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SXSW Economic Impact to City of Austin Increases to \$350.6 Million in 2018

Impact Benefits City, Businesses and Citizens

Austin, TX - July 9, 2018 - Greyhill Advisors and South by Southwest® (SXSW®) are proud to present a comprehensive economic impact analysis of the SXSW Conference and Festivals on the City of Austin, its businesses and citizens. SXSW's peerless mix of industry conferences, festivals and exhibitions draws the world's most creative thought leaders to Austin every March, transforming the city into a global mecca for creative professionals. These annual events bolster Austin's ever-growing reputation as a place where innovation and commerce are nurtured, networked and celebrated. In addition to enhancing Austin's cultural cachet, SXSW injects hundreds of millions of dollars into the local economy. SXSW's 2018 economic impact on the Austin economy totaled \$350.6 million.

"SXSW is a quintessential Austin Story," said Mayor Steve Adler. "Starting as a music festival, then expanding to include film and evolving further to cover interactive technology, as well as education and now gaming, SXSW has become the world's fair of the future. It has made Austin the focal point of the world in March. The economic impact of SXSW is on par with hosting the Super Bowl every year and, even if you don't come to the event, we all benefit year round."

SXSW remains the single most profitable event for the City of Austin's hospitality industry:

- The 2018 events kicked off with SXSW EDU on March 5th and continued through March 18th with the SXSW Conference & Festivals and SXSW Gaming. Direct participation in all SXSW events during the 14-day period totaled approximately 425,000.
- In 2018, SXSW directly booked 12,900 individual hotel reservations totaling more than 53,000 room nights for SXSW registrants. The average length of stay was approximately 5 nights. Direct bookings by SXSW alone generated nearly \$1.8 million in hotel occupancy tax revenues for the City of Austin.
- Entertainment spending by SXSW attendees goes directly to the restaurants, SXSW conference facilities, music venues, film theatres, retail stores, print shops, transportation companies, and other establishments throughout central Austin.

"I can think of no single event that has more impact on the Austin hospitality and tourism industry than South by Southwest," said Scott Joslove, President & CEO of the Texas Hotel & Lodging Association.

"For hotels, it means room nights and the capacity to sustain continued job growth within our industry. For the city, it yields unparalleled growth in the city sales tax, alcohol tax, and hotel tax."

Each March, SXSW catapults Austin onto the international stage and broadcasts the city's idiosyncratic identity to millions of creative professionals throughout the world. SXSW and the associated media coverage represent an extraordinary return on the City of Austin's comparatively modest investment in SXSW. The ubiquity of SXSW media coverage is a unique and deeply valuable asset to the City of Austin. The value of SXSW print, broadcast and online publications coverage in 2018 totaled \$431.4 million.

Austin's distinctive brand identity remains the envy of communities throughout the world. All too often, cities aspiring for global recognition feel compelled to spend millions or even billions of tax dollars in order to attract a fleeting mega-event such as the Olympics or the Super Bowl. The benefits to these cities are short-lived—every host city, no matter how successful, is soon replaced by another community. In contrast, Austin has managed to establish a genuine and unique identity with minimal public expenditure. What's more, Austin has successfully crafted an authentic community brand that resonates both within the region and throughout the world. Austin also benefits from an influx of international visitors each year that serve as an army of global ambassadors that help sustain the region's reputation as a creative mecca.

SXSW 2018 included 14 days of industry conferences with featured speakers and keynotes from Nonny De La Peña, Elon Musk, Melinda Gates, and Ta-Nehisi Coates, a 4-day trade show, 10 exhibitions, a 6-night music festival featuring more than 2,000 showcasing artists, a 9-day film festival with 439 screenings and a Virtual Cinema, the Art Program, the Comedy Festival and SXSW Gaming. Popular free-to-the-public events included Outdoor Stage concerts at Lady Bird Lake, Wellness Expo, EDU Learning Expo, Job Market, Flatstock poster art show, SXSW Marketplace, and showcasing artists performing free shows in many downtown hotels.

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About Greyhill Advisors: Greyhill Advisors is an economic analysis, economic development and site selection consulting firm with offices in Austin, TX and New York, NY. Greyhill represents a team of seasoned professionals with hands on experience performing economic analysis, assisting leading companies in their location decisions and working with communities to expand their economic potential. For more information, visit www.greyhill.com.

About SXSW: SXSW dedicates itself to helping creative people achieve their goals. Founded in 1987 in Austin, Texas, SXSW is best known for its conference and festivals that celebrate the convergence of the interactive, film, and music industries. An essential destination for global professionals, the event features sessions, showcases, screenings, exhibitions, and a variety of networking opportunities. SXSW proves that the most unexpected discoveries happen when diverse topics and people come together. SXSW 2019 will take place March 8-17, 2019.