

**The Economic Impact of the 2023 Capital Challenge
and Washington International Horse Shows
on Prince George's County, Maryland**

Executive Summary¹

Prepared for

Capital Challenge LLC and Washington International Horse Show

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June 2024

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The 30th Capital Challenge Horse Show (CCHS) and 65th Washington International Horse Show (WIHS) were held at Show Place Arena at Prince George's Equestrian Center, the CCHS for the 30th year, from August 28th through September 9th, and the WIHS for its second year, October 23rd through the 29th.

The 2023 CCHS hosted equitation riders of all ages and levels in multiple divisions as well as important year-end finals including the Taylor Harris National Children's Medal Finals, the EMO Insurance/USHJA 3'3" Jumping Seat Medal Finals, the Palm Beach International Academy Junior Equitation Championships, and the Ariat Adult Medal Finals. The 2023 CCHS offered 198 classes during its eleven-day run and multiple competitions with prize money totaling \$440,455.

The 2022 WIHS achieved, and the 2023 WIHS 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 seven-day 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.

These two horse shows generated significant economic benefits for Prince George's County during their runs-of-the-show that would not have been realized in the absence of either horse show, with many of these benefits extending over the calendar year.

- Direct outlays generated by the Capital Challenge and Washington International Horse Shows and by all participants in and related visitors to the horse shows totaled \$17.116 million in 2023.
- The total impact of the direct spending generated by both horse shows on the Prince George's County economy was \$24.562 million, reflecting an aggregate multiplier of 1.435.
- As this direct spending associated with the CCHS and the WIHS was re-cycled through (re-spent in) the Prince George's County economy, it generated \$5.253 million in new personal earnings (taxable) for workers residing within the county.
- This direct spending associated with the CCHS and the WIHS supported a total of 156.3 full-time, year-round equivalent jobs with an estimated 101.6 of these jobs being held by residents of Prince George's County.

These economic benefits derived from the spending to stage the horse shows and the spending by the exhibitors (owners, riders, and trainers), the judges and officials operating the shows, vendors, and spectators associated with and attracted to these shows. Each horse show attracted participants and spectators to Prince George’s County from as many as 48 states, the District of Columbia and several countries, some for a day and other for as long as three weeks. These visitors—owners, riders, trainers, judges and officials operating the shows, vendors, and spectators including family and friends of participants, and equestrian sport enthusiasts—supported a wide range of local businesses creating and supporting jobs in Prince George’s County of which approximately two-thirds are held by county residents, generating new personal earnings and local and state tax revenues, and contributing to the growth and vitality of Prince George’s County’s economy.

The number of visitors and their length of visit—time spent in Prince George’s County—are major determinants of these horse shows’ economic impacts. As shown in the following table, most of the participants in these two horse shows are from states other than Maryland and include several foreign counties advancing Prince George’s County’s positive sports tourism image and reputation.

Geographic Distribution of CCHS and WIHS Owners, Riders, Trainers, Judges and Officials, Vendors, and Spectators

Type of Visitor	Number	Percent From	
		Maryland	Other States
Owners, Riders, And Trainers			
CCHS	1,732	4.2	95.8
WIHS	710	9.0	91.0
Judges and Officials			
CCHS	130	6.2	93.8
WIHS	100	7.0	93.0
Vendors ¹			
CCHS	36	11.1	88.9
WIHS	31	16.1	83.9
Spectators ²			
CCHS	3,388	4.2	95.8
WIHS	15,000	55.3	44.7

Source: CCHS; calculations by author.

¹businesses, not a personnel count; excludes WIHS’s food trucks.

²for CCHS, accompanying family and friends of owners and riders, non-participants for an average stay of 6.7 days and reflects geographic distribution of owners, riders and trainers; for WIHS, largely day-visitors; geographic distribution based on ticket sales data—9.1% of total were Prince George’s County residents.

The 2023 Capital Challenge Horse Show (CCHS) attracted:

- 1,732 participants to the horse show—including owners, riders, and trainers with 1,437 horses—from 48 states, the District of Columbia, and two countries (Bermuda and Canada); 96 percent of these participants were from states other than Maryland, many accompanied by their families, friends and associates, with an average length of stay of 6.7 days.
- 130 judges and officials—the professionals and technicians required to operate and manage the CCHS, with an average length of stay of 11 days; 94 percent of the judges and officials were non-Maryland residents.
- An estimated 3,388 “spectators” consisting largely of family members and friends of participants attending the show for an average of 6.7 days representing a total of 22,700 person days of market potential to the benefit of the county’s economy; it is estimated that approximately 95 percent of these visitors were non-Maryland residents.

