

# California's Creative Economy: 21<sup>st</sup> Century Dynamo

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# Overview



- Two “worlds” intermingle...Business/Economic and Creative/Artistic
- Design is everywhere in the world...CA as a Global Creative Center
- Purpose of study:
  - Define and measure performance of the creative economy (establishments, jobs, wages)
  - Measure economic impact
  - Improve understanding of all its moving parts to make better informed policy and business decisions



# What is the Creative Economy?



- Creative industries
  - Beyond the arts, commercial applications of design/creativity
  - Design, make/manufacture, distribute
  - Statewide and regional
  
- Creative occupations
  - In creative industries
  - Elsewhere in economy
  
- Creative ecosystem
  - Education
  - Arts organizations/philanthropic community
  - Government

# Creative Industry Groups



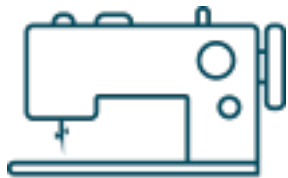
Architecture and Related Services



Creative Goods and Products



Entertainment & Digital Media



Fashion



Fine Arts and Performing Arts

# Creative Industries



Entertainment and Digital Media						Creative Goods and Products		Fashion			Fine Arts and Performing Arts	
Advertising Agencies	Book, Periodical, Newspaper, Wholesalers	Cable Broadcasting	Commercial Photography	Custom Computer Programming Services	Data Processing, Hosting, and Related Services	Electric Lighting Fixtures	Other Services Related to Advertising	All Other Leather Good and Allied Product Manufacturing	Apparel Manufacturing	Apparel Wholesaling	Art Galleries	Dance Companies
All Other Information Services	Graphic Design	Libraries and Archives	Marketing Research and Public Opinion Polling	Media Buying Agencies	Media Representation	Furniture Manufacturing	Pottery, Ceramics, and Plumbing Fixture Manufacturing	Cosmetics Manufacturing	Footwear Manufacturing	Footwear Wholesaling	Fine Arts Schools	Museums
All Other Publishers	Greeting Card Publishers	Motion Picture Distribution	Newspaper Publishers	Periodical Publishers	Photography Studios, Portrait	Furniture Wholesaling	Pressed, Blown Glass, Glassware Manufacturing	Jewelry Manufacturing	Jewelry Wholesaling	Other Specialized Design Services	Musical Groups	Other Performing Arts Companies
Artists and Managers of Artists	Independent Artists, Writers, etc.	Motion Picture/Video Production	Postproduction Services	Radio Stations	Software Publishers	Industrial Design Services	Textile Mills Manufacturing	Textile Mills Manufacturing	Women's Handbag Manufacturing		Theater Companies	
Book Publishers	Internet Publishing and Broadcasting	News Syndicates	Printing and Support Activities	Sound Recording	Television Broadcasting	Musical Instrument Manufacturing	Toy Manufacturing	Architectural Services	Drafting Services	Interior Design	Landscape Design	Ornamental and Architectural Metal Work Manufacturing
						Other Miscellaneous Nonmetallic Mineral Product Manufacturing	Toy Wholesaling					

## Architecture and Related Services

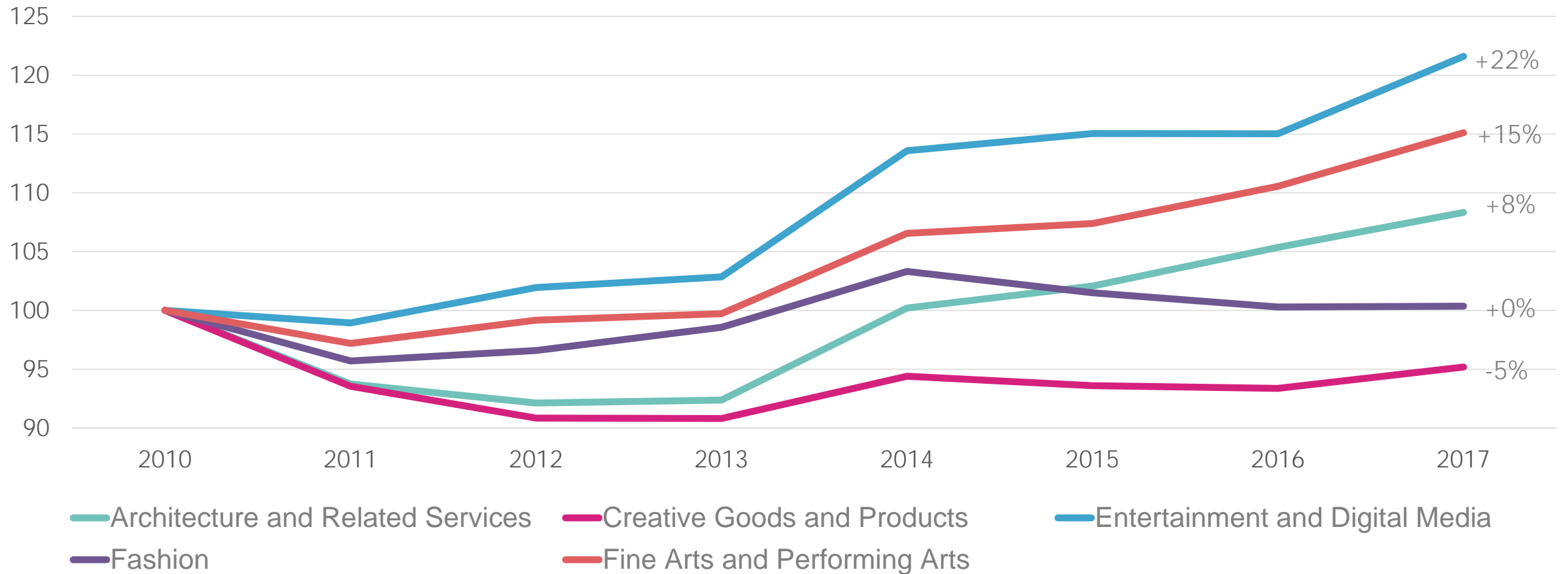
# California Creative Industries



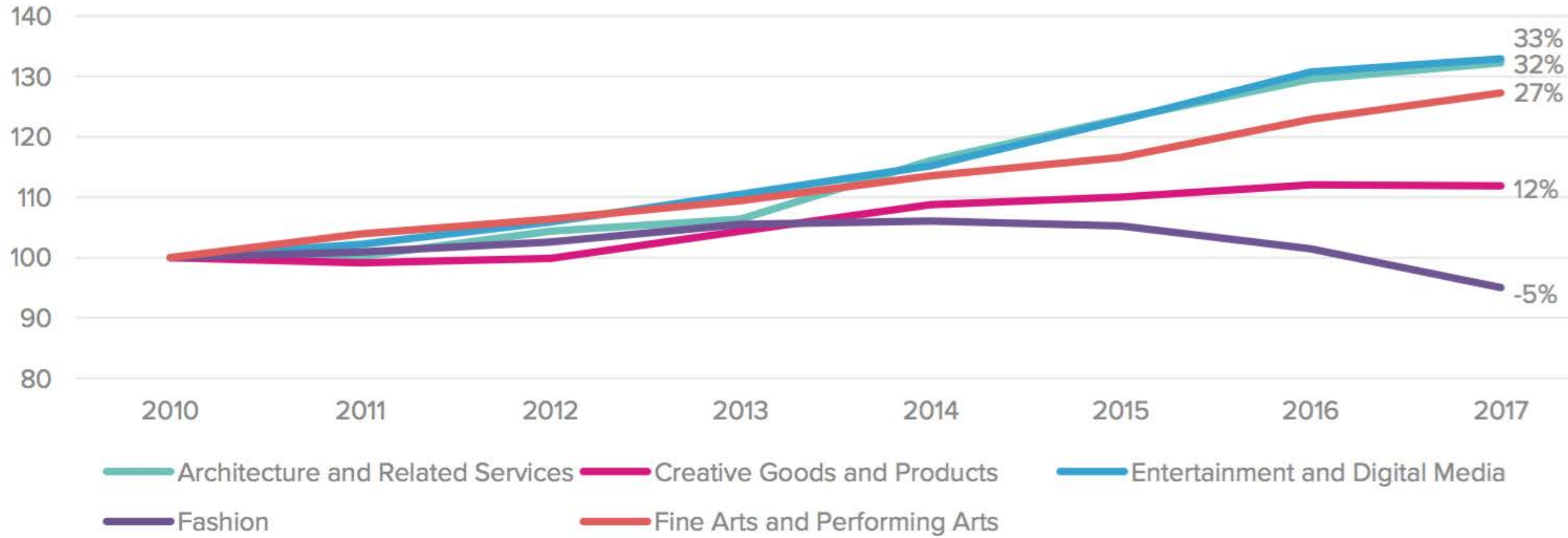
Industry	# of Establishments	# of Employees	Payroll (\$)
Architecture & Related	6,647	46,478	\$84,361
Creative Goods	6,184	99,728	\$55,985
Entertainment/Digital Media	53,177	726,488	\$165,763
Fashion	9,835	115,251	\$51,004
Fine Arts/Performing Arts	4,140	42,951	\$54,558
Total	79,982	1,030,897	\$134,011



