

USC Has Nearly \$5 Billion Economic Impact Spending on Salaries, Goods, and Services Enormous Boon to Region

LOS ANGELES, June 24, 2009 — A new independent economic study on the University of Southern California shows that the university – which is the City of Los Angeles’ largest private sector employer – is also one of California’s major economic engines.

The new report, “Economic Impact Analysis of the University of Southern California Annual Operations,” shows that USC generates \$4.9 billion annually in economic activity in the L.A. region and beyond.

The study, commissioned by the university, reviewed the impact of USC’s operational expenditures during the 2008 Fiscal Year. It includes the impacts of USC’s academic spending; it does not include the direct spending or impacts of USC-affiliated hospitals.

During that period, USC produced about \$2.1 billion dollars in total direct spending: wage and payroll expenditures of \$1 billion, capital projects spending of \$130 million, and various purchasing expenditures of \$430 million. Students spent another \$503 million for goods and services, while visitors to USC spent about \$12 million in the region. For every dollar spent by USC in LA County, an additional 63 cents of output was created elsewhere in the regional economy.

“We are proud to be a leader in higher education and a catalyst for the economy of Los Angeles,” said Steven B. Sample, president, University of Southern California. “Even in this economic downturn, we continue to provide thousands of full- and part-time jobs in a wide range of fields.

“USC also contributes to L.A.’s position as the Capital of the Pacific Rim, as innovators and entrepreneurs, producers of art and culture, and through substantial capital investment that ripples out beyond our city and state to the world.”

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The University of Southern California is globally recognized as one of the America's top research universities with highly sought-after programs in business, medicine, law, cinematic arts, engineering, and communication, among others.

"USC is a vital economic engine for Southern California, and these recent findings show the global, national and local economic impact USC's contributions have on the economy," said the study's author, economist David E. Bergman. He led the study's creation at the firm Economics Research Associates.

Added Jack Kyser, founding economist at the Kyser Center for Economic Research at the Los Angeles County Economic Development Corporation, "USC is better positioned than ever to significantly impact not only the region's economy but the world's as well. The University is a growing economic asset to the city and the region as a whole."

During fiscal 2008, USC directly employed 26,990 persons, and stimulated another 19,100 jobs with its expenditures. The average salary for USC's non-student employees was \$61,000.

"These study results support what we have known and have been saying when it comes to USC being the top economic engine in my district and our city," said LA Councilman Bernard C. Parks, Council Dist. 8. "The contributions USC makes financially, culturally and as a corporate citizen help attract tourists, high-caliber students and the workforce of the future."

"We have construction projects that are generating income and taxes, and creating jobs on campus," said Thomas S. Sayles, USC vice president for government and community relations. "When you combine these with the strides we're making through research aimed at solving a host of urban problems -- from transportation and clean technology to health care -- as well as our nationally renowned community-outreach programs, it's clear that USC is a key player in the vitality of our city."

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