

**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### Highlights

- The Creative Industry had a total economic impact of just over \$1.2 billion on the San Antonio economy.
- The Creative Industry paid over \$319 million in wages to 11,888 employees.
- The Creative Industry generated more than \$2.2 million in local sales taxes.

"Creativity can solve almost any problem. The creative act, the defeat of habit by originality, overcomes everything."

— George Lois  
(Legendary ad-man and image-maker)



1.2 BILLION  
DOLLARS OF  
CREATIVE POWER

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### The Creative Industry in San Antonio

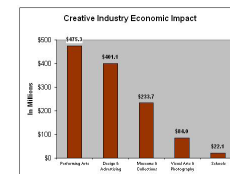
A flourishing creative industry is an essential component of every community. San Antonio is fortunate to be the home of many individuals, non-profit organizations and creative businesses that are involved in the production of creative products and services. This study is the first attempt to measure the direct economic impact of creative activities on the San Antonio economy.

For the purposes of the study, the Creative Industry is defined as encompassing activities and business efforts that include individual, independent, working artists; museums and other cultural organizations; advertising and design firms; and the performing arts and other businesses that involve general or specific creative activities.

In order to make it comparable to other economic impact sector studies of the San Antonio community, this study's ad-hoc oversight committee purposely adopted a conservative definition of the Creative Industry.

While the direct impact of San Antonio's Creative Industry is significant, it is also important to highlight the influence that this industry has had on the development of other targeted local industries. For example: **Throughout the public input process for The Cultural Collaborative: A Plan for San Antonio's Creative Economy, executives of several local businesses argued that the presence of a vibrant and growing Creative Industry is a key factor in their company's ability to attract and retain a skilled workforce.** Although this supportive impact is substantial, it is not measured in this study.

The data used to derive the economic impact analyses is based on the Texas Workforce Commission's wage and employment data aggregated along the lines of business defined by the North American Industrial Classification System (NAICS). The study's oversight committee designated which NAICS codes should be included to generate the most relevant metrics.



**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### NAICS Codes

#### **The Creative Industry NAICS Codes Are Grouped Into the Following Sectors**

##### **Design & Advertising**

Includes businesses involved with advertising and public relations; and architectural and design services.

##### **Museums & Collections**

Includes libraries and other information services; museums, historical sites and other similar institutions; and nature parks, botanical gardens and zoos.

##### **Performing Arts**

Includes performing arts companies, arts promoters, individual artists, writers and performers (if they have employees); businesses involved in the production of motion pictures and sound recordings; retail stores selling music and musical instruments.

##### **Visual Arts & Photography**

Includes art dealers, photo supplies stores, photographic services and finishing businesses; and pottery manufacturers.

**These five sectors of creative activities produced a combined overall economic impact of \$1.216 billion in 2003.**

[Detailed NAICS Codes List](#)



Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

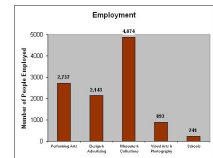
Technical Notes

Oversight Committee

Sponsors

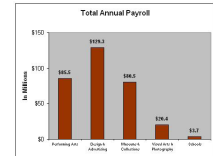
## Employment & Wages

In 2003, some 11,888 individuals were employed in San Antonio's Creative Industry. Less than half (41%) of these individuals worked in the Museums & Collections sector of the industry. While the Performing Arts and Design & Advertising sectors make larger contributions to the economy, they each have fewer employees than Museums & Collections.



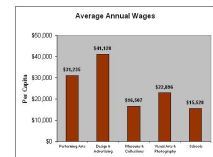
### San Antonio's Creative Industry Average Annual Wages

There is considerable variation in the average salaries paid by the different sectors of the Creative Industry. The highest salaries are paid to individuals working in Design & Advertising. Those employed by fine arts Schools and Museums & Collections receive much lower wages. The lower annual wages in this industry most likely reflect a relatively high proportion of part-time employees.



### San Antonio's Creative Industry Total Annual Payroll

The Creative Industry's total annual payroll in 2003 was \$319.4 million. While the greatest number of individuals is employed in the Museums & Collections sector, the Design & Advertising sector had the highest annual payroll.