# Establishments by Creative Group, California



# Jobs by Creative Group, California







# Performance of Creative Economy



2010 to 2017

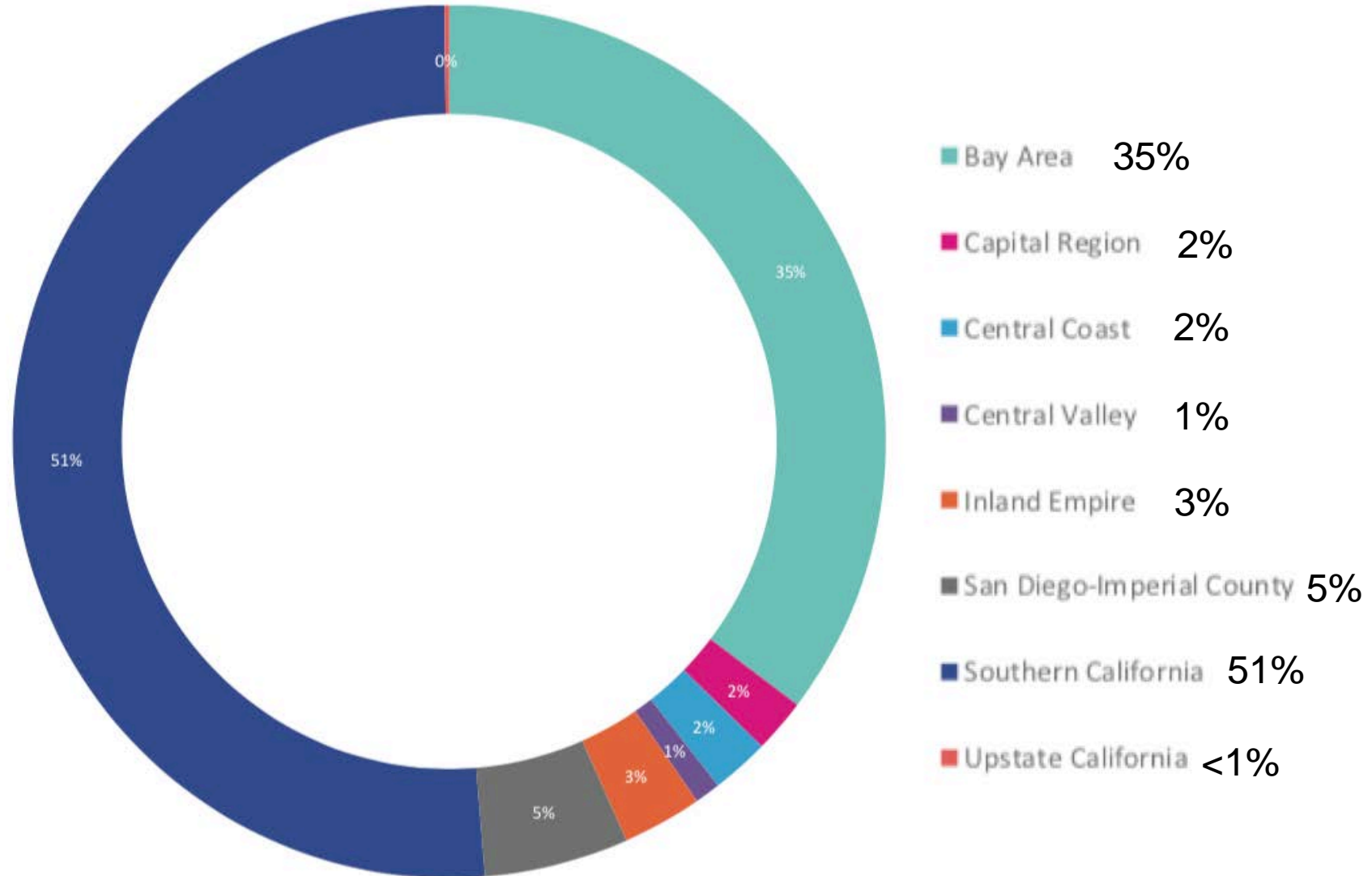
	Creative	Non-Creative
Job Growth	+24.3%	+20.8%
Establishments Growth	+14.7%	+14.1%
Wage Growth	+55.4%	+20.4%
Average Annual Wages (2017)	\$134,011	\$60,277

