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**The Economic  
Impact of the Arts  
In Spokane County**

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## Executive Summary

The contributions of the arts to the quality of life of a community are generally accepted, both nationally and in the Spokane area. Less well-known, at least locally, are the economic contributions of individuals, organizations, businesses and government entities involved in some capacity in the arts. Consequently, the Spokane Arts Commission asked the EWU Institute for Public Policy & Economic Analysis to carry out a study of the economic impact of the arts in Spokane County.

In contrast to prior studies, the EWU Institute team, with approval from the Commission, used a broad definition of the arts sector. In addition to the core groups of performing and visual artists, this definition included, among others, architects, music stores, photography studios and designers of various types. In total, the study captured the economic activities of 725 independent artists and 1,001 arts organizations and businesses.

An input-output model developed and maintained by the Minnesota IMPLAN Group was used to estimate art impacts. The well-known advantage of this model lies in its ability to capture inter-industry relationships and to calculate impacts on output, earned income or jobs after an initial round of spending. Data for the analysis came from a variety of public and private sources.

In addition, the study team undertook an extensive survey of County artists and arts organizations. The survey attempted to draw profiles of the organizations by level and type of revenue, expenditure patterns and attitudes. It also asked artists to provide socio-economic variables and income sources as well as perceptions of their reception by the local community and state. Most nonprofit arts organizations identified by the Arts Commission completed the survey and 231 of an identified total of 725 artists responded as well.

While the reported expenditures from these two surveys ultimately did not serve as primary data for the impact analysis, some of salient features of the emerging profiles are noteworthy. County arts organizations reported total attendance in their most recent fiscal year (usually calendar 2005) of over 737,000 persons. Ranked by size, performance events

(music, dance or theater) led the count, followed by visual arts exhibits, then festivals and fairs. The bulk of revenue realized by the organizations came from admissions. An estimated 20 percent of their total revenue came from non-County residents.

The socio-economic profile of County artists revealed that most are female, Caucasians with a college degree and have practiced their art or craft for over 24 years. Very few (less than 13 percent) reported proceeds from art sales as their sole income source. The reported median household income was approximately \$55,000, or more than 21 percent higher than for all County households. The share of art sales to non-County residents was 38 percent, although only half answered this question. However, these findings should be interpreted with caution because of the relatively low participation of musicians, at 9.2 percent of all responses. This is a response rate that is undoubtedly lower than musicians' true share of all artists in the County.

Economic impacts on output (sales), earned income and jobs were estimated for four categories: *employers, nonprofits, self-employed and government enterprise*. Additionally, total taxes generated by each category were estimated. The first category, employers, clearly dominated all estimates. The categories were also reorganized into two groups based with individuals and businesses assigned to either "creative & support" and "design & photographic," based on their primary activity so as to differentiate among different definitions of creative activities.

The estimated direct, or first-round, outcomes are as follows:

- \$206.4 million for output or sales
- \$ 74.3 million for earned income
- \$ 6.3 million in local, state & federal taxes, and
- 3,420 jobs

Total impact is the sum of direct, *indirect* (inter-industry) and *induced* (consumer) effects.

Conceptually, indirect and induced impacts of the arts should reflect the effects of spending by non-County residents and local spending substituting for out of County purchases.

However, other than the estimates provided by the nonprofit organizations and artists in the survey, the amounts of these two types of spending could not be determined. Consequently, a range of estimates is offered for the total impacts of creative activities on the County economy. The upper bound assumes that all sales were either to non-County residents or to

residents who would have traveled out of the County to purchase art. (In other words, all expenditures by County residents on local art or art experiences are not substitutable with other local goods and services.)

The lower end of total impact assumes that substitution between local arts or art experiences and other local goods and services exists; consequently out-of-County “injections” and local import substitutions must be discounted. For the lower bound, which seems most reasonable as a **Best Estimate**, the net level of non-County resident spending and local substitution was assumed to be 50 percent of the estimated indirect and induced impacts.

The total impacts are consequently:

- \$276.2 and 346.0 million in output or sales
- \$ 97.5 and 120.6 million in earned income
- \$ 9.8 and 13.3 million in local, state or federal taxes, and
- 4,409 and 5,399 jobs

Expressed as shares of the County economy, the total impact of the arts, depending on the estimate adopted, represents between 1.1 and 1.3 percent of all output, 1.0 and 1.3 percent of all personal income, 1.8 and 2.2 percent of all employment and 1.0 and 1.3 percent of all taxes generated. In general, the “multiplier” (total impact/direct impact) values for the various outcomes lie between 1.2 and 1.7 and for business taxes, between 1.6 and 2.1.

As measured by output or sales, the five economic sectors most affected by the arts in Spokane County, are:

- Healthcare & social assistance
- Information
- Professional, technical & scientific services
- Owner-occupied dwellings
- Retail trade

This report provides only a temporal snapshot of the local economic effects. It also presumes that all other sectors do not grow or decrease during the time period the analysis was conducted. Finally, as mentioned above, it relies on a range of estimates to determine the net impact of a given activity on the local economy.

In conclusion, by representing between 1.1 and 2.2 percent of the local economy, the arts in Spokane County hardly constitute a tiny economic force. If due only to a broader definition of

this sector, this finding is significantly larger than those from prior studies. If repeated on a regular basis such as every three years, an impact study of this type could identify and measure changes in County creative activities. This information would not only be useful to the Arts Commission and policy makers, but also would keep those involved in the arts as well as the public at large informed about contributions of the arts to the local community.

## 2. Background and Scope

Scattered throughout Spokane County are a number of people, business enterprises and organizations engaged in some form of artistic or creative activity. While artists, musicians, writers, actors, dancers, folk singers and movie, video and craft producers are all well-known creative participants, there are also many lesser known performers as well as a wide range of supportive business and organizations, both public and private. The presence of all these participants and the variety of their activities adds to the diversity of the community and makes life more interesting for all citizens in the Inland Northwest.

Less recognized is that creative activities have important economic consequences through the sale of artistic creations and incomes earned by participants in artistic activities. Because of the individualized nature of most endeavors, the magnitude of this artistic output, incomes or employment is difficult to determine. Consequently, for most citizens, the notion that art and art events can have significant economic impacts on the local economy is not obvious.

Nationally, the economic role of the arts has received greater recognition. According to a recent study by the Americans for the Arts, the nonprofit arts sector alone generated \$134 billion in the U.S. economy for the year 2000 [Arts & Economic Prosperity, 2003]. According to the same study, national spending by the nonprofit arts groups alone grew 45 percent in nominal terms and 25 percent in inflation-adjusted terms over the 1990's. Nationally, the arts are now closely linked to tourism efforts as cultural tourism and as amenities that significantly contribute to urban revitalization efforts.

Recognizing these national trends, the Spokane Arts Commission contracted with the Institute of Public Policy & Economic Analysis at Eastern Washington University to undertake a study of the economic impact of the arts in Spokane County. The original scope of work called for the Institute to carry out a survey of both artists and arts organizations. Although identification of comprehensive datasets largely rendered this function redundant, the survey did capture important socio-economic information about local artists and organizations, estimates of sales both inside and outside the County, and a range of opinions about the current situation of creative activities in Spokane County and Washington State.

A fundamental question for the study involved the definition of artistic participants, businesses and organizations. After deliberations with the Arts Commission Director, it was decided to broadly include occupations or business firms where the sale of goods or services

from art or a recognized creative process takes place on a regular basis, as well as those organizations dedicated to the support of creative endeavors. This definition also conforms to the view of art activity used by the Washington State Arts Commission recent *Creative Vitality* Index [Herbert Research, 2005]. See Appendix A for a list of all organizations and businesses whose activities were included in the analysis.

Since the study seeks to determine the impact of arts related activities in Spokane County, it includes only those participants, businesses and organizations active and residing in the county. Data are for the most current year, calendar or fiscal, usually 2005. The study is organized as follows. Chapter 3 takes up methods and data. It also touches on the general research challenge of accounting for the value of the arts beyond conventional methods, such as the one used here. Chapter 4 briefly examines the quantifiable survey results from both artists and arts organizations. Chapter 5 presents findings about the economic impacts of the arts. Chapter 6 contrasts these findings to similar recent studies of communities across the nation. Chapter 7 concludes with a discussion of the study's implications, limitations and how future research on the arts in Spokane might be undertaken.

### **3. Methods**

#### **3.1 Measuring the Arts**

The analytical approach taken in this study is one of a larger class of methods that looks at the effects of the arts as *instrumental* benefits. That is, the arts are seen as vehicle to achieve other ends, either private or public. An instrumental benefit approach does not examine the benefits of the arts per se, which might accrue to individuals or even society. Much of the literature examining the instrumental benefits of the ability of the arts comes from disciplines outside economics.

McCarthy et al [2004] order instrumental benefits in one of five categories, most of which are non-pecuniary in nature. The first is "cognitive" and refers to a hypothesized increase in academic performance on tests, in improved basic skills (reading or mathematics) and in enhanced learning skills in general. The second lies in "attitudinal and behavioral changes" that purportedly lead to better school performance or general life skills. A third and relatively new category comes from health research. Here, studies on the impact of the arts have examined their ability to deliver improvements to quality of life in the elderly, their alleged therapeutic effects for a variety of conditions and their hypothesized ability to alleviate stress and anxiety.

McCarthy et al label the fourth area “community-level social” benefits, and refer to the posited ability of the arts to deepen ties within a group as well as to building community organizational capacity (social capital).

The final category takes up economic benefits, and can be further broken down into three sources. The first may loosely be called the *quality of life* effects. For example, the arts can provide a draw to attract new businesses, highly-skilled workers or tourists to a community. A second source covers a variety of benefits from the arts in their functioning as *public goods* [See Tietenberg (p. 51-52) for a more detailed definition].

The third source of economic benefit is the one that is taken up here: the aggregation of rounds of spending caused by the arts over all individuals in a given economy. The approach, variously called *economic impact analysis* or *input-output (I-O) analysis* is typically cast in the short-run, such as year. In his brief review of economic impact modeling in the arts, Seaman [2003a] arrives at a similar summary of economic benefits. He posits the following for the arts:

Total Impact = Consumption impact + long-run growth impact + short-run spending impact

Seaman’s “consumption impact” refers to both the public good aspect of the arts noted by McCarthy et al and the “surplus” of benefit enjoyed by many art consumers over what they paid for the art experience. His term of long-run growth impact mirrors the quality of life benefits listed by McCarthy et al. The third term has served as focus for nearly all the analyses of the economic benefits of the arts, including this one. As Seaman points out, it should be clear that if the first two terms are positive, the capture of benefits by I-O studies, however imperfect, will understate the true total economic impact of the arts.

