OTIS Otis College of Art and Design

FEBRUARY 2014

2013 OTIS REPORT ON THE CREATIVE ECONOMY

»CALIFORNIA
»LOS ANGELES REGION

THE FAST FACTS:

726,300 jobs in Los Angeles & Orange Counties (direct, indirect, induced) 1 in 7 seven in the L.A. region

10.4% of L.A. region's total economic output

7.8% of California's Gross State Product

1.4 million jobs in California (direct, indirect,induced) 1 in 10 in the state

44% of the state's creative economy workers in the L.A. region

LAEDC

Prepared for Otis College of Art and Design by the Los Angeles County Economic Development Corporation.

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2013
OTIS REPORT ON THE CREATIVE ECONOMY

»CALIFORNIA
»LOS ANGELES REGION

Introducing the first report on the Creative Economy of California

LAEDC

Prepared for Otis College of Art and Design by the
Los Angeles County Economic Development Corporation
February, 2014

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Download the full report, view highlights from the creative economy launch event, and learn more about other resources at **www.otis.edu/econreport**

OTIS Otis College of Art and Design

REPORT CONTENTS

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SAMUEL HOI

PRESIDENT, OTIS COLLEGE OF ART AND DESIGN

The 2013 Otis Report on the Creative Economy, the seventh edition of the annual report, marks an exciting and important expansion beyond its regional study. With a grant from the California Arts Council, Otis College of Art and Design commissioned the Los Angeles County Economic Development Corporation to broaden the report's scope to measure, benchmark, and assess trends of the creative economy across the state.

Due to the complexity of the research required, this statewide expansion will be accomplished over a two-year timeframe. The 2013 Otis Report initiates the expansion with a parallel presentation of the established Los Angeles regional report and a new California report that summarizes statewide data and trends. The next Otis Report will deepen the statewide report with a set of regional snapshots, inclusive of the Los Angeles Region, with the goal of portraying the different faces of the creative economy in specific local contexts in California.

The 2013 Otis Report studied economic data from 2012. Both statewide and regional data sets demonstrate anew the compelling power of our creative capital.* In the Los Angeles Region, the creative sectors supported 1 in 7 wage and salary jobs, with a net economic output contribution of 10.4% of the region's gross total. The Los Angeles regional creative industries sustained 726,300 workers who earned labor income of $50.6 billion. For the State of California, the creative economy contributed 7.8% of California's Gross State Product in 2012. Across California, with a total of 1.4 million workers, the creative industries accounted for directly or indirectly 9.7% of all wage and salary employment, or roughly 1 in 10 jobs in the state. Very importantly, the creative economy is powerful and pervasive. While entertainment, fashion, and furniture and the decorative arts were the largest industries in California's creative economy, nearly 6 of 10 (56%) creative occupations are found outside of the creative industries. Finally, the good news for the Los Angeles Region is that it is undisputedly the creative nexus of the state, with over 44% of California's workers in creative occupations.

The timing of the statewide expansion of the Otis Report recognizes the rising national and international momentum to document and amplify the financial and social impact of creative industries and practitioners.

Signals abound that creativity and innovation are pivotal to the economy and general well-being of people and communities. For example, funded by the National Endowment for the Arts, the Creative Economy Coalition (a Working Group of the National Creativity Network) published *America's Creative Economy: A Study of Recent Conceptions, Definitions, and Approaches to Measurement Across the USA* in August 2013. The study evaluates how the creative economy is currently being defined, segmented, and quantified across the nation. The Otis Report is the only one among the 27 compared reports that measures creative industries and professionals in California.

Furthermore, In July 2013, the Bureau of Economic Analysis (BEA) released a comprehensive revision of the national income and product accounts (NIPA) that changes dramatically the way BEA calculates the Gross Domestic Product (GDP). Going forward, spending on the research and development that underlies America's creative content industries will be counted for the first time. As noted by the *Wall Street Journal* in May 2013, the proceeds from a Lady Gaga concert and album are included in the current GDP but investment in songwriting and album recording is not. The move to begin accounting for the latter represents an ideological shift to capture the economic impact of the creative process in addition to the product outcomes.

California is home to virtually all artistic disciplines, and a focal point for innovation in many creative industries. The Los Angeles Region has one of the highest concentrations of creative professionals in the world.

The expanded Otis Report documents the size and role of the creative economy both statewide and regionally, evaluates its direct economic and key non-economic contributions, and assesses the premise that creativity is essential to successful workforce investment and economic development strategies.

The Otis Report aims to increase awareness and support of the numerous and diverse industries and creative workers that comprise the creative economy, to inspire comparable analytical tools for advancement of the arts and economy, and ultimately, to help stimulate innovation and create jobs, as well as social and cultural benefits, by way of creative education and professions.

Artistic services and intellectual capital are inarguably essential to the 21st century economy, which is dynamic, knowledge-based, and increasingly global. Indeed, the United Nations Conference on Trade and Development's *Creative Economy Report 2010* asserts: "Adequately nurtured, creativity fuels culture, infuses a human-centred [sic] development and constitutes the key ingredient for job creation, innovation and trade while contributing to social inclusion, cultural diversity and environmental sustainability." This reality is powerfully evident in our great state and region. To assure our future, we must invest in our creative economy and our creative capital.

**This year's report marks a departure from past Otis Reports in research methodology. The statewide expansion of the Otis Report has afforded an opportunity to improve the research. First, the composition of industries studied was expanded to better align research with definitions that are accepted in the growing body of research on the creative economy. Second, the economic contribution methodology was changed to a new, more accurate model, with a source that can be updated more frequently than in previous reports. The changes mean that the economic contribution results from this year's report cannot be directly compared with reports from previous years. For example, the economic contribution in dollar terms is smaller than in previous years, but the employment impact and tax revenue impact are both larger than before.*

ACKNOWLEDGEMENTS

Once again, a multi-sector coalition of sponsors has come together to champion the value of the creative economy and action required to foster this important force of societal advancement.

Heartfelt gratitude must be expressed to the following supporters whose generous contributions have made possible the 2013 Otis Report and release event. Our two lead sponsors, the California Arts Council and Mattel, are joined by The Boeing Company, City of Los Angeles Department of Cultural Affairs, City National Bank, The James Irvine Foundation, Nike, Ovation, and Sony Pictures.

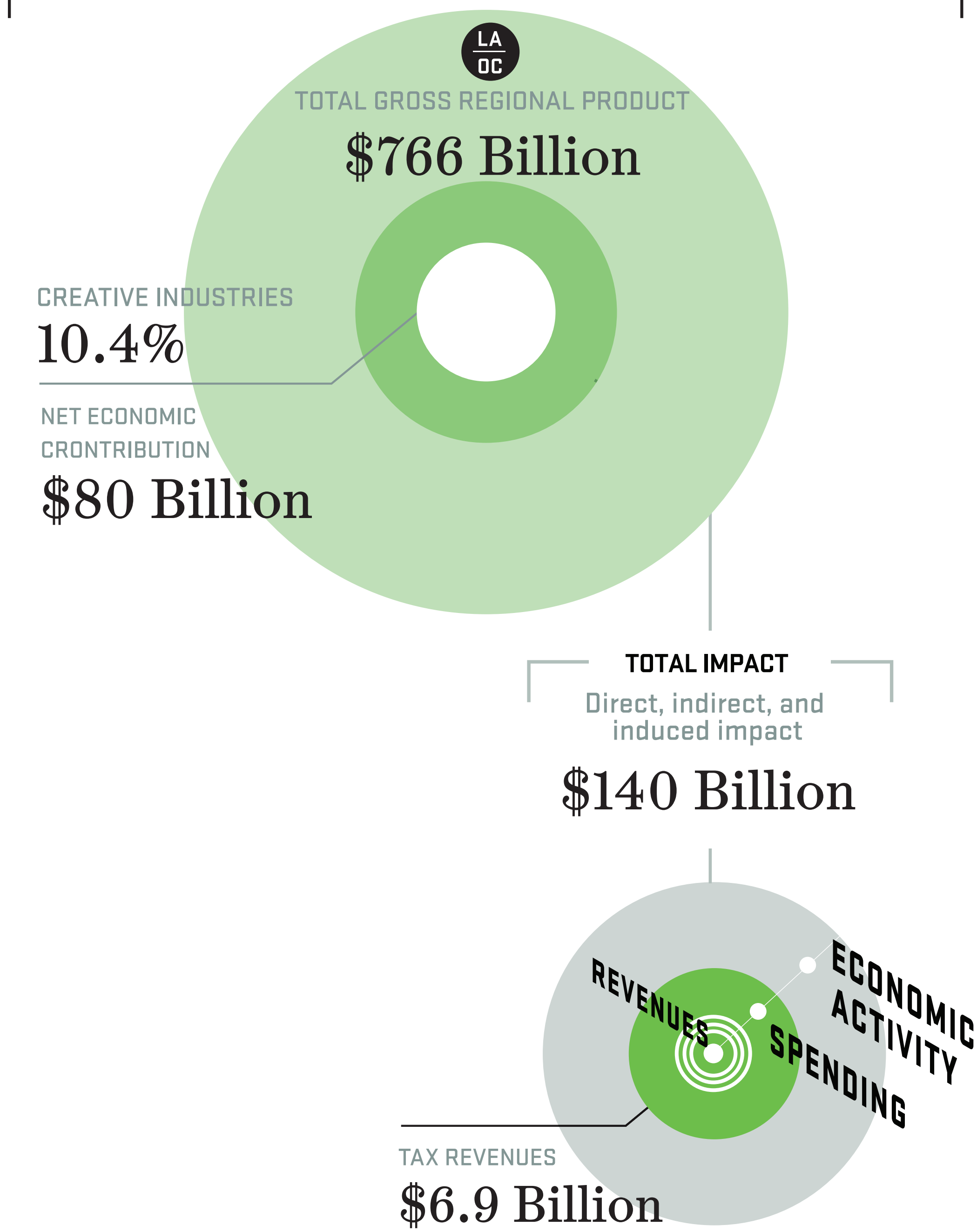
Applause is extended to Senator Ted Lieu for his acknowledgment of the critical value of the creative economy and his leadership in organizing a hearing on February 12, 2014 in Sacramento by the Joint Committee on the Arts to bring the new statewide Otis Report data to the attention of legislative leaders.

Finally, the Otis Report would not be possible without the research and analytic work of the Kyser Center for Economic Research at the Los Angeles County Economic Development Corporation and the statewide expansion would not be possible without the invitation of and funding from the California Arts Council.

Samuel Hoi
President
Otis College of Art and Design

LOS ANGELES REGION 2012

ECONOMIC CONTRIBUTION



CALIFORNIA 2012

ECONOMIC CONTRIBUTION

CA

TOTAL GROSS STATE PRODUCT

$2 Trillion

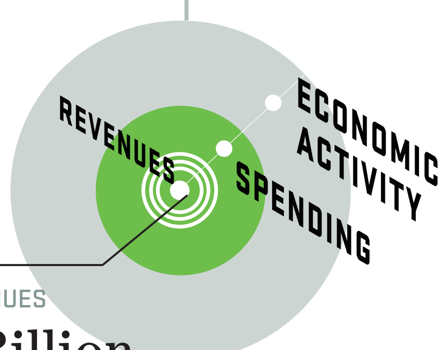
CREATIVE INDUSTRIES

7.8%

TOTAL IMPACT

Direct, indirect, and induced impact

$273.5 Billion



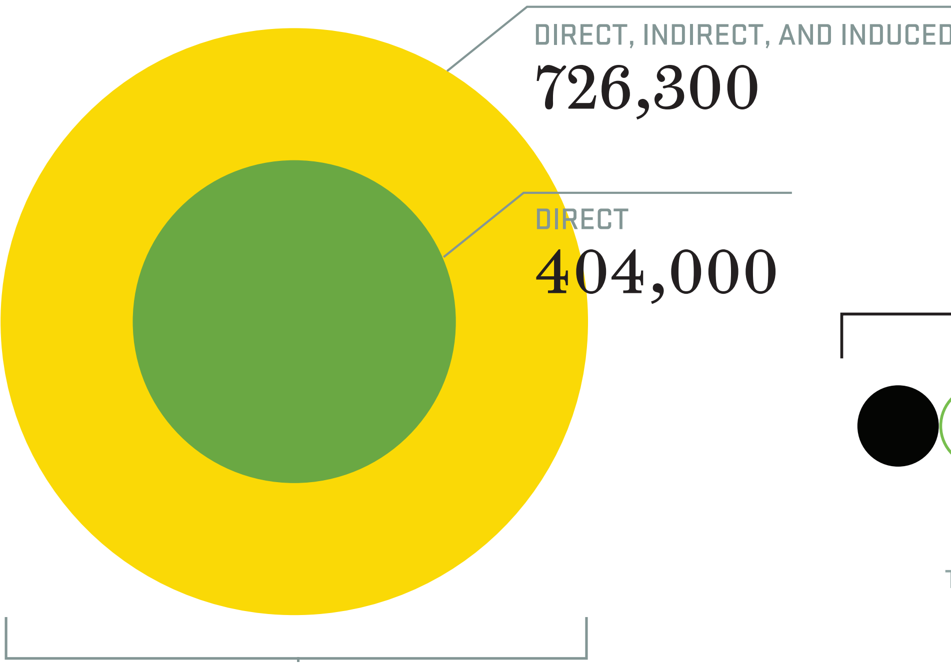
TAX REVENUES

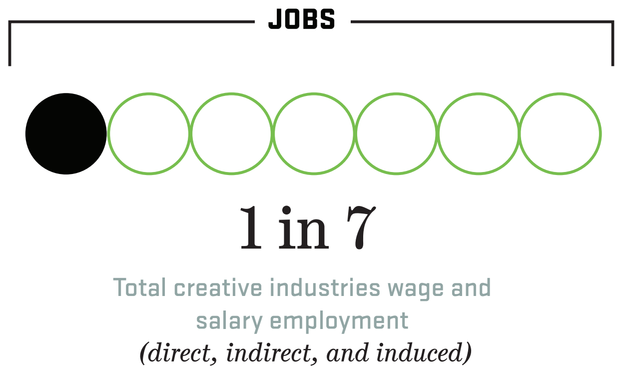
$13 Billion

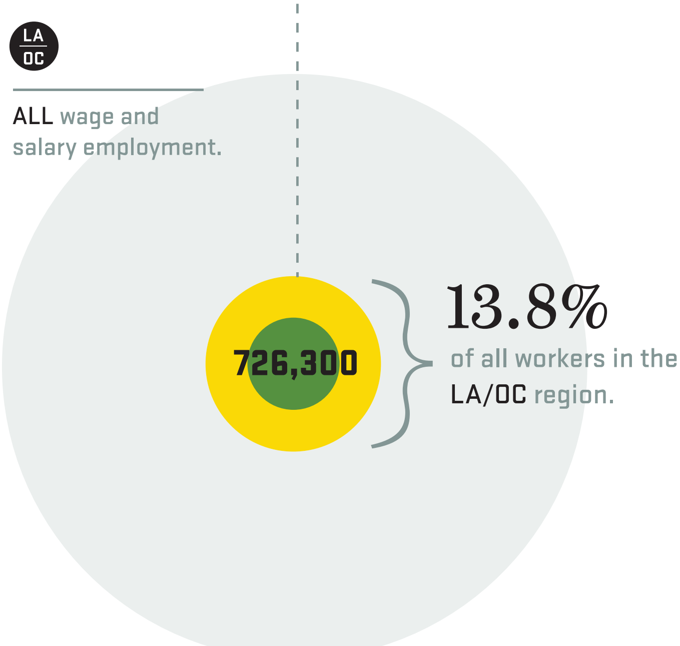
EMPLOYMENT

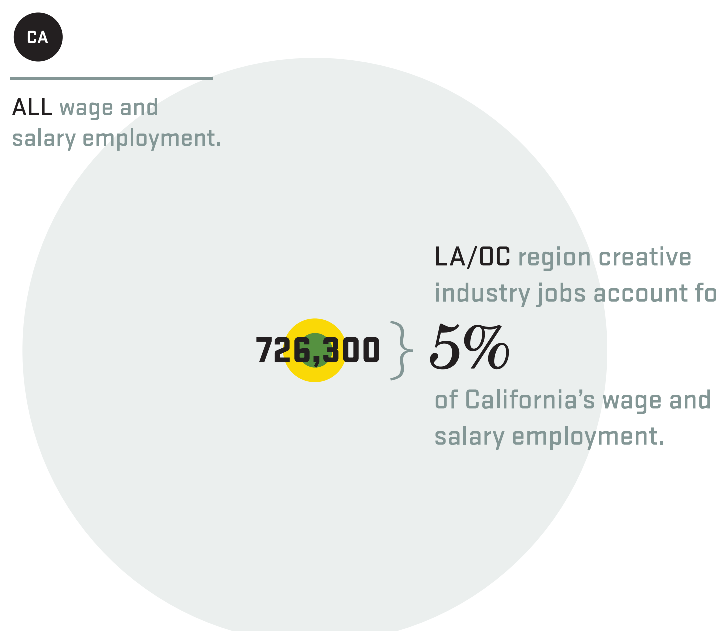
NUMBER OF CREATIVE INDUSTRY JOBS

wage and salary workers





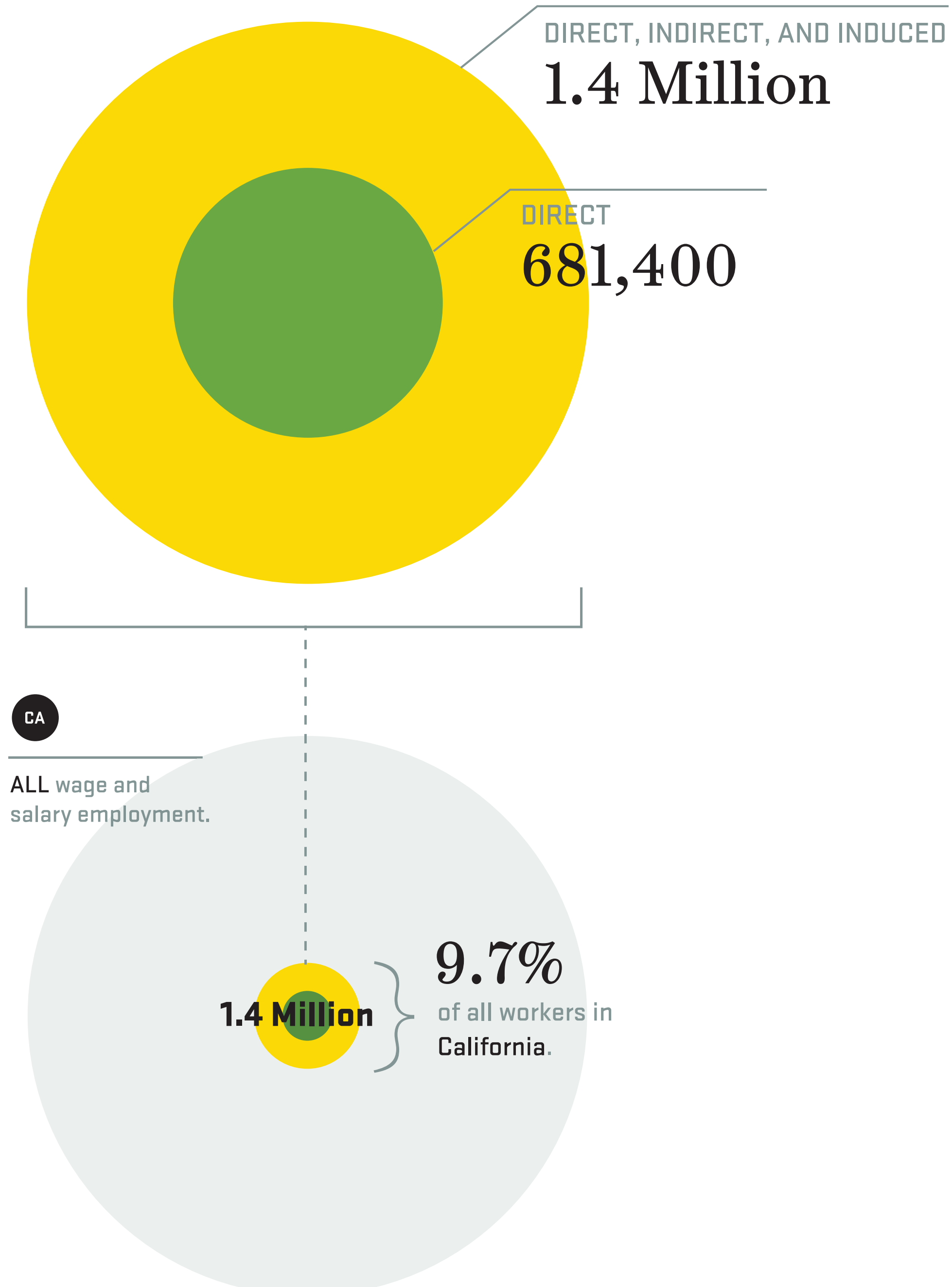




CALIFORNIA 2012

EMPLOYMENT

NUMBER OF CREATIVE INDUSTRY JOBS
wage and salary workers



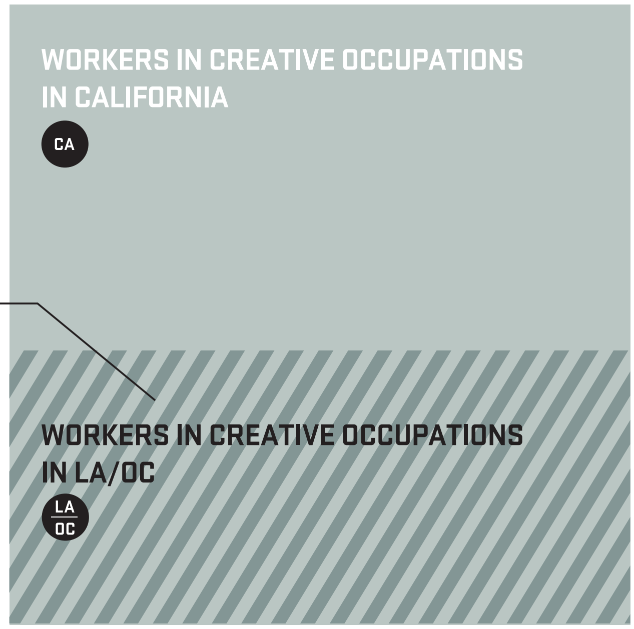
LOS ANGELES REGION

POWERHOUSE

L.A. IS THE CREATIVE CAPITAL OF THE STATE AND THE NATION.

OVER 44%

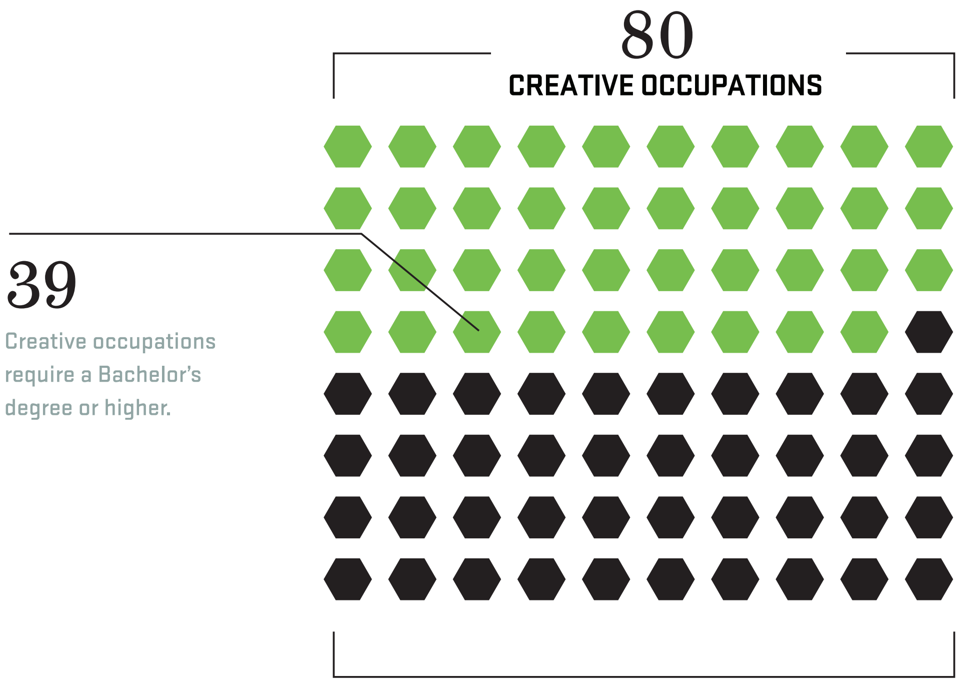
OF ALL WORKERS IN CREATIVE OCCUPATIONS IN THE STATE ARE LOCATED IN LA/OC



CALIFORNIA 2012

EDUCATION

CREATIVE OCCUPATIONS OFTEN REQUIRE HIGH LEVELS OF EDUCATION OR SKILLS TRAINING.



Why did we write this report?

First, understanding the size and contribution of the creative industries to the state economy is a critical first step toward enabling greater statewide coordination of resources and services to support those industries.

This could include statewide policies that support the creative industries' infrastructure, improve access to financial investment and business support programs, and, in turn, ensure the sustainability of arts and cultural assets.

These policies would also:

Justify increased emphasis on creative economy career paths through technical and university institutions.

Leverage the creative industries to increase the competitiveness of other businesses where innovation in design and aesthetic content are critical to market share.

Develop strategies for attracting and retaining creative talent.

Create marketing and branding that promotes creative assets for businesses and cultural tourism.

Create a support and networking structure that includes convening leadership and building collaborative connections across the industries.

This year's report marks a departure from past reports produced by Otis. First, the set of industries that define the creative economy was expanded to encompass more industries and additional sub-sectors within industries that were included in the creative economy definition.

While there is no universal definition of the creative economy, the revised industry composition better aligns this research with definitions that are generally used in the growing body of work on the creative economy. It also ensures comparability of results between the Otis Report on the Creative Economy in the Los Angeles Region and the companion Report on the Creative Economy of California.

Second, the economic contribution methodology was changed to replace the previous economic impact model with a new, more accurate model. Moreover, the input data for the model was also changed to a source that is updated more frequently than the one used in previous reports. Because of these changes in data and methodology, the economic contribution results in this year's report are not directly comparable to those reported in previous years. In particular, one will note that the economic contribution in dollar terms is smaller than in previous years, but the employment impact and tax revenue impact are both larger than in the past.

2013 OTIS REPORT ON THE CREATIVE ECONOMY OF CALIFORNIA

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CONTENTS / CALIFORNIA

THE CREATIVE ECONOMY OF **CALIFORNIA**

California is arguably home to one of the highest concentrations of creative individuals in the world. One can travel the length and breadth of the state exploring fine art galleries that attract buyers from all over the world or wander through local fairs that showcase the artistry of hand-made crafts. California is home to world-class symphonies and ballet companies. Community theaters and youth orchestras can be found in rural towns and large cities. The arts in virtually all their myriad and wonderful forms are flourishing in California. California is also a focal point for a number of creative industries including entertainment, computer gaming, architecture and fashion design. Taken together, all these activities help define the creative economy of California.

Creativity is one of California's greatest economic assets. Having a creative edge supports economic prosperity. More than ever before the market value of products and services derives from their uniqueness and aesthetic appeal as well as their functionality and performance. More companies are seeking employees with creativity in addition to problem solving and communications skills. Business location decisions are increasingly influenced by factors such as the availability of a creative workforce and the quality of life available to employees. Moreover, the talent that drives the creative economy provides a competitive advantage that reaches across almost every industry in the state.

What exactly is the creative economy of California? A single definition of the creative economy may be elusive, but virtually all studies on this segment of the economy acknowledge its contributions to the overall economy, both pecuniary and non-pecuniary. Knowing the composition of the creative economy in California as well as its contribution to the overall economy enables stakeholders to make more informed decisions about supporting the arts and other creative industries.

In this report, the creative economy includes industries that are traditionally associated with culture and the arts. These include the fine arts, performing arts, and other forms of cultural expression. It consists of creative professions and enterprises that take powerful, original ideas and transform them into practical and often beautiful goods or inspire us with their artistry. The creative economy also includes organizations that provide a venue for artists to share their work with the public such as museums, art galleries and theaters. A third component of the creative economy in California revolves around commercial applications of art, design, and expression. These include motion picture and television production along with other activities one does not instinctively associate with "creativity," such as the apparel, toy and furniture manufacturing industries. Across all of these industries, success depends on good design.

The final piece of the creative economy consists of the support system that nurtures and sustains creative activity; arts programs in K-12 schools, post-secondary arts institutions to develop talent, and philanthropic foundations along with other nonprofit funding organizations to provide financial resources, incentives and services to the creative arts.

This inaugural report consists of a survey of the statewide creative economy. It emphasizes not only the production of cultural goods and services as a valuable contributor to society but also the role of intellectual innovations as an economic driver. It documents the size and role of the creative economy across California, evaluating its direct economic contribution to the state economy, and assesses the premise that creativity is an essential ingredient to successful workforce investment and economic development strategy.

Defining and studying the creative economy of California provides an important new economic development opportunity. The need for a more creative and innovative workforce is increasing. Studying the creative economy can provide important insights about the state's creative talent pool – where it is and what it is producing. It is also important to identify and nurture smaller creative enterprises, especially those that are on the leading edge of using technology to create new business models. This report also seeks to understand the scale, distribution, and value of the state's creative enterprises and to examine the ties that connect artistic and cultural activities to economic development.

Because creativity is a dynamic function of humanity, the creative economy is a vibrant and vital force in society. Our intellect and aesthetic sensibilities lead us to express through the arts, problem-solve through design, and seek out what is beautiful and original. California is unique because of its combination of place, resources and open attitudes toward new ideas. Here, new ideas are constantly given form and brought to life by creative people. Otis College of Art and Design, a critical component of the creative economy, commissioned the analysis in this report to put real numbers to the business of creativity. Otis and the LAEDC carried out this research because creativity is fundamental to economic growth and prosperity in California.

NATIONAL AND GLOBAL ECONOMIC CONTEXT

While this report places the creative industries of California in the spotlight, the backdrop for those industries is the overall economy nationally, globally, and within the state. This section briefly summarizes recent and anticipated economic conditions.

In overall terms, the United States economy made modest gains in 2013 as it continued to slowly edge away from the Great Recession that ended in mid-2009. Gross domestic product (GDP) is expected to rise by slightly less than two percent in 2013, with growth in the two to three percent range expected next year. Consumer spending, business investment, and housing are all looking healthier and should contribute to faster growth next year. The economy will pick up steam in 2015 with growth of 3.1%, roughly equivalent to the long run growth rate of the economy.

Sluggish economic growth has translated into slow improvement in the U.S. labor market. Having peaked in 2010 at 9.6% in the wake of the Great Recession, the unemployment rate stood at 7.5% in 2013 and is not expected to return to a more normal rate of 6.0% until late 2014 or early 2015. With high unemployment limiting wage increases and with slack elsewhere in the economy, inflation has been low in recent years and should remain tame (under two percent) over the next two years.

All in all, the U.S. economy should register modest gains across a wide array of indicators over the next year or so. Improvement among the nation's major trading partners – China, Japan, and countries in Europe – will reinforce the gains in the U.S. through increased trade flows. While trade is often thought of as the import and export of goods, it is especially important to note in this report on the creative economy that some services generate significant export revenue as well, notably in the form of tourism expenditures and royalties from the distribution of motion pictures and television shows.

California's economy has grown somewhat faster than the nation over the past couple of years. However, California suffered more through the recession, and faces a longer road to recovery with a 2013 unemployment rate of 9.0% that will fall only marginally next year to 8.5%. Progress across the state has been uneven. Coastal regions of the state have recovered lost ground more quickly than the inland portions of the state, with the Silicon Valley, the San Francisco Bay Area, and Orange County generally leading the way over the last two years.

Nearly all of the major industries in California added jobs during the year 2013, the exceptions being manufacturing and government. In percentage terms, the largest job gains occurred in construction, leisure and hospitality, private education, wholesale trade, and professional and business services. Important industries such as health care and transportation and warehousing also registered modest gains. With so many of the state's industries showing improvement, entry-level and lower wage jobs have been added as well as high-wage jobs, with middle-wage jobs coming back more slowly. Assuming the economies of the U.S. and its trading partners grow in the next two years, California will continue to chip away at its recession-induced losses.

Industries will add more workers to their ranks, home sales and new construction will recover from the housing crisis of the last decade, and the fiscal situation at the state and local government levels will stabilize.

Photo by Skye Moorehead '94 Otis
Profile by author Hunter Drohojowska-Philp

OMAR LEE '03 OTIS

Interaction Designer
Google
San Francisco

Generations of designers are benefitting from California's undisputed leadership in web development. Omar Lee is a remarkable example. Raised in Los Angeles, Lee majored in Communication Arts at Otis, with an emphasis in Illustration. After graduating, he moved to the Bay Area where he worked for TiVo on web-marketing collateral and browser-based tools.

"Interaction design was a natural result of my broader interest in design as a problem-solving tool and my specific interest in the web during its earliest years (1994–99) when it was still very new and its capacity to completely transform the world we live in was still unclear."

Lee made a transition into what is now understood as user experience or product design as one of the first three designers at LinkedIn. He also worked at Zynga and at several early-stage startups before joining Google on the apps team as Interaction Designer.

He says, "I feel very fortunate to be working in technology during one of what I view as the most interesting transitional periods for what we've been generically referring to as 'the web' and software in general. Contexts are merging and, these days, the brand of device or operating system you are using is becoming far less important."

"To me, design has a much larger meaning in this world than the one that is typically used—often, the assumption is that it refers to aesthetics—and even though it's still a slippery thing to define, I go with what the word 'design' is literally synonymous with: intent. To do something by design, for example, versus doing something by accident. No matter what the specific medium, what the designer intends for his or her audience is extremely important. And intent in software, particularly product and experience design, is everything."

Lee believes that California has had an impact on his career in one obvious way: Silicon Valley culture. "If I hadn't moved to the Bay Area, it is not certain I would have ended up in product design. **The highest concentration of talent and opportunity is definitely here."**

U.S. GDP MEASURES CREATIVITY

In July 2013, the Bureau of Economic Analysis (BEA) released a comprehensive revision of the national income and product accounts (NIPA). These accounts are the main source of data for general economic activity in the United States and are used to calculate GDP, personal income, consumer spending and corporate profits.

The BEA periodically goes through this revision exercise to take advantage of improved estimating techniques and to capture new information about the economy. The revisions apply to historical (back to 1929) as well as to current data. The most significant change with this latest revision relative to the creative economy was the way in which nonresidential investment (which is used in the GDP calculation), is organized and calculated. As of July 31, 2013 the three major categories of nonresidential investment were equipment, structures, and intellectual property rights. The latter category was further divided into software, research and development and, making its debut in the national income accounts, Entertainment, Literature and Artistic Originals.

What does this change mean? As the BEA explains, it will now count "creative work undertaken on a systematic basis to increase the stock of knowledge, and use of this stock of knowledge for the purpose of discovering or developing new products, including improved versions or qualities of existing products, or discovering or developing new or more efficient processes of production." In plain-speak, the BEA is saying creativity is a big deal, that it is a vital component of the U.S economy.

Since the U.S. economy increasingly depends on the production of intangible goods, it is necessary to recognize that the production of ideas is an important form of investment.

Going forward, research and development will be recognized as an investment (like the purchase of a new machine) rather than a cost of doing business. The *creation* of a lasting work of art, such as a movie or a television series that can be sold year after year, will now also be treated as a capital investment. For example, whereas previously only the sale of a movie counted in GDP, now the cost of developing the concepts behind that movie will be recognized as contributing to U.S. economic growth.

There are some difficulties in calculating the value of intangible investments. The value of capital goods is calculated by adding up the value of the land, labor, and material used to produce the good. Obviously, this method will not work for calculating the value of creative capital, so the BEA will apply a value based on the amount of money that was spent in its development. The problem with this approach is that it assumes a movie that was more expensive to make is more valuable than one that was less expensive. Or that a costly, but wasteful research project adds more to the economy than one that is thrifty but effective. This is one reason why countries have been slow to adopt international guidelines recommended by the United Nations' System of National Accounts (2008) for incorporating creative work into national accounts. To date, only Australia, Canada and now the U.S. have incorporated the new guidelines, although it is expected most other industrialized nations will do so by the end of 2014.

EMPLOYMENT

In 2012, there were 681,400 people in California who worked directly in the creative industries. By sector, the largest employment counts in 2012 were in entertainment (165,000 jobs); publishing and printing (121,400 jobs); and fashion (116,700 jobs). Taken together these three sectors represented nearly 60% of total creative industries employment in the state.[1] The rest of the creative economy encompasses a diverse collection of industries and occupations.

1
See table 10 on page 74 for sector details

This may sound like a lot of jobs, but direct employment is only part of the story. Direct employees are those who actually work in the creative industries of California. Jobs and activity in the creative sector trigger additional—indirect and induced—jobs in the region as creative sector spending causes a ripple effect throughout the economy. Indirect jobs are created when firms in these industries make purchases from their suppliers and vendors. Additional induced jobs are generated when the direct and indirect employees spend their wages on consumer goods and services.

Direct, indirect, and induced employment in the creative industries in California totaled over 1.4 million jobs in 2012. Put differently, each direct job supports roughly 1.1 additional jobs, making clear the importance of the creative industries as a means of driving job growth.

