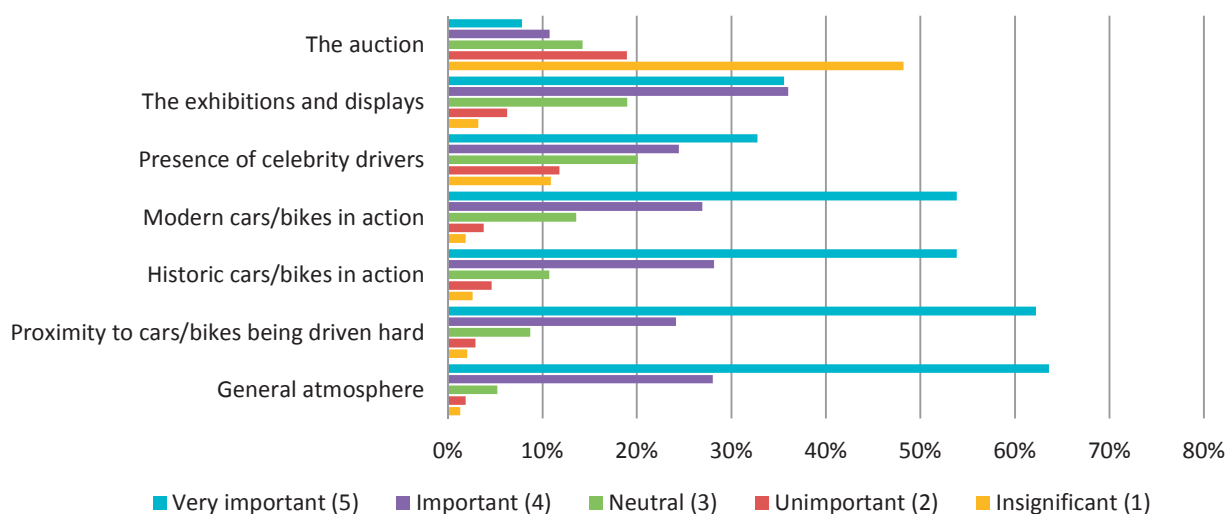
- 42 sponsors (that is commercial organisations taking substantial display areas)
- 127 catering outlets
- 285 exhibitors
- 446 cars and motorcycles (half of which were historic) were listed in the programme
- Over 500 different contractors were employed to prepare the site and the exhibits

Build-up for the event took place over the preceding six weeks while knock-down required a further two.

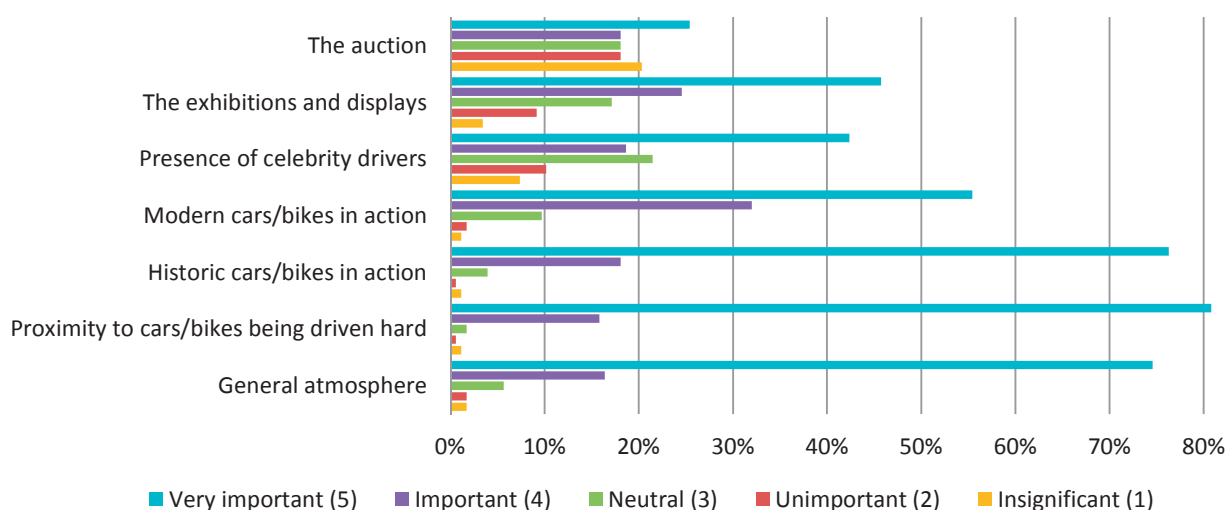
Deciding to attend

Spectator respondents were asked to assess the features of the event that influenced their decision to attend, ranking them 5 if they were of great importance to 1 if they were unimportant. The results, in the table below, show predictable differences between the general public and the Goodwood Road Racing Club members (GRRC), with the latter ranking the ability to see cars and bikes being driven hard at close quarters above general atmosphere and placing greater importance on the opportunity to see historic vehicles in action rather than on more modern ones.

Factors affecting decision to attend - general public



Factors affecting decision to attend - GRRC members



About the people attending the Festival of Speed in 2014

This report concentrates on three groups of attendees – the general public, spectating members of the GRRC and those taking part in the hill climb and demonstration runs, including their support crew and families, referred to in this report as “teams”. It also touches on the extent of the background work that goes in to preparing the venue.

No tickets were sold on the gate, so the event was open only to those who had purchased tickets in advance. The headline number of 199,621 people attending represents the total number of day passes actually used. As well as paying members of the public, this overall count includes everyone attending the event from catering staff to VIP guests; from track officials to celebrity drivers.

Data from Goodwood provide accurate figures for the tickets/passes issued and a count for the number that were actually used. Tickets could be purchased for the weekend (valid for all four days) or for individual days. When calculating the number of “day tickets” issued, the number of weekend tickets has been multiplied by four, but many will only have been used for three days. This is because it was cheaper for anyone wishing to attend on Friday, Saturday and Sunday to buy a four-day weekend ticket than three individual day tickets.

This explains the apparent difference between the number of tickets issued and the number used for the public and members of GRRC who purchased their own tickets. As the first table below shows, this difference is significantly more pronounced amongst the groups of people who are not paying for their own tickets, where utilisation is below 50%. The reasons for these low utilisation levels include tickets issued to sponsors and exhibitors for their guests and staff that are not actually needed; organisers’ staff who have weekend passes but are not on duty every day and as weekend tickets that are not used each day.