# Digital Disruption – Entertainment & More



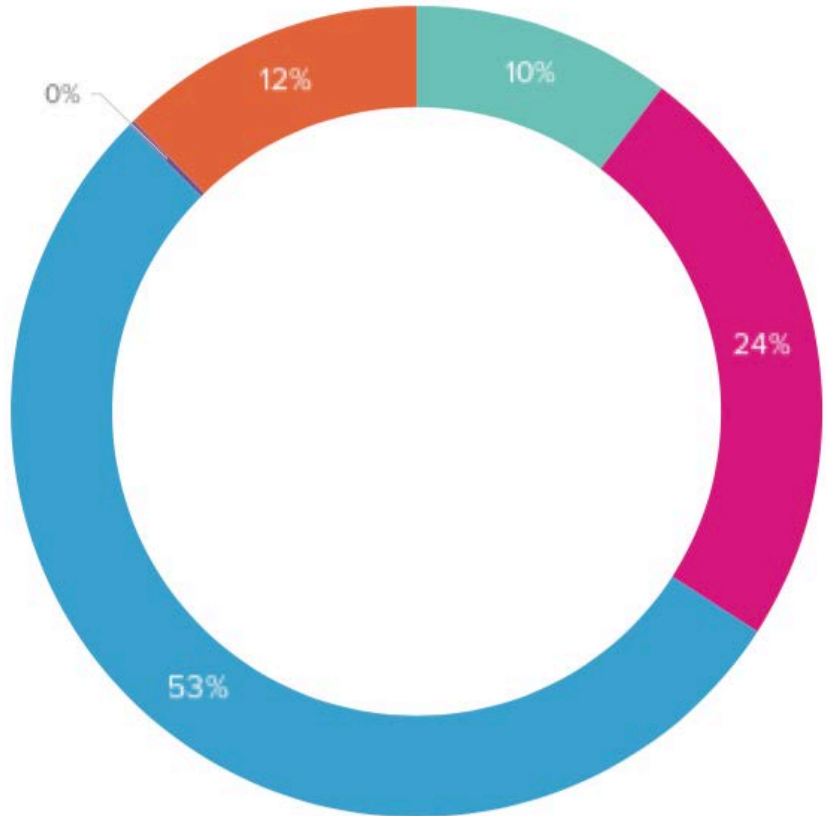


# Creative Economy Stretches Across CA

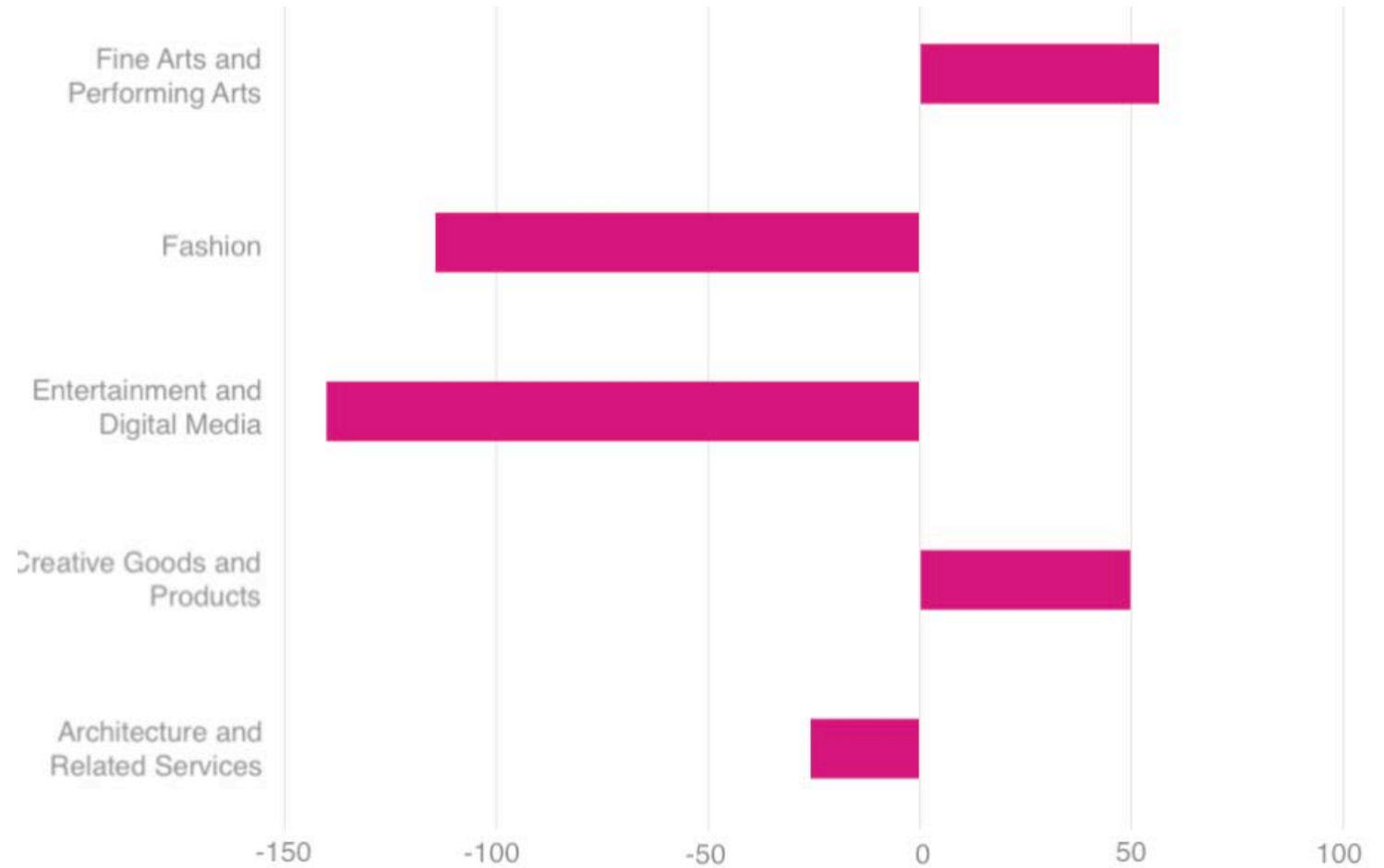




# Upstate California-Jobs by Sector and 2010-17 Change

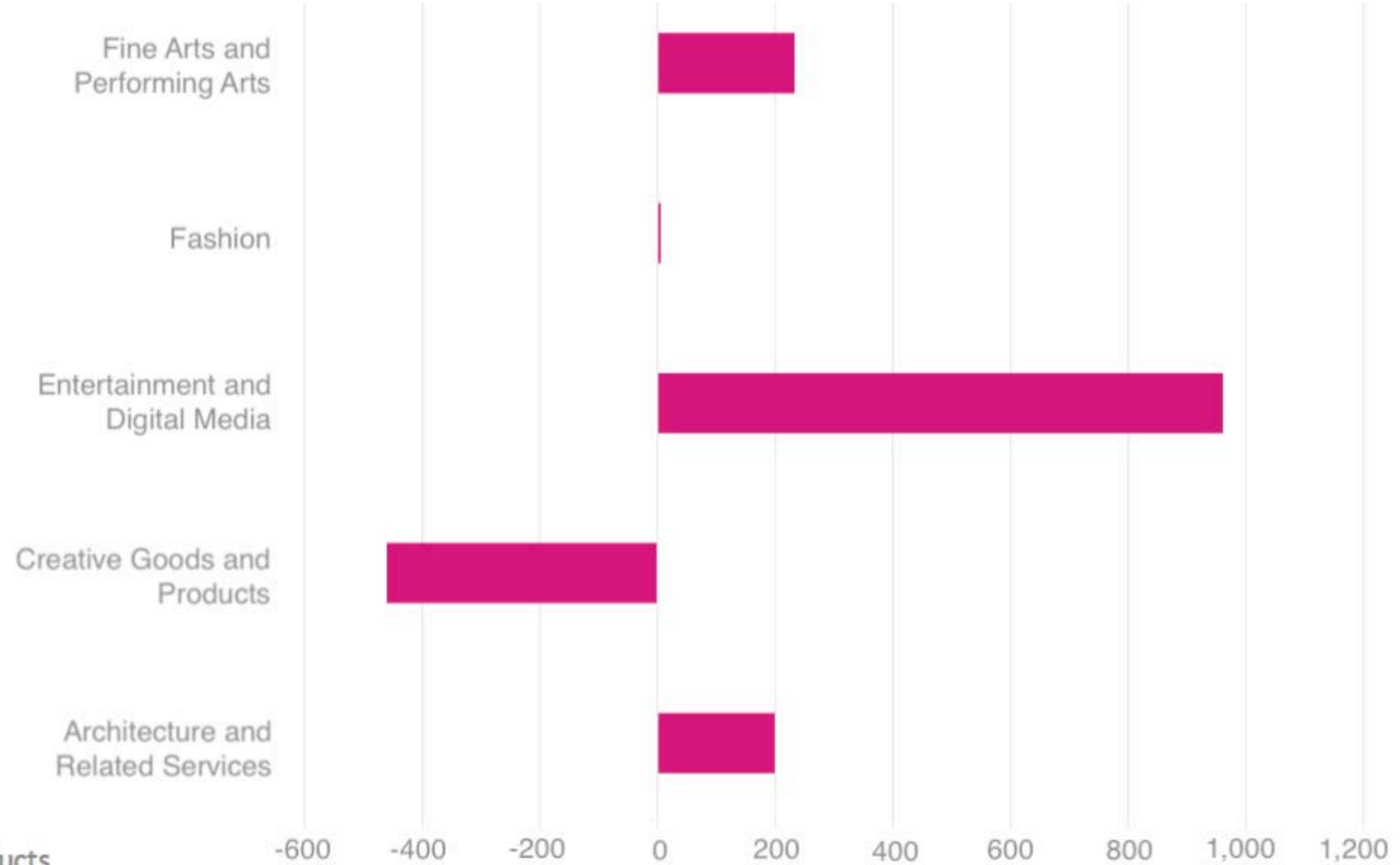
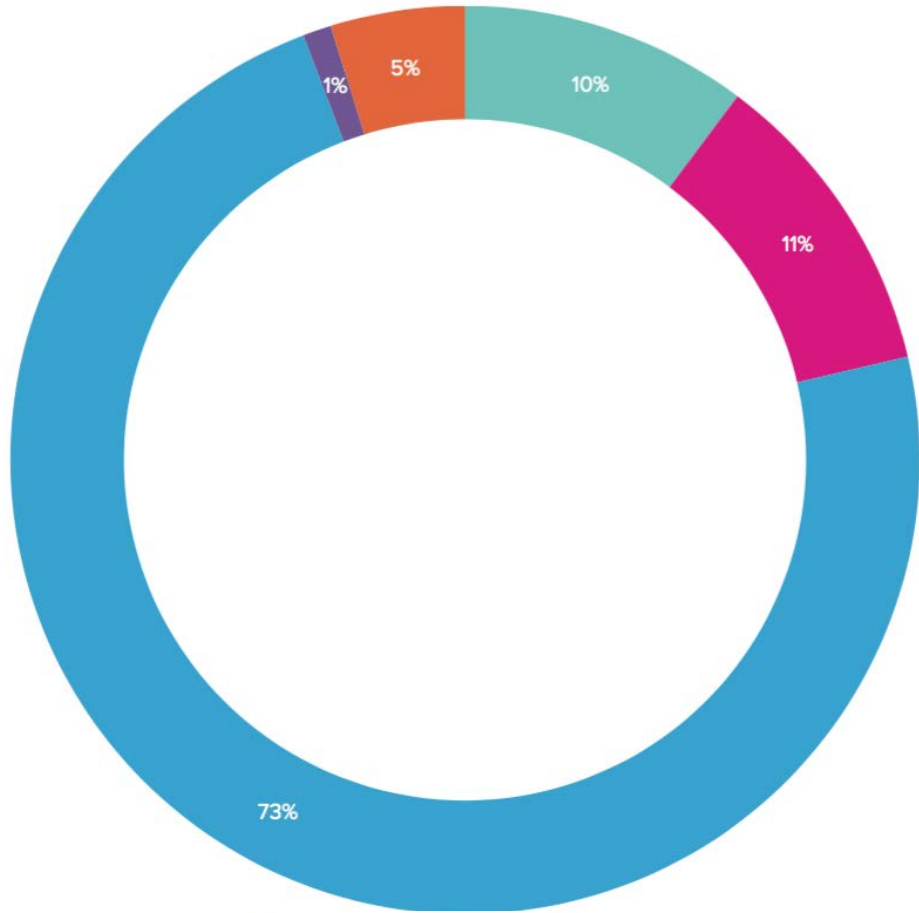


■ Architecture and Related Services    ■ Creative Goods and Products  
■ Entertainment and Digital Media  
■ Fashion    ■ Fine Arts: Performance and Institutions