**TABLE 1:
Employment Impact of the Creative Industries, 2012**

TOTAL JOBS
1,416,800

INDIRECT & INDUCED JOBS: **735,400**

DIRECT JOBS: **681,400**

SALARIES

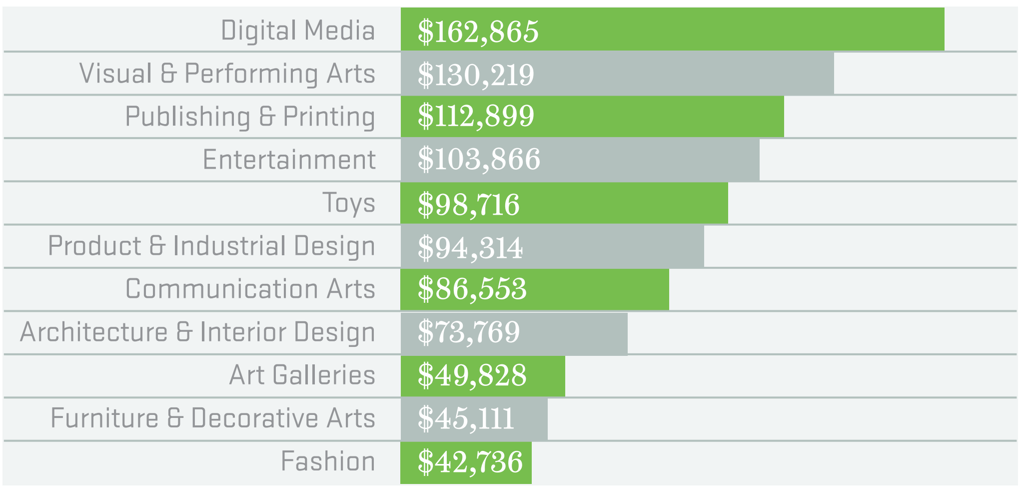
Creativity is a highly valued and recognized professional attribute. Along with the ability to collaborate with co-workers and to communicate effectively, creativity is one of the most sought-after qualities in a prospective employee. The salaries of individuals working in a number of California's creative industries bear this out. The top earning sector in the state was digital media (software publishers) with an annual average salary of $162,865 – nearly three times the average wage across all California industries, which was $56,293 in 2012. Many of the workers employed in this industry work for computer game developers. Visual and performing arts providers earned the second highest salaries with an annual average of $130,219. The statewide average salary for this sector is skewed by the heavy concentration of this industry in Los Angeles County, particularly the subsector "independent artists and writers," which include the headline-making salaries earned by Hollywood stars.

At $103,866, the average annual salary for workers in the entertainment industry is also quite high. Toys and product/industrial design followed close behind with average annual salaries of $98,716 and $94,314, respectively.

Taken as a whole, the publishing and printing industry had an annual average salary of $112,899, but that was the result of one sector pushing up the whole: internet publishing and broadcasting, which by itself had an average salary of $211,904 in 2012. This subsector includes firms like Facebook, Google and Yahoo!, which may account for the exceptionally high salaries reported for this sector – in fact, since 2007, total annual wages have doubled (an increase of 100%), while employment has increased by 70%.

Among the creative industries, fashion had the lowest average annual salary at $42,736. This is mostly the result of the high number of manufacturing jobs relative to more skilled design-related jobs. For example, the average annual wage for the 56,600 workers in the apparel manufacturing sector was just over $36,100. In contrast, the 2,700 designers working in California's fashion industry had an average annual salary of $76,000. Jobs in the furniture and decorative arts industry also had a comparatively low average annual salary ($45,111). Again this sector employs a relatively large number of people in manufacturing jobs.

Individuals working at art galleries also earned below the statewide average at $49,828, but this was still higher compared with the rest of the retail industry whose workers brought home an average annual salary of $32,533 in 2012. Labor income earned by individuals directly employed in the creative industries in 2012 was in excess of $61.6 billion, but the total combined effect of adding indirect and induced workers, brought that figure up to $99.3 billion.



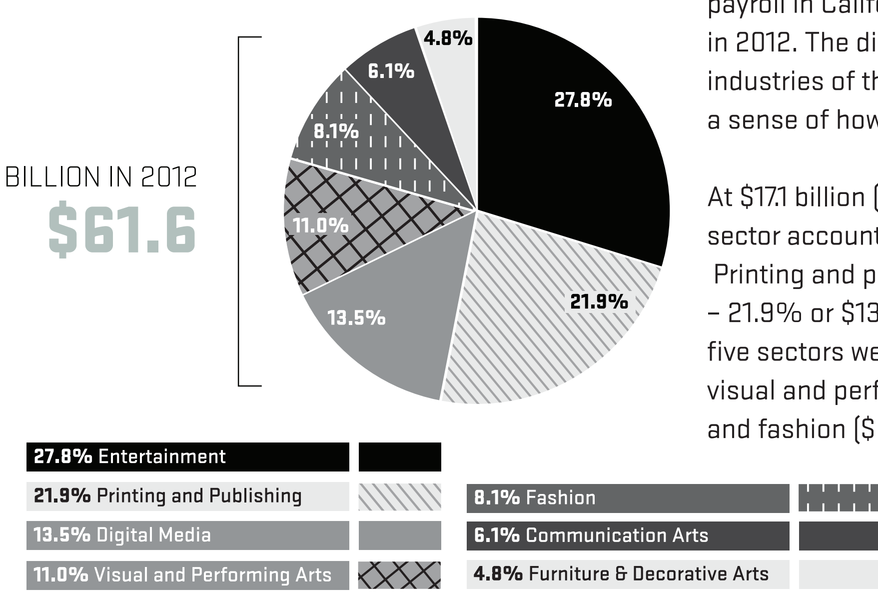
Average Annual Salary of Creative Industries California, 2012

Source: California EDD, QCEW Data

PAYROLL BY INDUSTRY

Payroll of the Creative Industries California, 2012

Source: California EDD, QCEW Data



When summed across all the industries that make up the sector, total creative economy payroll in California amounted to $61.6 billion in 2012. The distribution of payroll across the industries of the creative economy provides a sense of how the industries compare in size.

At $17.1 billion (or 27.8%), the entertainment sector accounted for the largest share of payroll. Printing and publishing also earned a high share – 21.9% or $13.5 billion. Rounding out the top five sectors were digital media ($8.3 billion), the visual and performing arts ($6.8 billion) and fashion ($5.0 billion).

2
While this report focuses on state and local fiscal impacts, an additional $21 billion in federal income taxes was also generated by activity in the creative economy.

TAX EFFECTS

As activity in the creative sectors triggers jobs and spending, that activity also results in tax revenues for state and local government. As with jobs, there is a ripple effect with tax revenues, initially caused by direct effects, which give rise to indirect and induced effects. The LAEDC calculated property, state and local income and sales tax revenues attributable directly and indirectly to the creative industries. Note that actual tax revenues are higher than the figures shown here because other taxes, such as corporate taxes and federal income taxes were excluded.[2]

In California, total property, state and local personal income, sales and other taxes generated by the creative industries was $13.0 billion in 2012. This includes direct, indirect, and induced taxes. By sector, entertainment generated tax revenues of $3.7 billion, followed by fashion at $2.1 billion, and publishing and printing at $2.0 billion.

ECONOMIC CONTRIBUTION OF THE CREATIVE INDUSTRIES

Table 2 (next page) summarizes the economic contribution of the creative industries in 2012. The creative industries of California generated $273.5 billion in total (direct, indirect, and induced) output. They employed 1.4 million workers who earned $99.3 billion in labor income. The direct, indirect and induced workers paid nearly $13.0 billion in property taxes, personal income and sales taxes into the state general fund and to local governments. How do these figures stack up against the overall California economy?

Of the $273.5 billion in total creative industries output, $155 billion was value-added, that is, labor income and corporate profits generated in excess of materials and services purchases. The $155 billion in value–added generated by the state's creative industries was equivalent to 7.8% of California's Gross State Product, which amounted to $2.0 trillion in 2012.

As for jobs, direct employment of 681,400 workers was tied to creative industry activities in 2012, and was equivalent to 4.7% of California's 14.4 million wage and salary workers. Moreover, with total (direct, indirect, and induced) employment of 1.4 million workers, the creative industries of California accounted directly or indirectly for 9.7% of all wage and salary employment.

TABLE 2:
Employment Impact of the Creative Industries, 2012

DIRECT IMPACT	TOTAL IMPACT (Direct, Indirect, Induced)
JOBS: **681,400**	OUTPUT: **$273.5** BILLION
NONEMPLOYER FIRMS (2011): **261,396**	TOTAL JOBS: **1.4** MILLION
LABOR Income: **$61.6** BILLION	TAXES: **$13.0** BILLION
	LABOR INCOME: **$99.3** BILLION

EMPLOYMENT TRENDS

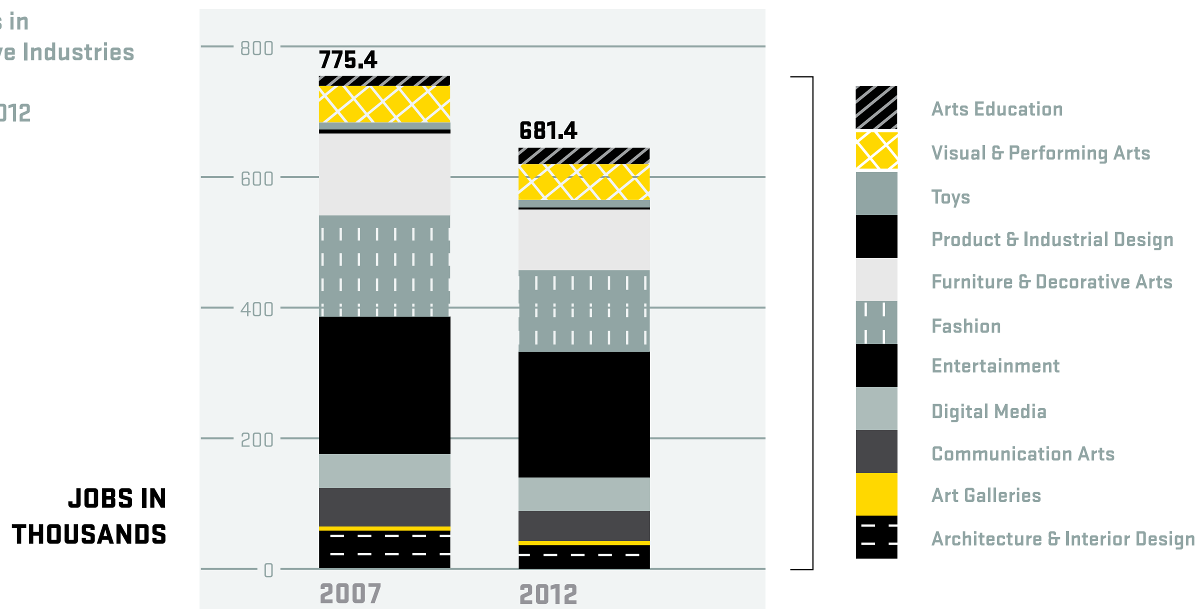
Direct employment in the creative industries peaked in 2008, contracted significantly during the recession and its immediate aftermath (2009-2010), and then began to recover in 2011. Most industries faced similar challenges as the California economy made its way through the recession. While the recession accounts for most of the recent job losses, the modest pace of the recovery explains why jobs have been slow to return. The five-year comparisons from 2007 through 2012 reflect the full effects of the recession. Employment bottomed out for most creative sectors in 2010, with modest growth following since then.

There were two sectors, however, that showed job growth during this period. The visual and performing arts recovered and surpassed pre-recession job counts, adding 390 between 2007 and 2012, while digital media weathered the recession without giving up any jobs, and over the last five years and has expanded payrolls by nearly 8,300 workers.

The largest component of the creative economy in California in terms of employment is the entertainment industry. In 2012, there were 165,000 entertainment-related jobs in California, although that was down from 177,600 jobs in 2007. The largest job losses in this sector during the period 2007 to 2012 were in cable broadcasting, which saw employment decline by 5,300 jobs or 25.1%. This reflects the growing shift away from cable TV subscriptions as other viewing platforms have gained in popularity, especially mobile and video-on-demand services for smart phones and tablets.

The largest job losses over the past five years were in furniture and the decorative arts, and fashion, both of which have a large manufacturing component. Total furniture and decorative arts employment in California fell by 33.1% with the heaviest job losses concentrated in furniture manufacturing (20,900 jobs), but employment declined across the board, with the entire sector giving up 32,600 jobs over the five year period.

Job Trends in the Creative Industries California, 2007 vs. 2012



Source: California EDD, QCEW Data

California's fashion industry (concentrated primarily in Los Angeles) also experienced large across the board job losses. In 2012, this sector employed 21,500 fewer workers compared with 2007. This represented an industry-wide contraction of 15.6%. Nearly all of the job losses were in apparel manufacturing (17,600 jobs). Unlike the furniture industry, however, some fashion subsectors added jobs during this period: apparel wholesaling (2,500 jobs) and footwear wholesaling (200 jobs).

Many of the jobs lost in furniture and apparel manufacturing between 2007 and 2012 followed earlier migrations to China and other low-wage countries. Increased automation and rising worker productivity also played a role. The recession surely exacerbated job losses in these industries, but it is doubtful many of these manufacturing jobs will return once the economy reverts to full employment. The decline in manufacturing jobs is part of a larger trend that has occurred across nearly all manufacturing sectors in the United States. In 2002, manufacturing's share of total creative industries employment was nearly 27%. By 2007, manufacturing's share had fallen to 22.5% and in 2012 to 17.7%.

Although obituaries have been written for American manufacturing, the United States remains a manufacturing powerhouse. The strength of American manufacturing is in sectors that are capital intensive and require highly skilled workers. Manufacturing activities that are more labor intensive, such as the production of most apparel, furniture and toys will continue to be outsourced to lower cost regions. On the other hand, many U.S. firms choose to maintain domestic design and/or research and development facilities precisely because these are high value-added activities that are not easily replicated elsewhere.

California's rich creative energy provides great potential for sustaining and growing employment in its creative industries. The state's world-class universities and colleges graduate a large pool of highly educated workers and entrepreneurs, giving California a competitive advantage in creativity. This is not something to take for granted. Global competitive pressures are acting on the creative process much as they have on manufacturing and back-office functions. Even in California, with its deep wells of creative resources, programs, policies and incentives must be developed and reinforced to nurture and encourage innovative and original thinking.

COUNTING THE SELF EMPLOYED

Many people who make their living by engaging in creative activities are self-employed, but their contribution to the creative economy is not captured in commonly cited federal and state government employment data such as the Quarterly Census of Employment and Wages or QCEW (formerly known as ES202) reports that are used to develop the job numbers in this report. The government collects data separately on people who are classified as "nonemployer firms" – that is, firms consisting of one person with revenues but no additional employees. The latest nonemployer data come from the IRS for tax year 2011. It is important to note that some individuals may work on the payroll for an employer and be self-employed as well. To prevent double counting, nonemployer data are generally kept separate from the QCEW based data.[3]

In 2011, there were 261,396 nonemployer firms in the creative industries in California. From 2006 to 2011, the number of nonemployer firms grew by 11.2% or 26,321 firms. As with payroll employment, the number of self-employed individuals fell during 2008 and 2009, but turned around in 2010 and 2011. Revenues/receipts of creative nonemployer firms in California were $10.2 billion in 2011, with 36.7% generated by independent artists, writers and performers.

Visual and performing arts providers represented the largest number of nonemployer firms, particularly the subset of independent artists, writers, and performers. Many of these people are involved in the entertainment industry as actors, screenwriters, set designers, etc. A large number of independents work in the communication arts sector as graphic artists, or in commercial or portrait photography.

There is a great deal of variation in the concentration of these single-person entities among the different sectors of the creative economy. Overall, there was one self-employed person working in California's creative industries for every 2.6 salaried workers in 2011. But in the visual and performing arts, there were 2.8 self-employed persons in California for every salaried employee. Art galleries and the communication arts also had a high number of free-lancers relative to salaried employees.

3
Nonemployer data are not available for digital media and several other industries.

Growth rates of creative nonemployer firms versus salaried employment also differed markedly by industry sector. It is interesting to note that nonemployer firm growth outstripped salaried employment growth (or contracted less) over the 2006-2011 period. One reason is that many jobs lost during the recession have yet to return as the economy has recovered; some laid-off workers, unable to find employment elsewhere, started their own businesses. This is a cyclical effect that may partially reverse itself as the labor markets return to a healthier rate of job creation.

There is also a structural component affecting the growth of nonemployer firms in the creative industries. With increased competition from globalization and other pressures to cut costs, a growing number of firms have concentrated resources on what they do best and outsourced non-core tasks to independent contractors.

This trend was particularly evident in the communication arts sector between 2006 and 2011. In California, salaried employment in communication arts declined by 2.5%, while the number of nonemployer firms expanded by 24.0%. Similarly, in the entertainment sector, wage and salary employment declined by 0.3% as the number of independent contractors increased by 8.2%. Both categories of employment rose in the visual and performing arts, but wage and salary employment expanded by just 5.3% compared with 13.5% for independents.

TABLE 3:
Ratio of Nonemployer Firms (self-employed individuals) to Salaried Employees by Sector, 2011

Industry Sector	Nonemployers	Employees	Ratio
Architecture & Interior Design	17,476	35,200	0.50
Art Galleries	2,295	2,000	1.15
Communication Arts	44,510	41,300	1.08
Digital Media	NA	47,300	---
Entertainment	28,437	165,900	0.17
Fashion	13,617	114,900	0.12
Furniture & Decorative Arts	4,576	65,000	0.07
Product/Industrial Design	N/A	2,300	---
Publishing & Printing	5,416	118,600	0.05
Toys	1,112	6,900	0.16
Visual & Performing Arts	143,957	51,000	2.82

Source: California EDD QCEW data; Bureau of the Census Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

TABLE 4:
Comparative Growth Rates Nonemployers vs. Employees, 2011

Industry Sector	Nonemployer Growth 2006-2011	Employment Growth 2006-20112
Architecture & Interior Design	-5.7%	0.2%
Art Galleries	-3.5%	-2.4%
Communication Arts	24.0%	-2.5%
Digital Media	N/A	5.8%
Entertainment	8.2%	-0.3%
Fashion	1.2%	-0.9%
Furniture & Decorative Arts	-10.6%	-2.6%
Product/Industrial Design	N/A	1.7%
Publishing & Printing	1.8%	3.6%
Toys	-11.8%	-6.1%
Visual & Performing Arts	13.5%	5.3%
Total Employment Growth:	**11.2%**	**3.1%**

Source: California EDD QCEW data; Bureau of the Census Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

TABLE 5: Nonemployer Firm Statistics for the Creative Industries in California, 2006-2011

Creative Industry	NAICS Code	Number of Firms						Value of Receipts ($millions)					
		2006	2007	2008	2009	2010	2011	2006	2007	2008	2009	2010	2011
Architecture and Interior Design:		**18,526**	**17,810**	**17,085**	**16,628**	**17,093**	**17,476**	**$955.3**	**$943.4**	**$831.5**	**$675.1**	**$689.5**	**$719.9**
Architectural Services	54131	9,494	9,077	8,643	8,606	8,905	9,052	628.4	613.7	534.7	436.9	444.1	463.2
Drafting Serivices	54134	4,666	4,500	4,229	3,730	3,685	3,712	141.4	139.3	119.6	87.3	89.9	96.0
Landscape Design	54132	4,366	4,233	4,213	4,292	4,503	4,712	185.5	190.3	177.2	150.9	155.5	160.7
Art Galleries	45392	**2,378**	**2,533**	**2,377**	**2,311**	**2,265**	**2,295**	**$196.6**	**$198.0**	**$165.0**	**$122.7**	**$128.4**	**$146.7**
Communication Arts:		**35,900**	**39,193**	**39,338**	**40,557**	**42,773**	**44,510**	**$1808.4**	**$1848.2**	**$1796.1**	**$1606.4**	**$1753.8**	**$1850.4**
Specialized Design Services	5414	3,268	3,559	3,503	3,475	3,652	3,647	173.2	184.5	160.7	133.8	140.5	148.9
Advertising Agencies	5418	17,719	19,085	19,102	19,995	20,960	21,604	1137.9	1139.5	1132.0	1024.9	1130.6	1184.0
Photographic Services	54192	14,913	16,549	16,733	17,087	18,161	19,259	497.2	524.2	503.5	447.6	482.7	517.4
Entertainment:		**26,287**	**27,129**	**27,123**	**26,407**	**27,305**	**28,437**	**$1148.7**	**$1182.7**	**$1199.2**	**$1103.5**	**$1153.4**	**$1234.6**
Motion Picture/Video Production	5121	19,674	20,370	20,378	19,762	20,628	21,610	892.8	923.5	936.3	875.9	914.4	980.3
Sound Recording	5122	4,268	4,426	4,438	4,416	4,461	4,631	158.2	163.7	171.9	148.7	151.4	163.9
Broadcasting (except Internet)	515	2,345	2,333	2,307	2,229	2,216	2,196	97.7	95.6	91.0	79.0	87.5	90.5
Fashion:		**13,459**	**13,436**	**12,927**	**12,951**	**13,110**	**13,617**	**$1155.5**	**$1126.1**	**$1096.3**	**$999.6**	**$1060.2**	**$1146.5**
Textile Mills Manufacturing	313	165	234	215	209	236	236	3.9	5.4	5.1	6.0	6.4	8.9
Apparel Manufacturing	315	4,526	4,712	4,476	4,448	4,428	4,554	215.3	225.4	211.6	200.5	212.7	212.4
Apparel Wholesaling	4243	4,956	4,828	4,665	4,665	4,722	4,908	533.9	500.6	488.0	448.4	478.1	522.6
Footwear Manufacturing	3162	126	128	117	118	107	108	6.3	5.1	6.3	6.3	5.9	5.6
Other Leather and Allied Products Mfg.	31699	21	20	15	17	13	19	1.8	1.5	.9	.5	.8	.8
Jewelry Wholesaling	42394	3,665	3,514	3,439	3,494	3,604	3,792	394.3	388.1	384.4	337.9	356.3	396.2
Furniture and Decorative Arts:		**5,118**	**5,295**	**4,768**	**4,655**	**4,615**	**4,576**	**$400.7**	**$414.2**	**$345.2**	**$299.1**	**$302.2**	**$315.9**
Textile Product Mills	314	258	410	368	355	343	335	13.6	17.3	15.1	18.2	17.6	15.9
Furniture Manufacturing	337	2,310	2,411	2,231	2,198	2,229	2,189	157.5	161.7	134.9	120.2	121.0	127.9
Furniture Wholesaling	4232	2,289	2,223	1,921	1,869	1,802	1,784	213.3	215.8	179.4	150.7	151.3	157.4
Glass & Glass Products Mfg.	32721	19	26	23	25	23	33	1.1	2.4	2.3	.8	.8	1.5
Other Misc. Nonmetallic Mineral Product Mfg.	3279	242	225	225	208	218	235	15.1	16.9	13.4	9.1	11.5	13.2
Toys:		**1,261**	**1,185**	**1,097**	**1,073**	**1,039**	**1,112**	**$90.3**	**$90.8**	**$79.1**	**$68.9**	**$73.6**	**$78.6**
Toy Wholesaling	42392	1,261	1,185	1,097	1,073	1,039	1,112	90.3	90.8	79.1	68.9	73.6	78.6
Visual and Performing Arts Providers:		**126,826**	**135,276**	**134,245**	**132,904**	**138,100**	**143,957**	**$3796.1**	**$4159.3**	**$4210.5**	**$3995.2**	**$4179.0**	**$4465.6**
Performing Arts Cos.	7111	6,057	7,378	7,593	8,041	8,475	8,812	240.2	288.0	289.1	273.7	294.9	300.6
Agents & Managers of Artists, etc.	71141	7,141	7,011	6,920	6,942	7,387	7,793	351.3	360.8	364.4	337.9	351.9	385.6
Independent Artists, Writers, etc.	71151	112,930	120,117	119,003	117,255	121,627	126,715	3190.2	3495.6	3542.5	3369.6	3518.7	3765.6
Museums	7121	698	770	729	666	611	637	14.4	14.9	14.5	14.0	13.5	13.80
Publishing and Printing:		**5,320**	**5,760**	**5,420**	**5,439**	**5,383**	**5,416**	**$336.9**	**$340.6**	**$302.1**	**$270.3**	**$291.6**	**$297.9**
Printing & related Support Actifities	3231	4,366	4,805	4,509	4,555	4,507	4,498	291.5	299.1	261.7	236.7	256.7	263.5
Book, Periodical, Newspaper Wholesalers	42492	90	99	92	83	72	70	4.5	5.1	4.4	3.1	3.5	3.9
Publishign Industries (except Internet)	511	864	856	819	801	804	848	40.9	36.3	36.0	30.4	31.4	30.5
Total Nonemployer Firms:		**235,075**	**247,617**	**244,380**	**242,925**	**251,683**	**261,396**	**$9,888.3**	**$10,303.2**	**$10,024.9**	**$9,140.8**	**$9,631.7**	**$10,256.2**

Source: U.S. Dept. of Commerce, Bureau of the Census, Nonemployer Statistics

Note: Nonemployer data are not available for all NAICS codes used in this report

NONPROFIT SEGMENT OF THE CREATIVE ECONOMY

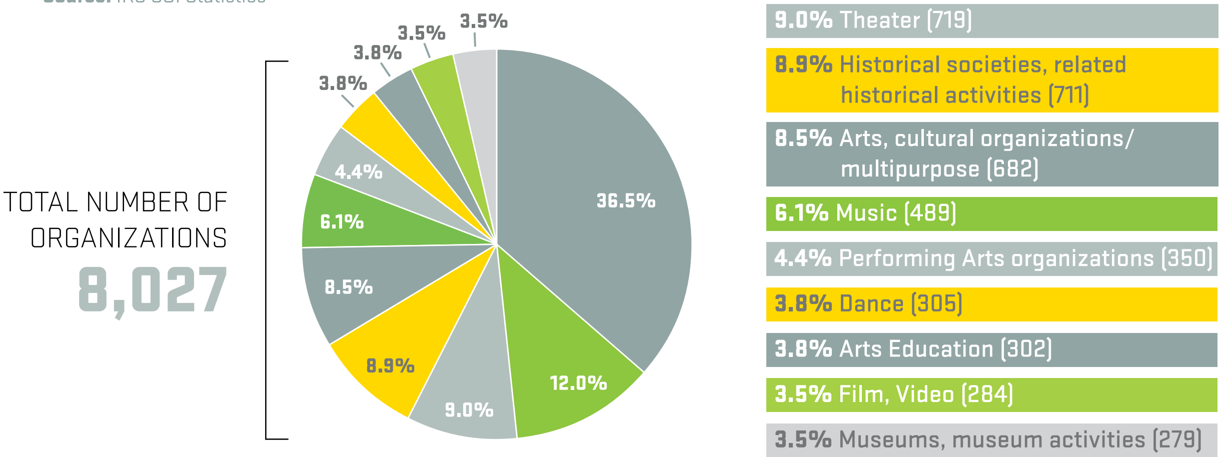
The importance of the arts and culture to economic development is well established. Because many arts organizations are nonprofits, they rely heavily on charitable contributions and volunteers, which is not captured in typical economic metrics such as employment and payroll. To leave them out of this analysis would underestimate the footprint of the creative sector on California's economy.

Information on nonprofits is limited, but the IRS publishes some data on tax-exempt organizations as a part of its Statistics of Income (SOI) program. The IRS source offers the most comprehensive and standardized data on tax-exempt organizations available, but there are significant limitations. The SOI files are compiled annually from information reported in organizations' Form 990s. The SOI files include all 501(c)(3) organizations with $30 million or more in assets, all organizations filing under sections 501(c)(4) through 501(c)(9) with $10 million or more in assets, and a *sample of a few thousand smaller organizations per year that are selected to represent the entire universe of nonprofit organizations.*

The SOI data are cumulative and are the most recent information the IRS has on file for exempt organizations. The year designation on SOI files is based on the starting year for an organization's tax return which is not necessarily its fiscal year. Therefore, this data does not cover a specific calendar year but instead, provides a snapshot at the time it was accessed (in this case, September 2013) of the state's nonprofit arts sector. Additionally, the SOI data do not contain information pertaining to employment.

As of September 2013, there were 144,022 nonprofit organizations in California registered with the IRS that were included in the SOI data. Of those, 8,027 (or 5.6%) organizations in the sample were classified as arts, culture and humanities organizations.

Largest Arts Nonprofit Sectors in California by Number of Organizations
Source: IRS SOI Statistics

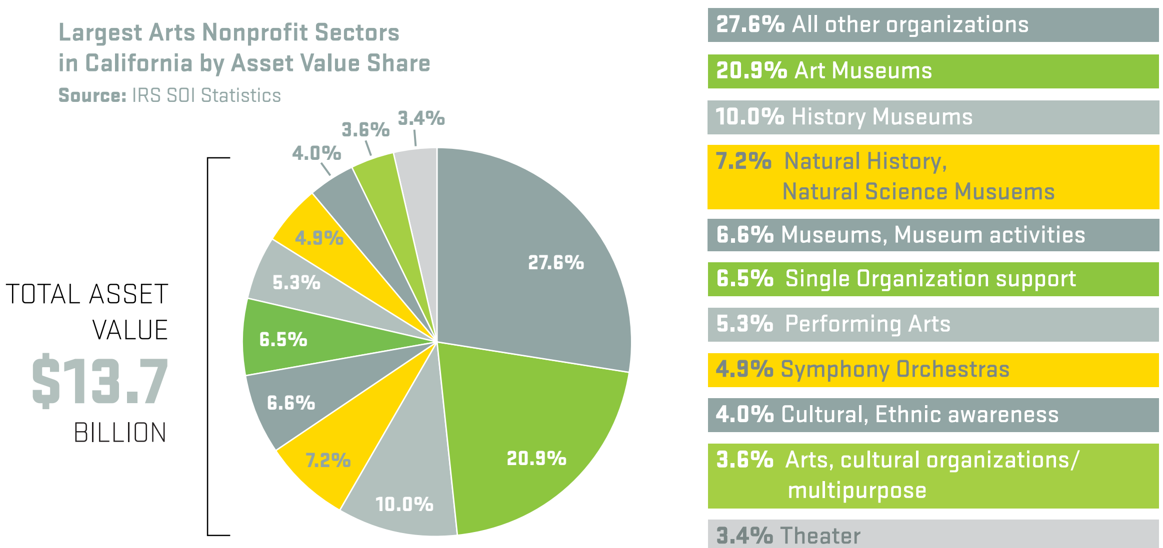


In California, the nonprofit segment of the creative economy is diffused across a wide variety of organizations. The largest number in the sample were concentrated in cultural and ethnic awareness organizations (12.0%), theaters (9.0%), and historical societies (8.9%). Arts education organizations also had a significant presence in California's nonprofit sector, making up about 3.8% of the sample population.

The total income reported by nonprofits in California that are included the sample data amounts to $7.0 billion. Natural history and science museums account for 26.4% of nonprofit income in the state, while art museums had 12.1% of the total, followed by single organization support (6.2%) and symphony orchestras (4.9%).

Another way to measure the importance of the nonprofit sector is to look at the collective value of the assets owned by nonprofit organizations in the state. As of September 2013, the California nonprofits that were included in the IRS data reported assets valued at $13.7 billion. The largest share of assets in the sample population was concentrated in art museums. This is not surprising considering the value of the state's fine art collections as well as the real estate in which they are housed. Art museums held 20.9% of the state's nonprofit assets, followed by history museums with 10.0%. Natural history museums and other kinds of museums (not defined) also held significant asset shares of 7.2% and 6.6%, respectively.

Largest Arts Nonprofit Sectors in California by Asset Value Share
Source: IRS SOI Statistics



Although the size and reach of the arts-related nonprofit sector in California is impressive, the contribution these organizations make to California's economy is much larger than the figures cited above would indicate.

The activities of this sector's many salaried and volunteer workers, and the charitable contributions made by individuals and corporations generate a significant amount of economic activity in California.

Creative people want diverse amenities. High concentrations of cultural workers and cultural attractions make an area more attractive by improving overall quality of life and they draw visitors to the area. Additionally, the educational and outreach services provided by nonprofit arts organizations play an important role in training the next generation of creative individuals.

TABLE 6:
California Arts-related Nonprofit Sector in California

NTEE Code	Description	Number of Organizations	Asset Amount ($1,000s)	Income Amount ($1,000s)	Form 990 Revenue Amount ($1,000s)
A01	Alliance/advocacy organizations	13	$ 1,943,181	$ 5,288,814	$ 5,286,470
A02	Management and technical assistance	8	$ 89,493,744	$ 25,907,719	$ 11,158,772
A03	Professional societies, associations	34	$ 26,563,690	$ 42,486,028	$ 38,040,954
A05	Research institutes and/or public policy analysis	9	$ 7,606,223	$ 1,429,453	$ 828,252
A11	Single organization support	143	$ 897,440,507	$ 434,839,063	$ 149,205,445
A12	Fund raising and/or fund distribution	101	$ 385,473,083	$ 25,457,414	$ 16,795,234
A19	Nonmonetary support N.E.C.*	22	$ 4,696,810	$ 5,202,029	$ 4,766,361
A20	Arts, cultural organizations - multipurpose	682	$ 499,779,122	$ 211,102,268	$ 141,377,684
A23	Cultural, ethnic awareness	965	$ 545,049,693	$ 187,366,561	$ 107,238,677
A25	Arts education	302	$ 265,158,774	$ 279,411,370	$ 200,618,237
A26	Arts council/agency	92	$ 81,882,459	$ 46,803,563	$ 32,398,843
A30	Media, communications organizations	88	$ 136,599,075	$ 115,646,316	$ 101,768,261
A31	Film, video	284	$ 111,402,454	$ 110,350,488	$ 104,049,664
A32	Television	79	$ 223,805,358	$ 146,554,554	$ 144,454,845
A33	Printing, publishing	149	$ 48,398,364	$ 41,336,961	$ 30,898,729
A34	Radio	62	$ 397,220,926	$ 179,956,040	$ 176,264,929
A40	Visual arts organizations	186	$ 32,619,737	$ 20,862,845	$ 17,767,302
A50	Museums, museum activities	279	$ 903,615,724	$ 238,827,866	$ 179,046,133
A51	Art museums	124	$ 2,866,457,774	$ 852,696,167	$ 429,246,144
A52	Children's museums	32	$ 132,950,598	$ 28,953,836	$ 26,823,760
A54	History museums	208	$ 1,370,297,624	$ 296,580,987	$ 150,933,279
A56	Natural history, natural science museums	36	$ 991,534,107	$ 1,859,504,089	$ 99,503,463
A57	Science and technology museums	27	$ 200,202,345	$ 90,582,646	$ 64,618,704
A60	Performing arts organizations	350	$ 32,699,153	$ 34,048,803	$ 31,413,571
A61	Performing arts centers	92	$ 735,252,294	$ 215,020,821	$ 143,066,645
A62	Dance	305	$ 38,724,938	$ 31,759,444	$ 30,154,468
A63	Ballet	78	$ 77,181,844	$ 80,478,151	$ 72,336,596
A65	Theater	719	$ 473,227,214	$ 313,189,845	$ 290,698,895
A68	Music	489	$ 138,782,778	$ 73,156,996	$ 59,155,964
A69	Symphony orchestras	145	$ 672,776,961	$ 344,394,856	$ 273,120,831
A6A	Opera	77	$ 344,585,135	$ 183,807,693	$ 157,985,915
A6B	Singing, choral	247	$ 22,141,742	$ 29,044,279	$ 26,906,268
A6C	Music groups, bands, ensembles	158	$ 11,891,318	$ 11,966,364	$ 10,749,170
A6E	Performing arts schools	84	$ 449,409,919	$ 184,369,113	$ 68,516,396
A70	Humanities organizations	246	$ 77,992,755	$ 76,717,957	$ 66,132,847
A80	Historical societies, related historical activities	711	$ 333,617,808	$ 113,512,857	$ 78,770,897
A84	Commemorative events	81	$ 36,369,366	$ 24,644,182	$ 4,414,104
A90	Arts service organizations and activities	41	$ 11,501,186	$ 9,316,060	$ 8,815,423
A99	Arts culture and humanities N.E.C.	279	$ 69,679,560	$ 65,300,649	$ 38,345,200
	Totals:	**8027**	**$ 13,746,025,343**	**$ 7,037,875,147**	**$ 3,593,673,332**

Source: IRS SOI Statistics

OCCUPATIONS IN THE CREATIVE ECONOMY

4
See Table 12 on page 76/77 for a complete list of creative occupations and the list of sources on page 78 for additional information.

Up to this point, this report has concentrated on the creative industries. These are the firms (commercial and nonprofit industries) that produce and distribute cultural, consumer, and commercial goods and services.

In this section, we turn from industry analysis to the study of occupations. There are two ways to think about creative employment: individuals who work in a creative industry or individuals working in creative occupations. Many of these creative occupations may be found within the set of creative industries, but they are also present in significant numbers in the broader set of industries outside the creative sector. Data on occupations from the U.S. Bureau of Labor Statistics makes it possible to identify and measure creative occupations within the creative industries and in the rest of the economy. It can also shed light on the extent to which creative industries employ people in functions outside of creative occupations.

