

The Los Angeles Sports Council/
Los Angeles Area Chamber of Commerce
Economic Impact Study

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The study serves a number of purposes, including raising the profile of LA sport

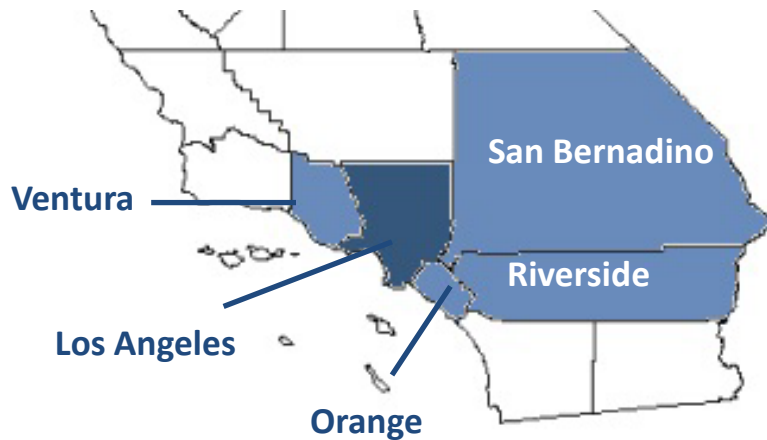
- **Objective:** to measure the economic impact of the Los Angeles Sporting Events Industry
- This is the eighth time this study has been conducted, reflecting a great partnership between UCLA, the LASC and the Chamber
- The results of this survey serve to:
 - Estimate the impact of the LA sporting events industry on the overall Los Angeles economy
 - Explain local trends and events over time
 - Support bids for major sporting events, such as the Olympics



Scope and metrics were defined in line with previous surveys for consistency

Scope

All sporting teams, events, and venues in the “Greater Los Angeles Area”



Metrics

- Revenues
- Attendance
- Employment (Full-Time, Part-Time, and Volunteers)

Indirect revenues are not collected, but rather estimated using economic multiplier



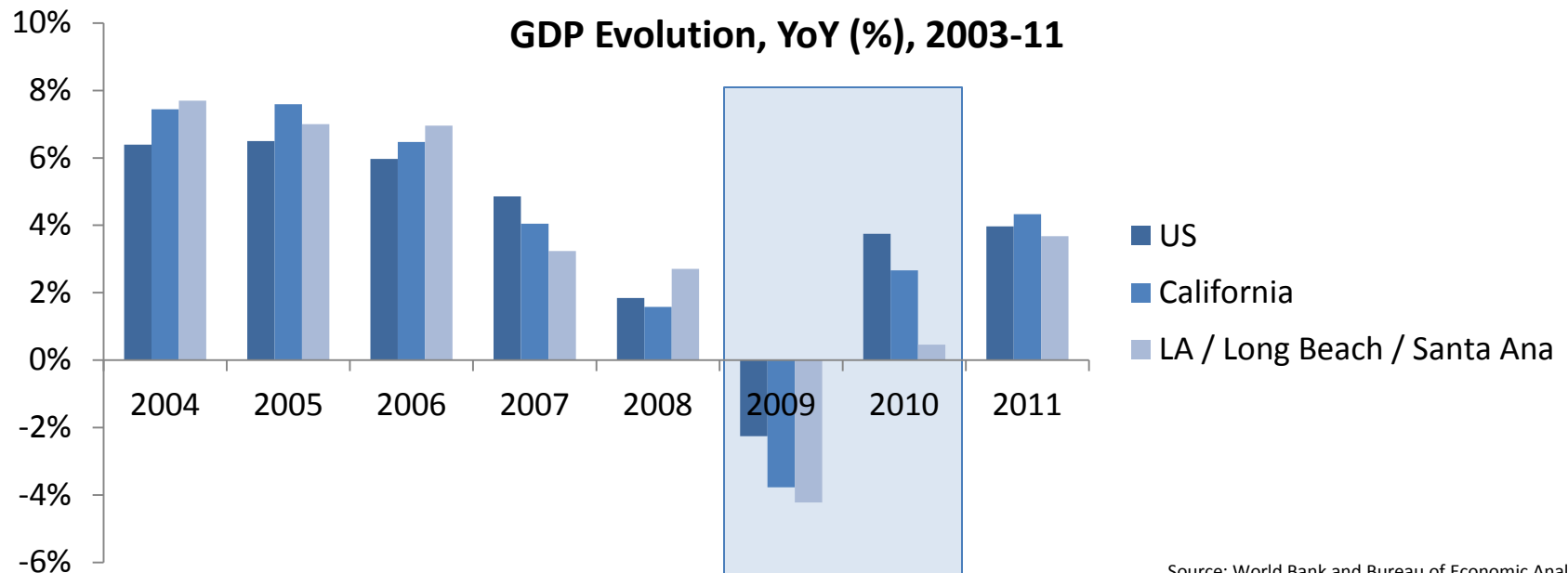
Non-respondents were estimated, and an economic multiplier was applied to results