Input-output analysis makes several assumptions, many of which have been criticized.

- As section 3.2 explains, the analysis follows the consequences of some action that leads to an initial expansion of local economy. It implicitly assumes that the (local) economy can supply the additional goods and services uncovered by the interrelationships. In other words, there is “slack” in the economy to provide an additional output without bidding up prices of key inputs, such as labor. This may not always be the case.
- The technique forces the effects of a particular industry to be considered in isolation, while in reality an economy is always characterized by many sectors changing simultaneously.

- Perhaps most importantly, the calculation of local economic benefit is valid only for “injections” by spending of non-residents or by local residents who would have traveled elsewhere to consume the same good or service, here art. In most cases, researchers using input-output analysis don’t know to what degree this condition holds.

Besides these limitations, I-O analysis also suffers from incompleteness in any discussion of policy implications. Since the analysis often serves as a prelude to a decision on the proper level of public support, a full analytical look would consider *costs* as well. One might engage in a classic cost/benefit analysis. Or, as Seaman argues, one should include in the I-O calculations the local, public costs of providing arts services and the payments made by local art organizations to non-local participants in the arts sector. In addition, a thorough public discussion of the net benefits of the arts would examine the costs of other means of achieving the same ends noted above and rank all them against the costs of public funding of the arts.

Conceptually, many of the criticisms of input-output analysis have been resolved via *computable general equilibrium (CGE)* models. For example, they can include costs of providing goods and services and allow for the simultaneous calculation of effects across sectors. However, these models place high demands on correct mathematical relationships and use large amounts of data. Up to now, CGE models been applied only at the aggregate level of national economies.

A supplement, if not alternative, to I-O analysis lies in a technique aimed at capturing the first term of Seaman’s equation. Over the past 30 years, economists have developed methods to address the willingness of consumers to pay for goods or services that have no market price. Ostensibly, these techniques, the two most important of which are *contingent valuation* and *revealed preference*, could be applied to this study. They might capture both the value of market transactions and any aggregate value above this, since, as mentioned, many consumers’ willingness to pay is higher than a market price for a good or service. In other words, this family of techniques might capture the value behind any public good dimensions of the arts [for an extended discussion, see Cuccia, 2003].

Many economic analysts of culture now recommend this approach, as two recent conferences sponsored by the University of Chicago Cultural Policy Center document [Seaman, 2004]. However, these techniques work best in ascertaining the value of a discrete amenity, (usually a change in that amenity) and not a sector, as is the case here. In addition, neither approach is cheap, since they rely heavily on large surveys.

This study does not attempt to enumerate, much less value, the *intrinsic* benefits of the arts. Many artists and art advocates believe that these benefits are the most profound of all and should be the primary focus of public debate about the role of the arts in contemporary society. This point of view holds that regarding the arts as a means to some end, be it education or economic development, misses their central value, certainly for individuals and often for society.

McCarthy et al place intrinsic benefits of the arts along a spectrum of private to public spheres. For example, they argue for a “quasi public” benefit of increased capacity for empathy, due to the arts’ ability to render the experience of others, often from distant cultures, real and meaningful to the viewer. At the public end of the spectrum, the authors write of art’s symbolic value to communities, societies or states. Yet, even those sympathetic to recognizing the intrinsic value of the arts have great difficulty settling on a standard characterization, let alone agreed-upon measures, of the experience. Until some consensus on both counts emerges in social science research, projects like this study will necessarily use the tools of economic analysis described above.

Consequently, this study uses input-output analysis to examine the contribution of the arts in Spokane County, largely because other techniques are not available (CGM) or prohibitively expensive (contingent valuation). For the questions posed by the Arts Commission, this is an appropriate tool. In the input-output analysis that follows, care has been taken to acknowledge and respond to the criticisms noted above.

### **3.2 Impact Analysis**

The impact of activities related to the creative arts on the output, employment, wages and taxes of Spokane County is estimated using responses from surveys of individuals and organizations, employer information, reports by nonprofit organizations and Census surveys in conjunction with data and economic impact multipliers compiled and estimated by the Minnesota IMPLAN Group for its IMPLAN analysis program, an economic modeling system incorporating all Spokane County industries.

Data for the IMPLAN model are taken in part from the U.S. Economic Census, conducted every five years by the U. S. Census Bureau to compile “facts about the structure and functioning of the nation’s economy [US Census, 2004].” The Census provides measures of inputs, outputs, production and prices to determine short-term changes in economic conditions. Census data are intended to be used by federal, state and local policy makers to monitor and access business activity, by trade associations to identify market trends, and by individual

businesses to evaluate their performance relative to industry or area averages [US Census, 2004].

Specific estimates of the economic impact of the arts are undertaken using locally developed data combined with county data compiled by the IMPLAN Group using IMPLAN Pro [MIG, 2002], an impact analysis program. As described by the IMPLAN Group [MIG], the

IMPLAN (IMPact Analysis for PLANing) program was originally developed by the US Department of Agriculture (USDA) Forest Service in cooperation with the Federal Emergency Management Agency and the USDA Bureau of Land management to assist the Forest Service in land and resource management planning. MIG was formed in 1993 to privatize the development of IMPLAN data and software. Its software performs the necessary calculations, using study area data, to create models and provides an interface to study changes in a region's economic description, create impact scenarios and to introduce changes to the local model. IMPLAN data and accounts closely follow the accounting conventions used by the Bureau of Economic Analysis (BEA) when developing an Input-Output (I-O) model of the U.S. economy as well as formats recommended by the United Nations. [MIG, 2000: i-iii].

According to the Bureau of Economic Analysis, the input-output (I-O) accounts show how the more than

500 industries that comprise the U.S. economy interact; specifically, how industries provide input to, and use output from, each other to produce gross domestic product. These accounts provide detailed information on the flows of the goods and services that make up the production processes of industries. Benchmark I-O accounts are based on detailed data from the economic censuses that are conducted every five years by the Bureau of the Census while annual accounts are prepared for selected years between the benchmarks based on less comprehensive data. The most recent benchmarks, for 1997, use a new classification system that is based on the North American Industry Classification System (NAICS) while the most recent annual account is for 2002.

I-O accounts can be used to study industry production or as a framework for preparing economic statistics. The accounts are an important analysis tool because they show the production functions of individual industries and the interactions among producers and between producers and final users in the economy. Specifically, these accounts can be used to estimate the direct and indirect effects of changes in final uses on industries and commodities; for example, to estimate the effects of a strike or a natural disaster on the economy, or, supplemented with additional information, to estimate the effects of an increase in U.S. exports on employment. [BEA, 2005]

To develop models to study local economies, IMPLAN reconfigures coefficients and relationships from the national input-output model for local application. Data for this analysis are taken from state and federal sources compiled by the BEA, Bureau of Labor Statistics (BLS),

U.S. Department of Commerce and state labor market information agencies such as the Washington State Employment Security Department Labor Market and Economic Analysis (LMEA) Branch. Because of missing data, disclosure rules and collection procedures, some of these county data have to be estimated from more aggregate state or national sources. Data currently provided by MIG are for 2004, the most recent year available. Greater details on MIG multiplier estimation procedures and data compilation methods are found in the “Data Guide” section of the IMPLAN Professional Version 2.0 user guide [MIG, 2000].

Three conventional indicators of economic activity, output, labor income, and employment, are used to estimate the economic impact of the arts. **Output** is the annual value of production, measured either by the total value of purchases by intermediate and final consumers (final sales), or by intermediate outlays plus value added. Output also can be thought of as the value of sales, plus or minus inventory. **Income** is employee compensation, measured by wage and salary payments as well as benefits, including health and life insurance, retirement payments, and any other non-cash compensation. **Employment**, measured by annual average jobs, includes both full and part time wage and salary employees. For the local economy as a whole, employment also includes self-employed and contract workers.

The output, labor income and employment originating from arts related activities have three types of impacts on the regional economy. **Direct Impacts** are changes in county expenditures arising as a consequence of creative activities, measured in millions of dollars or jobs. For example, the value of tickets sold for a concert or play, income received as wages paid for security at a rock concert or employment of dance instructors all represent direct impacts of the arts. **Indirect Impacts** are the result of business to business transactions arising from day to day operations. Dancers occasionally require chiropractic services; film and video productions utilize computer equipment and electronic services. Theaters and playhouses projects utilize local architectural and construction services. Creative activities require electricity, miscellaneous equipment and business supplies. Artistic participants utilize travel, financial, and advertising services. All these expenditures represent additional local spending that exists as a consequence of the arts. **Induced Impacts** or payroll effects arise from the spending of incomes earned by people directly employed in the arts industries or from incomes earned as a consequence of indirect transactions with these industries.

These different impacts are not one time events. Instead, a design studio might require additional technical computer support that could lead to additional employment or require additional service vans that could lead to additional van sales and then on to additional vehicle

insurance, fuel, tires and so on. Induced spending has this same “multiplied” effect, in that employees hired as a consequence of additional spending also receive additional income that, when spent, leads to still further output and income.

However, these rounds of spending and re-spending do not continue indefinitely. Instead, the impacts of the initial change and subsequent rise in earnings quickly leak out of the region in the form of imports (purchases of goods and services not locally produced), out-of-area spending, taxes and saving.

When added, the three impacts measure the **Total Impact** of the initial output change. Thus,

Direct Impacts → Indirect and Induced Impacts → Total Impact

and

Direct Impacts + Indirect Impacts + Induced Impacts = Total Impact.

The ratio of the total to the direct impact is called a **multiplier**, viz,

$$\text{Multiplier} = \frac{\text{Total Impact}}{\text{Direct Impact}}$$

Obviously, for the same initial change in output, industries with the largest multipliers will have the greatest economic impact on the regional economy. However, large multipliers do not imply large industries. Since the size of a multiplier is determined by the technical production and employee compensation characteristics of an industry, a relatively large industry could have output, employment and income multipliers much smaller than a relatively insignificant one. Because of spending leakages, multipliers are rarely larger than 2.0.

