

## *Creative Industries: Business & Employment in the Arts*

### Key Points

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**A research-based approach . . .** The Creative Industries study provides a research-based approach to understanding the size and scope of the arts in relation to the nation's economy. This study is a unique representation of both the nonprofit and for-profit businesses involved in the creation or distribution of the arts. It is composed of arts-centric businesses that range from nonprofit museums, symphonies, and theaters to for-profit film, architecture, and design companies. We use data from Dun & Bradstreet—the most comprehensive and trusted source for business information in the U.S.—to provide specific and reliable data about employment and the number of arts-centric businesses in both the nonprofit and for-profit arts.

**Formidable industry . . .** Nationally, there are 750,453 businesses in the U.S. involved in the creation or distribution of the arts that employ 3.1 million people. This represents 4.2 percent of all businesses and 2.2 percent of all employees, respectively.

**Mapping the broad reach of the arts . . .** Mapping of the creative industries across local geographic and political jurisdictions demonstrates that these businesses are broadly distributed and thriving throughout our communities and not, as is sometimes believed, strictly in the downtown areas.

**Arts education . . .** With 3.1 million people working for arts businesses, arts education is a critical tool in fueling the creative industries with arts-trained workers as well as new arts consumers. Alan Greenspan, former U.S. Federal Reserve Chairman, notes, "The arts develop skills and habits of mind that are important for workers in the new economy of ideas."

**Policy development and evaluation . . .** Because the Creative Industries research is conducted regularly, it is a tool for policy makers, funders, and elected leaders to track the efficacy of arts policies and creative economy initiatives. Cities and states seeking a competitive advantage use these data to measure themselves.

**Economic development . . .** The creative industries play a major role in building and sustaining economically vibrant communities. Arts organizations provide jobs and generate government revenue and are the cornerstone of tourism and downtown revitalization.

**Export industry . . .** Arts and culture is an export industry. U.S. exports of arts goods (such as movies, paintings, and jewelry) grew to \$72 billion in 2011. With U.S. imports at just \$25 billion, the arts achieved a \$47 billion trade surplus in 2011.

**A Durable Business Sector . . .** Like many major data providers, including the federal government, Dun & Bradstreet periodically reviews its database for accuracy by removing inactive businesses and adding new active ones. After a large-scale reduction in the overall numbers of all U.S. businesses (arts and otherwise), the arts share of businesses and employment remained stable as a percentage of the national totals—demonstrating that the Creative Industries are as resilient and durable as other sectors of the economy.

**A conservative research approach . . .** We take a conservative approach to defining the creative industries by focusing solely on businesses involved in the production or distribution of the arts. Not included, for example, are computer programming and scientific research—both creative, but not focused on the arts. Our analyses demonstrate an under-representation of nonprofit arts organizations in the Dun & Bradstreet database, and consequently, in our data. Additionally, many individual artists are not included, as not all are employed by a business.