There are 22 major occupational groups in the SOC system. Creative occupations can be found in 11 of the major groups.

Unlike industry-based definitions of the creative economy, there is much greater consensus among researchers regarding creative occupations.[4] The occupational data used in this report is based on the Standard Occupational Classification (SOC) system. This system includes dozens of creative occupations across a wide array of organizational functions. For example, in the management ranks, creative occupations include advertising, marketing, and public relations managers. Technical fields include software developers and architects, and in production are tailors, cabinetmakers, and engravers. It is easy to imagine that a marketing manager could be working in any number of industries, creative or otherwise, as could a graphic designer. This illustrates the fact that creative occupations may often be found outside the creative sectors of the economy.

In 2010 (latest available data), there were 674,300 workers in California employed in creative occupations.[5] This represents 4.2% of California's total workforce. About half (320,200) of those were in art, design, entertainment and media occupations. A large number of creative individuals also found a home in computer and mathematical occupations (164,200). A large number of these workers spend their days creating animated characters for film and TV, and designing video games (although, given the current classification system, it is still nearly impossible to capture the total gaming industry).

The next largest group of creative workers was found in education, training and library occupations (55,000). Yet arts, cultural, and creative activity at California's colleges and universities is difficult to fully measure since employment data for campus museums, theaters, literary publications is not disaggregated.

A significant amount of creative activity takes place in industries that are not included in the creative sector, while creative industries employ many workers whose jobs do not involve creative tasks. Based on SOC data that cross-references occupations and industries,[6] 56% of creative occupations are estimated to be outside of creative industries. For example, California's aerospace industry employs commercial and industrial designers, graphic designers, technical writers and software developers. Many dry cleaners will have a dressmaker on staff, while grocery stores with floral departments will retain the services of a floral designer. Large numbers of religious organizations and restaurants employ singers and musicians. Additionally, the government sector provides jobs for editors, media and communications workers, architects, producers and directors, writers and curators.

5
Unlike industry employment, occupational employment figures include the self-employed, unpaid family workers, private household workers, and farm employment in addition to nonfarm employment.

6
California Industry-Occupation Matrix 2010-2020; California EDD, LMID

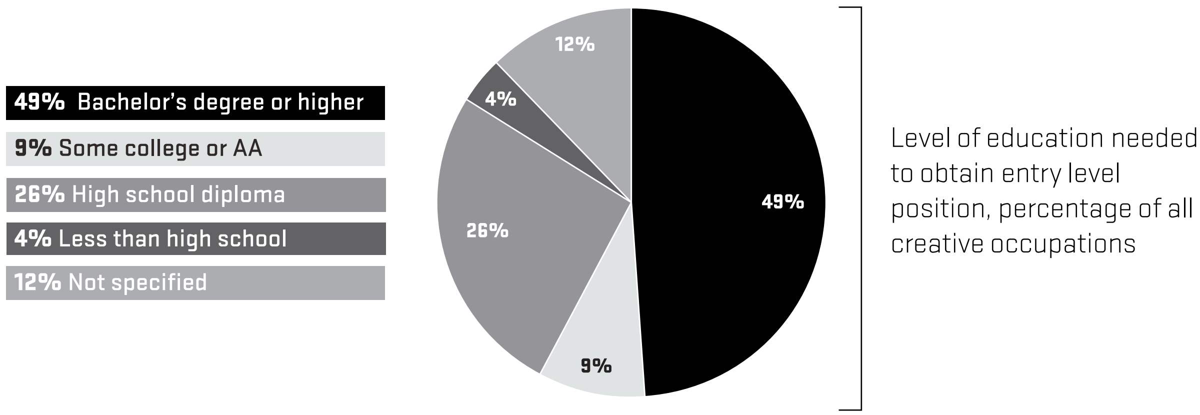
CREATIVE OCCUPATION EMPLOYMENT:
674,300

CREATIVE INDUSTRY EMPLOYMENT:
681,400

Note: Based on 2010 data

Approximately 56% of creative occupations are in industries outside of the creative sector.

Creative Occupation
Entry Level Education Requirements
Source: California EDD, SOC data



Creative occupations generally require high levels of education or skills training. Of the 80 creative occupations identified for this report, 39 required a bachelor's degree or higher.

That numerous creative occupations may be found across so many California industries suggests the potential for large spillover effects from creative industries and occupations to other industries within the state economy. As mentioned at the beginning of the report, California arguably has one of the highest concentrations of creative individuals in the world. The potential for spillovers suggest that it is in the state's economic interest to maintain if not nurture and grow its deep pool of creative talent.

California's creative workforce merits further study and attention. Creative workers may be the innovators, or they may be individuals who bring the innovators' ideas to life and communicate those ideas to individuals in other functions including education, business, and finance. As such, they drive California's economy.

Half of California's most highly concentrated occupations are creative jobs

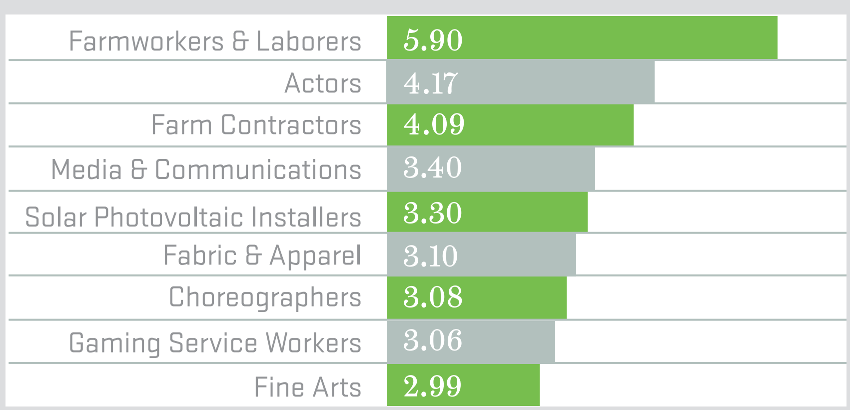
What is a Location Quotient? An (LQ) can be used to quantify how concentrated a particular industry, cluster, occupation or demographic group is in a region compared to the nation. It can reveal what makes a region unique.

An LQ of 1.0 for an occupation means that the region has the same (or average) concentration of that occupation as the nation. If the LQ of an occupation is above 1.0, the region has a higher than average concentration of that occupation. High-LQ occupations are important because they are generally employed by high-LQ industries, which tend to bring money into a region and form the majority of the region's economic base. High-LQ occupations provide a workforce-oriented perspective of the region's economic base.

As indicated in the figure, California has high LQs in a number of creative occupations, meaning that it has a higher concentration of those occupations than the nation as a whole. These include actors and choreographers, media and communications occupations, fabric and apparel industry occupations, and occupations in the fine arts.

Occupations with Highest Location Quotients in California

Source: Bureau of Labor Statistics, May 2012



LOOKING AHEAD: THE CREATIVE ECONOMY IN 2017

The California economy has not fully shaken off the effects of the Great Recession, but it has made significant gains over the past two years. This trend should accelerate over the foreseeable future and lift much of the creative economy in the process. This section looks ahead to 2017 with employment projections for the creative economy of California. **What will the creative sectors look like by then?**

California's economy is projected to grow throughout the five-year period (2012 through 2017) at an average annual rate of just over 3%, with growth of approximately 2.5% in 2013 and 2014, increasing to approximately 3.5% from 2015 through 2017. Over this period, California's economy is expected to grow somewhat faster than the nation as a whole. The health of the state economy depends on continued progress in the U.S. economy and among our major trading partners. Improvements in the consumer sector will be front and center in both California and the nation, as households respond to declining unemployment, increases in income, stronger real estate markets, and stock market gains. Even so, California's labor market will lag in recovery, returning to the long-run unemployment rate of 7.5% sometime in 2015, by which time the state should have regained all the wage and salary jobs lost during the recession.

What does this economic outlook imply for the state's creative industries?

The LAEDC projects that given the trends visible today, creative industry employment in California will total 719,700 wage and salary jobs by 2017, up by 5.6% or 38,400 jobs from 2012 levels but still shy of the 2007 pre-recession level of 775,400.

Returning to peak employment means that creative services such as design, performing and visual arts, and wholesale/retail sectors will have to make up jobs lost in manufacturing, many of which will not be returning.

Continued progress in housing and the commercial real estate markets will foster growth in architectural services, interior and landscape designers, as well as furniture and decor. Additionally, as the employment picture improves, households will spend more on apparel, toys and video games, while devoting more of their discretionary income on concerts, dance performances, museums, and other cultural attractions.

DIGITAL MEDIA:
Expected to grow by 13.2% over the next five years, digital media employs relatively few workers directly, but official counts likely underrepresent the number of people who specialize in digital media because many of them work in other industries. With strong demand for video games and content for the entertainment and advertising industries likely to continue, a healthy rate of growth in this industry is anticipated over the next five years.

FURNITURE AND DECORATIVE ARTS:
The housing market recovery and job growth will drive expansion (11.5%) in this industry over the next five years. Furniture and textiles manufacturing will show some growth, but employment will expand primarily in the wholesale and design sectors.

ARCHITECTURE AND INTERIOR DESIGN:
Also benefiting from the housing market recovery is architecture and interior design. Payroll jobs are expected to expand by 9.0% over the next five years. During this period, improvements in the commercial real estate market will also have a positive effect on employment.

Fairly strong employment growth is also projected for architecture and interior design (9.0%), entertainment (8.7%), and the visual and performing arts (6.1%). While most of the remaining industries are expected to post modest gains, fashion will see a net decline in jobs as increases in apparel wholesaling will not fully offset losses in apparel manufacturing.

TABLE 7:
Creative Industries Employment Forecast

Creative Industry	Number of Jobs (thousands)		2012-2017 Change	
	2012	2017f	Number	Percent
Architecture & Interior Design	36.7	40.0	3.30	9.0%
Art Galleries	2.2	2.2	0.06	2.8%
Communication Arts	43.4	43.6	0.22	0.5%
Digital Media	51.2	57.9	6.75	13.2%
Entertainment	165.0	179.4	14.34	8.7%
Fashion	116.7	115.6	-1.14	-1.0%
Furniture & Decorative Arts	65.9	73.4	7.57	11.5%
Product/Industrial Design	1.9	1.9	0.04	2.1%
Publishing & Printing	121.4	125.1	3.66	3.0%
Toys	7.1	7.3	0.19	2.7%
Visual & Performing Arts Providers	52.1	55.3	3.19	6.1%
Arts Education	17.9	18.1	0.57	1.1%
Totals:	**681.3**	**719.7**	**38.37**	**5.6%**

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Photo by Skye Moorehead '94 Otis
Profile by author Hunter Drohojowska-Philp

JEWON YU '03 OTIS

Global Senior Designer for Mens, Style and Capsules Levi Strauss Company San Francisco

Jewon Yu's exposure to global fashion design came early. Born in Abu Dhabi, United Arab Emirates, she lived there until she was seven because of her father's position as a civil engineer. The family then moved to Southern California. After graduating with a fashion design degree, Jewon did a number of small freelance jobs. The experience helped her clarify her goals. "I really wanted to have a successful career in the industry rather than just a design job," she says.

Her first step was a corporate position as an assistant designer at Pacific Sunwear. Her manager, who had worked at Levis, decided to return there, and recruited her to join him. She started at the Levi Strauss Company in 2007 in menswear and gained a considerable amount of attention for her designs for their highly touted Commuter Series. Especially noted were a line of stretchy, water-resistant blue jeans that could be worn while riding a bicycle yet still look fresh when arriving at the office or a social event. "Commuter Series came about when, as a Southern Californian living in the Bay area for the first time, I observed and and witnessed the cultural differences. Having been so dependent on cars, the cyclists on the road were a bit amazing. The idea just came naturally and currently leads the market and company in denim innovation."

In her current position, Yu explains, "Levi's is a global company so I work with people from all over the world. I currently manage a team with two English designers, one Danish designer, and a Japanese one! Our Vice President is Irish and our Senior Vice President is Chinese and British. So my approach and the way I view fashion is definitely driven by my upbringing and my surroundings, and it is ever more apparent every day.

The company truly takes pride in the fact that it is one of the oldest American companies still operating in the city where it was born. **I realize as I work closely with my colleagues that working in California is a dream come true, and that California design is an aesthetic all its own.** That's one of the reasons that, for every seasonal concept, we try to highlight the beauty of the state and ensure that Levi's reflects the Californian aesthetic."

ARCHITECTURE AND INTERIOR DESIGN

This sector includes firms that specialize in architectural services, interior design and landscape. The ancient Roman architect Vitruvius insisted that three fundamental principles were essential to architecture: function, structure and beauty. All three continue to hold true today. Architects create beauty from functional and structural necessity. Without beauty (a highly subjective quality to be sure, and one that changes over time), a building is merely functional while good architecture surprises, inspires and delights the observer.

Interior designers make interior space functional, safe and beautiful for almost any type of building including homes, offices, restaurants, retail stores, hotels and airports. Interior designers must also understand how the look and feel of a space will affect the people who use it.

Landscape designers "achieve a balance between the built and natural environments." Their work combines art, environmental sciences and ecology. Great landscape design not only creates beautiful outdoor spaces but also can restore endangered wetlands, reduce hospital stays, and reduce energy use.

Employment in this creative sector has yet to fully recover from the Great Recession, but improvements are expected as the overall economy registers gains in the coming years.

Economic Contribution of the Architecture and Interior Design Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **5,700**	OUTPUT: **$9.2** Billion
JOBS: **36,700**	TOTAL JOBS: **65,800**
LABOR INCOME: **$2.7** Billion	LABOR INCOME: **$4.2** Billion
NONEMPLOYER ESTABLISHMENTS: **17,476**	TAXES: **$0.4** Billion

ART GALLERIES

California is home to three of the most artistic metropolitan areas in the country: San Francisco, Los Angeles and Santa Cruz-Watsonville. California also boasts many smaller arts enclaves, rich in creativity. Over the decades, artists and galleries have created their own communities throughout California including Carmel, Mendocino and Laguna Beach. From "art neighborhoods" to warehouse districts located in old industrial areas to rural towns, California is home to numerous galleries featuring contemporary and traditional fine art, paintings, glass art, sculpture, fine art photography and other types of visual art. The presence of artists and art galleries not only enhances the quality of life for local residents, they are a major draw for cultural tourists as well.

There were 614 art galleries with 2,200 employees across California in 2012. Total economic impact was 2,900 jobs and output of $230 million. In addition, 2,295 "art dealers" were found in the nonemployer data for California with sales of $146.7 million during 2011 (latest data available).

Economic Contribution of Art Galleries, 2012:

DIRECT EFFECTS
ESTABLISHMENTS: **614**
JOBS: **2,200**
LABOR INCOME: **$108** Billion
NONEMPLOYER ESTABLISHMENTS: **2,295**

TOTAL EFFECTS
OUTPUT: **$230** Billion
TOTAL JOBS: **2,900**
LABOR INCOME: **$144** Billion
TAXES: **$23** Billion

COMMUNICATION ARTS

Individuals working in the communication arts combine art and technology to communicate ideas through images. This diverse sector is dominated by advertising agencies and firms that specialize in graphic design, and includes commercial and portrait photographers.

Advertising firms employ creative staff to design the content and visual elements of client ad campaigns. Working with both text and images, advertising firms create visual concepts by hand or using computer software to communicate ideas that inspire, inform or captivate consumers. They help to make an organization recognizable by selecting colors, images or logo designs that represent a particular idea or identity.

Graphic arts designers are the next largest sector. Graphic designers create "visual solutions to communications problems" using both digital and print media. Graphic designers are involved in the production of magazines, newspapers, corporate reports, and other publications. They also design packaging, brochures and logos for products and businesses. An increasing number of graphic designers are involved in developing material for the Internet, interactive media and multimedia projects. Within graphic design services, two of the fastest growing sub-sectors are website design and animation.

Employment in this sector fell modestly during the recession and bottomed out in 2010. It recovered about half of the recession-induced job losses through 2012 and will edge up in the coming years.

Economic Contribution of the Communication Arts Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **5,729**	OUTPUT: **$11.5** Billion
JOBS: **43,400**	TOTAL JOBS: **74,700**
LABOR INCOME: **$3.8** Billion	LABOR INCOME: **$5.3** Billion
NONEMPLOYER ESTABLISHMENTS: **44,510**	TAXES: **$0.6** Billion

DIGITAL MEDIA

The prominence of the digital media industry in California is closely related to the presence of the entertainment industry in Southern California and Silicon Valley in the Bay Area. The actual size of the digital media industry is difficult to calculate. There is still no precise definition of the industry, and digital media activity is very likely to be found in related sectors such as motion picture production, publishing or software design.

Digital media artists work in 3D/2D entertainment arts (games, animation, film); imaging (editorial, retail, comic, info-graphics); video and motion graphics (TV, web, film, corporate); and interactive media (web, mobile).

Individuals working in digital media may also be employed by architectural firms to create 3D images of building designs or in the fashion industry engaged in designing digital fabrics. Others work for advertising agencies and computer systems design firms and independent specialized design companies. Additionally, with the growth of digital media in entertainment, more and more digital artists are moving onto the payrolls of the movie studios.

Despite its potential to impact other creative sectors as well as industries outside the creative economy, traditional data sources do not fully reflect total employment in the digital media industry. Software publishing is the industry that best fits this activity. A large number of software programmers are independent contractors who are not captured by traditional data sources.

Economic Contribution of the Digital Media Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **1,165**	OUTPUT: **$51.7** Billion
JOBS: **51,200**	TOTAL JOBS: **218,300**
LABOR INCOME: **$8.3** Billion	LABOR INCOME: **$16.7** Billion
NONEMPLOYER ESTABLISHMENTS: **N/A**	TAXES **$1.9** Billion

ENTERTAINMENT

While the entertainment industry is undoubtedly a pillar of the Los Angeles Region's economy, it is also an indispensable component of the state economy. A vibrant independent filmmaking industry has taken root in San Francisco with film schools, incubators, film grant programs, and internationally renowned film festivals.

The motion picture and TV production sector forms the backbone of the state's entertainment industry. When a movie is filmed, actors, costume designers and special effects creators are employed, but so are persons working in industries as dissimilar as food services, security, transportation, and floral design. Los Angeles' billing as entertainment capital of the world also draws millions of tourists to the state each year as do film festivals throughout the state. The entertainment industry is also a major source of export revenues for California because of the royalties its films and TV shows earn overseas.

Several activities are included here: sound recording, motion picture and TV production, and cable TV broadcasting as well as radio stations. Musicians might be included here for recording film scores, but since many perform on the stage as well as in the studio, they have been included as employers or nonemployer firms in the visual and performing arts sector.

Modest gains in this industry are expected over the forecast horizon, with employment expected to match the pre-recession peak by 2017.

Economic Contribution of the Entertainment Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **7,666**	OUTPUT: **$77.6** Billion
JOBS: **165,000**	TOTAL JOBS: **346,200**
LABOR INCOME: **$17.1** Billion	LABOR INCOME: **$26.2** Billion
NONEMPLOYER ESTABLISHMENTS: **28,437**	TAXES: **$3.7** Billion

FASHION

Apparel design, manufacturing and wholesaling make a significant contribution to California's economy. The industry is primarily concentrated in Los Angeles County. In Orange County, the fashion industry has a smaller footprint, but manages to be quite diverse. San Francisco is also home to hundreds of fashion designers, and is earning recognition as a fashion capital in its own right. In addition to apparel, the state's fashion industry includes textiles and jewelry manufacturing as well as footwear, handbag and cosmetics production.

Design-related activity is the principal means by which the apparel industry retains a strong presence in California. Fashion goes hand-in-hand with the entertainment industry and the visual arts. Designers are attracted to the creative freedom that abounds in California's larger metropolitan areas. The proximity of designers to local manufacturers also presents a clear advantage, enabling designers to check up on product and personally communicate with managers on the front lines of production.

Economic Contribution of the Digital Media Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **9,021**	OUTPUT: **$36.1** Billion
JOBS: **116,700**	TOTAL JOBS: **200,200**
LABOR INCOME : **$5.0** Billion	LABOR INCOME: **$9.6** Billion
NONEMPLOYER ESTABLISHMENTS: **13,617**	TAXES: **$2.1** Billion

FURNITURE AND DECORATIVE ARTS

This industry group includes firms that manufacture, warehouse, import and export furniture, the furniture "marts," such as the Pacific Design Center, the L.A. Mart, and the San Francisco Design Center. This sector also includes textile mills (e.g. sheets, towels and fabric window treatments), and china and pottery producers. Like apparel, these items are frequently designed locally, produced in Asia and shipped back to the U.S. for domestic distribution. The furniture marts have annual shows where manufacturers exhibit their products to wholesale buyers from around the nation.

The furniture and the decorative arts sector exemplifies the tension between localization and globalization. While the state's manufacturers face growing competition from inexpensive labor overseas, local designers continue to produce innovative and beautiful furnishings. California is also home to hundreds of small artisans who produce handcrafted and one-of-a-kind pieces. Additionally, the region's universities and colleges offer a number of top-rated programs, and attract students from across the country.

While employment in this sector fell sharply over the course of the recession, it will benefit modestly from real estate's return to full health in the coming years, with employment expected to increase by 11.5% over the next several years.

Economic Contribution of the Furniture and Decorative Arts Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **4,386**	OUTPUT: **$21.0** Billion
JOBS: **65,800**	TOTAL JOBS: **111,900**
LABOR INCOME: **$3.0** Billion	LABOR INCOME: **$5.5** Billion
NONEMPLOYER ESTABLISHMENTS: **4,576**	TAXES: **$1.1** Billion

PRODUCT AND INDUSTRIAL DESIGN

Industrial designers develop the concepts for manufactured products, such as cars, home appliances, and mobile devices. They combine art, business, and engineering skills to make products that people use every day. A product designer focuses on the user experience in creating style and function for a particular object. Most specialize in a particular product category such as medical equipment or consumer electronics. Other product designers may develop ideas for furniture, snowboards or lifestyle accessories.

Producers of consumer products can no longer expect to catch the attention of the public with a product that is reasonably priced and merely functional. It must also be designed to be beautiful, unique and meaningful. This is perhaps best exemplified by the success Target has had in setting itself apart from other discount retailers by partnering with well-known designers to create products that incorporate this design imperative.

Many product and industrial designers are direct employees of companies that produce and sell a wide variety of products. The data in this report capture those working in creative industries like apparel or furniture manufacturing but do not include individuals working in other industries (e.g. aerospace or custom fabricated metal products). The figures shown below reflect only specialized design firms that serve as outside contractors or independent consultants to manufacturers and construction firms. Though it is difficult to quantify, the real design base in the state is much, much larger than shown.

Economic Contribution of the Product and Industrial Design Industry, 2012:

DIRECT EFFECTS
ESTABLISHMENTS: **308**
JOBS: **1,900**
LABOR INCOME: **$178** Billion
NONEMPLOYER ESTABLISHMENTS: **N/A**

TOTAL EFFECTS
OUTPUT: **$468** Billion
TOTAL JOBS: **3,400**
LABOR INCOME: **$250** Billion
TAXES: **$27.6** Billion

PUBLISHING & PRINTING

The traditional publishing and printing sector encompasses two distinct functions. Publishers produce and disseminate literature or information through books, newspapers and periodicals, directory and mailing lists, greeting cards and other materials. Printers engage in printing text and images on paper, metal, glass, apparel, and other materials. This sector also includes libraries and archives, and internet publishing.

Although printing and publishing continue to be an important manufacturing industry in California, it is a sector that has experienced large declines in the number of firms and workers employed in the industry over the last five years. Internet publishing has become a strong competitor to print media, and has shown a corresponding increase in activity. While the baby boomer generation may still prefer to read printed materials, younger generations are more apt to read information using electronic devices. Additionally, information technology has changed the business environment. Many processes that formerly required paper forms are now being done electronically.

Economic Contribution of the Publishing and Printing Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **6,804**	OUTPUT: **$47.3** Billion
JOBS: **121,400**	TOTAL JOBS: **255,700**
LABOR INCOME: **$13.5** Billion	LABOR INCOME: **$20.5** Billion
NONEMPLOYER ESTABLISHMENTS: **5,416**	TAXES: **$2.0** Billion

TOYS

The toy industry in the United States is very concentrated, with the top 50 toy companies in the nation accounting for three-fourths of the industry's revenues. While the job numbers are modest, California is a major force in the toy industry, having introduced a number of "firsts" to toys around the world—including names like Barbie and Hot Wheels—that have remained popular with generations of children.

Much of the actual manufacturing of toys takes place in Asia, but most design and marketing functions have been retained in California's larger metropolitan areas because of the local creative talent pool and supportive training programs. Toy companies are also drawn by the region's extensive warehouse and distribution system.

California's toy industry benefits from its close ties to the area's entertainment industry through licensing agreements with the major film studios. Approximately 30% of all toys sold in the U.S. are licensed.[7] Hollywood and the entertainment industry also help to draw design talent to the region. In addition to the entertainment industry, the state's design talent also looks to the fashion industry, textiles, food and music for inspiration.

Similar to what is happening in so many other industries, technology and innovation are reshaping toy manufacturing. Children are mastering technology faster and at younger ages, prompting many top companies to integrate electronic features into traditional toys.

7
Toy Industry Association, Observations on Toys and Trends (August 2013)

Economic Contribution of the Toy Industry, 2012:

DIRECT EFFECTS
ESTABLISHMENTS: **462**
JOBS: **7,100**
LABOR INCOME: **$698** Billion
NONEMPLOYER ESTABLISHMENTS: **1,112**

TOTAL EFFECTS
OUTPUT: **$3.2** Billion
TOTAL JOBS: **13,800**
LABOR INCOME: **$1.1** Billion
TAXES: **$232** Billion

VISUAL AND PERFORMING ARTS

California is home to an impressive number of internationally renowned arts institutions—world-class symphonies, opera and ballet companies and theater troupes, many of which are housed in concert halls and theaters that are works of art in their own right.

Activities in this group include theater and dance companies, musical groups, other performing arts companies and museums, as well as independent artists, writers, entertainers and their agents and managers. Many of these firms are non-profit organizations.

8
The Value of Performing Arts in Five Communities 2; Urban Institutes (January 2004)

Surveys of people's attitudes toward the performing arts have shown that the arts are viewed as improving the quality of life in a neighborhood or city, and are a source of community pride. People who visit museums and attend dance, music or theatrical performances say the arts promote understanding of other people, help to preserve and share cultural heritage, and contribute to lifelong learning in adults, and that the arts contribute to the education and development of children. Significantly, even people who do not attend performing arts exhibitions share this view.[8]

There is no question that visual and performing arts make communities more desirable places to live. From an economic development standpoint, quality of life is critical to attracting an educated and productive workforce. In today's global economy, the cities and regions that attract and retain talent are the regions that will grow and prosper.

Economic Contribution of the Visual and Performing Arts Industry, 2012:

DIRECT EFFECTS	TOTAL EFFECTS
ESTABLISHMENTS: **10,666**	OUTPUT: **$13.6** Billion
JOBS: **52,100**	TOTAL JOBS: **101,200**
LABOR INCOME: **$6.8** Billion	LABOR INCOME: **$9.2** Billion
NONEMPLOYER ESTABLISHMENTS: **144,957**	TAXES: **$866** Billion

ARTS EDUCATION: K-12 AND POST-SECONDARY

Learning is the acquisition of new knowledge and behaviors. High school students are expected to graduate with certain skills that include listening, speaking, reading and writing; essentially the ability to communicate the knowledge they have acquired and to continue on a path of lifelong learning. With the introduction of the Common Core State Standards (CCSS), students are expected to show progressive development in these skills beginning in kindergarten. What the CCSS do not provide is a mandatory curriculum—content decisions are made locally. The intent of the CCSS is to ensure that high school students graduate college or career-ready.

Education in the arts is a necessary part of preparing students to meet the demands of the 21st century workforce where young people compete in a global labor market. Much attention is paid to STEM (science, technology, engineering, and mathematics) courses and the need to educate students in these subjects (especially girls). There is concern that too few STEM-educated students are entering the workforce at sufficient performance levels to meet labor market demand. One way to encourage more young people to pursue STEM-related studies is to add the arts to STEM, creating STEAM.

Arts education fosters creativity, critical thinking, problem solving and collaboration. Viewed in this context, creativity has become as important as the "three Rs" in modern education. Nearly everyone has one art form with which they have an affinity, and can use to make sense of the world. Technological innovation is moving ahead so rapidly that functional capabilities have become less important to employers than the ability of employees to reinvent and adapt themselves to a dynamic industry and economic environment. In other words workers need to be creative. It then follows that the arts i.e. creativity training, should be incorporated into California's workforce development strategy.

Globalization and technology have increased labor mobility and connectedness. Society and companies have entered a new era of openness. As a result, the workplace is evolving. More and more, tightly controlled and hierarchical organizations are giving way to environments defined by individual empowerment, transparency, communication and collaboration. In the new corporate ecosystem, the intangible skills that are fostered by study of the arts are moving to the forefront of the skills employers are seeking in job applicants.

Alternately, while no one questions the necessity of mastering language, math and science skills, a singular focus on these subjects ignores the needs of students whose talents run in a different direction. Marginalizing the arts risks these young people becoming frustrated and dropping out of school altogether. When this happens, young students may never grow to realize their potential. Society also loses out.

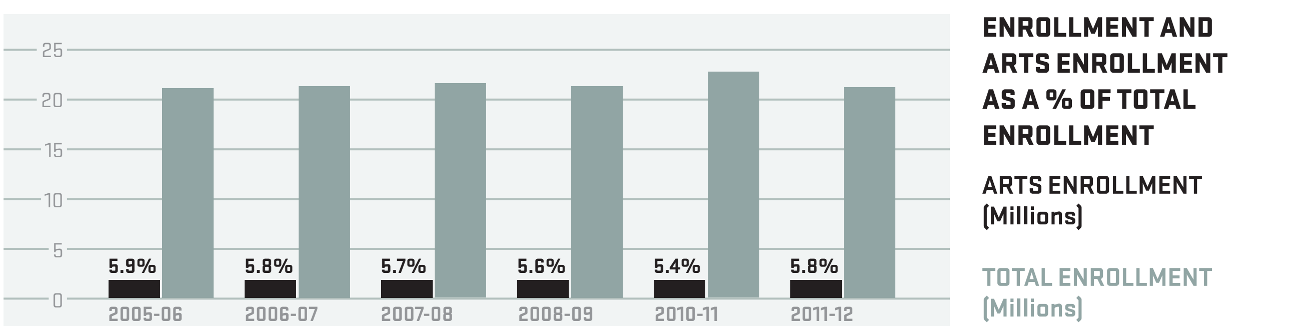
There is a large body of research that has shown that arts education engages students in learning. When students are engaged, truancy and dropout rates decline.[9] Student involvement in the arts is linked to higher academic performance, increased standardized test scores, and greater involvement in community service. Studies have demonstrated that students who attend schools where the arts are integrated into the classroom curriculum outperform their peers in math and reading who did not have an arts integrated curriculum.

Arts Education at the K-12 level is obviously very important for both social and economic reasons. The California Department of Education tracks student enrollment, number of classes, average class size, and the number of teachers[10] by subject area. This allows for the analysis of student participation in arts-related classes at the K-12 level.

9
The statewide dropout rate in California is 14.7% (2011); www.kidsdata.org

10
Measured as Full Time Equivalent (FTE). A full-time equivalent measure is a way of equating the number of full- and part-time employees. A full-time employee counts as 1 FTE; two part-time employees who each work half-time are also equal to 1 FTE.

California K-12 Arts Enrollment



Source: California Department of Education

Arts classes in California K-12 schools include art, dance, drama, music, and web design.

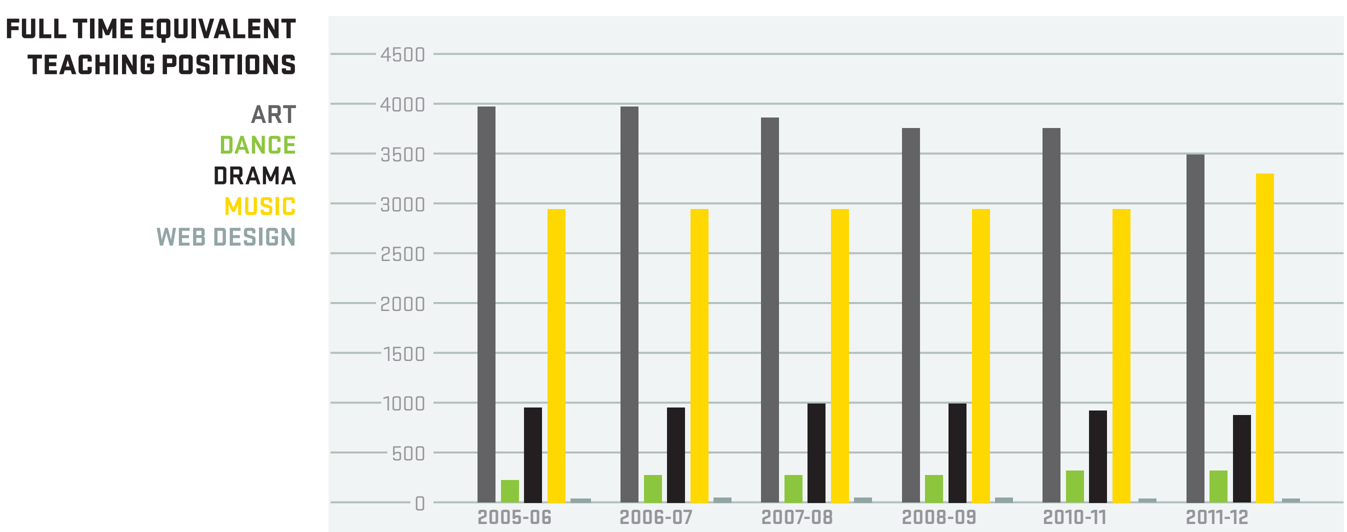
In California, K-12 student enrollment in arts classes during the 2011-12 academic year (AY) was down by 1.1% compared with 2010-11 AY but total K-12 enrollment was down over the year as well (by 7.6%). Since peaking in 2004, California's child population has declined by 4.2% (2013), while the population of school age children has fallen by 5.6%.[11] The number of arts teachers employed (full-time equivalent) in arts education remained unchanged over the year while total FTE teachers fell by 9.8%.

The share of students taking arts classes relative to the entire student population has remained fairly stable over the last five years and was at 5.8% in 2011-12, recovering from a low of 5.4% during the previous year.

California is fortunate in the richness and caliber of higher education programs available in the arts. The number of persons employed in post-secondary arts education is difficult to pin down. Individuals who work at fine and performing arts schools are reported in the QCEW employment data (NAICS #61151) and numbered 9,900 in 2012. However, arts educators at colleges and universities and technical schools that offer degree programs in the visual and performing arts are not isolated in the employment data.

11 According to the California Department of Finance, over the next 10 years K-12 enrollment in California will grow by 1.4% (87,000 students). Birth projections indicate a decline, contributing to lower elementary enrollment and reduced growth for future total enrollment. Secondary enrollment is projected to decrease through 2014-15 followed by almost no change for two years and then moderate increases through 2021-22.

California Arts Educators by Subject Area



Source: California Department of Education

Photo by Skye Moorehead '94 Otis
Profile by author Hunter Drohojowska-Philp

SHAWN SULLIVAN

Award-winning Animation Educator Elk Grove

At Sheldon High School, outside Sacramento, Shawn Sullivan's innovative teaching has won a number of awards, including the district's Teacher of the Year. "I'm a product of the Elk Grove School District," he says, noting that he went to elementary, middle and high school there.

In a family with creative inclinations – his father was a manager for Reprographics – there was no argument when he enrolled in fine art and art history at University of California, Davis. He intended to pursue studio art but found a mentor in his professor, the well-known painter Wayne Thiebaud. Thiebaud, who had briefly worked as a Disney animator before World War II, encouraged Sullivan to pursue his interest in animation.

While still an undergraduate in the late 1980s, he did logo design and engraving on the relatively new CAD system and soon became comfortable with computer drawing. He also met David Feiss, creator of the *Cow and Chicken* series for Cartoon Network. "He taught me everything about animation," says Sullivan, "but I knew I wanted to be a teacher."

After he completed his master's degree at California State University, Sacramento, he combined his passions for teaching and animation. He also developed a program for teaching animation with a focus on different career paths that has been adapted by media arts programs in schools across the country.

In part, this is because he offered the program for free online. "Teaching art is important to me and it is becoming more of an elitist degree," he says. "Art education shouldn't be something students have to worry about paying for. That is why I put it out there for free. The concepts don't belong to me. This stuff has been out there forever: color, shapes, forms, and what looks aesthetically pleasing and how to do it."

Now a father of two, Sullivan is outspoken about the needs of students. "We spend time teaching them English and math but there are not many who develop visual communications skills. Coming up with an idea, visually describing it, working with others, and making it happen are core skills for any career. That is what creative artists do."

