



FOR IMMEDIATE RELEASE

Media Inquiries: Jay Lugar
SFVA Marketing Director
c. 804.539.3226
jlugar@statefairva.org

SFVA, Inc., Seeks Voluntary Reorganization to Restructure Debt, Fully Expects to Continue Normal Operations, Emerge and Host Events

Caroline County, Va. (December 1, 2011) – SFVA, Inc., (SFVA) the not-for-profit corporation that operates the State Fair of Virginia, today voluntarily filed for Chapter 11 bankruptcy protection to restructure its debt.

State Fair officials said they fully intend to continue normal operations during the bankruptcy proceeding and emerge on a firm financial footing.

Curry A. Roberts, president and chief executive officer of SFVA, said the filing was necessary because the financial portfolio underlying its bank loan is currently half of what it was in 2007. The large majority of the loss occurred during the stock market drop in 2009, making it untenable to indefinitely continue paying principle and interest under the original loan structure.

"The State Fair has operated in Virginia for 157 years and we will take every step necessary to protect and continue this wonderful tradition," Roberts said. "This is a one-time financial event which should support continued operations and allow SFVA to emerge with a sustainable financial structure. This is the responsible step to take to support the Fair and our other operations."

Roberts said SFVA is current on its loan payments and that its multi-faceted operations remain strong, with 2011 on track to be its best year ever in terms of total number of events and attendance at its location near Doswell, Virginia. Attendance at the State Fair two months ago posted a 32 percent increase in paid attendance over 2010.

SFVA is a 501-c3, not-for-profit corporation and receives no state or local operating support. It is one of only a handful of state fairs in America structured to operate without public funding.

"SFVA is much more than just one event," Roberts said, "and we're so much more than midway rides and fried candy bars. Each year we provide a venue for tens of thousands of youth and families to showcase their farm animals, enter apple pies and Brunswick stews in food competitions and display quilts, paintings and handmade crafts."

Since its inception in 1854, the State Fair of Virginia has generated funds for youth to continue their education. Since 1989, more than \$1.7 million in youth scholarships has been distributed to Virginia students to pursue post-secondary studies.

In 2011, attendance at the State Fair was 269,000, and according to research, the number one reason to attend the fair was cited as animal agriculture.

"The State Fair of Virginia is the Commonwealth's largest outdoor classroom," Roberts said.

- more -



Roberts and SFVA board member William S. Mistr, a retired executive with Dominion Resources, Inc., made the announcement during a conference call today with the news media. The two said the organization had been working cooperatively with its lenders for two years to reach a new agreement. The decision to file for voluntary bankruptcy protection was made by the SFVA board unanimously after the organization could not reach a new agreement with the lender group.

"We absolutely intend to emerge from this proceeding stronger than before with a sustainable financial model that will allow the State Fair of Virginia to build on its tradition of showcasing Virginia's cherished agricultural and rural traditions for generations to come," Roberts said.

Roberts emphasized that SFVA will continue to operate as officials work through this proceeding. SFVA's regular calendar of events will proceed as scheduled.

SFVA also operates the Strawberry Hill Races, founded in 1895, and the Meadow Highland Games & Celtic Festival, founded in 1995.

###

About SFVA:

The State Fair of Virginia event is presented each fall by SFVA. SFVA is a not-for-profit 501(c)(3) organization not affiliated with state government. In a world where Virginia's open land and traditions that shaped our culture are rapidly vanishing, SFVA's goal is to keep cherished ideals and experiences alive in the Commonwealth. Visit us at www.statefairva.org.