The second table below gives a breakdown of daily attendance figures.

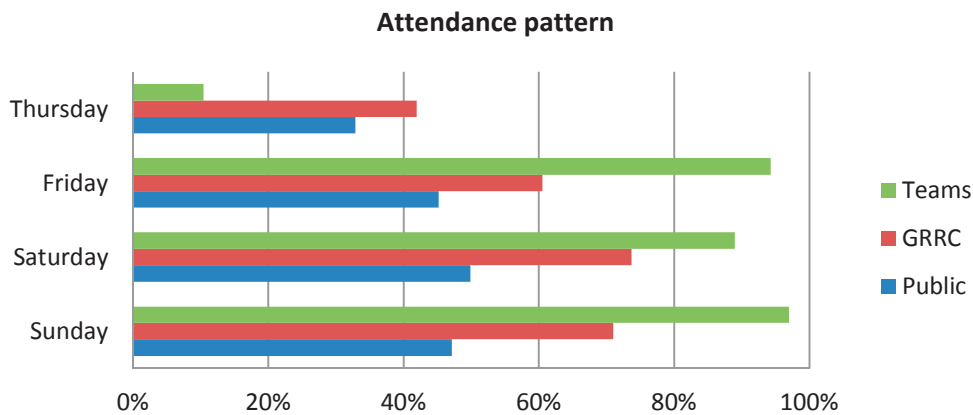
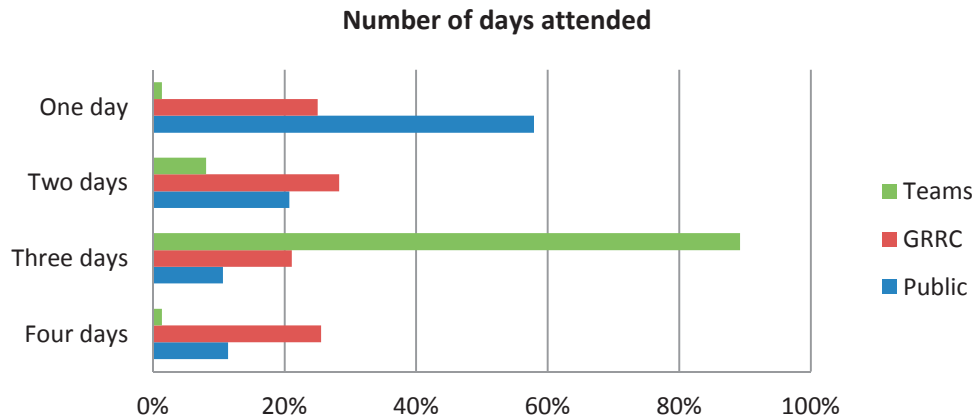
<i>Category</i>	<i>Day tickets issued</i>	<i>Day tickets used</i>	<i>% used</i>
Public and GRRC members – adults	134,700	131,157	97.4%
Public and GRRC members – children (free) and 16-21 (half-price)	21,254	15,679	73.8%
Sponsors’, exhibitors’ and hospitality guests	81,027	30,298	37.4%
Team members	17,385	8,388	48.3%
Marshals, staff and contractors’ personnel	33,914	12,508	36.9%
VIP guests	1,434	499	34.8%
Media	3,600	1,092	30.3%
Totals	293,314	199,621	68.1%

<i>Category</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>	<i>Sun</i>
Public and GRRC members – adults	21,253	37,685	37,098	35,121
Public and GRRC members – children and 16-21	977	3,477	5,476	5,749
Sponsors’, exhibitors’ and hospitality guests	9,727	6,520	6,772	7,279
Team members	41	2,177	2,818	3,352
Marshals, staff and contractors’ personnel	1,409	3,343	3,775	3,981
VIP guests	1	158	90	250
Media	131	369	338	254
Totals	33,539	53,729	56,367	55,986

Attendance pattern

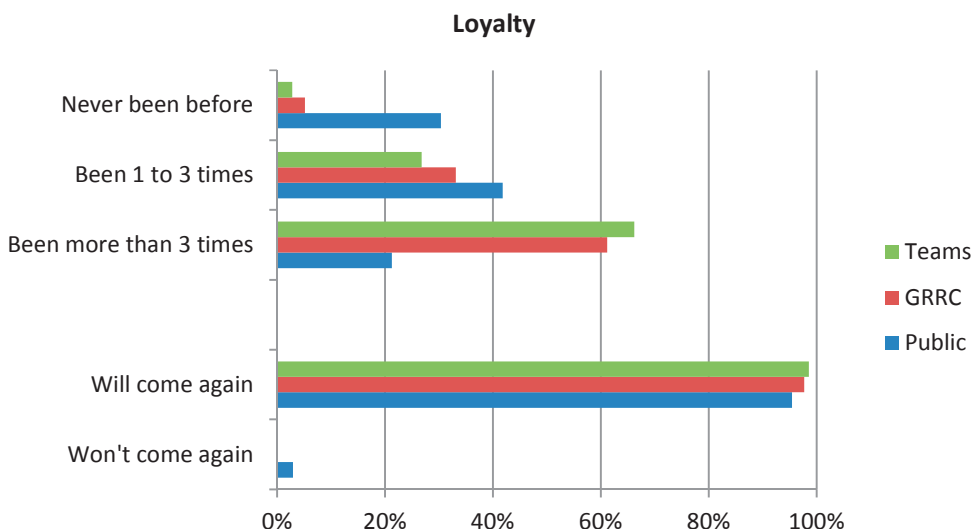
The lower table on the previous page shows that the preliminary Moving Motor Show on the Thursday is not quite as popular as the main Festival days, which each have broadly similar attendance.

Of the three groups of attendees that this report is able to consider in detail only 13% attended all four days; 24% attended three; 20% two and 43% just one day, but there are significant, albeit predictable, variations between the groups, more in terms of the number of days attended than in the choice of days.



Loyalty

The extent to which people return to an annual event is a sign of the success of that event: people are unlikely to come back if they do not have a good experience or if they felt that had received poor value for money. On this criterion, the Goodwood is in a truly enviable position with nearly all respondents saying they expect to be returning at some stage in the future, and with at least three quarters of those attending having done so before.



Understandably, there is a difference in previous attendance rates between those with a special interest in motoring and members of the general public. As the chart opposite shows, over 60% of team and GRRC members who responded to the questionnaire had been to three or more previous Festivals against just over 20% of members of the public.

The number of people (all members of the public) stating that they had no intention of attending again was below 3%.