Sullivan believes that the popularity of his program is closely related to his location. **"There is definitely a benefit to being in California. L.A. is the entertainment arts capital, and in the Bay Area you have Lucas Films, Pixar, and EA Video Games.** Twenty years ago, it was unusual to have a program like this in a high school but today all California high schools seem to have media arts programs. **California is ahead of the rest of the country in this regard, and students who go into the industry are paid well."**

TABLE 8:
California K-12 Arts Education Demographics

Source: California Department of Education, Education Demographics Office

Year	Course	Total Course Enrollment	Male Enrollment	Female Enrollment	# of Classes	# UC/CSU Classes	# FTE Teachers	Avg. Class Size
2005-2006	Arts Education	1,268,220	603,653	664,567	40,492	18,922	8,129	32
	Total Enrollment	21,559,406	11,030,107	10,529,299	840,899	232,506	300,245	26
Arts Education as % of Total		**5.9%**	**5.5%**	**6.3%**	**4.8%**	**8.1%**	**2.7%**	**---**
2006-2007	Arts Education	1,256,617	598,533	658,084	41,946	21,305	8,096	29
	Total Enrollment	21,627,943	11,075,159	10,552,784	866,979	249,708	299,666	25
Arts Education as % of Total		**5.8%**	**5.4%**	**6.2%**	**4.8%**	**8.5%**	**2.7%**	**---**
2007-2008	Arts Education	1,241,871	597,708	644,163	41,802	21,712	8,010	29
	Total Enrollment	21,876,160	11,210,159	10,666,001	889,837	258,009	300,265	25
Arts Education as % of Total		**5.7%**	**5.3%**	**6.0%**	**4.7%**	**8.4%**	**2.7%**	**---**
2008-2009	Arts Education	1,217,134	586,973	630,161	40,492	21,022	7,993	29
	Total Enrollment	21,730,242	11,134,990	10,595,252	878,704	261,423	298,911	25
Arts Education as % of Total		**5.6%**	**5.3%**	**5.9%**	**4.6%**	**8.0%**	**2.7%**	**---**
2010-2011	Arts Education	1,247,272	595,058	652,214	45,736	23,413	7,941	26
	Total Enrollment	22,907,123	11,702,407	11,204,716	912,895	275,467	268,605	25
Arts Education as % of Total		**5.4%**	**5.1%**	**5.8%**	**5.0%**	**8.5%**	**3.0%**	**---**
2011-2012	Arts Education	1,232,944	582,427	650,517	49,213	23,298	7,941	25
	Total Enrollment	21,161,080	10,836,807	10,324,273	881,252	282,779	242,237	24
Arts Education as % of Total		**5.8%**	**5.4%**	**6.3%**	**5.6%**	**8.2%**	**3.3%**	**---**

Source: California Department of Education, Education Demographics Office

STATISTICAL APPENDIX

NOTES ON METHODOLOGY & DATA

In 2007, the Otis College of Art and Design commissioned the LAEDC to undertake the first comprehensive analysis of the creative economy in the Los Angeles Region and evaluate its contribution to the overall regional economy. Otis' Report on the Creative Economy of the Los Angeles Region has been produced every year since then.

In this report, Otis College and the LAEDC use the same data sources as in the past six years but the methodology changed in three ways. The first two changes involve changes in the definition of the creative economy. First, additional sub-sectors within the creative industries were added to the existing creative industries. Second, a new sector was added: publishing and printing. Both of these changes better align the creative industry definitions used in this research with the definitions that are increasingly being adopted elsewhere in the literature.

The creative sectors or industries in this report encompass the following eleven areas:

- Architecture and interior design
- Art galleries
- Arts education
- Communications arts
- Digital media
- Entertainment
- Fashion
- Furniture and home furnishings
- Product and industrial design
- Publishing and printing
- Toys
- Visual and performing arts

The data collected for this report includes employment, the number of establishments, payroll activity, and other measures for all the creative economy's component sectors in California, which come from the following sources:

U.S. Bureau of the Census
U.S. Bureau of Labor Statistics
California Employment Development Department
California Department of Education
Internal Revenue Service

Much of the industry-level information in this report comes directly from the California Employment Development Department's *Quarterly Census of Employment and Wages* (QCEW) series. These data are based on unemployment tax payments that all firms with employees are required to make into the state unemployment insurance fund. Because the coverage is so comprehensive, this source is the best available for employment and wage information.

The third change relates to data used in the contribution analysis component of this study. As in recent years, the IMPLAN model was used to assess the economic contribution of the creative industries to the overall economy. In conceptual terms, economic contribution analysis evaluates the ripple effect of a specific economic activity throughout the rest of the economy. Contribution analysis captures the direct impact as well as the indirect and induced impacts of that activity on employment, output, and taxes.[12]

However, in a departure from past years, this year's contribution analysis uses employment and payroll data from the QCEW, rather than estimated sales, shipments, and revenues that were based on data from the Economic Census. The decision to make this change in 2013 was based on several considerations. First, the latest Economic Census was conducted in 2007 but the analysis year for this report is 2012. The previous methodology would have used estimates of sales, shipments, and revenues for the analysis year that were based on information that is both five years old, and dates from before the Great Recession. By contrast, the current methodology uses actual—not estimated—employment data for the analysis year (2012), which more accurately reflects activity in the creative economy for that year.

Second, it was important in the past to maintain the same methodology from one year to the next to ensure that results would be compatible across the study years. However, changes to this year's industry definitions will make this year's results non-comparable to past studies *a priori,* making this year an opportune time to alter the methodology.

12
Direct employees are the people working in the industry. Indirect employees work for firms in the supplier industries, and also for suppliers of consumer products who sell goods and services to both the direct workers and the employees of the supplier firms. Induced employment results from household spending that stems from increases in direct and indirect employment.

Because the definitions used in this study have been expanded and because the methodology has been altered from previous years, the figures contained in this report are not directly comparable to past studies conducted by Otis and the LAEDC.

Readers who are familiar with the *Otis Report on the Creative Economy* of the Los Angeles Region may note the addition of several new NAICS codes to this report and a new industry sector. The decision to expand the definition of the creative economy was made based on the latest research on the creative economy. As yet, there is no universal definition of the "creative economy." Drawing from the latest research on this topic, the LAEDC broadened its definition to more completely encompass all the industries that make up the creative economy of California. Please see sources at the end of this appendix for reference material.

The expanded definition of the creative economy incorporates NAICS codes:

ARCHITECTURE AND INTERIOR DESIGN:

541340	Drafting Services
332323	Ornamental & Architectural Metal Work Mfg.

COMMUNICATION ARTS:

541921	Photography Studios, Portrait
541922	Commercial Photography

ENTERTAINMENT:

515112	Radio Stations
515120	Television Broadcasting

FURNITURE AND HOME FURNISHINGS:

327111	China Plumbing Fixtures, China, Earthenware
327112	Other China, Fine Earthenware & Pottery Mfg.
327212	Pressed & Blown Glass & Glassware Mfg.
327999	Other Misc. Nonmetallic Mineral Product Mfg.

PUBLISHING AND PRINTING:

323110	Commercial Lithographic Printing
323111	Commercial Gravure Printing
323112	Commercial Flexographic Printing
323113	Commercial Screen Printing
323115	Digital Printing
323117	Books Printing
323119	Other Commercial Printing
323121	Tradebinding and Related Work
323122	Prepress Services
424920	Book, Periodical, Newspaper Wholesalers
511110	Newspaper Publishers
511120	Periodical Publishers
511130	Book Publishers
511191	Greeting Card Publishers
511199	All Other Publishers
519120	Libraries and Archives
519130	Internet Publishing & Broadcasting

Note: Statistical information contained herein has been obtained from sources believed to be reliable but such accuracy cannot be guaranteed. The opinions expressed herein are subject to change without notice.

TABLE 9:
Economic Contribution of the Creative Industries of California, 2012

					Total (Direct, Indirect, Induced) Contribution			
Industry	Establishments	Jobs	Payroll ($millions)	Nonemployer Estab. (2011)	Output ($billions)	Total Jobs	Labor Income ($billions)	Taxes* ($millions)
Architecture/Interior Design	5,668	36,700	$2,704.7	17,476	$9.2	65,800	$4.2	$399.3
Art Galleries	614	2,200	$107.8	2,295	$0.2	2,900	0.1	$22.8
Communication Arts	5,729	43,400	$3,754.7	44,510	$11.5	74,700	5.3	$597.4
Digital Media	1,165	51,200	$8,334.6	N/A	$51.7	218,300	16.7	$1,915.4
Entertainment	7,666	165,000	$17,140.5	28,437	$77.5	346,200	26.2	$3,666.6
Fashion	9,021	116,700	$4,987.3	13,617	$36.1	200,200	9.6	$2,100.0
Furniture/Decorative Arts	4,386	65,800	$2,970.3	4,576	$21.0	111,900	5.4	$1,073.0
Product/Industrial Design	308	1,900	$178.4	N/A	$0.5	3,400	0.3	$27.6
Printing and Publishing	6,804	121,400	$13,511.5	5,416	$47.3	255,700	20.4	$2,000.3
Toys	462	7,100	$697.9	1,112	$3.2	13,800	1.1	$232.4
Visual and Performing Arts	10,666	52,100	$6,778.7	143,957	$13.6	101,200	9.2	$866.7
Arts Education	1,268	17,900	$248.2	N/A	$1.7	22,700	0.7	$84.9
Total	**53,757**	**681,400**	**$61,414.6**	**261396**	**$273.5**	**1,416,800**	**$99.3**	**$12,986.4**

Source: California EDD, QCEW data; Bureau of the Census; indirect contribution estimated by LAEDC

* Property, state and local personal income tax and sales tax revenues generated by earnings and spending of the direct and indirect workers. Details may not add to totals due to rounding.

TABLE 10:
Creative Industries Employment in California, 2007 versus 2012

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Architecture and Interior Design:		**52.2**	**36.7**	**-15.6**	**-29.8%**
Architectural Services	54131	31.0	22.4	-8.6	-27.8%
Landscape Design	54132	9.2	5.9	-3.3	-35.7%
Drafting Services	541340	1.0	0.6	-0.4	-37.8%
Interior Design	54141	6.9	4.7	-2.3	-32.8%
Ornamental & Architectural Metal Work Mfg.	332323	4.1	3.1	-1.0	-25.4%
Art Galleries:	45392	**4.1**	**2.2**	**-2.0**	**-47.8%**
Communication Arts:		**46.7**	**43.4**	**-3.3**	**-7.1%**
Graphic Design	54143	14.1	10.3	-3.8	-27.0%
Advertising Agencies	54181	23.9	25.9	2.0	8.3%
Photography Studios, Portrait	541921	7.1	6.0	-1.2	-16.6%
Commercial Photography	541922	1.5	1.2	-0.3	-19.4%
Digital Media:		**42.9**	**51.2**	**8.3**	**19.2%**
Software Publishers	5112	42.9	51.2	8.3	19.2%
Entertainment:		**177.6**	**165.0**	**-12.6**	**-7.1%**
Motion Picture/Video Production	51211	113.4	107.4	-3.8	-27.0%
Motion Picture Distribution	51212	2.2	1.9	-0.3	-14.7%
Post-Production Services	51219	11.0	11.0	0.0	0.2%
Sound Recording	5122	6.3	4.1	-2.2	-35.1%
Radio Stations	515112	7.8	6.9	-0.9	-11.4%
Television Broadcasting	515120	16.0	18.1	2.0	12.6%
Cable Broadcasting	5152	20.9	15.7	-5.3	-25.1%
Fashion:		**138.2**	**116.7**	**-21.5**	**-15.6%**
Textile Mills Manufacturing	313	11.4	8.7	-2.7	-23.5%
Apparel Manufacturing	315	74.2	56.6	-17.6	-23.7%
Apparel Wholesaling	4243	29.8	32.2	2.5	8.2%
Footwear Manufacturing	3162	1.2	1.0	-0.2	-17.8%
Footwear Wholesaling	42434	5.3	5.5	0.2	4.5%
Women's Handbag Manufacturing	316992	0.1	0.1	0.0	0.0%
Cosmetics Manufacturing	32562	6.6	6.4	-0.2	-3.3%
Jewelry Manufacturing	33991	3.8	2.7	-1.1	-29.5%
Jewelry Wholesaling	42394	6.8	6.4	-0.5	-7.0%
Other Specialized Design Svc	54149	4.3	2.7	-1.7	-38.3%
Furniture and Decorative Arts:		**98.5**	**65.8**	**-32.6**	**-33.1%**
Textile Product Mills	314	12.8	8.3	-4.5	-35.0%
Furniture Manufacturing	337	52.1	31.1	-20.9	-40.2%
Furniture Wholesaling	4232	21.2	18.2	-3.0	-14.0%
Electric Lighting Fixtures	33512	8.1	6.3	-1.8	-22.4%
China Plumbing Fixtures, China, Earthenware	327111	0.0	0.0	0.0	----
Other China, Fine Earthenware & Pottery Mfg.	327112	1.2	0.0	-1.2	----
Pressed & Blown Glass & Glassware Mfg.	327212	1.0	0.7	-0.3	-34.2%
Other Misc. Nonmetallic Mineral Product Mfg.	327999	2.0	1.2	-0.8	-41.5%
Product/Industrial Design:	54142	**2.9**	**1.9**	**-1.0**	**-33.8%**

Continued on next page »

TABLE 11:
Number of Jobs in the Creative Industries of California, 2007 versus 2012 (continued)

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Publishing and Printing:		**133.9**	**121.4**	**-12.5**	**-9.3%**
Commercial Lithographic Printing	323110	20.6	0.0	-20.6	----
Commercial Gravure Printing	323111	0.4	28.7	28.3	6783.9%
Commercial Flexographic Printing	323112	2.4	0.0	-2.4	----
Commercial Screen Printing	323113	9.7	9.2	-0.6	-6.1%
Digital Printing	323115	3.5	0.0	-3.5	----
Books Printing	323117	1.9	0.9	-1.1	-54.7%
Other Commercial Printing	323119	4.9	0.0	-4.9	----
Tradebinding and Related Work	323121	2.2	0.0	-2.2	----
Prepress Services	323122	2.8	0.0	-2.8	----
Book, Periodical, Newspaper Wholesalers	424920	5.3	4.2	-1.1	-20.4%
Newspaper Publishers	511110	27.5	15.5	-12.0	-43.6%
Periodical Publishers	511120	14.3	9.7	-4.6	-32.3%
Book Publishers	511130	8.5	6.0	-2.5	-29.7%
Greeting Card Publishers	511191	0.1	0.1	-0.1	-55.2%
All Other Publishers	511199	1.8	1.2	-0.5	-29.0%
Libraries and Archives	519120	1.9	1.8	-0.1	-7.5%
Internet Publishing & Broadcasting	519130	26.1	44.3	18.2	69.9%
Toys:		**9.8**	**7.1**	**-2.7**	**-27.9%**
Toy Manufacturing	33993	3.6	2.4	-1.2	-33.9%
Toy Wholesaling	42392	6.2	4.7	-1.5	-24.5%
Visual and Performing Arts Providers:		**51.7**	**52.1**	**0.4**	**0.8%**
Theater Companies	71111	6.6	6.8	0.3	3.9%
Dance Companies	71112	1.2	0.9	-0.2	-18.3%
Musical Groups	71113	6.9	5.6	-1.3	-19.1%
Other Performing Arts Cos.	71119	0.2	0.4	0.2	66.1%
Agents & Managers of Artists, etc.	71141	7.8	7.9	0.1	1.3%
Independent Artists, Writers, etc.	71151	17.0	17.4	0.4	2.6%
Museums	71211	8.6	10.0	1.4	16.3%
Musical Instrument Manufacturing	339992	3.4	3.0	-0.4	-12.9%
Arts Education: K-12 and Post-Secondary:		**16.8**	**17.9**	**1.1**	**6.4%**
K-12 Arts Education †	6111	8.1	7.9	-0.2	-1.9%
Fine and Performing Arts Schools	61161	8.7	9.9	1.2	14.1%
TOTAL		**775.4**	**681.4**	**-94.0**	**-12.1%**

Source: All other employment data California EDD, Labor Market Information Division, QCEW data

† California Dept. of Education

TABLE 12:
California Employment by Creative Occupation, 2010

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Management Occupations:		**43,400**		
Advertising and Promotions Managers	11-2011	4,500	$93,976	Bachelor's Degree
Marketing Managers	11-2021	32,200	$135,742	Bachelor's Degree
Public Relations and Fundraising Managers	11-2031	6,700	$102,040	Bachelor's Degree
Business and Financial Operations Occupations:		**7,300**		
Agents and Business Managers of Artists, etc.	13-1011	7,300	$106,872	Bachelor's Degree
Computer and Mathematical Occupations:		**164,200**		
Software Developers, Applications	15-1132	88,700	$104,691	Bachelor's Degree
Software Developers, System Software	15-1133	75,500	$114,795	Bachelor's Degree
Architecture and Engineering Occupations:		**28,800**		
Architects, Except Landscape and Naval	17-1011	12,900	$84,956	Bachelor's Degree
Landscape Architects	17-1012	3,200	$76,000	Bachelor's Degree
Architectural and Civil Drafters	17-3011	12,700	$54,227	Associate Degree
Education, Training and Library Operations:		**55,000**		
Architecture Teachers, Postsecondary	25-1031	na	na	Doctoral/Professional Degree
Anthropology and Archeology Teachers, Postsecondary	25-1061	na	na	Doctoral/Professional Degree
Area, Ethnic and Cultural Studies Teachers, Postsecondary	25-1062	na	na	Doctoral/Professional Degree
Library Science Teachers, Postsecondary	25-1082	na	na	Doctoral/Professional Degree
Art, Drama and Music Teachers, Postsecondary	25-1121	13,400	$83,238	Doctoral/Professional Degree
Communications Teachers, Postsecondary	25-1122	3,300	$90,955	Doctoral/Professional Degree
English Language and Literature Teachers, Postsecondary	25-1123	8,000	$91,907	Doctoral/Professional Degree
Foreign Language and Literature Teachers, Postsecondary	25-1124	4,000	$75,945	Doctoral/Professional Degree
History Teachers, Postsecondary	25-1125	1,900	$94,471	Doctoral/Professional Degree
Archivists	25-4011	na	na	---
Curators	25-4012	1,000	$64,475	Masters Degree
Museum Technicians and Conservators	25-4013	1,200	$44,255	Bachelor's Degree
Librarians	25-4021	9,400	$68,583	Masters Degree
Library Technicians	25-4031	11,500	$40,269	Post Secondary/Non-degree Award
Audio-Visual and Multimedia Collections Specialists	25-9011	1,300	$40,854	Bachelor's Degree
Art, Design, Entertainment and Media Occupations:		**320,200**		
Art Directors	27-1011	14,400	$96,317	Bachelor's Degree
Craft Artists	27-1012	1,200	$56,589	HS Diploma or Equivalent
Fine Artists, Including Painters, Sculptors and Illustrators	27-1013	10,100	$53,295	HS Diploma or Equivalent
Multimedia Artists and Animators	27-1014	21,400	$75,799	Bachelor's Degree
Artists and Related Workers, All Other	27-1019	1,600	$50,732	HS Diploma or Equivalent
Commercial and Industrial Designers	27-1021	4,000	$63,105	Bachelor's Degree
Fashion Designers	27-1022	6,400	$64,529	HS Diploma or Equivalent
Floral designers	27-1023	4,100	$27,568	HS Diploma or Equivalent
Graphic Designers	27-1024	37,300	$53,078	Bachelor's Degree
Interior Designers	27-1025	8,400	$57,303	Bachelor's Degree
Merchandise Displayers and Window Trimmers	27-1026	10,700	$28,806	HS Diploma or Equivalent
Set and Exhibit Designers	27-1027	3,700	$56,600	Bachelor's Degree
Designers, All Other	27-1029	2,200	$47,775	Bachelor's Degree
Actors	27-2011	na	na	---
Producers and Directors	27-2012	33,500	$109,418	Bachelor's Degree
Dancers	27-2031	2,200	---	HS Diploma or Equivalent
Choreographers	27-2032	3,500	$47,738	HS Diploma or Equivalent
Music Directors and Composers	27-2041	6,800	$61,888	Bachelor's Degree
Musicians and Singers	27-2042	18,400	---	HS Diploma or Equivalent
Radio and Television Announcers	27-3011	3,800	$39,356	Bachelor's Degree
Public Address System and other Announcers	27-3012	1,500	$22,944	HS Diploma or Equivalent
Broadcast News Analysts	27-3021	na	na	---
Reporters and Correspondents	27-3022	4,600	$39,186	Bachelor's Degree
Public Relations Specialists	27-3031	23,700	$63,441	Bachelor's Degree
Editors	27-3041	13,500	$53,566	Bachelor's Degree
Technical Writers	27-3042	6,400	$81,101	Bachelor's Degree
Writers and Authors	27-3043	20,900	$66,089	Bachelor's Degree
Media and Communication Workers, All Other	27-3099	10,800	$48,406	HS Diploma or Equivalent
Audio and Video Equipment Technicians	27-4011	8,800	$47,280	Post Secondary/Non-degree Award
Broadcast Technicians	27-4012	6,300	$43,302	Associate Degree
Radio Operators	27-4013	na	na	---
Sound Engineering Technicians	27-4014	4,200	$63,327	Post Secondary/Non-degree Award
Photographers	27-4021	12,800	$36,416	HS Diploma or Equivalent
Camera Operators, Television, Video, and Motion Picture	27-4031	3,800	$49,403	Bachelor's Degree
Film and Video Editors	27-4032	9,200	$86,040	Bachelor's Degree
Media and Communication Equipment Workers, All Other	27-4099	3,900	$78,344	Bachelor's Degree

Continued on next page »

TABLE 12:
California Employment by Creative Occupation, 2010 (continued)

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Personal Care and Service Occupations:		**3,000**		
Motion Picture Projectionists	39-3021	1,500	$23,258	Less than High School
Costume attendants	39-3092	1,500	$24,061	HS Diploma or Equivalent
Makeup Artists, Theatrical and Performing	39-5091	na	na	---
Sales and Related Occupations:		**15,600**		
Advertising Sales Agents	41-3011	15,600	$52,343	HS Diploma or Equivalent
Office and Administrative Support Occupations:		**12,200**		
Library Assistants, Clerical	43-4121	10,500	$31,117	HS Diploma or Equivalent
Desktop Publishers	43-9031	1,700	$42,716	Associate Degree
Installation, Maintenance and Repair Occupations:		**3,100**		
Electronic Home Entertainment Equip. Installers and Repairers	49-2097	3,100	$35,522	Post Secondary/Non-degree Award
Camera and Photographic Equipment Repairers	49-9061	na	na	---
Musical Instrument Repairers and Tuners	49-9063	na	na	---
Watch Repairers	49-9064	na	na	---
Production Occupations:		**33,700**		
Bindery Workers	51-5011	na	na	---
Bookbinders	51-5012	na	na	---
Sewers, Hand	51-6051	1,900	$25,019	Less than High School
Tailors, Dressmakers, and Custom Sewers	51-6052	6,500	$27,829	Less than High School
Fabric and Apparel Patternmakers	51-6092	2,400	$44,212	HS Diploma or Equivalent
Cabinetmakers and Bench Carpenters	51-7011	9,600	$30,694	HS Diploma or Equivalent
Jewelers and Precious Stone and Metal Workers	51-9071	4,200	$31,097	HS Diploma or Equivalent
Painting, Coating and Decorating Workers	51-9123	1,500	$24,842	HS Diploma or Equivalent
Photographic Process Workers	51-9151	6,500	$26,636	HS Diploma or Equivalent
Etchers and Engravers	51-9194	1,100	$27,215	HS Diploma or Equivalent
		674,300		

Source: California EDD LMID; U.S. Bureau of Labor Statistics Current Employment Statistics and QCEW industry employment and Employment Statistics data

Notes:

1. Occupational employment projections include self-employed, unpaid family workers, private household workers, farm and nonfarm employment

2. "na" Information is not available

3. Occupations with employment below 100 in 2010 are excluded

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2013 OTIS REPORT ON THE CREATIVE ECONOMY OF THE LOS ANGELES REGION

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CONTENTS / LOS ANGELES REGION

THE CREATIVE ECONOMY OF THE **LOS ANGELES REGION**

How is the creative economy of the Los Angeles Region defined? In this report, the creative economy is defined as the businesses and individuals involved in producing cultural, artistic, and design goods and services. It consists of creative professions and enterprises that take powerful, original ideas and transform them into practical and often beautiful goods or inspire us with their artistry.

The creative economy also includes organizations that provide a venue for artists to share their work with the public such as museums, art galleries and theaters. A third component of the creative economy includes activities one does not instinctively associate with creativity such as the apparel, toy and furniture manufacturing industries. Yet, success in these three industries depends on good design.

The final piece of the creative economy consists of the support system that nurtures and sustains creative activity: arts programs in K-12 schools, post-secondary arts institutions to develop talent, and philanthropic foundations along with other nonprofit funding organizations to provide financial resources, incentives, and services to the creative arts.

The creative economy is undeniably important to the region's economic growth. Creativity is one of the Los Angeles Region's greatest economic assets. The market value of products and services is increasingly determined by a product's uniqueness, performance and aesthetic appeal. More companies are seeking employees with creativity as well as problem solving and communications skills. Business location decisions are also influenced by factors such as the availability of a creative workforce and the quality of life available to employees. The talent that drives the creative economy provides a competitive advantage that reaches across almost every industry in the Los Angeles Region.

Firms develop a competitive advantage when they implement strategies that other firms cannot duplicate. Regions develop a competitive advantage when they attract creative employees because creative thinkers encourage innovation which, in turn, fosters economic growth. Furthermore, the creative talent pool in the region is not as vulnerable to going "offshore." Historically, the development of advanced technologies that increased productivity was seen as a pathway to better jobs, but that is no longer necessarily true. Many advanced technologies can be replicated across the world using cheaper labor. Conversely, original artistic creation, innovative design and other higher-level creative work cannot be outsourced so easily. Creativity builds both brand awareness and attracts talented people to a dynamic environment.

When one thinks of Los Angeles, the signature industries that most frequently come to mind are tourism and entertainment. But what drew over 40 million visitors to Southern California last year? Tourism and entertainment derive their competitive advantage from the "L.A." brand, which in turn owes its distinctiveness to the creative economy.

Although tourism and entertainment are the most obvious industries that owe their competitive advantage to the region's creative culture, one can find creative individuals working in nearly every industry sector. Moreover, cultural spaces can become hubs for civic engagement. In this role, cultural spaces become a powerful community revitalization asset, especially in economically distressed neighborhoods.

Because creativity is a dynamic function of humanity, the creative economy is a vibrant and vital force in society. Our intellect and aesthetic sensibilities lead us to express through the arts, problem-solve through design, and seek out what is beautiful and original. Los Angeles is unique because of its combination of place, resources and open attitudes toward new ideas. Here, new ideas are constantly given form and brought to life by creative people. Otis College of Art and Design, a critical component of the creative economy, commissioned the analyses in this report to put real numbers to the business of creativity. Otis and the LAEDC carried out this research because in the Los Angeles Region, creativity is fundamental to economic growth and prosperity.

Los Angeles is unique because of its combination of place, resources and open attitudes toward new ideas. Here, new ideas are constantly given form and brought to life by creative people.

Photo by Skye Moorehead '94 Otis
Profile by author Hunter Drohojowska-Philp

SUSAN STRAIGHT

Author
National Book Award finalist
Riverside

"Write what you know" is advice that Susan Straight doles out to aspiring writers, having used it to produce eight critically acclaimed novels. All are drawn from her experience of living in Riverside, California, a city where the past and present remain evident in the rustic Mission-style buildings and neon-lit mini-malls. Rio Seco, as she calls it, would not seem to offer the substance of fiction but Straight has delved deep, becoming a Flannery O'Connor of the Inland Empire.

She is a native who attended high school and community college in Riverside until a scholarship allowed her to study creative writing at the University of Southern California. She then received her masters of fine arts in poetry and creative writing from the University of Massachusetts, Amherst. But she came back to her home and wrote about the struggling African-American community in the Inland Empire because she was familiar with their stories. When she was 22, she married an African-American man she had known since high school. They have three daughters and though now divorced, remain close. "I still live in the same place I've lived all my life. And even though I look like this, most of the characters [in my books] are black or mixed race, because that's the community I live in."

She began teaching at the University of California, Riverside in 1988 and had published three short stories, included in *Aquaboogie, her first book.* "I loved teaching at UCR from the very first fiction and poetry workshop, and felt that because my students were also first-generation college students, as I had been, we could learn from each other," she explains. She is now a professor, and co-founder of the Masters of Fine Arts in Creative Writing & Writing for the Performing Arts Program.

Her writing has brought attention to a Southern California that is neither exclusively white nor tethered to the entertainment industry. **"I think Southern California literature has an openness to the landscape, which is so immensely variable.** We write about oceans and deserts, about cities and tiny rancherias in the mountains, about Hollywood directors and LAPD detectives, but also about taqueria workers and classic car buffs, gang members who might be Chicano or Salvadoran-born, grandmothers born in Louisiana or Nicaragua or Quezon City. I feel that California is always on the edge of everything new. We were doing mixed-race and second-generation and mash-ups of music and food and melanin long before anyone else, and we seem to do it naturally because we drive so much to see each other and eat and listen to music."

NATIONAL AND GLOBAL ECONOMIC CONTEXT

While this report places these industries of California in the spotlight, the backdrop for those industries is the overall national and global economy. This section briefly summarizes recent and anticipated economic conditions.

In overall terms, the United States economy made modest gains in 2013 as it continued to slowly edge away from the Great Recession that ended in mid-2009. Gross domestic product (GDP) is expected to rise by slightly less than two percent in 2013, with growth in the two to three percent range expected next year. Consumer spending, business investment and housing are all looking healthier and should contribute to faster growth next year. The economy will pick up steam in 2015 with growth of 3.1%, roughly equivalent to the long run growth rate of the economy.

Sluggish economic growth has translated into slow improvement in the U.S. labor market. Having peaked in 2010 at 9.6% in the wake of the Great Recession, the unemployment rate stood at 7.5% in 2013, and is not expected to return to a more normal rate of 6.0% until late 2015. With high unemployment limiting wage increases and with slack elsewhere in the economy, inflation has been low in recent years and should remain tame at under two percent over the next two years.

All in all, the U.S. economy should register modest gains across a wide array of indicators over the next year or so. Improvement among the nation's major trading partners—China, Japan, and countries in Europe—will reinforce the gains in the U.S. through increased trade flows. While trade is often thought of as the import and export of goods, it is especially important to note in this report that some services generate significant export revenue as well, notably in the form of tourism expenditures and royalties from the distribution of motion pictures and television shows.

California's economy has grown somewhat faster than the nation over the past couple of years. However, California suffered more through the recession, and faces a longer road to recovery with a 2013 unemployment rate of 9.0% that will fall only marginally next year to 8.5%. Progress across the state has been uneven. Coastal regions of the state have recovered lost ground more quickly than the inland portions of the state, with the Silicon Valley, the San Francisco Bay Area, and Orange County generally leading the way over the last two years.

Nearly all of the major industries in California added jobs during the year in 2013, the exceptions being manufacturing and government. In percentage terms, the largest job gains occurred in construction, leisure and hospitality, private education, wholesale trade, and professional and business services. Important industries such as health care and transportation and warehousing also registered modest gains. With so many of the state's industries showing improvement, entry-level and lower wage jobs have been added as well as high-wage jobs, with middle-wage jobs coming back more slowly. Assuming the economies of the U.S. and its trading partners grow in the next two years, California will continue to chip away at its recession-induced losses. Its industries will add more workers to their ranks, home sales and new construction will recover from the housing crisis of the last decade, and the fiscal situation at the state and local government levels will stabilize.

EMPLOYMENT

There were 351,500 people in Los Angeles County who worked directly in the creative industries in 2012. By sector the largest employment counts were in entertainment (132,900 jobs), fashion (86,900 jobs), and publishing and printing (30,800 jobs). Although the entertainment industry employed the greatest number of workers by far—nearly 40% of total employment, the creative economy of Los Angeles is diversified with jobs distributed among a variety of industry sectors.

While 351,500 may sound like an impressive number of jobs, direct employment is only part of the story. Direct employees are those who actually work in the creative industries of the Los Angeles Region. Indirect jobs are created when firms in these industries make purchases from their suppliers and vendors. Additional induced jobs are generated when the direct and indirect employees spend their wages on consumer goods and services. In that sense, every job in the creative sector supports or sustains other jobs in the region.

Direct, indirect, and induced employment in the creative industries based in Los Angeles County totaled 636,300 jobs in 2012. This fact points to another aspect of the creative industries – they have a high multiplier effect with each direct job supporting roughly 0.81 indirect and induced jobs. This high multiplier effect argues for the promotion of the creative industries as a driver of job growth.

In Orange County, the creative industries employed 52,500 direct workers in 2012. In contrast to Los Angeles County, the largest employment sector was publishing and printing with 12,200 jobs, followed by fashion with 10,700 jobs.

Direct, indirect and induced employment in the creative industries located in Orange County totaled an estimated 90,000 jobs. The multiplier effect was slightly lower than in Los Angeles County at 0.75 indirect and induced jobs supported by every direct job.

The creative economy's 351,500 wage and salary workers were equivalent to 9.1% of all 3.86 million wage and salary workers in Los Angeles County during 2012.

In Los Angeles County, total creative industry employement (direct, indirect and induced) in 2012 accounted for 1 in 6 wage and salary jobs in the county (or 16.5% of wage and salary employment.

TABLE 1:
Employment Impact of the Creative Industries, 2012

DIRECT JOBS	TOTAL JOBS
IN LOS ANGELES COUNTY: **351,500**	IN LOS ANGELES COUNTY: **636,300**
IN ORANGE COUNTY: **52,500**	IN ORANGE COUNTY: **90,000**

SALARIES

Creativity is a highly valued and recognized professional attribute. Along with the ability to collaborate with co-workers and to communicate effectively, creativity is one of the most sought-after qualities in a prospective employee. The salaries received by many creative individuals working in the Los Angeles Region's creative industries bear this out.

In Los Angeles County in 2012, visual and performing arts employees earned on average an annual salary of $206,081. Salaries in this sector are boosted by independent artists (including Hollywood actors) and entertainment writers. At $126,156 and $109,425 respectively, the average annual salaries for workers in digital media and the toy industry were also quite high (although the toy industry employs relatively few people). Entertainment followed close behind with an average annual salary of $106,812. These salaries are significantly higher than the average wage for Los Angeles County across all industries of $54,422.

At the other end of the spectrum, the fashion industry had the lowest average annual salary at $39,886. This is mostly due to the large number of manufacturing jobs relative to higher skilled design-related jobs. For example, the average annual wage for the 45,600 workers in the apparel manufacturing sector was $35,353. In contrast, the 1,400 designers working in the fashion industry had an average annual salary of nearly $90,000.

Jobs in the furniture and decorative arts industry also had a comparatively low average annual salary ($42,067). Again, this sector employs a relatively large number of people in manufacturing jobs.

In Orange County, the highest average annual salaries were paid to workers in digital media ($128,636), and product and industrial design ($103,033). Persons working in art galleries had the lowest average salary at $32,063, while individuals working in the visual and performing arts earned somewhat more at $38,151. Fashion industry workers in Orange County earned a higher salary on average ($49,338) than their counterparts in Los Angeles, due in part to the area's focus on high-end women's sportswear, and skate and surf fashions. By way of comparison, the average annual wage for all industries in Orange County in 2012 was $54,809.

Labor income earned by individuals directly employed in the creative industries of the Los Angeles Region in 2012 was approximately $34.1 billion, but the total combined effect of adding indirect and induced workers brought that figure up to $50.6 billion.

Average Annual Salary of Creative Industries Los Angeles County, 2012

Source: California EDD, QCEW Data

Visual & Performing Arts	$206,081
Digital Media	$126,156
Toys	$109,425
Entertainment	$106,812
Communication Arts	$100,286
Architecture & Interior Design	$74,787
Publishing & Printing	$71,583
Art Galleries	$68,937
Product & Industrial Design	$62,401
Furniture & Industrial Arts	$42,067
Fashion	$39,886

Average Annual Salary of Creative Industries Orange County, 2012

Source: California EDD, QCEW Data

Digital Media	$128,636
Product & Industrial Design	$103,033
Toys	$77,760
Architecture & Interior Design	$72,879
Communication Arts	$68,283
Entertainment	$65,777
Publishing & Printing	$53,245
Fashion	$49,338
Furniture & Industrial Arts	$46,762
Visual & Performing Arts	$38,151
Art Galleries	$32,063

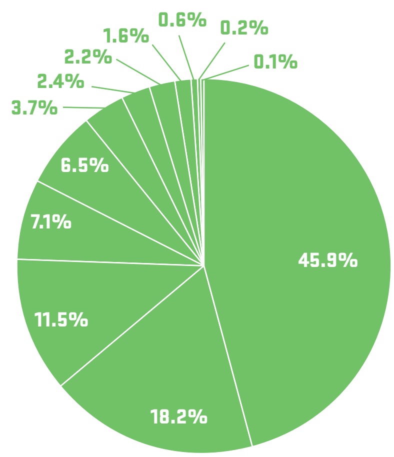
PAYROLL BY INDUSTRY

When summed across all the industries that make up the sector, the total creative economy payroll in Los Angeles County amounted to $31.0 billion in 2012. In Orange County, the creative economy payroll was $3.1 billion in 2012. The distribution of payroll across the industries of the creative economy provides a sense of how the industries compare in size.

At $14.2 billion (or 45.9%), the entertainment sector contributed the largest share of payroll in the Los Angeles County economy. Visual and performing arts were a distant second at 18.2%, followed by fashion at 11.5% of creative economy payroll. In Orange County, payroll was distributed across a broader range of industries. Digital media generated the largest share with 21.1% ($661 million), while the next largest went to printing and publishing with 20.6% ($645 million).

