

North Carolina
Short Track – White Paper
“The Minor Leagues of Motorsports”

Developed by:



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Study Overview

In late 2006 The North Carolina Motorsports Association (NCMA) formed the NCMA-Short Track Council. This group consists of track owners, promoters and business's associated with the short tracks and competitors. In 2007 the tracks were provided a detailed short track impact survey developed by the NCMA and partnering groups. This study is based on the information returned by short tracks and averages developed by estimating tracks into three impact tiers levels. This study includes 12-Pavement Oval Short Tracks and 16-Dirt Oval Short Tracks located throughout the state of North Carolina. It does NOT include an approximate 19-Drag Strips located in the state. The findings of this study although accurate to the best ability of information and knowledge gathered are not exact.

Overview – Short Track

In North American auto racing, a **short track** is a racetrack of less than one mile (1.6km) in length. Short track racing is where stock car racing first got off of the back roads and into organized and regulated competition. Unlike the larger tracks, short-track offers fans and competitors close racing, where the bodies of the cars actually rub against one another, but without a very high likelihood of serious accidents.

Today short-tracks have become the un-official “Minor Leagues” of racing. There are 28 known active short-tracks (event facilities) operating on a near weekly basis in the state of North Carolina. There are over 1600 grass roots race teams operating annually. Young drivers, mechanics, future engineers and students of various subjects are using the short track racing as a proving ground. With the influx of motorsports programs at the collegiate and K-12 levels short-tracks provide the internships and hands on experience that is strengthening the current 6-billion dollar, 27,000+ job motorsports industry in the state of North Carolina.

In 2007 NASCAR recognized the importance of their minor leagues (short-tracks) by increasing marketing with their "NASCAR Home Tracks" campaign, with NASCAR Drivers Greg Biffle, Elliott Sadler, and Carl Edwards featured in advertising to market short track racing. Current major league NASCAR drivers such as Ken Schrader, Tony Stewart, and Dale Earnhardt, Jr. all own short tracks.

Most short tracks are located in smaller rural communities, though often within a short distance from larger metropolitan areas. Short-Tracks provide family oriented low-cost entertainment. Most tracks have a “family” section in the grandstands, which forbids smoking and alcohol. Much like a minor league baseball game short track events often include promotional night giveaways, firework shows, live music and other added value entertainment. Unique to the short track events is access to the competitors. Nearly all tracks open the pit area gates after the racing ends, where fans can interact with competitors and their racecars. Over 1-Million fans attend short track races annually in North Carolina.

NORTH CAROLINA SHORT TRACKS

ASPHALT OVALS

ACE SPEEDWAY - ALTAMASHAW

BOWMAN GRAY STADIUM - WINSTON-SALEM

CARAWAY SPEEDWAY - ASHEBORO

COASTAL PLAINS RACEWAY - JACKSONVILLE

CONCORD MOTORSPORTS PARK - CONCORD

EAST CAROLINA MOTOR SPEEDWAY - ROBERSONVILLE

FRIENDSHIP MOTOR SPEEDWAY - ELKIN

HICKORY MOTOR SPEEDWAY - HICKORY

LOWES MOTOR SPEEDWAY (1/4 mile infield track does not include big track) - CONCORD

NORTH CAROLINA SPEEDWAY (Recently Purchased not included in study) - ROCKINGHAM

ORANGE COUNTY SPEEDWAY - DURHAM

SOUTHERN NATIONAL SPEEDWAY - KENLY

TRI-COUNTY MOTOR SPEEDWAY - HUDSON

WAKE COUNTY SPEEDWAY - RALEIGH

DIRT OVALS

ANTIOCH SPEEDWAY - MORGANTON

CAROLINA SPEEDWAY - GASTONIA

CASWELL COUNTY SPEEDWAY - LEASBURG

CLARY SPEEDWAY - BRINKLEYVILLE

COUNTY LINE RACEWAY - ELM CITY

DIXIELAND SPEEDWAY - ELIZABETH CITY

EAST LINCOLN MOTOR SPEEDWAY - STANLEY

FAYETTEVILLE MOTORSPORTS PARK - FAYETTEVILLE

HAMMER DOWN SPEEDWAY - RED SPRINGS

HARRIS MOTOR SPEEDWAY - HARRIS

LOWES MOTOR SPEEDWAY (Dirt Track Special Events Only) - CONCORD

NEW THREE ELEVEN SPEEDWAY - MADISON

SMOKY MOUNTAIN RACEWAY - WHITTIER

SOUTHERN THUNDER SPEEDWAY - TAYLORSVILLE

THUNDER VALLEY SPEEDWAY - LAWNSDALE

TRI-COUNTY RACE TRACK - BRASSTOWN

WAYNE COUNTY SPEEDWAY - PIKEVILLE

SHORT TRACK – WHITE PAPER:

- ❖ According to a North Carolina Motorsports Economic Impact Study completed in 2005 by John E. Connaughton, TIAA-CREF Professor of Economics, Short-tracks account for over \$51 million annually in sales/revenue generated for North Carolina. Short-track race teams competing at the tracks on a weekly basis account for an additional \$136 million in sales/revenue generated.