Historic vehicle and other heritage interests

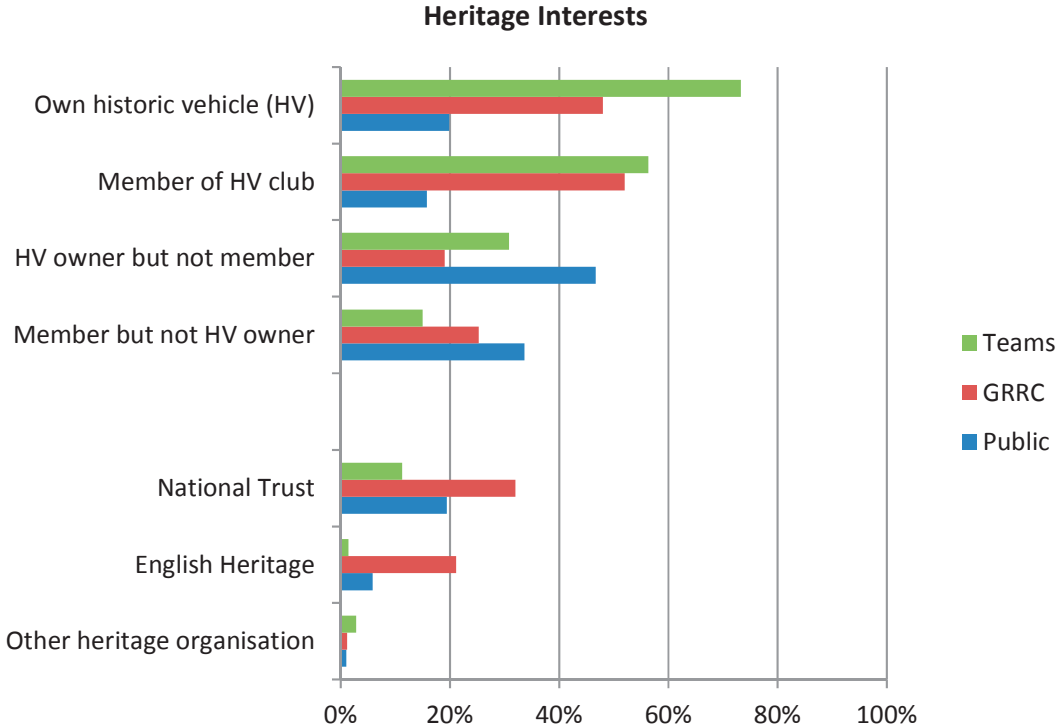
Respondents were asked how many historic vehicles (defined as those over 30 years old) they own, how many historic vehicle clubs they belong to and whether they also belong to any non-motoring heritage organisations such as the National Trust or English Heritage.

73% of team respondents owned historic vehicles at an average of 5.3 vehicles per owner; 48% of GRRC were owners at an average of 1.4 each; and 20% of general public respondents owned such vehicles at an average of 1.8 vehicles per owner. This suggests that the people attending the Festival, between them, own over 40,000 historic vehicles and are responsible for over 20,000 historic vehicle club memberships.

Membership of clubs catering for historic vehicles (other than GRRC) showed a similar, but less pronounced, pattern. 56% of team respondents were members of other clubs at an average of 2.4 each; 53% of GRRC members belonged to other clubs at an average of 1.3 each; and 16% of the general public were members of historic vehicle clubs at an average of 1.3 each.

It was interesting to note that there was no direct correlation between vehicle ownership and club membership, with 35% of historic vehicle-owner respondents not belonging to any historic vehicle club while 27% of members of historic vehicle clubs were non-owners, as illustrated in the table below.

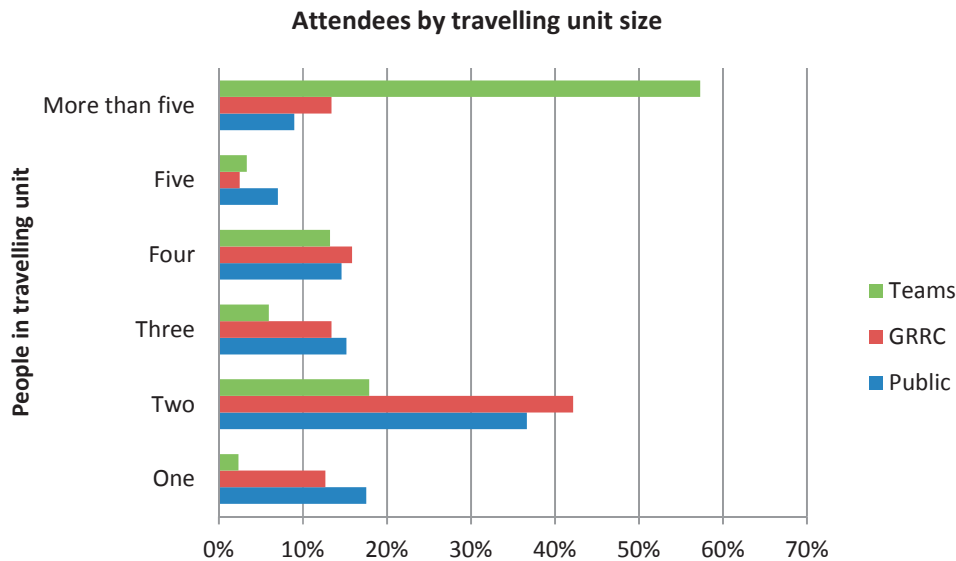
Approximately 7% of the adult population of England, Wales and Northern Ireland are members of the National Trust, and 2% of the adult population of England are members of English Heritage. The lower part of the chart below shows that while team members are only about twice as likely to subscribe to other heritage organisations as the general population, spectators attending the Festival are more than three times as likely to do so. [Note: only responses from residents of the relevant parts of the United Kingdom were considered in the preparation of this section.]



Travelling unit size

75% of the public and GRRC members attending the Festival come as couples or small (usually family) groups, with around 15% coming on their own and the remainder travelling as a part of a larger group (e.g. members of a club travelling together in a mini-bus or coach). The situation is reversed for team members, over 55% of whom arrive as a group of more than five (although they may actually travel in more than one vehicle).