**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

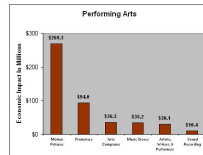
Technical Notes

Oversight Committee

Sponsors

### Performing Arts

The Performing Arts and Design & Advertising sectors make the largest contribution to the local economy. Together they account for more than \$876 million in economic impact or 72.1% of the total.



**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

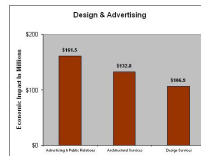
Technical Notes

Oversight Committee

Sponsors

### Design & Advertising

The Design & Advertising sector contributes a third of the Creative Industry's economic impact. Within this sector, advertising and public relations businesses had the greatest contribution (\$161.5 million), but both architectural services (including landscape architecture) and design services contributed over \$100 million.



Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

## Contributions to Government

As would be expected of an industry with an economic impact over a billion dollars, the Creative Industry makes a substantial contribution to local government. The City of San Antonio received \$2.2 million in sales taxes from products and services sold by businesses in the Creative Industry in 2003. This sum included nearly \$2 million from the 1% city sales tax and another \$247 thousand from the temporary 1/8% sales tax for aquifer protection.

Businesses in the Creative Industry contributed to local government in other ways that could not be quantified within the time and resource constraints of this study. For example, those businesses pay property taxes to the city, county, local school districts and other taxing entities. They also bought a substantial amount of electricity and natural gas from City Public Service. Since 14% of CPS revenues are paid to the city in lieu of taxes, the city received significant revenue from these payments.

Sector	Tax Contributions		
	City (1%)	Aquifer (.125%)	Total
Design & Advertising	\$342,487	\$42,811	\$385,298
Museums & Collections	\$19,320	\$2,415	\$21,735
Performing Arts	\$1,256,453	\$157,057	\$1,413,510
Schools	\$2,838	\$355	\$3,193
Visual Arts & Photography	\$358,788	\$44,848	\$403,636
<b>Total</b>	<b>\$1,979,886</b>	<b>\$247,486</b>	<b>\$2,227,372</b>

**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

---

Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### Conservative Estimate

It is worth repeating that the economic estimates contained in this report are conservative. They were produced with the same methodology and approach utilized in the other economic studies sponsored by The Greater San Antonio Chamber of Commerce.

In contrast, many other national studies adopt a far more extensive definition of the industry.\* It is not uncommon, for example to include the various types of printing, publishing and broadcasting activities in estimates of creative industries. If these additional activities had been included in this study, they would have added \$2.3 billion to the estimate of the Creative Industry's economic impact.

Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

## Conclusion & Facts

This study summarizes the substantial role of San Antonio's Creative Industry in the region's economy—over \$1.2 billion in economic impact, 11,888 jobs and almost \$2.2 million in local sales taxes. The Creative Industry plays a key role in enhancing the region's economic vitality and quality of life.

### Consider This

- There are 688 professional visual artist and craftspeople registered with the City of San Antonio.
- Enrollment in the St. Phillip's College Culinary Arts Degree Program has increased 81% since 2000. It is the only program of its type in San Antonio, and some graduates have become executive chefs at local gourmet restaurants.
- The San Antonio Music Teachers Association reports that its membership represents 110 piano teachers and 722 students.
- Through the San Antonio Office of Cultural Affairs grants programs, approximately \$2.3 million dollars was distributed to 25 arts and cultural organizations to help them meet their operating expenses in 2003. Generated primarily by the Hotel/Motel Occupancy Tax, these funds helped produce over \$21 million direct expenditures by those organizations.
- City-funded arts and cultural organizations reported hosting nearly 16,000 events—from school and community workshops to performance, exhibits and festivals—that served over 3 million people in 2003.
- Volunteers have significant economic impact.
- Approximately 4,000 volunteers contribute more than 145,000 hours annually to various arts and cultural organizations. If paid, their wages would total over \$1.3 million.
- According to the 2003 VuTure Art study, Digital Media Creators in San Antonio and Bexar County, there are over 4,000 people working in the digital media arts sector of the local economy.
- Local college and university arts departments annually pay over \$10 million in wages to faculty and staff, and host approximately 415 events that are cumulatively attended by more than 95,000 people.

Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

## Technical Notes

The primary information source for this study is the Texas Workforce Commission (TWC), which provides data on payroll and employment for the San Antonio Metropolitan Statistical Area (MSA) aggregated into lines of business defined by the North American Industrial Classification System (NAICS) coding framework. This data is compiled from employers' unemployment insurance reports to the state. It represents essentially a 100% sample of all the businesses with employees in each NAICS code. It does not, however, include self-employed individual artists and craftspeople, since they have no employees. Similarly, because of the nature of TWC data, many other activities considered part of the Creative Industry had to be omitted, such as:

- Art supply stores \*\*
- Culinary arts
- Events-related spending
- K-12 public and private schools, colleges and universities
- Volunteer activity

The oversight committee constituted for this study determined which NAICS codes best fit within San Antonio's Creative Industry by reviewing similar studies conducted in other parts of the country, considering the availability of data from the TWC and relying on personal knowledge of San Antonio's Creative Industry. The oversight committee's final selection of NAICS codes is detailed in the list in the NAICS Codes section.

Translating payroll information into economic impact involves the application of a conversion factor. Sales or revenue for each NAICS industry is calculated from the TWC's payroll figures using the ratio of sales to payroll for the corresponding industry in the San Antonio MSA as reported in the 1997 Economic Census. These figures are specific to each NAICS code and ranged from a low of 2.63 for museums to a high of 11.69 for artists, writers and performers. This conversion factor simply translates payroll information into the amount of economic activity or impact generated for each specific industry component.

This conversion factor is not the multiplier often employed in economic impact studies to calculate the total impact of an industry's export sales on the local economy. This study uses no multipliers. This is a conservative practice because the multiplier effects of export sales expand the economic impact of the industry in the local economy, and no reliable estimates of export sales in the various sectors of the Creative Industry were available.

\*\* Art supply stores are not included in this study because they are one part of a single NAICS code that also includes a much broader category of retail establishments selling a wide range of specialized lines of merchandise.

**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### Oversight Committee

Andy Benavides, Owner  
1906 Gallery

Tom Cannon, J.D., Director  
UTSA College of Business Tourism Management Program

Ramiro Cavazos, Director  
San Antonio Economic Development Department

Randall Goldsmith, Ph.D., Executive Director  
San Antonio Technology Accelerator Initiative

Joe Guinn, Vice President  
PacifiCare

Joe Krier, President & CEO  
The Greater San Antonio Chamber of Commerce

Claudia Ladensohn, Chair  
Texas Commission on The Arts

Steven Nivin, Ph.D., Industry Development Manager  
San Antonio Economic Development Department