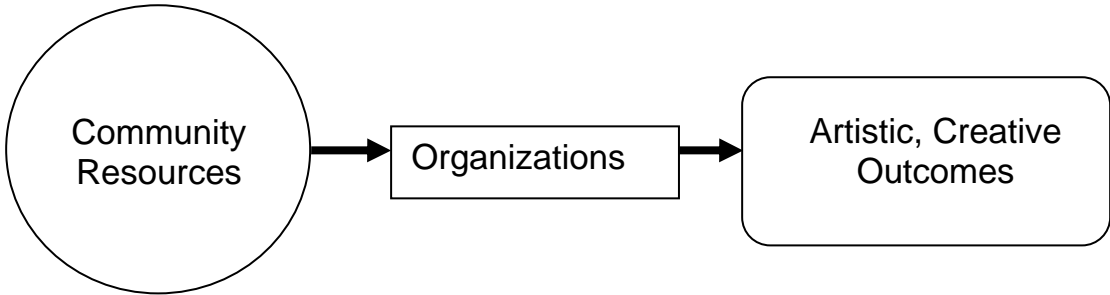
Finally, two technical points require discussion. First, output, income and employment data and the various multipliers provided by IMPLAN are all based on economic activity in 2005. When possible, all data relating to creative activities are compiled for 2004.

Second, in many instances employers and individuals were either unable or unwilling to provide information regarding their output, income paid or employment. When partial data, usually the number employed or number of jobs, was provided, missing data was estimated using linear relationships embedded in the IMPLAN data system. Using output as a basis, IMPLAN has calculated, or estimated with national data, ratios of income (Income = a\*Output) and employment (Employment = b\*Output) for each industry sector. When even partial data was not reported, employers and individuals were assigned to a NAICS industry. Ratios of the IMPLAN sector equivalent to that NAICS industry were used to estimate the unreported data

based on information that was reported. In some instances, missing information was compiled using proprietary databases covering employers, self-employed or nonprofits to identify output or employment, followed by the IMPLAN ratios to estimate the remaining information.

### 3.3 Defining the Arts

While artistic undertakings are commonly viewed in terms of individual creative activities such as acting, painting, singing, writing or playing some instrument, the economic aspects of these undertakings are considered in terms of community resources as represented by different occupations, business firms and organizations existing to create artistic outcomes. The following diagram illustrates this process. Community resources include not only individual artistic and creative (adjectives which will be used interchangeably through this report) abilities, but also all the support occupations and firms necessary for creative activities to be undertaken. For example, a play not only requires some sponsoring organization but also actors, directors, and managers as well as businesses to print and sell tickets, provide a venue, supply lighting and stage equipment, scripts, makeup materials and additional personnel to construct sets, play music, operate lights, and so on.



Sometimes the creative outcome is an elaborate activity involving many different occupations and businesses such as a symphony where seventy or more players as well as extensive support resources are combined in a facility constructed a public expense to create music for 2,000 or more patrons. Other times, the artistic outcome is embodied in the actions of a single person and involves little more than motivation, found items and persistence.

For purposes of economic analysis, community resources as occupations, business firms and organizations involved in creative undertakings are classified by their specific activity into one of 515 IMPLAN industries, a simpler reconfiguration of the larger North American Industrial Classification System (NAICS) which contains 1,170 industries. NAICS industry classifications, and implicitly IMPLAN classifications, were developed by the U.S. Office of Management and Budget in cooperation with similar Canadian and Mexican statistical offices to

provide comparable industrial production statistics collected and published in the three North American Free Trade Agreement countries. NAICS classifications also provide for increased comparability with the International Standard Industrial Classification System, developed and maintained by the United Nations

According to the U.S. Census Bureau, NAICS provides a consistent framework for the collection, analysis and dissemination of industrial statistics used by government policy analysts, academics and researchers, the business community, and the public. Further, it

is a unique, all-new system for classifying business establishments. It is the first economic classification system to be constructed based on a single economic concept. Economic units that use like processes to produce goods or services are grouped together. This "production-oriented" system means that statistical agencies in the United States will produce data that can be used for measuring productivity, unit labor costs, and the capital intensity of production; constructing input-output relationships; and estimating employment-output relationships and other such statistics that require that inputs and outputs be used together. [Census, 2007].

Based on responses from surveys of individuals, firms and organizations involved in arts, employer information extracted from business directories, operational statistics reported by nonprofit organizations, government enterprise reports, and Bureau of Census surveys, artistic and creative activities in Spokane County involve 26 different IMPLAN industries, assigned to one of four categories. As shown in Table 3.1, participants in creative activities with employees that operate for profit are classified as **employers**; those with no employees are classified as **self-employed**; those enjoying special exempt tax status are considered **nonprofits**, while participation by political entities is classified as **government enterprise**.

As can be seen in Table 3.1, artistic and creative occupations, business and organizations in Spokane County fall in a wide variety of industries. Employers involved in the arts are assigned to 24 different industries while the self-employed are in five industries. Nonprofit organizations are also in five industries and government enterprises have their own industry. Although some of the industries appear to be an integral part of arts related activities, connection with others seems less certain. However, the industry descriptors simply reflect the intent to classify according to effort rather than activity. While "independent artists, writers and performers" is a self-explanatory industry, activities involving "repair and maintenance services" are more nebulous. But since this industry includes piano tuning along with brass, woodwind and organ repairing and servicing, all specialized forms of both repair and maintenance, its inclusion in a study of creative activities is obvious.

<b>Table 3.1. Industries and Organizations Included in Spokane Arts Impact Study</b>				
<b>Industry</b>	<b>Employer</b>	<b>Self-Employed</b>	<b>Nonprofit</b>	<b>Gov. Enterprise</b>
Advertising & Related Services	X			
Architectural Services	X			
Book & Music Stores	X	X		
Book Publishers	X			
Business Support Services	X			
Design & Photographic Services	X	X		
Electronic Equip. Repair & Maintenance	X			
Employment Services	X			
Independent Artists Writers & Performers		X		
Information Services	X			
Misc. Store Retailers	X			
Motion Picture & Video Industries	X		X	
Museums & Historical Sites	X		X	
Musical Instrument Mfg	X			
Other Amusement & Recreation Industries	X			
Other Educational Services	X			
Other State & Local Gov. Enterprises				X
Other Support Services	X			
Performing Arts Companies	X	X	X	
Promoters of Performing Arts		X	X	
Radio & TV Broadcasting	X		X	
Repair & Maintenance Services	X			
Reservation Services	X			
Sound Recording Industries	X			
Specialized Design Services	X			
Video Tape & Disc Rental	X			

## **4. Survey Results**

### **4.1 A Profile of Arts Organizations**

A survey of organizations involved with Spokane County creative activities drew responses from 22 nonprofits and eight other entities, generally for-profit organizations. This response rate compares favorably with the 37 arts related nonprofit organizations included in the Guidestar database, a basic data source for nonprofit and charitable organizations.

Most frequently responding to the survey were education and music organizations, each at 13 percent. Visual arts and theater organizations were next with 10 percent each of the responses, followed by dance, media/film and arts agency, each holding nearly 7 percent of the

responses. In sum, the distribution of responses appeared to be balanced among various arts disciplines.

As Table 4.1 shows, total attendance at activities sponsored by Spokane arts organizations exceeded 737,000 in 2005. Performance events attracted over 315,000 people, nearly 43 percent of the total, while visual arts exhibits attracted 27 percent. Festivals and fairs made up most of the remaining attendance figures.

<b>Event</b>	<b>Attendees</b>	<b>Percent</b>
Performance (Music, Dance, Theatre, Opera)	315,459	42.8
Visual Arts Exhibits	199,849	27.1
Festivals and Fairs	171,550	23.3
Youth Education (Workshops/Classes Art Camp)	26,206	3.6
Literary Arts (Presentations, Publications)	20,025	2.7
Adult Education (Workshops/Classes Art Camp)	3,527	.5
Media Arts	400	.1
Other	275	.0
<b>Total</b>	<b>737,291</b>	<b>100.0</b>

Organizations estimated that about 19 percent of their patrons or visitors came from outside of Spokane County with performance and visual arts exhibits claiming the most visitors, more than two thirds of the total from outside the County. This result is strikingly similar to the share of non-resident attendees reported nationally in the American for the Arts study [2003] for the year 2000. The average of the 23 communities with populations between 100,000 and 249,999, as reported by their arts organizations, was 19.1 percent while the same average for 13 communities with populations between 250,000 and 499,999 was 21.3 percent.

Revenues generated from attendance were, not surprisingly, driven by admissions, as Table 4.2 shows. Of the total of over \$7.5 million, nearly 84 percent could be attributed to ticket sales. The second and third largest sources of attendance-based revenues were concession and product sales, at 7 and 5 percent respectively. As was the case in attendance numbers, the arts organizations estimated that 22 percent of total sales could be attributed to purchases by non-Spokane County residents.

<b>Table 4.2. Revenue Sources from Attendance by Spokane Arts Organizations</b>		
<b>Source</b>	<b>Revenue</b>	<b>Percent</b>
Admissions	6,325,774	83.5
Concession Sales	555,509	7.3
Product Sales, Artwork/Recordings Sales	370,320	4.9
Tuition Income-Youth Education Programs	232,610	3.1
Rental Income	51,250	0.7
Tuition Income-Adult Education Programs	41,360	0.5
<b>Total</b>	<b>7,576,823</b>	<b>100.0</b>

Income accruing to Spokane arts organizations from activities other than attendance was approximately \$6.5 million, nearly as large as that from attendance. However, it is unclear whether the largest category, “state government grants and contributions” covers capital grants or not. Earned income and private donations were the other large contributors to non-attendance based revenues.

#### **4.2 A Profile of Local Artists**

The survey received responses from 231 residents of Spokane County. According to the U.S. Census [2007a], 725 independent artists, writers and performers were present in the County in 2004 as sole proprietorships. If the Census number approximates the true number in this category for 2006, then the survey elicited approximately a 30 percent response rate.

As Table 4.3 shows, 40 percent of the respondents classified themselves as visual artists, followed by 15 percent from theater, 9.2 percent from music, while 7.9 percent were writers or involved with media arts or film. A comparison of this breakdown against the master list of artists maintained by the Arts Commission reveals that musicians did not respond as frequently as other disciplines. Consequently, any generalizations about artists in the County will suffer from an under-representation of musicians.

<b>Primary Art Form</b>	<b>Number</b>	<b>Percent</b>
Visual Arts	92	40.2
Theater	34	14.8
Other (please specify)	23	10.0
Music	21	9.2
Media Arts/Film/Computer Design	18	7.9
Writing	18	7.9
Crafts	8	3.5
Multidisciplinary	8	3.5
Dance	5	2.2
Folk and Traditional Arts	2	.9
<b>Total</b>	<b>229</b>	<b>100.0</b>

With this caveat, the survey revealed a highly interesting socio-economic profile of artists in Spokane. Respondents were overwhelmingly female, at 62 percent, while 87 percent indicated their race or ethnicity as White, a percent consistent with that reported in the 2005 Bureau of Census estimates for the entire County [Community Indicators]. Respondents also appear to be middle-aged. When asked how long they had practiced their craft or art discipline, the average response was nearly 25 years. Local artists are highly educated, as Table 4.4 shows. Nearly three quarters (72 percent) reported that they had at least completed a B.A. or B.S, with almost a third having completed graduate school. Interestingly 54 percent indicated their degree was not in the arts. This educational level can be contrasted with levels of Spokane County at large, where recent Census data show that slightly over 26 percent of the population possesses a Bachelors degree or higher [Community Indicators].

