INDUSTRY CLUSTERS

in Los Angeles County



October 2026

LAEDC

Los Angeles County Economic Development Corporation

Institute for Applied Economics

LOS ANGELES COUNTY
INDUSTRY CLUSTERS

Overview & Key Findings

Introduction

Los Angeles County is large and diverse geographically, socially, and economically. It spans over 4,000 square miles and was home to approximately 9.7 million people in 2025 *(1)*. With a GDP of more than $1 trillion in 2024, L.A. County would rank as the 20th-largest economy in the world *(2)*. Its private and public sectors supported more than 4.5 million jobs in 2025 *(3)*, and the county is home to more than 1.3 million small businesses, with more women- and BIPOC-owned small businesses than any other U.S. county *(4)*.

This report examines L.A. County's economy through the lens of industry clusters, or concentrations of related industries within a region. These concentrations can provide competitive advantages through specialized infrastructure, supply chains, workforce, and other shared resources. More information on the cluster framework and methodology is provided in the Methodology section.

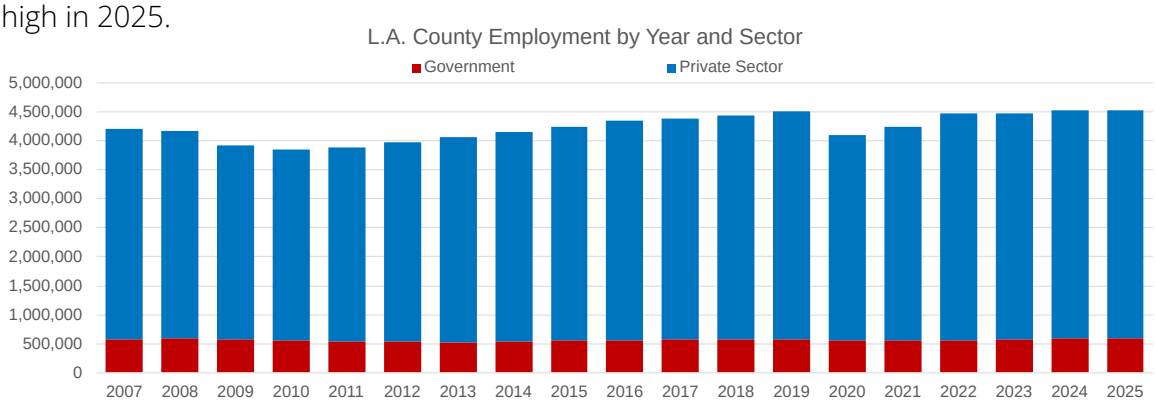
We last updated our industry clusters analysis in 2025 with data through 2024. That analysis highlighted L.A. County's continued recovery from the COVID-19 pandemic and recent trends across its major industry clusters *(5)*. This update extends the analysis through 2025, providing the latest view of employment, wages, and regional concentration across the county's key industry clusters.

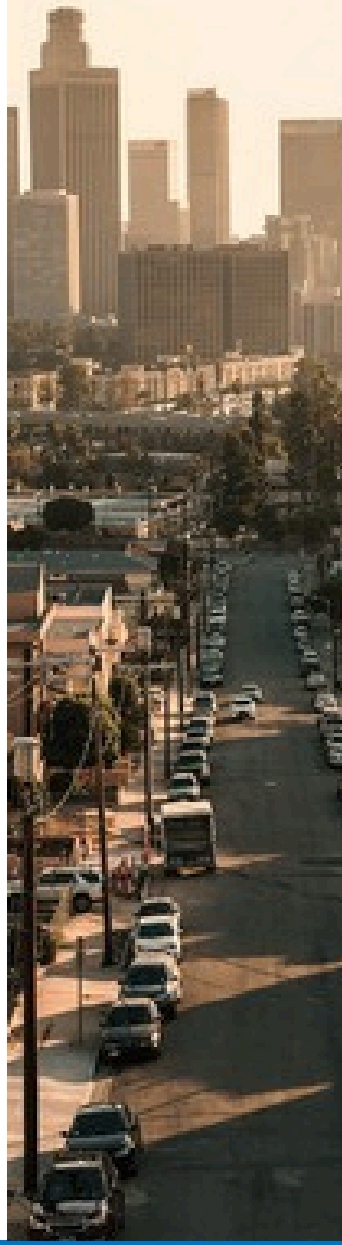
Note: To enable like-for-like comparisons across clusters and organizations, LAEDC industry cluster analyses focus on private-sector ***(non-governmental) employment only;*** *governmental employment is excluded for cluster-level analyses.*

Key Findings

County-wide employment overview: 2007–2025

From 2010 to 2019, L.A. County private-sector employment grew about 2% annually. After sharp 2020 losses, it rebounded to nearly its pre-pandemic level by 2025. Including government jobs, total employment surpassed 2019 levels in 2024 and reached a new high in 2025.





1. U.S. Census Bureau, *QuickFacts: Los Angeles County (2025)*.
2. BEA, *GDP by County (2024)*; Los Angeles Almanac, *County GDP Comparisons*.
3. BLS, *Quarterly Census of Employment and Wages (2025)*.
4. County of Los Angeles, *LA County By the Numbers*.
5. LAEDC, *Industry Clusters in Los Angeles County (August 2025)*.

LOS ANGELES COUNTY
INDUSTRY CLUSTERS

Key Findings: Cluster-Level Impacts

Cluster-level performance: 2024–2025

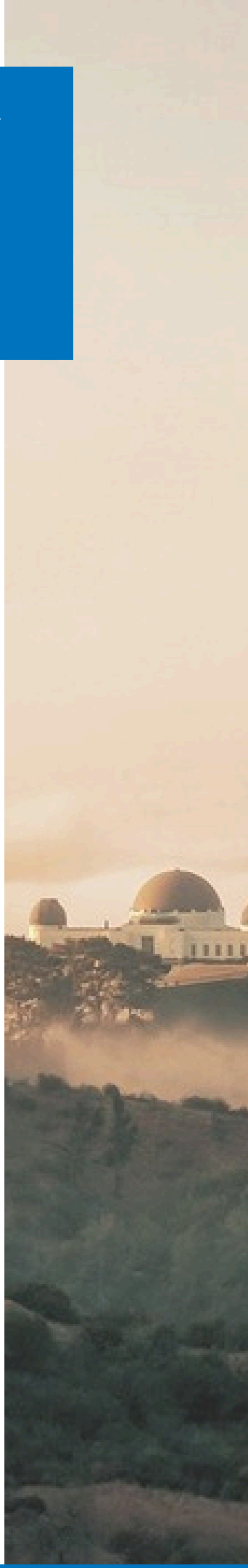
L.A. County's industry clusters showed mixed performance in 2024 before weakening more broadly in 2025. Only seven of the 23 clusters added jobs from 2024 to 2025, while 16 declined. Local Community & Civic Organizations posted the strongest gain, followed by Business Services and Biopharmaceuticals. The largest declines occurred in Video Production & Distribution and Textile Manufacturing.

Clusters with job gains 2024–2025:

- Local Community & Civic Organizations — 8.4%
- Business Services — 4.5%
- Biopharmaceuticals — 3.6%
- Local Health Services — 2.0%
- Hospitality & Tourism — 1.3%
- Education & Knowledge Creation — 0.6%
- Transportation & Logistics — 0.5%

EMPLOYMENT PERCENTAGE CHANGE BY CLUSTER

CLUSTER	From 2023 to 2024	From 2024 to 2025	From 2023 to 2025
Local Community & Civic Organizations	8.6%	8.4%	17.7%
Business Services	-0.8%	4.5%	3.7%
Biopharmaceuticals	-2.4%	3.6%	1.2%
Local Health Services	3.9%	2.0%	5.9%
Hospitality & Tourism	3.5%	1.3%	4.8%
Education & Knowledge Creation	4.4%	0.6%	5.0%
Transportation & Logistics	1.2%	0.5%	1.7%
Food Processing & Manufacturing	-0.8%	-0.2%	-1.0%
Local Hospitality	-0.1%	-0.8%	-0.9%
Water Transportation	10.5%	-0.9%	9.6%
IT & Analytical Instruments	-2.3%	-1.0%	-3.3%
Local Commercial Services	0.8%	-1.1%	-0.3%
Financial Services	-0.1%	-1.1%	-1.3%
Communications Equipment & Services	-1.9%	-1.7%	-3.6%
Aerospace Vehicles & Defense	-2.8%	-2.4%	-5.1%
Apparel	-3.8%	-3.7%	-7.3%
Music & Sound Recording	0.6%	-3.7%	-3.1%
Distribution & E-Commerce	-2.2%	-4.3%	-6.4%
Marketing, Design, & Publishing	0.4%	-4.7%	-4.3%
Performing Arts	6.0%	-6.6%	-1.0%
Medical Devices	-0.4%	-7.0%	-7.4%
Textile Manufacturing	-8.3%	-10.6%	-18.1%
Video Production & Distribution	0.2%	-10.9%	-10.7%



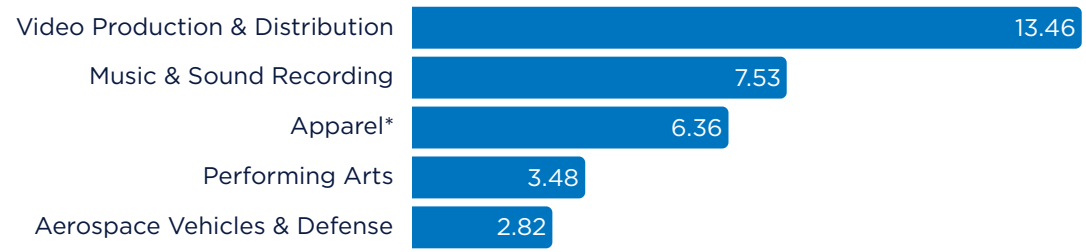
LOS ANGELES COUNTY INDUSTRY CLUSTERS:

Key Findings: Regional Competitiveness

L.A. County's regional competitiveness

The geographic concentration of related industries can provide regional competitive advantages through specialized labor, infrastructure, suppliers, and other shared resources. Employment location quotient (LQ) measures this concentration by comparing an industry's share of regional employment with its share nationally. An LQ above 1.0 indicates greater concentration in L.A. County than in the U.S. as a whole.

Based on employment LQ, L.A. County's ***most specialized*** Traded industry clusters in 2025 are:



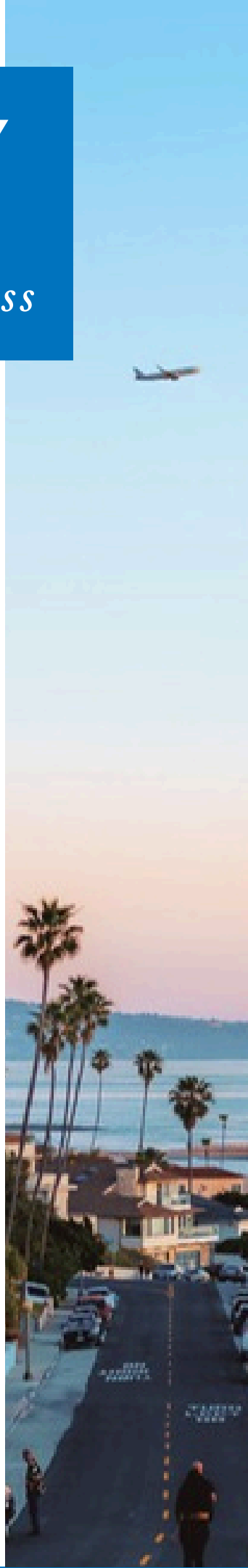
The next most concentrated Traded industry clusters, all with LQs greater than 1.0, are:



The remaining selected Traded clusters have LQs below 1.0, indicating lower employment concentration in L.A. County than nationally. Although less specialized locally, these clusters still play important roles in the regional economy.

- Electric Power Generation & Transmission — 0.92
- Printing Services — 0.92
- Hospitality & Tourism — 0.88
- Distribution & E-Commerce — 0.87
- Food Processing & Manufacturing — 0.82
- Furniture — 0.81
- Biopharmaceuticals — 0.80
- Business Services — 0.79
- Medical Devices — 0.76
- IT & Analytical Instruments — 0.75
- Financial Services — 0.69
- Fishing & Fishing Products — 0.65

**** Note:*** *Apparel remains highly concentrated in L.A. County, but its LQ has declined from a peak of 9.22 in 2013 to 6.36 in 2025 as employment has continued to fall.*



LOS ANGELES COUNTY INDUSTRY CLUSTERS:

Building on L.A. County's Cluster Strengths

A Diverse Economy Provides Resilience

The strength of Los Angeles County's economy lies in its diversity. Rather than being defined by a single dominant industry that drives high-quality employment and wealth generation, this report shows that L.A. County is highly competitive across a range of industries. That diversity promotes stability, allowing strength in some clusters to help offset weakness in others.

Even so, the region remains vulnerable to cross-cutting conditions that shape growth across the economy, including educational institutions, transportation, stable financial markets, rules-based international trade, housing, and permitting processes.

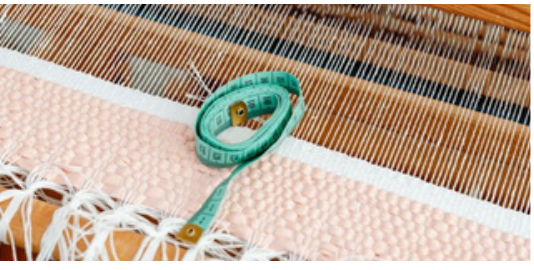
L.A. County's economic diversity provides resilience, but shared regional conditions affect every cluster's ability to grow.

Broad Weakness Across Competitive Clusters

A broad weakening in employment across L.A. County's industry clusters suggests that shared regional conditions are affecting even some of the county's most competitive industries. The county's most concentrated Traded clusters include **Video Production & Distribution, Music & Sound Recording, Apparel, Performing Arts,** and **Aerospace Vehicles & Defense**. Each experienced employment declines in 2025.

Employment in **Video Production & Distribution** and **Apparel** continued longer-term downward trends. **Performing Arts** and **Music & Sound Recording** declined in 2025 after substantial recoveries following 2020. Aerospace Vehicles & Defense has been more stable, but employment has declined slightly for two consecutive years.

The broader trend is similar. **Eleven clusters added jobs in 2024**, **compared with only seven in 2025**. Among the clusters that added jobs in 2025, only **Business Services** and **Biopharmaceuticals** posted faster growth than in 2024.





LOS ANGELES COUNTY INDUSTRY CLUSTERS:

Building on L.A. County's Cluster Strengths

Growth Is Shifting Toward Local Clusters

The most significant recent job growth is occurring in Local clusters, while many Traded clusters are contracting. This distinction matters because Traded clusters generally bring income into the region by selling goods and services beyond the local market. They also tend to offer higher wages and generate larger economic multiplier effects than industries primarily serving local demand.

The report shows that Local clusters now account for a substantial share of L.A. County's workforce, generally offer lower average wages, and accounted for most of the job gains among the selected clusters in 2025.

2025 employment growth was concentrated in Local Clusters, while many of L.A. County's most specialized Traded Clusters lost jobs.

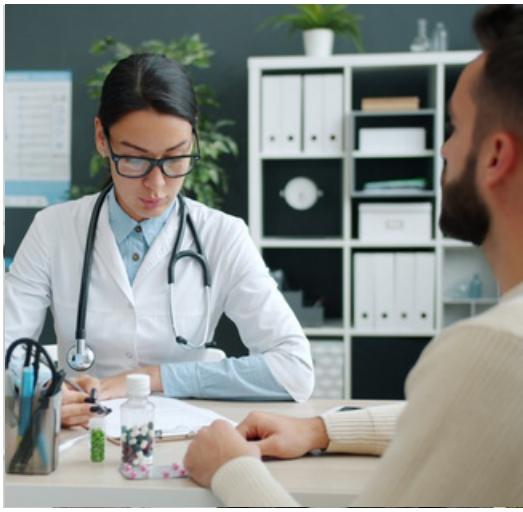
Strengthening the Conditions for Growth

The report's findings point to a clear regional priority: strengthen the cross-cutting systems that affect industries throughout the economy. These include talent development, mobility, housing, permitting, access to finance, and economic stability.

L.A. County's diversity gives the region a broad economic foundation. The strength of the systems supporting those clusters will help determine whether that diversity translates into durable, high-quality growth.







CLUSTERS OVERVIEW

This report examines selected industry clusters in L.A. County that represent key sectors of the economy, employ significant numbers of workers, and/or exhibit greater concentration locally than in the U.S. as a whole.

The report is divided into two categories: **Traded** clusters and **Local** clusters. *Traded clusters* include industries that sell goods and services beyond the region and often concentrate in locations that provide competitive advantages. *Local clusters primarily serve the local population and are present regardless of a region's particular competitive strengths.*

The report also includes four *aggregations* of related Traded clusters, as described on the following page.

L.A. COUNTY CLUSTERS	EMPLOYMENT	AVERAGE WAGE	LQ
TRADED			
Business Services	241,220	$142,680	0.79
Distribution & E-Commerce	162,730	$89,560	0.87
Education & Knowledge Creation	104,560	$101,770	1.24
Video Production & Distribution	88,970	$158,500	13.46
Hospitality & Tourism	84,560	$84,030	0.88
Transportation & Logistics	82,980	$107,060	1.49
Marketing, Design, & Publishing	68,070	$163,150	1.51
Aerospace Vehicles & Defense	57,330	$152,860	2.82
Performing Arts	41,810	$192,680	3.48
Financial Services	41,350	$289,850	0.69
IT & Analytical Instruments	33,260	$205,280	0.75
Food Processing & Manufacturing	31,430	$76,970	0.82
Apparel	19,080	$64,280	6.36
Water Transportation	16,770	$155,170	1.81
Communications Equipment & Services	11,020	$187,850	1.36
Biopharmaceuticals	8,300	$96,760	0.80
Medical Devices	7,070	$106,530	0.76
Textile Manufacturing	4,760	$73,710	1.06
Music & Sound Recording	4,350	$156,940	7.53
LOCAL			
Local Health Services	519,110	$76,360	0.94
Local Hospitality	419,630	$34,980	1.04
Local Community & Civic Organizations	377,230	$34,190	2.53
Local Commercial Services	310,900	$81,690	1.20
AGGREGATIONS			
Trade	262,480	$99,280	1.04
Entertainment	135,130	$169,030	7.03
Fashion	27,110	$65,870	2.87
Biomedical	15,370	$101,260	0.78

AGGREGATIONS

Aggregations are groupings of related clusters that have economic linkages and synergies. We examine these aggregations as larger sources of regional economic strength, as they are major drivers of local business and trade. These important aggregated industry groups for Los Angeles County are also covered in this report.

TRADE

- DISTRIBUTION & E-COMMERCE
- TRANSPORTATION & LOGISTICS
- WATER TRANSPORTATION

BIOMEDICAL

- BIOPHARMACEUTICALS
- MEDICAL DEVICES

ENTERTAINMENT

- VIDEO PRODUCTION AND DISTRIBUTION
- MUSIC & SOUND RECORDING
- PERFORMING ARTS

FASHION

- APPAREL
- FOOTWEAR*
- LEATHER*
- JEWELRY*
- TEXTILE MANUFACTURING

** Not covered in depth because each had fewer than 4,000 jobs in 2025.*



CLUSTERS PRESENTATION

- *Traded* clusters and aggregations are highlighted first, then *Local* clusters
- Aggregations and clusters are presented from *greatest employment to least*
- Component clusters of an aggregation are presented *immediately after* their aggregation page, from *greatest employment to least*

AT-A-GLANCE 2025

TRADE GROUP

NUMBER OF JOBS
262,480

AVERAGE ANNUAL WAGE
$99,280

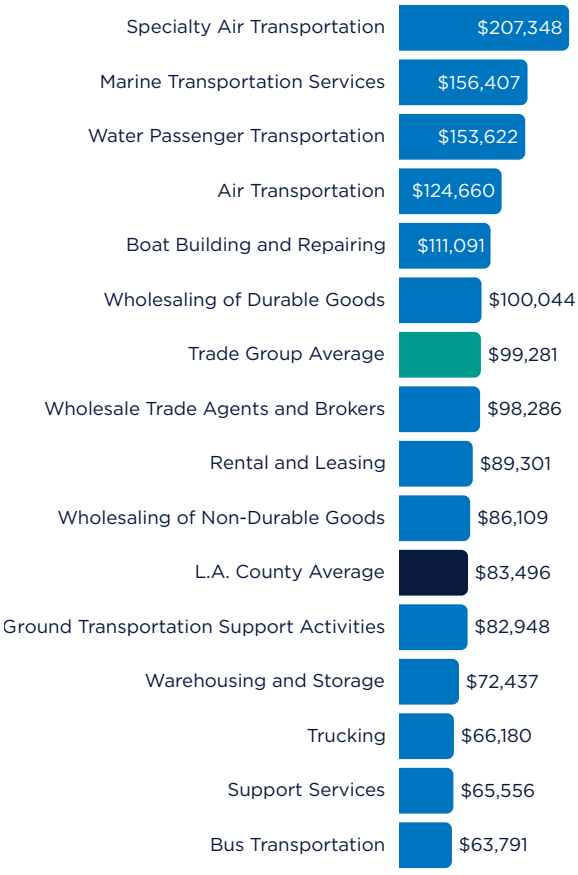
LOCATION QUOTIENT (LQ)
1.04

The Trade Group is slightly more concentrated in L.A. County than nationally, while Marine Cargo Handling remains a standout, with an LQ of 7.54.