Methodology



California and US GDP recovered more strongly than Los Angeles

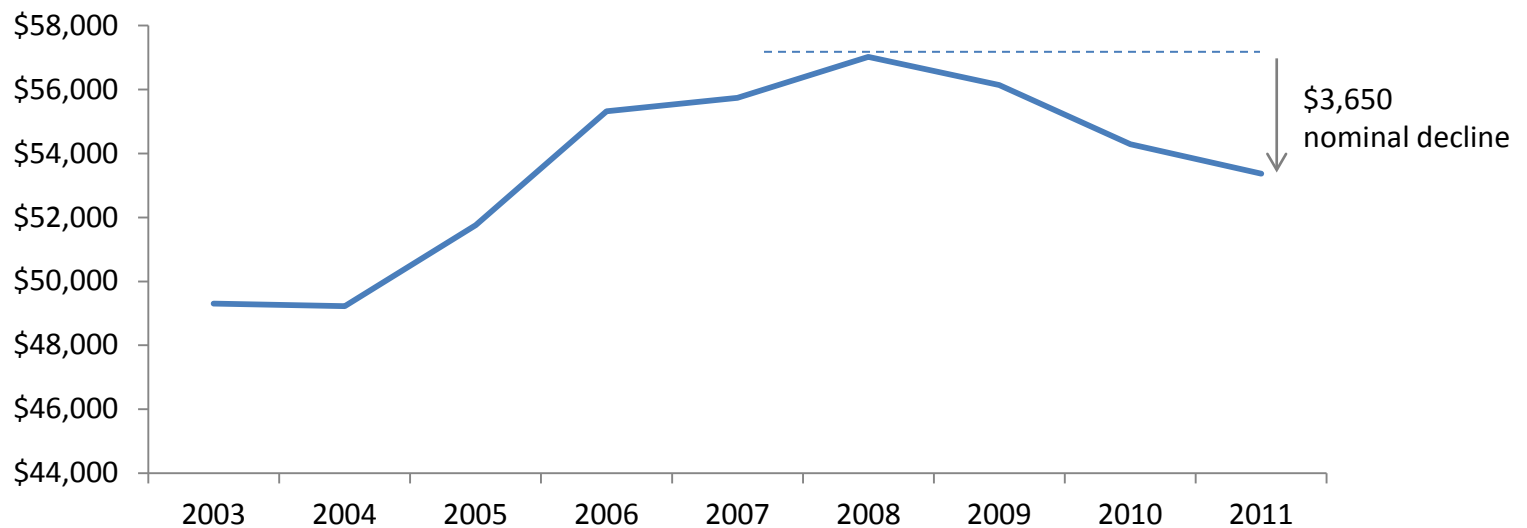
- Research on economic indicators show somewhat mixed results
 - Los Angeles GDP fell further in 2009, and recovered more slowly in 2010, than California and the US overall