Payroll of the Creative Industries
Los Angeles County, 2012
Source: California EDD, QCEW Data

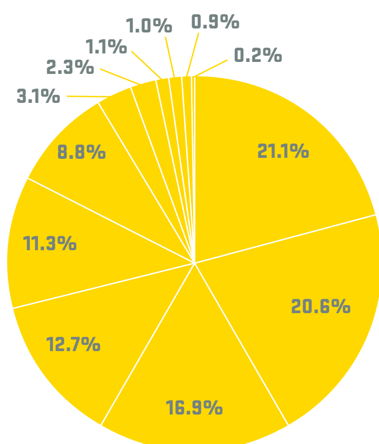
$31.0
BILLION IN 2012,
LOS ANGELES COUNTY



45.9% Entertainment
18.2% Visual & Performing Arts
11.5% Fashion
7.1% Printing & Publishing
6.5% Communication Arts
3.7% Furniture & Decorative Arts
2.4% Architecture/Interior Design
2.2% Digital Media
1.6% Toys
0.6% Arts Education
0.2% Art Galleries
0.1% Product/Industrial Design

Payroll of the Creative Industries
Orange County, 2012
Source: California EDD, QCEW Data

$3.1
BILLION IN 2012,
ORANGE COUNTY



21.1% Digital Media
20.6% Printing & Publishing
16.9% Fashion
12.7% Architecture/Interior Design
11.3% Furniture & Decorative Arts
8.8% Communication Arts
3.1% Visual & Performing Arts
2.3% Entertainment
1.1% Toys
1.0% Arts Education
0.9% Product/Industrial Design
0.2% Art Galleries

TAX EFFECTS

As activity in the creative sectors triggers jobs and spending, that activity also results in tax revenues for state and local government. As with jobs, there is a ripple effect with tax revenues, initially caused by direct effects which give rise to indirect and induced effects. The LAEDC calculated property tax, state and local income tax, and sales tax revenues attributable directly and indirectly to the creative industries.

In Los Angeles County, property taxes, state and local personal income, and sales taxes generated directly and indirectly by the creative industries were over $6.2 billion in 2012. By sector, entertainment-generated tax revenues of $2.8 billion, followed by fashion at $1.4 billion, and the visual and performing arts at $585.5 million.

Property, state and local personal income, and sales tax revenues associated directly and indirectly with the creative industries based in Orange County were estimated to be $683.8 million in 2012.

ECONOMIC CONTRIBUTION OF THE CREATIVE INDUSTRIES

Table 2 summarizes the total economic contribution of the creative industries in 2012. The creative industries of Los Angeles and Orange counties generated $140 billion in direct, indirect, and induced output. They employed 726,300 workers whose earned income was $50.6 billion. Direct, indirect, and induced workers paid over $6.9 billion in taxes to California state and local governments.

Of the $140 billion in total creative economies output, $80 billion was value-added (labor income and profits) generated by the industries in excess of materials and services purchases. This net economic contribution of $80 billion was equivalent to 10.4% of the region's gross product of almost $766 billion in 2012.

TABLE 2:
Economic Contribution of the Creative Industries, 2012

DIRECT IMPACT
JOBS: **404,000**
NONEMPLOYER ESTABLISHMENTS '11: **155,647**
LABOR INCOME: **$34.1** Billion

TOTAL IMPACT
DIRECT & INDIRECT JOBS: **726,300**
OUTPUT: **$140.0** Billion
LABOR INCOME: **$50.6** Billion
TAXES: **$6.9** Billion

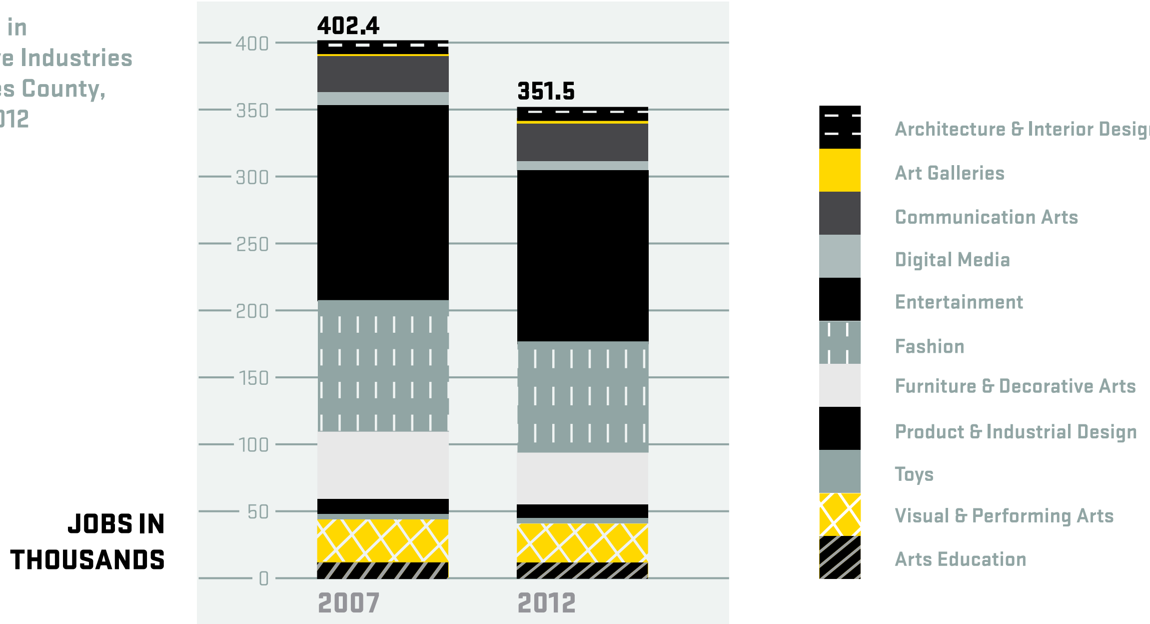
EMPLOYMENT TRENDS

The creative economy's 351,500 wage and salary jobs are roughly on par with employment in Los Angeles County's manufacturing industries (365,700). This is nearly 2.5 times the 141,800 wage and salary workers in the transportation and warehousing industry of the county.

Direct employment in the creative industries of the Los Angeles Region peaked in 2006, contracted significantly during the recession in 2008-2009, and continued to fall during the early stages of the recovery in 2010. The five-year comparisons (2007-2012), which are the focus of this report, encompass the full effects of the recession. Thus, taken together, the Los Angele region posted a decline of 62,800 jobs over this five-year period.

Nevertheless, while there was a decline in total creative industry jobs during this period, employment for most creative sectors bottomed out in 2010 and since then, has been growing again. There were also a few sectors that weathered the recession relatively well and added to payrolls between 2007 and 2012. The visual and performing arts in Los Angeles County recorded a gain of over 1,300 jobs (5.1%) between 2007 and 2012, and in Orange County, the digital media industry added nearly 1,900 jobs—a 57% increase. Employment at fine and performing arts schools in both counties also rose.

Job Trends in
the Creative Industries
Los Angeles County,
2007 vs. 2012



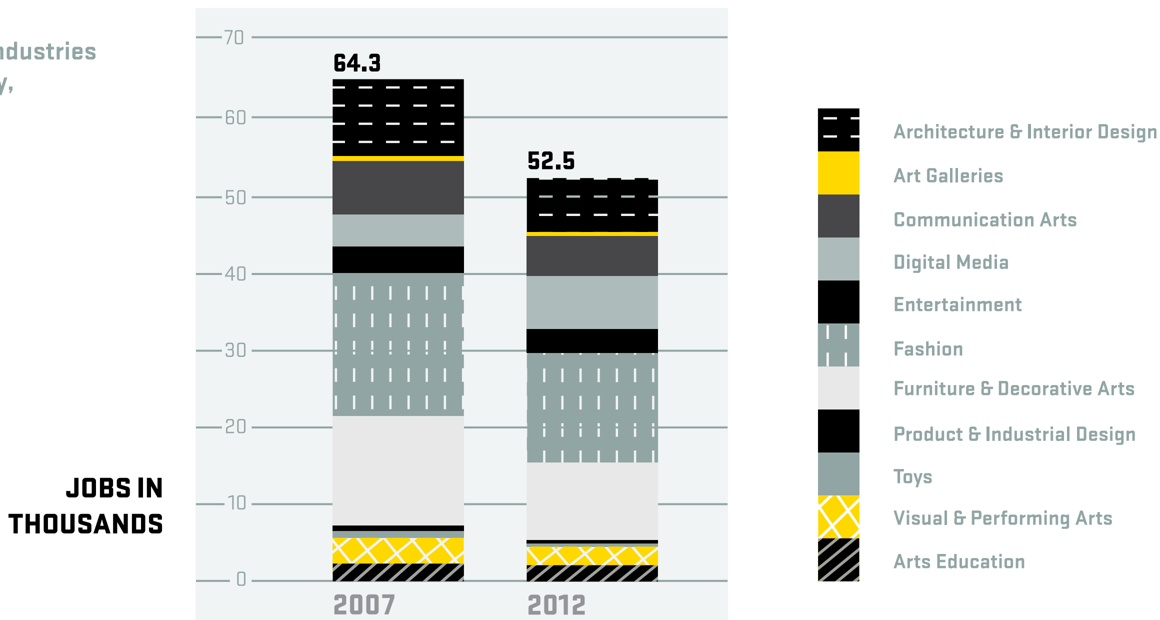
Source: California EDD, QCEW Data

The biggest component of the creative economy in Los Angeles is the county's well known entertainment industry. In 2012, there were 132,900 entertainment-related jobs in Los Angeles County, down from 142,300 in 2007. The largest number of jobs lost during the period 2007 to 2012 was in motion picture and video production, which saw employment fall by 7.2% or 7,800 jobs. Motion picture and video production accounted for nearly 76% of total employment in the entertainment industry in Los Angeles County in 2012, a figure that has varied little over the course of this report series. Job losses occurred throughout the entertainment industry, but there were three sectors that managed to add workers to their payrolls during this period: post-production services (530 jobs, 6.2%); radio stations (350 jobs, 16.4%); and television broadcasting (1,700 jobs, 19.2%).

Nearly one in five people employed in the creative economy in Orange County lost their job between 2007 and 2012. (see chart on next page) The overall drop of 18.4% was the result of a broad-based decline over several creative industries. Furniture and the decorative arts sector gave up 3,300 jobs (-30.4%); fashion payrolls contracted by 3,100 jobs (-22.3%); and publishing and printing jobs declined by over 3,000 jobs (-20.1%). Within publishing and printing, however, the declines were all in the traditional (i.e. paper) sectors. Internet publishing added nearly 600 jobs over this period, which represented an increase of 56.6%.

While the recession accounts for a great many of the job losses over the last five years, there is also a structural component to the story. Some of the largest employment declines across the region have been in sectors with a large manufacturing component: fashion, furniture and the decorative arts, and printing and publishing. In the case of apparel and furniture manufacturing, many of the jobs lost in Southern California migrated to China and other low-cost countries. The recession surely exacerbated job losses in these industries, but it is doubtful that many of these jobs will return as the economy reverts to full employment. The decline in manufacturing jobs is part of a larger trend that has occurred across nearly all manufacturing sectors in the United States. In 2002, manufacturing's share of total direct creative industries employment in Los Angeles Region was 38%. By 2007, manufacturing's share had fallen to 31.3% and in 2012 to 26.3%

Job Trends in the Creative Industries Orange County, 2007 vs. 2012



Source: California EDD, QCEW Data

Manufacturing activities that are more labor intensive, such as the production of most apparel, furniture and toys will continue to be outsourced to lower cost regions. However, many U.S. firms choose to maintain domestic design and/or research and development facilities precisely because these are high value-added activities, less easily (though not impossible) replicated elsewhere.

COUNTING THE SELF-EMPLOYED

A considerable number of people in creative activities are self-employed, but their contribution to the creative economy is not captured in commonly cited federal and state government employment data such as the Quarterly Census of Employment and Wages or QCEW (formerly known as ES202) that are used to develop the job numbers in this report. The government collects data separately on people who are classified as "nonemployer firms"—that is, firms consisting of one person with revenues but no additional employees. The latest nonemployer data come from the IRS for tax year 2011. It is important to note that some individuals may work on the payroll for an employer and be self-employed as well. To prevent double counting, nonemployer data are generally kept separate from the QCEW based data.[1]

In 2011, there were 132,492 nonemployer firms in the creative industries across Los Angeles County, and 23,155 in Orange County. As with payroll employment, the number of self-employed individuals fell during 2008 and 2009, but turned around in 2010 and 2011. In Los Angeles County, nonemployer firms grew by 10.7% (12,766 firms) between 2006 and 2011 and by 11.9% (2,455 firms) in Orange County.

Visual and performing arts providers were made up the largest sector of nonemployer firms, particularly the subset of independent artists, writers, and performers. Many of these people are involved in the entertainment industry as actors, screenwriters, set designers, etc. Many independents work in the communications arts sector as graphic artists or in commercial or portrait photography.

Revenues and receipts of creative nonemployer firms in Los Angeles County were $6.2 billion in 2011, with 39.4% generated by independent artists, writers and performers. In Orange County, total revenues were $924.6 million.

1
Nonemployer data are not available for digital media and several other industries.

There is a great deal of variation in the concentration of these single-person entities among the different sectors of the creative economy. In the visual and performing arts, there were nearly 2.6 self-employed persons in Los Angeles County for every salaried employee. In Orange County, the ratio was even higher at 3.3 to one. The communication arts also have a high number of freelancers relative to salaried employee. In 2011, there were 1.3 self-employed persons in Los Angeles County for every salaried employee, while in Orange County there were 1.9 single-person firms for each salaried worker in the communication arts.

Growth rates of creative nonemployer firms versus salary employment also differed markedly by industry sector. It is interesting to note that nonemployer firm growth outstripped regular employment growth (or contracted less) over the 2006-2011 period. One reason is that many jobs lost during the recession failed to return as the economy transitioned from recession to recovery. Some laid-off workers, unable to find employment elsewhere, started their own businesses. This is a cyclical effect that may partially reverse itself as the labor markets return to a healthier rate of job creation.

There is also a structural component affecting the growth of nonemployer firms in the creative industries. Increased competition from globalization and pressure to cut costs has resulted in firms seeking efficiencies by outsourcing non-core tasks to independent contractors. Technological innovation has also played a role in this trend by enabling individuals to increase their productivity in ways that were not possible just a few years ago. Perhaps more creative individuals are now opting to strike out on their own as a matter of preference.

TABLE 3:
Ratio of Nonemployer Firms (self-employed individuals) to Salaried Employees by Sector, 2011

Industry Sector	Los Angeles County			Orange County		
	Nonemployers	Employees	Ratio	Nonemployers	Employees	Ratio
Architecture & Interior Design	4,666	10,100	0.46	1,677	5,500	0.30
Art Galleries	628	760	0.83	196	150	1.31
Communication Arts	25,191	19,700	1.28	7,916	4,100	1.93
Digital Media	N/A	5,500	---	N/A	5,100	---
Entertainment	18,669	132,900	0.14	1,365	1,100	1.24
Fashion	6,493	86,900	0.07	1,387	10,700	0.13
Furniture & Decorative Arts	1,602	27,300	0.06	479	7,500	0.06
Product/Industrial Design	N/A	440	---	N/A	280	---
Toys	398	4,500	0.09	113	460	0.25
Visual & Performing Arts	70,714	27,400	2.58	8,527	2,600	3.28

Source: California EDD QCEW dadta; Bureau of the Census Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

TABLE 4:
Comparative Growth Rates Employees vs. Nonemployers, 2011

Industry Sector	Los Angeles County		Orange County	
	Employment Growth 2006-2011	Nonemployers Growth 2006-2011	Employment Growth 2006-2011	Nonemployers Growth 2006-2011
Architecture & Interior Design	-28.2%	-7.8%	-35.1%	-1.5%
Art Galleries	-31.7%	-4.4%	-63.8%	-10.9%
Communication Arts	-3.6%	16.6%	-25.6%	23.6%
Digital Media	-13.6%	N/A	58.0%	N/A
Entertainment	-7.2%	7.4%	-1.1%	11.3%
Fashion	-16.4%	-2.0%	-26.1%	6.4%
Furniture & Decorative Arts	-36.6%	-12.2%	-28.6%	-14.8%
Product/Industrial Design	29.6%	N/A	-39.9%	N/A
Publishing and Printing	-10.1%	-3.4%	-12.8%	-1.8%
Toys	-27.5%	-7.2%	-32.2%	-15.7%
Visual & Performing Arts	4.8%	14.3%	-6.2%	12.8%
Total Employment Growth:	**-13.2%**	**10.7%**	**-20.1%**	**11.9%**

Source: California EDD QCEW dadta; Bureau of the Census Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

TABLE 5:
Number of Nonemployer Firms for the Creative Industries, 2006-2011

Creative Industry	NAICS Code	Los Angeles County 2006	2007	2008	2009	2010	2011	Orange County 2006	2007	2008	2009	2010	2011
Architecture and Interior Design:		**5,063**	**4,794**	**4,500**	**4,311**	**4,525**	**4,666**	**1,703**	**1,664**	**1,580**	**1,601**	**1,660**	**1,677**
Architectural Services	54131	2,898	2,724	2,512	2,480	2,630	2,736	907	893	847	877	940	934
Drafting Serivices	54134	1,159	1,123	1,054	892	874	873	422	417	379	358	365	369
Landscape Design	54132	1,006	947	934	939	1,021	1,057	374	354	354	366	355	374
Art Galleries	45392	**657**	**692**	**635**	**623**	**627**	**628**	**220**	**225**	**207**	**208**	**209**	**196**
Communication Arts:		**21,602**	**23,165**	**22,849**	**23,071**	**24,161**	**25,191**	**6,467**	**7,066**	**7,090**	**7,214**	**7,718**	**7,916**
Specialized Design Services	5414	10,695	11,598	11,237	11,262	11,623	12,171	3,268	3,559	3,503	3,475	3,652	3,647
Advertising Agencies	5418	6,001	6,286	6,362	6,590	7,040	7,232	2,041	2,205	2,241	2,339	2,542	2,619
Photography Studios	541921	4,906	5,281	5,250	5,219	5,498	5,788	1,158	1,302	1,346	1,400	1,524	1,650
Entertainment:		**17,375**	**17,640**	**17,781**	**17,240**	**17,852**	**18,669**	**1,226**	**1,267**	**1,293**	**1,290**	**1,027**	**1,365**
Motion Picture/Video Production	5121	13,795	14,109	14,221	13,744	14,306	14,992	832	855	865	841	587	923
Sound Recording	5122	2,510	2,512	2,548	2,504	2,557	2,676	228	223	230	252	243	241
Broadcasting (except Internet)	515	1,070	1,019	1,012	992	989	1,001	166	189	198	197	197	201
Fashion:		**6,627**	**6,653**	**6,251**	**6,220**	**6,365**	**6,493**	**1,304**	**1,355**	**1,272**	**1,326**	**1,301**	**1,387**
Textile Mills Manufacturing	313	91	103	101	92	106	109	17	24	22	17	24	22
Apparel Manufacturing	315	2,115	2,167	2,039	2,025	2,022	2,041	430	442	416	443	443	469
Apparel Wholesaling	4243	2,645	2,645	2,424	2,460	2,559	2,588	564	590	568	555	521	581
Footwear Manufacturing	3162	59	56	53	50	51	45	7	9	na	5	3	6
Other Leather and Allied Prods Mfg	31699	106	123	122	106	110	105	21	20	15	17	13	19
Jewelry Wholesaling	42394	1,611	1,559	1,512	1,487	1,517	1,605	265	270	251	289	297	290
Furniture and Decorative Arts:		**1,825**	**1,893**	**1,665**	**1,598**	**1,594**	**1,602**	**562**	**547**	**489**	**515**	**493**	**479**
Textile Product Mills	314	114	153	142	127	124	119	33	29	29	26	28	32
Furniture Manufacturing	337	725	766	707	690	700	700	177	183	160	164	171	154
Furniture Wholesaling	4232	805	793	646	624	608	616	310	283	253	274	243	228
Pressed & Blown Glass & Glassware Mfg.	32721	92	102	90	90	94	99	19	26	23	25	23	33
Other Misc. Nonmetallic Mineral Product Mfg.	3279	89	79	80	67	68	68	23	26	24	26	28	32
Toys:		**429**	**390**	**380**	**379**	**355**	**398**	**134**	**122**	**117**	**117**	**107**	**113**
Toy Wholesaling	42392	429	390	380	379	355	398	134	122	117	117	107	113
Visual and Performing Arts Providers:		**61,873**	**64,962**	**64,880**	**64,140**	**67,378**	**70,714**	**7,561**	**8,170**	**8,054**	**7,911**	**8,185**	**8,527**
Performing Arts Cos.	7111	2,787	3,331	3,380	3,517	3,729	3,827	402	521	528	576	611	598
Agents & Managers of Artists, etc.	71141	4,089	3,940	3,935	3,950	4,231	4,530	457	460	459	432	470	488
Independent Artists, Writers, etc.	71151	54,712	57,400	57,303	56,455	59,220	62,138	6,674	7,154	7,029	6,866	7,071	7,394
Museums	7121	285	291	262	218	198	219	28	35	38	37	33	47
Publishing and Printing:		**4,275**	**4,441**	**4,190**	**4,107**	**4,111**	**4,131**	**1,523**	**1,585**	**1,489**	**1,478**	**1,481**	**1,495**
Printing & Related Support Activities	3231	1,307	1,498	1,363	1,410	1,394	1,379	569	630	578	594	605	577
Book, Periodical, Newspaper Wholesalers	42492	223	258	232	243	239	232	90	99	92	83	72	70
Publishing Industries (Except Internet)	511	2,745	2,685	2,595	2,454	2,478	2,520	864	856	819	801	804	848
Total Nonemployer Firms:		**119,726**	**124,630**	**123,131**	**121,689**	**126,968**	**132,492**	**20,700**	**22,001**	**21,591**	**21,660**	**22,181**	**23,155**

Source: Bureau of the Census, Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

TABLE 6:
Revenues of Nonemployer Firms for the Creative Industries, 2006-2011
Value of Shipment, Sales, or Receipts ($billions)

Creative Industry	NAICS Code	Los Angeles County 2006	2007	2008	2009	2010	2011	Orange County 2006	2007	2008	2009	2010	2011
Architecture and Interior Design:		**$253.4**	**$256.5**	**$224.9**	**$179.0**	**$186.6**	**$186.1**	**$99.8**	**$101.7**	**$84.6**	**$66.5**	**$77.0**	**$80.8**
Architectural Services	54131	179.3	178.9	153.1	126.0	131.1	127.9	67.6	68.0	54.9	43.5	52.2	57.2
Drafting Services	541340	32.8	33.6	30.6	21.4	21.4	22.5	12.6	12.4	10.3	7.2	8.4	8.4
Landscape Design	54132	41.3	44.0	41.2	31.6	34.1	35.7	19.6	21.3	19.4	15.7	16.4	15.2
Art Galleries	**45392**	**62.5**	**67.3**	**50.6**	**38.7**	**42.0**	**43.4**	**28.4**	**17.3**	**13.9**	**13.9**	**11.6**	**14.9**
Communication Arts:		**1037.7**	**1088.4**	**1068.7**	**943.6**	**1035.8**	**1092.9**	**352.6**	**359.4**	**329.7**	**292.8**	**322.6**	**338.7**
Specialized Design Services	5414	464.2	507.8	484.3	417.3	460.1	489.1	173.2	184.5	160.7	133.8	140.5	148.9
Advertising Agencies	5418	370.6	371.9	384.5	354.6	388.8	409.6	143.2	136.3	132.5	123.4	144.1	147.4
Photography Studios	541921	202.9	208.7	199.9	171.6	186.9	194.1	36.1	38.6	36.4	35.6	37.9	42.3
Entertainment:		**827.4**	**847.4**	**873.4**	**805.1**	**825.2**	**884.0**	**47.5**	**53.7**	**50.2**	**47.5**	**51.4**	**57.2**
Motion Picture/Video Production	5121	668.4	685.4	703.4	659.5	677.1	726.2	33.2	36.9	35.8	35.3	34.4	39.8
Sound Recording	5122	109.7	112.1	123.1	103.7	104.5	113.2	7.9	9.7	7.2	5.9	6.9	7.4
Broadcasting (except Internet)	515	49.2	49.9	46.8	41.9	43.6	44.5	6.5	7.1	7.2	6.2	10.2	10.1
Fashion:		**742.8**	**695.5**	**686.4**	**618.8**	**658.5**	**706.5**	**104.4**	**112.1**	**99.2**	**89.7**	**93.7**	**112.9**
Textile Mills Manufacturing	313	2.4	2.6	3.0	3.3	3.1	4.7	.2	.5	.5	.4	.8	1.5
Apparel Manufacturing	315	122.8	131.6	125.7	110.8	118.7	117.2	23.8	25.4	20.4	21.0	23.5	27.2
Apparel Wholesaling	4243	356.2	316.5	314.5	293.3	324.2	348.3	56.8	60.2	56.1	50.0	46.2	59.5
Footwear Manufacturing	3162	2.6	2.8	2.9	3.3	3.2	2.4	.1	.3	n/d	.1	.1	.3
Other Leather and Allied Prods Mfg	31699	6.9	7.4	6.4	5.3	6.0	8.0	1.8	1.5	.9	.5	.8	.8
Jewelry Wholesaling	42394	251.8	234.6	233.9	202.8	203.4	226.0	21.6	24.3	21.3	17.6	22.4	23.6
Furniture and Decorative Arts		**143.8**	**151.1**	**125.1**	**112.6**	**108.2**	**120.0**	**54.3**	**52.4**	**43.9**	**39.9**	**37.7**	**40.9**
Textile Product Mills	314	7.4	10.0	9.1	11.7	11.7	9.1	1.6	1.6	.9	1.4	1.1	1.5
Furniture Manufacturing	337	53.7	55.1	47.3	44.0	41.3	48.5	11.2	13.7	11.1	11.1	11.3	9.2
Furniture Wholesaling	4232	70.4	75.5	58.9	51.3	46.2	52.0	38.6	31.8	27.8	24.6	22.6	26.2
Pressed & Blown Glass & Glassware Mfg.	327212	5.6	4.0	4.6	2.5	4.5	5.7	1.1	2.4	2.3	.8	.8	1.5
Other Misc. Nonmetallic Mineral Product Mfg.	327999	6.7	6.4	5.1	3.0	4.4	4.7	1.8	2.9	1.8	2.0	1.9	2.5
Toys:		**41.8**	**36.8**	**33.9**	**32.0**	**34.5**	**36.1**	**9.1**	**9.5**	**6.9**	**7.3**	**8.5**	**11.5**
Toy Wholesaling	42392	41.8	36.8	33.9	32.0	34.5	36.1	9.1	9.5	6.9	7.3	8.5	11.5
Visual and Performing Arts Providers:		**2353.4**	**2609.1**	**2657.5**	**2569.6**	**2672.3**	**2890.2**	**171.8**	**195.3**	**181.7**	**166.0**	**178.6**	**190.0**
Performing Arts Cos.	7111	160.9	181.1	194.6	181.3	196.4	191.4	14.1	23.6	14.1	13.6	15.1	15.7
Agents & Managers of Artists, etc.	71141	225.7	236.0	234.4	224.7	235.6	264.5	17.1	17.3	16.0	16.4	18.4	17.8
Independent Artists, Writers, etc.	71151	1959.5	2185.4	2222.6	2158.8	2236.4	2429.6	139.8	153.7	150.9	135.0	143.4	154.7
Museums	7121	7.3	6.5	5.8	4.8	3.9	4.7	.7	.7	.7	1.0	1.7	1.7
Publishing and Printing:		**233.4**	**236.5**	**216.1**	**195.2**	**206.4**	**202.1**	**88.9**	**83.3**	**79.2**	**70.3**	**76.5**	**77.6**
Printing & Related Support Activities	3231	84.0	87.7	78.7	74.6	81.0	77.6	43.5	41.9	38.8	36.8	41.6	43.2
Book, Periodical, Newspaper Wholesalers	42492	15.4	16.4	15.7	14.9	14.7	14.1	4.5	5.1	4.4	3.1	3.5	3.9
Publishing Industries (Except Internet)	511	134.0	132.3	121.7	105.7	110.7	110.4	40.9	36.3	36.0	30.4	31.4	30.5
Total Shipments, Sales or Receipts:		**$5,696.2**	**$5,988.5**	**$5,936.5**	**$5,494.5**	**$5,769.6**	**$6,161.2**	**$956.8**	**$984.7**	**$889.2**	**$793.8**	**$857.7**	**$924.6**

Source: Bureau of the Census, Nonemployer Statistics

Note: Nonemployer data are not available for Digital Media and Product & Industrial Design

NONPROFIT SEGMENT OF THE CREATIVE ECONOMY

The importance of the arts and culture to economic development is well established. Because many arts organizations are nonprofits, they rely heavily on charitable contributions and volunteers, which is not captured in typical economic measures such as employment and payroll. To leave them out of this analysis would underestimate the footprint of the creative sector on the Los Angeles Region's economy.

Information on nonprofits is limited, but the IRS publishes some data on tax-exempt organizations as a part of its Statistics of Income (SOI) program. The IRS source offers the most comprehensive and standardized data on tax-exempt organizations available but there are significant limitations. The SOI files are compiled annually by using information from organizations' Form 990s. The SOI files include all 501(c)(3) organizations with $30 million or more in assets, all organizations filing under sections 501(c)(4) through 501(c)(9) with $10 million or more in assets, and a sample of a few thousand smaller organizations per year that are selected to represent the entire universe of nonprofit organizations.

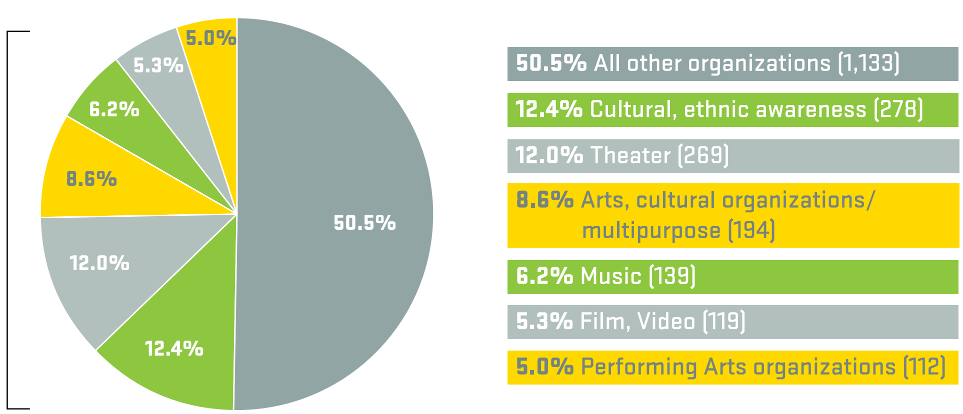
The SOI data are cumulative and are the most recent information the IRS has on file for exempt organizations. The year designation on SOI files is based on the starting year for an organization's tax return which is not necessarily its fiscal year. Therefore, this data does not cover a specific calendar year but instead, provides a snapshot at the time it was accessed (September 2013) of the state's nonprofit arts sector. Additionally, the SOI data do not contain information pertaining to employment.

Largest Arts Nonprofit Sectors in Los Angeles by Number of Organizations

Source: IRS SOI Statistics

TOTAL NUMBER OF ORGANIZATIONS

2,244

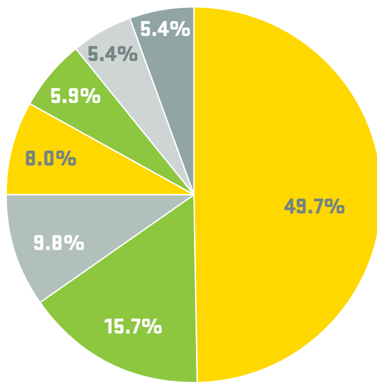


The SOI sample contained a total of 2,766 nonprofit organizations in the Los Angeles Region classified as arts, culture and humanities organizations.

In Los Angeles County, the nonprofit segment of the creative economy is spread across a wide variety of organizations, but the biggest concentrations were in organizations that promote cultural and ethnic awareness (12.4%); theater (12.0%); and arts, cultural, multipurpose (8.6%). The profile in Orange County was similar: cultural, ethnic awareness (15.7%); historical societies (9.8%); and arts, cultural, multipurpose organizations (8.0%).

Largest Arts Nonprofit Sectors in Orange County by Number of Organizations
Source: California EDD, SOC Data

TOTAL NUMBER OF ORGANIZATIONS ORANGE COUNTY
522



- **49.7%** All other organizations (259)
- **15.7%** Cultural, ethnic awareness (82)
- **9.8%** Historical Societies (51)
- **8.0%** Arts, cultural organizations/ multipurpose (42)
- **5.9%** Theaters (31)
- **5.4%** Singing, choral (28)
- **5.4%** Music (28)

While not among the largest in terms of the number of organizations, arts education organizations still have a significant presence in the region. Based on the SOI sample, there are 98 arts education organizations and 24 nonprofit performing arts schools in Los Angeles County, and in Orange County there are 17 arts education groups and three performing arts schools

LOS ANGELES: **2,244**

ORANGE COUNTY: **522**

TOTAL ORGANIZATIONS **2,766**

The total income reported by nonprofits in Los Angeles County amounted to $2.1 billion. Art museums earned 20.5% of nonprofit income in the county. Arts education organizations had 12.4% of the total, followed by history museums (9.3%), performing arts schools (7.0%) and symphony orchestras (6.4%).

In Orange County, reported nonprofit income in the SOI sample was $297 million. Performing arts centers earned 38.0% of total arts-related nonprofit income; arts, cultural, multipurpose organizations 10.7% and museums 8.6%.

Another way to measure the importance of the nonprofit sector is to look at the collective value of the assets owned by nonprofit organizations in the region. As of September 2013, nonprofits in Los Angeles County reported to the IRS assets valued at $5.9 billion. The largest share of assets was concentrated in art museums and history museums, 32.3% and 14.7% respectively. This is not surprising considering the worth of the region's collections and the value of the real estate in which they are housed. In Orange County, nonprofits reported a total of $863 million in assets with by far the largest share held by performing arts centers (52.9%).

Creative people want diverse cultural amenities. High concentrations of cultural workers and cultural attractions make an area more attractive by improving overall quality of life and draw visitors to the area. Additionally, the educational and outreach services provided by nonprofit arts organizations play an important role in training the next generation of creative individuals.

OCCUPATIONS IN THE CREATIVE ECONOMY

Up to this point, this report has concentrated on the creative industries. These are the firms (commercial and nonprofit industries) that produce and distribute cultural, consumer, and commercial goods and services.

In this section, we turn from industry analysis to the study of occupations. There are two ways to think about creative employment: individuals who work in a creative industry or individuals working in creative occupations. Many of these creative occupations may be found within the set of creative industries, but they are also present in significant numbers in the broader set of industries outside the creative sector. Data on occupations from the U.S. Bureau of Labor Statistics makes it possible to identify and measure creative occupations within the creative industries and in the rest of the economy. It can also shed light on the extent to which creative industries employ people in functions outside of creative occupations.

Unlike industry-based definitions of the creative economy, there is much greater consensus among researchers regarding creative occupations.[2] The occupational data used in this report is based the Standard Occupational Classification (SOC) system. This system includes dozens of creative occupations across a wide array of organizational functions. For example, in the management ranks, creative occupations include advertising, marketing, and public relations managers. In technical fields, there are software developers and architects, and in production, there are tailors, cabinetmakers, and engravers. It is easy to imagine that a marketing manager could be working in any number of industries, creative or otherwise, as could a graphic designer. This illustrates the fact that creative occupations may often be found outside the creative sectors of the economy.

In 2010 (latest available data), there were 240,600 workers in Los Angeles County employed in creative occupations, and 59,100 in Orange County.[3] This represents 7.3% of total private industry employment in Los Angeles County and 4.9% in Orange County. In both counties, a large number of individuals employed in creative occupations worked in art, design, entertainment or media: 60% in Los Angeles County, and 40% in Orange County. Across both counties, a large number of creative individuals also hold computer and mathematical occupations (43,300). Many of these workers spend their days creating animated characters for film and TV, and designing video games (although, given the current classification system, it is still nearly impossible to capture the total gaming industry).

The next largest group of creative workers was found in education, training, and library occupations (20,900). Yet arts, cultural and creative activity at the Los Angeles Region's colleges and universities is difficult to fully measure since employment data for campus museums, theaters, literary publications is not disaggregated.

That numerous creative occupations may be found across so many Los Angeles region industries suggests the potential for large spillover effects from creative industries and occupations to other industries within the state economy. The potential for spillovers suggest that it is in the region's economic interest to maintain, nurture and grow its deep pool of creative talent.