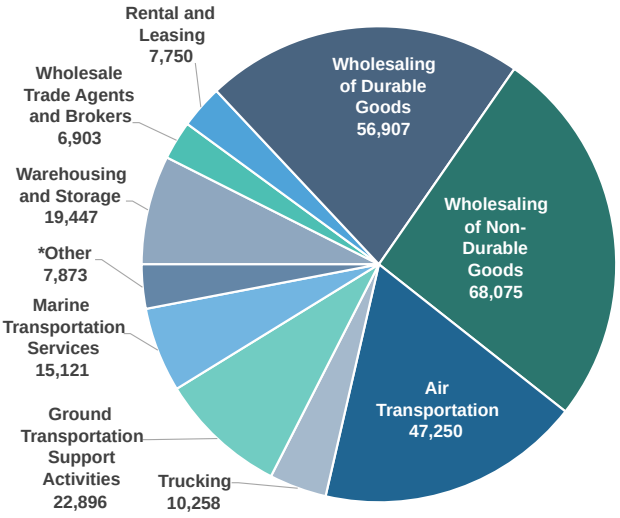


The Trade Group encompasses three industry clusters: Distribution & E-Commerce, Transportation & Logistics, and Water Transportation.

AVERAGE ANNUAL WAGES, 2025



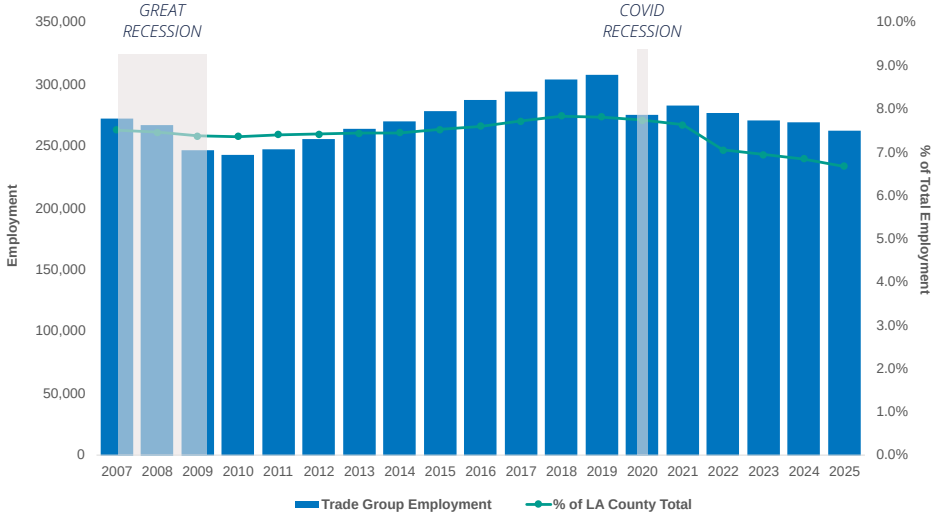
Average annual wages in the Trade Group are about **19% higher** than the county average, but vary widely across industries, from about **$63,800** in Bus Transportation to about **$207,300** in Specialty Air Transportation.



***Other** includes subclusters Support Services; Specialty Air Transportation; Bus Transportation; Boat Building and Repairing; and Water Passenger Transportation*

The Trade Group includes nearly **90 industries**, the broadest set covered in this report. Wholesaling of durable and nondurable goods accounts for nearly half of total employment in the group.

After falling in 2020, the Trade Group partially recovered in 2021, then declined each year through 2025, falling to about **262,500 jobs**, or **6.7%** of county private employment.



The Trade Group plays a vital role in L.A. County's economy, accounting for 6.7% of private employment across a wide range of industries. After falling sharply in 2020 and partially recovering in 2021, employment declined each year from 2022 through 2025, falling to about 262,500 jobs, roughly 45,300 below its 2019 peak. With wages averaging about $99,300, 19% above the county average, and strong wholesale and transportation concentrations, the group remains central to goods movement and supply chains despite recent softness.

AT-A-GLANCE 2025

DISTRIBUTION & E-COMMERCE

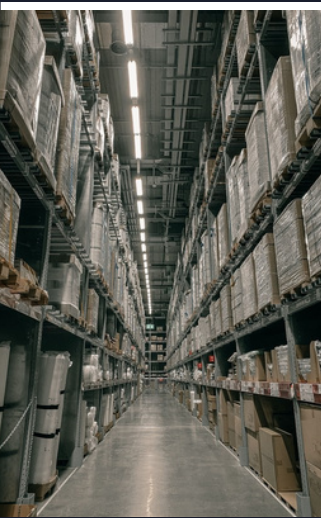
This cluster combines wholesaling, electronic shopping, warehousing, and related activities to create L.A. County's second-largest single Traded cluster.

NUMBER OF JOBS
162,730

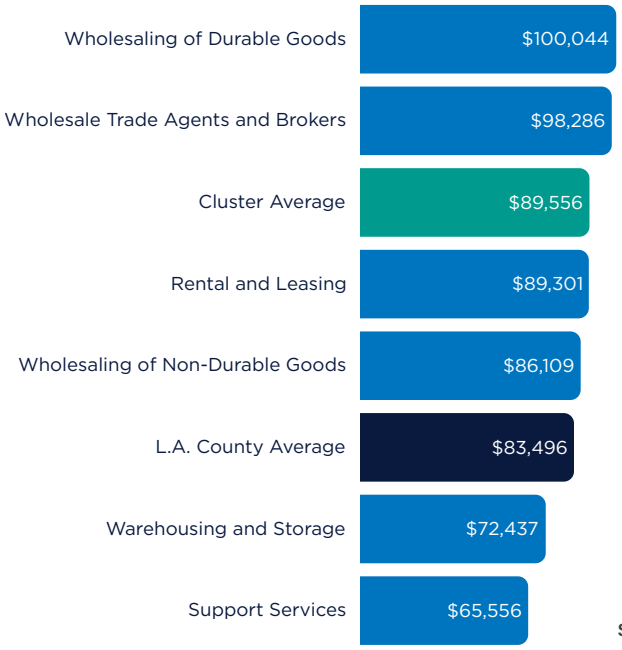
AVERAGE ANNUAL WAGE
$89,560

LOCATION QUOTIENT (LQ)
0.87

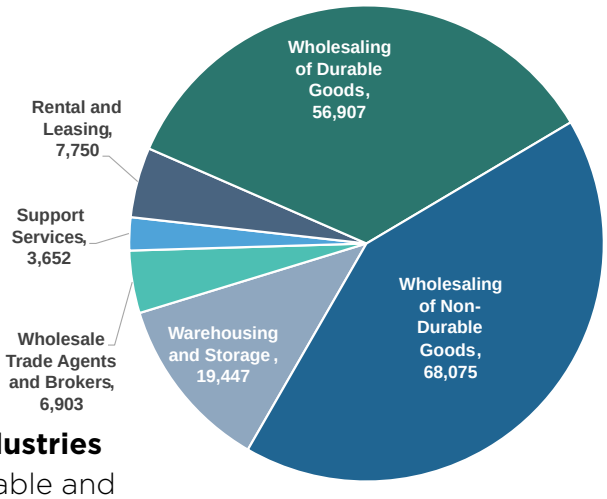
This cluster is mildly less concentrated in L.A. County than nationally, though some industries remain highly specialized, including clothing and accessories wholesaling, with an LQ of 5.66.



AVERAGE ANNUAL WAGES, 2025

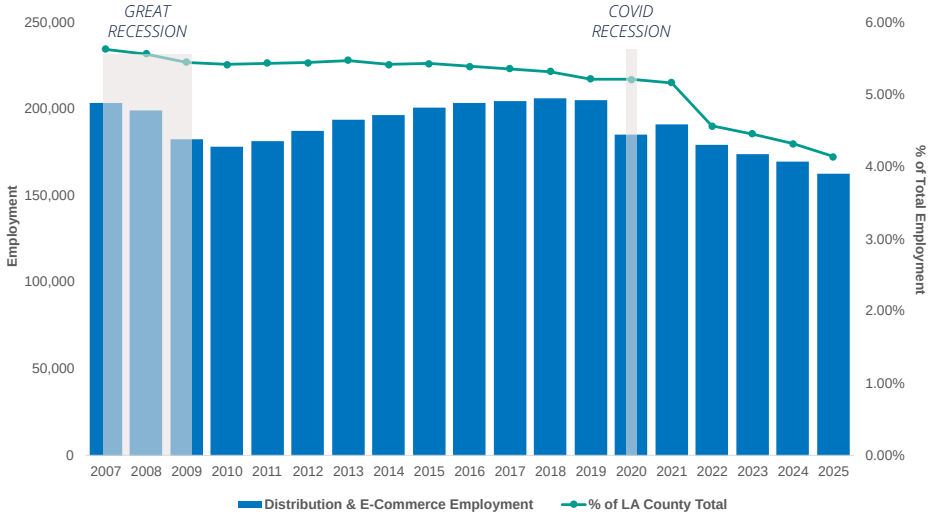


Average annual wages in this cluster are about **7%** above the county average, ranging from about **$48,900** in Poultry and Poultry Product Wholesalers to about **$172,800** in Coal and Other Mineral and Ore Merchant Wholesalers.



Distribution & E-Commerce employs about **162,700 workers** across **60 industries** in **26 subclusters**. Wholesaling of durable and nondurable goods accounts for about **125,000 jobs**, or **77%** of employment.

After a 2020 decline and partial 2021 recovery, the cluster declined each year through 2025. Employment fell to about **162,700 jobs**, or **4.1%** of county private employment.



Distribution & E-Commerce is L.A. County's second-largest Traded cluster, employing about 162,700 people in 2025 and providing 4.1% of private-sector jobs. After a 2020 decline and partial recovery in 2021, the cluster declined each year through 2025, losing about 28,700 jobs from its recent peak. With 77% of jobs in durable and nondurable goods wholesaling, it remains central to regional logistics and supply chains, though wages vary widely across industries.

AT-A-GLANCE 2025

TRANSPORTATION & LOGISTICS

NUMBER OF JOBS
82,980

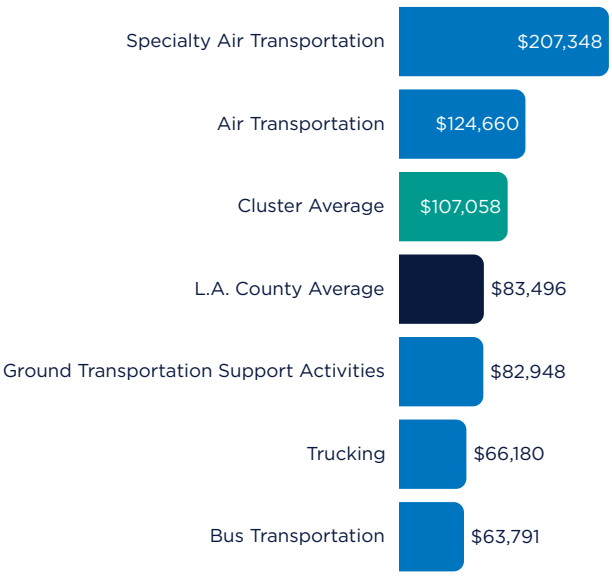
AVERAGE ANNUAL WAGE
$107,060

LOCATION QUOTIENT (LQ)
1.49

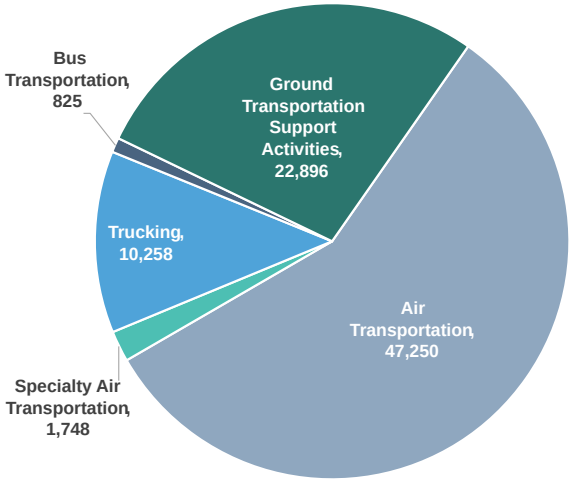
This cluster is more concentrated in L.A. County than nationally. Standout industries include nonscheduled chartered freight air transportation, with an LQ of 5.16, and other air operations, with an LQ of 2.90.

Transportation & Logistics includes activities supporting air and ground transportation for both passengers and freight.

AVERAGE ANNUAL WAGES, 2025



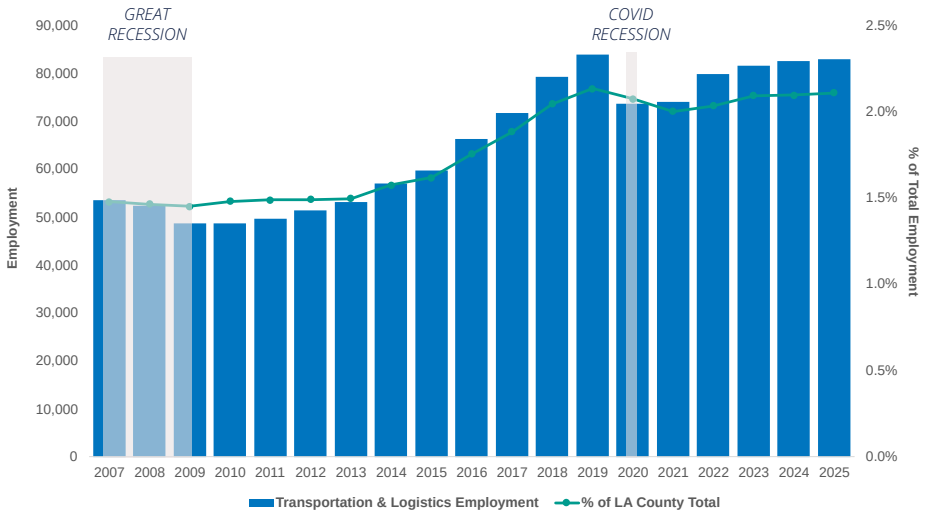
Average annual wages in this cluster are about **28% higher** than the county average, driven largely by air transportation. Specialty Air Transportation leads the subclusters at about **$207,300**, while trucking and bus transportation fall below countywide levels.



Transportation & Logistics employs about **83,000 people** across five subclusters. Air Transportation accounts for **47,250 jobs**, or **56.9%** of employment, followed by Ground Transportation Support Activities with **22,896 jobs**, or **27.6%**.



After steep losses in 2020, this cluster regained jobs through 2025, growing about **12.5%** from its low. It remained just below its 2019 peak, with about **83,000 jobs**, or **2.1%** of county private employment.



Transportation & Logistics is a high-wage, export-oriented cluster that remains essential to L.A. County's infrastructure, particularly through air transportation and support services. After losing more than 10,000 jobs in 2020, the cluster rebounded, regaining more than 9,200 jobs to reach about 83,000 in 2025. With average annual wages of about $107,100 and a location quotient of 1.49, the cluster is more concentrated locally than nationally, underscoring its strategic role in both goods and passenger movement.

AT-A-GLANCE 2025

WATER TRANSPORTATION

NUMBER OF JOBS
16,770

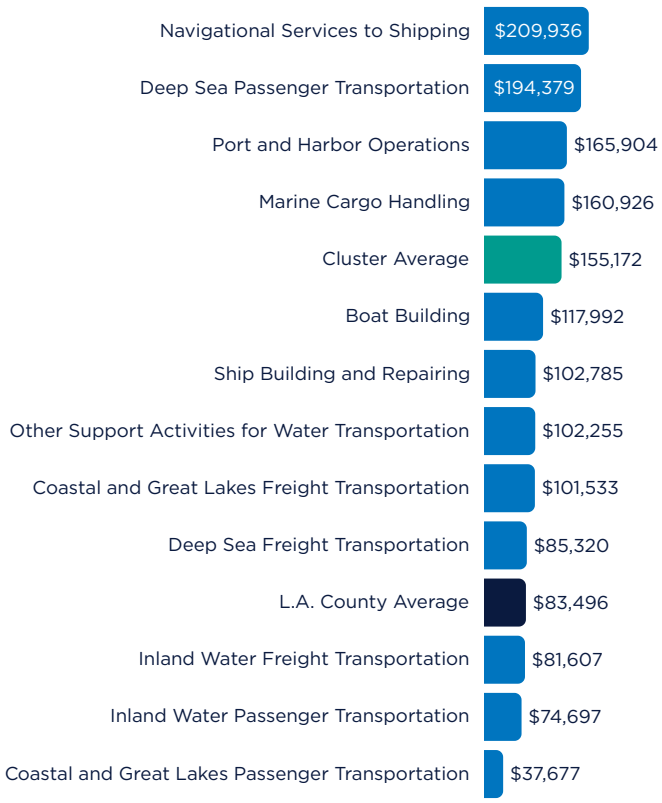
AVERAGE ANNUAL WAGE
$155,170

LOCATION QUOTIENT (LQ)
1.81

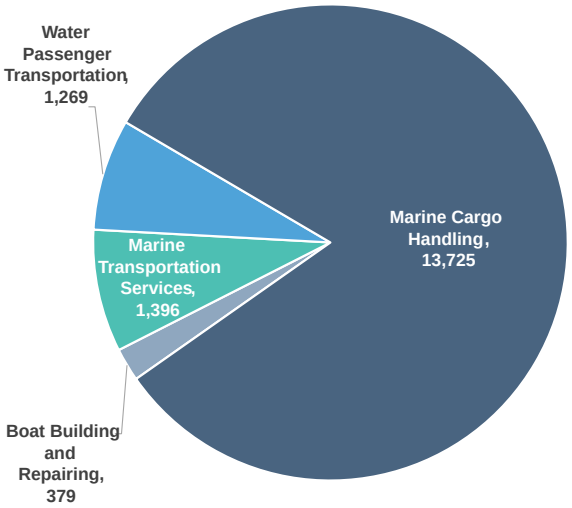
Water Transportation is more concentrated in L.A. County than nationally. Its most concentrated industry is Marine Cargo Handling, with an LQ of 7.54.

This cluster includes deep sea passenger and freight transportation, ship and boat building, port operations, cargo handling, and related activities.

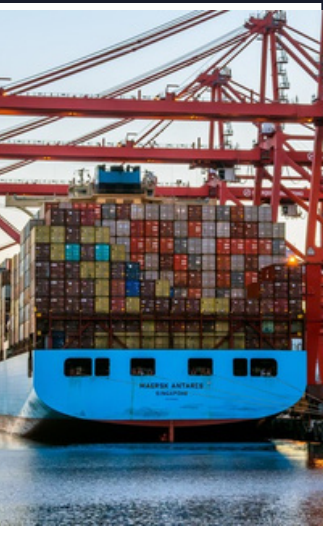
AVERAGE ANNUAL WAGES, 2025



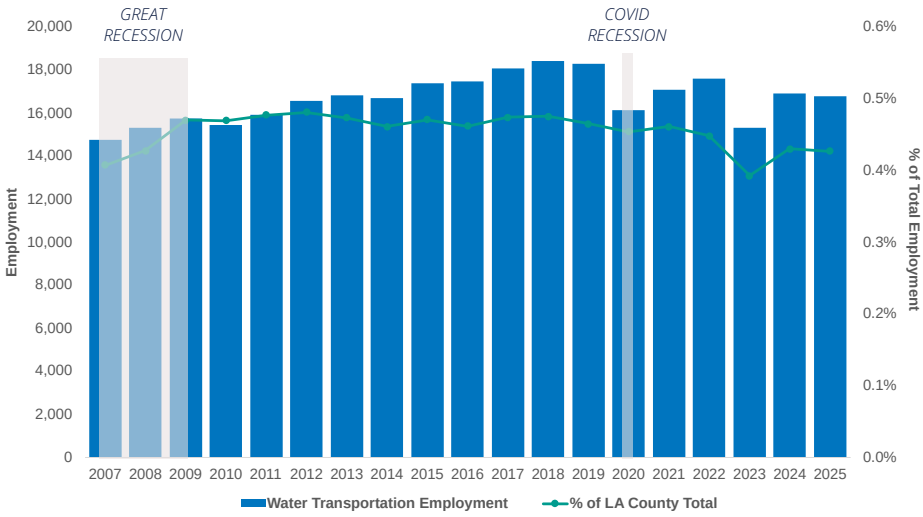
Average annual wages in this cluster are about **86% higher** than the county average. Marine Cargo Handling and Port & Harbor Operations are among the highest-paying industries, while passenger transport jobs tend to pay closer to or below countywide levels.



Marine Cargo Handling dominates the cluster, employing more than **13,700 people** and accounting for over **80%** of Water Transportation jobs.



Though relatively small, Water Transportation accounts for about **0.4%** of county private employment and has grown by about **2,000 jobs** since 2007, supported by port-related industries.