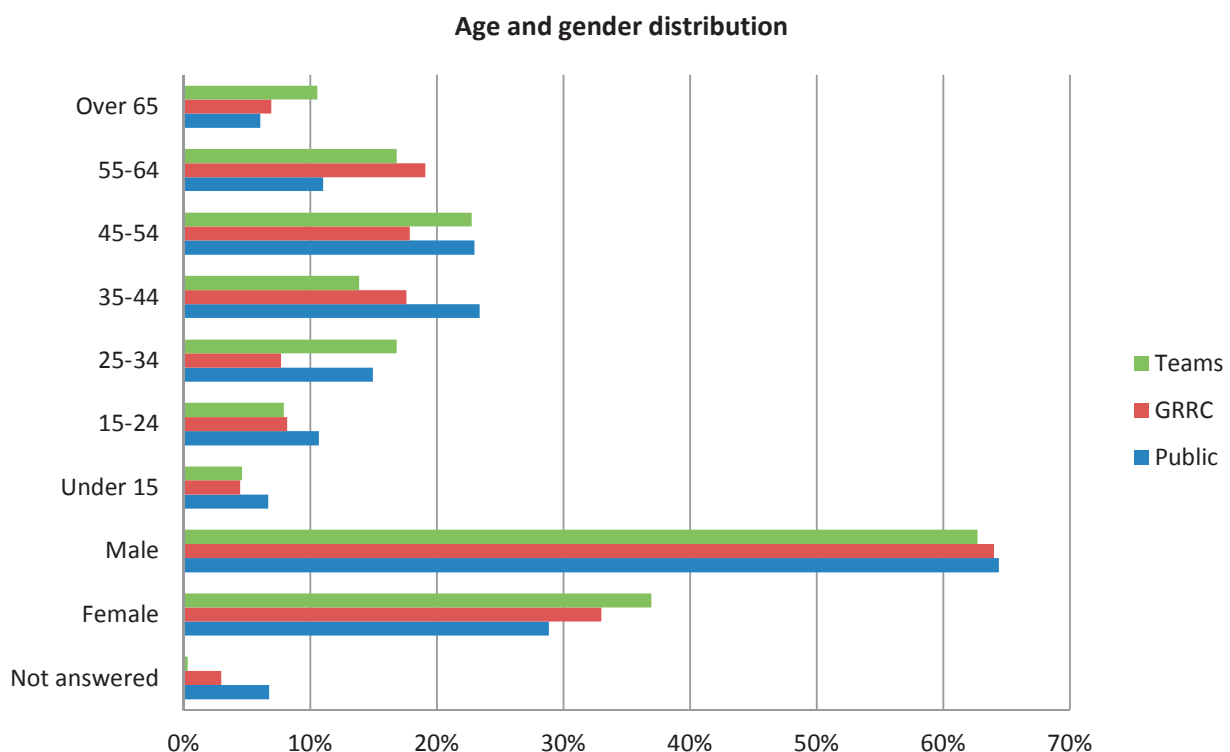
The table below gives an indication of the party size.



Age and gender

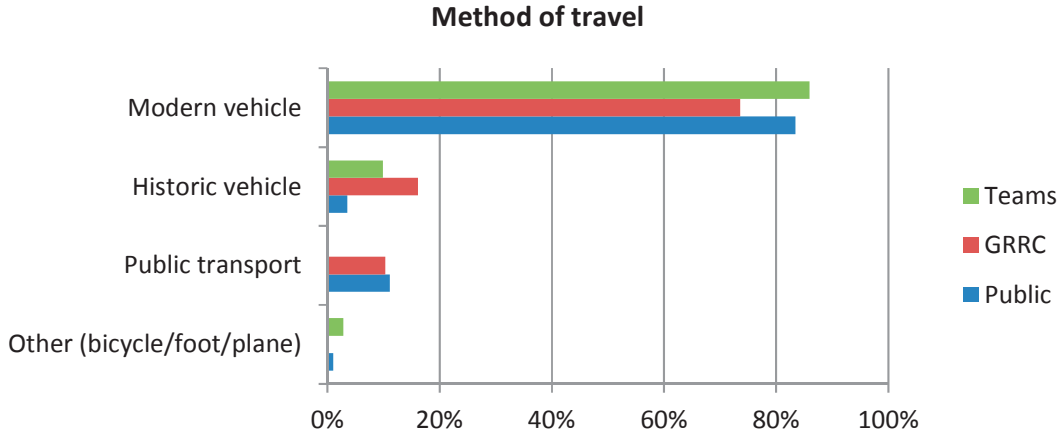
The analysis leading to the chart below takes all members of travelling units into account, including children. The survey questionnaire had a separate category for those over 75, but the number of responses was so small that it would barely register on the chart, so these have been included in the Over 65 category.

It is striking that the gender gap for team members is narrower than for GRRC members which in turn is narrower than members of the general public. This is partially explained by the fact that over 85% of those travelling alone were men.



Method of travel

Most people (over 80%) travelled to the Festival in modern private vehicles, nearly 10% of the public arrived by public transport (facilitated by a regular coach link from Chichester railway station) and a (noticeable) minority arrived in historic vehicles.



The average travelling unit size for those arriving by private vehicle was 2.16, which gives an estimated number of vehicle arrivals on the busiest day (the Saturday) for spectators and GRRC members of some 19,500. An estimated 1,400 of these were by vehicles over 30 years old.



German marques were well represented. From the top: 1936 Auto Union Type C; 1954 Mercedes-Benz W196 (driven by Sir Stirling Moss); and 1998 Porsche GT1-98.