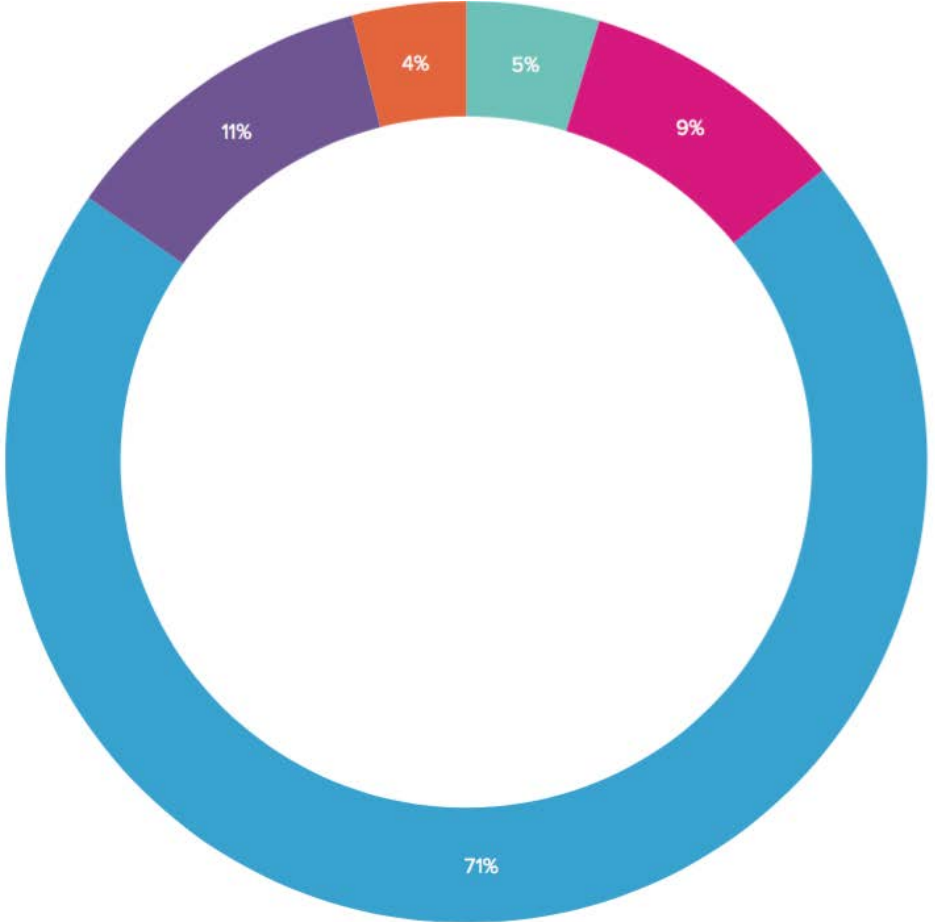


# Capital Region-Jobs by Sector and 2010-17 Change

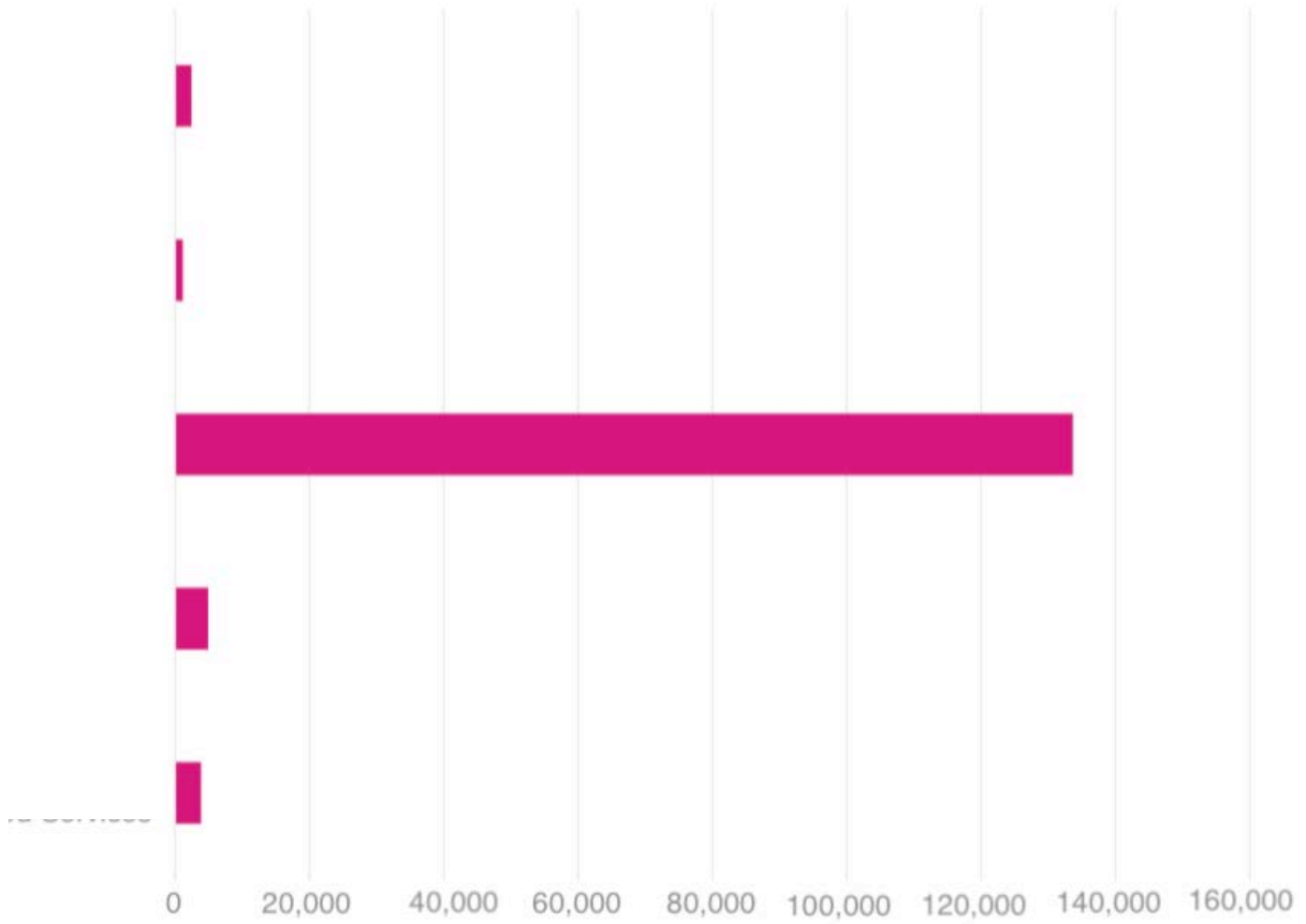




# Bay Area-Jobs by Sector and 2010-17 Change

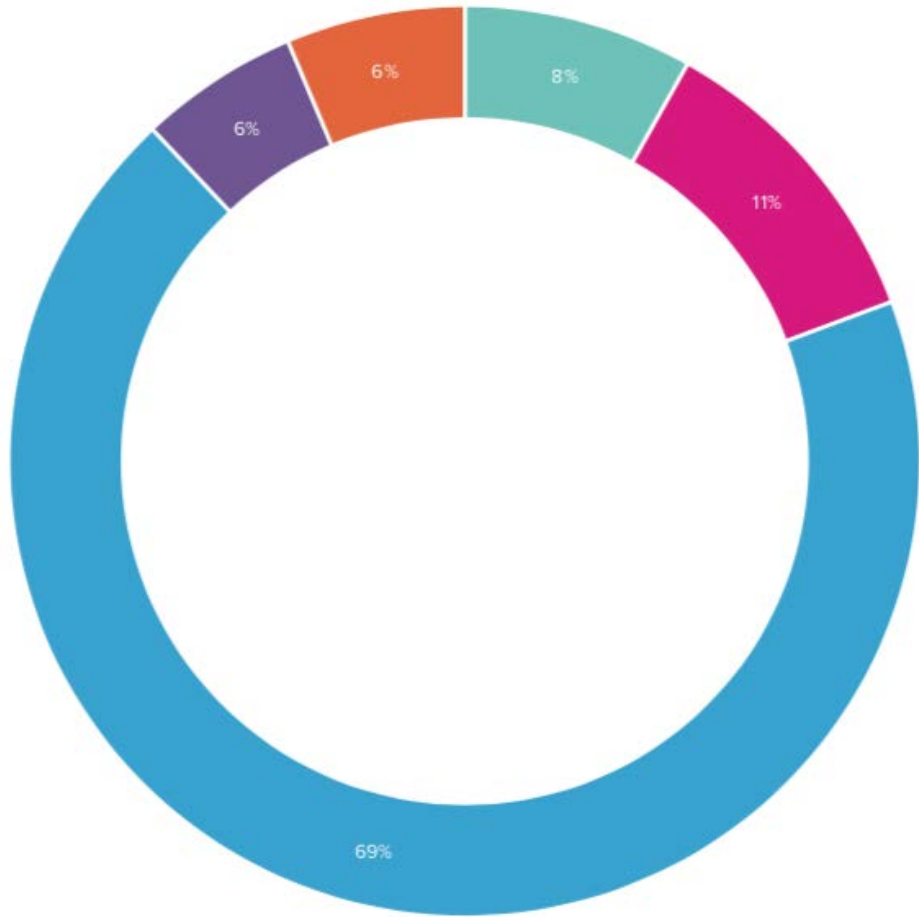


- Architecture and Related Services
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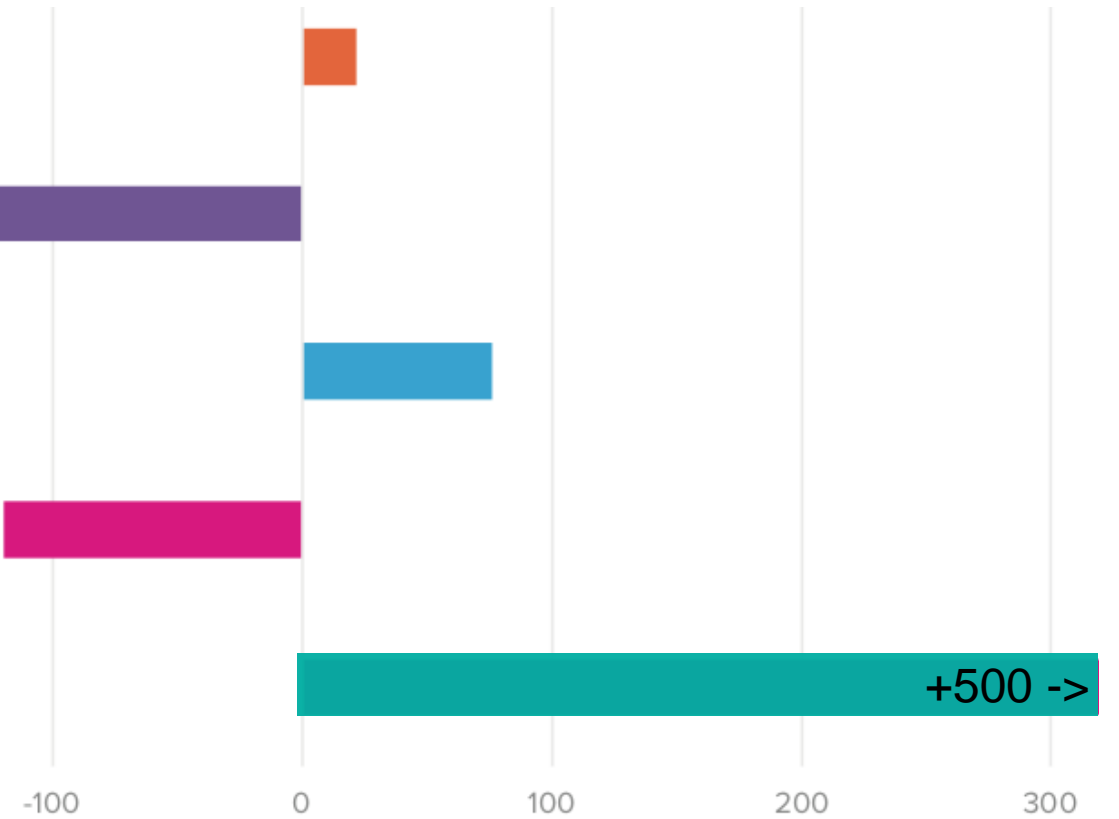