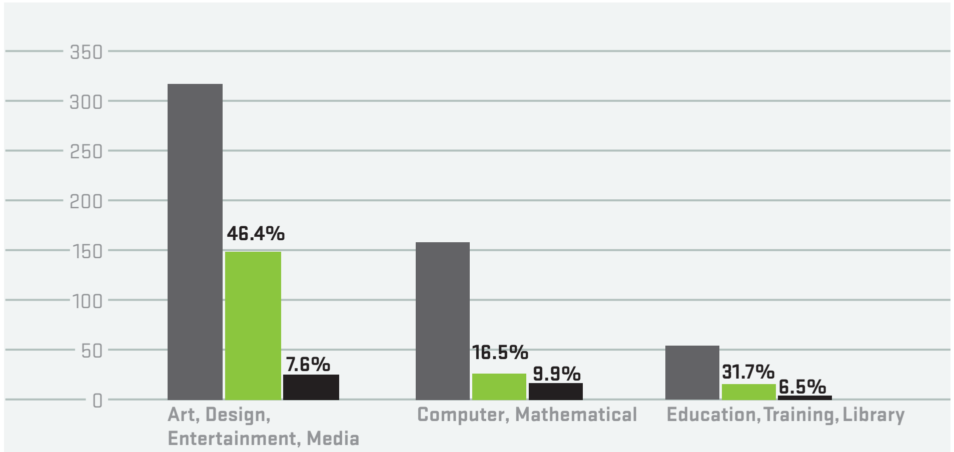
2
See Tables 26 and 27 on pages 140 and 142 for a complete list of creative occupations and the list of sources on page 149 for additional information.

3
Unlike industry employment, occupational employment figures include the self-employed, unpaid family workers, private household workers and farm employment in addition to nonfarm employment.

Employment in the Three Largest Creative Occupation Groups as a Percentage of California Total

THREE LARGEST CREATIVE OCCUPATION GROUPS IN CALIFORNIA

CALIFORNIA
LOS ANGELES COUNTY
ORANGE COUNTY



Source: California EDD, SOC Data

44.5% of workers in creative occupations in California are employed in the Los Angeles region.

Individuals employed in creative occupations are heavily concentrated in the Los Angeles Region. This chart shows Los Angeles and Orange County employment as a percentage of total California employment in the three largest creative occupational groups.

In total, 35.7% of persons working in creative occupations are located in Los Angeles County and 8.8% are in Orange County (see Table 28 on page 144 in the appendix for additional detail).

CREATIVE OCCUPATIONS IN THE LOS ANGELES REGION

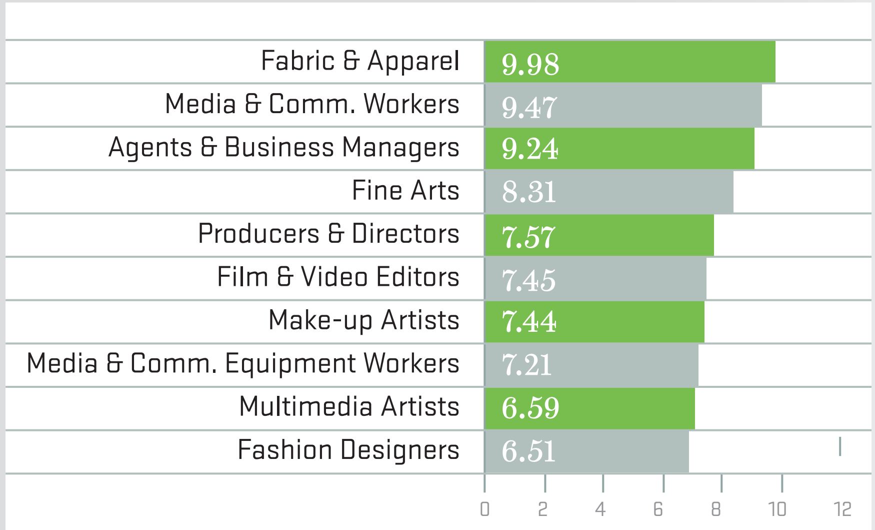
What is a Location Quotient? An (LQ) can be used to quantify how concentrated a particular industry, cluster, occupation or demographic group is in a region compared to the nation. It reveals what makes a region unique.

An LQ of 1.0 for an occupation means that the region has the same (or average) concentration of that occupation as the nation. If the LQ of an occupation is above 1.0, the region has a higher than average concentration of that occupation. High-LQ occupations are important because they are generally employed by high-LQ industries, which tend to bring money into a region and form the majority of the region's economic base. High-LQ occupations provide a workforce-oriented perspective of the region's economic base.

As indicated in the figures, the Los Angeles Region has high LQs in a number of creative occupations, meaning they have a higher concentration of those occupations than the nation as a whole. In Los Angeles County, the ten occupations with the highest location quotients were all creative occupations. In Orange County, three of the top ten occupations by location quotient were creative occupations: costume attendants, entertainers and performers, and fashion designers.

Occupations with the
Highest Location-Quotients
in **Los Angeles County**

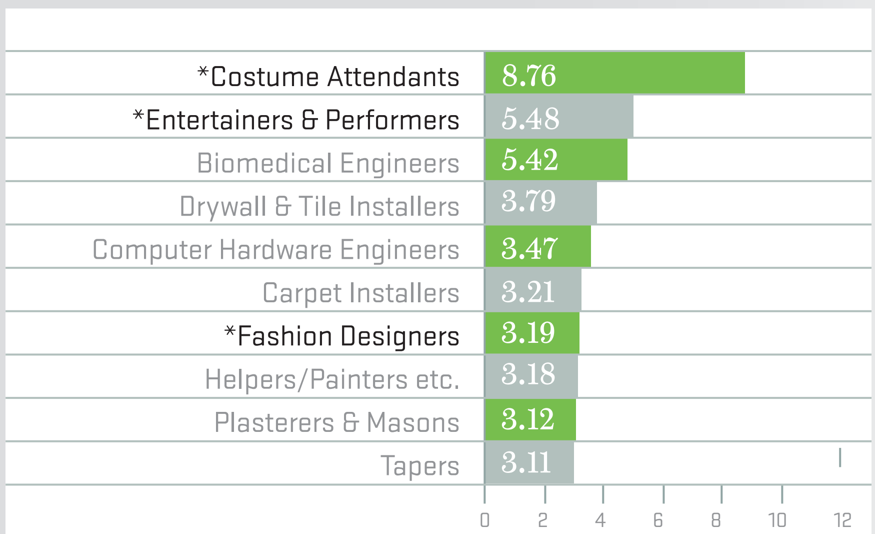
In Los Angeles County, the 10 occupations with the highest location quotients were all creative occupations.



Source: Bureau of Labor Statistics, May 2012

Occupations with the
Highest Location-Quotients
in **Orange County**

In Orange County, the three of the top ten occupations with the highest location quotients were creative occupations(*).



Source: Bureau of Labor Statistics, May 2012

LOOKING AHEAD: THE CREATIVE ECONOMY IN 2017

The California economy has not fully shaken off the effects of the Great Recession, but it has made significant gains over the past two years. This trend should accelerate over the foreseeable future and lift much of the creative economy in the process. This section looks ahead to 2017 with employment projections for the creative economy of California. What will the creative sectors look like by then?

California's economy is projected to grow throughout the five year period (2012 through 2017) at an average annual rate of just over three percent, with growth of approximately 2.5% in 2013 and 2014, increasing to approximately 3.5% from 2015 through 2017. Over this period, California's economy is expected to grow somewhat faster than the nation as a whole. The health of the state economy depends on continued progress in the U.S. economy and among its major trading partners. Improvements in the consumer sector will be front and center in both California and the nation, as households respond to declining unemployment, increases in income, stronger real estate markets, and stock market gains. Even so, California's labor market will lag in recovery, returning to the long-run unemployment rate of 7.5% sometime in 2015, by which time the state should have regained all the wage and salary jobs that were lost during the recession.

Creative industry employment in the Los Angeles-Orange County region will total 416,500 wage and salary jobs by 2017, up by 3.1% or 12,600 jobs from 2012 levels.

What does this economic outlook imply for the region's creative industries? The LAEDC projects that given the trends visible today, creative industry employment in the Los Angeles Region will total 416,500 wage and salary jobs by 2017, up by 3.1% or 12,600 jobs from 2012 levels. This stands in stark contrast to the decline in creative employment (62,800 jobs) that the region suffered between 2007 and 2012, but also shows the return to peak employment is still some years away. Returning to peak employment, however, means creative services like the design, performing and visual arts, and wholesale/retail sectors will have to make up jobs lost in manufacturing, most of which will not be returning.

As the housing market continues to recover, demand will increase for architectural services, and interior and landscape designers. Spending on furniture, home furnishings and lighting fixtures will boost employment in the design retail and wholesale segments of these industries. Additionally, as the employment outlook improves, consumers will spend more on apparel, toys and video games. Households will also have more discretionary income to spend on attending concerts and dance performances or visiting museums.

TABLE 7:
Los Angeles County Employment Forecast, 2012-2017

Creative Industry	Number of Jobs (thousands)		2012-2017 Change	
	2012	2017	Number	Percent
Architecture & Interior Design	10.1	10.8	0.69	6.9%
Art Galleries	0.8	0.8	0.06	7.9%
Communication Arts	19.7	20.8	1.06	5.4%
Digital Media	5.5	6.6	1.18	21.6%
Entertainment	132.9	137.0	4.13	3.1%
Fashion	86.9	86.0	-0.94	-1.1%
Furniture & Decorative Arts	27.3	30.0	2.75	10.1%
Product/Industrial Design	0.4	0.5	0.04	9.1%
Publishing and Printing	30.8	29.3	-1.55	-5.0%
Toys	4.5	4.5	-0.02	-0.4%
Visual & Performing Arts Providers	27.4	30.2	2.79	10.2%
Arts Education	5.3	5.4	0.06	1.1%
Totals:	**351.5**	**361.7**	**10.26**	**2.9%**

Source:
California EDD LMID, QCEW data; forecasts by LAEDC

LOS ANGELES COUNTY:

Total creative industry employment in Los Angeles County in 2017 will rise to about 361,700 jobs, a 2.9% increase (10,300 jobs) from 2012. This represents a significant improvement over the previous five-year period during which employment dropped by 50,900 jobs (-12.7%).

The entertainment sector will experience the largest numeric increase with 4,130 additional jobs by 2017, followed by visual and performing arts with an additional 2,790 jobs, and furniture and decorative arts with a gain of 2,750 jobs.

The largest percentage increases are expected in digital media (up 21.6%), and visual and performing arts (up 10.2%). Improvement in construction and real estate activity will also drive increases in furniture and decorative arts (up 10.1%) as well as architecture and interior design (up 6.9%).

Not all sectors are expected to show gains. Employment in toy manufacturing and wholesaling will be approximately flat (-0.4%), while both fashion and publishing and printing will see declines in employment.

Creative Industry	Number of Jobs (thousands)		2012-2017Change	
	2012	2017	Number	Percent
Architecture & Interior Design	5.5	5.7	0.26	4.7%
Art Galleries	0.2	.02	0.01	7.4%
Communication Arts	4.1	4.1	0.05	1.3%
Digital Media	5.1	5.5	0.31	6.1%
Entertainment	2.4	2.6	0.21	8.9%
Fashion	10.7	11.3	0.52	4.9%
Furniture & Decorative Arts	7.5	8.2	0.61	8.1%
Product/Industrial Design	0.3	0.4	0.08	28.6%
Publishing and Printing	12.2	12.4	0.21	1.7%
Toys	0.5	0.5	0.03	6.5%
Visual & Performing Arts Providers	2.6	2.6	0.07	2.7%
Arts Education	1.6	1.6	-0.04	-2.2%
Totals:	**52.4**	**54.8**	**2.22**	**4.5%**

TABLE 8:
Orange County Employment Forecast, 2012-2017

Source:
California EDD LMID, QCEW data; forecasts by LAEDC

ORANGE COUNTY:

Total creative industry employment in Orange County is projected to increase by 4.5% (2,220 jobs) to 54,800 after shedding nearly 11,900 payroll jobs between 2007 and 2012.

The furniture and decorative arts sector will experience the largest numeric gain with 610 additional jobs by 2017, followed by fashion with 520 additional jobs, and digital media where 310 jobs will be added. The largest percentage increases are expected in product/industrial design (a 28.6% gain on a relatively small base), entertainment (up 8.9%), and furniture and decorative arts (up 8.1%). Arts education is the only creative industry that is expected to show a decline in employment, with a 2.2% decrease anticipated from 2012 to 2017.

Photo by Skye Moorehead '94 Otis
Profile by author Hunter Drohojowska-Philp

CHEVON HICKS '95 OTIS

President and Executive Creative Director, Heavenspot Agency, Los Angeles Region

Heavenspot, Chevon Hicks' design agency, refers to the graffiti term for the tag that is highest, and therefore riskiest, to reach. Hicks embraces similar challenges, specializing in web-based, interactive marketing using animation, motion graphics, interactive games and other advanced technology. He insists, "This city has made me who I am today. Billions of entertainment industry dollars move through here every day. Much of that money is slated for marketing of some kind, which makes eking out a living as a commercial artist more feasible than it would be in other places. In L.A., it could mean anything from motion graphics to set and prop design. Even the street artists I knew at Otis are creating graffiti for film, television and video games."

Chevon Hicks got his big break when his family moved to Los Angeles from Gary, Indiana. He was only eight but his uncle was established as a costume designer for rock musicians Prince; Earth, Wind & Fire; and The Jackson 5. As a teenager, he attended a summer art program and began working for Kresser/Craig advertising agency when he was fifteen. One day, after seeing the edgy Val Kilmer movie *The Doors,* he was prompted to visit Otis. "I remember walking into the courtyard and thinking, 'These are my people!'" He recalls responding to Otis' "artsy" atmosphere. "I felt that it was important to study something deeper than advertising, so I chose to major in fine art. I wanted to get at the source of what made advertising good."

After stints as a freelance artist for MGM Creative Advertising, Sony Online Entertainment, and Universal New Media, he opened his own shop in 2000 to work on music videos and television commercials. His work on *Harold & Kumar Go To White Castle* brought him new clients and opportunities such as an interactive website with Tenacious D in *The Pick of Destiny* for New Line Cinema. His firm gained attention for its X-rated game for the launch of the New Line film *Running Scared.* Last year, his company was featured on AMC's *The Pitch,* a documentary series that pits two agencies against each other in hopes of winning a big client. Heavenspot won.

He explains, "Project-wise, the clients that excite me most are the social media accounts we've recently won from Netflix, Fox Searchlight, and ABC. For a designer, social is a great way to learn instantly how the public responds to your work. You create a project for a client, put it out into the world, and sit back and watch people have conversations about it. It is pretty rewarding." Despite career success, Hicks says he is most proud of teaching Interface Design for Games for the past four years at the University of Southern California's School of Cinematic Arts.

"I don't think L.A. kicks your ass the way New York does, but if you're willing to work hard and continue learning after school, you will find that it is pretty easy to make a decent living here. **The vastness of the city means that there is always something to discover. The influx every year of people who come to chase their dreams creates a culture of optimism that I haven't seen anywhere else."**

ARCHITECTURE AND INTERIOR DESIGN

The ancient Roman architect Vitruvius insisted that three fundamental principles were essential to architecture: function, structure and beauty. All three continue to hold true today. Architects create beauty from functional and structural necessity. Without beauty (a highly subjective quality to be sure, and one that changes over time), a building is merely functional while good architecture surprises, inspires and delights the observer.

Interior designers make interior space functional, safe and beautiful for almost any type of building including homes, offices, restaurants, retail stores, hotels and airports. Interior designers must also understand how the look and feel of a space will affect the people who use it.

The art of Landscape designers achieve a balance between the built and natural environments. Their work combines art, environmental sciences and ecology. Great landscape design not only creates beautiful outdoor spaces but also can restore endangered wetlands, reduce hospital stays, and reduce energy use.

When thinking of great architecture, Los Angeles is not always the first place to come to mind, but Los Angeles is home to some of the world's most renowned architects and a number of iconic buidlings. The Greater Los Angeles Region can also take pride in the numerous public and private interior spaces as well as parks, gardens and open spaces that make the region's communites so inviting.

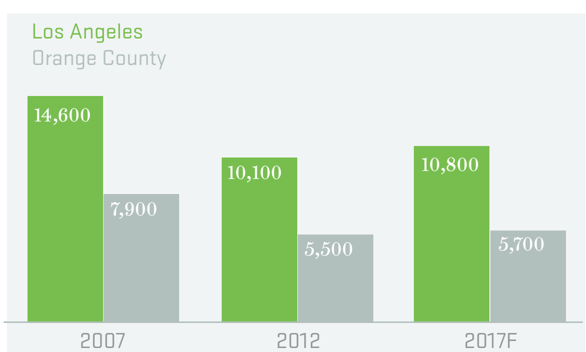
TABLE 9:
Economic Contribution of the Architecture and Interior Design Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

					Total (Direct, Indirect, Induced) Contribution			
Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	2,029	10,100	$753.3	4,666	$2.5	17,000	$1,101.8	$98.9
Orange County	709	5,500	$399.7	1,677	1.2	9,000	579.7	51.0
Total	2,738	15,600	$1,153.0	6,343	$3.7	26,000	$1,700.0	$149.9

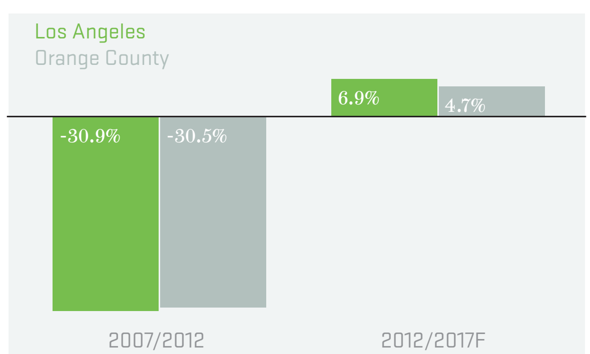
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Architecture and Interior Design Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Architecture and Interior Design Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

ART GALLERIES

Los Angeles is a world-class art city, attracting some of the biggest collectors from around the globe. From "art neighborhoods" to warehouse districts located in old industrial areas of downtown, Los Angeles is home to numerous galleries featuring contemporary and traditional fine art, paintings, glass art, sculpture, fine art photography and other types of visual art. While the presence of artists and art galleries enhances the quality of life for local residents, they are also a major draw for cultural tourists.

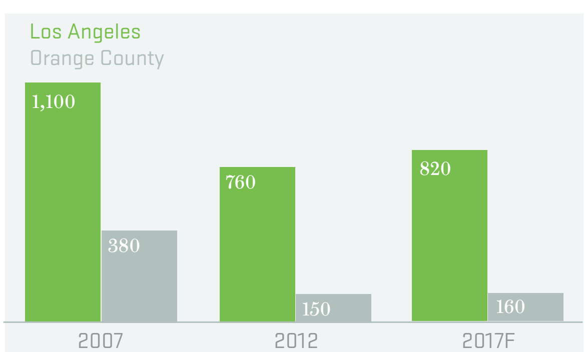
TABLE 10:
Economic Contribution of Art Galleries, 2012

Sources: California EDD, QCEW data, Bureau of the Census; indirect contribution estimated by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution Output ($millions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	209	760	$52.2	628	$84.8	1,000	$66.4	$8.7
Orange County	43	150	$4.8	196	12.7	180	6.2	1.2
Total	252	910	$57.0	824	$97.5	1,200	$100.0	$9.9

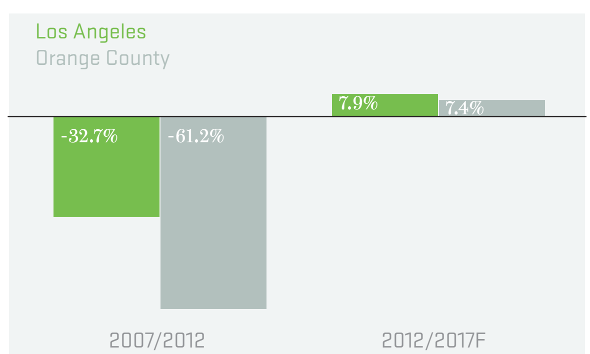
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Art Gallery Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Art Gallery Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

COMMUNICATION ARTS

Individuals working in the communication arts combine art and technology to communicate ideas through images. This diverse sector is dominated by advertising agencies and firms that specialize in graphic design, and includes commercial and portrait photographers.

Advertising firms employ creative staff to design the content and visual elements of client ad campaigns. Working with both text and images, advertising firms create visual concepts by hand or using computer software to communicate ideas that inspire, inform or captivate consumers. They help to make an organization recognizable by selecting colors, images or logo designs that represent a particular idea or identity.

Graphic arts designers are the next largest sector. Graphic designers create "visual solutions" to communications problems using both digital and print media. Graphic designers are involved in the production of magazines, newspapers, corporate reports and other publications. They also design packaging, brochures and logos for products and businesses. An increasing number of graphic designers are involved in developing material for the Internet, interactive media and multimedia projects. Within graphic design services, two of the fastest growing sub-sectors are website design and animation.

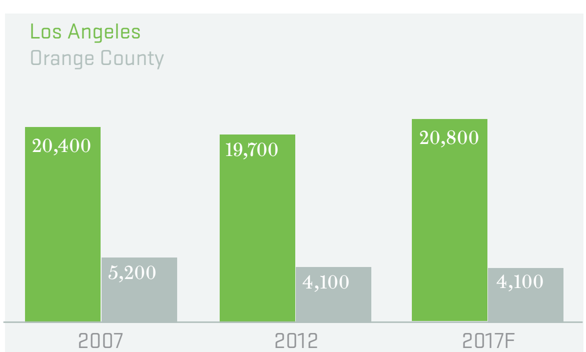
TABLE 11:
Economic Contribution of the Communication Arts Industry, 2012

Sources: California EDD, QCEW data, Bureau of the Census; indirect contribution estimated by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	2,058	19,700	$2,019.4	25,191	$5.4	33,800	$2,717.2	$274.3
Orange County	646	4,100	$277.0	7,916	0.9	6,100	381.3	43.9
Total	2,704	23,800	$2,296.4	33,107	$6.3	39,900	$3,100.0	$318.2

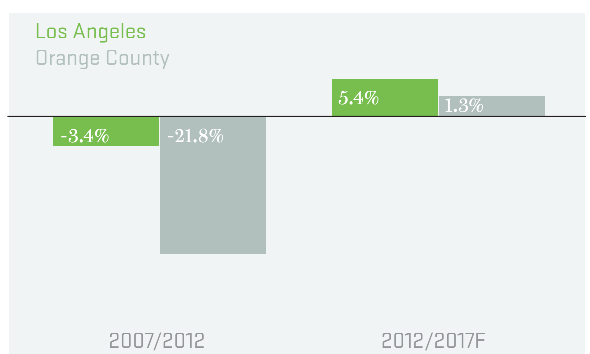
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Communication Arts Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Communication Arts Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

DIGITAL MEDIA

The prominence of the digital media industry in Southern California is closely related to the region's importance as the center of the nation's entertainment industry. The actual size of the digital media industry is difficult to calculate. There is still no precise definition of the industry, nor is there a way to cull digital media activity out of data on related sectors such as motion picture production, publishing or software design.

Digital media artists work in 3D/2D entertainment arts (games, animation, film), imaging (editorial, retail, comic, info-graphics), video and motion graphics (TV, web, film, corporate), and interactive media (web, mobile).

Individuals working in digital media may also be employed by architectural firms to create 3D images of building designs or in the fashion industry engaged in designing digital fabrics. Others work for advertising agencies and computer systems design firms and independent specialized design companies. Additionally, with the growth of digital media in entertainment, more and more digital artists are moving onto the payrolls of the film studios.

It is unfortunate that data for employment in the digital media industry are incomplete given its potential to impact all sectors of the creative economy. Beyond industry employment, a large number of software programmers are independent contractors who are not captured by traditional data sources. Many also work for firms in other industries. Software publishing is the industry that best fits this activity.

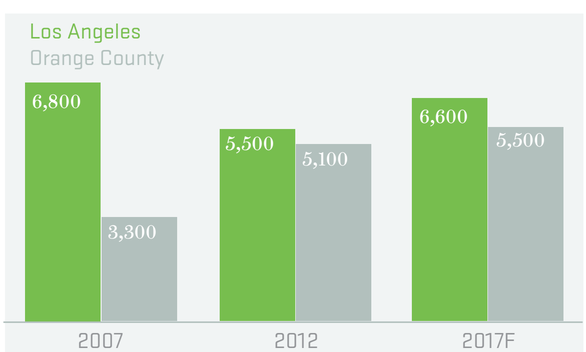
TABLE 12:
Economic Contribution of the Digital Media Industry, 2012

Sources: California EDD, QCEW data, Bureau of the Census; indirect contribution estimated by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	170	5,500	$688.8	na	$4.7	20,400	$1,426.3	$166.9
Orange County	114	5,100	$660.9	na	4.5	19,000	1,348.2	154.2
Total	284	10,600	$1,349.7	na	$9.2	39,400	$2,800.0	$321.1

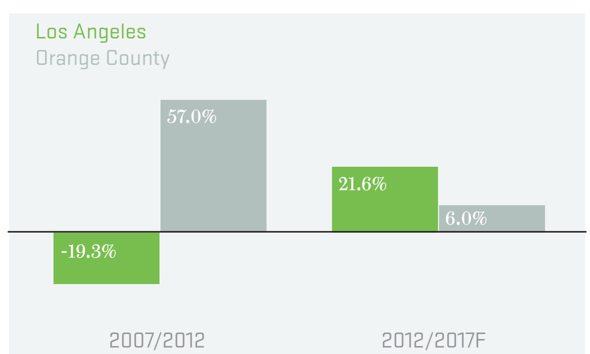
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Digital Media Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Digital Media Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

ENTERTAINMENT

The entertainment industry is a pillar of the Los Angeles economy with the motion picture and TV production sector at its core. The ripple effects of activity in the entertainment sector are wide ranging. When a movie is filmed, actors, costume designers and special effects creators are employed, but so are persons working in industries as dissimilar as food services, security, transportation, and floral design. Los Angeles' billing as entertainment capital of the world also draws millions of tourists. The entertainment industry is also a major source of export revenues for the region because of the royalties its films and TV shows earn overseas.

Several activities are included here: sound recording, motion picture and TV production, and cable TV broadcasting as well as radio stations. Musicians might be included here for recording film scores, but since many perform on the stage as well as in the studio, they are included as employers or nonemployer firms in the visual and performing arts sector.

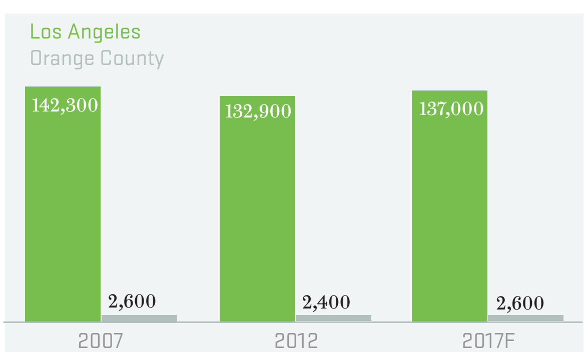
TABLE 13:
Economic Contribution of the Entertainment Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	5,763	132,900	$14,194.4	18,669	$60.9	256,600	$20,323.2	$2,826.4
Orange County	184	2,400	$72.4	1,365	0.4	2,000	116.4	19.6
Total	5,947	135,300	$14,266.8	20,034	$61.3	258,600	$20,400.0	$2,846.0

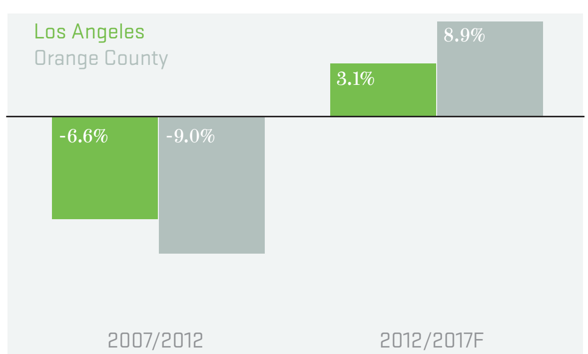
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Entertainment Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Entertainment Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

FASHION

Apparel design, manufacturing and wholesaling make a significant contribution to the Southern California economy, particularly in Los Angeles County. The fashion industry in Orange County is smaller, but is quite diverse. Los Angeles is the global capital for premium denim and casual cool, while Orange County is best known for women's sportswear and fashions inspired by the surf and skate culture of the region.
In addition to apparel, the region's fashion industry includes textiles and jewelry manufacturing as well as footwear, handbag and cosmetics production.

Southern California is one of the few places in the U.S. where apparel manufacturing remains and employs the largest number of apparel workers in the U.S. Although production of most apparel items has largely shifted to lower wage countries in Latin America and Asia, high-end apparel that requires strict quality control and specialized skills or processing tends to be manufactured locally.

Design-related activity also contributes to maintaining the apparel industry's presence in Southern California. The "Made in L.A." label has a strong appeal around the world. Fashion goes hand-in-hand with the entertainment industry and the region's energetic art scene. Designers are attracted to the creative freedom that abounds in Los Angeles. The proximity of designers to local manufacturers enables designers to check up on product and personally communicate with production managers.

The local industry also boasts "fast-fashion" apparel production – a term used to describe the production of clothing that reflects current fashion trends that go from the runway to store shelves in as little as four weeks.

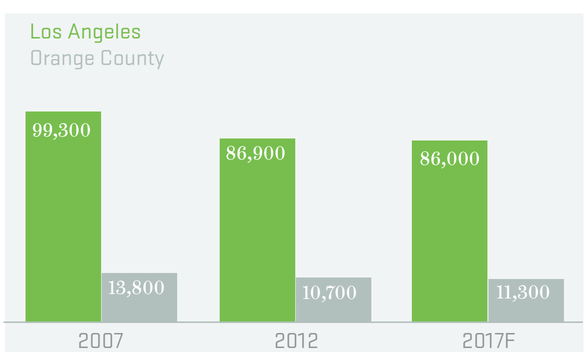
TABLE 14:
Economic Contribution of the Fashion Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	6,390	86,900	$3,547.9	6,493	$23.5	137,500	$6,287.2	$1,367.6
Orange County	662	10,700	$529.3	1,387	2.9	16,600	853.2	170.2
Total	7,052	97,600	$4,077.2	7,880	$26.4	154,100	$7,140.4	$1,537.8

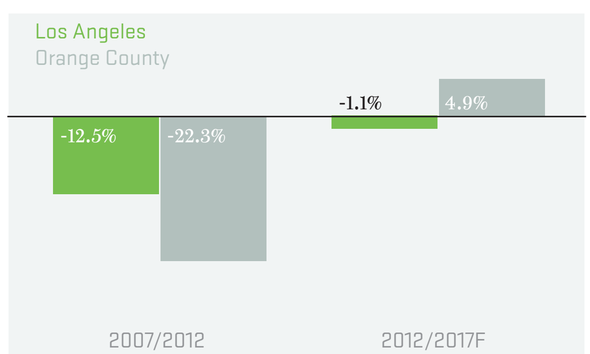
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Fashion Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Fashion Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

FURNITURE AND DECORATIVE ARTS

This industry group includes firms that manufacture, warehouse, import and export furniture, including the furniture "marts" such as the Pacific Design Center and the L.A. Mart. This sector also includes textile mills (e.g. sheets, towels and fabric window treatments), and china and pottery producers. Like apparel, these items are frequently designed locally, produced in Asia and shipped back to the U.S. for domestic distribution. The furniture marts have regular shows where manufacturers exhibit their products to wholesale buyers from around the nation.

Furniture and home furnishings is one of those sectors that exemplifies the tension between localization and globalization. While the region's manufacturers face growing competition from inexpensive labor overseas, local designers continue to produce innovative and beautiful furnishings. Southern California is also home to hundreds of small artisans who produce hand-crafted and one-of-a-kind pieces. Additionally, the region's universities and colleges offer a number of top-rated programs, and attract students from across the country.

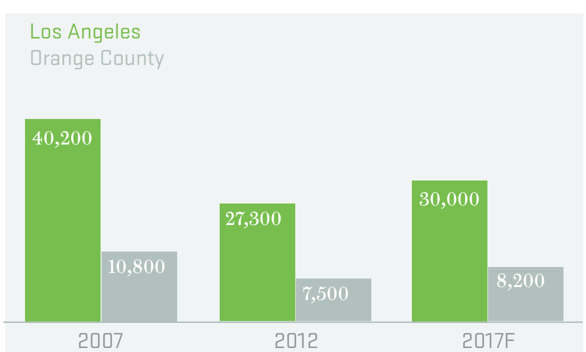
TABLE 15:
Economic Contribution of the Furniture and Decorative Arts Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	1,578	27,300	$1,146.4	1,602	$7.2	40,500	$1,849.4	$388.3
Orange County	476	7,500	$352.8	479	2.1	11,100	545.7	92.7
Total	2,054	34,800	$1,499.2	2,081	$9.3	51,600	$2,400.0	$481.0

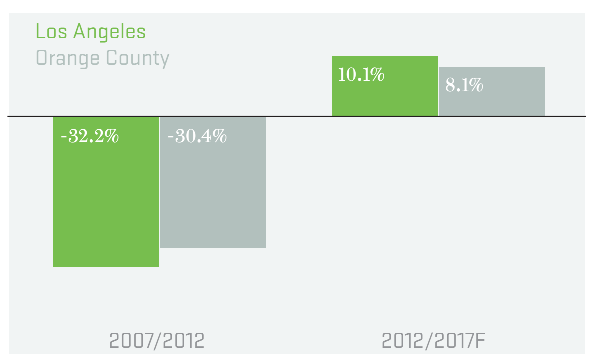
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Furniture and Decorative Arts Industry Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Furniture and Decorative Arts Industry Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

INDUSTRY SNAPSHOTS

PRODUCT AND INDUSTRIAL DESIGN

Industrial designers develop the concepts for manufactured products, such as cars, home appliances, and mobile devices. They combine art, business, and engineering skills to make products that people use every day. A product designer focuses on the user experience in creating style and function for a particular object. Most specialize in a particular product category such as medical equipment or consumer electronics. Other product designers may develop ideas for furniture, snowboards or lifestyle accessories.

Producers of consumer products can no longer expect to catch the attention of the public with a product that is reasonably priced and merely functional. It must also be designed to be beautiful, unique and meaningful. This is perhaps best exemplified by the success Target has had in setting itself apart from other discount retailers by partnering with well-known designers to produce products that incorporate this design imperative.

Many product and industrial designers are direct employees of companies that produce and sell a wide variety of products. The data in this report capture those working in creative industries like apparel or furniture manufacturing but do not include individuals working in other industries (e.g. aerospace or custom fabricated metal products). The figures shown below reflect only specialized design firms that serve as outside contractors or independent consultants to manufacturers and construction firms. Though it is difficult to quantify, the real design base in the region is larger than shown.

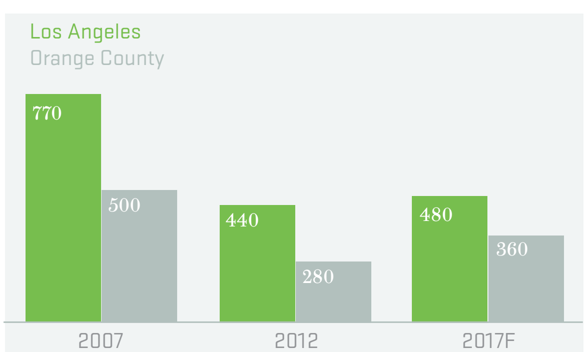
TABLE 16:
Economic Contribution of the Product/Industrial Design Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

					Total (Direct, Indirect, Induced) Contribution			
Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Output ($millions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	101	440	$27.5	na	$92.2	700	$39.0	$4.7
Orange County	47	280	$28.7	na	61.5	460	37.8	3.8
Total	148	720	$56.2	na	$153.7	1,200	$100.0	$8.5

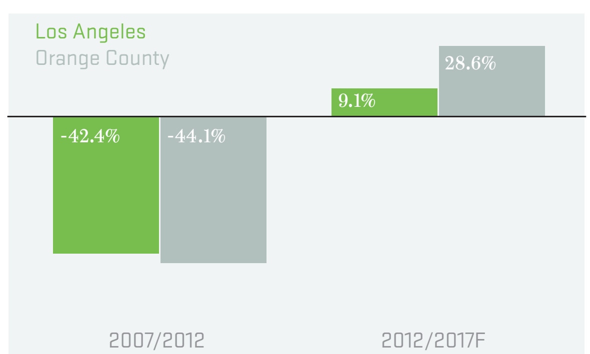
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Product and Industrial Design Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Product and Industrial Design Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

PUBLISHING & PRINTING

The traditional publishing and printing sector encompasses two distinct functions. Publishers produce and disseminate literature or information through books, newspapers and periodicals, directory and mailing lists, greeting cards and other materials. Printers engage in printing text and images on paper, metal, glass, apparel and other materials. This sector also includes libraries and archives and internet publishing.

Although printing and publishing continue to be an important manufacturing industry in Southern California, it is a sector that has experienced large declines in the number of firms and workers employed in the industry over the last five years. Internet publishing has become a strong competitor to print media, and has shown a corresponding increase in activity. While the baby boomer generation may still prefer to read printed materials, younger generations are more apt to read information using electronic devices. Additionally, information technology has changed the business environment. Many processes that formerly required paper forms are now being done electronically.

