OTIS COLLEGE
REPORT ON THE
CREATIVE ECONOMY

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CVL Economics
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The Los Angeles County Creative Economy

The Creative Sectors

Entertainment
Fine & Performing Arts
Architecture & Related Services
Creative Goods & Products
Fashion
The Los Angeles County Creative Economy

Economic Impact

Total Los Angeles County Gross Regional Product: $828.4 Billion

Direct, Indirect, and Induced Economic Impact of the Creative Economy: $227.4 Billion

Direct Economic Impact of the Creative Economy: $161.0 Billion

Manufacturing Gross Value Added: $76.6 Billion

Professional, Scientific, and Technical Services Gross Value Added: $74.3 Billion

Health Care and Social Assistance Gross Value Added: $59.1 Billion

## The Creative Sectors

### Employment Trends

#### Percentage Job Growth by Sector

<table>
<thead>
<tr>
<th>2018 to 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creative Economy</td>
</tr>
<tr>
<td>+4.2%</td>
</tr>
<tr>
<td>+5.9%</td>
</tr>
</tbody>
</table>

The Creative Sectors

Employment Trends

The Creative Sectors

Fine & Performing Arts Employment

<table>
<thead>
<tr>
<th>Year</th>
<th>Fine &amp; Performing Arts</th>
<th>Creative Economy</th>
<th>Total Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>0%</td>
<td>-2.1%</td>
<td>-3.5%</td>
</tr>
<tr>
<td>2019</td>
<td>-2%</td>
<td>-15.6%</td>
<td>-18%</td>
</tr>
<tr>
<td>2020</td>
<td>-4%</td>
<td>-16%</td>
<td>-18%</td>
</tr>
<tr>
<td>2021</td>
<td>-6%</td>
<td>-14%</td>
<td>-16%</td>
</tr>
</tbody>
</table>

## The Creative Sectors

### Entertainment Economic Impact

#### Economic Impact of the Los Angeles County Entertainment Sector

<table>
<thead>
<tr>
<th>Employment</th>
<th>DIRECT IMPACT</th>
<th>INDIRECT IMPACT</th>
<th>INDUCED IMPACT</th>
<th>TOTAL IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>367,300 Jobs</td>
<td>$60.5 Billion</td>
<td>$33.0 Billion</td>
<td>$20.9 Billion</td>
<td>$114.4 Billion</td>
</tr>
<tr>
<td>Labor Income</td>
<td>334,825 Jobs</td>
<td>$113.2 Billion</td>
<td>$55.4 Billion</td>
<td>$205.7 Billion</td>
</tr>
<tr>
<td>Gross Value Added</td>
<td>306,160 Jobs</td>
<td>$37.1 Billion</td>
<td>$38.1 Billion</td>
<td>$205.7 Billion</td>
</tr>
<tr>
<td>Tax Revenue</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>$38.1 Billion</td>
</tr>
</tbody>
</table>

The Creative Sectors

Entertainment Employment

The Creative Sectors

Entertainment Employment

By Worker Type
2018 to 2021

By Subsector
2021

The Creative Sectors

Entertainment Subsector Employment

The Creative Sectors
Entertainment Wages by Subsector

Digitalization

Digital goods and services helped pull the creative economy through the pandemic.

Business Models

The in-person business model has struggled, and subscription business models that relied on less tech-adept patrons have not rebounded.

Performing Arts

The performing arts and live theater have not healed in either Los Angeles County or statewide.

Spillover Effects

The impact of the performing arts industry ripples through the economy, bolstering restaurants, bars, clubs, and other nightlife activity.
Television and Film Activity

The Creative Sectors

Source: FilmLA
Global Studio & Soundstage Expansion

Competitive Landscape

Soundstages planned over the next 10 years:

- **New York**: +44
- **London**: +160
- **Los Angeles**: +151
In late 2021, California increased its annual media production incentives budget by $330 million starting in 2022.
Film & Television Tax Credits

Competitive Landscape

Tax Credit Allocations in California and the United Kingdom
2015 to 2020

In Billions


California

United Kingdom

Tax Relief in the United Kingdom
2021

- Film 49%
- High-end Television 16%
- Animation 1%
- Video Games 14%
Visual Effects and Post-Production Incentives by Country *

2007: Estimated 50 incentive programs across 12 countries

2021: Estimated 100 incentive programs across 40 countries

Gaming

<table>
<thead>
<tr>
<th>Canada</th>
<th>Europe</th>
<th>Asia Pacific</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>United Kingdom</td>
<td>New Zealand</td>
<td>Colorado</td>
</tr>
<tr>
<td>Manitoba</td>
<td>Denmark</td>
<td>Singapore</td>
<td>Georgia</td>
</tr>
<tr>
<td>Newfoundland</td>
<td>Finland</td>
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<td>Louisiana</td>
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<tr>
<td>Nova Scotia</td>
<td>Italy</td>
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<td>Ontario</td>
<td>Slovakia</td>
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<td>New Jersey</td>
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<tr>
<td>Quebec</td>
<td>Spain</td>
<td></td>
<td>New Mexico</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>Switzerland</td>
<td></td>
<td>Texas</td>
</tr>
</tbody>
</table>

* Global map of countries and provinces with a standalone incentive for visual effects work (i.e., no requirements for principal photography to occur in the same country or province).
Introduction of the Canadian Film or Video Production Tax Credit (CPTC)

Introduction of the Canadian Film or Video Production Services Tax Credit (PSTC)

California -51.4%

Los Angeles County -60.5%
THANK YOU

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