# Central Coast-Jobs by Sector and 2010-17 Change

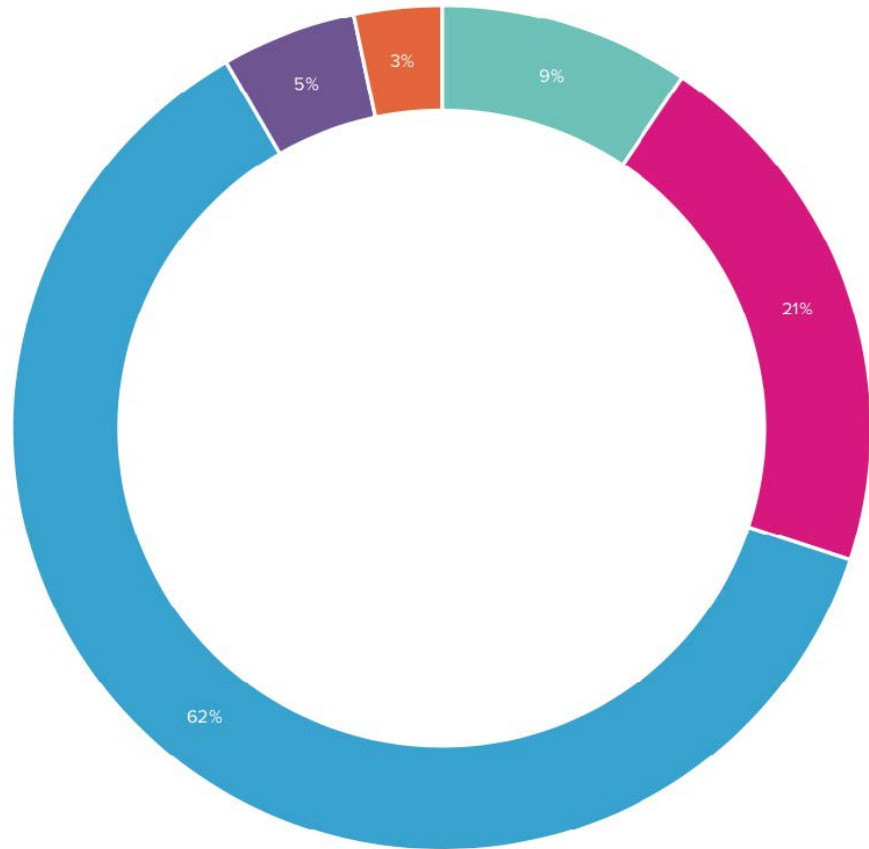


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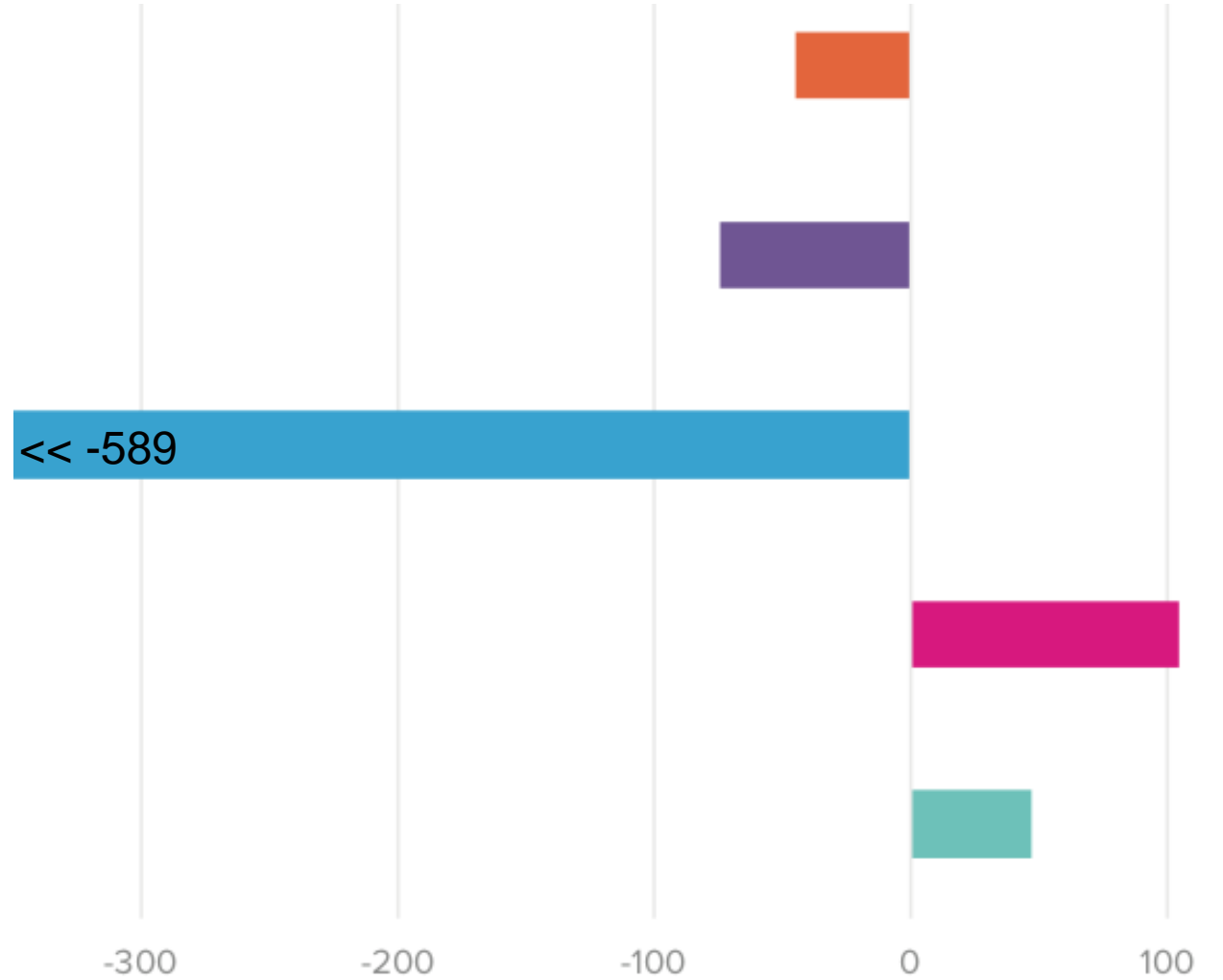




# Central Valley-Jobs by Sector and 2010-17 Change



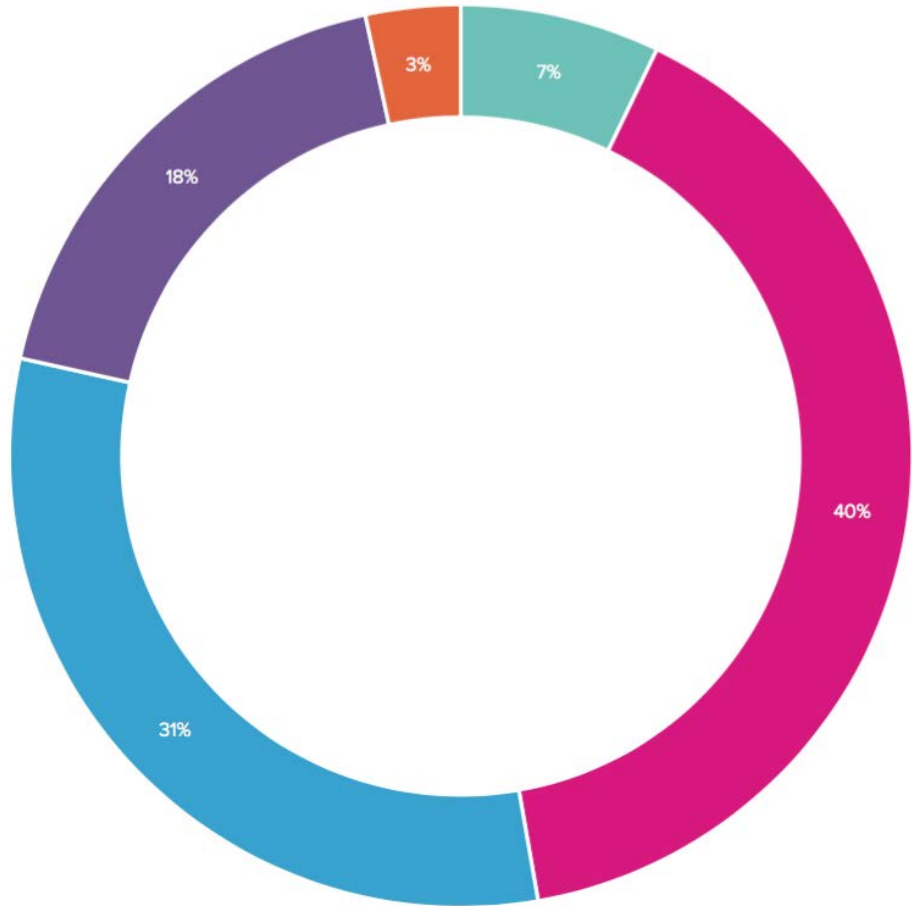
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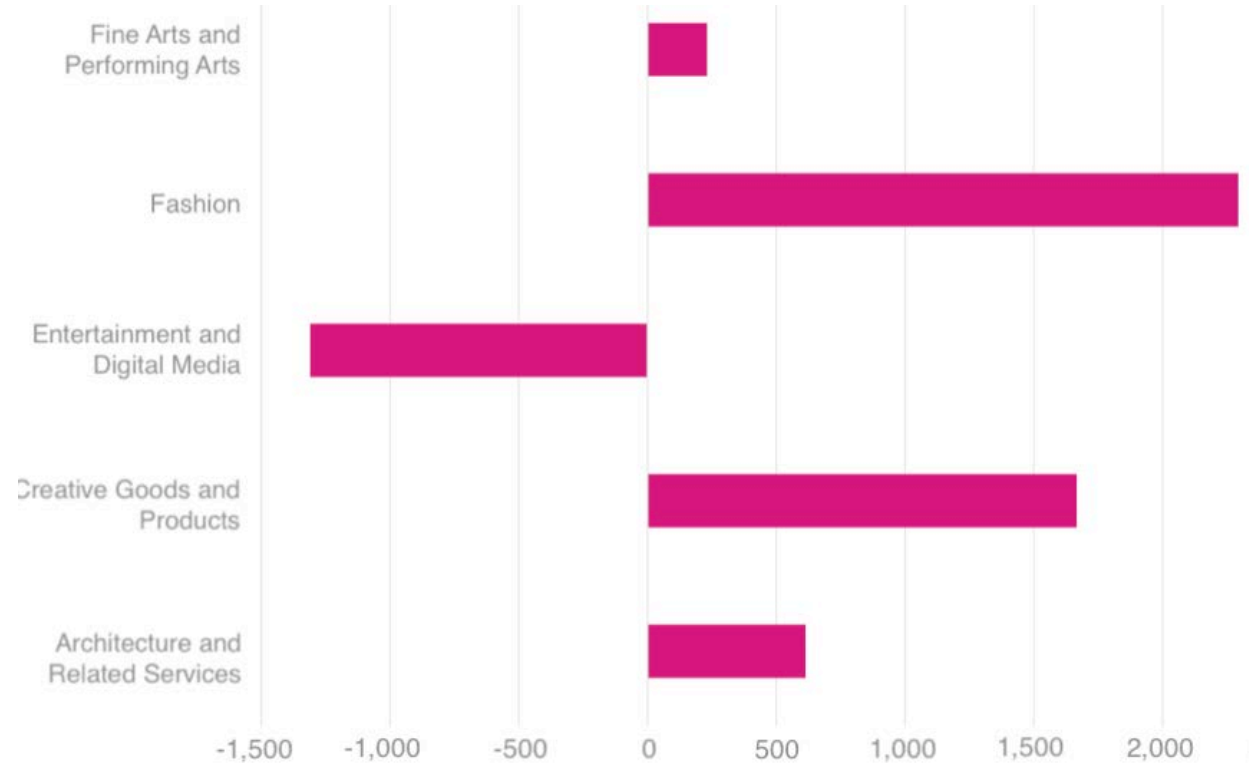