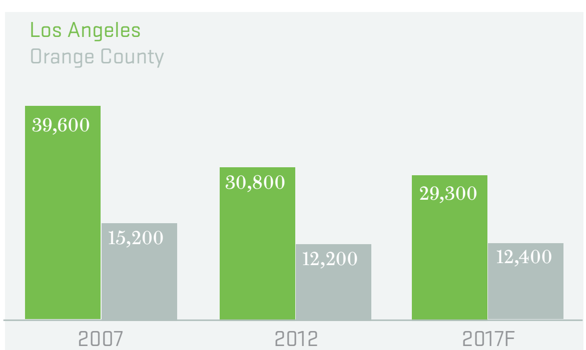
TABLE 17:
Economic Contribution of Publishing and Printing, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	1,915	30,800	$2,205.5	4,131	$9.0	54,200	$3,415.7	$345.3
Orange County	723	12,200	$645.3	1,495	3.1	19,500	1,044.4	108.8
Total	2,638	43,000	$2,850.8	5,626	$12.1	73,700	$4,500.0	$454.1

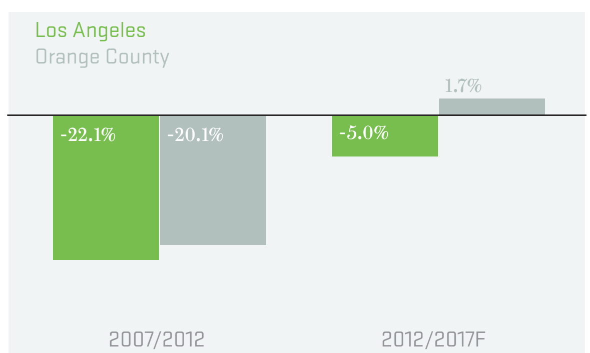
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Publishing and Printing Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Publishing and Printing Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

TOYS

The toy industry in the United States is very concentrated. The top 50 toy companies in the nation generate 75% of the industry's revenues. If one were to trace a route along the 405 freeway from Irvine to Van Nuys, one would find that eight of the world's largest toy companies are either headquartered or have offices within that narrow corridor.

While the job numbers are modest, Southern California is a major force in the toy industry, having introduced a number of "firsts" to toys around the world—including names like Barbie and Hot Wheels that have remained popular with generations of children. The company names include Mattel (the world's largest toy maker), Spinmaster, Jakks Pacific, Funrise, Mega Toys, Imperial Toys, and The Maya Group.

Much of the actual manufacturing of toys takes place in Asia, but most design and marketing functions have been retained in the Los Angeles Region because of the local creative talent pool and supportive training programs. Toy companies are also drawn by the region's extensive warehouse and distribution system.

The Southern California toy industry benefits from its close ties to the area's entertainment industry through licensing agreements with the major film studios. Approximately 30% of all toys sold in the U.S. are licensed. Hollywood and the entertainment industry also help to draw design talent to the region. In addition to the entertainment industry, local design talent also draws inspiration from the fashion industry, textiles, food and music.

4
Toy Industry Association, Observations on Toys and Trends (August 2013)

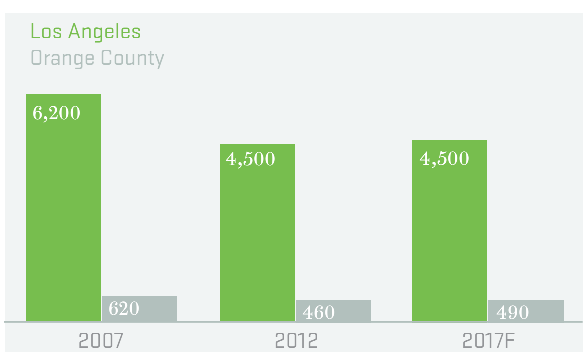
TABLE 18:
Economic Contribution of the Toy Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	238	4,500	$492.2	398	$1.9	8,200	$685.2	$140.9
Orange County	42	460	$35.5	113	0.1	740	50.7	14.1
Total	280	4,960	$527.7	511	$2.0	8,900	$700.0	$155.0

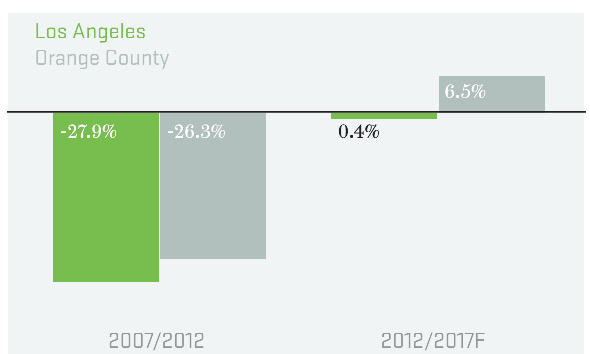
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Toy Industry Job Growth
NUMBER OF JOBS



Source: California EDD, ES202 data; forecasts by LAEDC

Toy Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

VISUAL AND PERFORMING ARTS

The Los Angeles Region is home to an impressive number of internationally renowned arts institutions—world-class symphonies, opera and ballet companies and theater troupes, many of which are housed in concert halls and theaters that are works of art in their own right.

Activities in this group include theater and dance companies, musical groups, other performing arts companies and museums, as well as independent artists, writers, entertainers and their agents and managers. Many of these firms are non-profit organizations.

Surveys of people's attitudes toward the performing arts have shown that the arts are viewed as improving the quality of life in a neighborhood or city, and are a source of community pride.[5] People who visit museums and attend dance, music or theatrical performances say the arts promote understanding of other people, help to preserve and share cultural heritage, and contribute to lifelong learning in adults, and contribute to the education and development of children. Significantly, even people who do not attend performing arts exhibitions share this view.

There is no question that visual and performing arts make communities more desirable places to live. From an economic development standpoint, quality of life is critical to attracting an educated and productive workforce. In today's global economy, the cities and regions that attract and retain talent are the regions that will grow and prosper.

5
The Value of Performing Arts in Five Communities 2; Urban Institutes (January 2004)

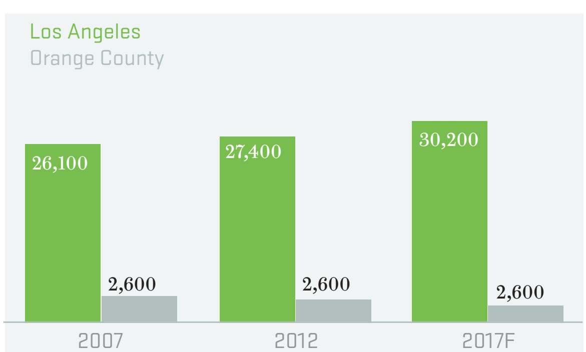
TABLE 19:
Economic Contribution of the Visual and Performing Arts Industry, 2012

Source: California EDD LMID, QCEW data; forecasts by LAEDC

Area	Establishments	Jobs	Labor Income ($millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution Output ($billions)	Jobs	Labor Income ($millions)	Taxes[1] ($millions)
Los Angeles County	7,984	27,400	$5,646.2	70,714	$8.4	59,600	$7,254.9	$585.5
Orange County	298	2,600	$97.6	8,527	0.3	3,500	144.6	18.1
Total	8,282	30,000	$5,743.8	79,241	$8.7	63,100	$7,400.0	$603.6

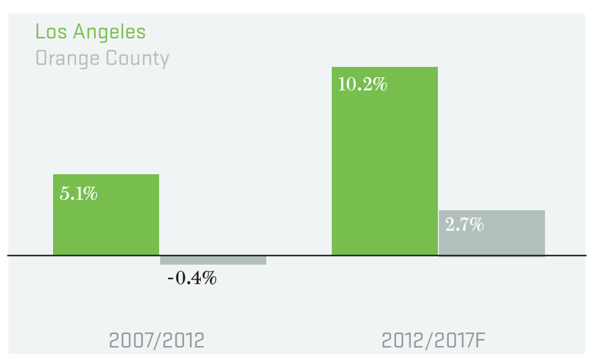
[1]Property, state and local personal income taxes, and sales taxes generated by earnings and spending of the direct and indirect workers

Visual and Performing Arts Industry Job Growth
NUMBER OF JOBS



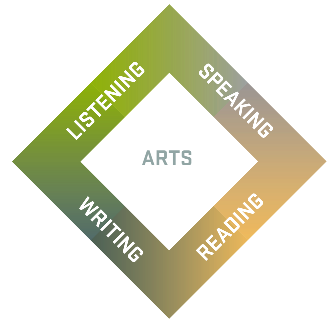
Source: California EDD, ES202 data; forecasts by LAEDC

Visual and Performing Arts Industry Job Growth
PERCENT CHANGE



Source: California EDD, ES202 data; forecasts by LAEDC

ARTS EDUCATION: K-12 AND POST-SECONDARY



Learning is the acquisition of new knowledge and behaviors. High school students are expected to graduate with certain skills that include listening, speaking, reading and writing; essentially the ability to communicate the knowledge they have acquired and to continue on a path of lifelong learning. With the introduction of the Common Core State Standards (CCSS), students are expected to show progressive development in these skills beginning in kindergarten. What the CCSS do not provide is a mandatory curriculum—content decisions are made locally. The intent of the CCSS is to ensure that high school students graduate college or career-ready.

Education in the arts is a necessary part of preparing students to meet the demands of the 21st century workforce where young people compete in a global labor market. Much attention is paid to STEM (science, technology, engineering and mathematics) courses and the need to educate students in these subjects (especially girls). There is concern that too few STEM-educated students are entering the workforce at sufficient performance levels to meet labor market demand. One way to encourage more young people to pursue STEM-related studies is to add the arts to STEM, creating STEAM.

Arts education fosters creativity, critical thinking, problem solving and collaboration. Viewed in this context, creativity has become as important as the "three Rs" in modern education. Nearly everyone has one art form with which they have an affinity, and can use to make sense of the world. Technological innovation is moving ahead so rapidly that functional capabilities have become less important to employers than the ability of employees to reinvent and adapt themselves to a dynamic industry and economic environment. In other words workers need to be creative. It then follows that the arts i.e. creativity training, should be incorporated into California's workforce development strategy.

Globalization and technology have increased labor mobility and connectedness. Society and companies have entered a new era of openness. As a result, the workplace is evolving. More and more, tightly controlled and hierarchical organizations are giving way to environments defined by individual empowerment, transparency, communication and collaboration. In the new corporate ecosystem, the intangible skills that are fostered by study of the arts are moving to the forefront of the skills employers are seeking in job applicants.

Alternately, while no one questions the necessity of mastering language, math and science skills, a singular focus on these subjects ignores the needs of students whose talents run in a different direction. Marginalizing the arts risks these young people becoming frustrated and dropping out of school altogether. When this happens, young students may never grow to realize their potential. Society also loses out.

There is a large body of research that has shown that arts education engages students in learning. When students are engaged, truancy and dropout rates decline.[6] Student involvement in the arts is linked to higher academic performance, increased standardized test scores, and greater involvement in community service. Studies have demonstrated that students who attend schools where the arts are integrated into the classroom curriculum outperform their peers in math and reading who did not have an arts integrated curriculum.

Arts Education at the K-12 level is obviously very important for both social and economic reasons. The California Department of Education tracks student enrollment, number of classes, average class size, and the number of teachers by subject area.[7] This allows for the analysis of student participation in arts-related classes at the K-12 level.

In Los Angeles County, K-12 student enrollment in arts classes during the 2011-12 academic year (AY) was down by 2.3% compared with 2010-11 AY but total K-12 enrollment was down over the year as well (by 3.7%). Since peaking in 2003, Los Angeles County's child population has declined by 13.6% (2013), while the population of school age children has fallen by 15.7%.[8] The number of arts teachers employed (full-time equivalent) in arts education dropped by 10.5% over the year while the total number of teachers fell by 7.8%.

6
The high school dropout rate in Los Angeles is 16.5% and in Orange County it is 9.5% (2011); www.kidsdata.org

7
Measured as Full Time Equivalent (FTE). A full-time equivalent measure is a way of equating the number of full- and part-time employees. A full-time employee counts as one FTE; two part-time employees who each work half-time are also equal to one FTE.

8
According to the California Department of Finance, over the next 10 years, K-12 enrollment in California will grow by 1.4% (87,000 students). Birth projections indicate a decline, contributing to lower elementary enrollment and reduced growth for future total enrollment. Secondary enrollment is projected to decrease through 2014-15 followed by almost no change for two years and then moderate increases through 2021-22.

The share of students taking arts classes relative to the entire student population has been trending upward—ranging from 7.0% 2005-2006 AY, to 7.6% in 2011-2012 AY. While total figures show slightly higher male enrollment, girls were more likely than boys to be enrolled in an arts-related class with a share of 8.1% compared with 7.1% for boys during the 2011-12 AY.

In Orange County, K-12 student enrollment in arts classes during the 2011-12 academic year (AY) was up by 1.8% compared with 2010-11 AY even though total K-12 enrollment was down over the year by 2.1%. In Orange County, the child population peaked in 2004 and has since fallen by 8.5% (2013). The population of school age children declined by 7.9% during that same period.

The number of arts teachers employed (full-time equivalent) in arts education edged up slightly (0.5%), while the total number of teachers increased by 15.7%.

The share of students taking arts classes relative to the entire student population was 8.1%. Similar to Los Angeles County, although males made up a greater share of the student population in Orange County, the ratio of girls enrolled in an arts course was 8.9% compared with 7.3% for males.

Southern California is fortunate in the richness and caliber of higher education programs available in the arts. The number of persons employed in post-secondary arts education is difficult to pin down. Individuals who work at fine and performing arts schools are reported in the EDD employment data (NAICS #61151). However, arts educators at colleges and universities and technical schools that offer degree programs in the visual and performing arts are not separated in the employment data.

STATISTICAL APPENDIX

NOTES ON METHODOLOGY & DATA

In 2007, Otis College of Art and Design commissioned the LAEDC to undertake the first comprehensive analysis of the creative economy in the Los Angeles Region and evaluate its contribution to the overall regional economy. The Otis Report on the Creative Economy of the Los Angeles Region has been produced every year since then.

In this report, Otis and the LAEDC use the same data sources as before, but the research methodology was changed in three ways. The first two changes involve changes in the definition of the creative economy. First, additional sub-sectors within the creative industries were added to the existing creative industries. Second, a new sector was added: publishing and printing. Both of these changes better align the creative industry definitions used in this research with the definitions that are increasingly being adopted elsewhere in the literature.

The creative sectors or industries in this report encompass the following eleven areas:

- Architecture and interior design
- Art galleries
- Arts education
- Communications arts
- Digital media
- Entertainment
- Fashion
- Furniture and home furnishings
- Product and industrial design
- Publishing and printing
- Toys
- Visual and performing arts

The data collected for this report includes employment, the number of establishments, payroll activity, and other measures for all the creative economy's component sectors in California, which come from the following sources:

U.S. Bureau of the Census
U.S. Bureau of Labor Statistics
California Employment Development Department
California Department of Education
Internal Revenue Service

Much of the industry-level information in this report comes directly from the California Employment Development Department's Quarterly Census of Employment and Wages (QCEW) series. These data are based on unemployment tax payments that all firms with employees are required to make into the state unemployment insurance fund. Because the coverage is so comprehensive, this source is the best available for employment and wage information.

The third change relates to data used in the contribution analysis component of this study. As in recent years, the IMPLAN model was used to assess the economic contribution of the creative industries to the overall economy. In conceptual terms, economic contribution analysis evaluates the ripple effect of a specific economic activity throughout the rest of the economy. Contribution analysis captures the direct impact as well as the indirect and induced impacts of that activity on employment, output, and taxes.[9]

However, in a departure from past years, this year's contribution analysis uses employment and payroll data from the QCEW, rather than estimated sales, shipments, and revenues that were based on data from the Economic Census. The decision to make this change in 2013 was based on several considerations. First, the latest Economic Census was conducted in 2007 but the analysis year for this report is 2012. The previous methodology would have used estimates of sales, shipments, and revenues for the analysis year that were based on information that is both five years old, and dates from before the Great Recession. By contrast, the current methodology uses actual – not estimated – employment data for the analysis year (2012), which should more accurately reflect activity in the creative economy for that year.

Second, it was important in the past to maintain the same methodology from one year to the next to ensure that results would be compatible across the study years. However, changes to this year's industry definitions will make this year's results non-comparable to past studies *a priori,* making this year an opportune time to alter the methodology.

9
Direct employees are the people working in the industry. Indirect employees work for firms in the supplier industries. Induced employment results from household spending that stems from increases in direct and indirect employment.

Because the definitions used in this study have been expanded and because the methodology has been altered from previous years, the figures contained in this report are not directly comparable to past studies conducted by OTIS and the LAEDC.

Readers who are familiar with the Otis Report on the Creative Economy of the Los Angeles Region may note the addition of several new NAICS codes to this report and a new industry sector. The decision to expand the definition of the creative economy was made based on the latest research on the creative economy. As yet, there is no universal definition of the "creative economy." Drawing from the latest research on this topic, the LAEDC broadened its definition to more completely encompass all the industries that make up the creative economy of California. Please see sources at the end of this appendix for reference material.

The expanded definition of the creative economy incorporates NAICS codes:

ARCHITECTURE AND INTERIOR DESIGN:

541340	Drafting Services
332323	Ornamental & Architectural Metal Work Mfg.

COMMUNICATION ARTS:

541921	Photography Studios, Portrait
541922	Commercial Photography

ENTERTAINMENT:

515112	Radio Stations
515120	Television Broadcasting

FURNITURE AND HOME FURNISHINGS:

327111	China Plumbing Fixtures, China, Earthenware
327112	Other China, Fine Earthenware & Pottery Mfg.
327212	Pressed & Blown Glass & Glassware Mfg.
327999	Other Misc. Nonmetallic Mineral Product Mfg.

PUBLISHING AND PRINTING:

323110	Commercial Lithographic Printing
323111	Commercial Gravure Printing
323112	Commercial Flexographic Printing
323113	Commercial Screen Printing
323115	Digital Printing
323117	Books Printing
323119	Other Commercial Printing
323121	Tradebinding and Related Work
323122	Prepress Services
424920	Book, Periodical, Newspaper Wholesalers
511110	Newspaper Publishers
511120	Periodical Publishers
511130	Book Publishers
511191	Greeting Card Publishers
511199	All Other Publishers
519120	Libraries and Archives
519130	Internet Publishing & Broadcasting

Note: Statistical information contained herein has been obtained from sources believed to be reliable but such accuracy cannot be guaranteed. The opinions expressed herein are subject to change without notice.

TABLE 20:
Economic Contribution of the Creative Industries, Los Angeles County 2012

Industry	Establishments	Jobs	Labor Income ($Millions)	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Total Jobs	Labor Income ($Millions)	Taxes* ($millions)
Architecture/Interior Design	2,029	10,100	$753.3	4,666	$2.5	17,000	$1,101.8	$98.9
Art Galleries	209	800	52.2	628	0.1	1,000	66.4	8.7
Communication Arts	2,058	19,700	2,019.4	25,191	5.4	33,700	2,717.2	274.3
Digital Media	170	5,500	688.8	N/A	4.7	20,400	1,426.3	166.9
Entertainment	5,763	132,900	14,194.4	18,669	60.9	256,600	20,323.2	2,826.4
Fashion	6,390	86,900	3,547.9	6,493	23.5	137,500	6,287.2	1,367.6
Furniture/Decorative Arts	1,578	27,300	1,146.4	1,602	7.2	40,500	1,849.4	388.3
Product/Industrial Design	101	400	27.5	N/A	0.1	700	39.0	4.7
Publishing and Printing	1,915	30,800	2,205.5	4,131	9.0	54,200	3,415.7	345.3
Toys	238	4,500	492.2	398	1.9	8,200	685.2	140.9
Visual and Performing Arts	7,984	27,400	5,646.2	70,714	8.4	59,600	7,254.9	585.5
Arts Education	401	5,300	120.5	N/A	0.5	6,800	256.9	26.8
Total	**28,836**	**351,500**	**$30,894.3**	**132,492**	**$124.2**	**636,300**	**$45,423.2**	**$6,234.3**

Source: California EDD, QCEW data; Bureau of the Census; indirect contributions estimated by LAEDC

* Property, state and local personal income taxes and sales taxes generated by earnings and spending of the direct and indirect workers. Details may not add to totals due to rounding.

TABLE 21:
Economic Contribution of the Creative Industries, Orange County 2012

Industry	Establishments	Jobs	Labor Income	Nonemployer Estab. (2011)	Total (Direct, Indirect, Induced) Contribution: Output ($billions)	Total Jobs	Labor Income	Taxes* ($millions)
Architecture/Interior Design	709	5,500	$399.7	1,677	$1.2	9,000	$579.7	$51.0
Art Galleries	43	100	$4.8	196	0.0	180	6.2	1.2
Communication Arts	646	4,100	$277.0	7,916	0.9	6,100	381.3	43.9
Digital Media	114	5,100	$660.9	N/A	4.5	19,000	1,348.2	154.2
Entertainment	184	2,400	$72.4	1,365	0.4	2,000	116.4	19.6
Fashion	662	10,700	$529.3	1,387	2.9	16,600	853.2	170.2
Furniture/Decorative Arts	476	7,500	$352.8	479	2.1	11,100	545.7	92.7
Product/Industrial Design	47	300	$28.7	N/A	0.1	460	37.8	3.8
Publishing and Printing	723	12,200	$645.3	1,495	3.1	19,500	1,044.4	108.8
Toys	42	500	$35.5	113	0.1	740	50.7	14.1
Visual and Performing Arts	298	2,600	$97.6	8,527	0.3	3,500	144.6	18.4
Arts Education	126	1,600	$18.4	N/A	0.1	1,900	47.0	6.1
Total	**4,070**	**52,500**	**$3,122.4**	**23,155**	**$15.8**	**90,000**	**$5,155.4**	**$683.8**

Source: California EDD, QCEW data; Bureau of the Census; indirect contributions estimated by LAEDC

* Property, state and local personal income taxes and sales taxes generated by earnings and spending of the direct and indirect workers. Details may not add to totals due to rounding.

TABLE 22:
Creative Industries Employment,
Los Angeles County, 2007 versus 2012

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Architecture and Interior Design:		**14.6**	**10.1**	**-4.5**	**-30.9%**
Architectural Services	54131	8.9	6.5	-2.4	-27.0%
Landscape Design	54132	1.5	0.8	-0.7	-47.0%
Drafting Services	541340	0.3	0.3	-0.1	-24.8%
Interior Design	54141	2.4	1.6	-0.8	-33.2%
Ornamental & Architectural Metal Work Mfg.	332323	1.5	0.9	-0.5	-35.9%
Art Galleries	45392	**1.1**	**0.8**	**-0.4**	**-32.7%**
Communication Arts:		**20.4**	**19.7**	**-0.7**	**-3.4%**
Graphic Design	54143	5.6	4.4	-1.2	-21.1%
Advertising Agencies	54181	12.1	13.1	1.0	7.9%
Photography Studios, Portrait	541921	2.1	1.7	-0.4	-18.5%
Commercial Photography	541922	0.6	0.5	-0.1	-12.0%
Digital Media:		**6.8**	**5.5**	**-1.3**	**-19.3%**
Software Publishers	5112	6.8	5.5	-1.3	-19.3%
Entertainment:		**142.3**	**132.9**	**-9.4**	**-6.6%**
Motion Picture/Video Production	51211	108.4	100.5	-7.8	-7.2%
Motion Picture Distribution	51212	2.1	1.8	-0.3	-13.2%
Post Production Services	51219	8.5	9.1	0.5	6.2%
Sound Recording	5122	5.1	3.3	-1.8	-36.0%
Radio Stations	515112	2.1	2.5	0.4	16.4%
Television Broadcasting	515120	8.9	10.6	1.7	19.2%
Cable Broadcasting	5152	7.1	5.1	-2.0	-28.3%
Fashion:		**99.3**	**86.9**	**-12.4**	**-12.5%**
Textile Mills Manufacturing	313	9.5	6.7	-2.8	-29.3%
Apparel Manufacturing	315	56.5	45.6	-10.9	-19.3%
Apparel Wholesaling	4243	19.7	22.1	2.4	12.4%
Footwear Manufacturing	3162	0.8	0.6	-0.2	-20.7%
Footwear Wholesaling	42434	3.0	2.7	-0.3	-10.6%
Women's Handbag Manufacturing	316992	0.0	0.0	0.0	2.1%
Cosmetics Manufacturing	32562	4.9	4.5	-0.4	-8.5%
Jewelry Manufacturing	33991	1.9	1.6	-0.3	-15.9%
Jewelry Wholesaling	42394	4.5	4.2	-0.3	-6.9%
Other Specialized Design Svc	54149	1.4	1.4	0.0	1.6%
Furniture and Decorative Arts:		**40.2**	**27.3**	**-13.0**	**-32.2%**
Textile Product Mills	314	6.1	4.0	-2.1	-34.1%
Furniture Manufacturing	337	21.2	13.1	-8.1	-38.2%
Furniture Wholesaling	4232	9.3	7.6	-1.7	-18.1%
Electric Lighting Fixtures	33512	3.0	2.1	-0.8	-27.9%
China Plumbing Fixtures, China, Earthenware Mfg.	327111	0.0	0.0	0.0	----
Other China, Fine Earthenware & Pottery Mfg.	327112	0.0	0.0	0.0	----
Pressed & Blown Glass & Glassware Mfg.	327212	0.2	0.1	-0.1	-37.4%
Other Misc. Nonmetallic Mineral Product Mfg.	327999	0.5	0.3	-0.2	-39.8%
Product/Industrial Design:	54142	**0.8**	**0.4**	**-0.3**	**-42.4%**

Continued on next page »

TABLE 22: Creative Industries Employment, Orange County, 2007 versus 2012 (Continued)

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Publishing and Printing:		**39.6**	**30.8**	**-8.8**	**-22.1%**
Commercial Lithographic Printing	323110	8.2	0.0	-8.2	----
Commercial Gravure Printing	323111	0.1	10.5	10.4	7407.1%
Commercial Flexographic Printing	323112	0.7	0.0	-0.7	----
Commercial Screen Printing	323113	3.6	2.9	-0.7	-20.0%
Digital Printing	323115	0.7	0.0	-0.7	----
Books Printing	323117	1.0	0.2	-0.8	-77.1%
Other Commercial Printing	323119	2.8	0.0	-2.8	----
Tradebinding and Related Work	323121	1.0	0.0	-1.0	----
Prepress Services	323122	1.3	0.0	-1.3	----
Book, Periodical, Newspaper Wholesalers	424920	1.0	0.9	-0.1	-11.2%
Newspaper Publishers	511110	5.2	3.2	-2.0	-38.5%
Periodical Publishers	511120	6.2	3.9	-2.4	-37.9%
Book Publishers	511130	0.7	0.5	-0.1	-17.8%
Greeting Card Publishers	511191	0.1	0.0	-0.1	----
All Other Publishers	511199	0.5	0.0	-0.5	----
Libraries and Archives	519120	0.9	0.8	0.0	-4.3%
Internet Publishing & Broadcasting	519130	5.7	7.9	2.3	39.9%
Toys:		**6.2**	**4.5**	**-1.7**	**-27.9%**
Toy Manufacturing	33993	2.2	1.6	-0.6	-26.8%
Toy Wholesaling	42392	4.1	2.9	-1.2	-28.5%
Visual and Performing Arts Providers:		**26.1**	**27.4**	**1.3**	**5.1%**
Theater Companies	71111	1.5	2.1	0.6	42.1%
Dance Companies	71112	0.1	0.1	0.0	-16.5%
Musical Groups	71113	3.5	2.9	-0.6	-18.1%
Other Performing Arts Cos.	71119	0.1	0.2	0.0	43.0%
Agents & Managers of Artists, etc.	71141	6.3	7.3	0.9	15.0%
Independent Artists, Writers, etc.	71151	10.4	11.0	0.6	6.1%
Museums	71211	3.7	3.9	0.1	3.6%
Musical Instrument Manufacturing	339992	0.4	0.0	-0.4	-100.0%
Arts Education: K-12 and Post-Secondary		**5.1**	**5.3**	**0.2**	**3.5%**
K-12 Arts Education†	6111	1.9	1.8	-0.1	-5.1%
Fine and Performing Arts Schools	61161	3.2	3.5	0.3	8.8%
TOTAL		**402.4**	**351.5**	**-50.9**	**-12.7%**

Source: All other employment data California EDD, Labor Market Information Division, QCEW data

† California Dept. of Education

TABLE 23:
Creative Industries Employment, Orange County
2007 versus 2012

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Architecture and Interior Design:		**7.9**	**5.5**	**-2.4**	**-30.5%**
Architectural Services	54131	4.8	3.1	-1.6	-34.3%
Landscape Design	54132	1.5	1.0	-0.5	-34.3%
Drafting Services	541340	0.1	0.1	-0.1	-47.7%
Interior Design	54141	1.0	0.7	-0.3	-26.7%
Ornamental Architectural Metal Work Mfg.	332323	0.5	0.5	0.1	16.6%
Art Galleries	45392	**0.4**	**0.1**	-0.2	-61.2%
Communication Arts:		**5.2**	**4.1**	**-1.1**	**-21.8%**
Graphic Design	54143	1.5	0.9	-0.6	-41.5%
Advertising Agencies	54181	2.8	2.6	-0.2	-8.6%
Photography Studios, Portrait	541921	0.7	0.5	-0.2	-31.4%
Commercial Photography	541922	0.2	0.1	-0.1	-32.0%
Digital Media:		**3.3**	**5.1**	**1.9**	**57.0%**
Software Publishers	5112	3.3	5.1	1.9	57.0%
Entertainment:		**2.6**	**2.4**	**-0.2**	**-9.0%**
Motion Picture/Video Production	51211	0.6	0.7	0.1	12.8%
Motion Picture Distribution	51212	0.0	0.0	0.0	---
Post-Production Services	51219	0.1	0.1	0.0	-29.5%
Sound Recording	5122	0.2	0.1	-0.1	-43.0%
Radio Stations	515112	0.5	0.2	-0.3	-56.2%
Television Broadcasting	515120	0.0	0.0	0.0	---
Cable Broadcasting	5152	1.2	1.3	0.0	---
Fashion:		**13.8**	**10.7**	**-3.1**	**-22.3%**
Textile Mills Manufacturing	313	0.9	0.7	-0.1	-16.0%
Apparel Manufacturing	315	8.9	5.6	-3.3	-37.2%
Apparel Wholesaling	4243	2.9	3.0	0.1	5.0%
Footwear Manufacturing	3162	0.0	0.1	0.1	---
Footwear Wholesaling	42434	0.6	0.6	0.0	-4.1%
Cosmetics Manufacturing	32562	0.3	0.4	0.1	29.2%
Jewelry Manufacturing	33991	0.2	0.1	-0.1	-57.1%
Jewelry Wholesaling	42394	0.5	0.4	-0.1	-23.9%
Other Specialized Design Svc	54149	0.2	0.4	0.3	133.0%
Furniture & Decorative Arts:		**10.8**	**7.5**	**-3.3**	**-30.4%**
Textile Product Mills	314	1.9	1.3	-0.6	-30.0%
Furniture Manufacturing	337	5.6	3.8	-1.8	-32.2%
Furniture Wholesaling	4232	1.8	1.5	-0.3	-14.4%
Electric Lighting Fixtures	33512	1.4	0.9	-0.5	-36.1%
China Plumbing Fixtures, China Earthenware Mfg.	327111	0.0	0.0	0.0	---
Other China, Fine Earthenware & Pottery Mfg.	327112	0.0	0.0	0.0	---
Pressed & Blown Glass & Glassware Mfg.	327212	0.1	0.0	0.0	-64.7%
Other Misc. Nonmetallic Mineral Product Mfg.	327999	0.1	0.0	-0.1	-100.0%
Product/Industrial Design:	54142	**0.5**	**0.3**	**-0.2**	**-44.1%**

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TABLE 23:
Creative Industries Employment, Orange County 2007 versus 2012 (continued)

Creative Industry	NAICS Code	Avg. Number of Jobs (1,000s) 2007	2012	2007-2012 Change Number	Percent
Publishing and Printing:		**15.2**	**12.2**	**-3.1**	**-20.1%**
Commercial Lithographic Printing	323110	3.5	0.0	-3.5	---
Commercial Gravure Printing	323111	0.1	4.4	4.3	4933.3%
Commercial Flexographic Printing	323112	0.6	0.0	-0.6	---
Commercial Screen Printing	323113	2.7	3.1	0.4	15.4%
Digital Printing	323115	0.3	0.0	-0.3	---
Books Printing	323117	0.0	0.0	0.0	20.0%
Other Commercial Printing	323119	0.2	0.0	-0.2	---
Tradebinding and Related Work	323121	0.2	0.0	-0.2	---
Prepress Services	323122	0.6	0.0	-0.6	---
Book, Periodical, Newspaper Wholesalers	424920	0.3	0.2	-0.1	-33.9%
Newspaper Publishers	511110	2.5	1.3	-1.2	-47.4%
Periodical Publishers	511120	2.1	1.1	-1.0	-47.4%
Book Publishers	511130	1.1	0.4	-0.6	-59.3%
Greeting Card Publishers	511191	0.0	0.0	0.0	---
All Other Publishers	511199	0.0	0.0	0.0	---
Libraries and Archives	519120	0.1	0.0	0.0	-15.4%
Internet Publishing & Broadcasting	519130	1.0	1.6	0.6	56.6%
Toys:		**0.6**	**0.5**	**-0.2**	**-26.3%**
Toy Manufacturing	33993	0.1	0.1	0.0	-7.0%
Toy Wholesaling	42392	0.5	0.4	-0.2	-30.0%
Visual and Performing Arts Providers:		**2.6**	**2.6**	**0.0**	**-0.4%**
Theater Companies	71111	0.8	0.9	0.1	15.0%
Dance Companies	71112	0.0	0.1	0.1	---
Musical Groups	71113	0.2	0.2	-0.1	-25.5%
Other Performing Arts Cos.	71119	0.0	0.0	0.0	---
Agents & Managers of Artists, etc.	71141	0.1	0.0	0.0	-37.7%
Independent Artists, Writers, etc.	71151	0.9	0.8	-0.1	-15.3%
Museums	71211	0.3	0.4	0.1	25.5%
Musical Instrument Manufacturing	339992	0.2	0.2	0.0	-23.8%
Arts Education: K-12 and Post-Secondary:		**1.5**	**1.6**	**0.1**	**7.8%**
K-12 Arts Educators †	6111	0.7	0.7	0.0	0.3%
Fine and Performing Arts Schools	61161	0.8	0.9	0.1	14.0%
TOTAL		**64.3**	**52.5**	**-11.8**	**-18.4%**

Source: All other employment data California EDD, Labor Market Information Division, ES202 data

† California Dept. of Education
** Employment estimated by LAEDC

TABLE 24:
Los Angeles County Arts-Related Nonprofit Sector

NTEE Code	Description	Number of Organizations	Asset Amount ($1,000s)	Income Amount ($1,000s)	Form 990 Revenue Amount ($1,000s)
A01	Alliance/advocacy organizations	7	$ 1,188	$ 4,097	$ 4,097
A02	Management and technical assistance	4	---	$ 26	---
A03	Professional societies, associations	8	$ 383	$ 166	$ 136
A05	Research institutes and/or public policy analysis	2	$ 1,299	$ 106	$ 73
A11	Single organization support	34	$ 379,621	$ 129,643	$ 75,896
A12	Fund raising and/or fund distribution	32	$ 375,678	$ 15,122	$ 13,541
A19	Nonmonetary support N.E.C.*	8	$ 1,373	$ 2,936	$ 2,907
A20	Arts, cultural organizations - multipurpose	194	$ 148,714	$ 83,962	$ 34,360
A23	Cultural, ethnic awareness	278	$ 448,331	$ 118,479	$ 53,553
A25	Arts education	98	$ 244,171	$ 260,266	$ 182,521
A26	Arts council/agency	17	$ 14,865	$ 15,439	$ 12,594
A30	Media, communications organizations	35	$ 5,831	$ 9,210	$ 6,926
A31	Film, video	119	$ 83,945	$ 71,454	$ 68,227
A32	Television	18	$ 48,269	$ 30,098	$ 29,617
A33	Printing, publishing	40	$ 11,404	$ 8,904	$ 7,794
A34	Radio	11	$ 40,541	$ 29,617	$ 28,994
A40	Visual arts organizations	49	$ 7,779	$ 5,476	$ 4,315
A50	Museums, museum activities	63	$ 182,744	$ 41,912	$ 32,469
A51	Art museums	45	$ 1,925,950	$ 430,829	$ 131,217
A52	Children's museums	2	$ 48,135	$ 3,888	$ 3,542
A54	History museums	49	$ 876,535	$ 195,803	$ 105,739
A56	Natural history, natural science museums	4	$ 7,986	$ 1,261	$ 1,006
A57	Science and technology museums	9	$ 118,442	$ 57,897	$ 36,182
A60	Performing arts organizations	112	$ 20,532	$ 12,326	$ 11,716
A61	Performing arts centers	24	$ 87,270	$ 48,600	$ 47,772
A62	Dance	101	$ 5,602	$ 6,712	$ 6,240
A63	Ballet	15	$ 704	$ 4,071	$ 3,990
A65	Theater	269	$ 133,996	$ 113,373	$ 107,615
A68	Music	139	$ 11,739	$ 11,246	$ 9,726
A69	Symphony orchestras	36	$ 205,059	$ 133,434	$ 125,633
A6A	Opera	24	$ 54,547	$ 37,268	$ 36,223
A6B	Singing, choral	57	$ 4,810	$ 7,857	$ 7,323
A6C	Music groups, bands, ensembles	37	$ 1,088	$ 1,682	$ 1,621
A6E	Performing arts schools	24	$ 325,018	$ 147,070	$ 35,283
A70	Humanities organizations	65	$ 23,002	$ 21,077	$ 14,281
A80	Historical societies, related historical activities	112	$ 76,009	$ 24,632	$ 13,738
A84	Commemorative events	19	$ 7,447	$ 3,085	$ 955
A90	Arts service organizations and activities	11	$ 884	$ 813	$ 455
A99	Arts culture and humanities N.E.C.*	73	$ 23,600	$ 11,413	$ 6,690
		2244	**$ 5,954,492**	**$ 2,101,249**	**$ 1,264,967**