Water Transportation, though one of the smaller Traded clusters in L.A. County, remains strategically tied to the Ports of Los Angeles and Long Beach. Employment fell by more than 2,200 jobs in 2023, gained back about 1,600 in 2024, and fell slightly in 2025, ending with about 16,800 jobs, slightly below 2022 levels. Marine Cargo Handling continues to dominate, providing more than 80% of the workforce. While the cluster accounts for just 0.4% of private-sector jobs, average annual wages of about $155,200 are about 86% above the county average, reinforcing its importance in global trade and the regional economy.

AT-A-GLANCE 2025

BUSINESS SERVICES

NUMBER OF JOBS
241,220

AVERAGE ANNUAL WAGE
$142,680

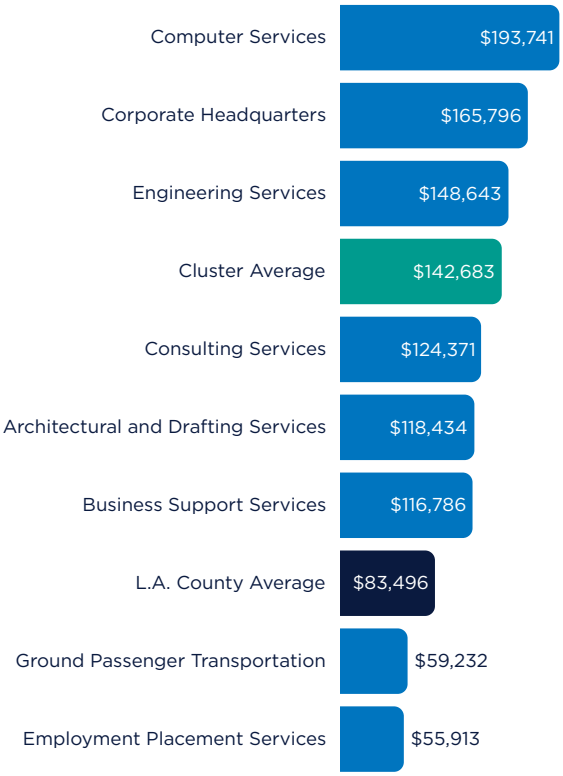
LOCATION QUOTIENT (LQ)
0.79

This cluster is less concentrated in L.A. County than nationally. Industries with the highest LQs are Payroll Services at 3.86 and Other Legal Services at 1.83.

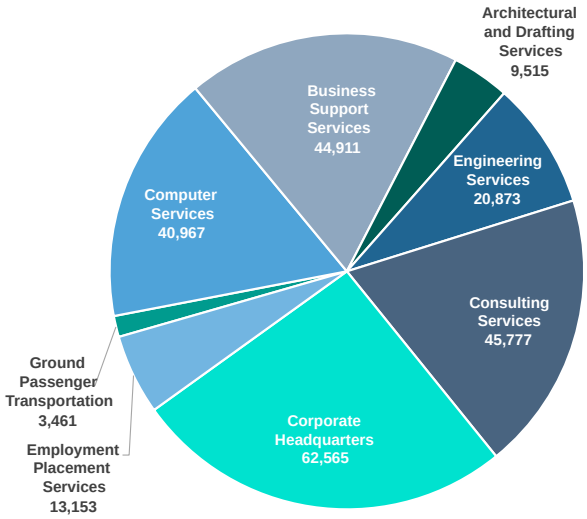


Business Services is the largest Traded industry cluster in L.A. County, employing about 241,200 people in 2025.

AVERAGE ANNUAL WAGES, 2025

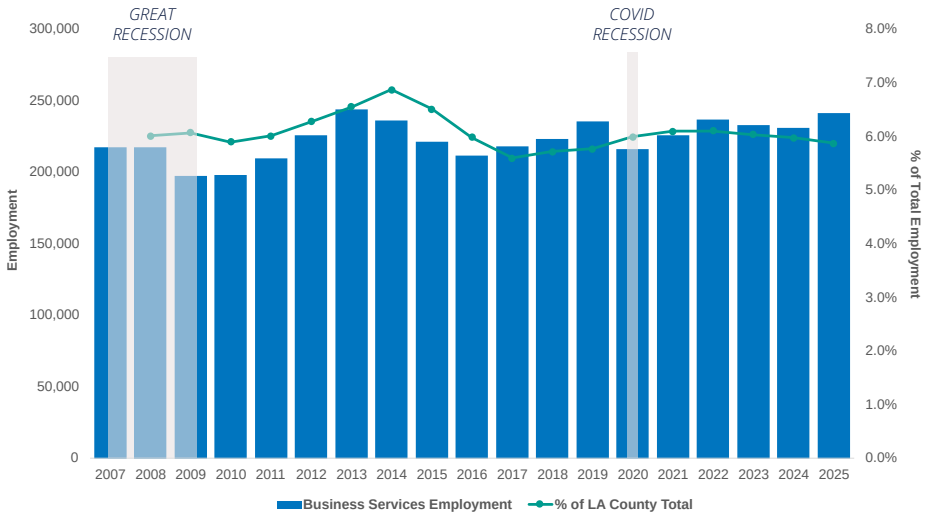


Business Services pays nearly **$142,700** on average, about **71% higher** than the county average. Among subclusters, Computer Services leads at about **$193,700**, followed by Corporate Headquarters and Engineering Services, while Employment Placement Services and Ground Passenger Transportation fall below county levels.



This cluster includes more than **30 industries** with diverse functions. Most employment is concentrated in Corporate Headquarters, Consulting Services, Computer Services, and Business Support Services.

The Business Services cluster accounted for **6%** of private-sector jobs in L.A. County in 2025. After losing more than **19,000 jobs** in 2020, the cluster rebounded, adding nearly **24,800 positions** between 2020 and 2025.



Business Services is L.A. County's largest Traded cluster, employing about 241,200 people in 2025 and providing 6% of all private-sector jobs. It spans more than 30 industries, with major concentrations in corporate headquarters, consulting, computer services, and business support services. After steady gains through 2022, the cluster shed about 5,700 jobs by 2024, but added over 10,400 jobs in 2025. With average annual wages about 71% higher than the county average, the cluster remains a high-wage, high-skill driver of the regional economy.

AT-A-GLANCE 2025

ENTERTAINMENT GROUP

The Entertainment Group contains the Music & Sound Recording, Performing Arts, and Video Production & Distribution clusters.

NUMBER OF JOBS
135,130

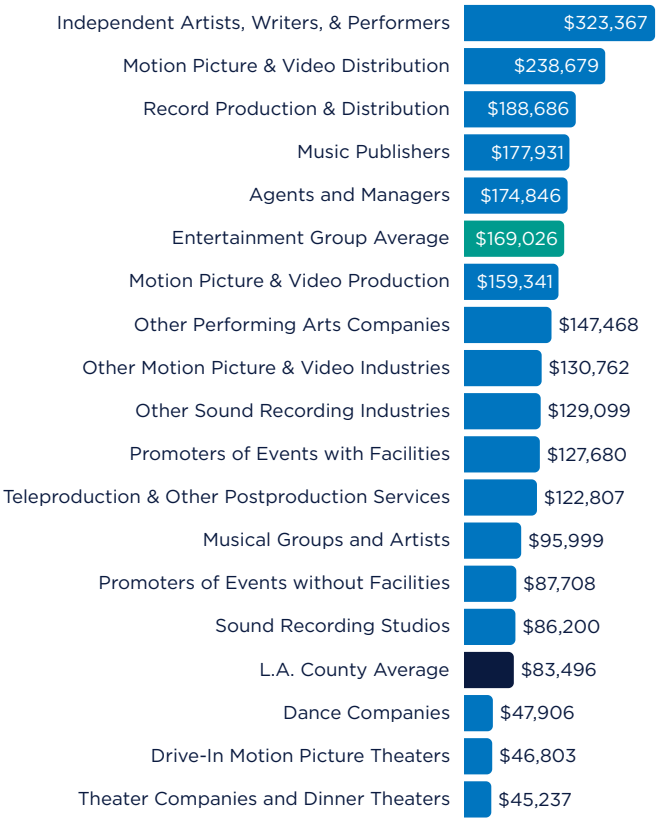
AVERAGE ANNUAL WAGE
$169,030

LOCATION QUOTIENT (LQ)
7.03

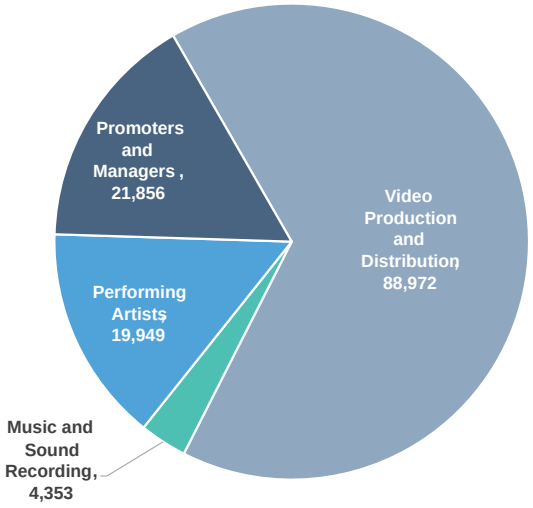
The Entertainment Group remains highly concentrated in L.A. County, with an LQ of 7.03. The strongest industry LQs are Teleproduction at 15.30 and Motion Picture & Video Production at 13.64.



AVERAGE ANNUAL WAGES, 2025

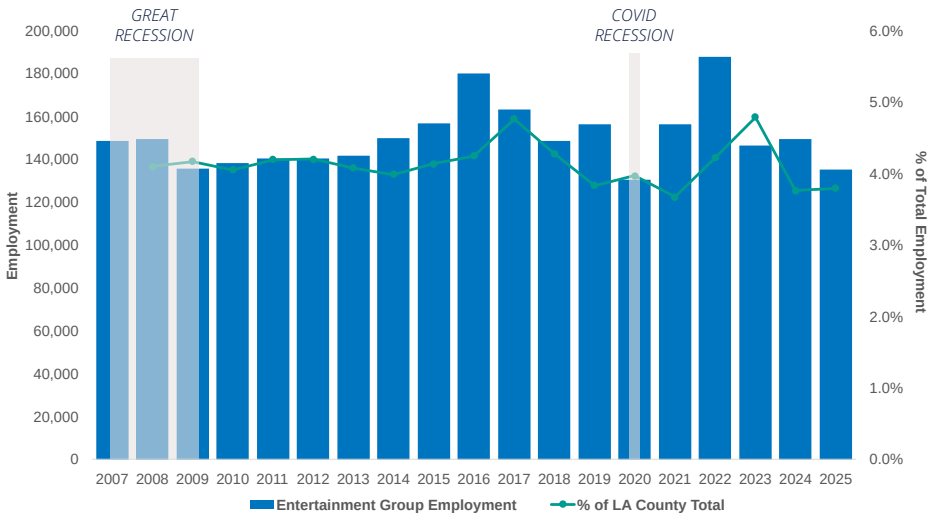


Earnings in this group are **102% higher** than the county average, led by high-paying jobs for performing artists, writers, and musical groups, as well as workers in film production, postproduction, and media distribution.



Video Production & Distribution accounts for about **two-thirds** of Entertainment Group employment, followed by Performing Arts at **31%** and Music & Sound Recording at **3%**.

The Entertainment Group rebounded strongly through 2022, then lost about **41,300 jobs** in 2023. After a slight gain in 2024, employment fell by nearly **14,000 jobs** in 2025, leaving the group down **28%** from 2022.



The Entertainment Group is a cornerstone of L.A. County's identity and economy, anchored by its global leadership in film, television, music, and performing arts. The group endured sharp swings during the pandemic, losing about 25,700 jobs in 2020 before rebounding with about 57,500 jobs gained by 2022. Since that peak, employment has retreated, dropping by more than 52,500 jobs by 2025. Its location quotient fell to 7.03, its lowest level since 2007, but the group remains highly specialized and continues to post average annual wages above $169,000.

AT-A-GLANCE 2025

VIDEO PRODUCTION & DISTRIBUTION

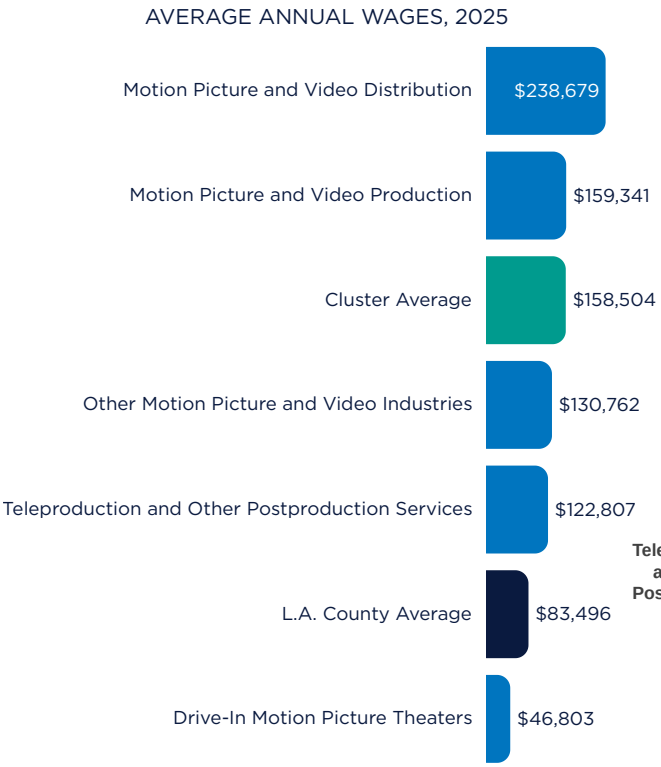
NUMBER OF JOBS
88,970

AVERAGE ANNUAL WAGE
$158,500

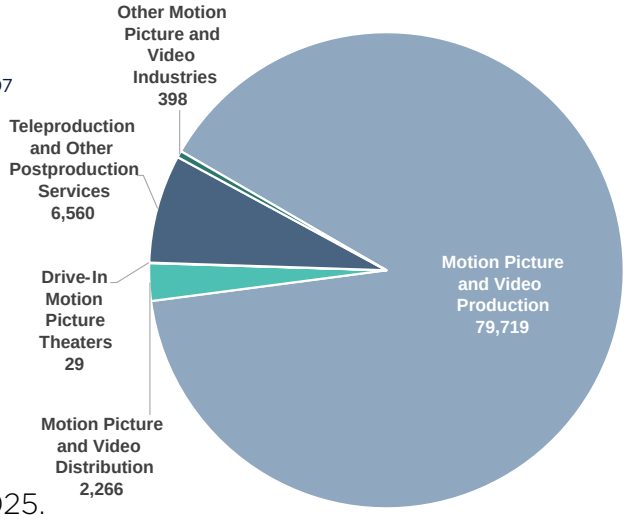
LOCATION QUOTIENT (LQ)
13.46

This cluster is highly concentrated in L.A. County. Teleproduction has an LQ of 15.30, while Motion Picture and Video Production and Distribution have LQs of 13.64 and 11.19.

The Video Production & Distribution cluster leads the Entertainment Group in employment and LQ, employing close to 89,000 people in 2025.



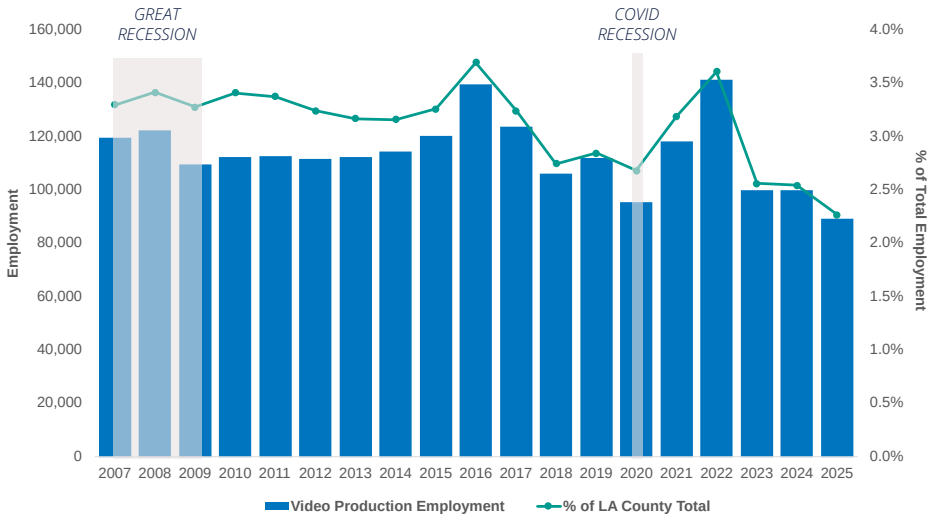
Average annual wages in this cluster are about **90% higher** than the county average, led by Motion Picture and Video Distribution at about **$238,700** and Motion Picture and Video Production at about **$159,300**. Drive-in theater jobs pay about **$46,800**, reflecting wide wage disparities.



The Motion Picture and Video Production industry accounted for nearly **90%** of jobs in this cluster in 2025. Teleproduction and Other Postproduction Services made up most of the remaining employment, followed by Motion Picture and Video Distribution.



After rebounding from 2020 to 2022, the cluster lost about 4**1,500 jobs** in 2023. Employment was nearly flat in 2024, then fell by almost **10,900 jobs** in 2025.



Video Production & Distribution is the economic engine of L.A. County's Entertainment Group, underscoring the region's global role in media. With a location quotient of 13.46, the cluster is highly concentrated, supported by major studios, production houses, and postproduction services. Average annual wages of about $158,500 are nearly double the county average, though wages vary widely. After a strong rebound through 2022, employment fell by more than 41,500 jobs in 2023, stabilized in 2024, and declined again in 2025. Despite these swings, the cluster remains central to L.A.'s identity as a global hub of content creation.

AT-A-GLANCE 2025

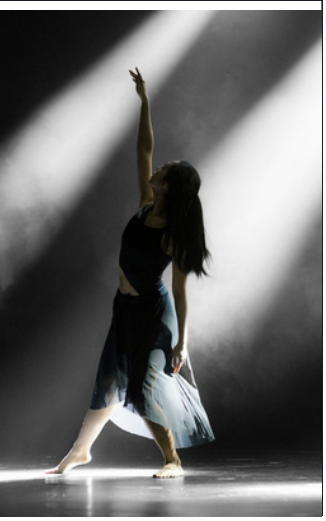
PERFORMING ARTS

NUMBER OF JOBS
41,810

AVERAGE ANNUAL WAGE
$192,680

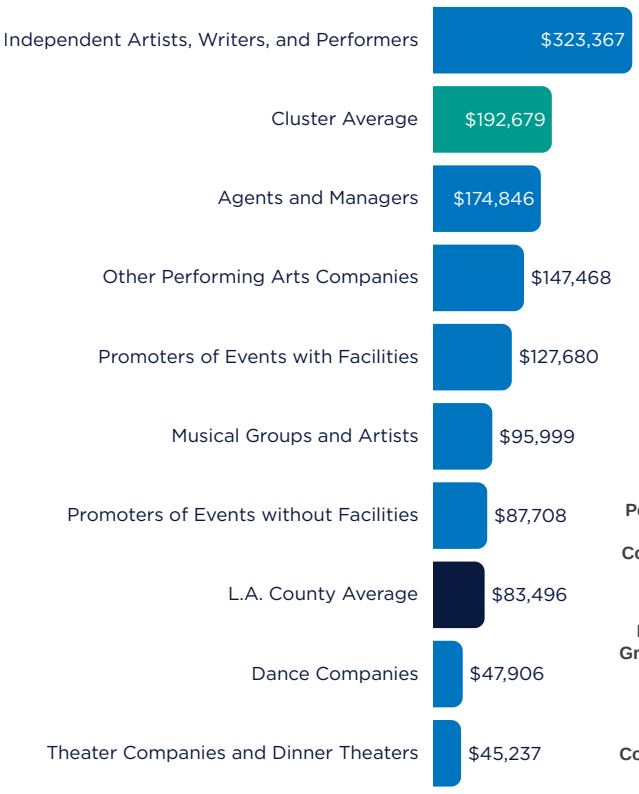
LOCATION QUOTIENT (LQ)
3.48

A home of artists and creators, L.A. County's strength in performing arts is demonstrated by its 3.48 LQ. Agents and managers are especially concentrated here, with an LQ of 12.9.

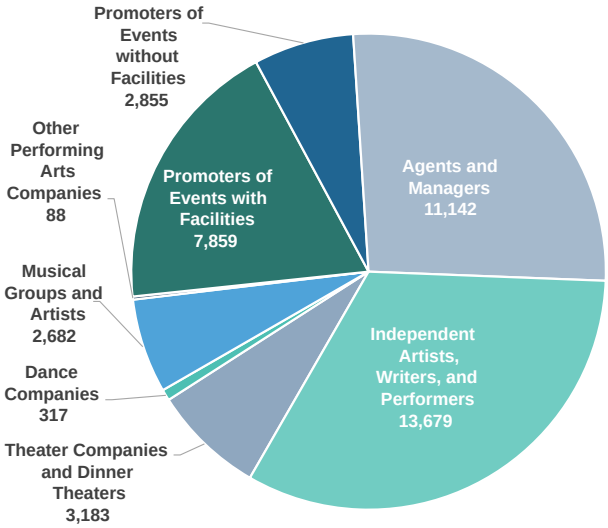


The Performing Arts cluster includes performing arts companies, musical groups, agents, promoters, and independent writers, artists, and performers.