# Inland Empire-Jobs by Sector and 2010-17 Change



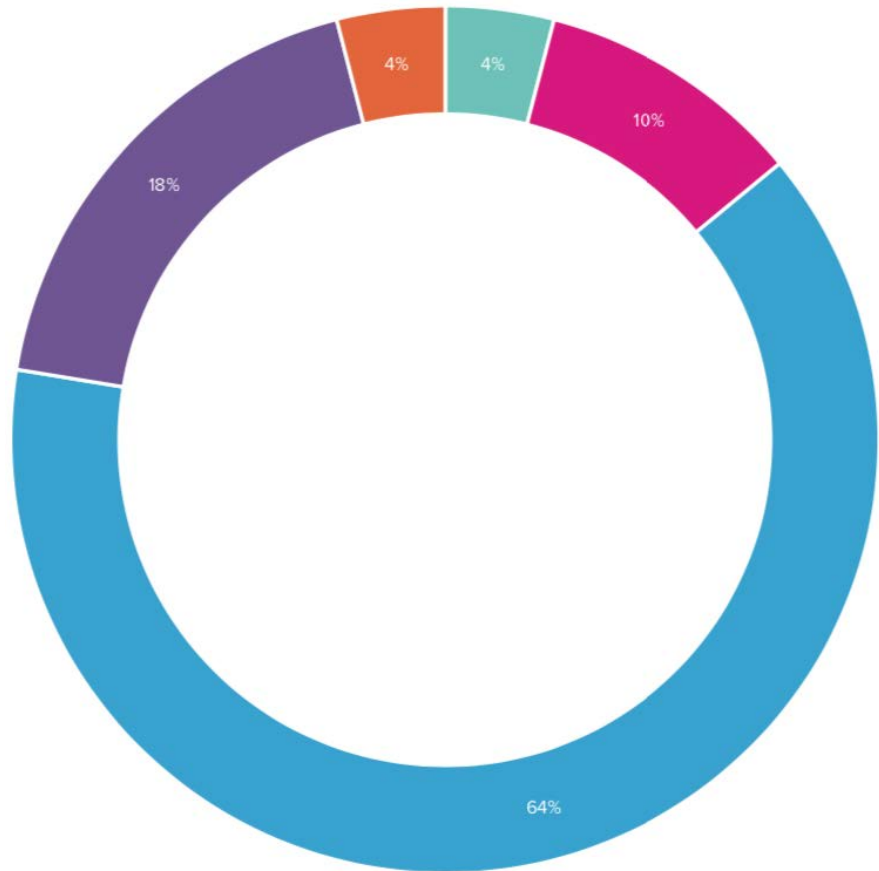
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- Entertainment and Digital Media



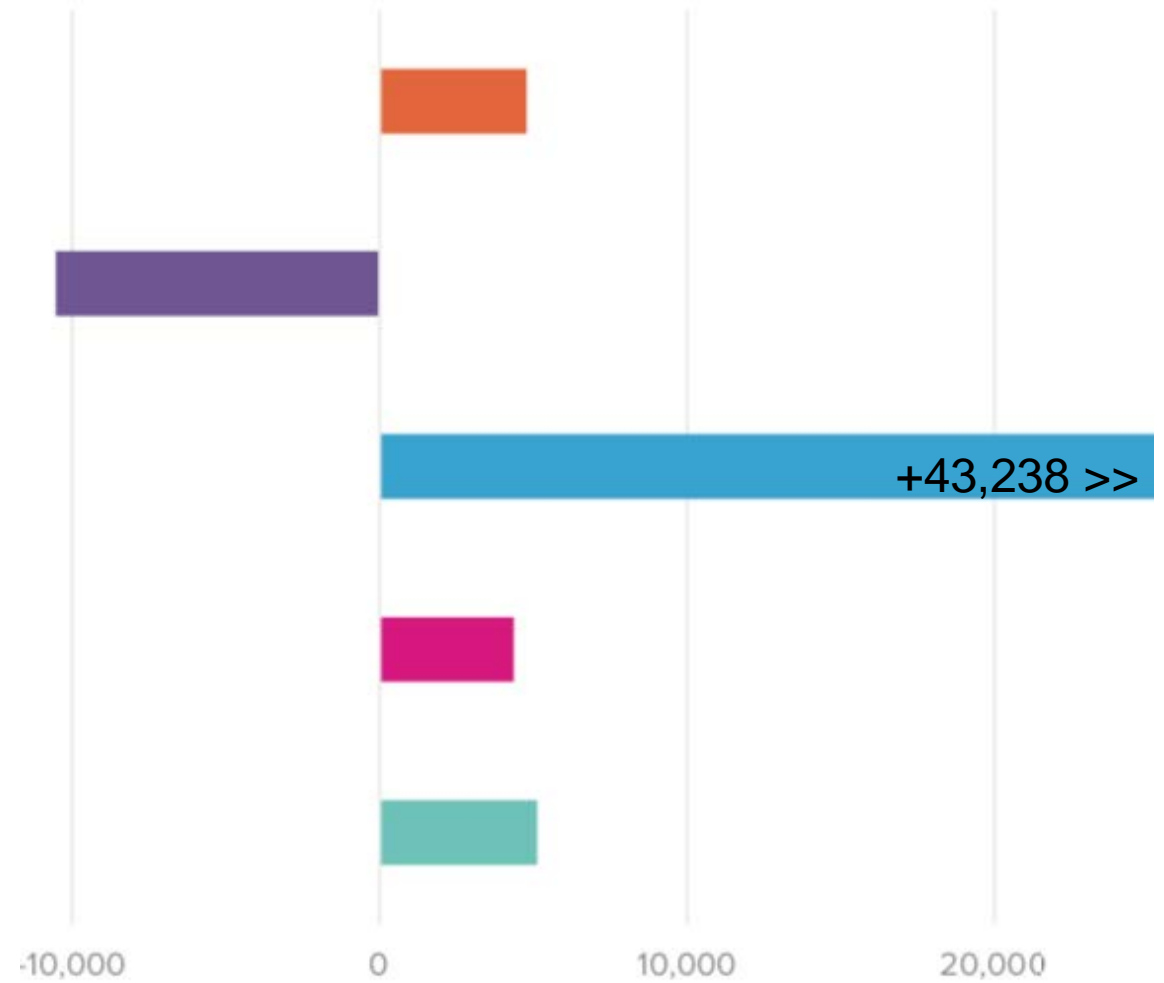
Source: Statistics, Quarterly Census of Employment and Wages (QCEW); Analysis by Beacon Economics



