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GROUNDBREAKING REPORT SHOWS CREATIVE INDUSTRIES ARE THE #1 ENGINE **OF THE LOS ANGELES REGIONAL ECONOMY**

—Artists and Designers Drive the Largest Segment of Jobs and Sales Revenues in the Region—

Otis College of Art and Design released a *Report on the Creative Economy of the Los Angeles Region* on March 1, 2007 to regional education, cultural, business, and political leaders. Prepared by Jack Kyser, Chief Economist of the Los Angeles Economic Development Corporation (LAEDC), the key findings are stunning—including **one million direct and indirect jobs** generated by the creative industries in Los Angeles and Orange Counties. Far from being a “supporting player” in the LA Economy, the creative industries lead the pack, surpassing the two long time “traditional” leaders—International Trade and Tourism.

The Report puts real numbers to creativity. In 2005, the creative economy accounted for 894,000 direct and indirect jobs in Los Angeles County alone and generated 140.5 billion in sales/receipts and more than \$3.4 billion in state tax revenues. The data also has far-reaching public policy and business implications. Centered on new ideas and new approaches, it is clear that education is critical to maintaining competitiveness in a global economy increasingly built on innovation, sustainability, and good design.

The Report offers a new, more accurate and useful economic definition for creative industries that includes: Architecture and Interior Design; Art Galleries; Communication Arts; Digital Media; Entertainment; Fashion; Furniture and Accessories; Product and Industrial Design; Toys; and Visual and Performing arts providers (theater and dance companies; museums; performing arts companies).

The report offers a deeper understanding of how creative industries form the hub around which the very fiber of the Los Angeles regional economy revolves. Until now, the perception has been that the creative

industries' strength and numbers lie in "Hollywood." The report indicates that the entertainment industry accounts for only 37.5% of the creative jobs.

Another key finding shows Los Angeles leading New York as a creative economic center, with the advantage coming from fashion, toys, furniture, and the entertainment industries. Los Angeles County was first in the number of creative establishments with 27,121 in 2005, 13% higher than the 23,934 establishments in the New York Primary Metropolitan Area (PMSA). In employment, Los Angeles was comfortably ahead with 346,000 creative workers, about 47% above such jobs in the New York PMSA.

Other Key Findings by industry segment indicate their total economic impacts:

- **Architecture (including interior and landscape design):** 34,300 jobs and \$14 billion.
- **Art Galleries:** 2,500 jobs and \$463.2 million.
- **Communication Arts (including advertising, graphic design, and display):** 58,000 jobs and \$8.2 billion.
- **Digital Media (including game design):** 33,200 jobs and \$14.6 billion.
- **Entertainment (including film, TV, and music):** 422,300 jobs and \$152.7 billion.
- **Fashion and Accessories:** 265,200 jobs and \$72.3 billion.
- **Furniture and Home Furnishings:** 108,200 jobs and \$25.4 billion.
- **Product and Industrial Design:** 1,800 jobs and \$299 million.
- **Toys:** 21,400 jobs and \$9.9 billion.
- **Visual and Performing Arts Providers:** 54,000 jobs and \$20.4 billion.

However even these numbers don't tell the full picture as large numbers of people working in the creative industries are self employed independent artists, writers, designers, and performers.

For a copy of the full report, please go to www.otis.edu/econreport

About Otis College of Art and Design: Founded in 1918, Otis is the first independent professional school of art in Los Angeles. The College's interdisciplinary education embraces new technologies and emerging disciplines, uniting these practices with established strengths in fine arts, design, and fashion. Otis' students, who come from 39 states and 26 countries, enrich our world through their creativity, their skill, and their vision. Otis' 1,100 students pursue degrees in fine arts, fashion design, architecture/landscape/interiors, communications arts, toy design, interactive product design, public practice, writing, and digital media. Graduates shape the visual world—from fine arts to the Hollywood screen, from the clothes we wear to the toys that engage our children. Continuing Education offers certificate programs as well as personal and professional development courses.

About the LAEDC

The LAEDC, the region's premier business leadership organization, is a private, non-profit organization established in 1981 under section 501(C)(3). Its mission is to attract, retain, and grow business and jobs in Los Angeles County. Since 1996, the LAEDC has helped retain or create more than 122,680 jobs, providing \$5 billion in direct economic impact from salaries and \$83 million in annual tax revenue benefit to Los Angeles County. For more information, please visit www.laedc.org.