AVERAGE ANNUAL WAGES, 2025

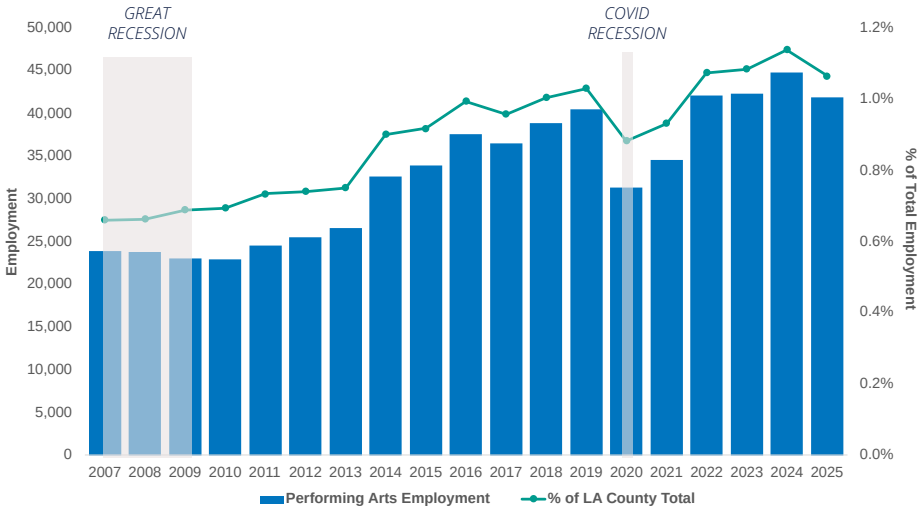


Average annual wages in the Performing Arts cluster are about **2.3 times** the county average. Independent Artists, Writers, and Performers earn the most at over **$323,000 per year**, while theater and dance companies remain below **$50,000**.



Jobs in this cluster are concentrated among agents, managers, and promoters, with **21,856 jobs**, or about **52%** of employment. Independent artists, writers, and performers account for another **13,679 jobs**, or nearly **33%**.

Performing Arts rebounded quickly after the pandemic, surpassing **42,000 jobs** by 2022. Growth continued through 2024, adding more than **2,600 jobs**, before employment fell by **2,900 jobs** in 2025 to about **41,800**.



The Performing Arts cluster lost over 9,100 jobs in 2020, a 22.6% decline as venues shut down during the pandemic. After an initial rebound in 2021 and 2022, growth slowed, with only 127 jobs added in 2023 and 2,517 in 2024. In 2025, jobs declined by 2,900, erasing the growth of the previous two years. Despite this, the cluster has gained nearly 10,500 jobs since its 2020 low and remains above pre-pandemic employment. Its concentration also remains strong, with a location quotient of 3.48 in 2025, highlighting the continued regional importance of Performing Arts.

AT-A-GLANCE 2025

MUSIC & SOUND RECORDING

NUMBER OF JOBS
4,350

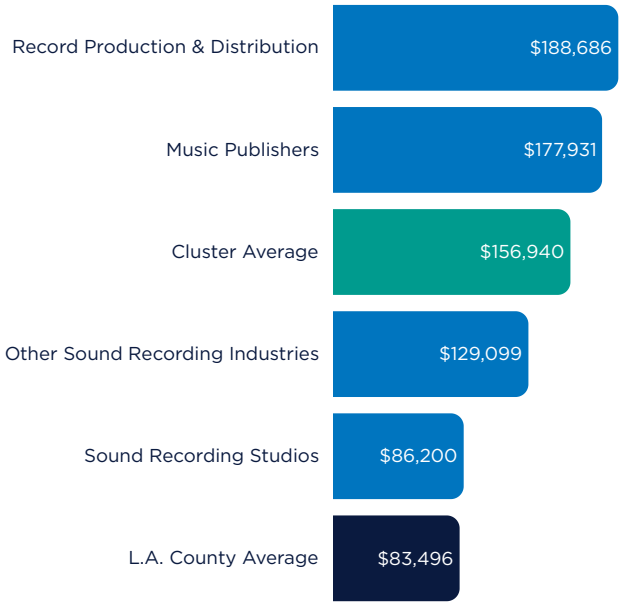
AVERAGE ANNUAL WAGE
$156,940

LOCATION QUOTIENT (LQ)
7.53

This cluster is highly concentrated in L.A. County and continues to strengthen relative to the nation. The cluster LQ is 7.53, while Music Publishers is the strongest industry, with an LQ of 9.02.

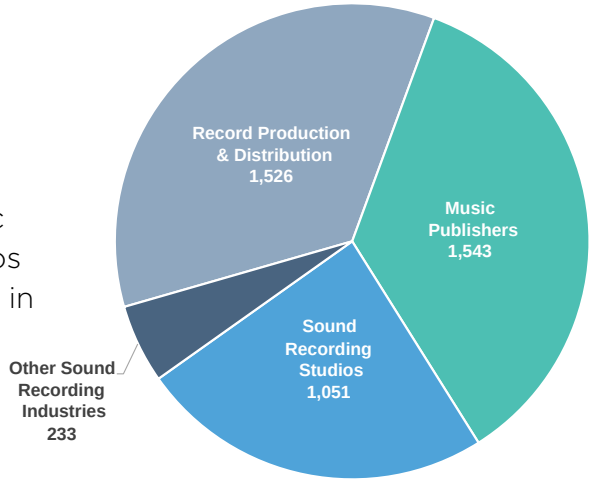
An essential part of L.A. County's entertainment economy, Music & Sound Recording supports music production, publishing, and recording.

AVERAGE ANNUAL WAGES, 2025



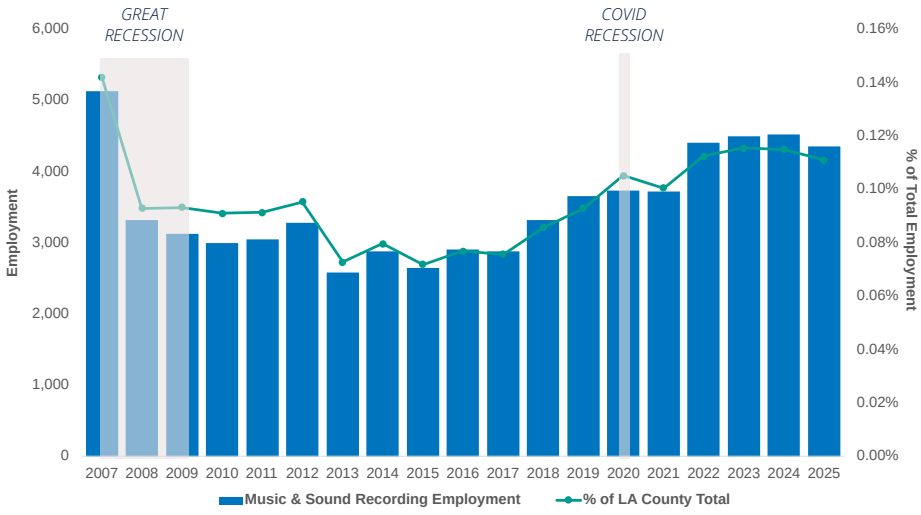
Cluster average annual wages are about **88% higher** than the county average. Record Production leads the group with the highest wages at over **$188,000**. Other Sound Recording Industries and Sound Recording Studios pay below the cluster average, though both remain above the county average.

Record Production & Distribution, Music Publishers, and Sound Recording Studios together account for about **95%** of jobs in the Music & Sound Recording cluster, leaving only a small share in other subindustries.





From 2009 to 2017, employment held between **2,600** and **3,300 jobs** before growing in 2018. A 2022 jump added nearly **700 jobs**, followed by modest gains through 2024. In 2025, employment fell by **166 jobs**, the first decline since 2021.



Music & Sound Recording is a highly concentrated part of L.A. County's entertainment economy, with a location quotient of 7.53, led by music publishers with an LQ of 9.02. Although relatively small at about 4,400 jobs, the cluster offers high wages averaging nearly $157,000, almost double the county average. Record production, publishing, and studios account for about 95% of jobs. After years of stagnant or slow growth, employment increased from 2018 through 2024 before falling by 166 jobs in 2025. Despite this decline, the cluster remains central to the region's music economy.

AT-A-GLANCE 2025

EDUCATION & KNOWLEDGE CREATION

NUMBER OF JOBS
104,560

AVERAGE ANNUAL WAGE
$101,770

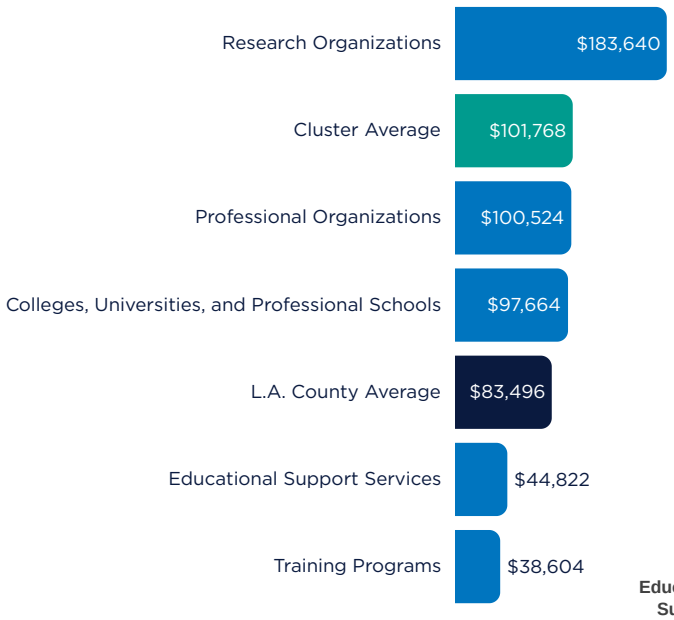
LOCATION QUOTIENT (LQ)
1.24

The LQ for this cluster is comparatively steady, with some fluctuation. Some industry concentrations have increased since 2019, including Colleges & Universities, Apprenticeship Training, and Nanotech R&D.

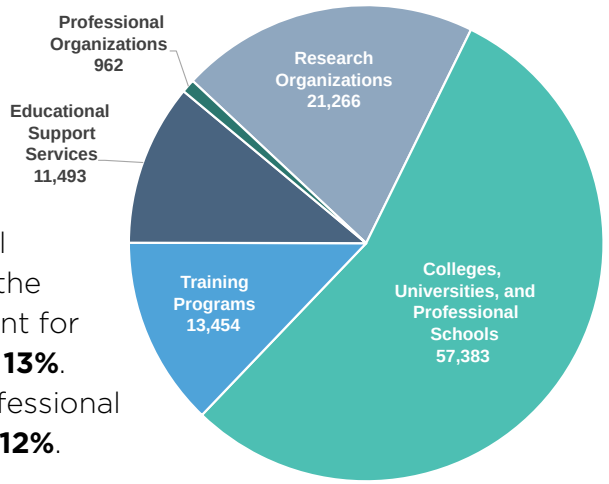


This cluster includes privately owned businesses and educational programs, from apprenticeship programs to universities and research institutions.

AVERAGE ANNUAL WAGES, 2025

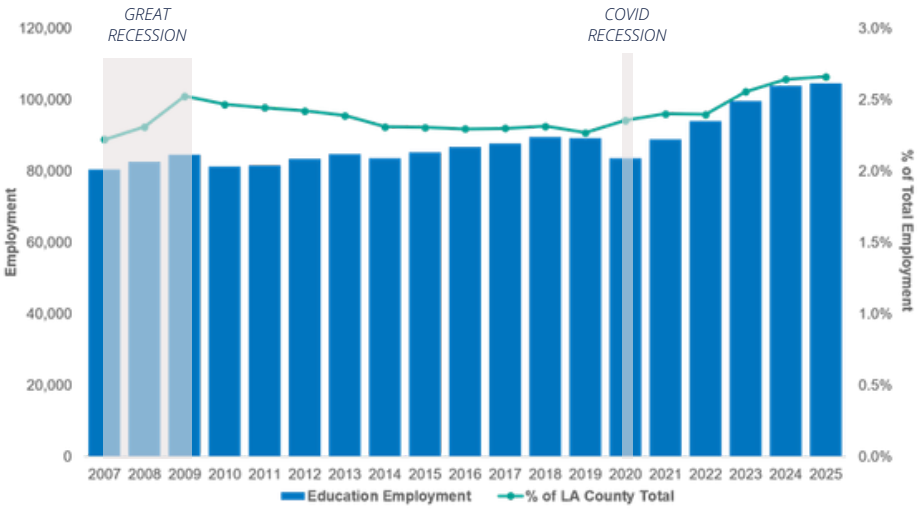


Average annual wages are about **22% higher** than the county average. Research Organizations lead at over **$183,600**, while Training Programs and Educational Support Services remain below county levels.



Colleges, Universities, and Professional Schools provide about **55%** of jobs in the cluster. Research Organizations account for **20%**, while Training Programs employ **13%**. Educational Support Services and Professional Organizations make up the remaining **12%**.

This cluster has grown overall since 2007, despite periodic declines, including 2020. It rose **6.0%** in 2023, **4.4%** in 2024, and added nearly **600 jobs** in 2025, reaching its highest level on record.



Education & Knowledge Creation is a steadily expanding cluster in L.A. County, employing about 104,600 people in 2025. The cluster grew by 6.0% in 2023 and 4.4% in 2024, then added nearly 600 jobs in 2025, reaching its highest level on record. Over half of all jobs are in colleges and universities, with research organizations also accounting for a significant share and driving average annual wages about 22% above the county average. Although training programs and support services offer lower pay, the cluster plays a vital role in developing talent and advancing innovation, supported by the region's strong higher education and R&D base.

AT-A-GLANCE 2025

HOSPITALITY & TOURISM

NUMBER OF JOBS
84,560

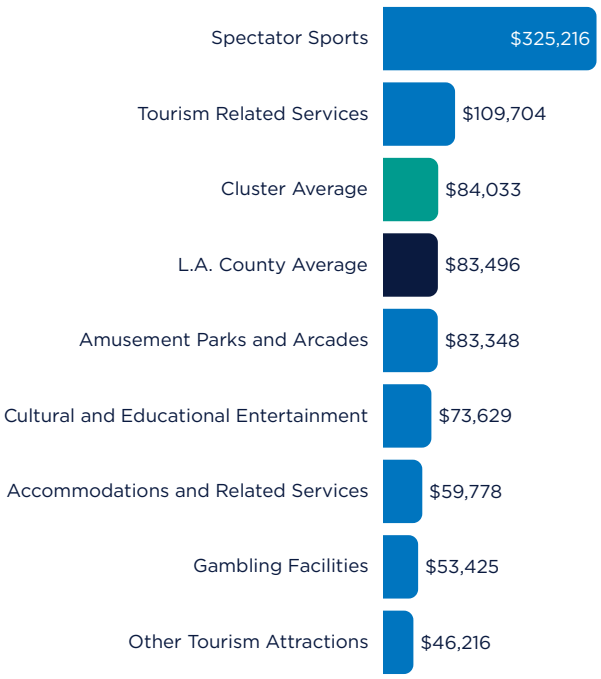
AVERAGE ANNUAL WAGE
$84,030

LOCATION QUOTIENT (LQ)
0.88

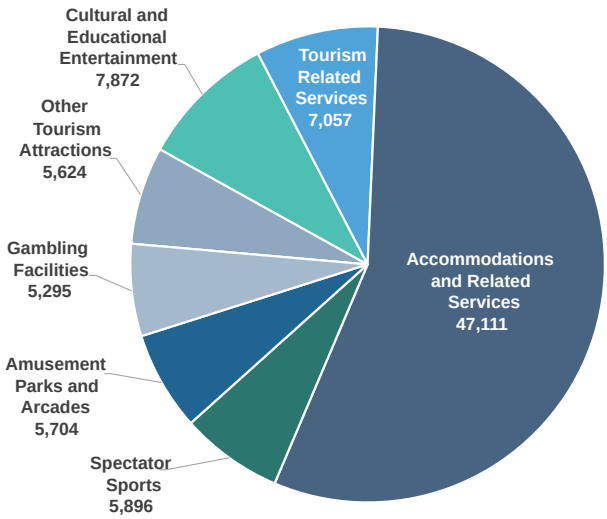
This cluster is slightly less concentrated in L.A. County than nationally, though Museums and Art Dealers remain more concentrated here than in the U.S. as a whole.

Comprising a variety of industries, this cluster attracts tourists from around the globe but remains below pre-pandemic employment levels.

AVERAGE ANNUAL WAGES, 2025



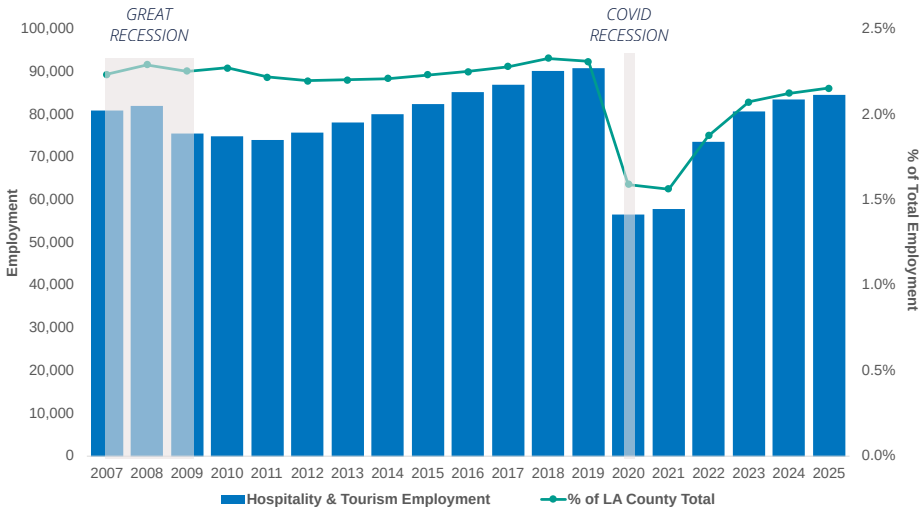
Average annual wages in Spectator Sports are very high, but most industries in this cluster fall below the L.A. County average. Overall, the cluster average is only about **$500 above** the county average.



Accommodations and Related Services provide **55.7%** of jobs in the cluster. Cultural and Educational Entertainment, Tourism Services, Amusement Parks, and Other Attractions together account for about **31%** of employment. Spectator Sports make up **7%** of jobs.



The COVID-19 pandemic hit this cluster hardest, with over **34,000 jobs** lost from 2019 to 2020. From 2021 through 2025, it regained more than **28,000 jobs**, but remains **6.8% below** 2019 levels.



The COVID-19 pandemic caused the steepest decline in this cluster, with employment dropping by 37% from 2019 to 2020. Recovery began in 2021 and accelerated in 2022, when the cluster added nearly 15,600 jobs, a 27% increase. Growth continued in 2023 with about 7,200 more jobs, in 2024 with about 2,800 jobs, and in 2025 with about 1,100 jobs, pushing total employment back above 84,000. Despite these gains, employment remains about 6.8% below 2019 levels, reflecting both the cluster's vulnerability during downturns and its resilience in the county's recovery.

AT-A-GLANCE 2025

MARKETING, DESIGN, & PUBLISHING

NUMBER OF JOBS
68,070

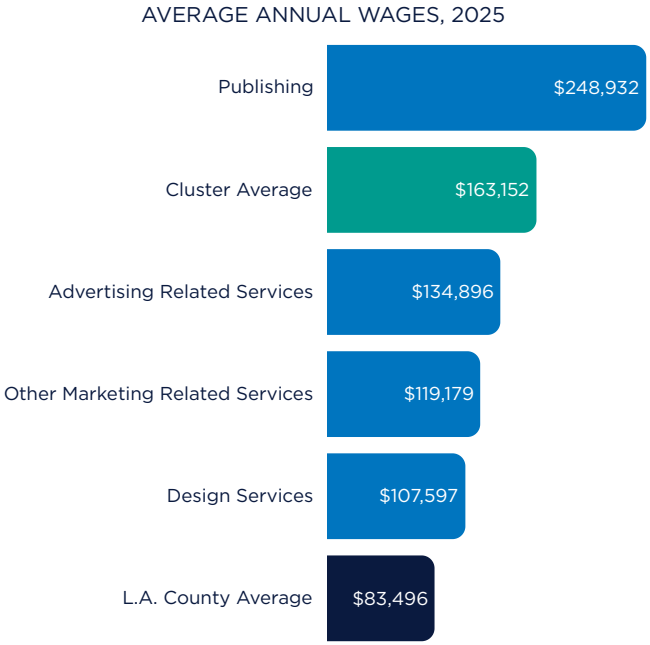
AVERAGE ANNUAL WAGE
$163,150

LOCATION QUOTIENT (LQ)
1.51

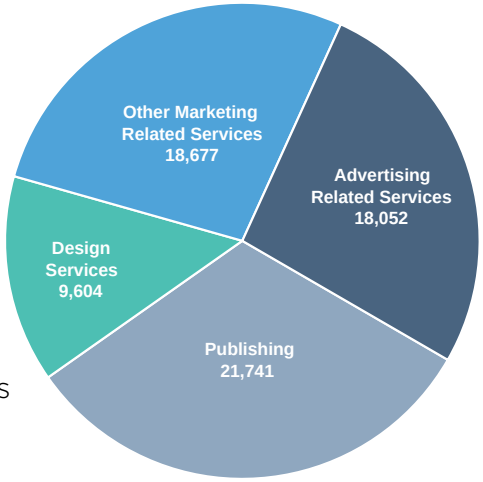
This cluster is another strength for L.A. County, with an LQ of 1.51. The most concentrated industries are Other Specialized Design Services, with an LQ of 4.1, and Media Buying Agencies, with an LQ of 3.1.