# LA-OC-Jobs by Sector and 2010-17 Change

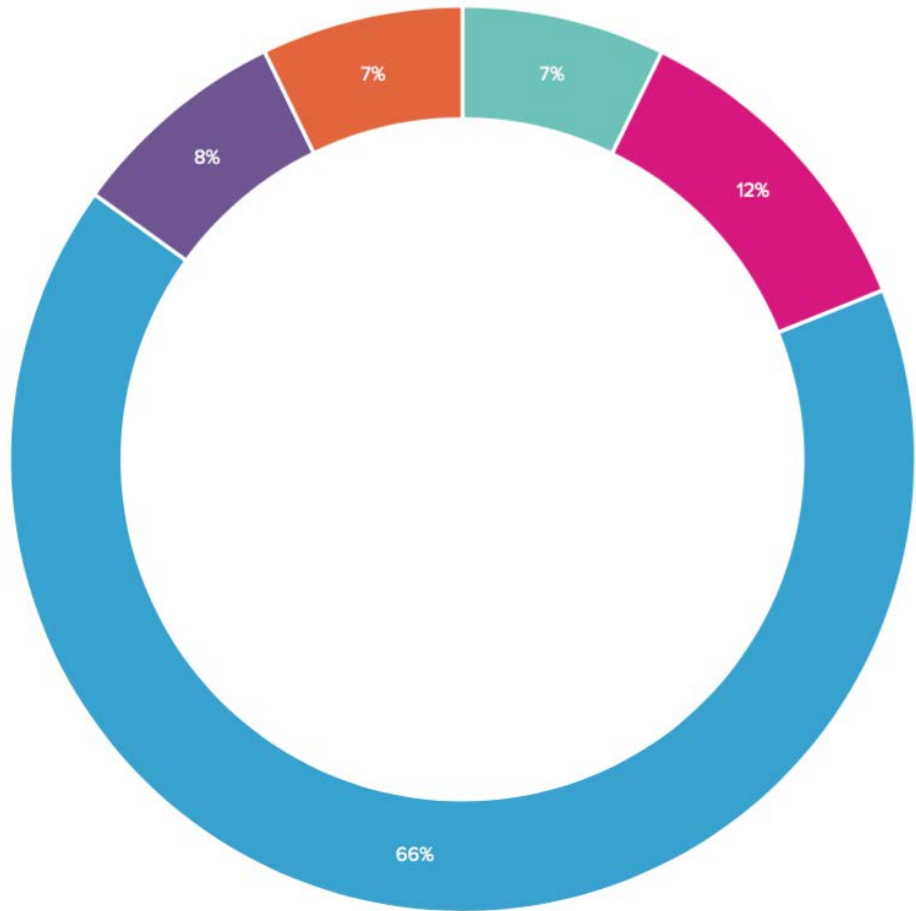


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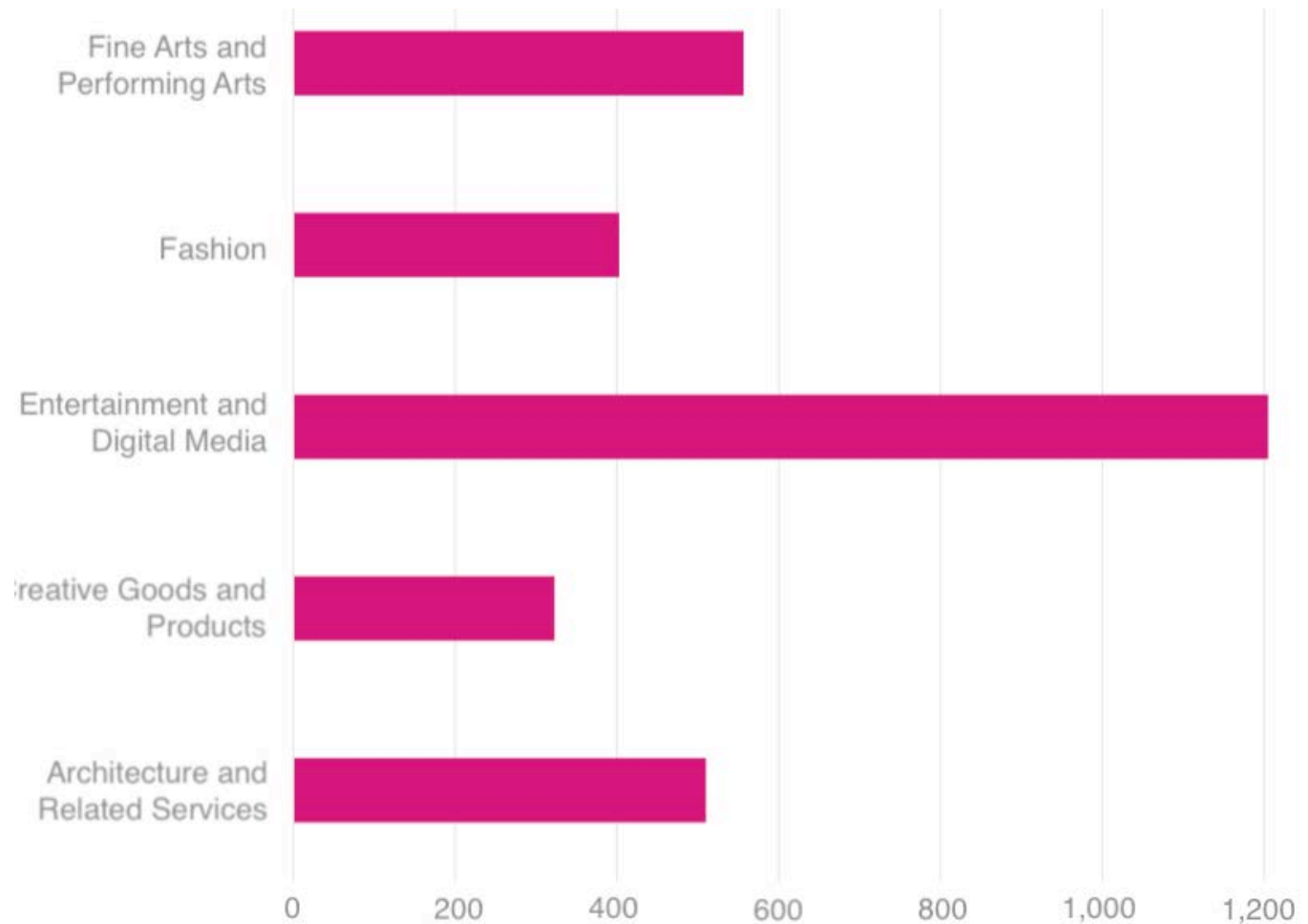