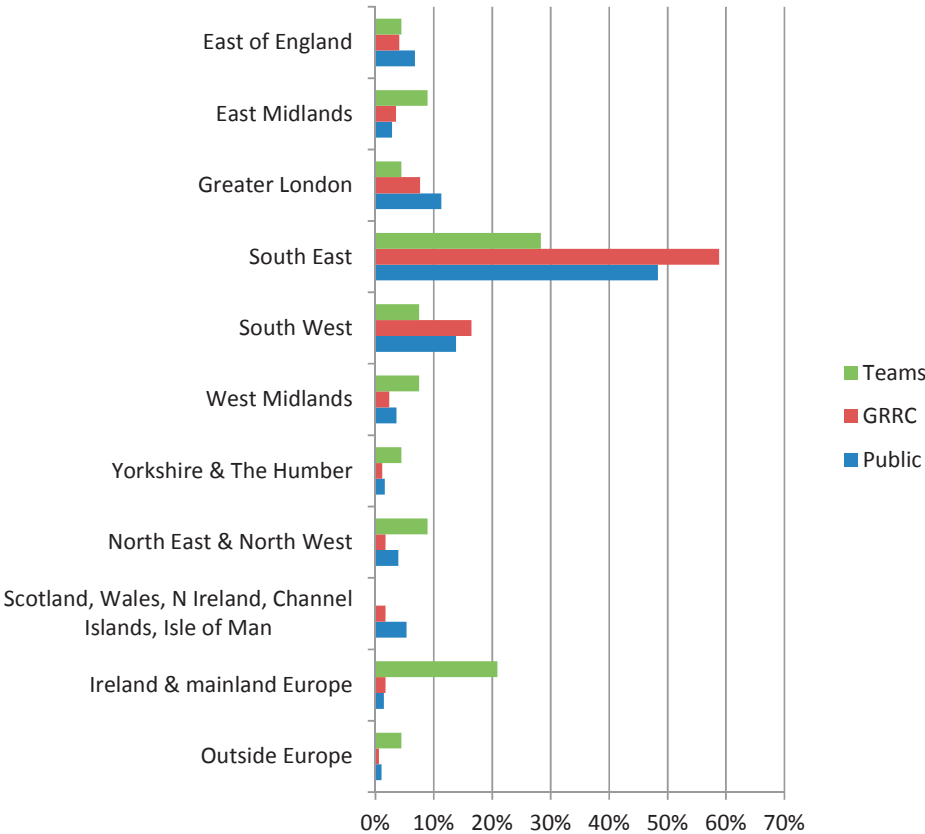
Location of main residence

Although the majority of all categories attending the Festival were from within the United Kingdom, 25% of teams were from elsewhere. The number of spectators from outside the UK was below 3%, nonetheless most European countries were represented, and there were visitors from China, Taiwan and Argentina as well as USA, Canada and Australia.

Within UK, the population distribution, shown on the chart below, is heavily biased towards southern counties, with the South East, South West and Greater London regions accounting for 40% of teams, nearly 85% of GRRC spectators and nearly 75% of public spectators. This proportion increased to 85% when considering public spectators attending for only one day. [Note: the regions listed on the chart are consistent with the definitions of UK regions used by the Office of National Statistics].

The study area itself falls entirely within the South East region. 22% of general spectators, 29% of GRRC spectators and 4% of team members live within the study area.

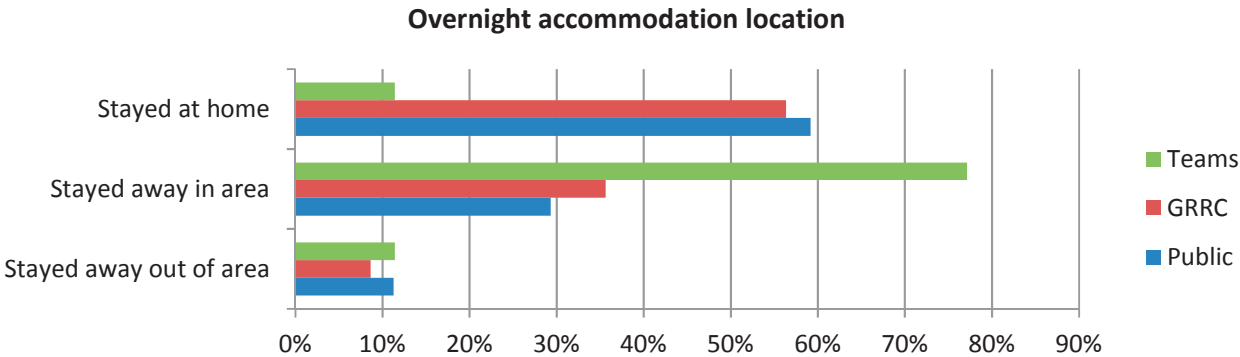
Location of home residence



Accommodation

Respondents were asked how many nights (if any) they spent away from home in order to attend the Festival. If they were staying away from home, they were asked the nature of their accommodation, whether it was in the study area, how many nights they stayed and if they were extending their stay in the area either side of the Festival.

59% of general public spectators and 56% of GRRC member spectators travelled from, and returned to, their homes. Unsurprisingly, team members were more than twice as likely as spectators to stay away from home, with nearly 90% doing so.



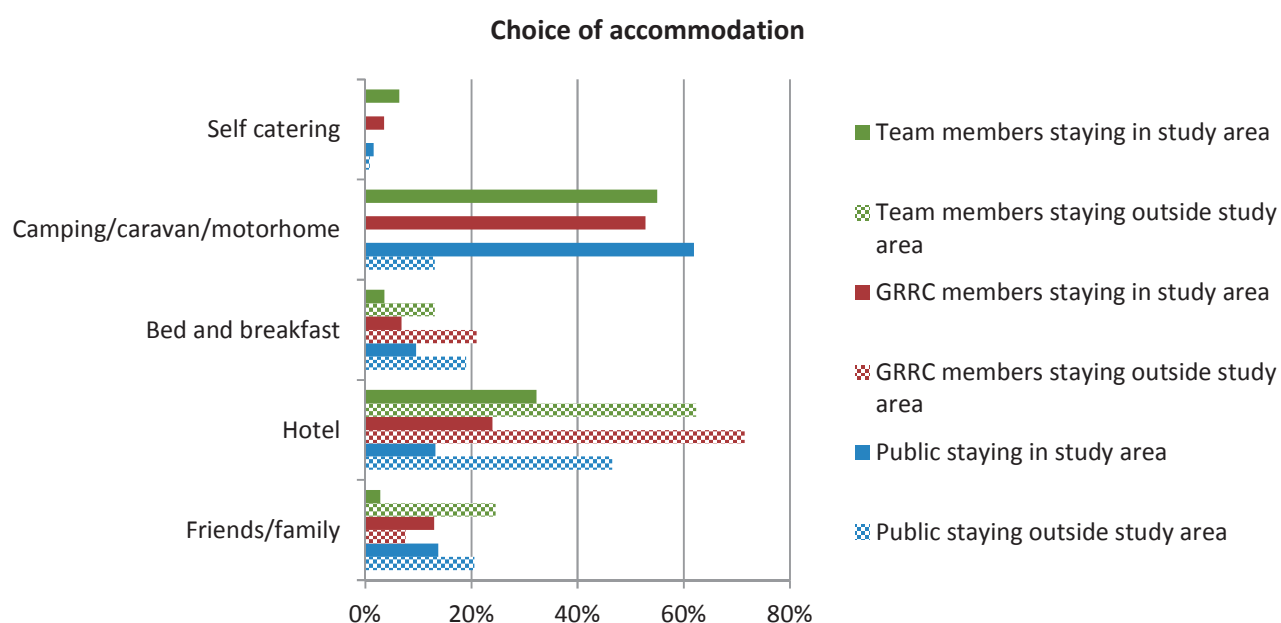
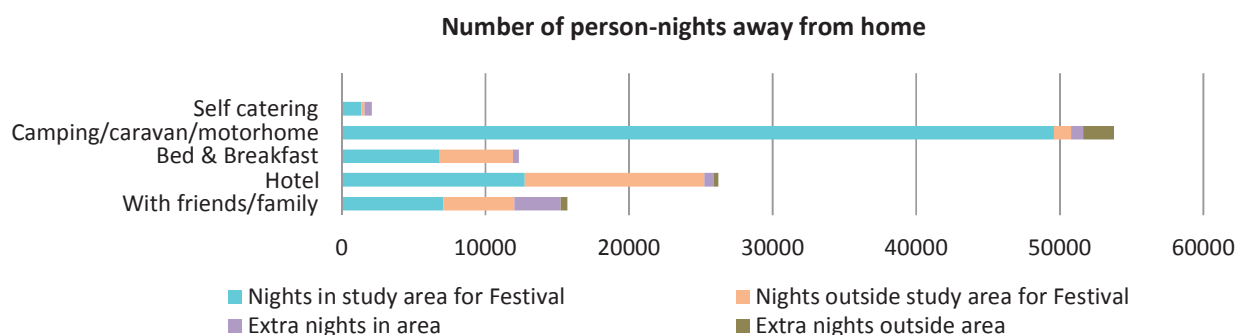
Opposite: A small part of the Cartier 'Style et Luxe' display.