This cluster encompasses a wide range of industries, including traditional and online publishing, creative design services, marketing, and advertising.

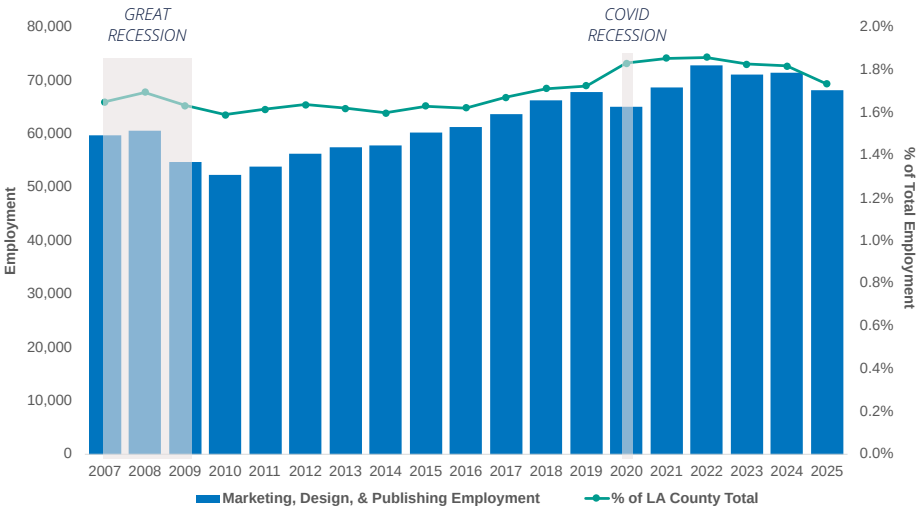


Average annual wages in this cluster are about **$163,200**, nearly **95% above** the county average. Publishing leads the way at nearly **$249,000**, while advertising, marketing, and design services also pay well above the county norm.



Employment is spread across Publishing at about **32%**, Other Marketing Related Services at **27%**, Advertising Related Services at **27%**, and Design Services at **14%**.

This cluster grew steadily from 2011 through 2019 before losing jobs in 2020. Employment rebounded strongly through 2022, declined in 2023, edged up slightly in 2024, then fell to about **68,100 jobs** in 2025.



After peaking at about 72,800 jobs in 2022, the Marketing, Design, & Publishing cluster declined to about 71,100 in 2023, edged up to 71,400 in 2024, and fell to about 68,100 in 2025, a loss of about 4,700 jobs from its recent peak. Even with this slowdown, employment remains above pre-pandemic levels, reflecting the cluster's long-term growth in online publishing, digital content production, and marketing services. The recent decline points to cooling demand after the strong rebound that followed the pandemic, but the cluster continues to be central to L.A. County's creative and media economy.

AT-A-GLANCE 2025

AEROSPACE VEHICLES & DEFENSE

NUMBER OF JOBS
57,330

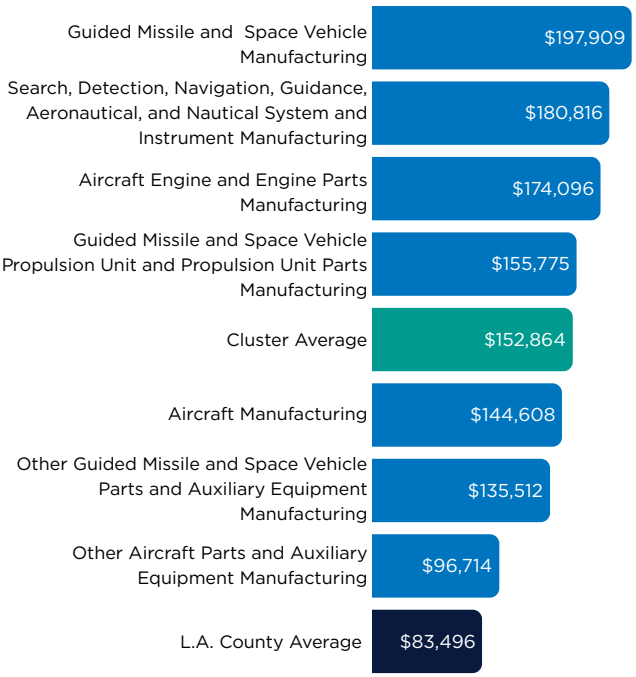
AVERAGE ANNUAL WAGE
$152,860

LOCATION QUOTIENT (LQ)
2.82

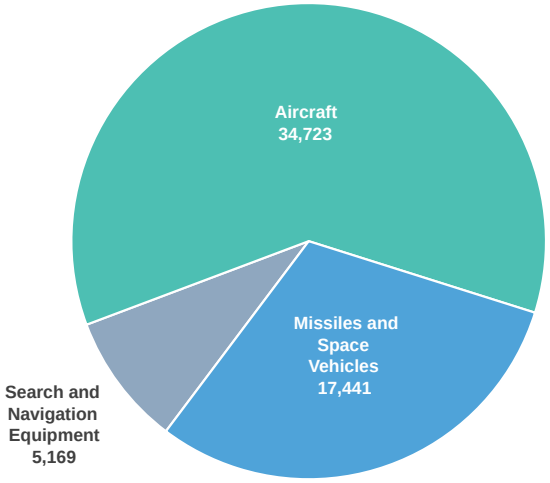
This cluster has a strong LQ of 2.82. The Guided Missile and Space Vehicle Manufacturing industry is especially concentrated, with an LQ of 6.29.

Home to Jet Propulsion Laboratory and major defense contractors, L.A. County's aerospace and defense cluster employs about 57,300 workers.

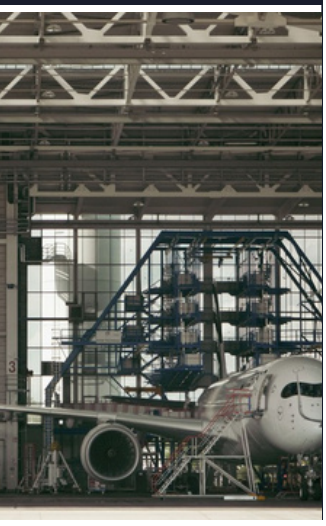
AVERAGE ANNUAL WAGES, 2025



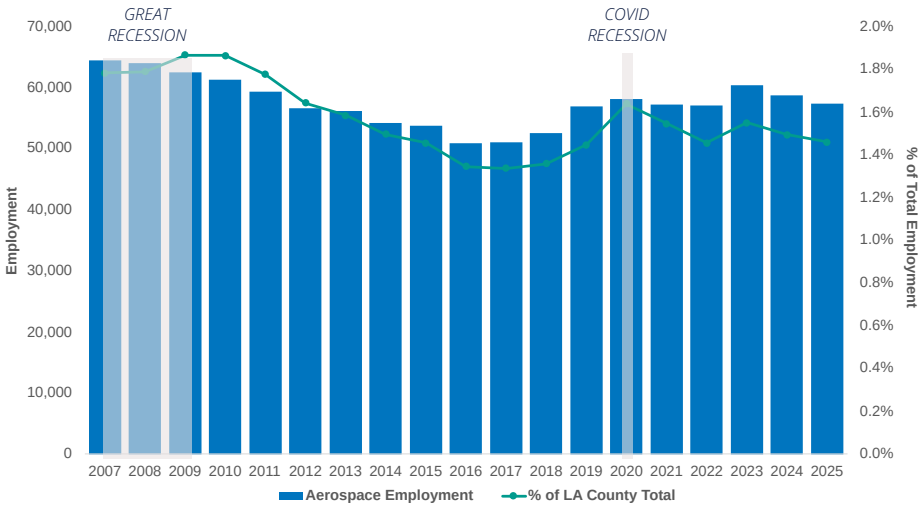
The aerospace cluster has high average annual wages in its space, missile, aircraft, and propulsion segments, attracting engineers from across the country. Cluster average annual wages are about **$69,400 higher**, or **83% above** the county average.



Aircraft represents over **half** of the cluster's employment, with about **34,700 jobs**. Missile and Space Vehicle Manufacturing remains another major segment, with about **17,400 jobs**.



Although the Aerospace cluster has not returned to its 2007 employment level of nearly **64,500 jobs**, it has grown since bottoming out at just under **50,900** in 2016. Employment reached **57,300** in 2025.



Aerospace Vehicles & Defense is a high-wage, high-skill cluster anchored by JPL and major defense contractors. Average annual wages of about $152,900 are roughly 83% above the county average, attracting a highly specialized workforce. The cluster is concentrated in Guided Missile and Space Vehicle Manufacturing, with an LQ of 6.29, reflecting the region's legacy in aerospace innovation. While employment remains below its 2007 level, it has rebounded from its 2016 low, reaching about 57,300 jobs in 2025. Aircraft remains the largest segment, while missile and space systems continue to anchor the cluster's regional specialization.

AT-A-GLANCE 2025

FINANCIAL SERVICES

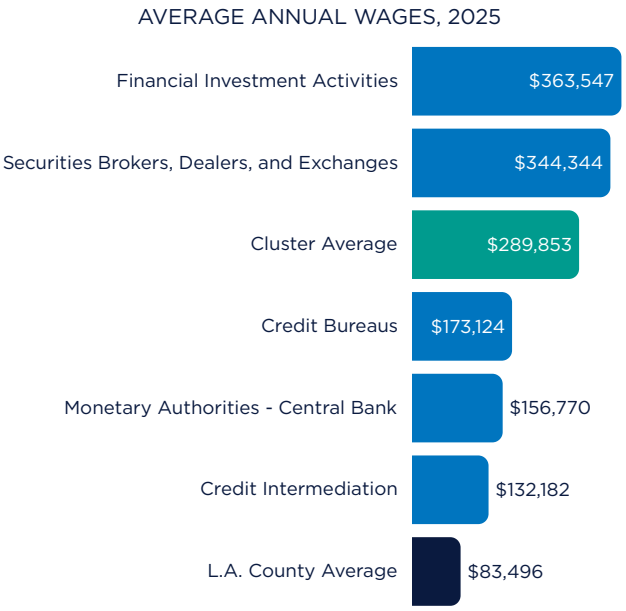
NUMBER OF JOBS
41,350

AVERAGE ANNUAL WAGE
$289,850

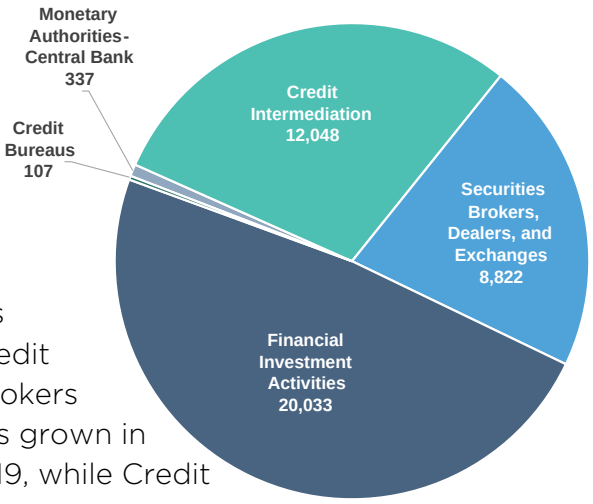
LOCATION QUOTIENT (LQ)
0.69

Financial Services is less concentrated in L.A. County than nationally. The most concentrated industry, Other Financial Vehicles, has an LQ of 1.59, down from 2.14 in 2019.

This cluster includes industries ranging from financial investments to credit intermediation, such as sales financing and consumer lending.



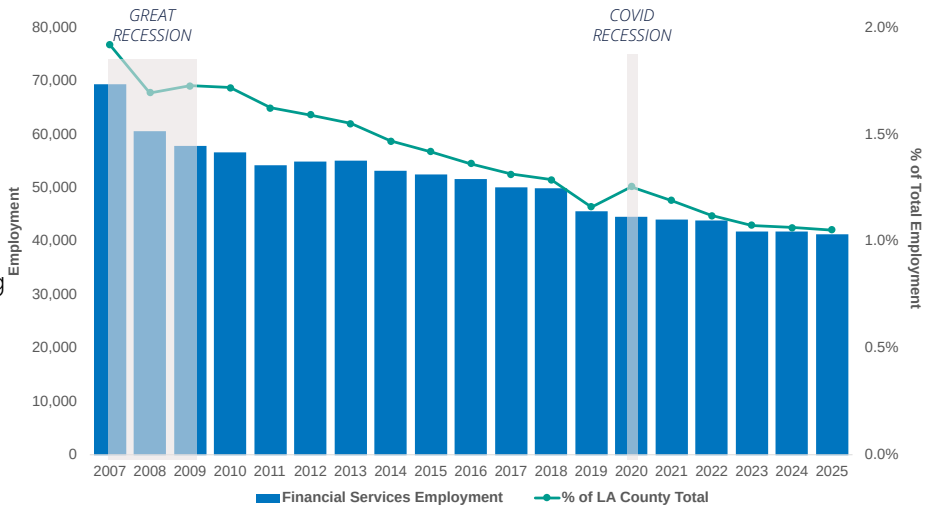
Financial Services is one of the highest-paying clusters in L.A. County, with average annual wages of about **$289,900**, more than **three times** the county average. Wages are led by Financial Investment Activities and Securities Brokers, Dealers, and Exchanges, far above Credit Intermediation and Credit Bureaus.



About **99%** of jobs in this cluster are concentrated in three subclusters. Financial Investment Activities accounts for **47%** of employment, followed by Credit Intermediation at **30%** and Securities Brokers and Exchanges at **22%**. Employment has grown in Financial Investment Activities since 2019, while Credit Intermediation has continued to decline.



Employment in this cluster has been on a steady decline since 2013. Job losses eased in 2021 and 2022 but continued through 2025, leaving the cluster with just **1.1%** of the county's private-sector workforce, down from over **2%** in 2007.



Financial Services is one of L.A. County's highest-paying clusters, with average annual wages of about $289,900, more than three times the county average. The cluster is less concentrated locally than nationally, with a location quotient of 0.69. Nearly all jobs are in three subclusters: Financial Investment Activities, Credit Intermediation, and Securities Brokers and Exchanges. Jobs in investment activities have grown since 2019, but overall cluster employment has declined since 2013. By 2025, Financial Services accounted for just 1.1% of the county's private-sector workforce, underscoring its relatively small but high-value role in the regional economy.

AT-A-GLANCE 2025

IT & ANALYTICAL INSTRUMENTS

NUMBER OF JOBS
33,260

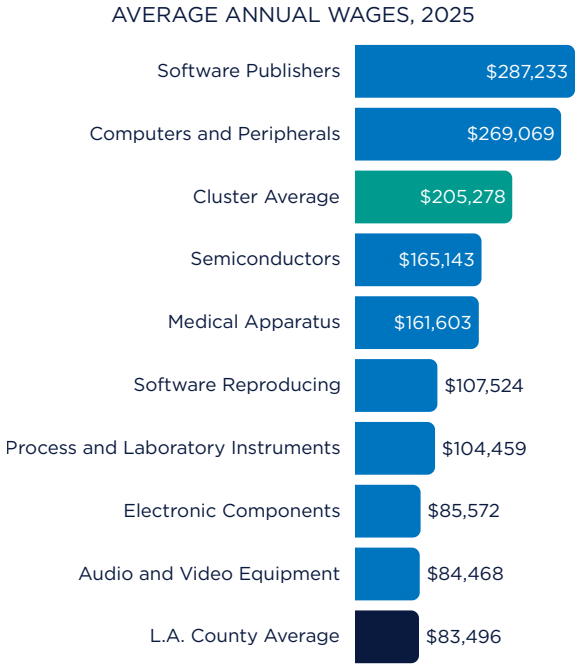
AVERAGE ANNUAL WAGE
$205,280

LOCATION QUOTIENT (LQ)
0.75

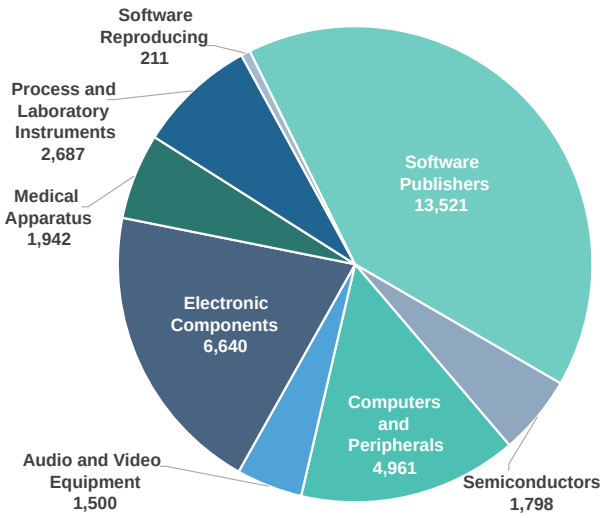
This cluster remains less concentrated in L.A. County than nationally, with an LQ of 0.75. Electronic Connector Manufacturing leads with an LQ of 3.65, up from 2.68 in 2019.



IT & Analytical Instruments represents many industries, from high-tech hardware and component manufacturing to software publishing.

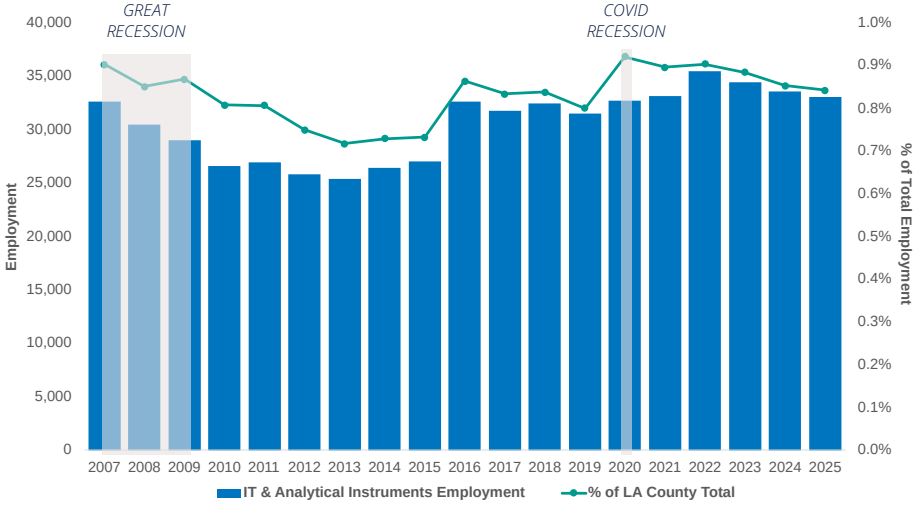


Average annual wages are well over twice the county average. Pay is led by Software Publishers at about **$287,200**, followed by Computers & Peripherals at about **$269,100**, while several hardware-related industries sit near the **$80,000** to **$90,000** range.



Software Publishing accounts for about **41%** of cluster jobs, with Electronic Components and Computers & Peripherals making up most of the rest. The mix underscores L.A. County's strength in software and select hardware niches.

After a sharp employment jump in 2016, the cluster leveled off. It edged up through 2019, then declined gradually, with employment falling to about **33,300 jobs** in 2025, near **0.8%** of county private employment.



IT & Analytical Instruments is a high-wage cluster in L.A. County, with average annual wages well over twice the county average, led by Software Publishers and Computers and Peripherals. The cluster is less concentrated locally than nationally, with an LQ of 0.75, and accounts for just 0.8% of county private employment. Software Publishing is the largest subcluster, making up about 41% of jobs and expanding steadily since 2019. Employment jumped sharply in 2016, then leveled off, with modest declines from 2022 through 2025. The cluster highlights L.A. County's role as a relatively small but high-wage hub for high-tech manufacturing and digital content infrastructure.

AT-A-GLANCE 2025

FOOD PROCESSING & MANUFACTURING

NUMBER OF JOBS
31,430

AVERAGE ANNUAL WAGE
$76,970

LOCATION QUOTIENT (LQ)
0.82

This cluster is less concentrated in L.A. County than it used to be. Employment in this cluster is similar to 2008 levels, whereas employment nationally has grown.



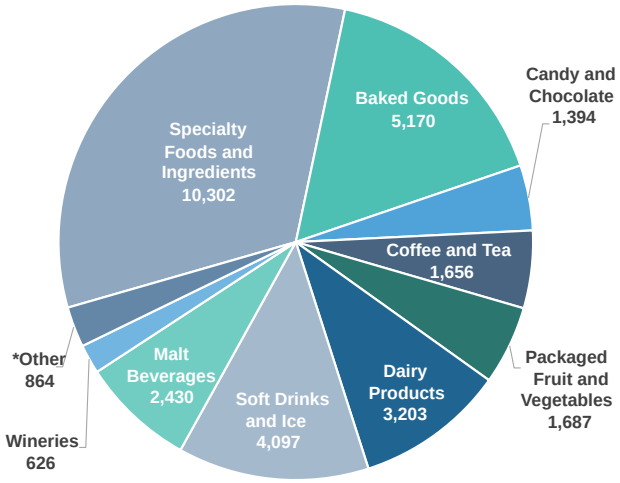
This Traded industry cluster includes industries involved in the production of foods and beverages for humans, as well as food products for animals.

