

Formula 1 Austin Preview: Thrills, Parties, and a \$550 Million Boon

By Hannah Elliott - Oct 29, 2014

This week Austin, Texas, may be the most international city in the South.

On Sunday, November 2, more than a quarter million people -- 80 percent from outside Texas and many from Europe, Asia, and South America -- will descend there to watch the 17th race of the Formula 1 Grand Prix series at the [Circuit of the Americas](#) (COTA). It will be the only stop it makes in the United States.

By most accounts the drivers are just as excited as the fans.

“The track is spectacular,” Fernando Alonso told me in Texas hours after he first took practice laps there during its inaugural year in 2012. The 3.4-mile-long course sits 20 miles in the sticks outside of town on a \$400 million track specially built for the series. Unlike an oval-shaped NASCAR or Indy car track, it has elevation changes and multiple tight corners -- 20 in all. It also runs counterclockwise, making it unique from many other F1 tracks, which habituate drivers to taking frequent right-hand rather than left-hand turns. The Austin race will total nearly 192 miles of driving, with the winner finishing in just over 90 minutes.

“Hand on heart, this is probably the date on the calendar I look forward to the most,” Infiniti Red Bull Racing driver Daniel Ricciardo declared in a press statement earlier this week.

“I love the track -- it feels like a hometown crowd for me,” Sergio Pérez, the Mexican driver for Force India, told me after his first race there in 2012.

If the thousands of people chanting “CHE-CO CHE-CO” from the stands are any indication, the 24-year-old Pérez is indeed a local favorite. A \$3,000 “Official Checo Pérez Grandstand Ticket Package” includes Three-Day Reserved Seat Passes, hotel accommodations, VIP suite catering, and drinks, plus a Special-Edition Sergio Pérez autographed baseball hat. (Single-day passes for the Sunday Grand Prix start at \$139.)

Winners Podium

Eleven teams and 22 drivers began the F1 season March 16 in Australia and will end on its 19th Grand Prix November 23 in Abu Dhabi. Highlights along the 2014 calendar have included the new Russian Grand Prix this month in Sochi, the city where the Winter Olympics were held, and the Austrian Grand Prix in Spielberg. That race, the first held there since 2003, was especially exciting as it was contested the entire time. Nico Rosberg eventually came from behind in a clutch win for Mercedes.

On the track, there have been some lead changes, however slight: Red Bull Racing was the Constructors’

Champion last year, but Mercedes has already secured that 2014 team championship thanks to the Russian race where it gained an unbeatable lead of 223 points over Red Bull.

In individual standings, Red Bull's Sebastian Vettel started as the defending Drivers' Champion, but Mercedes' Lewis Hamilton now leads Nico Rosberg (the other driver at Mercedes) and Ricciardo. The final score on that title remains undetermined, so the Austin race is crucial.

Crisis of Conscience

All of this comes, of course, in the midst of a crisis of conscience for F1, which the infamous Bernie Ecclestone has run since the 1970s. (In the past year alone the long-haired, 84-year-old, chief executive has fought multiple bribery charges in Germany and the U.K.) Increased costs of producing races in far-flung countries, and unequal team payments have all contributed to declining audiences and dwindling sponsorships worldwide. As has the fact that some teams are pulling out of races altogether (Caterham and Marussia in Austin, for instance), while others like Sauber and Lotus face ongoing massive financial losses.

Austin's race ambassador Mario Andretti sees the Texas date as crucial for involving a younger, new audience. Both he and Bobby Epstein, the COTA co-founder, have said publicly that F1 (and, by extension, Ecclestone) should "loosen up a bit" and "make the sport about personalities" as a way to engage audiences. They say it needs to work on appealing to American viewers in a way that NASCAR does -- by making drivers accessible and playing up human drama rather than minute, incremental technological progress.

Look for efforts in Austin do the same. In Texas, that'll translate into autograph sessions, appearances by local celebs and iconic drivers, concerts -- Austin is famous for live music, after all -- and plenty of BBQ and beer. COTA has also been tweeting aggressively to promote the race, telling people about Q&A sessions and to follow specific personalities ([@LewisHamilton](#), [@MarioAndretti](#), and [@SChecoPerez](#) are popular).

Financial Impact

Despite generating nearly \$400 million in revenue for successful teams like Ferrari -- the 12 teams all together are worth \$4.05 billion, according to Forbes -- the sport is still relatively unknown in the states, subsumed by other diversions (NFL, NBA, NASCAR). Exhibit A: Over Memorial Day Weekend 5.7 million Americans will watch the Indianapolis 500, according to Horizon Media. Only 1.4 million Americans watched the Monaco Grand Prix this year, which is the prestigious pinnacle of the F1 calendar.

