

ECONOMIC IMPACT REPORT: FENTON STREET MARKET 2011

Fenton Street Market, founded in 2009 and established as a benefit corporation in the state of Maryland in 2011, is a weekly outdoor market with sixty vendors specializing in arts, crafts, and antiques. From April to November, Fenton Street Market operates on Saturdays from 9 am to 3 pm in downtown Silver Spring on Veterans Plaza at the Civic Building.

Fenton Street Market's mission aims to:

- invigorate the local economy with locally based, independent businesses and arts
- provide a welcoming atmosphere to encourage the participation of first-time exhibitors

To determine its contribution to the local economy, a team of volunteers deployed by Fenton Street Market conducted

an economic impact study on June 25, 2011. The evaluation team used the Sticky Economy Evaluation Device (SEED), an economic impact methodology provided by Market Umbrella. The day of the study, warm and sunny, was a



typical Saturday in downtown Silver Spring, with activities occurring in the Civic Building, farmers hosting their weekly market on Ellsworth Avenue, and pedestrians filling the area.

Economic Impact

The evaluation team counted a total of 2,968 Fenton Street Market patrons. Adjusting by 15% for counting errors (such as double-counting, a common issue at open-air markets), the working total used for purposes of this study was rounded to **2,500 shoppers**. This results in an annual projected attendance of **72,500 shoppers**.

The market has an annual combined economic impact of **\$6,604,900 dollars** on its vendors, host neighborhood, and surrounding region.

GOOD FOR VENDORS

- Estimated average gross market day receipts for vendors: \$49,845
 - Per vendor: \$830
- Projected gross annual receipts for market vendors as a whole: \$1,445,505
- Economic Impact (using the multiplier¹) upon market vendors: \$2,833,190



GOOD FOR NEIGHBORHOOD

- Estimated average gross market day receipts at businesses near market: \$66,357
- Projected gross annual receipts at businesses near market: \$1,924,341
- Economic Impact (using the multiplier) upon neighborhood businesses: \$3,771,709

GOOD FOR COUNTY and STATE

- Projected annual sales tax revenues (at 6%): \$115,460

¹ It is standard procedure to use a multiplier when calculating economic impact, as to account for direct and indirect spending. According to www.pps.com, Project for Public Spaces, “The potential economic impacts of public markets and farmers markets include direct benefits (e.g. profits to business owners in the market, job creation, sales and real estate tax revenues, etc.) and indirect benefits (e.g. stimulating development downtown, enhancing the park and waterfront as a place, farmland preservation, etc.)” SEED uses the Regional Input-Output Modeling System II (RIMS II) multiplier, calculated by the Bureau of Economic Analysis (BEA) to capture the impact of initial and subsequent rounds of spending within the region. In this case, the multiplier used is 1.96.

Shopper Profile

Over the course of the day, the evaluation team interviewed 129 shoppers, gleaning information on demographics and spending habits.



How much do they spend?

- Shoppers spend an average of **\$19.94** each trip to Fenton Street Market.
- Seventy nine percent (79%) of Fenton Street Market shoppers also spend money at neighboring businesses.
- Shoppers spend an average of **\$26.54** at nearby businesses each trip to the market.

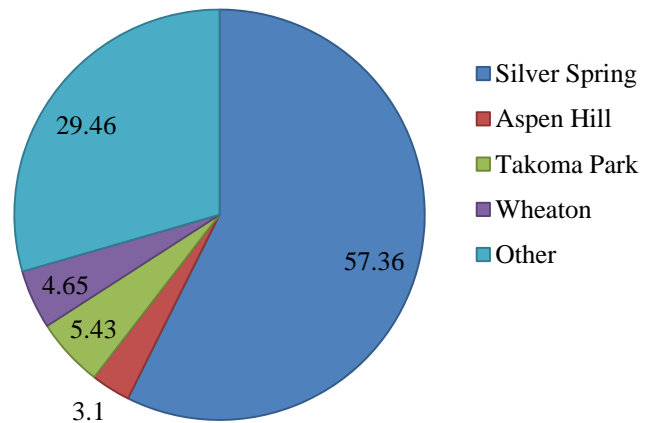
According to interviews with neighboring businesses, sales have increased upwards of 15% from Fenton Street Market shoppers patronizing adjacent businesses. In addition, several local businesses have noticed an increase in sales early in the morning from vendors purchasing coffee and breakfast.

Who are they?

Data indicates that 63% of shoppers are female and 37% are male. While the majority of shoppers came from the direct

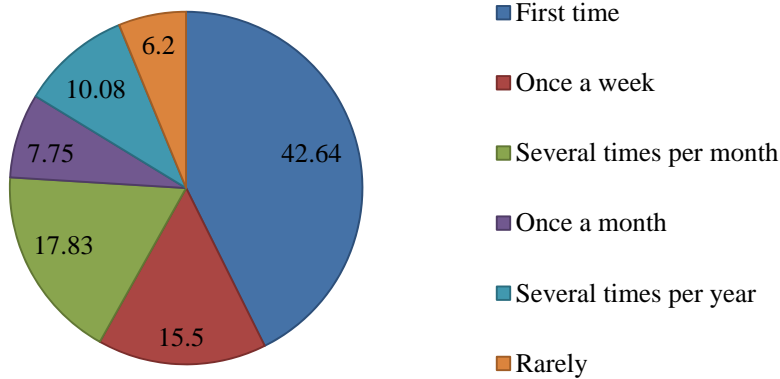
neighborhood (zip code 20910), many came from other neighborhoods in Silver Spring and the nearby communities in Montgomery County and the District of Columbia.

One percent of shoppers came from outside the Metro DC area. One of these shoppers had moved away from downtown Silver Spring eleven years ago and remarked how fantastic the market and the surrounding development are to the community.



How often do they visit?

Almost half of the people interviewed were visiting for the first time. When asked if they would return, many responded enthusiastically.



Why do they visit?

Of the people interviewed, 41% indicated that Fenton Street Market was their primary reason for visiting downtown Silver Spring. Of these individuals, 81% intended on spending money at other businesses in the immediate area.

Conclusions

Fenton Street Market has a strong economic presence in Silver Spring, providing added business to area shops, restaurants and the adjacent farmer’s market. The sticky economic data presented in this study clearly shows the direct and indirect contributions Fenton Street Market shoppers and vendors make to downtown Silver Spring and the surrounding community. Tangibly, Fenton Street Market visitors are spending more in the area. Intangibly, they are contributing to the strong community atmosphere that makes downtown Silver Spring such a popular destination. Attracted by Fenton Street Market’s central location and diversity of vendor goods and services, visitors have quickly incorporated it into part of their Saturday experience in downtown Silver Spring.