AVERAGE ANNUAL WAGES, 2025



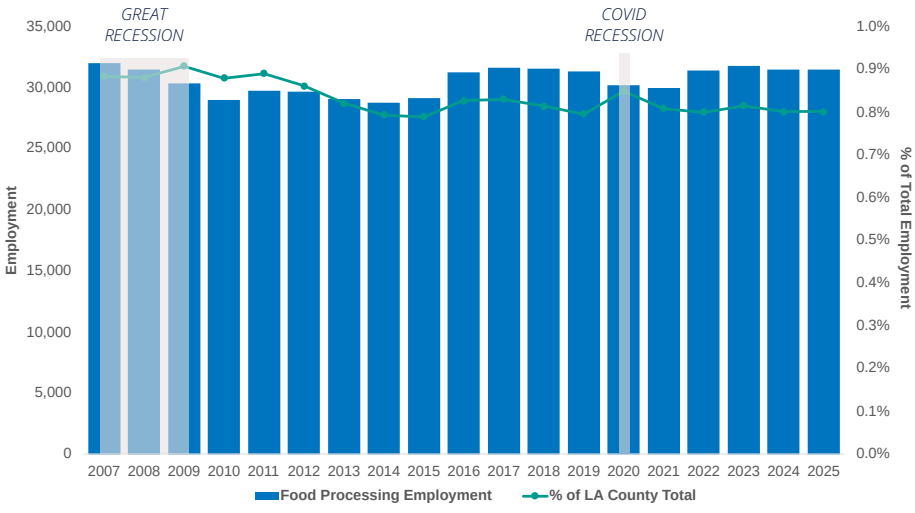
Average annual cluster earnings are about **$77,000**, below the county average. Dairy Products, Soft Drinks and Ice, and a handful of smaller industries have above-average earnings.

Two subclusters account for about **half** of all jobs in the Food Processing cluster: Specialty Foods & Ingredients and Baked Goods. Together, they employ about **15,500 workers**.



*"Other" includes subclusters Animal Foods; Glass Containers; Milling & Refining of Sugar, Cereals, and Oilseeds; Distilleries; and Farm Wholesalers

Employment has remained stable overall, with 2025 levels near 2007 levels. Since 2022, jobs rose **1.3%** in 2023 before dipping in 2024 and 2025. Growth came largely from Specialty Foods & Ingredients.



Food Processing has long supported L.A. County's diverse population and food distribution system, producing both human and animal food products. While the industry remains a stable employer, with 2025 employment near 2007 levels, it has not matched the pace of national growth over the same period. The cluster is less concentrated locally, with an LQ of 0.82, as large-scale production is centered in agricultural regions outside the county. Recent job gains in Specialty Foods & Ingredients have provided some resilience, helping to offset losses in more traditional processing sectors such as Dairy Products and Milling.

AT-A-GLANCE 2025

FASHION GROUP

A combination of apparel, leather, textile manufacturing, jewelry, and footwear, the Fashion Group is a staple of L.A. County.

NUMBER OF JOBS
27,110

AVERAGE ANNUAL WAGE
$65,870

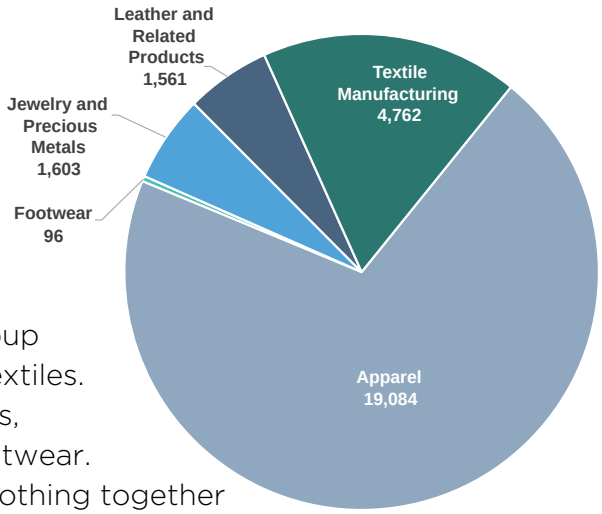
LOCATION QUOTIENT (LQ)
2.87

Fashion has historically had a large presence in L.A. County. While it remains strong compared to the rest of the nation, the LQ has dropped from its 2013 peak of 4.28 to 2.87 in 2025.

AVERAGE ANNUAL WAGES, 2025



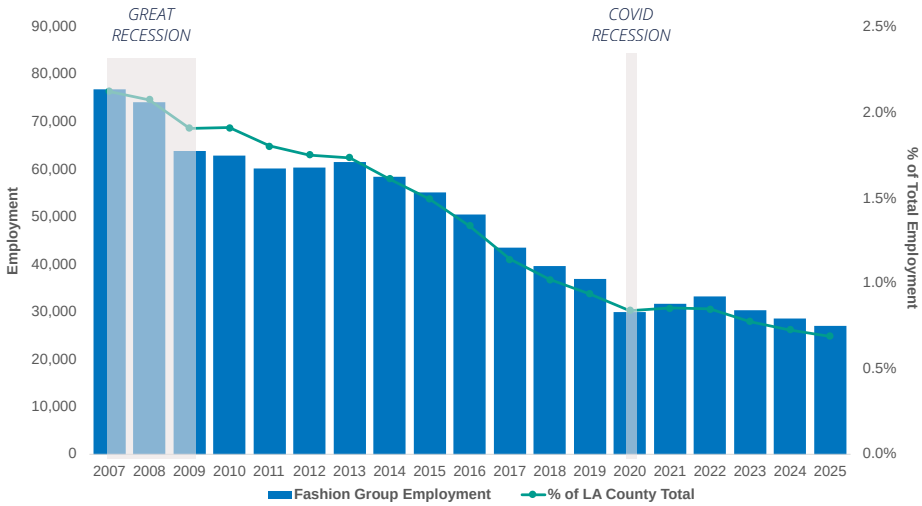
Fashion is a highly concentrated group in L.A. County, with average annual wages of about **$65,900**, below the county average. The group is nearly **three times** more concentrated locally than nationally, with an LQ of **2.87**, reflecting the county's role as a hub for apparel and textile production.



About **70%** of jobs in the Fashion Group are in Apparel, with another **18%** in Textiles. Smaller shares are in Leather Products, Jewelry and Precious Metals, and Footwear. Apparel Contractors and Women's Clothing together make up more than half of the cluster's employment.



Employment in the Fashion Group has declined since 2007, when it had over **76,000 workers**. After adding nearly **3,200 jobs** in 2021 and 2022, employment fell each year through 2025, reaching about **27,100 jobs**.



The Fashion Group remains central to L.A. County's economic and cultural identity, long anchored by its apparel and textile base. With a location quotient of 2.87, it is still more concentrated locally than nationally, though well below past levels. Apparel accounts for about 70% of jobs in the cluster. After a brief recovery in 2021 and 2022, employment continued to fall from 2023 through 2025, bringing the workforce down to about 27,100. Average wages remain below the county average, reflecting the prevalence of lower-wage production roles. Even so, fashion continues to play a defining role in the region's economy and global reputation.

AT-A-GLANCE 2025

APPAREL

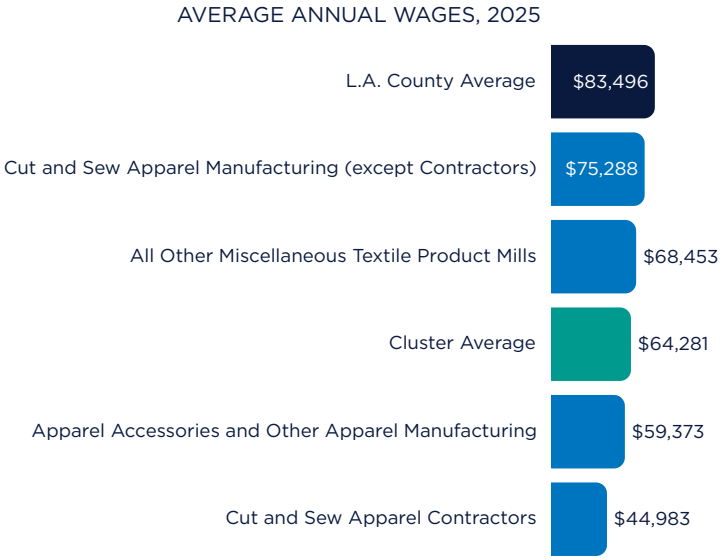
NUMBER OF JOBS
19,080

AVERAGE ANNUAL WAGE
$64,280

LOCATION QUOTIENT (LQ)
6.36

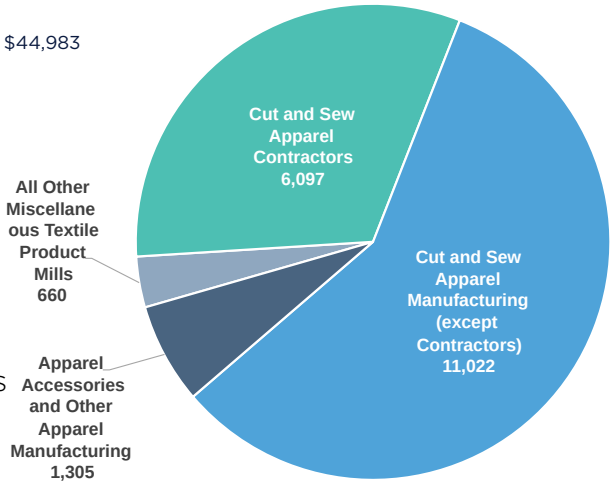
While Apparel's LQ is still high relative to the rest of the U.S. at 6.36, it is lower than it was in 2007 and substantially lower than its multi-year peak of 9.22 in 2013.

An important L.A. County cluster in the early 2000s, Apparel has witnessed significant employment declines since 2007.



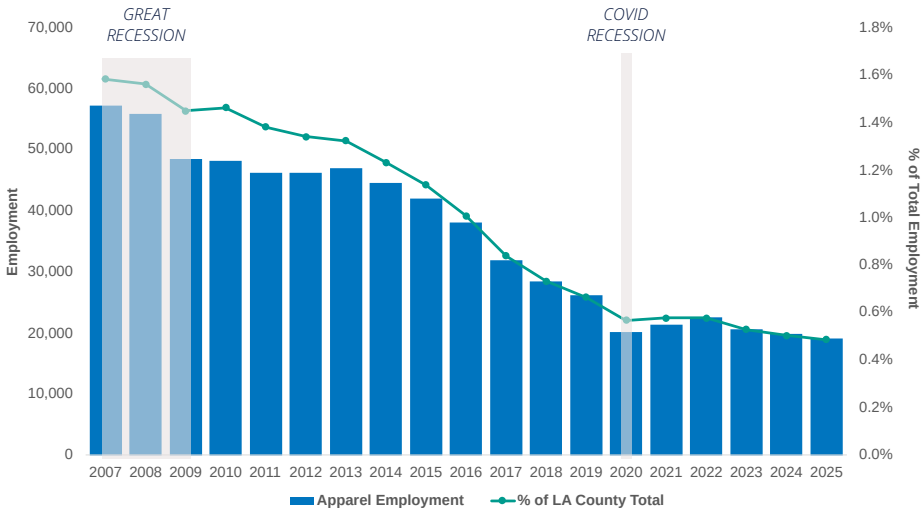
Average annual wages in the Apparel cluster are about **$64,300**, roughly **$19,200 below** the county average. Cut and Sew Apparel Contractors pay the lowest among shown industries at about **$45,000**, reflecting the cluster's concentration of lower-wage production jobs.

Cut & Sew Apparel Contractors and related manufacturing dominate the cluster, providing nearly **90%** of all jobs. Employment in this segment has fallen by more than **16%** since 2022, driving most of the overall decline.





The Apparel cluster has lost more than **half** its jobs since 2007. After a brief recovery in 2021 and 2022, employment declined through 2025, reaching about **19,100** jobs and reinforcing the cluster's long-term downward trend.



Once a dominant force in L.A. County's economy, the Apparel cluster has seen steep long-term decline, with employment falling from more than 57,000 in 2007 to about 19,100 in 2025. After a brief rebound in 2022, jobs fell in 2023, 2024, and 2025. Cut and Sew Apparel Manufacturing and Contractors account for nearly 90% of jobs. The cluster remains highly concentrated locally, with an LQ of 6.36, though far below its 2013 peak of 9.22. Average annual wages are about $64,300, nearly $19,000 below the county average, underscoring the lower-wage nature of most apparel jobs despite the industry's historical and cultural significance in L.A.

AT-A-GLANCE 2025

TEXTILE MANUFACTURING

NUMBER OF JOBS
4,760

AVERAGE ANNUAL WAGE
$73,710

LOCATION QUOTIENT (LQ)
1.06

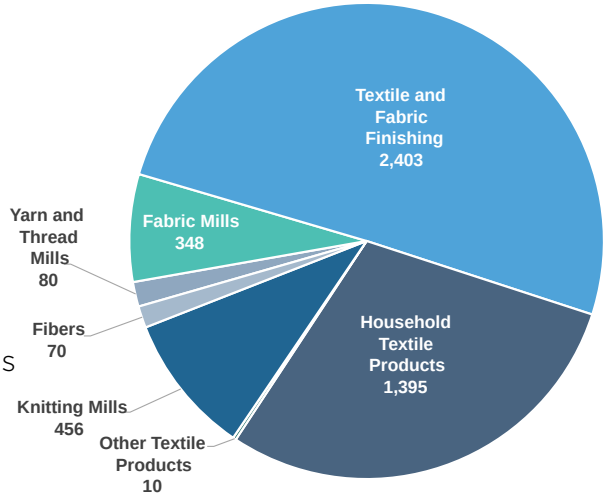
Textile Manufacturing has a concentration in L.A. County just above the national average. It has dropped from a high of 1.47 in 2013 to 1.06 in 2025.

Textile Manufacturing includes yarn, thread, fabric, knitting mills, textile and fabric finishing, fibers, and related production activities.

AVERAGE ANNUAL WAGES, 2025



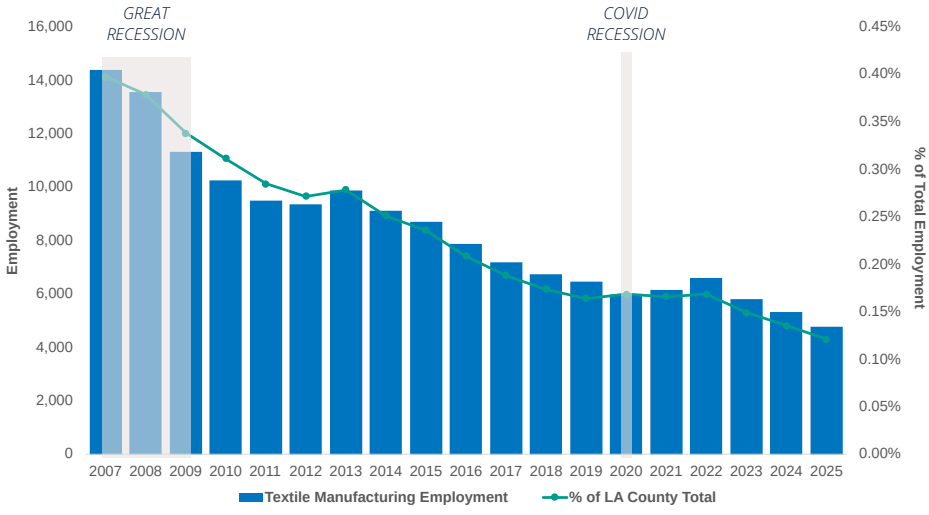
Average annual wages in Textile Manufacturing are about **$73,700**, below the county average. Fibers and Knitting Mills have the highest wages shown, while most other categories fall below countywide levels.



Textile and Fabric Finishing accounts for about **50%** of jobs in the cluster, followed by Household Textile Products at about **29%**. Together, these two categories make up about **80%** of Textile Manufacturing employment.



Except for a brief bump in 2013, jobs in the Textile Manufacturing cluster have steadily declined since 2007. After a brief 2020–2022 recovery, employment fell through 2025, losing about **1,900 jobs** from its recent peak.



Textile Manufacturing remains a modest but historically important part of L.A. County's economy, with a concentration slightly above the national average and an LQ of 1.06. After a brief recovery from 2020 to 2022, employment declined again from 2023 through 2025, falling to about 4,800 jobs. Average wages are about $73,700, falling below the county average, with most categories paying less than countywide levels. Despite the long-term decline, the cluster retains a modest concentration above the national average.

AT-A-GLANCE 2025

BIOMEDICAL GROUP

Consisting of industries in the biopharmaceuticals and medical devices clusters, this group is part of L.A. County's broader innovation economy.

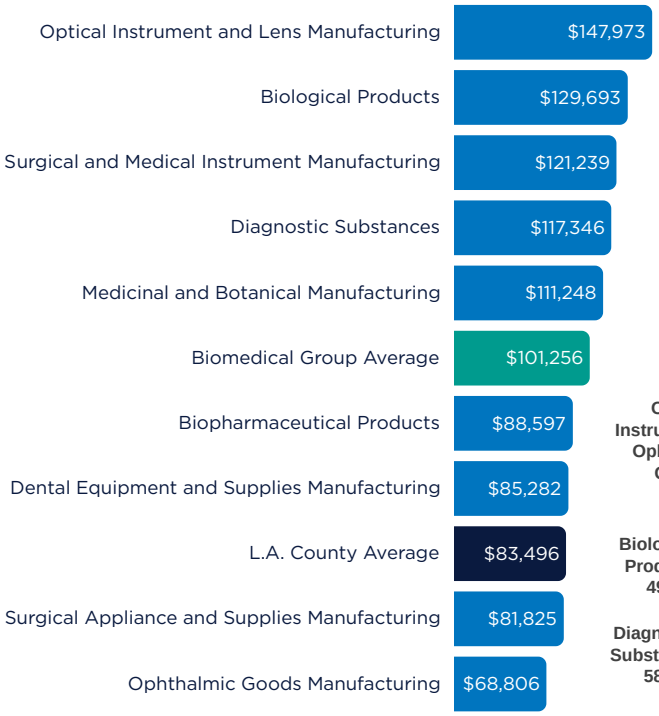
NUMBER OF JOBS
15,370

AVERAGE ANNUAL WAGE
$101,260

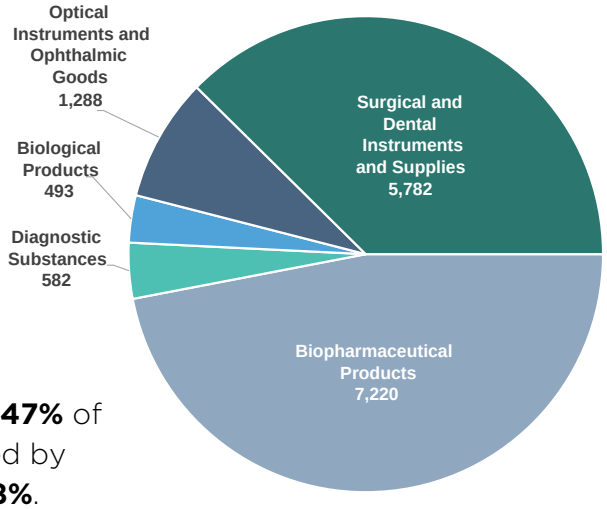
LOCATION QUOTIENT (LQ)
0.78

The Biomedical Group is less concentrated in L.A. County than nationally, with an LQ of 0.78. Ophthalmic Goods Manufacturing is the most concentrated industry, with an LQ of 1.27.

AVERAGE ANNUAL WAGES, 2025



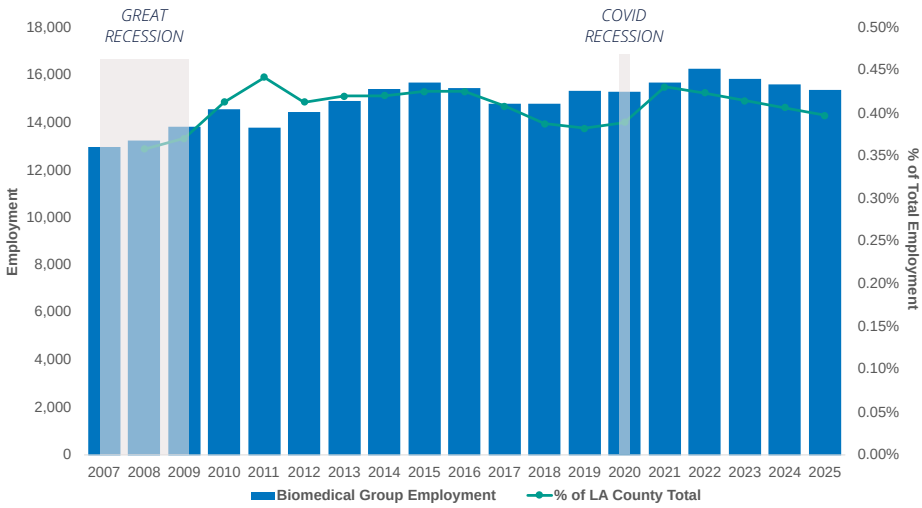
Average annual wages for the Biomedical Group are about **21% above** the county average. Optical Instrument & Lens Manufacturing leads at about **$148,000**, followed by Biological Products at about **$129,700**.