<b>Highest Educational Level</b>	<b>Number</b>	<b>Percent</b>
Completed Graduate School	72	31.3
College Graduate	69	30.0
Some College	51	22.2
Some Graduate School	27	11.7
High School Graduate or Less	6	2.6
Technical School Graduate	5	2.2
<b>Total</b>	<b>230</b>	<b>100.0</b>

For most artists, revenues from art sales do not comprise their primary source of income. In fact, as Table 4.5 shows, less than 13 percent identified art or craft activities as their primary income source. The largest identified primary-income category was teaching at 22

percent, followed by a “second job” at nearly 19 percent. However, since “Other” sources represents 34 percent of primary income, artists have found various other means for self support.

This finding was buttressed by responses to another question, not reported here, about the share of arts sales in annual household income. Nearly three quarters (75 percent) indicated that their arts sales contributed to less than 20 percent of total household income.

<b>Income Source</b>	<b>Number</b>	<b>Percent</b>
Other	72	33.5
Teaching	48	22.3
Second Job	40	18.6
Retirement Funds	28	13.0
Arts or Crafts Discipline	27	12.6
<b>Total</b>	<b>215</b>	<b>100.0</b>

By contrast, their arts or craft discipline formed the largest source of *secondary* income for artists responding to the survey, as Table 4.6 reveals. Slightly over 43 percent said that art or craft revenues created the second largest source of income. The second largest identified category was teaching, at a distant approximate 8%. Note the size of the “Other” category here, too. This offers further evidence that local artists support themselves in a variety of ways.

<b>Income Source</b>	<b>Number</b>	<b>Percent</b>
Arts or Crafts Discipline	78	43.1
Other	64	35.4
Teaching	15	8.3
Second Job	14	7.7
Retirement Funds	10	5.5
<b>Total</b>	<b>181</b>	<b>100.0</b>

While the majority of artists do not rely on their art or craft to support their households, it is worth noting that the reported median household income was \$55,000, 21 percent higher than the most recent (2006) estimate for all County households of \$45,458 [Community Indicators]. The average age and educational level of the responding artists might help explain why their household incomes were so much higher than those for the County as a whole.

Responding artists indicated that, on average, 38 percent of their revenue was attributable to out-of-County purchase, twice the level of non-resident purchases reported by Spokane arts organizations. This relative importance of “export” sales suggests that many artists make their (arts) living by selling in other markets, a view that finds some support in open-ended comments given in the survey. Several reported that they were “forced” to sell their art in other markets. However, before a strong conclusion is drawn, it should be noted that less than half of the respondents (93) actually gave an answer to this survey question.

In their quantifiable “opinion” responses, the artists revealed some optimism. Over 70 percent indicated that they were planning on increasing production in 2007. When asked about their optimism or pessimism of the arts in either Spokane County or Washington State, local artists delivered a much sunnier outlook than that supplied by local arts organizations to the same question. On scale of 1-5, with 5 most optimistic, the average value to the questions about local or State conditions were 3.41 and 3.54 respectively. The average responses to the same questions by arts organizations hovered around 2.5. Consequently, if this optimism serves as any guide of future revenues by local artists, they should climb.

## **5. Economic Impacts**

### **5.1 Information Sources**

It is difficult to identify participants in creative activities because these activities can encompass the full range of human existence. For purposes of this study, the problem was overcome using occupational and enterprise classifications developed by charitable and governmental organizations and agencies. The National Center for Charitable Statistics (NCCS) devised the NTEE (National Taxonomy of Exempt Entities) Classification System to classify nonprofit organizations by their areas of interest. For example a nonprofit might support an historical society or provide management and technical assistance to organizations involved in the arts. The NCCS also created a “crosswalk,” as shown in Appendix C, to link nonprofits to appropriate NAICS industries and to SIC industries, an older industry classification system replaced by NAICS but still used by some sources.

The NCCS crosswalk was used to search three databases and reports to identify arts related occupations and enterprises in Spokane County. Two of the databases, the Polk City Directories and SalesGenie, are maintained by infoUSA, a business and household data

compilation company, which claims to have “the most comprehensive data in the industry, and is the only company to own a proprietary database of 210 million US consumers and 14 million US businesses under one roof.” Data includes phone number, street address, city, state and zip code, SIC Code and description, business sales volume number of employees, Census tract, and longitude and latitude. The last database, GuideStar, is maintained by Philanthropic Research, Inc., a 501(c)(3) public charity founded in 1994, “to revolutionize philanthropy and nonprofit practice with information.” According to PRI, financial information is taken “from the IRS Business Master File of exempt organizations and IRS Forms 990, 990-EZ, and 990-PF while other information, such as an organization's programs, accomplishments, and goals, are obtained directly from the organization or from the organization's Form 990 or 990-EZ.”

<b>Table 5.1. Number of Enterprises and Self-Employed by Source</b>		
<b>ID</b>	<b>Industry Description</b>	<b>Total</b>
<b>Guidestar</b>		
418	Motion Picture and Video industries	1
420	Radio and television broadcasting	2
471	Performing arts companies	20
474	Promoters of Performing Arts and Sports	9
475	Museums, Historical Sites	<u>5</u>
<b>Guidestar Total</b>		<b>37</b>
<b>Polk or SalesGenie</b>		
386	Musical instrument manufacturing	1
409	Sporting goods, hobby, book and music stores	60
411	Miscellaneous store retailers	32
415	Book publishers	4
418	Motion Picture and Video industries	45
419	Sound recording industries	7
420	Radio and television broadcasting	3
423	Information services	2
433	Video tape and disc rental	1
439	Architectural and engineering services	60
440	Specialized design services	50
447	Advertising and related services	10
448	Photographic services	63
454	Employment services	1
455	Business support services	2
456	Travel arrangement and reservation services	3
459	Other support services	3
463	Other educational services	42
471	Performing arts companies	33
473	Independent artists, writers, and performers	10
475	Museums, historical sites	7
478	Other amusement, gambling, and recreation inds	2
484	Electronic equipment repair and maintenance	3
486	Household goods repair and maintenance	<u>10</u>
<b>Polk and SalesGenie Total</b>		<b>454</b>
<b>Nonemployer</b>		
409	Book, periodical and Music Stores	38
448	Design and Photographic Services	338
471	Performing Arts Companies	36
474	Promoters of Performing Arts	50
474	Agents for Artists, writers, athletes and entertainers	47
473	Independent Artists Writers and Performers	<u>725</u>
<b>Nonemployer Total</b>		<b>1,234</b>
<b>Government Enterprises</b>		
499	Other State & Local Gov. Enterprises	1

Additional information was found in Nonemployer Statistics compiled by the U.S. Census Bureau for the Spokane Metropolitan Statistical Area. These statistics “provide economic data by industry for businesses that have no paid employees and are subject to federal income tax” The “data originate chiefly from administrative records of the Internal Revenue Service (IRS) and are primarily comprised of sole proprietorship businesses filing IRS Form 1040, Schedule C, although some of the data is derived from filers of partnership and corporation tax returns that report no paid employees.” interests.

Finally, some local arts related activities operated by government entities. Because of sampling difficulties as well as identifying the activities of specific employees, educational enterprises such as public schools, community colleges and universities are excluded from this study. Further, to ensure consistency private educational institutions are also excluded. For Spokane, only two activities was identified, the Arena and Opera House, both operated by the Spokane Public Facilities District (SPFD). Operational statistics for these facilities are taken from the 2005 SPFD Annual Report.

Ultimately, as Table 5.1 shows, a total of 37 nonprofit organizations in five different IMPLAN industries was identified from the Guidestar database, 454 employers in 24 industries were found in the Polk and SalesGenie databases, 1,234 self-employed in five industries, and one government enterprise.

## **5.2 Direct Economic Impacts**

The direct economic impact of individuals, business firms and organizations involved in artistic activities on output, income levels and employment (as represented by jobs) in Spokane County is shown in absolute amounts in Table 5.2 and as a percentage of the total in Table 5.3. The employer and self-employed samples were subdivided into “Creative & Support” and “Design & Photographic” to differentiate between types of creative activities. The latter group, while certainly reflecting creative undertakings, also includes activities not usually associated with the arts such as industrial design, engineering services, and commercial photography. Since no practical method exists to differentiate between artistic and commercial activities, a separate category was created.

<b>Sample</b>	<b>Output \$M</b>	<b>Income \$M</b>	<b>EmPLY./ Jobs</b>	<b>Taxes \$M</b>
<b>Employer</b>	<b>170.5</b>	<b>59.1</b>	<b>2,168</b>	<b>5.2</b>
Creative & Support	104.9	31.2	1,390	4.3
Design & Photographic	65.6	27.9	778	.9
<b>Nonprofit</b>	<b>12.8</b>	<b>6.3</b>	<b>NA</b>	<b>.4</b>
<b>Gov. Enterprise</b>	<b>3.8</b>	<b>1.1</b>	<b>18</b>	<b>.2</b>
<b>Self-employed</b>	<b>19.4</b>	<b>7.8</b>	<b>1,234</b>	<b>.5</b>
Creative & Support	10.8	4.5	896	.3
Design & Photographic	8.5	3.3	338	.1
<b>Total</b>	<b>206.4</b>	<b>74.3</b>	<b>3,420</b>	<b>6.3</b>

NA = not available

<b>Sample</b>	<b>Output</b>	<b>Income</b>	<b>EmPLY./ Jobs</b>	<b>Taxes</b>
<b>Employer</b>	<b>82.6</b>	<b>79.6</b>	<b>63.4</b>	<b>83.1</b>
Creative & Support	50.8	42.0	40.6	68.5
Design & Photographic	31.8	37.6	22.7	14.5
<b>Nonprofit</b>	<b>6.2</b>	<b>8.5</b>	<b>NA</b>	<b>6.5</b>
<b>Gov. Enterprise</b>	<b>1.8</b>	<b>1.5</b>	<b>0.5</b>	<b>3.4</b>
<b>Self-employed</b>	<b>9.4</b>	<b>10.5</b>	<b>36.1</b>	<b>7.2</b>
Creative & Support	5.2	6.1	26.2	5.0
Design & Photographic	4.1	4.4	9.9	2.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

NA = not available

The total value of artistic output, as measured by the sales of employers and government enterprises and income of nonprofits and self-employed in 2005, was \$206 million, most of which was accounted for by employers. Total income, as represented by wages and benefits, was \$74 million, of which employers accounted for 80 percent. Employment, more accurately jobs, amounted to 3,420, again largely accounted for by employers. Finally, creative activities paid an estimated \$6.3 million in local and state taxes, largely sales and property taxes.