Right: a pair of pre-war Velocettes leave the paddock for demonstration runs.

Below: 1914 Grand Prix cars lead a parade of early Mercedes competition cars.



7% of those who were staying away from home for the event were spending one or more nights above those needed purely to attend the Festival. Analysis showed that spectator and team attendance at the Festival resulted in over 110,000 person-nights being spent away from home of which 8,500 (8%) were spent by people staying in the area for more nights than they needed. Within the study area, the equivalent numbers were 77,500 and 5,500 (7%). Portable accommodation (such as tents, caravans and camper-vans) was by far the most popular, accounting for 45% of all person-nights spent away from home. 37% were spent in hotels and bed and breakfasts, 15% were spent with friends and family and the remainder were in self-catering accommodation. The charts below provide the detail.



The figures quoted above relate to just three groups of people who had no need to stay away from home for any more than five nights, at the most, even though some may have chosen to do so.

Over 800 different organisations (sponsors, exhibitors and their contractors) were involved in preparing the site (and clearing away afterwards) over a period of some eight weeks. Many of these organisations will have had to hire accommodation for their staff during this period. The response to the survey of these organisations was insufficient to make extrapolation possible, but the 80 partially completed commercial questionnaires showed a further 6,400 person-nights' accommodation, as detailed below.

Category	Responses received	Hotel inside area	Hotel outside area	Bed & Breakfast in area	Camping/ caravan/ Motorhome	Self-catering
Exhibitor	40 (out of 285)	116	4	47	34	112
Sponsor	25 (out of 42)	3601	161	39	244	4
Contractor	16 (out of over 500)	1987		21	14	25
Totals		5704	165	107	292	141

Economic activity

The Festival is one of three particularly high profile events that take place on the Goodwood Estate annually – the others are the five-day "Glorious Goodwood" horse race meeting at the end of July/ beginning of August and the Revival race meeting for historic cars on the Goodwood Motor Circuit in September. These special events generate income to support the on-going costs of maintaining the Goodwood Estate and thus ensuring the facilities are available and in prime condition for the many lesser events that take place. This activity is an important source of employment in this largely rural area.

The main aim of this study has been to assess the value of the 2014 Festival to the communities living within a 20km radius of Goodwood. The headline figures are that the four-day-event brought over £25 million economic activity for the local community while additionally generating nearly £35.5 million for the wider national economy. The Exchequer benefited by over £8.5 million VAT.

A proportion of the local financial activity is channelled through the Goodwood Estate in the form of extra services hired in from local suppliers, employment of temporary staff and so on, with the remainder being spent by those attending the Festival on goods and services. The figures are summarised in the table below (all figures rounded to nearest £5,000).

<i>Description (see explanations below)</i>	<i>Gross</i>	<i>Destination</i>		
		<i>Local economy</i>	<i>Wider economy</i>	<i>VAT (estimate)</i>
1 Revenue from ticket sales, grandstands, hospitality deals, sponsorship etc.	£27,690,000	£15,860,000	£7,215,000	£4,615,000
2 Bonhams Auction	£23,210,000		£22,220,000	£990,000
3 Spectator and team spending	£13,250,000	£8,120,000	£2,920,000	£2,210,000
4 Minimum additional commercial spend	£4,960,000	£1,080,000	£3,055,000	£825,000
5 Totals	£69,110,000	£25,060,000	£35,410,000	£8,640,000

1 Revenue received by Goodwood for camping and Snoozebox accommodation (the 'Portakabin' style portable hotel erected for the event) was not included to avoid double counting. Accommodation and camping fees are included in item 3, spectator and team spending. 43% of the revenue received by Goodwood was used to cover the direct additional costs associated with the event, such as hire of infrastructure, printing and promotion, temporary additional staff and security. A further 10% contributed to the overheads associated with the Festival with the balance going to the general Estate income, thus supporting regular employment for 570 people.

