



For Immediate Release

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NEWS RELEASE

**SPORTING EVENTS INDUSTRY CONTINUES
TO BENEFIT LOCAL ECONOMY**

*LA Area Chamber and Los Angeles Sports Council study
reflects total economic impact in 2003 of over \$2.7 billion*

Despite the challenging economy of the past few years, the total economic impact of the sporting events industry in the five-county greater Los Angeles area reached an all-time high in 2003 of \$2.7 billion, according to a study released today by the Los Angeles Sports Council and the Los Angeles Area Chamber of Commerce.

Key findings of the study demonstrate that the sporting events industry continues to be a source of economic growth for the greater Los Angeles region, with both overall employment and attendance at events on the rise.

The extensive 4-month study, commissioned by the Sports Council and the LA Area Chamber, was conducted by a team of MBA graduate students from the UCLA Anderson School of Management to measure the overall economic impact of the sporting events industry in the five-county Los Angeles region, including Los Angeles, Orange, Riverside, Ventura and San Bernardino counties.

Using data obtained confidentially from 56 local sports organizations, the study examined annual revenue, employment and attendance figures. The survey included professional teams, venues, horse racing tracks, college athletic departments, as well as annual recurring events such as the Nissan Open and the L.A. Marathon. The study, the fourth in a series dating back to 1993, is the only comprehensive report of its kind for the L.A. region.

The results were detailed by Chris Martin, First Vice-Chair, LA Area Chamber Board; Alan Rothenberg, Chair, Los Angeles Sports Council; and David Simon, President, Los Angeles Sports Council.

Said Martin, “We commission this study every few years in order to assess the impact of various sports organizations on the greater Los Angeles economy. Tracking the growth trends in this industry is critical as decision makers are weighing future investments in hosting large events, building new venues, seeking new professional teams and other indirectly-related economic activities.”

The study revealed that the sports industry in Los Angeles generated over \$1.4 billion in direct revenues, which, after factoring in a weighted economic multiplier, translates into an overall economic impact of more than \$2.7 billion.

The weighted multiplier of 1.88 was derived from data from the Bureau of Economic Analysis (BEA) and was used to quantify the cascading effect that consumer spending within the sporting events industry has on the overall regional economy.

“We are always grateful to the sports industry for its recreation and entertainment value, but we must also recognize the industry’s huge economic value as well,” said Rothenberg.

Other significant findings in the study include:

- Revenue generated by the sporting events industry has grown consistently from previous studies. Revenue in 2003 was \$1.45 billion, representing an 11% increase from revenue in the 2000 study. Adjusting for inflation of 8% over this same period, revenue in constant dollars grew 3%. Revenue in 2003 included growth from existing organizations as well as from new venues and events.
- Attendance at area sporting events reached an all-time high of 27 million in 2003, an increase of 16% from attendance figures in the 2000 study.
- Full-time employment in the industry also reached an all-time high; although the rate of growth has slowed over the past ten years. Regionally, there were 3,023 full-time jobs in the sporting event industry and 11,292 part-time jobs. These findings are in line with current national trends of utilizing more contract part-time employees to fulfill growth needs. Additionally, the number of full-time jobs in the sports industry has increased 76% percent since the first study in 1993.
- Horse racing attendance has declined slightly in recent years, although it still represents an impressive 17% of overall event attendance.
- The three highest paid attendances at single-day sporting events in '03 were the Auto Club 500 at California Speedway (120,000), UCLA vs. USC football at the L.A. Coliseum (93,172) and the 2003 Rose Bowl Game (86,848).

“I think the one thing that jumps out at me is the enormous number of people that attend sporting events – 27 million. It’s hard to imagine another community in the country where that many tickets to sporting events are being sold,” said Simon. “Clearly, the sporting events industry is thriving and continues to bring economic vitality to the region.”

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This study included the following 56 local sports organizations:

Teams Included in 2003 Study			
<u>Pro/Venue</u>	<u>Horse Racing</u>	<u>College/Amateur</u>	<u>Annual</u>
<u>Venues</u> Great Western Forum Angel Stadium (Edison Field) Dodger Stadium Staples Center Home Depot Center Rose Bowl LA Coliseum/Sports Arena California Speedway Arrowhead Pond <u>Pro Teams</u> Anaheim Mighty Ducks LA Kings LA Lakers LA Clippers LA Sparks LA Galaxy LA Dodgers Anaheim Angels LA Raiders LA Rams Long Beach Jam Rancho Cucamonga Quakes Lancaster Jethawks Lake Elsinore Storm Inland Empire 66ers High Desert Mavericks Long Beach Ice Dogs LA Avengers	Santa Anita (LA Turf Club) Los Alamitos Race Course Hollywood Park Fairplex (Pomona)	UCLA USC UC Riverside UC Irvine Pepperdine Univ. Loyola Marymount Cal State Univ., Fullerton Cal State Northridge Cal State Long Beach Cal State LA Cal State Dominguez Cal State San Bernardino Amateur Athletic Foundation LA Sports Council Southern California Tennis Association	Rose Bowl Game/Parade LA Marathon Carbon LLC - City of LA Triathlon Toshiba Senior Classic (Golf) SBC Senior Classic (Golf) Office Depot Championships (Golf) Nissan Open (Golf) Nike Inland Empire Open (Golf) Mark Christopher Charity Classic (Golf) Mt. Sac Relays (Track Meet) Long Beach Marathon – Int. City Racing Long Beach Grand Prix (Toyota) LA Open – MBZ Cup (tennis) Virginia Slims/eStyle.com Classic (tennis)

The Los Angeles Area Chamber of Commerce, with 1,300 members, represents the interests of business in LA County. Founded in 1888, the Chamber promotes a prosperous economy and quality of life in the Los Angeles region.

The Los Angeles Sports Council is a nonprofit civic organization whose primary purpose is to promote economic development through sports in the Los Angeles/Orange County area. On behalf of the community, the Sports Council bids against other cities for the right to hoist major sporting events, often staging or helping to stage events after successful bids. The Council's efforts represent more than \$1 billion in overall economic impact for the region and range from NCAA Championships to the Super Bowl and from the U.S. Olympic Trials to the World Cup. The Council also works in support of each of the area's established sports teams and facilities. For more information, visit www.lasports.org.