Biopharmaceutical Products provide **47%** of jobs in the Biomedical Group, followed by Surgical and Dental Instruments at **38%**.



The Biomedical Group has followed employment cycles, with alternating growth and decline since 2007. After reaching about **16,200 jobs** in 2022, employment fell each year through 2025, falling to about **15,400 jobs**.



The Biomedical Group remains an important part of L.A. County's innovation economy, anchored by medical device manufacturing and pharmaceutical production. With an LQ of 0.78, it is less concentrated than nationally but benefits from its proximity to major research institutions, world-class hospitals, and biotech hubs across Southern California. In 2025, the group employed about 15,400 workers, with biopharmaceuticals and surgical/dental instruments accounting for the majority of jobs. Average wages are about 21% higher than the county average, reflecting its role as a high-skill, high-value segment of the regional economy.

AT-A-GLANCE 2025

BIOPHARMACEUTICALS

NUMBER OF JOBS
8,300

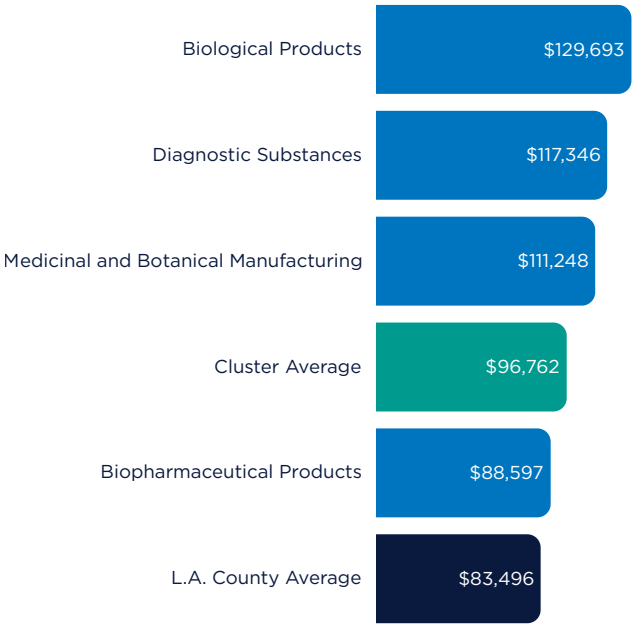
AVERAGE ANNUAL WAGE
$96,760

LOCATION QUOTIENT (LQ)
0.80

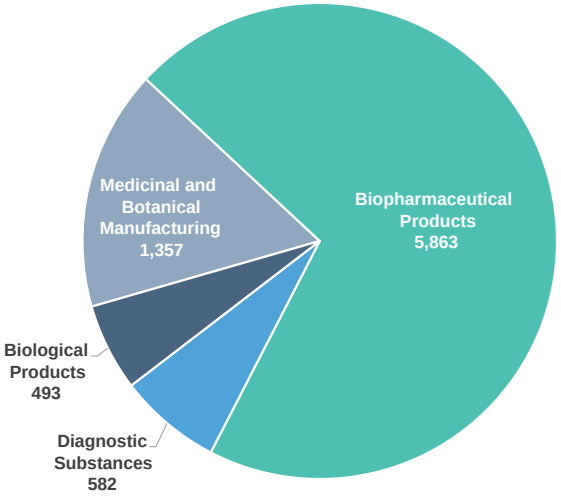
Although there are stronger regions for biopharmaceuticals elsewhere in the country, L.A. County has improved its position from 0.63 in 2007 to 0.80 in 2025.

The Biopharmaceuticals cluster is the larger of the two clusters in the Biomedical Group, employing about 8,300 workers in 2025.

AVERAGE ANNUAL WAGES, 2025



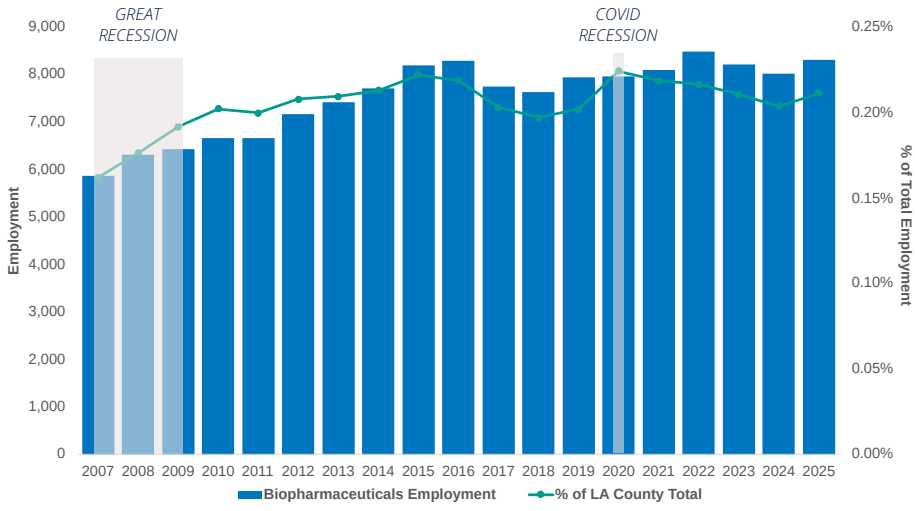
Average annual wages in this cluster are about **$96,800**, above the county average. Biological Products lead the group at **$129,693**, while Diagnostic Substances and Medicinal and Botanical Manufacturing also exceed **$100,000**.



Biopharmaceutical Products make up nearly **71%** of jobs in this cluster, with Medicinal and Botanical Manufacturing adding another **16%**. Together, they provide about **87%** of all jobs.



Employment in Biopharmaceuticals has grown overall since 2007, with major gains between 2010 and 2016. After declining in 2023 and 2024, employment rose in 2025 to about **8,300 jobs**.



Biopharmaceuticals make up the larger of the two clusters in L.A. County's Biomedical Group, employing about 8,300 workers in 2025. While the region is not a national leader, L.A. County has strengthened its role through proximity to major research institutions and rising life sciences investment. Most jobs are in manufacturing, led by biopharmaceutical products, medicinal and botanical manufacturing, diagnostic substances, and biological products. Average annual wages are above the county average, with Biological Products posting the highest wages in the cluster. Employment rose in 2025 after two years of decline.

AT-A-GLANCE 2025

MEDICAL DEVICES

NUMBER OF JOBS
7,070

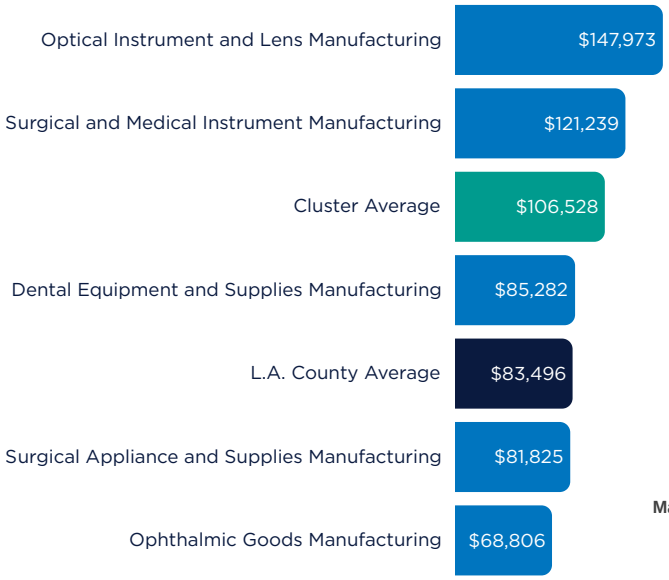
AVERAGE ANNUAL WAGE
$106,530

LOCATION QUOTIENT (LQ)
0.76

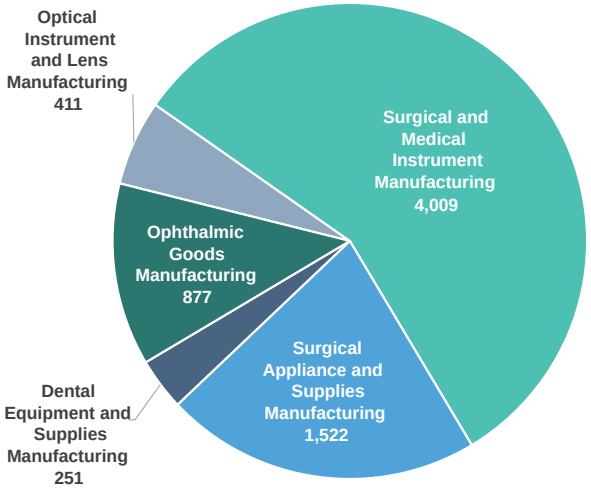
The Medical Devices cluster is less concentrated in L.A. County than nationally, with an LQ of 0.76.

Medical Devices includes surgical, dental, ophthalmic, and optical instrument manufacturing within L.A. County's biomedical economy.

AVERAGE ANNUAL WAGES, 2025



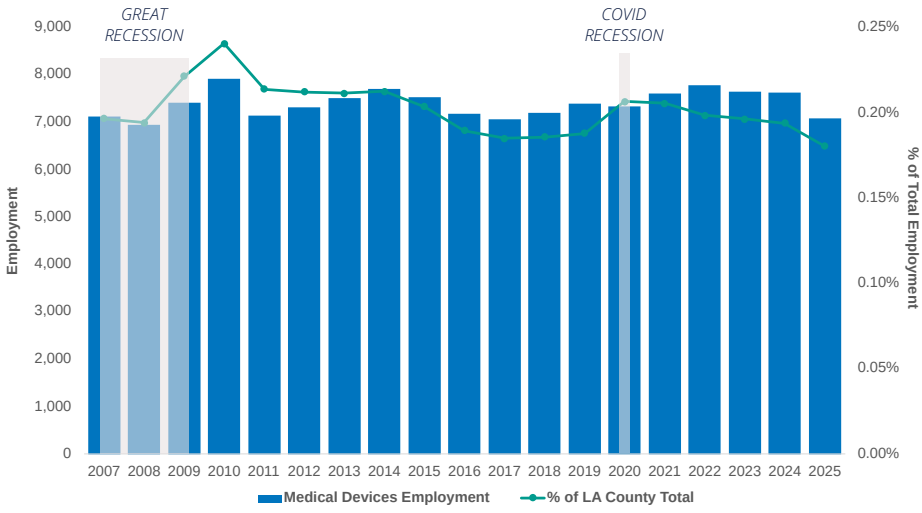
Average annual wages in this cluster are about **28% higher** than the county average. Optical Instrument and Lens Manufacturing leads at about **$148,000**, followed by Surgical and Medical Instrument Manufacturing at about **$121,200**. Surgical Appliance and Supplies Manufacturing falls below the county average.



Surgical and Medical Instrument Manufacturing leads the cluster with **4,009 jobs**, or about **57%** of total employment. Surgical Appliance and Supplies Manufacturing accounts for another **22%**, followed by Ophthalmic Goods Manufacturing at about **12%**.



Employment in the Medical Devices cluster was fairly stable through 2021 and remained near **7,600** to **7,800 jobs** through 2024. Employment then declined in 2025 to about **7,100 jobs**.



Medical Devices is an important part of L.A. County's biomedical economy, employing about 7,100 workers in 2025. The cluster is anchored by Surgical and Medical Instrument Manufacturing, which accounts for nearly 57% of all jobs, with additional strength in surgical supplies and ophthalmic goods. Average annual wages are about $106,500, roughly 28% above the county average, led by high-paying optical and medical instrument manufacturing jobs. Employment remained relatively stable through 2024 before declining about 7% in 2025.

AT-A-GLANCE 2025

COMMUNICATIONS EQUIPMENT & SERVICES

NUMBER OF JOBS
11,020

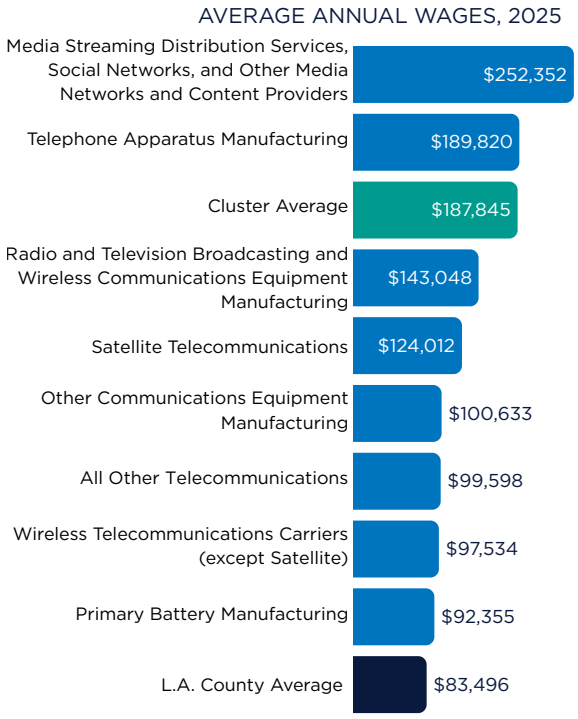
AVERAGE ANNUAL WAGE
$187,850

LOCATION QUOTIENT (LQ)
1.36

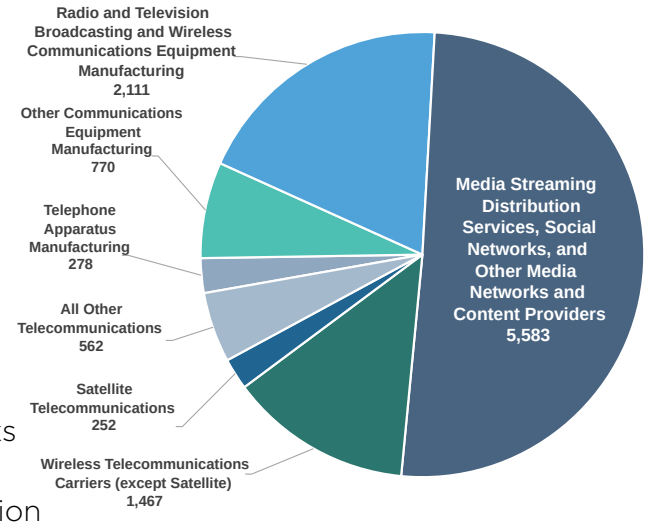
Despite declining employment since 2007, this cluster remains more concentrated in L.A. County than nationally, with an LQ of 1.36.



Communications Equipment & Services includes telecommunications, communications equipment manufacturing, and media distribution activities.

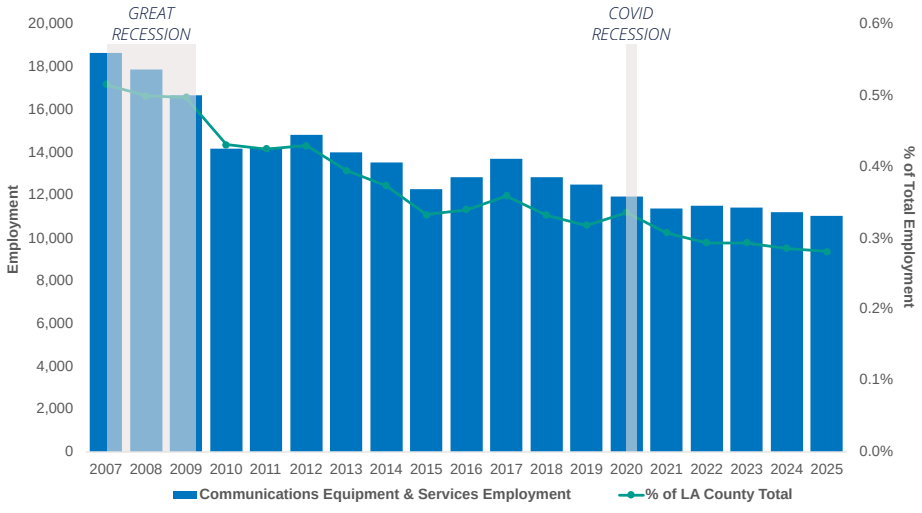


Average annual wages in this cluster are about **125% higher** than the county average. Media Streaming and Social Networks lead at **$252,352**, followed by Telephone Apparatus Manufacturing at **$189,820**. All major industries shown exceed the county average.



Media Streaming and Social Networks account for about **51%** of jobs in this cluster, followed by radio and television broadcasting and wireless equipment manufacturing at **19%** and wireless telecommunications carriers at **13%**. Together, the top three industries provide about **83%** of cluster employment.

Employment has trended downward since 2007, falling from about **18,400 jobs** to **11,000** in 2025. After a modest rebound in 2022, employment declined each year through 2025.



Communications Equipment & Services remains a specialized, high-wage cluster in L.A. County, with average annual wages of about $187,800 and an LQ of 1.36. More than half of all jobs are in media streaming, social networks, and related media distribution, with additional strength in communications equipment manufacturing and wireless telecommunications. Employment has trended downward since 2007, falling from about 18,400 jobs to 11,000 in 2025. After a modest rebound in 2022, employment declined each year through 2025. Even so, it remains tied to the county's digital media economy.

AT-A-GLANCE 2025

LOCAL HEALTH SERVICES

NUMBER OF JOBS
519,110

AVERAGE ANNUAL WAGE
$76,360

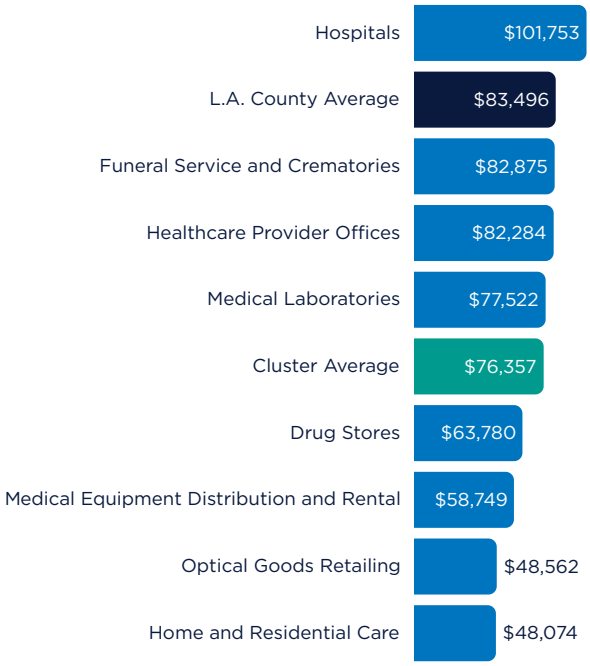
LOCATION QUOTIENT (LQ)
0.94

This cluster's LQ has been increasing steadily over many years. The most concentrated industry in this cluster is HMO Medical Centers, with an LQ of 5.2.

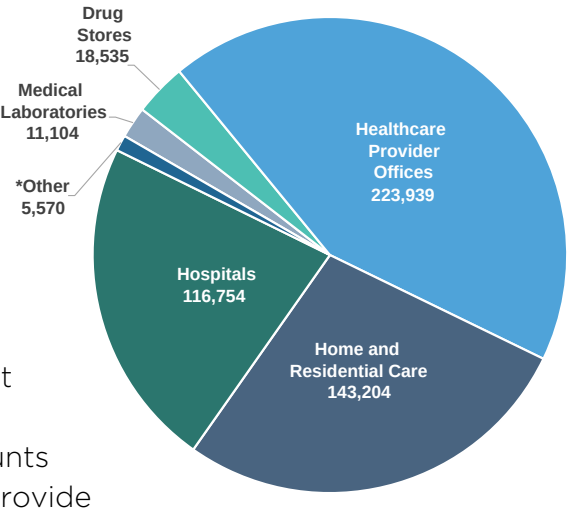


The largest Local cluster in L.A. County, Local Health Services includes hospitals, labs, health care provider offices, and residential care facilities.

AVERAGE ANNUAL WAGES, 2025



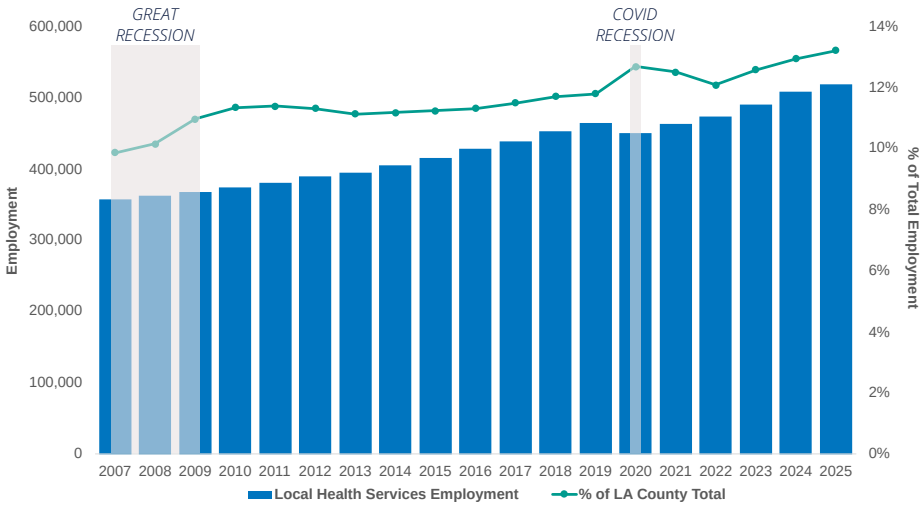
Average annual wages in this cluster are about **$7,100 below** the county average. Hospitals lead the major categories shown at **$101,753**, while most others fall below the county benchmark, reflecting the prevalence of lower-wage health services.