Household income has not recovered since a 2008 peak

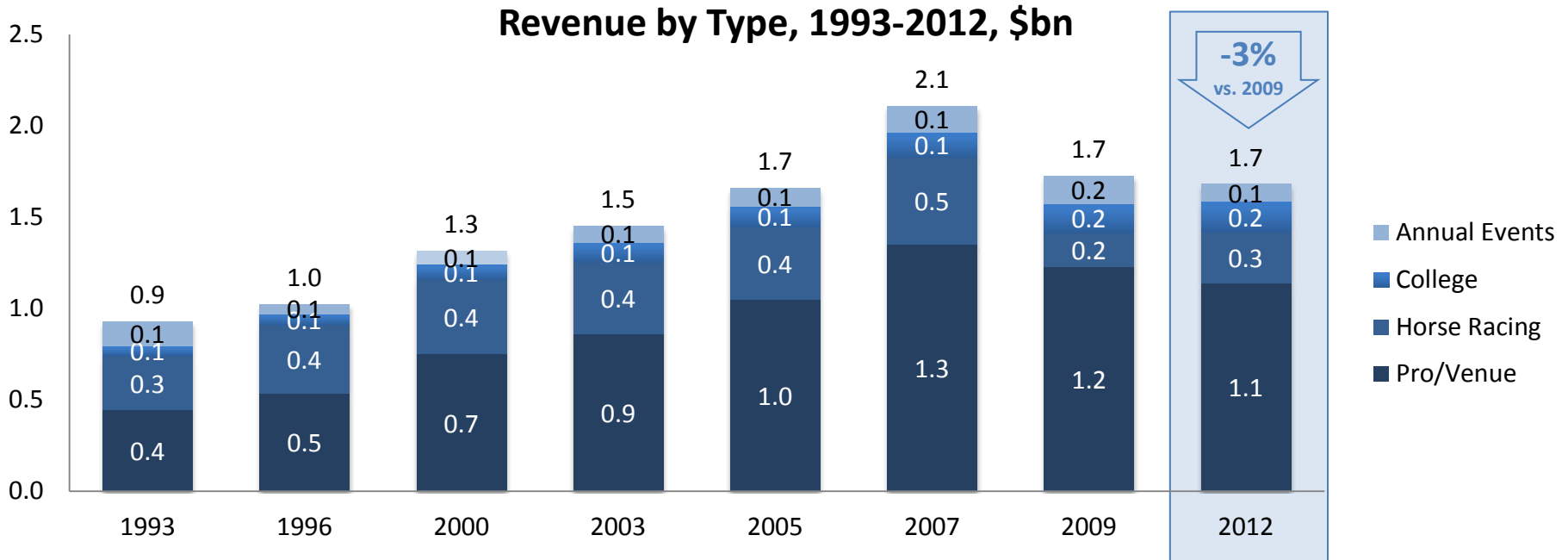
- California median income levels have continued to decline since 2008 and the consumer national average spend on entertainment has not recovered since 2008 highs.

Median Household Income: California, \$000, 2003-11



Overall revenues are flat from 2009

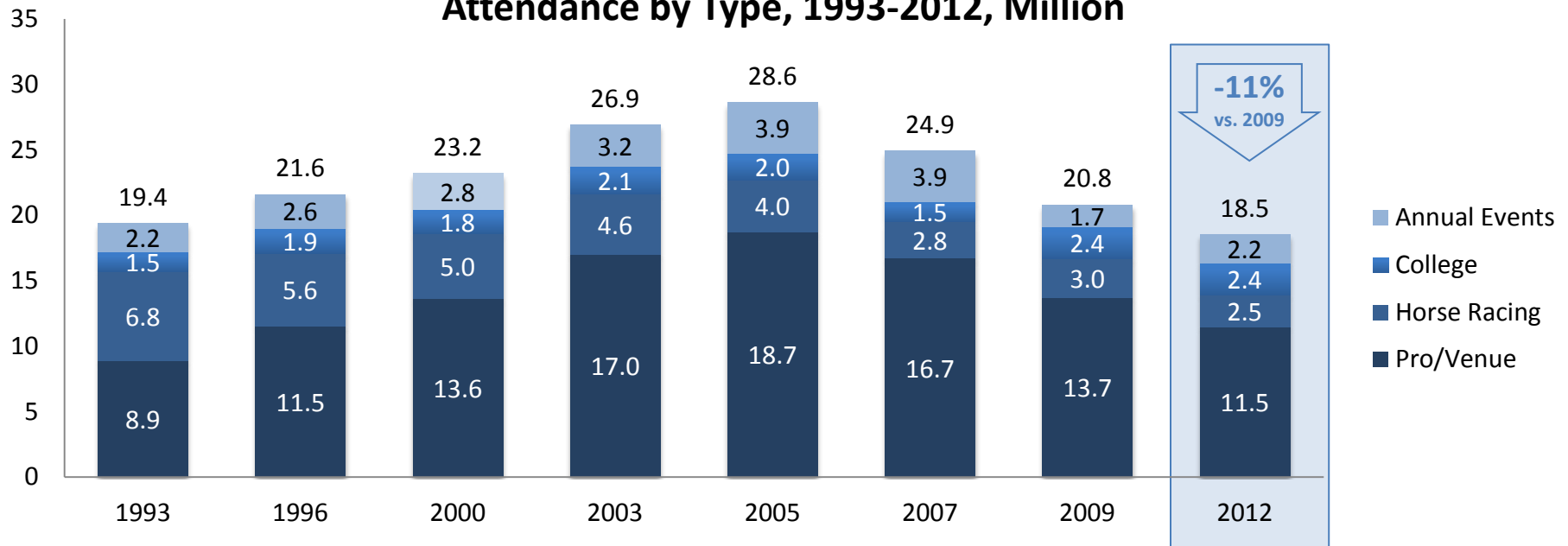
- **Revenues almost flat overall** as modest growth in horse racing and collegiate sports was offset by declines in professional sports and annual events
- We believe that this reflects flat discretionary income, despite recovering GDP, due to repayment of debt and increased savings