It must be recognized that the figures found in Table 5.2 as well as others found through this study represent “best” estimates. In many instances, employers only reported sales or employment. Missing data was estimated using Spokane County data and industry ratios calculated by IMPLAN for its impact program. Since many people are involved in creative endeavors on a casual or part-time basis, employment estimates should be interpreted as jobs and used cautiously. Finally, many important local creative activities are organized as nonprofit

ventures which share employees who are either self-employed or work for an employer included in one of the other samples. Consequently, to avoid potential double counting, employment estimates for nonprofit organizations was not attempted.

Tables 5.2 and 5.3 are reorganized into the “creative & support” and “design & photographic” categories in Tables 5.4 and Table 5.5. Overall, creative activities and the occupations and enterprises that support them account for about 65 percent of the total value of artistic activities in Spokane County and account for more than 80 percent of state and local taxes generated by creative undertakings.

<b>Sample</b>	<b>Output \$M</b>	<b>Income \$M</b>	<b>Employment Jobs</b>	<b>Taxes \$M</b>
Creative & Support	132.3	43.1	2,304	5.2
Design & Photographic	74.1	31.2	1,116	1.0
<b>Total</b>	<b>206.4</b>	<b>74.3</b>	<b>3,420</b>	<b>6.3</b>

<b>Sample</b>	<b>Output</b>	<b>Income</b>	<b>Employment/ Jobs</b>	<b>Taxes</b>
Creative & Support	64.1	58.0	67.4	82.5
Design & Photographic	35.9	42.0	32.6	15.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Table 5.6 shows the estimated direct impacts of the arts as a share of the Spokane economy. Creative activities directly represent 0.8 percent of County output, 0.79 percent of total income, 1.39 percent of County jobs and 0.62 percent of taxes paid. While comparisons with other types of activities are difficult because of the part-time nature of many jobs in creative activities, direct 2005 employment in the arts of 3,420 places the sector as the second largest county employer behind Fairchild Air Force Base with 5,343 FTE employees and ahead of various school systems, hospitals city governments, universities and private employers such as Avista [JOB, 2006: 26].

<b>Indicator</b>	<b>Arts Direct</b>	<b>Spokane Co. Total</b>	<b>Share %</b>
Output (\$M)	206.4	25,877	.80
Personal Income (\$M)	74.3	9,415	.79
Employment	3,420	246,076	1.39
Business Taxes (\$M)	6.3	1,022	.62

### **5.3 Indirect and Induced Economic Impacts**

One of the purposes of impact analysis is to estimate how an initial change in spending ultimately affects the output, employment, and income of a particular region. In the case at hand, the analysis can be used to determine how increases in spending on art and creative activities can influence overall economic activity in Spokane County. While any arts related spending has economic effects, impact analysis focuses on the effects of new, not replacement, spending where one activity is substituted spending on another.

As previous indicated, there are two major sources of new arts spending. First, arts and creative activities are “exported” from the county by attracting consumers from other regions. While information is incomplete, considerable anecdotal evidence indicates that “out-of-area” visitors attend plays, entertainments and concerts as well as purchase artistic creations, books, equipment and supplies.

A second source of new spending is based on the counterfactual, “what if” situation, where arts and creative activities are assumed not to exist in the county. If they did not exist, what kind of creative activities would local residents undertake? Would they all leave the county to attend plays or showings, purchase books or artistic creations, take music lessons or attend concerts, thereby causing a reduction in local spending and economic activity? While these questions can never be precisely answered, they suggest that local activities “capture” some spending that would otherwise leave the area. In effect, these activities allow local residents to substitute local art and creative endeavors for out-of-area ones and for other out-of-area activities they might have otherwise undertaken. In other words, consumption of local creative endeavors by local residents constitutes a form of “import substitution” and represents another type of new spending.

Since the fraction of local residents who utilize out-of-area creative activities is unknown, the economic impact of arts on Spokane County is estimated under three scenarios. In the first, labeled **Direct Effects**, assumes that the arts have only direct effects and no economic impact beyond that which is directly represented by output, income paid as wages and benefits, people employed or taxes paid. This is the equivalent of assuming no arts spending by nonresidents and no local spending characterized as import substitution. The impact of this scenario has been discussed above. The second scenario, **Full Effects**, assumes that all calculated impacts, both primary and secondary, are realized. Because the first scenario seems too pessimistic and the second too optimistic, the third scenario, **Best Estimate**, assumes that half of the indirect and induced impacts estimated using IMPLAN methodology are realized. In effect, this scenario assumes that the economic impacts of creative activities are less than they would be if full and complete information existed but more than just direct output, income and employment.

#### **5.4 Indirect Economic Impacts**

Creative activities not only directly impact the output, employment and income of a region but also have secondary indirect and induced impacts. Undertaking these activities requires transportation, legal, accounting, construction, communication and computer services. Buildings and venues require maintenance, modifications and security. Patrons, guests, participants, visitors and students require accommodation and food services. All these ancillary activities, as well as many more, represent the indirect impact of the arts—that is, the economic activities undertaken to facilitate and support the artistic and creative endeavors.

Table 5.7 shows the full extent of indirect impacts of the arts on various county NAICS subsectors, ranked by output, with related employment and income impacts, as well as the percentage shares of these impacts. In 2005, indirect impacts on county output were \$66 million. Of this, \$13.3 million (20 percent of the total) went to the information (computer and electronics) industry, followed by \$11.7 million (18 percent) for professional, scientific, and technical services, and \$8.2 million (13 percent) for real estate & rental. The indirect impact on employee compensation was \$22.6 million with \$5 million going for professional, scientific, and technical services industry incomes (22 percent of the total), followed by \$3.3 million for information services (15 percent) and \$2.8 million for administrative and support services (13 percent). Finally, indirect employment impacts are 956 equivalent jobs led by 160 jobs in administrative and support services (17 percent of the total), followed by professional, scientific, and technical services (16 percent) and information services (10 percent). Overall, Table 5.7

table indicates that the indirect impacts of creative activities are distributed across an array of industries.

<b>Industry</b>	<b>(\$M)</b>	<b>(\$M)</b>	<b>Empl.</b>	<b>Percent</b>		
	<b>Output</b>	<b>Income</b>		<b>Output</b>	<b>Income</b>	<b>Empl.</b>
Administration & Support	5.52	2.84	160	8.4	12.6	16.7
Prof, Tech Services	11.68	4.98	148	17.7	22.0	15.5
Information	13.26	3.31	92	20.1	14.6	9.6
Real Estate & Rental	8.23	1.44	70	12.5	6.4	7.4
Accommodation, Food Svcs.	2.12	.72	54	3.2	3.2	5.7
Transportation/Warehousing	2.94	1.61	46	4.5	7.1	4.8
Other Services (ex Pub Adm)	2.19	.62	33	3.3	2.8	3.5
Finance & Insurance	3.99	1.37	32	6.0	6.1	3.4
Manufacturing	3.15	.86	29	4.8	3.8	3.0
Wholesale Trade	3.04	1.14	28	4.6	5.1	2.9
Other	9.89	3.71	263	15.0	16.4	27.5
<b>Total</b>	<b>66.01</b>	<b>22.60</b>	<b>956</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### 5.5 Induced Economic Impacts

People receive incomes as a consequence of either direct or indirect employment in creative activities. As this income is spent, county output expands, employment increases to facilitate the spending and additional incomes are earned. In turn, this activity causes still further increases in output, employment, and income. For example, more houses are built and sold because designers and performers purchase homes while food and drinking places hire additional employees because people engaged in the arts purchase out-of-home meals. However, this induced impact, caused by the effects of spending incomes earned from arts employment, does not continue forever. The income eventually “leaks” out of Spokane County as people save, pay taxes, make out-of-region purchases or purchase goods and services produced in other places.

Increases in output, employment, and income caused by the spending of earnings received either directly from employment in creative activities or indirectly from support of these activities, represent the induced impacts of the arts. Table 5.8 lists these full amount of these impacts by IMPLAN sector ranked by output, with related employment and income impacts as well as the percentage shares of these impacts.

Industry	(\$M)	(\$M)	Empl	Percent		
	Output	Income		Output	Income	Empl
Health Care & Social Asst	12.69	6.74	231	17.3	27.9	22.6
Retail Trade	8.28	3.45	166	11.3	14.3	16.2
Accommodation, Food Svcs	4.77	1.59	133	6.5	6.6	13.0
Other Svcs (ex Pub Adm)	4.03	1.68	102	5.5	6.9	10.0
Finance & Insurance	6.63	2.04	53	9.0	8.5	5.2
Real Estate & Rental	4.56	.84	46	6.2	3.5	4.5
Wholesale Trade	4.11	1.54	42	5.6	6.4	4.1
Professional, Tech Services	2.59	1.20	40	3.5	5.0	3.9
Manufacturing	4.14	.70	22	5.6	2.9	2.2
Owner Occupied Dwellings	9.52	.00	0	13.0	0.0	0.0
Other	12.23	4.37	186	16.6	18.1	18.2
<b>Total</b>	<b>73.55</b>	<b>24.15</b>	<b>1,023</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

In 2005, induced impacts on county output were \$74 million. Of this, \$12.7 million (17 percent of the total) was represented by increased spending for health care and social assistance, followed by \$12.2 million (17 percent) for “other” industries (actually a collection of many minor industries) and \$9.5 million for owner occupied dwellings and \$8.3 million for retail trade (13 percent). The induced impact on income was \$24.2 million, also led by increased incomes for health care and social assistance personnel of \$6.7 million (28 percent of the total), followed by other industries with \$4.4 million (18 percent) and retail trade with \$3.5 million (14 percent). Finally, the induced impact on employment was 1,023 equivalent jobs, producing an additional 231 jobs (23 percent of the total) in health care and social assistance followed by 166 jobs (16 percent) in retail trade and 133 jobs (13 percent) in the accommodation and food services industry. Again, the table indicates that the induced impacts of the creative activities are spread across an array of industries.