Still, more than 530 million people worldwide will watch Sunday's race. Officials say the crowds will spend \$550 million dollars over the three-day race weekend attending parties, concerts, and dozens of preliminary heats and side races leading up to the main event on Sunday. By contrast, the SXSW technology and music festival attracts 35,000 people and generates \$315 million over 10 days. (A University of Texas v. TCU football game, it should be noted, will bring well over 100,000 people to town in just one afternoon.)

The average U.S. Grand Prix visitor will stay four days, spending \$1,500 per day, according to COTA.

Personality, Playboys, Parties

Of course, Formula 1 attracts more than random European fanatics and their American counterparts, devotees who stay up late to watch races halfway around the globe, a U.S. pursuit as niche as cycling or soccer in the '80s. F1 drivers are handsome, fit athletes with international accents and playboy attitudes: their rainbow hued tracksuits and Type-A personalities attract gaggles of groupies who follow them from race to race. Last year Ferrari's bold Fernando Alonso, 33, the 21st-highest-paid athlete in the world this year, made than \$30 million through salary and endorsements. Hamilton, 29, made \$32 million.

Huge party clubs follow the F1 scene around the world as well, gleaning off the glamour at pop-up parties from Spain to Singapore. Admittance to the glitzy Amber Lounge in Monaco last year cost 800 Euros per person (well, per male, to be more specific), plus bottle service. One man I know spent \$200,000 that same night at the Fairmont Hotel's pop-up Billionaire's Club next door.

This year in Austin John Martin, best known for his work with the Swedish House Mafia, will perform at the Amber Lounge in downtown Austin. Eva Longoria will host.

Another traveling F1 party promoter, My Yacht Group, will host its My Yacht Club at Ballet Austin for two nights in the historic downtown district starting on Halloween. Promoters promise "supercars, a shot-pouring aerialist, and 24K gold-flecked Champagne." Tickets cost \$325; tables start at \$5,450.

Celebrity Cachet

In the same vein, a certain flavor of celebrity also flocks to F1, presumably to establish some form of street cred and tap into European élan. George Lucas, Matt LeBlanc, Enrique Iglesias and Luke Wilson attended the opening race in Austin in 2012. So did Ron Howard, who was shilling for his then-in-progress F1 movie "Rush." Some, like [semi-pro driver Patrick Dempsey](#), have legitimate ties to and passion for auto racing.

"Formula 1 is a beautiful sport," Dempsey said last month at a party in New York. He owns an eponymous racing team and has competed in the 24 Hours of Le Mans and Rolex 24 at Daytona. I had seen him at the Austin race in 2012 and asked him why he liked that one in particular. "For Austin, a lot of people come up to watch from Mexico and Latin America, where they are very passionate about road racing," he said. "It's very intense."

Southern Hospitality

Texans take a specific pride in hosting the country's only F1 exposure. Indianapolis hosted a F1 race in 2007 and plans for more fell apart. New York failed to ever settle on a date and location for hosting a race despite years of back-and-forth negotiations with promoters along the Hudson River.

Ecclestone has recently discussed in the press his idea for hosting a Grand Prix in the streets of Las Vegas, which last hosted F1 in 1982. He's confirmed no solid plans for that, though a race in Mexico will happen next year. Combined with the Austin race, North America will generate just over \$1 billion in revenue for F1's parent company Delta Topco over the lifetime of multi-year contracts, according to Forbes.

Back in Austin, smart locals are renting out their homes (\$5,000 for the week is typical) and leaving town before preliminary runs on Friday and Saturday. Others who live near the \$400-million track say they'll charge \$75/day

per car for parking on their lawns and in their driveways.

On-site, dozens of food trucks will sell tacos, tamales, corn-dogs, fritters, and what COTA estimates are 12,000 pounds of French Fries. Marching bands in UT-orange chaps and white fringe will perform. Big-haired blondes in white cowboy boots and crop tops -- Dallas Cowboys Cheerleaders reminiscent -- will flank the winners podium.

None of it is meant as caricature. Remember, this is the state that once lobbied to become its own republic.

The world will love it.

[The United States Grand Prix](#) takes place in Austin, Texas on Sunday, Nov. 2 at 2 p.m. local time (3 p.m EST). Preliminary practice and qualifying races are held Oct. 31 and Nov. 1.