Attendance decreased sharply, continuing a trend since 2005

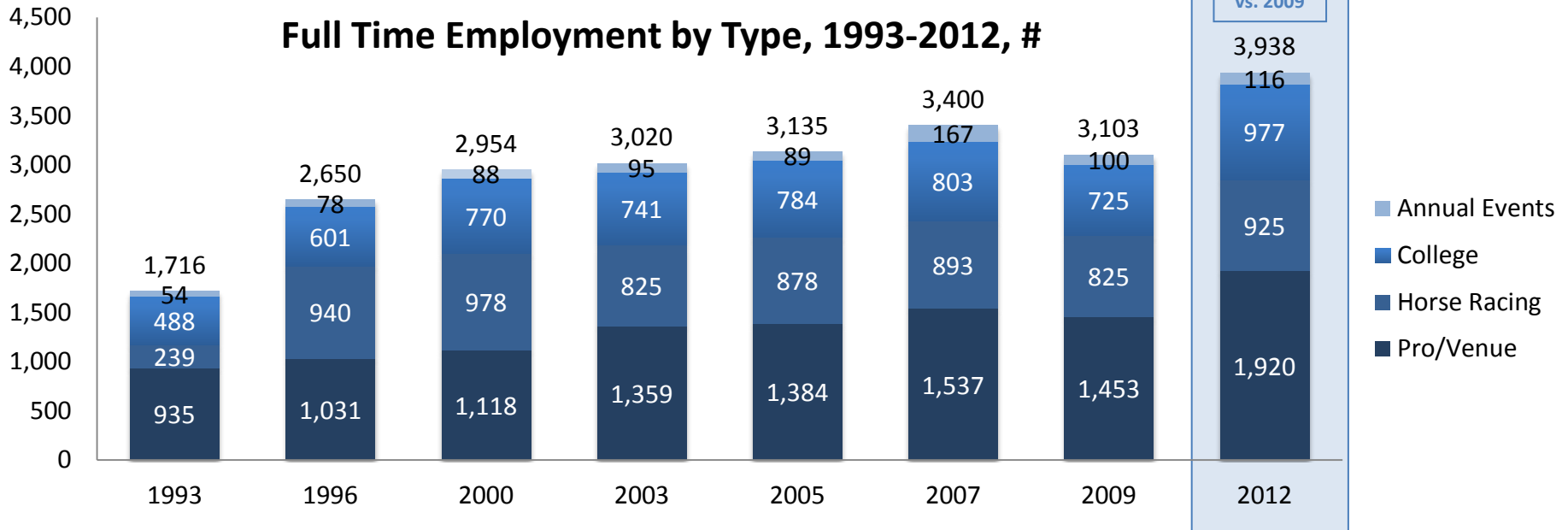
- **Attendance has declined consistently since 2005** due to improved home viewing experiences, rising ticket prices, and struggling economy
- Only LA Kings and LA Galaxy saw increases in attendance due to championship seasons

Attendance by Type, 1993-2012, Million



Full-time employment rose strongly to record levels, up 27% from 2009

- **Full-time employment exceeded pre-recession levels in 2012**, driven by professional and collegiate organizations
- Increased hiring suggests that organizations hope to take advantage of a now-improving economy and recent investment



Part-time employment also rebounded strongly, up 40% vs 2009

- **Part-time also up significantly** on recession levels, but still lower than pre-recession levels
- Volunteer levels down more than 25%, suggests conversion or reclassification to part-time employment