## **5.6 Total Economic Impacts**

### **a. Full Effects**

The total output impact of creative related activities in Spokane County is shown in Table 5.9. Direct, indirect and induced output impacts of \$206 million, \$66 million and \$74 million, respectively, produced a total output impact of \$346 million, of which more than 80 percent was accounted for by employers. Income impacts found in Table 5.10 mirror those of output. Direct, indirect and induced impacts of \$74 million, \$23 million and \$24 million produced a total income in county wages and benefits of \$121 million, with employers accounting for 80 percent of the total.

<b>Sample</b>	<b>Direct \$M</b>	<b>Indirect \$M</b>	<b>Induced \$M</b>	<b>Total \$M</b>	<b>Share %</b>
<b>Employer</b>	<b>170.50</b>	<b>55.63</b>	<b>59.04</b>	<b>285.17</b>	<b>82.4</b>
Creative & Support	104.94	34.66	31.85	171.45	49.6
Design & Photographic	65.56	20.98	27.18	113.71	32.9
<b>Nonprofit</b>	<b>12.77</b>	<b>3.54</b>	<b>5.92</b>	<b>22.23</b>	<b>6.4</b>
<b>Gov. Enterprise</b>	<b>3.79</b>	<b>1.24</b>	<b>1.15</b>	<b>6.18</b>	<b>1.8</b>
<b>Self-employed</b>	<b>19.37</b>	<b>5.60</b>	<b>7.44</b>	<b>32.41</b>	<b>9.4</b>
Creative & Support	10.83	2.99	4.23	18.04	5.2
Design & Photographic	8.54	2.61	3.22	14.36	4.2
<b>Total</b>	<b>206.43</b>	<b>66.01</b>	<b>73.55</b>	<b>345.99</b>	<b>100.0</b>

<b>Sample</b>	<b>Direct \$M</b>	<b>Indirect \$M</b>	<b>Induced \$M</b>	<b>Total \$M</b>	<b>Share %</b>
<b>Employer</b>	<b>59.14</b>	<b>18.93</b>	<b>19.38</b>	<b>97.45</b>	<b>80.8</b>
Creative & Support	31.23	11.08	10.46	52.77	43.8
Design & Photographic	27.92	7.84	8.92	44.69	37.1
<b>Nonprofit</b>	<b>6.33</b>	<b>1.21</b>	<b>1.94</b>	<b>9.48</b>	<b>7.9</b>
<b>Gov. Enterprise</b>	<b>1.08</b>	<b>0.47</b>	<b>0.38</b>	<b>1.92</b>	<b>1.6</b>
<b>Self-employed</b>	<b>7.79</b>	<b>2.00</b>	<b>2.44</b>	<b>11.76</b>	<b>9.8</b>
Creative & Support	4.52	1.04	1.39	6.95	5.8
Design & Photographic	3.28	0.96	1.06	4.81	4.0
<b>Total</b>	<b>74.34</b>	<b>22.60</b>	<b>24.15</b>	<b>120.61</b>	<b>100.0</b>

Directly, as shown in Table 5.11, the arts produced 3,402 equivalent jobs, with another 956 jobs created indirectly and an additional 1,023 jobs from induced spending, for a total of 5,399. Unlike output or income where 80 percent or more of the impacts were concentrated with employers, only 62 percent of the jobs were with employers while 36 percent of the jobs were held by the self-employed.

<b>Sample</b>	<b>Direct Jobs</b>	<b>Indirect Jobs</b>	<b>Induced Jobs</b>	<b>Total Jobs</b>	<b>Share %</b>
<b>Employer</b>	<b>2,168</b>	<b>551</b>	<b>612</b>	<b>3,331</b>	<b>61.7</b>
Creative & Support	1,390	323	330	2,043	37.8
Design & Photographic	778	228	282	1,287	23.8
<b>Nonprofit</b>	<b>NA</b>	<b>44</b>	<b>61</b>	<b>105</b>	<b>1.9</b>
<b>Gov. Enterprise</b>	<b>18</b>	<b>11</b>	<b>12</b>	<b>41</b>	<b>.8</b>
<b>Self-employed</b>	<b>1,234</b>	<b>350</b>	<b>338</b>	<b>1,922</b>	<b>35.6</b>
Creative & Support	896	260	218	1,374	25.4
Design & Photographic	338	90	120	548	10.2
<b>Total</b>	<b>3,420</b>	<b>956</b>	<b>1,023</b>	<b>5,399</b>	<b>100.0</b>

NA = not available

Much of the direct spending on arts and creative activities, as well as the resulting indirect and induced expenditures, involves taxable transactions. When all federal, state and local business taxes from these transactions are considered, total taxes paid in 2005 amounted to \$13.3 million, mostly accounted for by employer taxes of \$10.9 million followed by self-employed taxes of \$1.1 million. Since federal income and social insurance taxes are excluded, over 90 percent of the taxes were state and local, largely composed of property taxes, sales taxes, motor vehicle license fees and severance taxes.

<b>Sample</b>	<b>Direct \$M</b>	<b>Indirect \$M</b>	<b>Induced \$M</b>	<b>Total \$M</b>	<b>Share %</b>
<b>Employers</b>	<b>5.20</b>	<b>2.07</b>	<b>3.61</b>	<b>10.88</b>	<b>82.1</b>
Creative & Support	4.29	1.28	1.95	7.52	56.7
Design & Photographic	.91	.79	1.66	3.36	25.3
<b>Nonprofits</b>	<b>.41</b>	<b>.16</b>	<b>.36</b>	<b>.93</b>	<b>7.0</b>
<b>Gov. Enterprise</b>	<b>.21</b>	<b>.04</b>	<b>.07</b>	<b>.32</b>	<b>2.4</b>
<b>Self-employed</b>	<b>.45</b>	<b>.23</b>	<b>.46</b>	<b>1.13</b>	<b>8.5</b>
Creative & Support	.31	.13	.26	.70	5.3
Design & Photographic	.14	.10	.20	.44	3.3
<b>Total</b>	<b>6.26</b>	<b>2.50</b>	<b>4.50</b>	<b>13.26</b>	<b>100.0</b>

### **b. Impact Scenarios**

The impact of the arts on the output, income, employment and business taxes of Spokane County is shown in Table 5.13 under three scenarios: **Primary Effects** or no indirect and induced effects; **Full Effects**, where all indirect and induced effects are realized; and **Best Estimate**, the most reasonable case where half of the indirect and induced effects are realized. The same information is presented in Table 5.14 as percentage shares of County totals. The former table indicates that the total value of annual output from creative activities ranges between \$206 and \$346 million, which produces between \$74 and \$121 million in wages, creates between 3,420 and 5,399 jobs and yields between \$6 and \$13 million in state and local taxes.

<b>Indicator</b>	<b>Spokane Co. Totals</b>	<b>Primary Effects</b>	<b>Full Effects</b>	<b>Best Estimate</b>
Output (\$M)	25,877	206.4	346.0	276.2
Personal Income (\$M)	9,415	74.3	120.6	97.5
Employment	246,076	3,420	5,399	4,409
Business Taxes (\$M)	1,022	6.3	13.3	9.8

As a share of Spokane County, creative activities account for between 0.8 and 1.34 percent of county output, between 0.79 and 1.28 percent of county wages and benefits, between 1.39 and 2.19 percent of county jobs and between .62 and 1.30 percent of county state and local taxes.

<b>Indicator</b>	<b>Spokane Co. Totals</b>	<b>Primary Effects %</b>	<b>Full Effects %</b>	<b>Best Estimate %</b>
Output (\$M)	25,877	0.80	1.34	1.07
Personal Income (\$M)	9,415	0.79	1.28	1.04
Employment	246,076	1.39	2.19	1.79
Business Taxes (\$M)	1,022	0.62	1.30	0.96

Tables 5.15 and 5.16 contain output and impact multipliers, assuming the Best Estimate scenario. The multipliers in Table 5.15 indicate that every \$1 million directly spent on arts activities leads to \$0.18 million in additional wages and benefits, 8.28 jobs and \$0.02 million in additional state and local taxes. The total effects of this \$1 million in direct spending is to increase county output to a total of \$1.34 million, county incomes to a total of \$.29 million, create a total of 13.07 jobs and produce a total of \$.03 million in additional taxes.

<b>Multiplier</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Output	1.00	.16	.18	1.34
Personal Income	.18	.05	.06	.29
Employment	8.28	2.31	2.48	13.07
Business Taxes	.02	.01	.01	.03

In terms of direct spending, Table 5.16 indicates that a direct increase of \$1 million spent on creative activities increases county output by a total of \$1.34 million while an increase of \$1 million in arts related wages and benefits increases county incomes to \$1.31 million, an increase in jobs related to creative activities increases county employment to 1.29 jobs, and payment of \$1 million state and local taxes from arts activities ultimately leads to an increase of \$1.56 million in taxes.

<b>Multiplier</b>	<b>Direct</b>	<b>Indirect</b>	<b>Induced</b>	<b>Total</b>
Output	1.00	.16	.18	1.34
Personal Income	1.00	.15	.16	1.31
Employment	1.00	.14	.15	1.29
Business Taxes	1.00	.20	.36	1.56

## 5.7 Discussion of Results

Under the Best Estimate scenario arts related activities are estimated to represent between 1.0 and 1.8 percent of total economic activity in Spokane County. How accurate are these findings?

First-round spending “leakages” out of County due to the expense pattern of arts organizations appear minor. Payments to out-of-county artists were very small, at 3.4 percent of all expenses, as reported by the survey respondents. Over 50 percent of all expenses reported by the survey respondents went to local payroll, benefits or payments to Spokane County artists. In the case of the major art performing facilities, although payments to “guest” performers for the Spokane Symphony were unavailable and not subtracted, only local payroll and benefits for performances at the Spokane Public Facilities District were included in impact measurements.

While the values in the Best Estimate scenario might seem simple interpolation, they do have some basis in the survey findings. Responding artists reported sales to non-residents represented about 38 percent of their total sales and responding organizations indicated that about 20 percent of their income was attributable to non-residents. Given the status of Spokane as the only Metropolitan Statistical Area in the Inland Northwest and hub of retail and wholesale trade for a multi-county area, it is likely that a significant percentage of sales by arts retail businesses were to non-County residents.

It is also likely that for a significant share of sales of many of the other arts businesses, such as movie and video producers, architects, designers, book publishers and music manufacturers, a majority of their revenues can be traced to residents of other counties. However, other than anecdote, the substitution of purchases of local art or art services for purchases that otherwise would have been made out of County by residents is unknown. In sum, the weight of the evidence, including survey information, knowledge of local businesses activities and a likely non-trivial level of “import substitution” by local art consumers suggests that the Best Estimate scenario approximates the economic impact of creative activities on the Spokane County economy.