Source: IRS SOI Statistics

TABLE 25:
Orange County Arts-Related Nonprofit Sector

NTEE Code	Description	Number of Organizations	Asset Amount ($1,000s)	Income Amount ($1,000s)	Form 990 Revenue Amount ($1,000s)
A03	Professional societies, associations	1	$ 13	$ 11	$ 11
A11	Single organization support	9	1,572	662	481
A12	Fund raising and/or fund distribution	7	236	911	883
A20	Arts, cultural organizations - multipurpose	42	95,132	31,616	31,063
A23	Cultural, ethnic awareness	82	3,562	2,744	2,628
A25	Arts education	17	426	1,165	1,119
A26	Arts council/agency	5	648	783	694
A30	Media, communications organizations	8	16	90	90
A31	Film, video	8	1,220	1,473	1,473
A32	Television	6	20,959	14,421	14,148
A33	Printing, publishing	10	487	314	302
A40	Visual arts organizations	7	3,302	519	467
A50	Museums, museum activities	17	55,980	25,439	23,205
A51	Art museums	5	28,407	9,644	5,514
A52	Children's museums	3	8,248	3,558	3,497
A54	History museums	16	28,436	6,009	3,704
A57	Science and technology museums	1	---	---	---
A60	Performing arts organizations	24	1,481	1,412	1,376
A61	Performing arts centers	7	456,512	112,842	50,449
A62	Dance	21	293	777	720
A63	Ballet	12	8,223	5,339	2,946
A65	Theater	31	70,375	22,736	16,623
A68	Music	28	802	1,582	1,406
A69	Symphony orchestras	8	31,166	24,767	19,923
A6A	Opera	3	545	1,531	1,531
A6B	Singing, choral	28	3,495	5,327	4,376
A6C	Music groups, bands, ensembles	17	291	1,356	1,260
A6E	Performing arts schools	3	55	189	189
A70	Humanities organizations	18	20,811	11,008	10,863
A80	Historical societies, related historical activities	51	15,679	6,643	5,313
A84	Commemorative events	7	1,706	758	711
A90	Arts service organizations and activities	1	6	4	4
A99	Arts culture and humanities N.E.C.*	19	2,546	1,011	1,011
	Totals:	**522**	**$ 862,632**	**$ 296,638**	**$ 207,981**

Source: IRS SOI Statistics

TABLE 26:
Los Angeles County Employment by Creative Occupation, 2010

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Management Occupations:		**11,350**		
Advertising and Promotions Managers	11-2011	1,520	$108,607	Bachelor's Degree
Marketing Managers	11-2021	7,790	$124,236	Bachelor's Degree
Public Relations and Fundraising Managers	11-2031	2,040	$98,395	Bachelor's Degree
Business and Financial Operations Occupations:		**6,000**		
Agents and Business Managers of Artists, etc.	13-1011	6,000	$115,899	Bachelor's Degree
Computer and Mathematical Occupations:		**27,080**		
Software Developers, Applications	15-1132	13,880	$94,358	Bachelor's Degree
Software Developers, System Software	15-1133	13,200	$108,273	Bachelor's Degree
Architecture and Engineering Occupations:		**6,920**		
Architects, Except Landscape and Naval	17-1011	3,650	$85,436	Bachelor's Degree
Landscape Architects	17-1012	300	$69,845	Bachelor's Degree
Architectural and Civil Drafters	17-3011	2,970	$49,869	Associate Degree
Education, Training and Library Operations:		**17,410**		
Architecture Teachers, Postsecondary	25-1031	170	$80,426	Doctoral/Professional Degree
Anthropology and Archeology Teachers, Postsecondary	25-1061	200	$92,698	Doctoral/Professional Degree
Area, Ethnic and Cultural Studies Teachers, Postsecondary	25-1062	360	$77,426	Doctoral/Professional Degree
Library Science Teachers, Postsecondary	25-1082	100	$85,595	Doctoral/Professional Degree
Art, Drama and Music Teachers, Postsecondary	25-1121	5,300	$83,036	Doctoral/Professional Degree
Communications Teachers, Postsecondary	25-1122	1,140	$91,889	Doctoral/Professional Degree
English Language and Literature Teachers, Postsecondary	25-1123	2,020	$99,714	Doctoral/Professional Degree
Foreign Language and Literature Teachers, Postsecondary	25-1124	1,520	$66,627	Doctoral/Professional Degree
History Teachers, Postsecondary	25-1125	520	$94,663	Doctoral/Professional Degree
Archivists	25-4011	na	na	---
Curators	25-4012	270	$67,860	Masters Degree
Museum Technicians and Conservators	25-4013	400	$47,104	Bachelor's Degree
Librarians	25-4021	2,560	$67,982	Masters Degree
Library Technicians	25-4031	2,420	$41,357	Post Secondary/Non-degree Award
Audio-Visual and Multimedia Collections Specialists	25-9011	430	$42,650	Bachelor's Degree
Art, Design, Entertainment and Media Occupations:		**148,470**		
Art Directors	27-1011	6,980	$105,802	Bachelor's Degree
Craft Artists	27-1012	660	$63,364	HS Diploma or Equivalent
Fine Artists, Including Painters, Sculptors and Illustrators	27-1013	6,770	$55,295	HS Diploma or Equivalent
Multimedia Artists and Animators	27-1014	11,990	$81,166	Bachelor's Degree
Artists and Related Workers, All Other	27-1019	580	$54,728	HS Diploma or Equivalent
Commercial and Industrial Designers	27-1021	1,690	$54,385	Bachelor's Degree
Fashion Designers	27-1022	3,840	$65,465	HS Diploma or Equivalent
Floral designers	27-1023	830	$28,828	HS Diploma or Equivalent
Graphic Designers	27-1024	13,130	$56,078	Bachelor's Degree
Interior Designers	27-1025	2,550	$58,826	Bachelor's Degree
Merchandise Displayers and Window Trimmers	27-1026	2,070	$31,954	HS Diploma or Equivalent
Set and Exhibit Designers	27-1027	1,660	$62,456	Bachelor's Degree
Designers, All Other	27-1029	1,060	$43,282	Bachelor's Degree
Actors	27-2011	na	na	---
Producers and Directors	27-2012	26,100	$121,461	Bachelor's Degree
Dancers	27-2031	na	na	HS Diploma or Equivalent
Choreographers	27-2032	na	na	HS Diploma or Equivalent
Music Directors and Composers	27-2041	1,170	$59,317	Bachelor's Degree
Musicians and Singers	27-2042	5,590	na	HS Diploma or Equivalent
Radio and Television Announcers	27-3011	na	na	Bachelor's Degree
Public Address System and other Announcers	27-3012	520	$21,675	HS Diploma or Equivalent
Broadcast News Analysts	27-3021	na		---
Reporters and Correspondents	27-3022	1,580	$41,261	Bachelor's Degree
Public Relations Specialists	27-3031	7,430	$63,572	Bachelor's Degree
Editors	27-3041	5,340	$56,142	Bachelor's Degree
Technical Writers	27-3042	1,170	$78,710	Bachelor's Degree
Writers and Authors	27-3043	11,400	$75,014	Bachelor's Degree
Media and Communication Workers, All Other	27-3099	8,050	$57,470	HS Diploma or Equivalent
Audio and Video Equipment Technicians	27-4011	4,050	$47,298	Post Secondary/Non-degree Award
Broadcast Technicians	27-4012	3,880	$44,631	Associate Degree
Radio Operators	27-4013	na	na	---

TABLE 26:
Los Angeles County Employment by Creative Occupation, 2010 (continued)

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Sound Engineering Technicians	27-4014	2,560	$69,167	Post Secondary/Non-degree Award
Photographers	27-4021	3,340	$45,015	HS Diploma or Equivalent
Camera Operators, Television, Video, and Motion Picture	27-4031	2,490	$51,664	Bachelor's Degree
Film and Video Editors	27-4032	7,240	$97,339	Bachelor's Degree
Media and Communication Equipment Workers, All Other	27-4099	2,750	$80,589	Bachelor's Degree
Personal Care and Service Occupations:		**1,100**		
Motion Picture Projectionists	39-3021	540	$26,202	Less than High School
Costume attendants	39-3092	na	na	HS Diploma or Equivalent
Makeup Artists, Theatrical and Performing	39-5091	560	$89,310	---
Sales and Related Occupations:		**4,790**		
Advertising Sales Agents	41-3011	4,790	$52,892	HS Diploma or Equivalent
Office and Administrative Support Occupations:		**3,740**		
Library Assistants, Clerical	43-4121	3,390	$24,712	HS Diploma or Equivalent
Desktop Publishers	43-9031	350	$40,240	Associate Degree
Installation, Maintenance and Repair Occupations:		**1,040**		
Electronic Home Entertainment Equip. Installers and Repairers	49-2097	720	$30,803	Post Secondary/Non-degree Award
Camera and Photographic Equipment Repairers	49-9061	320	$44,189	Associate Degree
Musical Instrument Repairers and Tuners	49-9063	na	na	---
Watch Repairers	49-9064	na	na	---
Production Occupations:		**12,740**		
Bindery Workers	51-5011	na	na	---
Bookbinders	51-5012	na	na	---
Sewers, Hand	51-6051	1,030	$26,705	Less than High School
Tailors, Dressmakers, and Custom Sewers	51-6052	2,780	$24,172	Less than High School
Fabric and Apparel Patternmakers	51-6092	1,980	$43,907	HS Diploma or Equivalent
Cabinetmakers and Bench Carpenters	51-7011	2,280	$27,403	HS Diploma or Equivalent
Jewelers and Precious Stone and Metal Workers	51-9071	1,770	$27,623	HS Diploma or Equivalent
Painting, Coating and Decorating Workers	51-9123	680	$23,283	HS Diploma or Equivalent
Photographic Process Workers	51-9151	1,880	$28,406	HS Diploma or Equivalent
Etchers and Engravers	51-9194	340	$27,723	HS Diploma or Equivalent
		240,640		

Source: California EDD LMID; U.S. Bureau of Labor Statistics Current Employment Statistics and QCEW industry employment and Employment Statistics data

Source:

1. Occupational employment projections include self-employed, unpaid family workers, private household workers, farm and nonfarm employment

2. "na" Information is not available

3. Occupations with employment below 100 in 2010 are excluded

TABLE 27:
Orange County Employment by Creative Occupation, 2010

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Management Occupations:		**4,570**		
Advertising and Promotions Managers	11-2011	550	$90,215	Bachelor's Degree
Marketing Managers	11-2021	3,550	$131,167	Bachelor's Degree
Public Relations and Fundraising Managers	11-2031	470	$103,549	Bachelor's Degree
Business and Financial Operations Occupations:		**---**		
Agents and Business Managers of Artists, etc.	13-1011	na	na	Bachelor's Degree
Computer and Mathematical Occupations:		**16,250**		
Software Developers, Applications	15-1132	8,050	$97,406	Bachelor's Degree
Software Developers, System Software	15-1133	8,200	$109,143	Bachelor's Degree
Architecture and Engineering Occupations:		**3,830**		
Architects, Except Landscape and Naval	17-1011	1,570	$80,117	Bachelor's Degree
Landscape Architects	17-1012	400	$65,161	Bachelor's Degree
Architectural and Civil Drafters	17-3011	1,860	$56,920	Associate Degree
Education, Training and Library Operations:		**3,550**		
Architecture Teachers, Postsecondary	25-1031	na	na	Doctoral/Professional Degree
Anthropology and Archeology Teachers, Postsecondary	25-1061	na	na	Doctoral/Professional Degree
Area, Ethnic and Cultural Studies Teachers, Postsecondary	25-1062	na	na	Doctoral/Professional Degree
Library Science Teachers, Postsecondary	25-1082	na	na	Doctoral/Professional Degree
Art, Drama and Music Teachers, Postsecondary	25-1121	920	$82,619	Doctoral/Professional Degree
Communications Teachers, Postsecondary	25-1122	180	$95,404	Doctoral/Professional Degree
English Language and Literature Teachers, Postsecondary	25-1123	620	$80,837	Doctoral/Professional Degree
Foreign Language and Literature Teachers, Postsecondary	25-1124	190	$105,650	Doctoral/Professional Degree
History Teachers, Postsecondary	25-1125	110	$90,338	Doctoral/Professional Degree
Archivists	25-4011	na	na	---
Curators	25-4012	na	na	Masters Degree
Museum Technicians and Conservators	25-4013	na	na	Bachelor's Degree
Librarians	25-4021	600	$70,180	Masters Degree
Library Technicians	25-4031	930	$42,686	Post Secondary/Non-degree Award
Audio-Visual and Multimedia Collections Specialists	25-9011	na	na	Bachelor's Degree
Art, Design, Entertainment and Media Occupations:		**24,370**		
Art Directors	27-1011	1,480	$81,991	Bachelor's Degree
Craft Artists	27-1012	na	na	HS Diploma or Equivalent
Fine Artists, Including Painters, Sculptors and Illustrators	27-1013	260	$56,016	HS Diploma or Equivalent
Multimedia Artists and Animators	27-1014	990	$66,864	Bachelor's Degree
Artists and Related Workers, All Other	27-1019	na	na	HS Diploma or Equivalent
Commercial and Industrial Designers	27-1021	480	$69,369	Bachelor's Degree
Fashion Designers	27-1022	800	$56,002	HS Diploma or Equivalent
Floral designers	27-1023	330	$21,569	HS Diploma or Equivalent
Graphic Designers	27-1024	4,060	$51,333	Bachelor's Degree
Interior Designers	27-1025	990	$61,651	Bachelor's Degree
Merchandise Displayers and Window Trimmers	27-1026	1,880	$26,190	HS Diploma or Equivalent
Set and Exhibit Designers	27-1027	210	$29,683	Bachelor's Degree
Designers, All Other	27-1029	220	$48,546	Bachelor's Degree
Actors	27-2011	680	na	Some College, No Degree
Producers and Directors	27-2012	880	$70,386	Bachelor's Degree
Dancers	27-2031	na	na	HS Diploma or Equivalent
Choreographers	27-2032	360	$28,153	HS Diploma or Equivalent
Music Directors and Composers	27-2041	360	$59,350	Bachelor's Degree
Musicians and Singers	27-2042	2,580	na	HS Diploma or Equivalent
Radio and Television Announcers	27-3011	na	na	Bachelor's Degree
Public Address System and other Announcers	27-3012	na	na	HS Diploma or Equivalent
Broadcast News Analysts	27-3021	na	na	---
Reporters and Correspondents	27-3022	290	$45,081	Bachelor's Degree
Public Relations Specialists	27-3031	1,870	$64,037	Bachelor's Degree
Editors	27-3041	700	$53,512	Bachelor's Degree
Technical Writers	27-3042	520	$63,308	Bachelor's Degree
Writers and Authors	27-3043	850	$61,873	Bachelor's Degree
Media and Communication Workers, All Other	27-3099	550	$43,893	HS Diploma or Equivalent
Audio and Video Equipment Technicians	27-4011	810	$56,836	Post Secondary/Non-degree Award
Broadcast Technicians	27-4012	130	$27,006	Associate Degree
Radio Operators	27-4013	na	na	---

TABLE 27:
Orange County Employment by Creative Occupation, 2010 (continued)

Occupational Title	SOC Code	Average Employment 2010	Median Annual Wage	Entry Level Education
Sound Engineering Technicians	27-4014	420	$59,821	Post Secondary/Non-degree Award
Photographers	27-4021	1,190	$32,724	HS Diploma or Equivalent
Camera Operators, Television, Video, and Motion Picture	27-4031	120	$49,486	Bachelor's Degree
Film and Video Editors	27-4032	240	$32,457	Bachelor's Degree
Media and Communication Equipment Workers, All Other	27-4099	120	$59,210	Bachelor's Degree
Personal Care and Service Occupations:		**---**		
Motion Picture Projectionists	39-3021	na	na	Less than High School
Costume attendants	39-3092	na	na	HS Diploma or Equivalent
Makeup Artists, Theatrical and Performing	39-5091	na	na	---
Sales and Related Occupations:		**1,930**		
Advertising Sales Agents	41-3011	1,930	$53,118	HS Diploma or Equivalent
Office and Administrative Support Occupations:		**860**		
Library Assistants, Clerical	43-4121	740	$34,534	HS Diploma or Equivalent
Desktop Publishers	43-9031	120	$44,951	Associate Degree
Installation, Maintenance and Repair Occupations:		**250**		
Electronic Home Entertainment Equip. Installers and Repairers	49-2097	250	$35,217	Post Secondary/Non-degree Award
Camera and Photographic Equipment Repairers	49-9061	na	na	Associate Degree
Musical Instrument Repairers and Tuners	49-9063	na	na	---
Watch Repairers	49-9064	na	na	---
Production Occupations:		**3,460**		
Bindery Workers	51-5011	na	na	---
Bookbinders	51-5012	na	na	---
Sewers, Hand	51-6051	410	$19,805	Less than High School
Tailors, Dressmakers, and Custom Sewers	51-6052	680	$41,440	Less than High School
Fabric and Apparel Patternmakers	51-6092	170	$48,952	HS Diploma or Equivalent
Cabinetmakers and Bench Carpenters	51-7011	800	$33,905	HS Diploma or Equivalent
Jewelers and Precious Stone and Metal Workers	51-9071	410	$36,541	HS Diploma or Equivalent
Painting, Coating and Decorating Workers	51-9123	230	$25,294	HS Diploma or Equivalent
Photographic Process Workers	51-9151	620	$29,698	HS Diploma or Equivalent
Etchers and Engravers	51-9194	140	$29,074	HS Diploma or Equivalent
		59,070		

Source: California EDD LMID; U.S. Bureau of Labor Statistics Current Employment Statistics and QCEW industry employment and Employment Statistics data

Notes:

1. Occupational employment projections include self-employed, unpaid family workers, private household workers, farm and nonfarm employment

2. "na" Information is not available

3. Occupations with employment below 100 in 2010 are excluded

TABLE 28:
Los Angeles-Orange County Shares of California Employment by Creative Occupation, 2010

Occupational Title	SOC Code	Average Employment 2010 California	LA County	Orange County	LA % of CA	OC % of CA
Management Occupations:		**43,400**	**11,350**	**4,570**	**26.2%**	**10.5%**
Advertising and Promotions Managers	11-2011	4,500	1,520	550	33.8%	12.2%
Marketing Managers	11-2021	32,200	7,790	3,550	24.2%	11.0%
Public Relations and Fundraising Managers	11-2031	6,700	2,040	470	30.4%	7.0%
Business and Financial Operations Occupations:		**7,300**	**6,000**	**0**	**82.2%**	**0.0%**
Agents and Business Managers of Artists, etc.	13-1011	7,300	6,000	0	82.2%	0.0%
Computer and Mathematical Occupations:		**164,200**	**27,080**	**16,250**	**16.5%**	**9.9%**
Software Developers, Applications	15-1132	88,700	13,880	8,050	15.6%	9.1%
Software Developers, System Software	15-1133	75,500	13,200	8,200	17.5%	10.9%
Architecture and Engineering Occupations:		**28,800**	**6,920**	**3,830**	**24.0%**	**13.3%**
Architects, Except Landscape and Naval	17-1011	12,900	3,650	1,570	28.3%	12.2%
Landscape Architects	17-1012	3,200	300	400	9.4%	12.5%
Architectural and Civil Drafters	17-3011	12,700	2,970	1,860	23.4%	14.6%
Education, Training and Library Operations:		**55,000**	**17,410**	**3,550**	**31.7%**	**6.5%**
Architecture Teachers, Postsecondary	25-1031	0	170	na	---	------
Anthropology and Archeology Teachers, Postsecondary	25-1061	0	200	na	---	------
Area, Ethnic and Cultural Studies Teachers, Postsecondary	25-1062	0	360	na	---	------
Library Science Teachers, Postsecondary	25-1082	0	100	na	---	------
Art, Drama and Music Teachers, Postsecondary	25-1121	13,400	5,300	920	39.6%	6.9%
Communications Teachers, Postsecondary	25-1122	3,300	1,140	180	34.5%	5.5%
English Language and Literature Teachers, Postsecondary	25-1123	8,000	2,020	620	25.3%	7.8%
Foreign Language and Literature Teachers, Postsecondary	25-1124	4,000	1,520	190	38.0%	4.8%
History Teachers, Postsecondary	25-1125	1,900	520	110	27.4%	5.8%
Archivists	25-4011	0	0	0	---	-----
Curators	25-4012	1,000	270	0	27.0%	0.0%
Museum Technicians and Conservators	25-4013	1,200	400	0	33.3%	0.0%
Librarians	25-4021	9,400	2,560	600	27.2%	6.4%
Library Technicians	25-4031	11,500	2,420	930	21.0%	8.1%
Audio-Visual and Multimedia Collections Specialists	25-9011	1,300	430	0	33.1%	0.0%
Art, Design, Entertainment and Media Occupations:		**320,200**	**148,470**	**24,370**	**46.4%**	**7.6%**
Art Directors	27-1011	14,400	6,980	1,480	48.5%	10.3%
Craft Artists	27-1012	1,200	660	na	55.0%	------
Fine Artists, Including Painters, Sculptors and Illustrators	27-1013	10,100	6,770	260	67.0%	2.6%
Multimedia Artists and Animators	27-1014	21,400	11,990	990	56.0%	4.6%
Artists and Related Workers, All Other	27-1019	1,600	580	na	36.3%	------
Commercial and Industrial Designers	27-1021	4,000	1,690	480	42.3%	12.0%
Fashion Designers	27-1022	6,400	3,840	800	60.0%	12.5%
Floral designers	27-1023	4,100	830	330	20.2%	8.0%
Graphic Designers	27-1024	37,300	13,130	4,060	35.2%	10.9%
Interior Designers	27-1025	8,400	2,550	990	30.4%	11.8%
Merchandise Displayers and Window Trimmers	27-1026	10,700	2,070	1,880	19.3%	17.6%
Set and Exhibit Designers	27-1027	3,700	1,660	210	44.9%	5.7%
Designers, All Other	27-1029	2,200	1,060	220	48.2%	10.0%
Actors	27-2011	0	0	680	---	-----
Producers and Directors	27-2012	33,500	26,100	880	77.9%	2.6%
Dancers	27-2031	2,200	0	0	0.0%	0.0%
Choreographers	27-2032	3,500	0	360	0.0%	10.3%
Music Directors and Composers	27-2041	6,800	1,170	360	17.2%	5.3%
Musicians and Singers	27-2042	18,400	5,590	2,580	30.4%	14.0%
Radio and Television Announcers	27-3011	3,800	0	0	0.0%	0.0%
Public Address System and other Announcers	27-3012	1,500	520	0	34.7%	0.0%
Broadcast News Analysts	27-3021	0	0	0	---	-----
Reporters and Correspondents	27-3022	4,600	1,580	290	34.3%	6.3%
Public Relations Specialists	27-3031	23,700	7,430	1,870	31.4%	7.9%
Editors	27-3041	13,500	5,340	700	39.6%	5.2%
Technical Writers	27-3042	6,400	1,170	520	18.3%	8.1%
Writers and Authors	27-3043	20,900	11,400	850	54.5%	4.1%
Media and Communication Workers, All Other	27-3099	10,800	8,050	550	74.5%	5.1%
Audio and Video Equipment Technicians	27-4011	8,800	4,050	810	46.0%	9.2%
Broadcast Technicians	27-4012	6,300	3,880	130	61.6%	2.1%
Radio Operators	27-4013	0	0	0	---	------

TABLE 28:
Los Angeles-Orange County Shares of California Employment by Creative Occupation, 2010 (continued)

Occupational Title	SOC Code	Average Employment 2010 California	LA County	Orange County	LA % of CA	OC % of CA
Sound Engineering Technicians	27-4014	4,200	2,560	420	61.0%	10.0%
Photographers	27-4021	12,800	3,340	1,190	26.1%	9.3%
Camera Operators, Television, Video, and Motion Picture	27-4031	3,800	2,490	120	65.5%	3.2%
Film and Video Editors	27-4032	9,200	7,240	240	78.7%	2.6%
Media and Communication Equipment Workers, All Other	27-4099	3,900	2,750	120	70.5%	3.1%
Personal Care and Service Occupations:		**3,000**	**1,100**	**0**	**36.7%**	**0.0%**
Motion Picture Projectionists	39-3021	1,500	540	0	36.0%	0.0%
Costume attendants	39-3092	1,500	0	0	0.0%	0.0%
Makeup Artists, Theatrical and Performing	39-5091	0	560	0	---	-----
Sales and Related Occupations:		**15,600**	**4,790**	**1,930**	**30.7%**	**12.4%**
Advertising Sales Agents	41-3011	15,600	4,790	1,930	30.7%	12.4%
Office and Administrative Support Occupations:		**12,200**	**3,740**	**860**	**30.7%**	**7.0%**
Library Assistants, Clerical	43-4121	10,500	3,390	740	32.3%	7.0%
Desktop Publishers	43-9031	1,700	350	120	20.6%	7.1%
Installation, Maintenance and Repair Occupations:		**3,100**	**1,040**	**250**	33.5%	**8.1%**
Electronic Home Entertainment Equip. Installers and Repairers	49-2097	3,100	720	250	23.2%	8.1%
Camera and Photographic Equipment Repairers	49-9061	0	320	0	---	-----
Musical Instrument Repairers and Tuners	49-9063	0	0	0	---	-----
Watch Repairers	49-9064	0	0	0	---	-----
Production Occupations:		**33,700**	**12,740**	**3,460**	**37.8%**	**10.3%**
Bindery Workers	51-5011	0	0	0	---	-----
Bookbinders	51-5012	0	0	0	---	-----
Sewers, Hand	51-6051	1,900	1,030	410	54.2%	21.6%
Tailors, Dressmakers, and Custom Sewers	51-6052	6,500	2,780	680	42.8%	10.5%
Fabric and Apparel Patternmakers	51-6092	2,400	1,980	170	82.5%	7.1%
Cabinetmakers and Bench Carpenters	51-7011	9,600	2,280	800	23.8%	8.3%
Jewelers and Precious Stone and Metal Workers	51-9071	4,200	1,770	410	42.1%	9.8%
Painting, Coating and Decorating Workers	51-9123	1,500	680	230	45.3%	15.3%
Photographic Process Workers	51-9151	6,500	1,880	620	28.9%	9.5%
Etchers and Engravers	51-9194	1,100	340	140	30.9%	12.7%
		674,300	**240,640**	**59,070**	**35.7%**	**8.8%**

Source: California EDD LMID; U.S. Bureau of Labor Statistics Current Employment Statistics and QCEW industry employment and Employment Statistics data

Notes:

1. Occupational employment projections include self-employed, unpaid family workers, private household workers, farm and nonfarm employment

2. "na" Information is not available

3. Occupations with employment below 100 in 2010 are excluded

TABLE 29:
Los Angeles County K-12 Arts Education Demographics

Year	Course	Total Course Enrollment	Male Enrollment	Female Enrollment	# of Classes	# UC/CSU Classes	# FTE Teachers	Avg. Class Size
2005-2006	Arts Education	316,962	152,192	164,770	9,839	5,206	1,941	32
	Total Enrollment	4,542,704	2,296,297	2,246,407	147,192	61,434	28,937	31
Arts Education as % of Total		**7.0%**	**6.6%**	**7.3%**	**6.7%**	**8.5%**	**6.7%**	**---**
2006-2007	Arts Education	319,782	153,377	166,405	10,024	5,530	1,954	31
	Total Enrollment	4,524,151	2,289,263	2,234,888	149,052	64,139	29,031	30
Arts Education as % of Total		**7.1%**	**6.7%**	**7.4%**	**6.7%**	**8.6%**	**6.7%**	**---**
2007-2008	Arts Education	322,270	155,831	166,439	10,401	5,781	2,031	30
	Total Enrollment	4,419,494	2,247,303	2,172,191	149,392	65,218	29,378	30
Arts Education as % of Total		**7.3%**	**6.9%**	**7.7%**	**7.0%**	**8.9%**	**6.9%**	**---**
2008-2009	Arts Education	309,456	150,912	158,544	9,904	5,413	1,957	30
	Total Enrollment	4,377,083	2,225,364	2,151,719	148,025	63,978	29,217	30
Arts Education as % of Total		**7.1%**	**6.8%**	**7.4%**	**6.7%**	**8.5%**	**6.7%**	**---**
2010-2011	Arts Education	324,351	158,252	166,099	11,277	5,923	2,057	28
	Total Enrollment	4,343,329	2,223,813	2,119,516	161,719	67,982	29,940	27
Arts Education as % of Total		**7.5%**	**7.1%**	**7.8%**	**7.0%**	**8.7%**	**6.9%**	**---**
2011-2012	Arts Education	316,953	151,797	165,156	11,885	5,724	1,842	27
	Total Enrollment	4,183,759	2,140,717	2,043,042	172,064	72,767	27,599	24
Arts Education as % of Total		**7.6%**	**7.1%**	**8.1%**	**6.9%**	**7.9%**	**6.7%**	**---**

Source: California Department of Education, Education Demographics Office

TABLE 30:
Orange County K-12 Arts Education Demographics

Year	Course	Total Course Enrollment	Male Enrollment	Female Enrollment	# of Classes	# UC/CSU Classes	# FTE Teachers	Avg. Class Size
2005-2006	Arts Education	112,604	53,852	58,752	3,142	1,223	616	33
	Total Enrollment	1,306,731	658,730	648,001	37,681	16,015	7,606	35
Arts Education as % of Total		**8.6%**	**8.2%**	**9.1%**	**8.3%**	**7.6%**	**8.1%**	**---**
2006-2007	Arts Education	122,572	58,841	63,731	3,570	1,729	668	32
	Total Enrollment	1,341,958	679,890	662,068	43,130	18,571	7,905	32
Arts Education as % of Total		**9.1%**	**8.7%**	**9.6%**	**8.3%**	**9.3%**	**8.5%**	**---**
2007-2008	Arts Education	105,231	50,664	54,567	3,507	1,884	585	29
	Total Enrollment	1,304,028	665,976	638,052	42,194	19,771	7,527	31
Arts Education as % of Total		**8.1%**	**7.6%**	**8.6%**	**8.3%**	**9.5%**	**7.8%**	**---**
2008-2009	Arts Education	104,357	50,111	54,246	3,378	1,702	597	30
	Total Enrollment	1,297,570	661,455	636,115	40,862	19,456	7,692	32
Arts Education as % of Total		**8.0%**	**7.6%**	**8.5%**	**8.3%**	**8.7%**	**7.8%**	**---**
2010-2011	Arts Education	107,712	50,873	56,839	3,185	1,809	576	32
	Total Enrollment	1,385,243	707,921	677,322	42,710	19,632	7,912	32
Arts Education as % of Total		**7.8%**	**7.2%**	**8.4%**	**7.5%**	**9.2%**	**7.3%**	**---**
2011-2012	Arts Education	109,658	50,801	58,857	3,569	1,831	670	30
	Total Enrollment	1,356,671	691,692	664,979	43,374	19,411	7,952	31
Arts Education as % of Total		**8.1%**	**7.3%**	**8.9%**	**8.2%**	**9.4%**	**8.4%**	**---**

Source: California Department of Education, Education Demographics Office

TABLE 31:
Los Angeles-Orange County
Arts Educators by Subject Area

Los Angeles County	2005-06	2006-07	2007-08	2008-09	2010-11	2011-12
Art	973	979	1,004	934	1,035	857
Dance	63	76	84	76	78	70
Drama	219	213	225	236	236	194
Music	675	673	703	690	698	713
Web Design	12	13	15	20	10	8
Total	**1,942**	**1,954**	**2,031**	**1,956**	**2,057**	**1,842**

Orange County	2005-06	2006-07	2007-08	2008-09	2010-11	2011-12
Art	282	313	279	278	245	254
Dance	17	16	17	17	31	32
Drama	81	72	72	70	69	66
Music	233	263	212	228	229	315
Web Design	4	4	4	4	2	2
Total	**617**	**668**	**584**	**597**	**576**	**670**

Source: California Department of Education, Education Demographics Office

TABLE 32:
Universities, Colleges, Trade and Technical Schools in Los Angeles and Orange Counties offering Degree Programs in the Creative Industries

Independent Visual and Performing Arts Colleges	
Art Center College of Design	Laguna College of Art and Design
California Institute of the Arts	New York Film Academy, Los Angeles
The Colburn School	Otis College of Art and Design
Columbia College, Hollywood	
L.A. Film School	
Colleges and Universities	
American Film Institute	Mount St. Mary's College
Azusa Pacific University	Occidental College
Biola University	Pepperdine University
Calif. State Polytechnic University, Pomona	Pitzer College
Calif. State University, Dominguez Hills	Pomona College
Calif. State University, Fullerton	Scripps College
Calif. State University, Long beach	University of California, Irvine
Calif. State University, Los Angeles	University of California, Los Angeles
Calif. State University, Northridge	University of LaVerne
Chapman University	University of Southern California
Claremont Graduate University	Vanguard University of So. California
Claremont McKenna College	Whittier College
Concordia University, Irvine	Woodbury University
Loyola Marymount University	
Community Colleges	
Cerritos College	Los Angeles Harbor College
Citrus College	Los Angeles Mission College
Coastline Community College	Los Angeles Pierce College
College of the Canyons	Los Angeles Southwest College
Cypress College	Los Angeles Trade and Technical College
East Los Angeles College	Los Angeles Valley College
El Camino College	Moorpark College
Fashion Institute of Design and	Orange Coast College
Merchandising, Los Angeles	Pasadena City College
Fashion Institute of Design and	Rio Hondo College
Merchandising, Orange County	Saddleback College
Fullerton College	Santa Monica College
Glendale Community College	Santiago Canyon College
Golden West College	West Los Angeles College
Irvine Valley College	
Los Angeles City College	

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ADDENDUM

LA CREATES
SUPPORTING THE CREATIVE ECONOMY IN LOS ANGELES

The full report is found at

www.actorsfund.org/LACreates

and at

www.otis.edu/econreport

LA CREATES

Supporting the Creative Economy in Los Angeles

KEITH McNUTT

Stanton Fellow

Director of the Western Region

The Actors Fund

LA *is the creative capital of America*

LA CREATES

HOME
TO MORE ARTISTS THAN ANY OTHER COMMUNITY
IN THE COUNTRY

4th LARGEST EMPLOYMENT CLUSTER *out of* 66 in the REGION

1 *out of* 8 REGIONAL JOBS *is in the* CREATIVE ECONOMY

Total regional impact of $230 BILLION (LA *and* ORANGE COUNTIES)

EVERY 10 DIRECT CREATIVE ECONOMY JOBS *supports* 9 INDIRECT JOBS

BUT WE FACE MANY CHALLENGES

INTERNATIONAL COMPETITION FOR JOBS

CHANGING TECHNOLOGY IN ALL FIELDS

RUNAWAY PRODUCTION IN FILM AND TELEVISION

INTELLECTUAL PROPERTY (IP) PIRACY

Data from 2012 Otis Report on the Creative Economy of the Los Angeles Region

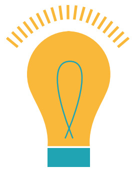
LA *urgently needs to develop a collaborative regional policy to develop its creative economy*

RECOMMENDATIONS

BRAND LA

BRAND LA AS A CREATIVE CAPITAL AND IMPLEMENT A COHESIVE REGIONAL COMMUNICATIONS STRATEGY.

SUPPORT CREATIVE ENTREPRENEURS



FORM A COUNTY-WIDE NETWORK OF:

- INCUBATOR FACILITIES
- FUNDING STREAMS
- SERVICES TAILORED TO A PROJECT-BASED CREATIVE ECONOMY

FACILITATE WORKFORCE DEVELOPMENT

Expand *Include* *Retrain*

- EXPAND K-12 ARTS EDUCATION
- INCLUDE ENTREPRENEURIAL TRAINING IN HIGHER CREATIVE EDUCATION
- RETRAIN EXISTING CREATIVE WORKFORCE TO MEET NEW TECHNOLOGICAL CHALLENGES

BUILD AN EFFECTIVE REGIONAL COALITION

THE CREATIVE SECTORS, GOVERNMENT, ACADEMIA, BUSINESS, CAPITAL AND PHILANTHROPY MUST JOIN TOGETHER TO FOCUS ON ECONOMIC DEVELOPMENT.

What are YOU Going to Create in LA?

The full report is found at
www.actorsfund.org/LACreates

LA CREATES *is the product of a Durfee Foundation Stanton Fellowship focused on ways municipal and county governments can better support the creative industries in Los Angeles County. The report is based on more than 120 interviews with people directly involved in creative economy initiatives or employed in the creative industries in Southern California, around the US and in the United Kingdom, The Netherlands and Sweden. This summary focuses on key points and guidelines for action.*

Download the full report, view highlights from the creative economy launch event, and learn more about other resources at

www.otis.edu/econreport

OTIS Otis College of Art and Design