"Other" includes subclusters Optical Goods Retailing, Funeral Service and Crematories, and Medical Equipment Distribution and Rental

Healthcare Provider Offices employ about **224,000 workers**, or roughly **43%** of the cluster. Home and Residential Care accounts for about **143,200 jobs**, while Hospitals provide about **116,800 jobs**.

With the sole exception of 2020, Local Health Services employment has grown every year since 2007, adding more than **160,000 jobs** by 2025. Employment rose to about **519,100**, or over **13%** of L.A. County's private workforce.



Local Health Services is the largest employment cluster in L.A. County, with about 519,100 workers in 2025, representing more than 13% of the private-sector workforce. The cluster spans hospitals, provider offices, labs, and residential care facilities, with health care provider offices accounting for the largest share of jobs. Average wages of about $76,400 fall below the county average, though hospitals pay above countywide levels. Employment has expanded steadily since 2007, adding more than 160,000 jobs. The cluster's location quotient has also inched upward, reflecting rising demand for health services in a large, aging, and diverse population.

AT-A-GLANCE 2025

LOCAL HOSPITALITY

NUMBER OF JOBS
419,630

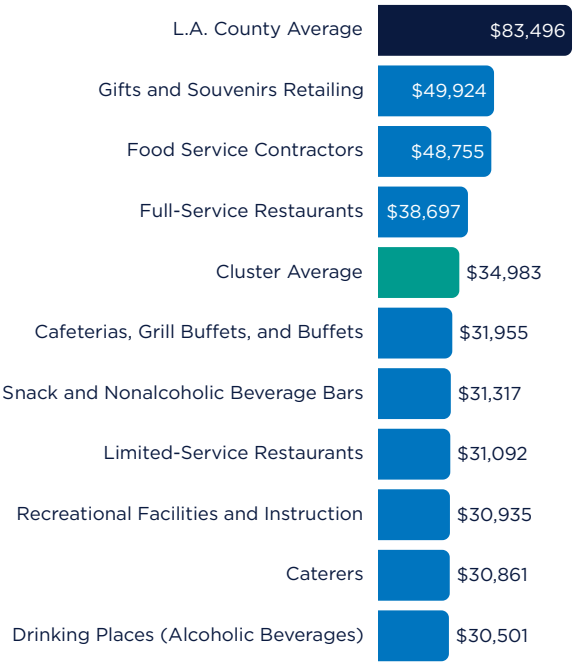
AVERAGE ANNUAL WAGE
$34,980

LOCATION QUOTIENT (LQ)
1.04

The employment concentration in Local Hospitality is about the same as the national average, with an LQ of 1.04. The industry with the highest LQ is Caterers at 1.4.

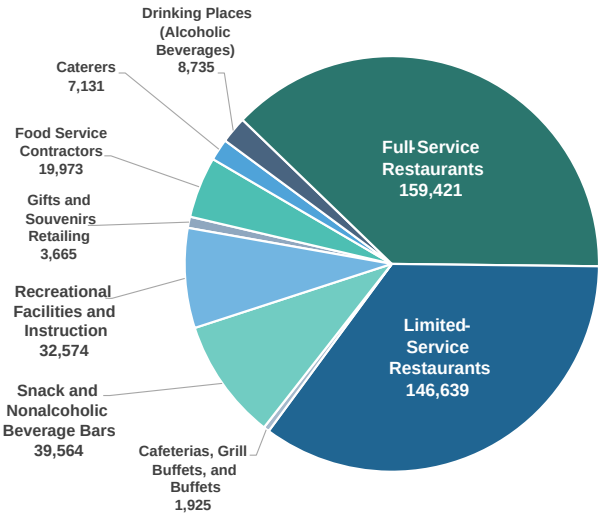
Local Hospitality includes restaurants, bars, food service, catering, recreation facilities, and gift and souvenir retailing.

AVERAGE ANNUAL WAGES, 2025



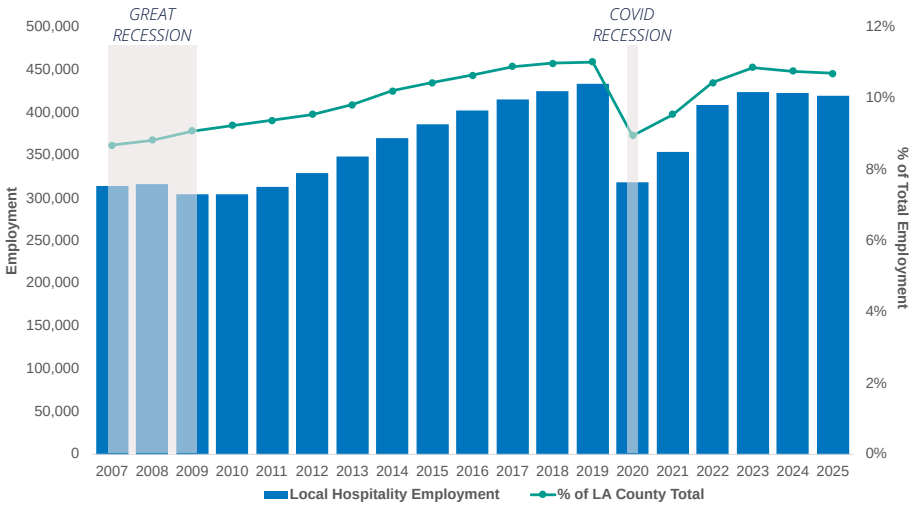
Average annual wages for Local Hospitality are less than **half** of the L.A. County average. The cluster average is about **$35,000**, with Full-Service Restaurants at **$38,697** and Limited-Service Restaurants at **$31,092**.

Full-Service Restaurants employ about **159,400 worker**s, while Limited-Service Restaurants account for about **146,600**. Together, they provide about **73%** of all Local Hospitality jobs.





This cluster expanded from 2010 to 2019 before COVID-19 cut over **115,000 jobs** in 2020. Employment recovered strongly, then slipped in 2025 to about **419,600 jobs**, still more than **10%** of L.A. County's private workforce.



Local Hospitality is one of L.A. County's largest employment clusters, with about 419,600 workers in 2025 and more than 10% of the county's private-sector workforce. The cluster spans restaurants, bars, caterers, and recreation venues, with full- and limited-service restaurants together providing nearly three-quarters of all jobs. Wages remain low, averaging about $35,000, less than half the county average. After losing more than 115,000 jobs during the pandemic, the sector recovered strongly through 2023, stayed flat in 2024, and slipped slightly in 2025. Its location quotient remains close to the national average, while certain subsectors, such as catering, show stronger local specialization.

LOCAL COMMUNITY & CIVIC ORGANIZATIONS

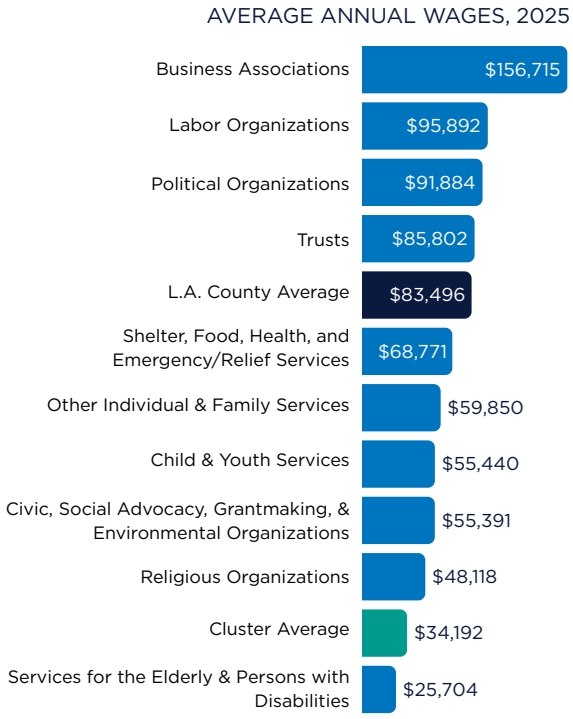
NUMBER OF JOBS
377,230

AVERAGE ANNUAL WAGE
$34,190

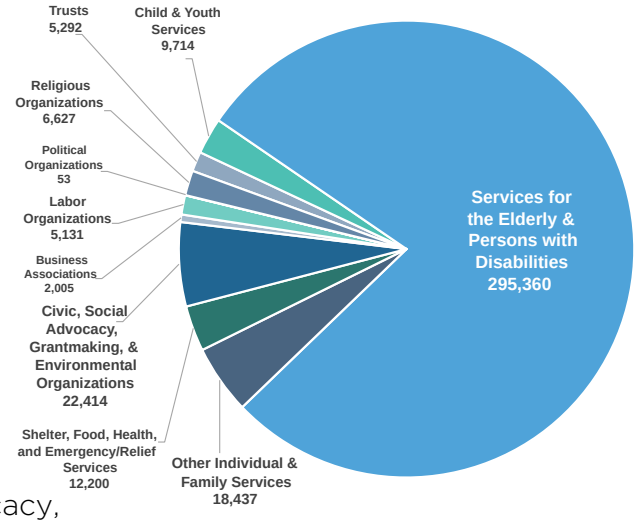
LOCATION QUOTIENT (LQ)
2.53

This cluster has seen increasing concentration since 2016, when the LQ was 2.27. This concentration is driven by Services for the Elderly and Persons with Disabilities.

The third-largest Local cluster, Local Community & Civic Organizations employed about 377,200 workers in L.A. County in 2025.



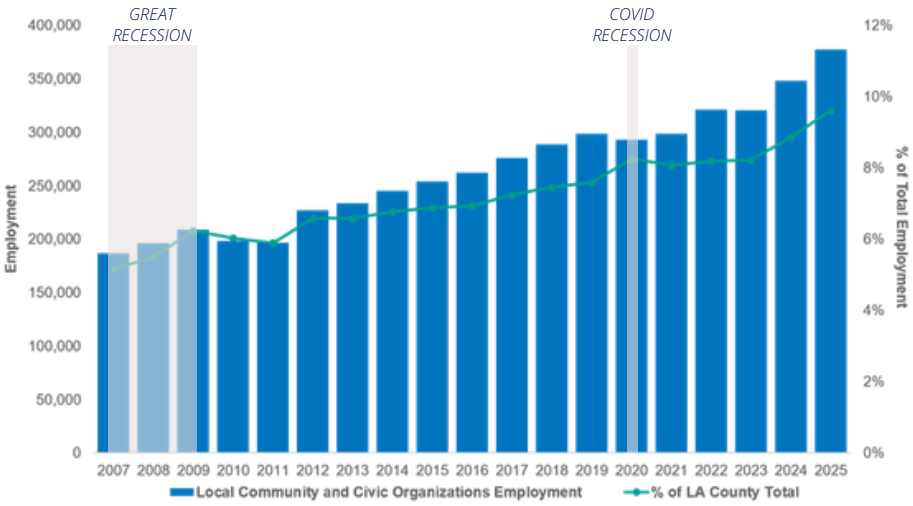
Although some industries pay well, average cluster earnings are low at about **$34,200**, reflecting the dominance of care roles for the elderly and persons with disabilities, among the county's lowest paid.



Services for the Elderly and Persons with Disabilities account for about **78%** of cluster jobs. Civic, Social Advocacy, Grantmaking, and Environmental Organizations provide about **22,400 jobs**, while Other Individual & Family Services add about **18,400**.



Since 2012, cluster employment has generally trended upward, with brief declines in 2020 and 2023. Over that period, it has added nearly **84,000 jobs**, reaching about **377,200** and nearly **10%** of L.A. County's private workforce.



Local Community & Civic Organizations is the third-largest Local cluster in L.A. County, employing about 377,200 workers in 2025, nearly 10% of the county's private-sector workforce. Most jobs are in services for the elderly and persons with disabilities, which account for about 78% of employment and help drive the cluster's high location quotient of 2.53. While some industries, such as business and labor associations, offer higher wages, average earnings remain low at about $34,200 because of the dominance of care-related jobs. Employment has grown sharply since 2020, reflecting rising demand for community and social services.

AT-A-GLANCE 2025

LOCAL COMMERCIAL SERVICES

NUMBER OF JOBS
310,900

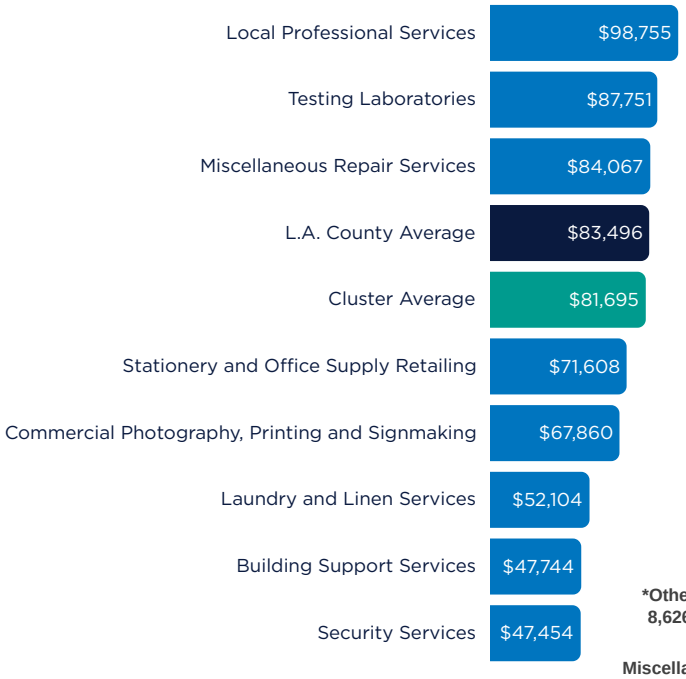
AVERAGE ANNUAL WAGE
$81,690

LOCATION QUOTIENT (LQ)
1.20

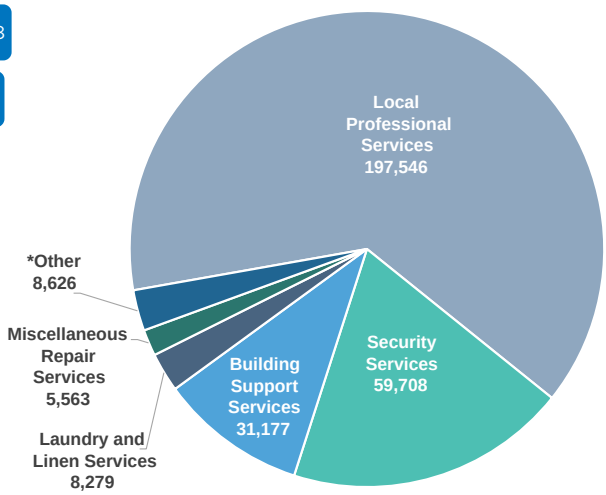
This cluster is slightly more concentrated in L.A. County than nationally, with an LQ of 1.20. The highest LQs include Court Reporting and Security Guards.

Local Commercial Services includes repair and maintenance, legal and accounting services, building support, security, and related services.

AVERAGE ANNUAL WAGES, 2025



Average annual wages are close to the county average, but pay varies by industry. Local Professional Services leads at **$98,755**, while Security Services and Building Support Services fall below **$50,000**.

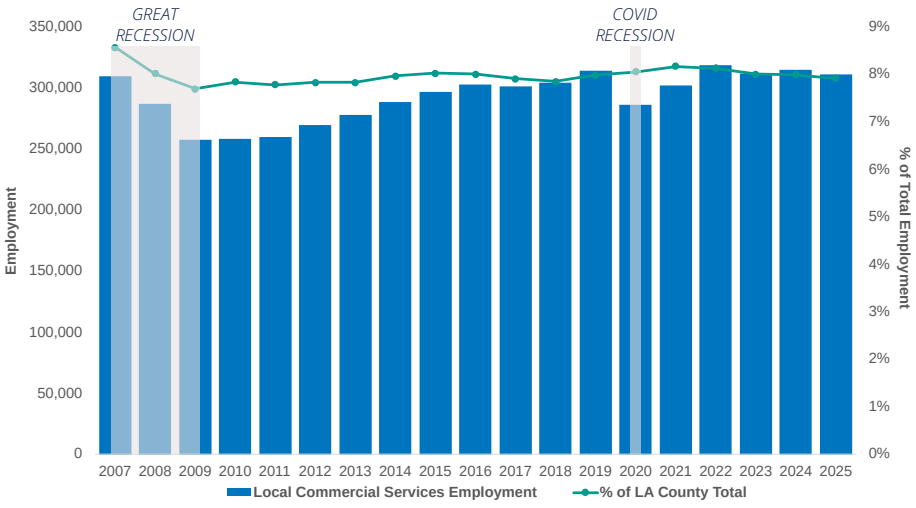


Local Professional Services is the largest subcluster, with about **197,500 jobs**, or nearly **64%** of employment. Security Services accounts for about **59,700 jobs**, followed by Building Support Services with about **31,200**.

"Other" includes subclusters Testing Laboratories; Stationery and Office Supply Retailing; and Commercial Photography, Printing and Signmaking



Employment grew from about **258,000** in 2011 to more than **313,000** in 2019. After a sharp 2020 loss, the cluster recovered through 2024 before dipping to about **310,900 jobs** in 2025.



Local Commercial Services is a major employer in L.A. County, with about 310,900 workers in 2025, accounting for roughly 8% of the private-sector workforce. The cluster spans professional, repair, janitorial, security, and related business services, with Local Professional Services making up nearly two-thirds of jobs. Wages vary widely: professional services pay above the county average, while security and building support jobs fall well below it. After a pandemic-driven decline in 2020, the cluster recovered through 2024 before dipping slightly in 2025. Its 1.20 LQ signals slightly higher concentration than the national average.



BACKGROUND & METHODOLOGY



Industry Clusters Background

As defined by the U.S. Cluster Mapping Project, industry clusters are concentrations of related industries in a particular region. Geographic proximity can support specialized infrastructure, labor, suppliers, and other shared resources, contributing to greater regional competitiveness and innovation. The more concentrated an industry cluster is in a region relative to the nation, the greater its regional specialization.

A Brief History of Industry Cluster Research
Work developing industry cluster definitions began in the early 2000s, when researchers from Harvard Business School, MIT Sloan, and Temple University's Fox School of Business, led by Professor Michael Porter, used Census and industry data to develop cluster categories spanning the U.S. economy. This work standardized cluster definitions and enabled comparisons across regions.

In 2014, the U.S. Cluster Mapping Project was launched by Harvard Business School's Institute for Strategy and Competitiveness in partnership with the U.S. Department of Commerce and U.S. Economic Development Administration. The project provided extensive data on industry clusters and regional business environments.

More information about the project and its history can be found at the U.S. Cluster Mapping Project website.

Our Methodology

LAEDC examines industry clusters in Los Angeles County to better understand regional strengths and weaknesses, compare the county's performance with the U.S., and inform economic development strategies. To prepare this report, we undertook the following activities:

- Using the U.S. Cluster Mapping Project's cluster definitions, we mapped private-sector six-digit NAICS industries, including not-for-profit organizations, to their respective clusters.
- Because NAICS classifications are updated every five years, we updated the cluster framework to incorporate 2022 NAICS. Using U.S. Census Bureau NAICS concordances, we mapped updated codes to the existing cluster definitions. Where a 2022 NAICS code combined industries assigned to different clusters, we used 2017–2021 historical employment shares to estimate allocations for 2022–2025. L.A. County and U.S. shares were estimated independently, generally using linear regression. Where projected shares were unstable or implausible, average historical shares were used instead. Wage data was allocated using the estimated employment shares where separate predecessor-industry wage data were unavailable.
- We gathered employment and wage data from the U.S. Bureau of Labor Statistics, California Employment Development Department, and IMPLAN. The historical series were updated through 2025 using the most recent available data. To enable like-for-like comparisons across clusters and organizations, only private-sector employment and wage data are included.
- We focused the analysis on selected Traded and Local clusters that employ significant numbers of workers and/or exhibit meaningful regional concentration.
- We examined component industries and employment patterns from 2007 through 2025 to assess long-term development, recent trends, and responses to economic cycles.
- We calculated average annual wages for each cluster and compared them with the L.A. County average, while also examining wages among component industries.
- Finally, we calculated employment location quotients to measure regional concentration. An LQ greater than 1.0 indicates that a cluster has a larger share of employment in L.A. County than in the U.S. as a whole and therefore represents an area of relative regional specialization.

OCTOBER 2026



INDUSTRY CLUSTERS

in Los Angeles County

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Los Angeles County Economic Development Corporation

Institute for Applied Economics