Felix Padrón, Director  
San Antonio Office of Cultural Affairs

Frank Stenger-Castro, General Counsel  
San Antonio Water System

Frank Villani, Co-Chair  
Cultural Alliance of San Antonio

#### **PROJECT COORDINATION**

Ava Lambert, Arts Program Coordinator  
San Antonio Office of Cultural Affairs

1.2 BILLION  
DOLLARS OF  
CREATIVE POWER

# The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

## Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

## Sponsors



Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

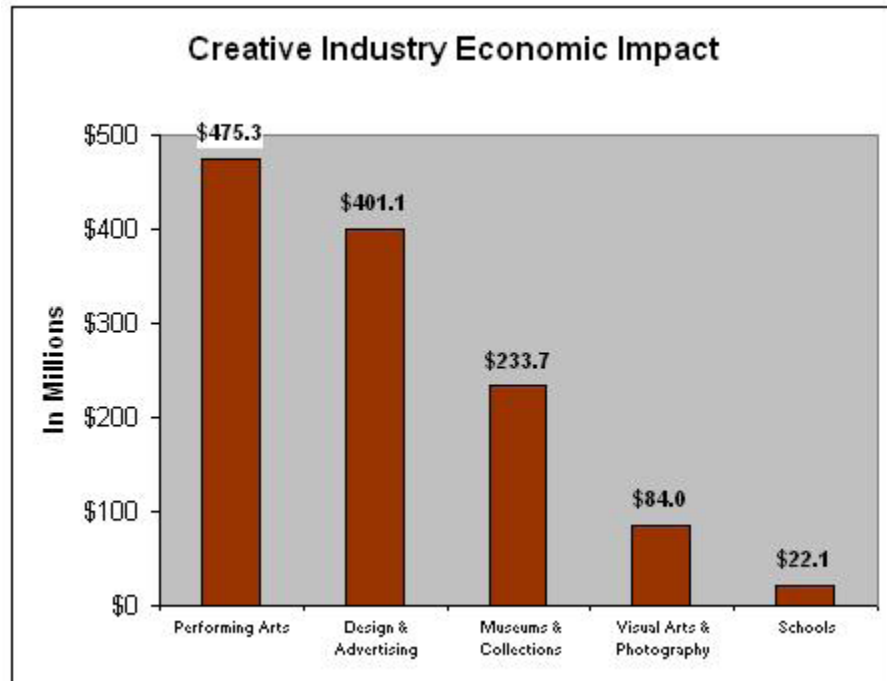
Conclusion & Facts

Technical Notes

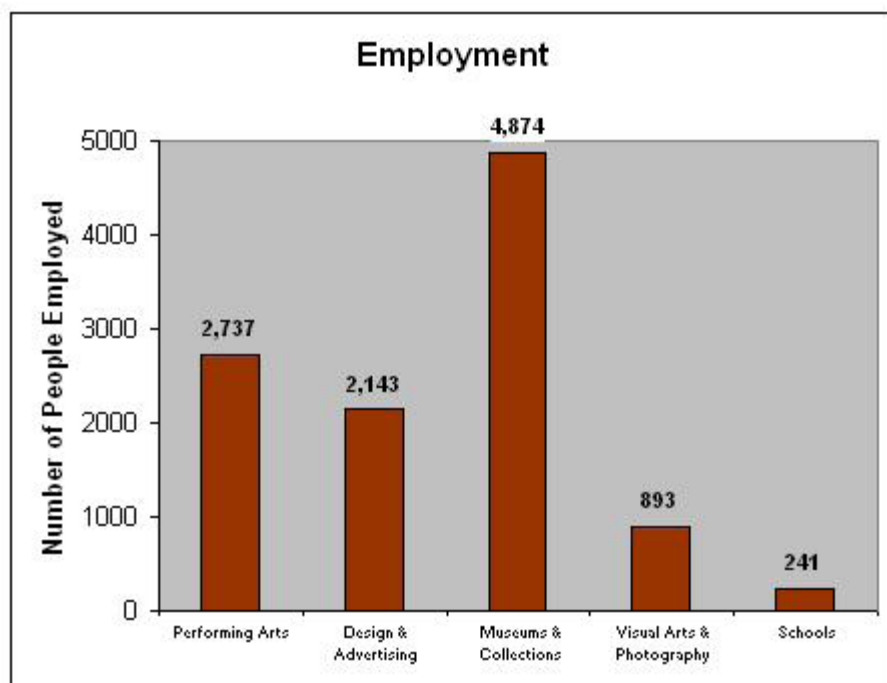
Oversight Committee

Sponsors

Creative Industry p(2)



Employment & Wages p(4)



Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

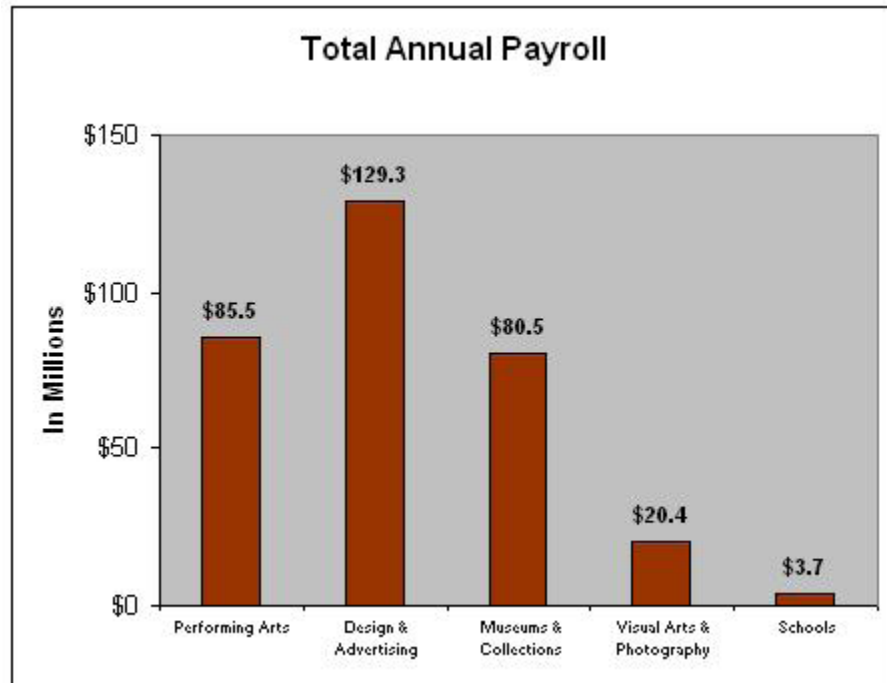
Conclusion & Facts

Technical Notes

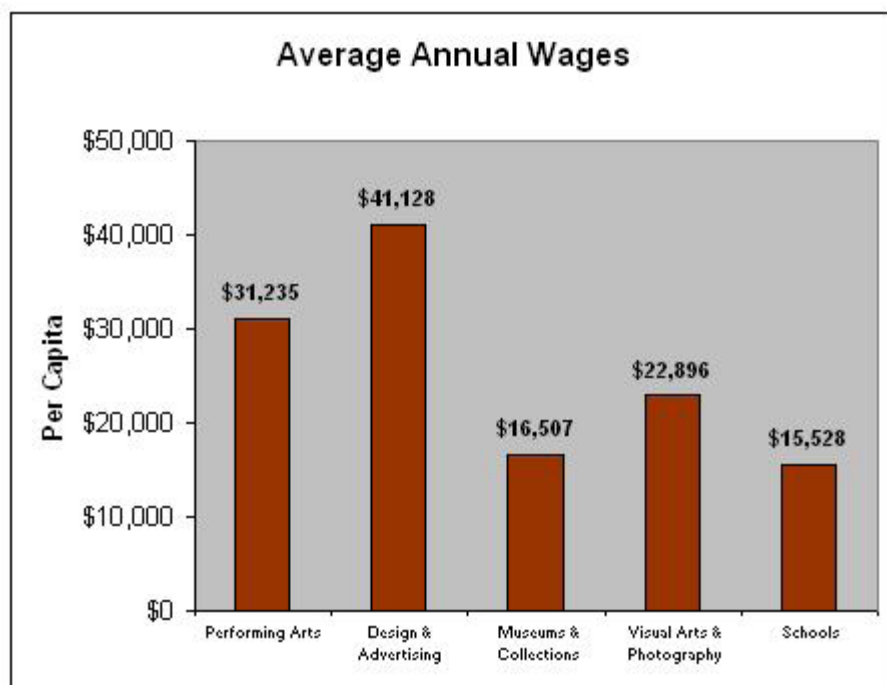
Oversight Committee

Sponsors

Employment & Wages p(4)



Employment & Wages p(4)



Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

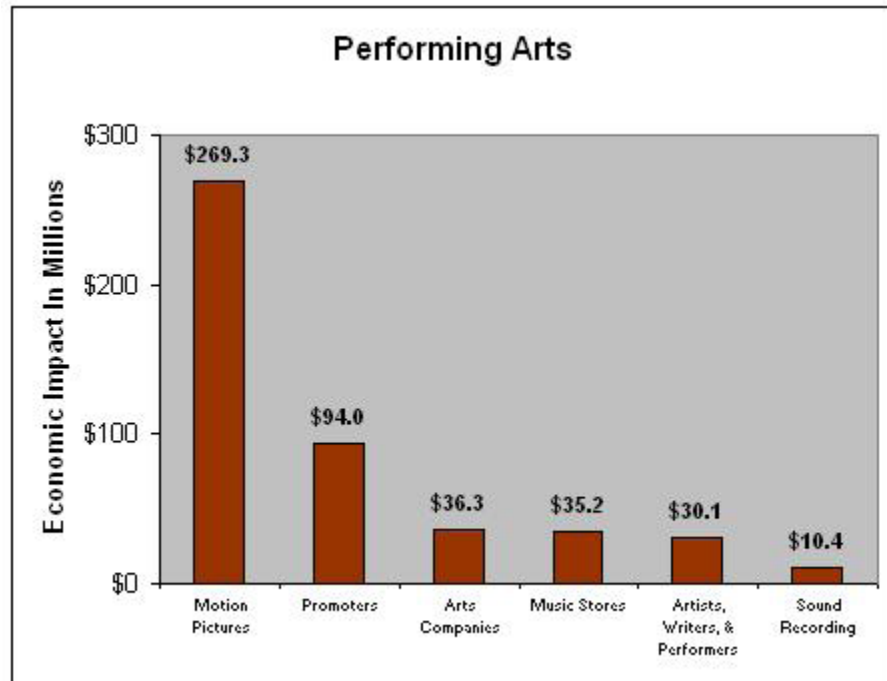
Conclusion & Facts

Technical Notes

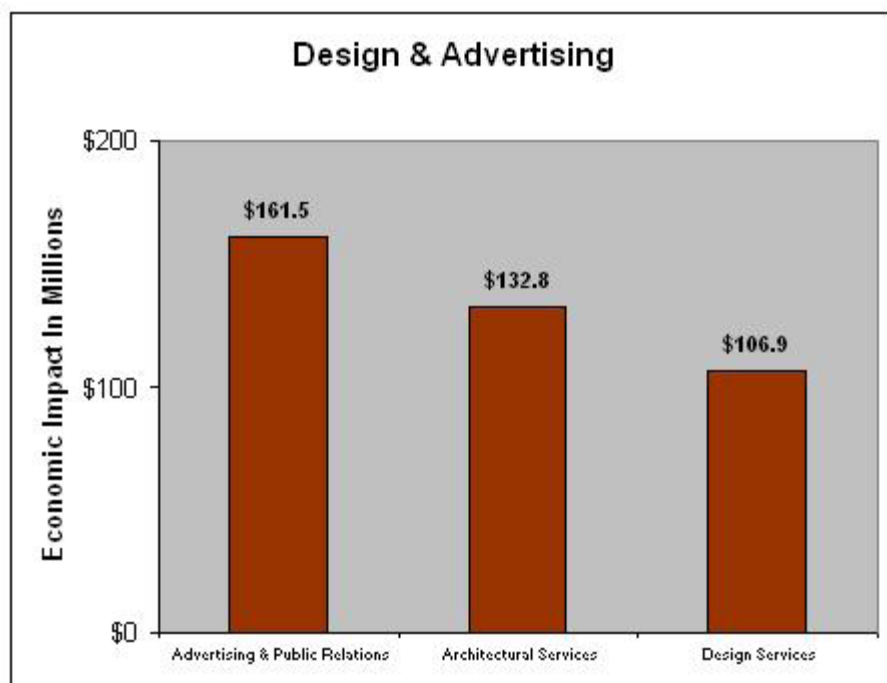
Oversight Committee

Sponsors

Performing Arts p(5)



Design & Advertising p(6)



**1.2 BILLION  
DOLLARS OF  
CREATIVE POWER**

## The Economic Impact of San Antonio's Creative Industry: An Assessment of Economic Impact in 2003

### Highlights

Creative Industry

NAICS Codes

Employment & Wages

Performing Arts

Design & Advertising

Contributions to  
Government

Conservative Estimate

Conclusion & Facts

Technical Notes

Oversight Committee

Sponsors

### The Creative Industry NAICS Codes

#### Design & Advertising

Advertising Agencies 54181  
Architectural Services 54131  
Design Services 5414  
Direct Mail Advertising 54186  
Display Advertising 54185  
Landscape Architects 54132  
Public Relations Agencies 54182

#### Museums & Collections

Library and other Information Services 5191  
Museums, Historical Sites, Nature Parks,  
Botanical Gardens, Zoos 7121

#### Performing Arts

Artists, Writers, Performers\*\*\* 71151  
Musical Stores 45114  
Motion Picture 5121  
Performing Arts Companies 7111  
Performing Arts Promoters--with facilities 71131  
Performing Arts Promoters  
--without facilities 71132  
Sound Recording 5122

#### Schools

Fine Arts Schools 61161

#### Visual Arts & Photography

Art Dealers 45392  
Photo Finishing 81292  
Photo Services 54192  
Photo Supplies Stores 44313  
Pottery Manufacturing 327112

\*\*\* Due to the nature of TWC data, self-employed individual artists, writers and performers are not included in this study. They are included in the TWC data only if they have employees.