# SD/Imperial County-Jobs by Sector and 2010-17 Change

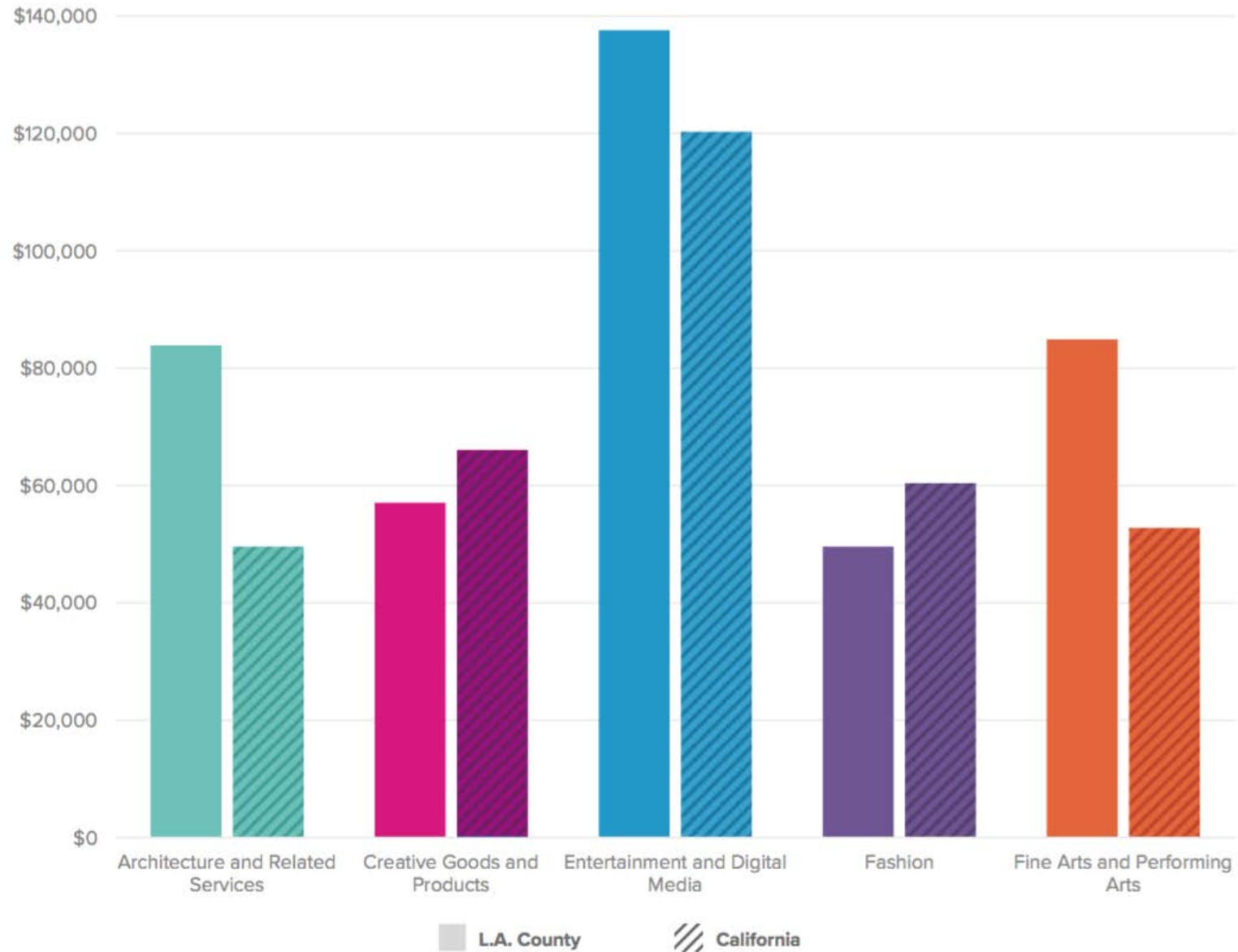


- Architecture and Related Services
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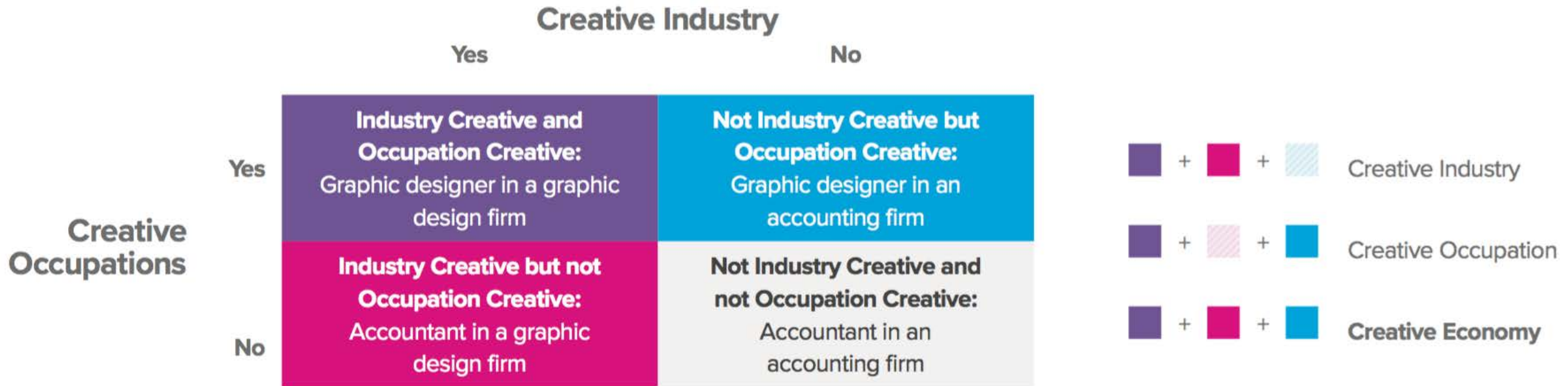


# Average Annual Wage by Sector, 2017





# Creative Occupations... It's Also About the People!



# Workforce Trends



- Education
  - More college and H.S. grads in creative industries
  - Higher levels of educational attainment in creative industries compared to overall economy
- Diversity
  - Women in creative industries
    - 40% of all workers, but earning 77 cents on the dollar compared to men
  - Ethnicity
    - Evolving with statewide workforce

# Creative Ecosystem



- Commercial/Business
- Non-profit Arts Organizations
- Educational Institutions
- Government Policymakers
- Philanthropic Community

# Non-Profits in Art, Culture and Humanities



Location	Establishments	Assets (\$B)	Receipts (\$B)
California	11,036	\$18.2	\$4.9

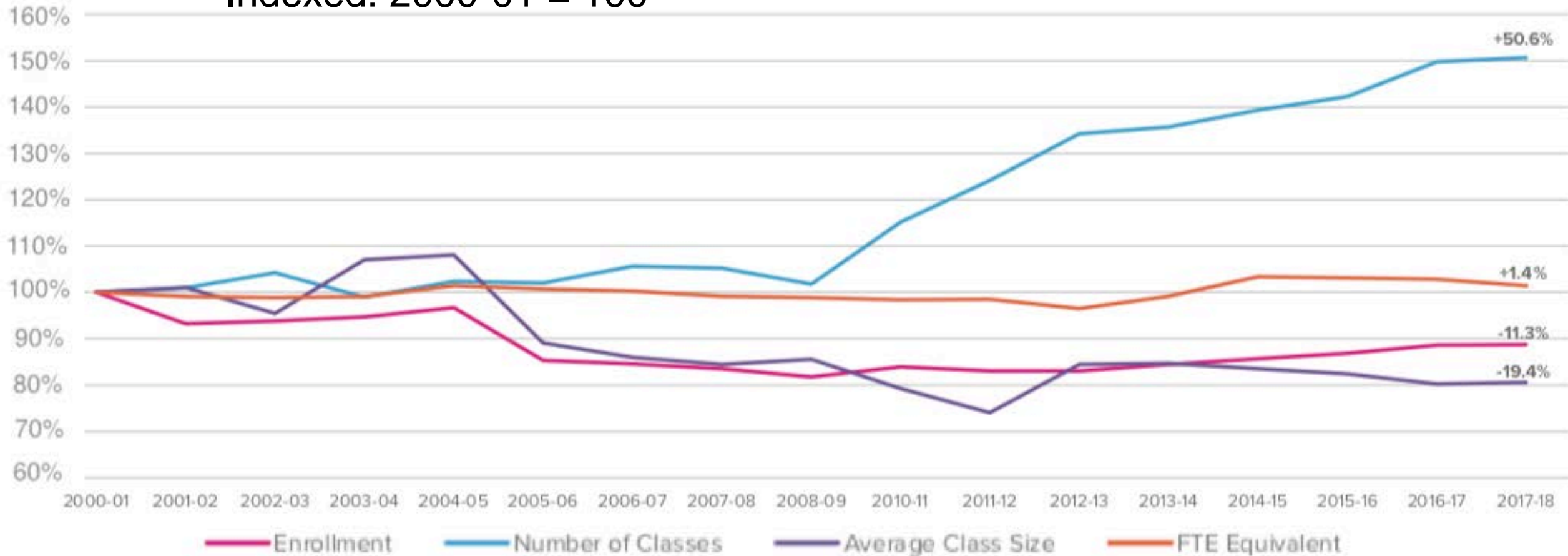




# California Arts Education



Indexed: 2000-01 = 100





# Economic Impact

# Measuring Economic Impact

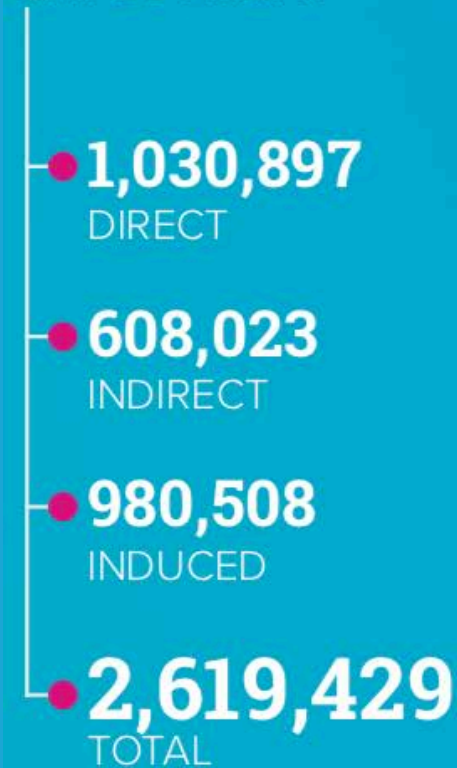


- Measured in terms of
  - Jobs
  - Wages/Income
  - Output
- Ripple Effect – from creative industries throughout the economy
  - Direct – initial activity of jobs and spending
  - Indirect – secondary and subsequent spending by suppliers
  - Induced – spending out of wages
  - TOTAL= SUM OF THE 3

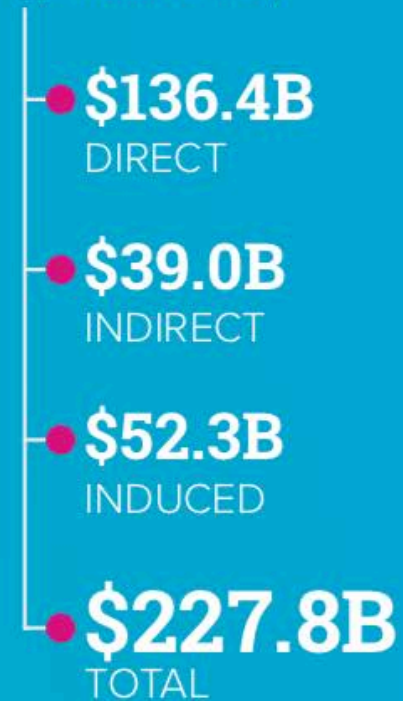
# Economic Impact – Creative California



## EMPLOYMENT



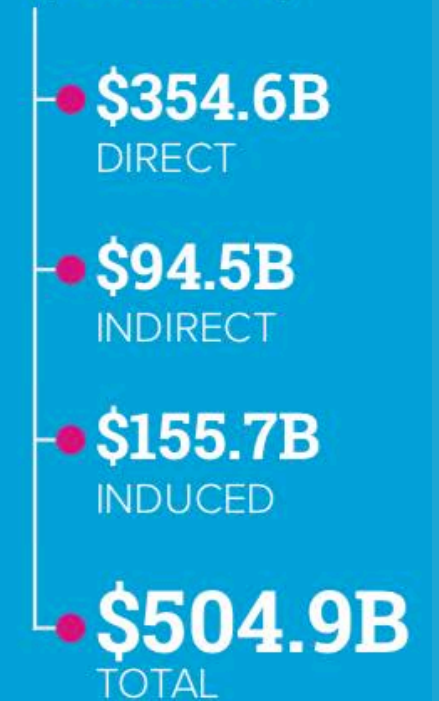
## LABOR INCOME (\$BILLIONS)



## VALUE ADDED (\$BILLIONS)



## OUTPUT (\$BILLIONS)





# Conclusion

# Creative Economy = CA's Competitive Edge



- Mix of traditional and leading edge industries
- Communities: Large (LACMA) & Small (Bear Valley Music Festival)
- Design is everywhere:
  - “Putting a face on the ones and zeros”
- Both dynamic and a dynamic force in our economy
- In the very fabric of our broader economy and society
- STEAM education is an investment in California's future vitality



# Thank You

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