TAXES

- Combined Sales Tax Paid Annually: 258,636
- Combined Real Estate Tax Paid Annually: 270,089
- Combined Business/Other Tax Paid Annually: 78,870

EMPLOYEES

- According to the NC Motorsports Economic Impact Study completed in 2005 by Professor John E. Connaughton, short-tracks account for 451 full-time jobs. Short-track race teams create an additional 523 full-time jobs in North Carolina. Like any small events oriented business a short-track business model employs on average 1-5 full time employees. This typically consists of owner, promoter, caretaker, general manager, other. Short-Tracks provide a significant amount of internships and part time jobs.

Full Time Jobs: 451

Part Time Jobs: 855

Internships: 24

FAN ATTENDANCE

- Short Track Schedules typically run from March – November holding an average of 25-events per track per year. Most tracks operate weekly or semi-weekly. There are approximately 40-50 thousand fans a weekend going to short-track events. Ticket prices average \$10-\$15 for Adults. Most tracks allow youth under 7 in for free and have a military discount. Fan attendance does NOT include competitor attendance (see local short-track competitors below).

- Average Fan Attendance Per Event: 1,764
- Average Fan Attendance Per year: 1,102,500+
- 98% of Fan Attendance Live and Work in Local Community
- There are over 700 Short-Track events per year

Fan Demographics:

Male.....61%

Female.....39%

Age Composition

Under 18.....8%

19-24.....15%

25-34.....24%

35-44.....29%

45-54.....17%

55+.....8%

Household Income

Under \$15K.....4%

\$15-\$24K.....11%

\$25K-\$34K.....19%

\$35K-\$49K.....28%

\$50K-\$74K.....23%

\$75K +15%

Fan Demographics Cont...

Educational Level

High School.....	46%
Trade/Vocational.....	19%
Some College.....	35%
College Graduate.....	23%

Occupation

Technical Skilled Trade.....	46%
Professional.....	31%
Managerial.....	14%
Manufacture.....	10%
Retired.....	6%
Student.....	5%

*Demographics provided by the ASA Late Model Series

***Comparison:** Lowes Motor Speedway 2 NASCAR Events: Estimated 300,000 (Lowesmotorspeedway.com)
2007 NFL Super Bowl Attendance: 68,208 (nfl.com)
NFL Carolina Panthers Annual Attendance Average: 8 Home Games - 568,000 (Forbes.com)
NHL Carolina Hurricanes Annual Attendance: 41 Home Games - 639,436 (andrewsstarpage.com)

LOCAL SHORT-TRACK COMPETITORS

- Short Track Teams typically consist of a driver and an average of 5.6 supporting team crew members. Teams can consist of mechanics, public relations person and/or team manager – coordinators. Most are volunteers; however, higher budget teams have paid crew members. Race teams will spend \$5,000-\$20,000 on the low level and \$100,000 or more on the high end annually to operate their team. A very small percentage of their budgets are spent directly with the race tracks. A large percentage of the budget is spent in the local community on products, services, real estate, etc.
- Estimated No. of teams competing statewide annually: 1,633
- Estimated No. of competitors attending events annually: 230,150
- Estimated amount competitors spend annually: 8,165,000 - 163,300,000+
- 40% of team owners are small business owners

NON-LOCAL SERIES COMPETITORS (Touring Events) – OUT OF STATE REVENUE

- Touring events are racing series/teams that travel to North Carolina Short Tracks for special events. Most all tracks have at least one touring series event that travels from out of state. The average touring series events per year are 6.1 per track. Touring race teams tend to have higher annual racing budgets. Teams average 5+ crew members per team and there are typically 20-50 teams per event. Touring teams typically travel with a race trailer and semi tractor or passenger truck. Some use air transportation both commercial and private. Nearly all touring teams require hotel space and consume fuel, food and goods and services in the areas they visit. Because many teams are family or friends they often use their travel time to visit local area tourist attractions before or after their racing events.
- No. of touring events statewide annually: 171
- Number of out of state travelers per year: 17,100 – 42,750+

Examples of Touring Series: Hooters ProCup; Whelen Southern Modified Tour; ASA Late Model Series; USAC Ford Focus Midgets; Lucas Oil Pro Pulling National; etc.

BUSINESS BENEFITTING FROM SHORT TRACKS

- An average of 20.1 business's per track benefit from their events. Benefiting business's including local community small business as well as large national and worldwide corporations. Some business's such as independent track photographers rely on the tracks for 60%-100% of their revenue.