## 6. Comparisons with Other Studies

The economic impact of creative activities has been studied in a variety of contexts, with the common finding that they create significant economic benefits in the region where they are located. Table 6.1 compares impact multipliers found for Spokane County with those estimated other cities and states (see references). These studies, undertaken in various years between 1998 and 2004, not only cover a wide range of locations, but also incorporated a variety of impact methodologies.

Under the Best Estimate scenario, the impact of \$1 million directly spent on artistic endeavors in Spokane County would cause County output to increase because of secondary indirect and induced effects to \$1.34 million while an similar increase in arts related incomes would ultimately increase county incomes to \$1.31 million and an additional arts related job would add another .29 jobs in the county. As Table 6.1 shows, these estimates are generally smaller than those found in impact studies for creative activities for the states of Louisiana and Maryland and for the cities of Philadelphia, Seattle and Santa Fe. However, these comparisons are somewhat problematic because of the inherent difficulties of comparing different arts impact studies due to different community sizes, leading to different multipliers, and to different measures of what constitutes the arts.

<b>Table 6.1. Selected Arts Impact Multipliers</b>			
<b>Location</b>	<b>Output</b>	<b>Income</b>	<b>Employ.</b>
Spokane Co. WA Best Estimate	1.34	1.31	1.29
Louisiana	1.76	1.92	1.32
Louisiana, Nonprofit Arts Industry	1.56	1.61	1.59
Louisiana, Cultural Tourism	1.51	1.45	1.26
Maryland	2.11	1.99	1.66
Philadelphia PA	1.47	1.47	1.47
Seattle WA	1.69	2.12	2.43
Santa Fe Co. NM, Tier I	1.55	1.44	1.51
Santa Fe Co. NM, Tier II	1.55	1.52	1.45
Santa Fe Co. NM, Cultural Tourism	1.43	1.51	1.31

The finding of larger impact multipliers for other studies can be explained by the size and economic diversity of the region studied as well as the great variation in scope and definition of creative activities. The Louisiana study [Economic Impact of the Arts in Louisiana, 2002] omitted businesses and focused on nonprofits, arts education (omitted in the Spokane study), performance groups, universities and government agencies, and “cultural tourism” (not directly considered in the Spokane study). The Maryland study [Economic Impact of the Arts in

Maryland, 2005] was limited to nonprofit art organizations and cultural tourism. A more traditional arts impact study, undertaken for the greater Philadelphia area [Greater Philadelphia's Competitive Edge, 1998], focusing on venues and performance, included nonprofit art and culture organizations, performing arts, museums, galleries, historic and scientific institutions, historic societies, art centers, literary magazines, arts councils, art-oriented community service organizations, as well as cultural tourism. The Seattle study concentrated on the music industry in some form: musicians and composers, venues, performance & recording support, recording activity, labels and royalties, replaying music, distributing music, equipment, education and training, support organizations, business services. [The Economic Impact of Seattle's Music Industry, 2004]. Finally, the Santa Fe Study, comprehensively considered virtually all aspects of creative activities including Artisans, manufacturing, art dealers (retail), other retail, museums, performing arts and artists, publish, motion pictures, sound, educational services, miscellaneous arts and cultural services, hospitality, government, cultural tourism, [The Economic Importance of the Arts & Cultural Industries in Santa Fe County, 2004].

Overall, given the great diversity of these studies and their consistently larger impact multipliers, it seems likely that the Best Estimate scenario is an accurate but conservative estimate of the impact of creative activities in Spokane County.

## **7. Qualifications and Directions for Future Research**

While not as significant as healthcare, higher education or tourism, economic activities related to the artistic endeavors in Spokane County nonetheless represent between 1.0 and 2.0 percent of the local economy and employ several thousand people, depending on impact measure adopted. This conclusion likely both overstates and understates the true impact of arts in the county. At one extreme, true impacts are likely overstated because all art related sales and experiences are assumed to be undertaken by either non-residents or by residents who would have traveled elsewhere to consume equivalent art related activities. Since this is unlikely, the "partial effects" scenario, assuming only 50 percent of total spending on the arts in Spokane comes from either non-residents or from locals willing to travel elsewhere to "consume art," can be regarded as the most reasonable economic impact estimate.

At the other extreme, impacts have been understated. None of the sources or the survey was able to capture much of the economic value of arts education, including incomes of art teachers at public schools and public and private universities as well as independent instructors

offering evening and weekend classes. No estimates were made of the value of volunteer time, a significant component for many profit and nonprofit art related activities. For example, organizations responding to the survey noted that approximately 75 percent (1,830) of their staff were volunteers. Also excluded from the study were the potential contributions of advertising, cinemas and traditional media, all of which could have significant economic impacts.

Future studies of the contributions of the arts to the viability of the Spokane County economy can build on the art survey and analysis undertaken for this study. If these are replicated on a two or three year interval, changes in creative contributions can be identified and measured. Information about these changes would not only be useful to the Arts Commission and policy makers but would also keep those involved in the arts as well as the public at large informed about contributions of the arts to the local community.

When repeated, the arts survey should add a component surveying arts consumers of various types. This component can take various forms. An intercept survey at major performance events can delineate the number of out-of-county patrons, their overall expenditures, and their motivation for attendance. For example, was the visit to Spokane solely to attend some event or was it incidental to other activities? Surveys can also help to determine art expenditure attitudes of local residents and their willingness to travel elsewhere to enjoy particular events, information that can be used to verify estimates of total economic effects. By capturing the “consumption” effects, these surveys might also reveal the willingness of local residents to pay, thereby providing a more complete picture of the benefits of the arts in the county.

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## Appendixes

<b>Appendix A.1. Business Firms and Organizations Included in Study: Creative &amp; Support Sample</b>	
Name	Name
<b>Musical Instrument Mfg.</b>	
Jones Double Reed Products	
<b>Book &amp; Music Stores</b>	
2nd Look Books	Fishers Of Men Bible Book Str
Adventist Book Ctr	Guitar Center
Amend Music Ctr	Gusdorf's Books
Apela Violins & Ukuleles	Hoffman Music
Auntie's At The Davenport	Journal
Auntie's Bookstore	Knots 'N Pots
Barnes & Noble Booksellers	Lutheran Book Parlor
Bell Buggy Express	Mark's Guitar Shop
Book & Game Co Inc	Marquette Books
Borders Books & Music	Mazel Tov Messianic Merc Llc
Boulevard House Of Music	Merlyn's Science Fiction
By Design	Moon Shadow
Children's Corner Bookshop	Music City
Christian Life Bookstore	Music City Spokane Inc
Christian Supply Ctr	Music Connection
Clarke & Stone Book Co	Northwest Map & Travel Book
Classic Comic	Opus Sheet Music
Clay Connection	Organ Loft
Color Me Mine Of Spokane	Petrucelly's Violins & Sound
Colors On The Wind	Power Source Book & Tape Ctr
Comic Book Shop	Raes Book Exchange
Corner Door	Replay Music
Country Stoneware	Scholastic Book Fairs
Crate N Basket	Sierra Music Publications
Creative Book Svc	Spokane Art Supply
Customstrings	Strings & More Music Store
Dan The Piano Man Inc	Tree Of Knowledge Bookstore
Davis & Hosch Music Inc	Unity Book Store
Dutch's Pawn Shop	Violin Works
E & E Crafts	Waldenbooks
<b>Misc. Store Retailers</b>	
A Cats Eye Gallery	Frame It Today
Agathon Books	Frame Shoppe

Art At Work Museum Sales	Georgia's Framing & Design
Art Shows	Goodworks Gallery
Artistic Framing & Whistle	Great Frame Up
Artist's Tree	Lee Frame Shoppe
Aspen Creek Productions	Lorinda Knight Gallery
Avenue West Gallery	Pacific Flyway Gallery
Bartlett Gallery	Pilot Book Store
Bear Country Carvings	Print House Gallery
Brenda's Picture Framing	Printstop
Brent's Picture Framing	Spectrum Custom Framing & Glny
Cal's Books & Videos	Tinman Artworks
Custom Productions	Twenty-Ninth Avenue Art Works
Defunct Books	Whistle Stop Gallery
Firefly Art Ctr	William Grant Gallery & Framing
<b>Book Publishers</b>	
Kiwe Publishing	Timeless Books
Oxalis Group	Whispering Pine Press Inc
<b>Sound Recording</b>	
College Road Recording	National Music Svc
Larry Ellingson Studios	Soundlogicaudio Film & Video
Mortimore Productions	V U Music Inc
<b>Radio &amp; TV</b>	
KPBX	KSPS
KEWU	
<b>Information Services</b>	
Eagle Eye Editing & Writing	Ingram Library Svc
<b>Related Design Services</b>	
A Purrfect Logos Inc	Kendall Graphics
Art Source Inc	KSR Graphics
Creative Memories	L & L Architectural Sign
Group W Studio Inc-Valley	Tag Digital Graphics
Image Quest	Vision One Images
<b>Employment Services</b>	
Big Fish NW Talent	
<b>Business support services</b>	
Leann Adams Designs	NBS Promos
<b>Reservation Services</b>	
Rock Shop	Ticketwest.Com Inc
Tickets West	
<b>Other Support Services</b>	

Bonsai Interiorscapes	Interior Gardens
Diamond Publications	
<b>Other Educational Services</b>	
A Time To Dance	Isabelle's Dance Time
Academy Of Dance	J B's Musical Svc
Accordia Nova	Joyful Noise Guitar School
Armstrong Dance Academy LLC	Julie's Competitive Edge Dance
Artworks Spokane	Kelly Bogan Music Studio
Audiblox USA	Kelly Irish Dancers
Ballet Arts Academy	Kindermusik Shirley Grossman
Ballet Classique School	Kindermusik With Teacher Marybeth
Bloom Studios Guitar Instruction	Learn To Burn School Of Music
Cat-Mac School Of Music	Maier & Maier
Chris Upstage Performance	Monart Drawing School
Company Ballet School	Mo's Music
Creative Music Learning Ctr	Music Education Ctr
Dance Center	Sam's Percussion Studio
Dance Class	Sandra Olgard School Of Dance
Dance Emporium	Simply Dance Studio
Dance Street	Spokane Dance Co
Donna's School of Dance	Spokane Music Academy
Greenwood Institute D'arts	Spokane School Of Dance
Gymboree Play & Music Ctr	Spokane Talent Education Program
Inland Northwest Ballet	Western Dance Ctr
<b>Performing Arts Companies</b>	
4 Way Street Men's Quartet	Mystic Nights Musical Enter
Actors Repertory Theatre	Nadiyah's
Affordable Services	Northwest Entertainment
Big Sound Entertainment	Rockin' B Ranch
Blue Door Theatre	Silver Spurs Intl Folk Dancers
Centerstage Dinner Theatre	Special Events Entertainment
Craig Volosing & Event Svc	Spokane Ballet Ensemble
Current Attractions	Spokane Inflatables & Mobile
Cyber Entertainment Group	Spokane Opera
Dance Jockey	Spokane Swing Dance Club
Express Theater Nw	Spokane Symphony
Frost & Frost Entertainment	Theater Arts For Children
Ingram Entertainment	Theatre Ballet Of Spokane
Interplayers Ensemble	Tlc Entertainment Booking
M C Music Mobile Dj	Tutu-U Singing Telegrams