The Washington International Horse Show attracted:

- 710 participants—including the owners, riders, and trainers with 442 national horse and 45 FEI entries—91 percent of whom were from states other than Maryland.
- 100 judges and officials, the professionals and technicians required to operate and manage 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; 91 percent of the show’s spectators were non-county residents and 44.7 percent were non-Maryland residents.

The spending required to stage the Capital Challenge and Washington International Horse Shows’ during 2023 and the spending by horse show participants, judges and officials, vendors, and spectators and their impacts on the Prince George’s County economy—its total output, the jobs supported, and the personal earnings of workers residing in the county are presented in the following table.

The direct spending by Capital Challenge LLC and the WIHS to stage their 2023 horse shows and the spending by owners, riders, trainers, judges and officials, vendors and by spectators and accompanying family and friends while in the county participating in or attending the horse shows totaled an estimated \$17.1 million. The economic impacts—the direct, indirect and induced impacts— generated by CCHS’s and WIHS’s and related spending contributed a total of \$24.6 million to the Prince George’s County’s economy in 2023; that is, each \$1 of direct spending

associated with the CCHS and WIHS, generated \$1.44 of total benefits for the Prince George’s County economy.

Summary of Economic Impacts Generated by the
2023 Capital Challenge and Washington International Horse Shows
On Prince George’s County, Maryland
(in millions of dollars)

Sources	Direct Outlays	Total Output ¹	Personal Earnings ²	Jobs Supported ³
CCHS	\$3.651	\$5.537	\$1.278	41.6
WIHS	3.735	5.664	1.397	42.5
<u>Other Sources</u>				
Exhibitors ⁴ , and Judges and Officials	4.933	6.766	1.312	36.7
Vendors	0.666	0.917	0.176	4.8
Spectators ⁵	4.131	5.678	1.090	30.7
<u>Sub-total Other</u>	<u>\$9.730</u>	<u>\$13.361</u>	<u>\$2.578</u>	<u>72.2</u>
Total CCHS/Other	\$17.116	\$24.562	\$5.253	156.3

Source: Capital Challenge Horse Show; 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 CCHS and 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 CCHS and WIHS.

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

⁴includes owners, riders, and trainers.

⁵non-participants attending the horse shows, including family and friends of owners and riders.

This direct and related spending by the CCHS and WIHS of \$17.1 million also generated \$5.25 million in new personal earnings for workers residing in Prince George’s County resulting from the re-spending of payroll and business income by employees, vendors, and exhibitors associated with the 2023 horse shows and the spending before-and-after daily shows by owners, riders, trainers, judges and officials, vendors, and spectators attending the shows.

This economic activity—direct outlays, indirect impacts and induced effects—also supported 156.3 full-time, year-round equivalent jobs locally and elsewhere in the broader economy with an estimated 101.6 of these jobs being held by county residents.

With more than 90 percent of CCHS’s and WIHS’s owners, riders, trainers, judges and officials, vendors, and spectators and accompanying family and friends many

staying for multiple days in Prince George’s County supporting the local economy through their spending for goods and services, this spending and the spending to stage these horse shows generated significant economic benefits accruing to local businesses and workers residing in Prince George’s County. The county’s fiscal base (much of this spending and its personal earnings impacts are subject to county taxes) also will have benefitted from this new spending, revenue benefits that would not have been realized in the absence of the Capital Challenge and Washington International Horse Shows being staged at the Equestrian Center.

The magnitude and breadth of these economic benefits underscore the value of the Capital Challenge and Washington International Horse Shows to Prince George’s County’s economic vitality. Most importantly, these positive economic impacts are magnified and extended by the publicity associated with the Capital Challenge and Washington International Horse Shows that strengthens the county’s sports tourism brand by attracting large numbers of out-of-state visitors (including some from foreign countries) to the county to experience and enjoy Prince George’s County and its unique and varied attractions.

¹This Executive Summary is based on two independent reports: “The Economic Impact of the Washington International Horse Show on Prince George’s County, MD (May 2023) and “The Economic Impact of the Capital Challenge Horse Show on Prince George’s County, MD (May 2023).