Examples:	Sysco Food Services	Staples
	Days Inn (Hotels)	Domino's (Restaurants)
	Hoosier & Goodyear Tire	Touch Pro Computers
	Pepsi & Coca Cola	Chris Revis Photography
	Steve's Signs	Big Boy's Truck Stop

*Several local companies sponsor short-tracks taking advantage of their loyal fan base and exposure: Car Dealerships, Car Repair, Beverage Companies, Fast Food Restaurants, etc. have received valuable marketing returns from short-tracks.

CHARITY & NON-RACING EVENTS

- 85% of short-tracks are already holding or supporting local charities by providing their facilities for events, fund raising activities and awareness through fans and competitors. 99% of short-tracks reported an interest in providing their facilities for non-racing charitable events and other non-racing events such as concerts, fairs, car shows, trade shows, etc. Short-Tracks are event facilities with concessions, security and the operational resources to hold various events. 99% of track owners – promoters reported an interest to work closer with community programs, charities and local officials to become a useful event facility for non-racing events.

***Current Non-Profits Involved with Short Tracks:**

Victory Junction Gang Camp	Relay For Life
NASCAR Foundation	Hospice
Speedway Women's Club	So. Mountain Children's Home
Red Cross	Boy Scouts of America
Local School Fundraisers	American Cancer Society

SHORT TRACK COMPARISON

- Short-Tracks are comparable to other minor league facilities and sports such as hockey and baseball. The comparison below is between a typical North Carolina Minor League Baseball Team and the Average North Carolina Short Track Facility/Team.

Minor League Baseball

Series Example: International League
Ticket Price: \$5-\$15
Parking: \$0-\$2 per car
Affiliation: Chicago White Sox
Feeder to Major Leagues
Fans Eat, Drink, Root for Team
Promotional/Giveaway Items for Fans
Charitable Cause Events
Safe & Family Oriented
Typical Event Attendance 1K-5K
Event Facilities Capable of other Events

Minor League Racing (Short-Track)

Series Example: NASCAR Sanctioned / ASA Sanctioned
Ticket Price \$10-\$15 (Children Free)
Parking: No Charge
Affiliation: Teams Affiliated with Major NASCAR Teams
Feeder to NASCAR and Other Major League Series
Fans Eat, Drink, Root for Drivers
Promotional/Giveaway Items for Fans
Charitable Cause Events
Safe & Family Oriented (Most have Family Section)
Typical Event Attendance 1K-3K
Event Facilities Capable of other Events

SHORT TRACK CURRENT & FUTURE OUTLOOK

Although short-tracks have over 1-million fans annually and over 1600 teams competing they have consistently declined in attendance and team counts over the past 10-years. This along with higher operating costs has led to a consistent trend of lower revenue among tracks. Despite NASCAR's popularity at the national level, short-track racing in many parts of the state is struggling to survive financially. While some tracks are succeeding some are taking losses each year. In recent years some tracks have changed ownership several times. Short-Tracks provide the facility for the fans and competitors, but unlike other minor league facilities receive little financial return and community funding in comparison.

In the past short-tracks relied solely on fans and competitors as their source of revenue. A major rise in the cost of racing competition has limited the amount of competitors able to compete. As with all minor league sports today, fans have a variety of choices for entertainment that have caused decreases in attendance. A serious challenge for short-tracks is the graying of the fan base and decline in youth attendance. Short-Tracks are beginning to focus on re-attaining youth through various marketing efforts and youth oriented events.

There also exists a lack of understanding and communication between short-tracks and their community leaders. Noise and environmental issues rank as the most common indifference between the tracks and their communities. However, nearly all track owners reported a willingness to work with their local communities to address concerns and issues. But many tracks also reported not knowing their local community officials personally and visa versa. A lack of communication and understanding of the tracks business model and community impact has led to avoidable issues and missed opportunity for the tracks communities.

Short-tracks must develop better relationships with the elected officials in their communities. Minor League baseball parks in North Carolina have received significant public support for new and renovated stadiums. Short-tracks offer similar economic benefits and entertainment value. By building stronger relationships with community leaders, short-tracks may be eligible for tax and economic incentives to renovate their facilities. Noise and other environmental challenges can be resolved before they become problems. The short-track can be used for more charity and community events. The community will benefit from supporting the speedway and the short-track will benefit from the improved relationship.

The future of short-track racing has a strong but changing outlook. Short-Tracks are converting to a modern fast paced world. Short-Tracks are changing from "race tracks" to "event facilities" useful in the community for a variety of events. They also are becoming more useful in the workforce development of motorsports. The days of major professional race teams having just a mechanic and driver are gone. The 6-billion dollar industry is hungry for a skilled workforce and the short-tracks and competitors welcome the lack of experience for low cost support.