What is the Creative Economy?

- Architecture and Related Services
- Creative Goods and Products
- Entertainment & Digital Media
- Fashion
- Fine Arts and Performing Arts
Significant Growth in Number of Establishments…

Number of Establishment Gains by Creative Sector, City of El Segundo, 2008 vs. 2017

Figure 1.2

Source: California Employment Development Department; Analysis by Beacon Economics

Beacon Economics
...But Smaller Firms
Compare Establishment Growth

Source: California Employment Development Department and U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Analysis by Beacon Economics
El Segundo Creative Employment over Time

Employment Change by Creative Sector, City of El Segundo, 2008 vs. 2017

Figure 1.7

Source: California Employment Development Department; Analysis by Beacon Economics
Comparing Creative Employment

Employment Share in Creative Industries by Creative Sector, 2017

Figure 1.10

El Segundo
- Architecture and Related Services: 3%
- Creative Goods and Products: 39%
- Entertainment & Digital Media: 55%
- Fashion: 3%
- Fine Arts and Performing Arts: 1%

Los Angeles County
- Architecture and Related Services: 3%
- Creative Goods and Products: 9%
- Entertainment & Digital Media: 65%
- Fashion: 19%
- Fine Arts and Performing Arts: 4%

California
- Architecture and Related Services: 5%
- Creative Goods and Products: 9%
- Entertainment & Digital Media: 71%
- Fashion: 11%
- Fine Arts and Performing Arts: 4%

Source: California Employment Development Department; Analysis by Beacon Economics
Wages by Creative Sector

Annual Average Wage by Creative Sector in El Segundo, 2008 vs. 2017

Figure 1.11

Source: California Employment Development Department; Analysis by Beacon Economics
Creative Sector Contributions to Wages, Jobs, and Firms

Creative Sector Share of Wage, Employment, and Establishment, City of El Segundo, 2017

Figure 1.13

Source: California Employment Development Department; Analysis by Beacon Economics
Creative Sectors and Educated Workforce

Creative Industries Workforce: Very Educated and Becoming More Educated in Los Angeles County
Figure 2.3

- Not in Creative Industries (2017): 15.0% Less Than High School, 21.1% High School Graduate, 31.0% Some College, 21.0% Bachelors Degree, 11.9% Grad./Prof. Degree
- In Creative Industries (2017): 11.9% Less Than High School, 12.8% High School Graduate, 24.2% Some College, 38.6% Bachelors Degree, 12.6% Grad./Prof. Degree
- In Creative Industries (2007): 17.2% Less Than High School, 16.8% High School Graduate, 23.6% Some College, 32.2% Bachelors Degree, 10.2% Grad./Prof. Degree

Source: Public Use Microdata Sample, U.S. Census Bureau, American Community Survey; Analysis by Beacon Economics
Gender in Creative Economy Workforce

Employment and Average Wage by Gender, Total Creative Industries, Los Angeles County, 2017

Figure 2.1

Women earn 77 cents for every one dollar their male counterpart earn.

Source: Census Bureau, American Community Survey 1-Year PUMS; Analysis by Beacon Economics
Ethnicity in Creative Economy Workforce

Creative Industry Workforce by Race, Los Angeles County, 2007 vs. 2017

Figure 2.5

Source: Public Use Microdata Sample, U.S. Census Bureau, American Community Survey; Analysis by Beacon Economics
Economic Impact of Creative Economy

Economic Impact Analysis –

- Ripple or multiplier effect in the local economy from initial economic activity
- Chain of expenditures that occurs locally
- Chain of expenditures that extends throughout the county
- Leakages
Measuring Economic Impact

Total Impact is Sum of:

- Direct impact – initial expenditures by El Segundo creative firms
- Indirect impact – supply chain effect: vendors to creative firms
- Induced impact – spending from wages earned by workers at both creative and vendor firms

Measured in terms of jobs, wages, output, and taxes
## Economic Impact of El Segundo Creative Industries on City Economy

### Economic Impact of Creative Economy in El Segundo

<table>
<thead>
<tr>
<th></th>
<th>DIRECT</th>
<th>INDIRECT</th>
<th>INDUCED</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employment</strong></td>
<td>5,888</td>
<td>5,208</td>
<td>337</td>
<td>11,433</td>
</tr>
<tr>
<td><strong>Labor Income</strong></td>
<td>$667.3M</td>
<td>$394.9M</td>
<td>$16.6M</td>
<td>$1,078.8M</td>
</tr>
<tr>
<td><strong>Value Added</strong></td>
<td>$973.2M</td>
<td>$603.1M</td>
<td>$29.6M</td>
<td>$1,605.9M</td>
</tr>
<tr>
<td><strong>Output</strong></td>
<td>$2,300.3M</td>
<td>$951.4M</td>
<td>$46.7M</td>
<td>$3,298.5M</td>
</tr>
</tbody>
</table>

## Economic Impact of El Segundo Creative Industries on LA County Economy

### Economic Impact of Creative Economy in Los Angeles County

<table>
<thead>
<tr>
<th></th>
<th>DIRECT</th>
<th>INDIRECT</th>
<th>INDUCED</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>5,888</td>
<td>8,140</td>
<td>5,817</td>
<td>19,845</td>
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<tr>
<td>Labor Income</td>
<td>$667.3M</td>
<td>$642.5M</td>
<td>$310.1M</td>
<td>$1,619.8M</td>
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<tr>
<td>Value Added</td>
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<td>$958.5M</td>
<td>$550.9M</td>
<td>$2,482.6M</td>
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<tr>
<td>Output</td>
<td>$2,300.3M</td>
<td>$1,519.0M</td>
<td>$877.0M</td>
<td>$4,696.4M</td>
</tr>
</tbody>
</table>

Taking the Temperature!

**ADVANTAGES**
- Historical Context and Assets
- Creative, Collaborative Community
- Corporate Synergies
- Transit-Oriented Location
- Quality of Life
- Low Cost-High Talent Intersection
- Cooperative Government

**CHALLENGES**
- Better and More Options for High-Speed Internet
- Parking
Thank You

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