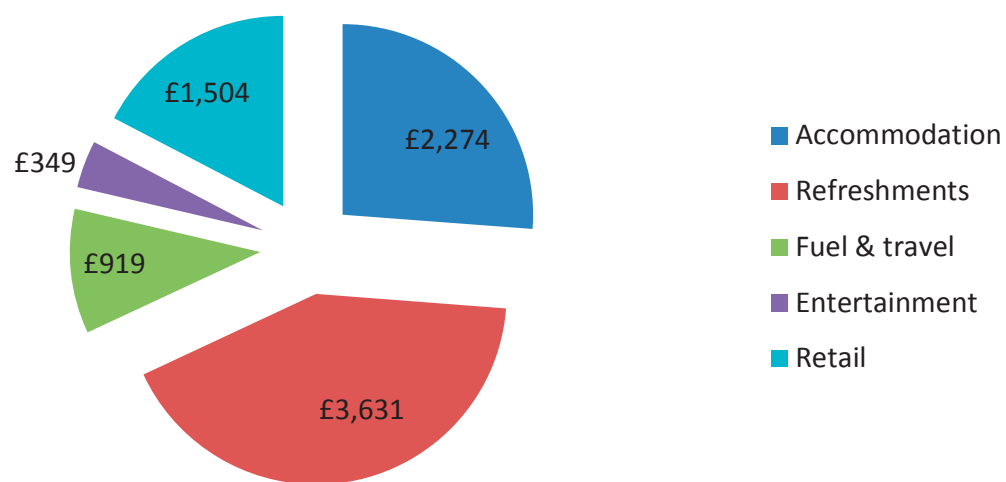
The direct additional costs involved payments to the substantial number of contractors that were engaged to provide the many facilities and services required to make the event a success. Where feasible, local firms were used, but that was not always possible and suppliers based outside the study area were used. It has not been possible to assess the amounts these out-of-area contractors spent within the area on items such as accommodation and temporary staff, so all such amounts have been included in the "wider economy" column of the above table even though such in-area spending is likely to be significant.

2 The Bonhams Auction took £22,220,000 net including both buyers' and sellers' premiums. These premiums are subject to VAT and the value of VAT shown is an estimate based on Bonhams' standard premium rates. The facility fee paid by Bonhams is included in the overall revenue received by the Goodwood Estate. It is not possible to know whether any of the vendors of items included in the sale are based in the study area, so it has been assumed that none are – thus all proceeds have been shown as going in to the wider economy. It is recognised that some of the vendors may have been resident outside the UK, but any money leaving UK would have been offset by overseas purchasers.

3 Survey responses showing a spending pattern exceeding five times the average were excluded to avoid risk of the results being skewed upwards.

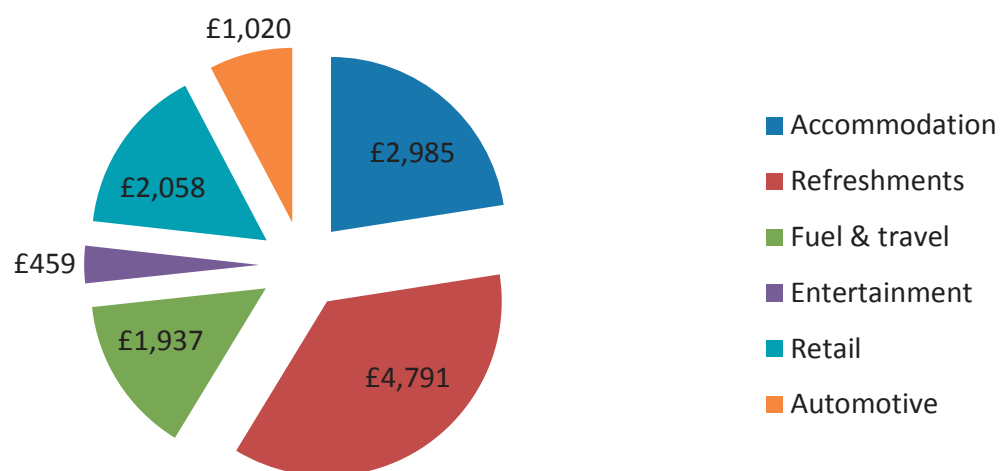
Spending within the study area on non-automotive items by those attending the Festival breaks down as indicated on the first pie-chart below. This does not include spending by those who are resident in the study area so that the figures quoted represent money coming newly in to the area from elsewhere. Spending on automotive items has been excluded from this chart because over 90% of the recipients of the spending (the exhibitors at the Festival) were based outside in the study area. As mentioned above, some of the spending on accommodation will have been spent on the Goodwood Estate by those staying at the Festival. The figures on this first chart (which have been rounded down to the nearest £1,000) are gross and add up to £8,677,000. A further £1,064,000 (gross) was spent in the area by residents of the area attending the Festival.

Gross amounts (000s) spent in study area by those living elsewhere



The £13,250,000 value quoted in the gross column of the table on the previous page includes all spectator spending in UK attributable to attending the Festival, irrespective of where the money was spent or where the person spending it lives. The chart below gives the details.

Gross amounts (000s) spent by spectators and team members attending the Festival from leaving home to returning



4 There was a marked reluctance on the part of the sponsors, exhibitors, caterers and their many contractors to respond to the commercial survey questionnaire, and most of those who did respond omitted some, or all, spending detail – presumably on the grounds that such details were commercially sensitive. The figure shown in the table is the sum of spending that was declared by 45 such organisations, out of over 800. The differing nature and size of the organisations that did respond (their spending ranged from just £100 to over £1 million) makes it impossible to generalise or extrapolate. The spending by those contractors who provided financial information has been discounted to avoid risk of double counting – the value of their contracts might already have been included in figures as it is possible they may have been contractors to Goodwood or one of the other organisations that had provided financial data.

5 A portion of spending by visitors to any community is subsequently re-circulated within the local economy, thus enhancing the financial benefit such visitors bring to the area concerned. Usually, a multiplier is used to reflect these secondary indirect and induced effects. Such multipliers are determined by separate local and regional research, but no figures are available for the area being studied, so this report has been able to make no adjustment for this enhancement, and the in-area spending total is thus understated.

This, the exclusion of survey results showing particularly high levels of per-capita spending, the minimal allowance for spending in the study area by sponsors, exhibitors and their contractors, means that the £25 million value for local spending identified by this report is necessarily understated.

Additional employment

Included in Goodwood's overheads for the Festival is the cost of employing temporary extra staff to cope with the volume of work generated by a meeting of this magnitude. 992 person-days were worked by 265 temporary staff resident in the study area and 695 by 228 living elsewhere.

The 80 respondents to the commercial questionnaire between them accounted for a further 25 person-days worked by temporary staff resident in the study area and 181 by those outside.



Two rally cars with half a century between them airborne on the Forest Rally Stage – 1962 Saab and 2014 Hyundai.

Researchers' note

The research for this report did not compute the financial cost of the Festival to the local community. Negative externalities such as traffic congestion or noise relating to the event may lead to an economic and/or social cost for some. The research team understands that the organisers are constantly trying to reduce such impacts on what is their local community. So, for example, more efficient traffic management systems have helped reduce some of the impact of traffic congestion. While these negative externalities may affect the immediate environs of Goodwood, the benefits of the event are felt over a much wider area.