Magic & Entertainment-Donny-Yo Matthew Vanzee Magical Ent	Uncle D's Comedy Underground
<b>Independent Artists, Writers, Performers</b>	
Big Show Entertainment	Joe Caruso Guitarist
Cane Literary	Melissa Lang Artist
Debbie Mumm	Professional Musicians
Headline Ink	Sweet Adelines Intl
Hood Writing Svc Inc	Warrington Studios
<b>Museums &amp; Historical Sites</b>	
Carr's One Of A Kind	Spokane Valley Heritage Museum
Deer Park City Arts Commission	St John's Cathedral Episcopal
Jundt Art Museum	World Of Massage Museum
Mobius Kids	
<b>Other Amusement</b>	
Associated Laser Productions	Historical Campbell House
<b>Electronic Equipment &amp; Repair</b>	
A-1 Camera Repair	Camera Care
Alpine Camera & Repair	
<b>Repair &amp; Maintenance</b>	
Alan McCoy Piano Svc	Herb Severtsen Piano Svc
Arich Tuning Method	J M Woodwind & Brass Repair
Brass & Woodwind Shop	Knutson Piano Tuning & Repair
David Rostkoski Piano Svc	Northwest Organ Svc
Heidel Piano Svc	Randell Simon Piano Tuning Svc

**Appendix A.2. Business Firms and Organizations Included  
in Study: Design & Photographic Sample**

<b>Name</b>	<b>Name</b>
<b>Architectural Services</b>	
3e Design Group	Lindquist Architect
Al French Architects Pllc	Madsen Mitchell Evenson Conrad
Alsc Architects	McArthur James A
Architectural Magic	McKennon Nancy
Architectural Ventures	Mickey Ewing M
Artios	Morlan Christopher
Aylor Co	Neraas Donald E
Barry Nance Architect	Northwest Architectural Co
Bernardo-Wills Architects	Nystrom Olson Fuher
Clark Architects	O'Conner Patsy
Cortner Architectural Co	OMS Inc
De Neff/Deeble/Barton/Assoc	Pacific Design Group
Denny Christensen & Assoc	Pasold Architects
Design Alliance & Architects	Pearce Paul
Donald Green & Assoc	Precision Illustration Inc
Environomic Design	Radkey Steven R
Ernest K Robeson Architect	Residential Design Svc
Form Architecture	Robert Glass & Assoc
Glen A Cloninger & Assoc	Russell Page Architects
Haines Architectural Svc	Steve Ronald Assoc
Heine Philip A	Steven A Meek Architects
Hill Martin J	T Shine Architectural Design
Home Visions Drafting & Design	Tan Moore Architects
Integrus Architecture	Technical Assistance Svc
Integrus Architecture PS	Thomas W Angell Architect AIA
Kirkwood Rodell Assoc	Toribara Frank Y
KMB Architects	Trail Donald F
Labar Architecture Inc	Vernier Harvey D
Larry L Gottschalk Architect	Wyatt Architects & Assoc
Larsen Associates	Zeck Butler Architects
<b>Specialized Design Services</b>	
ACC Embroidery & Screen	Interiors By Robin Inc
Accent Interiors Inc	J L Warren Interiors Inc
Ad Ventures-Graphic Design	Jan Designs
Anderson-Mraz Design	John Rovtar Design Studio Inc
Annette Kirk-Ask Designs	Kathy Perry Interior Design

ARO Designs	Klundt & Hosmer Design Assoc
Art Studio Of Carlos Vigil	K-Squared Design Co
Bassett & Brush	Ladybug Home Decor
Brain Snorms Design Co	Marilyn Jackson Interiors
Carrie Nichols Interiors	Munns Interiors
City Graphics	Northwest Productions
Creative Custom Interior Art	Olive Branch Home Decor
Creativity House	Pierpoint Media
Design Aspects	Prestige Impressions
Design Camp	Probert & Design Assoc
Design Works Inc	Scott Graphics
Designwise Inc	Sigma Design
Elaine Hedge Graphic Design	Spilker & Assoc
Fox's Art Gallery	Teresa Bell Interior Design
Gestalt Studio	Thinking Cap Communications
Gina's Design Corner	Top Gun Super Graphics
Graphic Results	Vlahovich Illustration
Horse Feathers Graphics	Wholesale Sign Svc
Interior Development East Ltd	Zpop Graphic Design Works

**Photographic Services**

Air Photo Spokane	Leo's Portraits
Anastasia's Portrait Design	Lifetouch National Schl Studio
Award Winning Photography	Lon E Lauber Photography
Bob Hess Photography	Maximum Exposure Photography
Bob Rice Photography	Memories Photography
Bravo Photography	Mike Rojan Photography
Bruce Andre Photography Inc	Nick Follger-Master Photographer
Classic Image Photography	Northern Exposures Photography
Commercial Photographers Inc	Northwest Images Photography
Conboy Photography	Nuess Photography
Cora's Portrait Studio	Old Joe Clarks
Cunningham Studio	Patrice Tobler Photography
Dean Davis Photography	Pegasus Media Group
Devine Enterprises Unlimited	Percival Photography
Dorian Artistry In Photography	Photographic Designs Inc
Dorian Studio	Photography By Gregory
Dream Catcher Photography	R B Photography
Eaton & Tennefoss Photography	Renaissance Photo
Explosive Illusions Photography	Rick Singer Photography
Film Co	Ruddell Designer Portrait
Fine Art Photography	Ruddell Photography

Green Gables A Photography Std	Sears Portrait Studio
Hamilton Studio	Spokane Photography
Hollywood Hot Shots	Super Color Photo & Digital
Insight Pro Photography	Super Shots Portrait Studio
Isaacson Aerial Photography	Valley Studio
J C Penney Portrait Studio	Van Gundy Photography
Kiddie Kandids	Wal-Mart Portrait Studio
Kimball Photography	Westwood Studio-John Timme
Leo's Photography	

<b>Appendix A.3. Business Firms and Organizations Included in Study: Nonprofits Sample</b>	
<b>Name</b>	<b>Name</b>
<b>Motion Picture &amp; Video</b>	
Fox Theater	
<b>Radio &amp; TV</b>	
Friends of Seven	Spokane Public Radio
<b>Performing Arts Companies</b>	
Ballet Spokane	Spokane Art School
Christian Youth Theater	Spokane Chamber Music Assoc.
Connoisseur Concerts Association	Spokane Children's Theater
Conservatory Ballet Theater	Spokane Civic Theater Endow. Fund
Contemporary Arts Alliance	Spokane Civic Theater Inc
First Night Spokane	Spokane Interplayers Ensemble
Free School of Ballet for Boys & Girls	Spokane Jazz Society
Holy Names Center at Fort Wright	Spokane Theatrical Group
Musicfest Northwest	Spokane Youth Symphony Inc
Spokane Area Children's Chorus	Uptown Opera of Spokane
<b>Performing Arts Promoters</b>	
Allegro Baroque and Beyond Inc	Spokane Symphony Associates
Rawk the Inland Northwest	Spokane Symphony Orch. Endow. Fund
Six Bridges Arts Association	Spokane Symphony Society
Spokane Dixieland Festival	Spokane Symphony Women's Assoc.
Spokane Folklore Society	
<b>Museums &amp; Historical Sites</b>	
Armed Forces & Aerospace Museum Soc.	Eastern Washington State Hist. Soc.
Eastern Washington Genealogical Soc.	Mt. Saint Michael Hist. Presentation Soc.
Eastern Washington Museum Foundation	

<b>Appendix B. NCCS NTEE/NAICS/SIC Crosswalk</b>			
<b>NTEE</b>	<b>NTEE-CC Title</b>	<b>NAICS</b>	<b>SIC</b>
A01	Alliance/Advocacy/Advocacy Organizations	813319	8399
A02	Management & Technical Assistance	541618	8748
A03	Professional Societies, Associations	813920	8621
A05	Research Institutes	541720	8733
A11	Single Organization Support	813219	8399
A12	Fund Raising and/or Fund Distribution	813219	8399
A19	Nonmonetary Support N.E.C.	813219	8399
A20	Arts, Cultural Organizations - Multipurpose	710000	8699
A23	Cultural, Ethnic Awareness	710000	8399
A25	Arts Education	611610	8299
A26	Arts Council/Agency	710000	8699
A30	Media, Communications Organizations	510000	8699
A31	Film, Video	512110	7812
A32	Television	513120	4833
A33	Printing, Publishing	511100	2711,-21,-41
A34	Radio	513110	4832
A40	Visual Arts Organizations	710000	8412
A50	Museum, Museum Activities	712110	8412
A51	Art Museums	712110	8412
A52	Children's Museums	712110	8412
A54	History Museums	712110	8412
A56	Natural History, Natural Science Museums	712110	8412
A57	Science and Technology Museums	712110	8412
A60	Performing Arts Organizations	711100	5812, 8299 7922,-29,-99
A61	Performing Arts Centers	711100	7922,-29,-99
A62	Dance	711120	7922
A63	Ballet	711120	7922
A65	Theater	711110	7922
A68	Music	711130	7929
A69	Symphony Orchestras	711130	7929
A6A	Opera	711130	7929
A6B	Singing, Choral	711130	7929
A6C	Music Groups, Bands, Ensembles	711130	7929
A6E	Performing Arts Schools	611610	8299
A70	Humanities Organizations	710000	8699
A80	Historical Societies, Related Historical Activities	712120	8412
A84	Commemorative Events	712120	8412
A90	Arts Service Organizations and Activities	813219	8399
A99	Arts, Culture, and Humanities N.E.C.	710000	8699