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### News Release

#### Arts play big role in northwest Ohio economy

BOWLING GREEN, O.—The arts are big business in northwest Ohio, a comprehensive study by Bowling Green State University has found.

Arts and culture industries generate more than \$2.4 billion in economic activity in northwest Ohio per year, according to the study by Dr. Michael Carroll, an economist and director of the Center for Regional Development at BGSU. They also help produce \$246.5 million in federal, state and local tax revenue, and support more than 33,000 jobs in the region.

Every dollar spent by arts and culture industries in northwest Ohio creates \$1.62 for its economy, said Carroll, who conducted the study for the Northwest Ohio Arts Exchange, which represents regional arts organizations. He reported the findings Tuesday (Oct. 2) during an event at Toledo's historic Valentine Theatre. Frances Strickland, First Lady of Ohio, was a special guest for the evening.

The study is relevant, Carroll said, "because there is a growing body of research that shows a thriving arts community is crucial for the health and vitality of a region.

"The quality of life within a region, of which the arts are an essential component, is inextricably linked to a firm's decision about location," he added. "If northwest Ohio hopes to secure a vibrant economic future, a quantifiable measure of arts activities is needed to retain and recruit companies within the region."

Pointing out that "jobs created in these industries pay above-average wages," Carroll said the creative industries may want to promote themselves as a cluster—an economic development strategy and a means for working more efficiently.

A distinct feature of the study, the economist said, was its focus on the 27-county region serviced by the Center for Regional Development. With a population of 1.8 million, the region stretches east to Sandusky and south nearly to Columbus, comprising roughly the northwest quarter of the state. "Very few of these economic impact studies are done regionally," he said, noting that urban or statewide studies are more common.

In those 27 counties, his report indicated, arts and culture industries annually generate:

- \$1.5 billion in direct economic activity.
- \$928.6 million in indirect and induced economic activity. Indirect economic activity refers to business-to-business purchasing, such as an advertising agency buying its computers from another northwest Ohio company, Carroll explained. Induced economic activity is spending by employees of the 19 industries included in the study.
- More than \$150 million in federal tax revenue.
- Nearly \$97 million in state and local tax revenue.

The study "shows northwest Ohio to be a dynamic center of art, design, culture and entertainment—in short, a creative hub in a creative state," said Dr. Katerina Ruedi Ray, director of the BGSU School of Art and a member of the Northwest Ohio Arts Exchange Advisory Board.

Despite being home to Toledo, the largest city in the region, Lucas County accounts for only 33 percent of the economic activity measured by the study. Carroll attributes that to several factors, including the number of ad agencies throughout northwest Ohio, the presence of Sauder Village and Sauder Woodworking in Archbold, theaters around the region, and arts and culture-related activity in northern Wood County. "It's pretty diverse," he said of northwest Ohio's creative

industries.

Data studied came from IMPLAN, an economic impact modeling system, rather than surveys. The system repackages Internal Revenue Service and other federal data for use in economic impact analysis.

The 19 examined industries follow a model developed by Americans for the Arts, the nation's leading nonprofit arts advocacy organization that has done similar economic impact studies. They range from arts-centric businesses such as nonprofit museums and theaters to for-profit telecommunications and advertising companies.

The industries and their economic impact on the region are, in descending order by dollars: newspaper publishers (\$301.7 million); radio and television stations (\$256.3 million); advertising and related services (\$181.3 million); motion picture and video industries (\$117.5 million); specialized design services (\$108 million); museums (\$107.6 million); ornamental and architectural metal work (\$106 million); photographic services (\$90.7 million); promoters of performing arts/agents (\$88.4 million); independent artists, writers and performers (\$80.7 million); sign manufacturing (\$70.9 million); videotape and disc rental (\$68.4 million); performing arts companies (\$44.4 million); custom architectural woodwork and millwork (\$8.4 million); sound recording industries (\$8 million); book publishers (\$4.4 million); musical instrument manufacturing (\$2.6 million); cable television networks (\$993,679), and audio and video media reproduction (\$751,984).

The exchange is a group of artists and arts educators, administrators and advocates who are dedicated to fostering the growth and development of northwest Ohio's arts community. Founded at BGSU in 2003, the group meets annually for discussions of the state of the arts in the region. Those discussions led to the Center for Regional Development for the economic impact study.

BGSU's interdisciplinary research center aims to design and implement innovative solutions to a variety of regional challenges, with a focus on enhancing community and regional economic development in the 27-county area.

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**Editor's Note:** For more information about his study of the arts' economic impact on northwest Ohio, contact Dr. Michael Carroll at the BGSU Center for Regional Development, 419-372-8710. For other assistance, contact Scott Borgelt, BGSU Marketing & Communications, phone 419•372•2716.

More information also is available at:

[http://www.bgsu.edu/cultural\\_arts/](http://www.bgsu.edu/cultural_arts/)

<http://www.centerforregionaldevelopment.com/>

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