SUMMARY OF FINDINGS

The 2014 Festival of Speed –

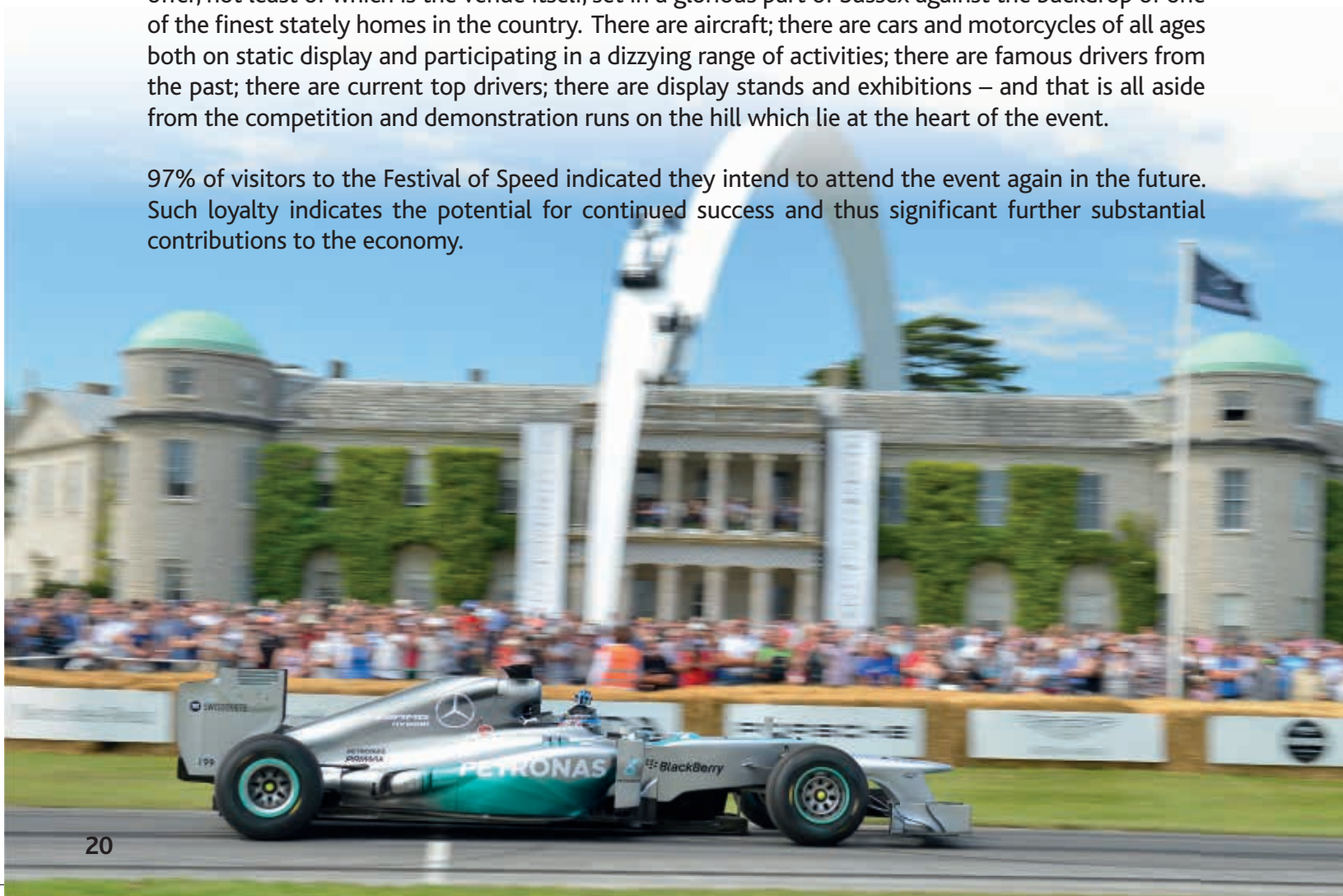
- Brought over £25 million business to the economy of the study area
- Generated over 26,000 person-nights' accommodation for local hotels and guest houses
- Provided direct temporary employment for over 600 people
- Caused a further 18,000 person-nights for hotels and guest houses outside the area
- Was responsible for a further £35.5 million turnover for the national economy net of VAT
- Contributed over £8.5 million in VAT to government revenue

CONCLUSIONS

Any event that generates economic activity in the UK with a gross value of over £69 million, including over £25 million worth of business for the immediate area in which it takes place, has to be seen as an activity of national importance. The researchers believe that these figures are significantly understated because commercial sensitivity prevented the majority of manufacturers and other exhibitors from declaring their investment in the Festival of Speed. Moreover, these figures do not include a tourism multiplier and are thus necessarily very conservative.

The appeal of the Festival of Speed lies in its unique nature and the sheer breadth of the attractions on offer, not least of which is the venue itself, set in a glorious part of Sussex against the backdrop of one of the finest stately homes in the country. There are aircraft; there are cars and motorcycles of all ages both on static display and participating in a dizzying range of activities; there are famous drivers from the past; there are current top drivers; there are display stands and exhibitions – and that is all aside from the competition and demonstration runs on the hill which lie at the heart of the event.

97% of visitors to the Festival of Speed indicated they intend to attend the event again in the future. Such loyalty indicates the potential for continued success and thus significant further substantial contributions to the economy.



RESEARCH TEAM



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Dr. Paul Frost BA (Hons), MSc., PhD. Researcher Co-founder and Chairman of the Historic Vehicle Research Institute. Currently Campus Director at the University of Brighton in Hastings. Has worked in education, development and research for over 30 years. Also co-founder and director of motorbase.com, an organisation dedicated to the sharing of information to unite the historic vehicle community.



Geoffrey A. Smith Chartered MCIPD. Project Director Co-founder and Director of the Historic Vehicle Research Institute. Retired – past career in Motor Industry (Manufacturing, Engineering and Human Resources). Vice-President of the Federation of British Historic Vehicle Clubs 2002-2013, previously Chairman 1998 to 2002.

Jim Whyman Administration Retired – past career in motor club administration and motoring journalism.



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All photographs apart from the back cover (see below) have been provided by Goodwood.

Additional information and photographer credits as follows:

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Northstar	www.thisisnorthstar.com	Festival of Speed programme map p.5
Frozenspeed	www.frozenspeed.com	p. 15 lower and p. 19 left

Back cover: *1936 Maserati 6CM leaves the start.*

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