ECONOMIC IMPACTS:
National Folk Festival in Montana,
2008-2010

1) The National Folk Festival’s 2010 audience grew by more than 94 percent over 2008 to 165,000 visitors over the three days, causing both local and statewide tourism impacts. The sales of restaurant, grocery, gas, lodging and retail sales resulted in more than $12 million for the Butte community and area, and another $20 million in direct statewide sales during the four-day travel period. Deposits in area banks afterward were reported by businesses to be beyond any other event or impact source in Butte’s past. The state Department of Tourism has confirmed that July was a banner month for lodging in Montana as a whole, with a much higher lodging occupancy rate than the region or nation (85 percent compared to 68 percent nationally and 64.5 percent regionally). Bozeman’s airport traffic reached a new height in July, as the largest airport serving the festival. Both Yellowstone and Glacier National Parks reported groundbreaking totals for July, the largest in Yellowstone’s history for this month. Thus, direct earnings in Montana exceeded $31 million in 2010 during the four-day period, not counting multiplier effects.

2) Three years of non-stop national marketing of the National Folk Festival has caused a year-round increase in cultural and entertainment events in Butte, Southwest Montana and Montana, as a whole. Investments in public open-air amphitheaters, fair grounds and other entertainment venues has increased, particularly those developed with volunteer effort, like Butte. The number of festivals and summer-season events across Montana has increased substantially, as towns added value to the tourism economy, which has topped agriculture as the state’s number 1 industry and is now making contributions to the revenues of state government. Montana, meanwhile, became more enjoyable for year-round residents, while visitors spent $56 million in the Treasure State during the three National Folk Festival weekends in Butte.

3) The Festival prompted and accelerated urgently needed local Butte investments in community development, effectively piggy-backing investments in sidewalks, drainage, street repair and replacement, with volunteer-driven clean-up and landscaping campaigns. The town now has an excellent outdoor performance venue system, built by volunteer, public and private efforts, crowned by the Original Mine “Main Stage,” for the last two years sponsored by the Dennis and Phyllis Washington Foundation.

4) Improved community assets and greater cultural opportunities have improved Butte as a location to live or attend college. This has led to a stable market and growing real estate transactions for Butte, and striking increases in college enrollment at both North and South Montana Tech campuses of UM, which have experienced larger enrollment rate increases than the other units of the Montana University System.

5) The event has launched Butte’s long-term vision as a “meeting place at the crossroads,” an identity that is vital to its long-term future. As it proudly celebrated its Mining City heritage at the final festival, it also permanently boosted and renewed its historic reputation as a place to come for first-rate entertainment and “melting pot” hospitality. The Festival City focus has become a region-wide rallying point, causing new interest in collaborative development around the vision of Butte as a regional meeting place. Historic Uptown Butte is striving to become a significant entertainment and arts district, a growing asset at the I-90 and I-15 crossroads for an economically challenged region ready for sustainable growth.

6) Butte is now seeing a positive reflection of itself through the eyes of others, bringing new confidence to the town, along with a surge in business and civic leadership. The Imagine Butte consortium’s new “Crossroads Project” is a multi-county collaboration that seeks to build on the success of the National Folk
Festival to create a $50 million action plan for sustainable community development, in workforce housing, energy efficient transportation, economic and workforce development and infrastructure development. Also, the “Festival Ambassadors,” a new group of business and civic leaders who ran the donation bucket brigade and did one-on-one hospitality outreach during this last National event, is pledged to continue with the equally spectacular Montana Folk Festival in July 8-10, 2011. The Ambassadors increased donations to the buckets by 78 percent to $75,000 and made tens of thousands of new friends.

For more information about the Montana Folk Festival, visit www.montanafolkfestival.com